

## **Notice on Standardised Base Rate**

Effective 1<sup>st</sup> August 2022, Alliance Bank Malaysia Berhad and Alliance Islamic Bank Berhad (“collectively referred to as **the Group**”) will be using Standardised Base Rate as the reference rate for determination of pricing for all applications (conventional and Islamic) of retail overdraft (including conventional share margin financing and portfolio financing), mortgage and term loan/financing products.

The Group’s Standardised Base Rate effective 9 November 2022 is 2.75%.

### **1. What is the Standardised Base Rate (“SBR”)**

- SBR is in accordance to the new reference rate framework introduced by Bank Negara Malaysia and it replaces the Base Rate as the pricing for retail financing effective 1<sup>st</sup> August 2022. SBR is currently set as the Overnight Policy Rate (“OPR”), which reflects the monetary policy stance as decided by the Monetary Policy Committee of Bank Negara Malaysia.

### **2. What are possible scenarios to trigger a change in the SBR?**

- The SBR can rise or fall due to changes in the benchmark rate, i.e. changes in OPR.

Below is the historical trend of the Bank’s Standardised Base Rate:



Note: The SBR was introduced on 1 August 2022. The dotted line in the graph shows the historical series of the OPR, which is the benchmark rate of the SBR.