

## CALENDAR OF EVENTS July – September 2010

### 7 Oct 2010

The Bank and Bank of Mauritius signed a Memorandum of Understanding (MoU) to establish a collaborative framework aimed at enhancing mutual co-operation on capacity building and human capital development in the financial services industry, including in the area of Islamic financial services sector. In recognition of the growth potential of Islamic finance and Malaysia's leading role as the centre for Islamic finance, the MoU will pave the way for both countries to strengthen co-operation in the development of talent, expertise, business linkages and infrastructure support in Islamic finance.

On another occasion on 10 October 2010, the Bank and Banque de France signed an MoU to promote greater cooperation in the area of financial services. The signing also reflected the commitment of both parties to cooperate towards the advancement of the Islamic finance industry in the respective countries. The MoU aimed to foster long-term strategic developments in conventional and Islamic finance between France and Malaysia, focussing on three key areas; namely, capacity building and talent development; strengthening financial market infrastructure; and enhancing cross-border financial activities.

### 8 Oct 2010

In her luncheon address at the 2010 Institute of International Finance (IIF) Annual Membership Meeting in Washington D.C., Governor Dr. Zeti said that generating growth and a long lasting recovery was the primary priority for the global economy in the aftermath of the recent crisis. She noted that while economic stimulus is vital for crisis containment, it will not be sufficient to produce a self-sustaining recovery. The challenge then is essentially that of economic restructuring and transformation, reform and rebuilding of the institutional capacity to remain effective in the new environment and be well positioned to manage future shocks. Governor also highlighted the potential for emerging Asia to rise to these challenges in the new global economic and financial environment.

### 10 Oct 2010

In her luncheon address at the IMF-World Bank Annual Meetings in Washington D.C., Governor highlighted the importance of Islamic finance in strengthening financial linkages as evident with the emergence of sukuk as an attractive new asset class for investors and a competitive form of financing for business. She added that the sukuk market, being the most vibrant segment in Islamic finance, has evolved into a truly international market, generating significant cross-border flows as funds are raised from beyond domestic financial markets. Governor also reiterated that Islamic finance can be leveraged upon to foster greater financial flows across borders to contribute towards the agenda of enhancing a mutually reinforcing growth and to achieve global aspiration of a self-sustaining, balanced and long lasting economic progress and development.

### 22 Oct 2010

The Bank as the Malaysia International Islamic Finance Centre (MIFC) Secretariat announced the successful closing of an Emas U.S. dollar sukuk issuance by the Islamic Development Bank, the first U.S. dollar sukuk issuance by a multilateral development institution in Malaysia. The sukuk issuance followed a series of foreign currency Emas Islamic financing instruments issued under the MIFC initiative and reflected Malaysia's evolution into a multi-currency platform for sukuk issuances.

## 25 Oct 2010

The Bank hosted the Global Islamic Finance Forum (GIFF) 2010 with the theme “Islamic Finance: Opportunities for Tomorrow”. The event was held in Kuala Lumpur from 25th to 28th October 2010. A key international event in the calendar of Islamic finance, the GIFF 2010 brought together regulators, scholars and financial industry players to discuss and exchange insights on the growth potential and opportunities in the internationalisation of Islamic finance. On the same day, eleven central banks and two multilateral organisations signed the Articles of Agreement for the establishment of the International Islamic Liquidity Management Corporation (IILM), an initiative aimed to assist institutions offering Islamic financial services in addressing their liquidity management in an efficient and effective manner. The IILM will issue high quality Shariah-compliant financial instruments at both the national level and across borders, thereby facilitating liquidity management in the Islamic financial systems. The signatories of the IILM Articles of Agreement are Governors and their representatives from the central banks or monetary agencies of Indonesia, Iran, Luxembourg, Malaysia, Mauritius, Nigeria, Qatar, Saudi Arabia, Sudan, Turkey and the United Arab Emirates. The Islamic Development Bank and the Islamic Corporation for the Development of the Private Sector are the multilateral organisations participating in the initiative. Subsequently on 13 December, the IILM has appointed Governor Dr. Zeti as the first Chairperson of its Governing Board.

## 26 Oct 2010

In conjunction with GIFF 2010, the Bank announced that the Royal Award for Islamic Finance has been awarded to Shaikh Saleh Abdullah Kamel for his visionary drive, extraordinary leadership and personal commitment in spurring the global accessibility of Islamic finance. Spearheaded by the Malaysia International Islamic Financial Centre (MIFC) initiative, the award is regarded as a global benchmark in identifying exceptional individuals who have inspired the development of Islamic finance worldwide. The award focuses on the individuals’ record of achievement and outstanding contribution towards the development and advancement of Islamic finance globally.

On the same day the Bank also announced the release of Shariah Resolutions in Islamic Finance (Second Edition) book, a compilation of all Shariah resolutions made by the Bank’s Shariah Advisory Council between 1997 and 2009. It is a continuation of the Bank’s efforts to deepen the understanding on Shariah interpretations and increasing the transparency level on juristic reasoning for the rulings in Islamic finance, and thus, increasing the appreciation and acceptance of Shariah decisions.

## 2 Nov 2010

The Bank announced the new members of the Shariah Advisory Council (SAC) for a period of three years, effective 1 November 2010. The SAC is the highest authority in the determination of Shariah in Islamic finance and it plays a pivotal role in ensuring the sanctity of Shariah rulings referred by Islamic financial institutions as well as the court and arbitrator. The SAC consists of qualified Shariah scholars, jurists and market practitioners who have vast experience in banking, finance, economics, laws and application of Shariah, particularly in the areas of Islamic economics and finance.

### 3 Nov 2010

The Bank announced the implementation of a maximum loan-to-value (LTV) ratio of 70%, applicable to the third house financing facility taken out by a borrower, with immediate effect. Financing for purchase of the first and second homes are not affected and borrowers will continue to be able to obtain financing at the existing prevailing LTV level applied by banks based on their internal credit policies. The measure aims to support a stable and sustainable property market, and promote the continued affordability of homes for the general public.

On the same day the Bank also announced the introduction of the Financial Capability Programme as part of the Bank's continuous efforts to raise the level of financial literacy and to promote sound financial and debt management by Malaysians. The Programme will be offered by Agensi Kaunseling dan Pengurusan Kredit (AKPK) through its establishments nationwide and will equip individuals with important knowledge for responsible financial decisions by gaining practical understanding and skills in money and debt management.

### 10 Nov 2010

In her speech at the World Congress of Accountants (WCOA) in Kuala Lumpur, Governor said that the internationalisation of Islamic finance offers potential for it to become a further means by which cross border financial flows are intermediated between economies worldwide. She added that Islamic finance, as an increasingly important component of the international financial system, can be leveraged upon to facilitate surplus funds to be intermediated to economies that present new opportunities.

### 12 Nov 2010

At its final meeting for 2010, the Bank's Monetary Policy Committee (MPC) decided to maintain the Overnight Policy Rate (OPR) at 2.75%. The MPC considered the current level of OPR as appropriate and consistent with its latest assessment of economic growth and inflation prospects. The stance of monetary policy continued to remain accommodative and supportive of economic growth. The committee also approved the schedule of MPC meetings for 2011.

### 15 Nov 2010

The Bank announced the appointment of Puan Nor Shamsiah Mohd Yunus as Deputy Governor for a three year tenure effective 16 November 2010. Deputy Governor Puan Nor Shamsiah joined the Bank in 1987 and has extensive experience in the development of prudential regulation, legislation, policies and guidelines for the financial sector. Prior to this appointment, she was the Assistant Governor responsible for the supervision of financial institutions under the purview of the Bank as well as overseeing the Bank's Risk Management Department.

### 18 Nov 2010

In her speech at the Svein Gjedrem Colloquium – "Role of Central Banks in Emerging Economies" – in Oslo, Norway, Governor highlighted that Central Banks have a critical role in crisis containment and management, in particular, to provide liquidity, to restore the efficient functioning of financial markets, to lead resolution programmes and to restore confidence to the financial system. She said as Central Banks move forward into the future of great uncertainty, the challenge of the new environment demanded new institutional capability for them to remain effective in delivering their mandates.

## 22 Nov 2010

The Bank announced that the Malaysian economy registered a growth of 5.3% in the third quarter of 2010, driven by domestic demand amid slowing external demand. The expansion in domestic demand was supported by private sector spending while the slowdown in the global economy has led to the moderation in external demand. On the supply side, all major economic sectors, except mining, continued to expand during the quarter at a more moderate pace.

## 21 Dec 2010

Governor Dr. Zeti was honoured with the 'Lifetime Achievement Award' at the Annual Islamic Business & Finance Awards held in Dubai. The Islamic Business and Finance Awards is considered one of the most prominent events in the finance industry throughout the Gulf region. The annual ceremony is designed to highlight, encourage and reward the exceptional performance and growth of Islamic business and the finance community. The awards are also widely considered a benchmark of excellence in the industry.