



CIRCULAR BM 915

5 June, 2001

To:

All Licensed Banks operating in the  
Sultanate of Oman

After Compliments,

**Sub: Participation of Alliance Housing Bank  
and Industrial Bank of Oman in the Inter-bank Market**

1. Attention is invited to Circular BM 911 dated April 1, 2001 on the above mentioned subject.
2. In response to enquiries received by some banks, it is stated as under:
  - i) Commercial banks, on the one hand, and Alliance Housing Bank and Industrial Bank of Oman, on the other shall treat placement (between them) of not more than three months as inter-bank. All other transactions viz., roll-overs of the placements for less than three months, placements of more than three months and loan (irrespective of the period lent) shall be treated as deposit based and lending by the respective counter parties.
  - ii) Reporting in RDs shall follow the above ruling. Commercial banks shall report placements of not more than three months with Alliance Housing Bank and Industrial Bank of Oman against



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item 4.1 of RD1, and other dues by way of other placements and all loans against item 7.5. They shall report dues to AHB and IBO, by way of placements of not more than three months, against 9.1 of RD2 and other dues against appropriate deposit columns. AHB and IBO shall make similar changes in their monthly reportings of assets and liabilities to the above effect.

3. Banks shall avail of the scope of inter-bank transactions permitted, as above, prudently.
4. The Central Bank of Oman does not envisage any transactions of above nature between specialised banks and licensed non-bank finance companies. There shall be no change in the existing treatment between commercial banks, on the one hand, and other specialised banks and licensed non-bank finance companies, on the other.
5. Please arrange accordingly and refer for any clarifications required.

Best regards,

**Hamood Sangour Al-Zadjali**  
**The Executive President**