



**Base Rate (BR) / Base Lending Rate (BLR) / Base Financing Rate (BFR)**  
**Public Frequently Asked Questions**

13 September 2022

**1. What is the difference between BR and BLR/BFR?**

BLR/BFR was set by Bank Negara Malaysia (BNM) based on how much it costs to lend money/provide liquidity to other financial institutions. Whereas BR, which came into effect on 2 January 2015, is determined by the Banks' benchmark cost of funds and Statutory Reserve Requirement (SRR). Other components of loan/financing pricing such as borrower/customer credit risk, liquidity risk premium, operating costs and profit margin are reflected in a spread in the BR framework.

Example of comparison between BLR/BFR and Base Rate:

Loan/Financing amount: RM350,000

Tenure: 30 years

	<b>BLR/BFR</b>	<b>BR</b>
Reference rate	BLR/BFR as at 13 September 2022 : 6.35%	Base Rate as at 13 September 2022 : 3.50%
Interest/profit rate (p.a.)	BLR/BFR – 2.10%	BR + 0.75%
Effective interest/profit rate (p.a.)	4.25% (6.35% - 2.10%)	4.25% (3.50% + 0.75%)
Monthly instalment	RM1,722.00	RM1,722.00

**2. Which loans/ financing will the revised BR and BLR/ BFR be applicable to?**

It is applicable to **all new and existing customer loan/ financing types** (i.e. Property Financing, ASB Financing, Term Financing-i Secured by ASB Certificate (TF-i ASB), Auto Financing, Overdraft/Cashline) with Interest/ Profit Rates pegged to BR/ BLR/ BFR which includes both Conventional loan and Islamic financing.

**3. Is the BR/BLR/BFR applicable to refinancing and top-up of existing facility?**

Yes, it is.

**4. Is there any difference in BR between Conventional and Islamic retail loans/financing?**

It is the same for both Conventional and Islamic retail loan/financing.

**5. How will the bank communicate to customers regarding the revised BR and BLR/ BFR?**

CIMB is adopting a multichannel approach to communicate the revised BR and BLR/BFR (effective 13 Sept 2022) through:

- i. **Media release on 09092022**
- ii. **Notice at our Branches, AFCs (Auto Finance Centers) etc. and on our digital channels, i.e. Clicks Important Notice, CIMB website, etc.**
- iii. **Letters of Notification to customers with Instalment Change:** Notice(s) will be mailed to customers' correspondence address as per the Bank's record.

**6. How will the revision of BR/BLR/BFR affect my instalment amount?**

Your monthly loan/financing instalment will be revised appropriately to reflect the revision of BR/BLR/BFR.

**7. When will the revised monthly instalments be effective for retail loans/financing?**

The revised monthly instalments for retail loans/financing will be effective in November 2022.



For Auto Financing, the revised instalment amount payable will be effective in either October or November 2022, depending on the due date.

**8. Will the Bank be revising the monthly instalment amount even though the difference is a small amount?**

Yes, the Bank will revise the instalment amount regardless of the difference.

**9. What should I do if monthly instalment amount is made via auto debit/ standing instruction?**

i. **For auto-debit loan/ financing payment from your Current/ Savings account:** It will be updated as per the option selected unless notified by the Bank.

ii. **For Standing Instructions which have been arranged with CIMB or another banking institution:** If there are any standing instructions with CIMB or other banks, you will need to update your standing instructions accordingly with your respective Bank.

**10. How do I calculate the revised instalment amount when there is revision of BR?**

You may use our loan/financing calculator to calculate your revised instalment amount at [www.cimb.com.my/en/personal/day-to-day-banking/tools](http://www.cimb.com.my/en/personal/day-to-day-banking/tools).

**11. Can I maintain my existing instalment payment amount?**

Yes, you can maintain your existing instalment payment amount (refer to Q12 below). Please note that maintaining your existing instalment amount will lead to a longer loan/financing tenure and you may be required to pay a higher final payment amount at maturity to cover the difference. It is likely to also result in a higher cost of financing for you.

By opting for this, your financing/borrowing account will be under our payment assistance programme also known as Reschedule and Restructuring.

**12. How do I request to maintain my existing instalment amount?**

You may request to maintain your instalment amount either via Consumer Contact Centre (applicable to individual account only) or walk-in to the nearest Branch.

**13. I have enrolled for the Moratorium, such as Flood Relief Assistance, or URUS Assistance Scheme and due to the recent BR/BLR/BFR revision, will the revised instalment amount take effect?**

There is no change to your instalment payment until the programme ends. When the programme ends, the Bank will send a notification on the new monthly instalment amount.

**14. If I need further clarification on the revised BR/ BLR/ BFR, who can I speak to?**

You may reach out to:

- Our Consumer Contact Centre at 03-6204 7788.
- Visit your nearest CIMB Branch.
- For our CIMB Preferred customers, you may call 1300 885 300 or reach out to your Relationship Manager.
- For our Corporate customers, you may call our Business Contact Centre at 1300 888 828 or reach out to your Relationship Manager (if any).