

## CALENDAR OF EVENTS

### October – December 2011

#### 6 Oct 2011

The Labuan Financial Services Authority (Labuan FSA) announced the appointment of Encik Ahmad Hizzad bin Baharuddin as its new Director-General for a three year term effective 3 October 2011. Encik Ahmad Hizzad assumes the position following the retirement of Datuk Azizan Abdul Rahman in September 2011. Prior to this appointment, he was the Director of Bank Negara Malaysia's Islamic Banking and Takaful Department. Encik Ahmad Hizzad who has been with the central bank since 1986 had also served the former Labuan Offshore Financial Services Authority as a Director from 1996 to 1999.

#### 13 - 15 Oct 2011

The Bank hosted the inaugural SEACEN-CEMLA Conference on "The Implementation of Monetary Policy: Lessons from the Crisis and Challenges for Coming Years" at Sasana Kijang from 13 to 15 October 2011. The South East Asian Central Banks Research and Training Centre (The SEACEN Centre) and the Center of Latin American Monetary Studies (CEMLA) collaborated in organising the Conference. The Conference provided a unique opportunity for the sharing of experiences of central banks from the Asian and Latin-American regions, on the lessons learned from monetary policy responses to the recent global financial crisis, as well as identifying the challenges ahead in the formulation and implementation of monetary policy. It also enabled active cross-regional networking and collaboration among central bankers from both regions.

#### 11 Nov 2011

At its final meeting for 2011, the Bank's Monetary Policy Committee (MPC) decided to maintain the Overnight Policy Rate at 3.00%. In its assessment, the MPC stated that the global economic outlook is expected to be weaker and international financial market conditions will remain highly uncertain and volatile, going forward. While the domestic economy is expected to expand, these external developments could affect the overall growth prospects of the Malaysian economy. The MPC will continue to monitor these developments and assess the risks to the outlook for domestic growth and inflation. The committee also approved the schedule of MPC meetings for 2012.

#### 15 Nov 2011

In her keynote address at the Islamic Financial Intelligence Summit 2011 entitled "The New Islamic Finance Landscape", Governor Dr. Zeti said that the Islamic financial system has evolved to become more diversified and comprehensive to meet the changing requirements of the real economy. She noted that the Islamic finance international connectivity has also increased following the increased pace of internationalisation of Islamic finance. In addition, Governor also highlighted that significant changes in regulatory environment have contributed towards achieving financial stability in the Islamic financial system.

### 18 Nov 2011

The Bank announced that the Malaysian economy registered a growth of 5.8% in the third quarter of 2011, driven by strong domestic demand. The robust domestic demand was driven by an expansion of both the household and business spending as well as higher public sector expenditure. On the supply side, most economic sectors recorded improvements in growth with the services sector supported mainly by domestic driven activity and growth in manufacturing sector, reflecting improvements in supply chain and robust performance of domestic-oriented industries.

On the same day, the Bank also issued guidelines to financial institutions aimed at promoting prudent, responsible and transparent retail financing practices. Under these guidelines, financial institutions are required to make assessments of a borrower's ability to afford financing facilities based on a prudent debt service ratio as inputs to their credit decisions. In addition, the guidelines are also aimed to encourage sound borrowing decisions by consumers through better engagements with financial institutions that will help consumers carefully consider their ability to service all their debt obligations without recourse to further debt or substantial hardship.

In addition, the Bank also announced that the list of eligible collateral that financial institutions can pledge to obtain ringgit liquidity from the Bank will be expanded to include foreign currency denominated securities. The Bank will also be embarking on an initiative to establish reciprocal bilateral operational arrangements with other central banks to enable Malaysian financial institutions operating in foreign countries to obtain liquidity from the foreign central banks by pledging Ringgit denominated securities and vice versa.

### 24 Nov 2011

The Bank issued three types of commemorative coins to commemorate the 50th Anniversary of World Wide Fund for Nature (WWF). The commemorative coins were launched by the Sultan of Perak Darul Ridzuan, DYMM Paduka Seri Sultan Azlan Muhibbuddin Shah, at Sasana Kijang. The coins were issued as Gold Proof, Silver Proof and Nordic Gold Brilliant Uncirculated.

### 28 Nov 2011

The Bank signed a Memorandum of Understanding with the Monetary Authority of Singapore to establish a cross-border collateral arrangement aimed at enhancing liquidity facilities to financial institutions in both countries. This arrangement will facilitate more effective liquidity management by financial institutions in both countries and will reinforce greater regional orientation of the financial institutions which in turn will support the economic potential of the two economies.

### 1 Dec 2011

The Bank announced that the new Money Services Business Act 2011 came into force on 1 December 2011. With that, the Money-Changing Act 1998 was repealed. The new Act supports the development of a more dynamic, competitive and professional money services business industry while strengthening safeguards against money laundering, terrorist financing and illegal activities. In addition, the Act provides a single, uniform regulatory framework for licensees carrying on money changing, remittance and wholesale currency businesses which are currently governed under three separate laws, namely the Money Changing Act 1998, the Payments Systems Act 2003 and the Exchange Control Act 1953.

### 9 Dec 2011

The Bank launched its mobile customer service initiative named MobileLINK to enable greater access and opportunity for public to interface with the Bank. This is a part of the Bank's efforts in promoting financial inclusion by extending the outreach to a wider community. MobileLINK provides advisory services on banking, insurance & takaful, Small and Medium Enterprises (SMEs) financing related matters, information on personal credit through Central Credit Reference Information System (CCRIS) as well as advisory services on other financial related matters under the Bank's purview. The services will be extended to semi-urban and rural areas throughout Malaysia starting with Mersing, Johor on 17 December 2011.

### 16 Dec 2011

A bilateral meeting with Bank Indonesia was held in Jakarta, Indonesia to discuss key areas of cooperation namely on management of capital flows, promoting bilateral trade, cross-border banking supervision and capacity building in Islamic finance. In the meeting, both central bank Governors articulated the importance of pursuing greater regional financial integration, with recognition given to the role of Malaysian and Indonesian banks operating in each others' jurisdiction in achieving regional financial integration to support the already advanced stage of economic integration in the region. In addition, both Governors also discussed and expressed their commitment to collaborate in building a regional safety net arrangement via an eventual execution of a cross border collateral arrangement between the two central banks.

### 21 Dec 2011

The Bank released the new Financial Sector Blueprint and introduced Malaysia's new currency series at a launch ceremony officiated by the Prime Minister. The Blueprint charts the future direction of the Malaysian financial system over the next ten years. In her speech, Governor said that the Blueprint provides the vision and direction to secure a financial system that will firmly support and drive Malaysia's long-term growth potential and aspirations. Themed "Strengthening Our Future", the Blueprint adopts an integrated approach where recommendations are based on shared outcomes applicable to various sub-sectors within the financial sector. The Blueprint also envisions greater participation by the Malaysian financial sector in facilitating regional financial flows, especially in supporting regional trade and investment, regional financial integration, as well as the internationalisation of Islamic finance.

The new currency series (banknotes and coins) themed 'Distinctively Malaysia', draws its inspiration from the distinctive features of Malaysia, incorporating elements of the country's natural treasures, culture and heritage. The banknotes issued are in the denominations of RM1, RM5, RM10, RM20 and RM100 and will be available for circulation in the second half of 2012 (The RM50 denomination banknote for the new currency series is already in circulation). The new series of banknotes also incorporates enhanced security features, in line with the latest advancements in banknote technology. The coins for this series, with denominations of 5 sen, 10 sen, 20 sen and 50 sen, will be in circulation in January 2012.