BANGLADESH BANK

(Central Bank of Bangladesh)

Head Office

Motijheel, Dhaka-1000

Bangladesh.

Supervisory Data Management and Analytics Department (SDAD)

SDAD Circular Letter No.-11

06 Srabon 1433
Date: --------------------
21 July 2026

Managing Director/Chief Executives
All Scheduled Banks in Bangladesh

Dear Sir,

Implementation of Basel III Liquidity Ratio

Please refer to DOS Circular No. 01, dated 01 January 2015 on Policy for Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) of the Banks in Bangladesh. In compliance with the instructions issued by the above DOS circular, banks are required to maintain LCR and NSFR in line with Basel III. Bangladesh Bank introduced the NSFR in order to promote long-term funding resilience and strengthen the liquidity risk management practices of scheduled banks.

02. With a view to ensuring stability in the domestic money market and managing liquidity in the banking system to facilitate the implementation of monetary policy, Bangladesh Bank has issued revised Guidelines for Open Market Operations (OMOs) through the DMD Circular No. 02, dated 26 February 2026. Under the revised OMO Guidelines, the accounting and reporting treatment of liquidity management operations, particularly Central Bank (CB) Repo and Standing Lending Facility (SLF) have been changed significantly. The transactions of CB Repo, SLF, Islamic Banks Liquidity Facility (IBLF) are required to be recognized as collateralized borrowings instead of outright sale transactions. Consequently, the existing NSFR reporting framework requires appropriate revision to ensure consistency with the revised OMO mechanism.

03. Bangladesh Bank has reviewed the existing NSFR reporting framework in light of the revised OMO Guidelines and the underlying principles of the Basel III Liquidity Framework. As a result of this review, it has been decided to revise certain components of the existing NSFR reporting framework to ensure consistency with the revised accounting treatment of OMO transactions and to enhance the risk sensitivity and effectiveness of NSFR reporting.

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04. Necessary amendments to the existing NSFR Guidance Note are described below:

a) Interbank Repo shall be included in Serial No. 6 of the existing guidance note, namely 'Amount owed to financial institutions'.

b) New component named **'Collateralized Borrowing/Financing from Central Bank'** shall be appeared in serial number 7 with following descriptions:
Central Bank Repo, SLF, IBLF, Assured Repo and similar shall be reported.

The subsequent serial numbers of the existing guidance note shall be renumbered accordingly.

c) Serial Nos. **12** and **13** of the existing guidance note, namely—

12. Cost price of debt securities (excluding those issued by other FIs) with a residual maturity of one year or more; and
13. Cost price of debt securities (excluding those issued by other FIs) with a residual maturity of less than one year;

shall be substituted by the following:

13. **Unencumbered Marketable Government and Central Bank Securities** (Amortized cost value for HTM and Market value for HFT securities):

Securities issued by Government of Bangladesh/Bangladesh Bank.

14. **Encumbered Marketable Government and Central Bank Securities** (Amortized cost value for HTM and Market value for HFT securities):

Securities issued by Government of Bangladesh/Bangladesh Bank.

d) Serial Nos. 21 and 22 of the existing guidance note, namely—

21. Loans to, and deposits in, other financial institutions in Bangladesh; and
22. Loans to, and deposits in, other financial institutions outside Bangladesh;

shall be substituted by the following names:

22. **Loans/Investments to, and deposits in, other Finance Companies in Bangladesh**
23. **Loans/Investments to, and deposits in, Banks and other Financial Institutions outside Bangladesh**.

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05. All scheduled banks are hereby advised to prepare and submit NSFR returns using the revised NSFR Reporting Template enclosed as Annexure-I to this Circular Letter. The revised reporting template shall replace the existing NSFR reporting template with effect from the reporting period ending 30 June 2026, unless otherwise advised by Bangladesh Bank.

06. All other provisions, reporting components, instructions and requirements of the Guidelines on NSFR issued vide DOS Circular No. 01, dated 01 January 2015 shall remain unchanged and continue to remain in force. Any clarification regarding the implementation of this Circular Letter may be obtained from the Supervisory Data Management and Analytics Department (SDAD), Bangladesh Bank.

This Circular Letter is considered to be effective from 30 June 2026.

Sincerely Yours,

(**Md. Abdul Mannan**)
Director (SDAD)
Phone: 9530093

Annexure-I

Statement Regarding Funding Position

Name of Bank			
Month		**Year**	

(In thousand Tk.)

	Component	Amount
1	**Regulatory Capital (consolidated)**	
2	**Customer Deposit (excluding Financial Institutions):**	
a	Current (including 10% of savings)	
b	Savings (90%)	
c	Fixed (1 month or less)	
d	Fixed (more than 1 month to less than 1 year)	
3	**Deposit from financial institutions:**	
a	Current	
b	Fixed (1 month or less)	
c	Fixed (more than 1 month to less than 1 year)	
4	**Liabilities with a remaining maturity of one year or more (excluding those mentioned in 2, 3,5, 6 and 7)**	
5	**All other monetary liabilities (excluding those mentioned in 2,3,4, 6 and 7)**	
6	**Amount owed to financial institutions**	
7	**Collateralized borrowing/Financing from Central Bank (Central Bank repo, SLF, IBLF, Assured Repo and similar)**	
a	Residual maturity of less than six months	
b	Residual maturity between six months and less than one year	
c	Residual maturity of one year or more	
8	**Residential Mortgages, regardless of maturity, those qualify for the 50% RW under Basel II Standardized Approach**	
9	**Loans to non-financial client other than natural persons or small businesses with a residual maturity of less than a year**	
10	**Other Loans to non-financial clients with remaining maturity of one year or more, those qualify for the 50% RW under Basel II Standardized Approach**	
11	**Loans to natural persons or small businesses with a residual maturity of less than a year**	
12	**All loans (excluding those mentioned from 8 to 11 and 22 to 23) with a residual maturity of one year or more**	
13	**Unencumbered Marketable Government and Central Bank securities (Amortized cost value for HTM and Market value for HFT securities)**	
a	Securities with residual maturity of less than six months	
b	Securities with residual maturity between six months and less than one year	
c	Securities with residual maturity of one year or more	
14	**Encumbered Marketable Government and Central Bank Securities (Amortized cost value for HTM and Market value for HFT securities)**	
a	Remaining encumbrance period less than six months	
b	Remaining encumbrance period between six months and less than one year	
c	Remaining encumbrance period one year or more	
15	**Undrawn portion of lines of credit (continuous loans)**	
16	**Undrawn portion of lines of credit (Term loans)**	
17	**Amounts outstanding of commercial letters of credit**	
18	**Amounts outstanding of guarantees, standby letters of credit, performance bonds, bid bonds, acceptance and similar instruments.**	
19	**Debt securities, regardless of maturity, issued by other financial institutions/Corporate or individual Institutions (cost price)**	
20	**Fixed assets (Cost Price)**	
21	**Other Investments:**	
a	Non traded equity securities (cost price)	
b	Mutual Fund Unit (cost price)	
c	Capital provided to own subsidiaries	
d	Publicly-traded equity securities (cost price)	
22	**Loans/Investments to, and deposits in, other Finance Companies in Bangladesh**	
a	Loans/Investments	
b	Deposits/Placement	
23	**Loans/Investments to, and deposits in, Banks and other Financial Institutions outside Bangladesh**	
a	Loans/Investments	
b	Deposits/Placement	
24	**Claims on Bangladesh Bank**	
25	**Cash in hand (Lcy+Fcy)**	
26	**All other assets not mentioned above**	

Available Stable Funding (ASF)	-
Required Stable Funding (RSF)	-
Net Stable Funding Ratio (NSFR)	**#DIV/0!**