

Example of calculation of the liquidity ratio and the observation ratios

Calculation of the liquidity ratio and the observation ratios	Capital charges			
	Residual maturities of			
	due on demand up to one month	over 1 month up to 3 months	over 3 months up to 6 months	over 6 months up to 12 months
	Maturity band 1	Maturity band 2	Maturity band 3	Maturity band 4
A. Total liquid assets	200	100	80	40
B. Total liabilities	160	180	60	80
C. Mismatches (A - B)	+ 40	- 80	+ 20	- 40
D. Positive mismatches (A > B)	+ 40		+ 20	
E. Mismatches adjusted (A. plus positive mismatches D. of the preceding maturity band)		140 (100 + 40)	80	60 (40 + 20)
F. Liquidity ratio (A / B) (at least equal to 1.0)	1.25			
H. Observation ratios (E / B) (No minimum levels for the observation ratios)		0.78	1.33	0.75