

■ SINGAPORE BANKS' CAPITAL STRENGTH

Key Financial Ratios (%) of Local Banks	DBS	UOB	OCBC
<p>Loans to Deposits Ratio The amount of funds the banks have loaned out to customers over the amount of its deposits. For example, if the loan/deposit ratio is 70 per cent, that means the bank has loaned out 70 cents of every \$1 it has received in deposits.</p>	74.7	89.3	83.3
<p>Tier 1 Capital Adequacy Ratio (CAR) A measure of the core capital strength of banks. MAS requires all Singapore-incorporated banks to keep a 6% Tier 1 CAR.</p>	10.0	11.3	15.0
<p>Total Capital Adequacy Ratio (CAR) A combination of Tier 1 and Tier 2 capital. Tier 2 includes a broader range of instruments, including the undisclosed resources of banks. MAS require banks here to maintain a Total CAR of 10%.</p>	13.8	15.6	16.3
<p>Non-performing Loans Ratio The proportion of loans, disbursed by banks, which are in default or about to be in default. CAR of 10%.</p>	1.4	1.5	1.4

Source: DBS, UOB & OCBC.