

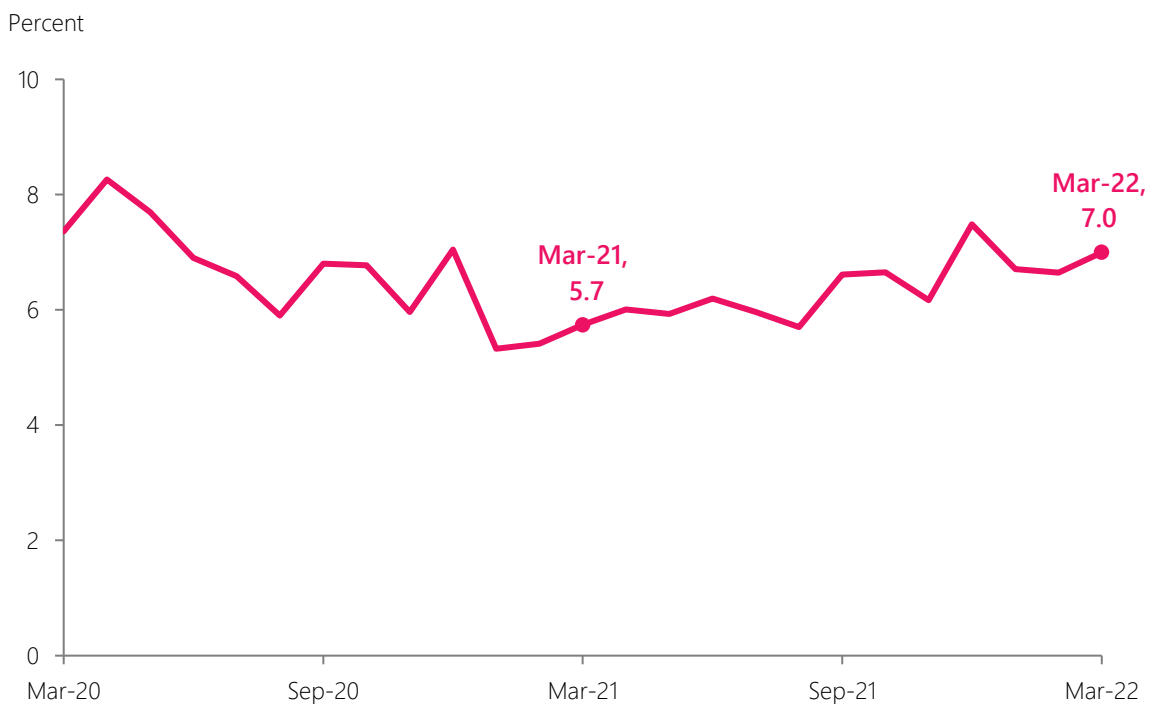
6 May 2022

## Liquidity summary

### Key points for March 2022

- The aggregate one-week mismatch ratio rose from 6.6 percent at the end of February to 7.0 percent at the end of March.
- The aggregate one-month mismatch ratio rose from 6.4 percent at the end of February to 6.9 percent at the end of March.
- The system-wide core funding ratio<sup>1</sup> (CFR) increased from 88.8 percent at the end of February to 89.5 percent at the end of March. This is the highest aggregate core funding ratio on record since the data collection began in April 2010.
- Total loans and advances<sup>2</sup> increased from \$499.0 billion at the end of February to \$501.8 billion at the end of March. Core funding value continues to increase rising from \$443.2 billion in February to \$449.3 billion in March.
- Banks are required to hold a sufficient stock of liquid assets to be able to fill the projected 'mismatch' between cash inflows and outflows over the next week and month (refer to Liquidity policy [page](#) on our website).

Figure 1: One-week mismatch ratio



<sup>1</sup> The Reserve Bank of New Zealand – Te Pūtea Matua reduced banks' minimum core funding ratio (CFR) requirement from 75% to 50%, effective from 2 April 2020. The minimum CFR requirement returned to 75% on 1 January 2022.

<sup>2</sup> Total (Net) Loans and Advances for the month that is two months prior to the BS13 reporting month.

Figure 2: One-month mismatch ratio

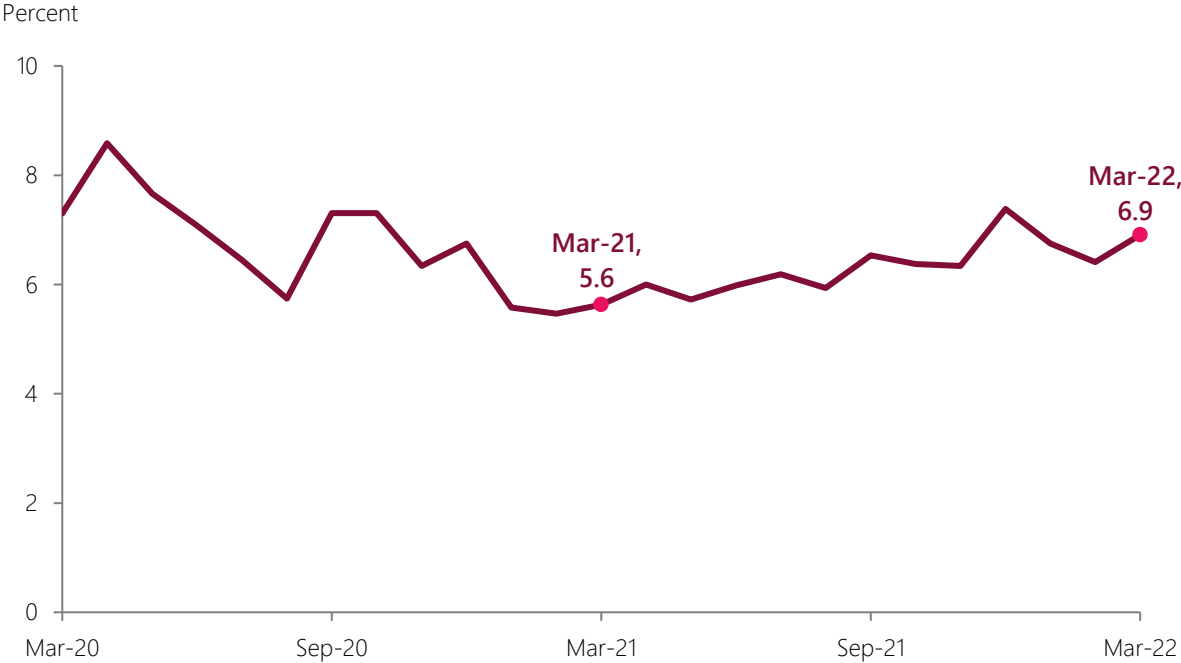


Figure 3: Core funding ratio

