



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

Information Note

Pilot Flexibility on Interest Rate Swap (IRS)

Bank Negara Malaysia (BNM), in consultation with the Financial Markets Committee (FMC) members, has continuously introduced a series of market initiatives in recent years to promote deep and vibrant financial markets while preserving an orderly market environment. In this regard, BNM is currently conducting a pilot flexibility where non-resident financial institutions (NRFI) may enter into ringgit-denominated IRS (RM IRS) contracts without firm commitment directly with selected licensed onshore banks (LOBs) or via their Appointed Overseas Offices (AOOs). The pilot flexibility, which is effective from 2 November 2020, is intended to provide better access for non-resident banks into the onshore financial markets.

Bank Negara Malaysia
2 November 2020