

## Consumer Guide on Reference Rate

### What is the Base Rate (BR)?

The Base Rate (BR) we offer for retail floating rate loans/financing is made up of two parts, our benchmark Cost of Funds (COF) and the Statutory Reserve Requirement (SRR) cost imposed by Bank Negara Malaysia.

### What is the Standardised Base Rate (SBR)?

According to the Revised Reference Rate Framework issued by BNM in August 2021, all Banks shall use the SBR as the reference rate for the pricing of all retail loans/financing facilities with floating rate beginning 1 August 2022. SBR applies to both Conventional loans and Islamic financing. The SBR is set to the Overnight Policy Rate (OPR) as determined by the Monetary Policy Committee of Bank Negara Malaysia (BNM).

### What are possible scenarios to trigger a change in the BR/SBR?

The BR/SBR can rise or fall due to changes in monetary policy such as the Overnight Policy Rate (OPR) as decided by the Monetary Policy Committee of Bank Negara Malaysia, as well as other factors such as changes in funding conditions.

### Historical benchmark:

