CALENDAR OF EVENTS
October – December 2013

7 October 2013

The Law Harmonisation Committee released its Law Harmonisation Committee Report 2013 which focuses on initiatives to overcome impediments for efficient conduct of Islamic finance, which may still exist within certain laws. Among others, the Committee recommended the usage of innovative and more globally accepted Shariah-compliant product structures for the Islamic money market through appropriate modifications in the Companies Act 1965 that would enable a more efficient conduct of collateralised commodity murabahah transactions.

10 October

The Bank signed a MoU with the Central Bank of the United Arab Emirates at the sidelines of the International Monetary Fund/World Bank Annual Meetings in Washington D.C. The MoU provides the framework to further strengthen bilateral cooperation with the Central Bank of the United Arab Emirates for the development of enhanced financial services linkages between the two countries, including in the area of Islamic finance, to support and facilitate greater financial and economic ties between Malaysia and the UAE.

20 October

In her Opening Remarks at the SEACEN 30th Anniversary Conference, themed "Greater Financial Integration and Financial Stability", Governor Dr Zeti highlighted that the SEACEN and Asian economies have seen significant structural adjustments and wide ranging financial reforms in this decade. There have been increased intra-regional trade and investment activities. Further, the progressive liberalization of domestic financial sectors have supported the region, amidst global financial markets turbulence, with better intermediation of volatile financial flows and stronger financial buffers of financial institutions. She added that significant strides have also been made in strengthening consumer protection frameworks, promoting financial inclusion, and enhancing market discipline.

At the conference, Governor Dr Zeti also launched the SEACEN Financial Stability Journal. She pointed out that in a world where financial stability management is highly complex and continuously evolving, the Journal will serve to contribute ideas, perspectives and insights and thus generate intellectual dialogue and discourse on financial stability issues.
On the same day, the Bank and the Bank of Korea jointly announced the establishment of a bilateral local currency swap arrangement of up to KRW 5 trillion or MYR 15 billion for firms from both countries to have greater flexibility to use local currency for settlement of their bilateral trade and investment activities. The effective period of the arrangement is three years, and could be extended by mutual agreement between the central banks.

21 October

In her Opening Remarks at the 3rd SEACEN-CEMLA Conference Dinner on "New Paradigm in Central Banking", Governor Dr. Zeti highlighted that the global economic environment has become more integrated with increasing attention placed on the role of central banks in such an environment. She added that SEACEN-CEMLA central banks can enhance their potential role in the overall global economic growth process through policies that deliver sustainable growth. Beyond macroeconomic management and promoting financial stability, the central banks can contribute meaningfully to increase economic potential through financial sector development and facilitating the financial inclusion agenda. She also emphasised the importance of finding ways to advance and deepen mutual learning from each other's experiences.

7 November

The Bank decided to maintain the Overnight Policy Rate (OPR) at 3% at its sixth Monetary Policy Committee (MPC) meeting for the year. The MPC's assessment was that the global economy continues to improve at a moderate pace but with considerable downside risks. It added the Malaysian economic growth was supported by improvement in exports and that private consumption and investment continued to sustain domestic demand amidst a slower pace in public sector spending. The Committee will continue to carefully assess the global and domestic economic and financial developments and their implications on the overall outlook for inflation and growth of the Malaysian economy. The committee also approved the schedule of MPC meetings for 2014.

8 November

The Bank announced the members of the Shariah Advisory Council (SAC) for a new term of three years, effective 1 November 2013. As the highest authority in the determination of Shariah in Islamic finance, the SAC has 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 prominent qualified individuals among Shariah scholars, jurists and market practitioners, who have vast experience in banking, finance, economics, law and application of Shariah, particularly in the areas of Islamic economics and finance.

12 November

The Bank announced the reappointment of Datuk Nor Shamsiah Mohd Yunus as Deputy Governor for a term of three years from 16 November 2013. Datuk Nor Shamsiah has held the position of Deputy Governor since 16 November 2010. Deputy Governor Datuk Nor Shamsiah will continue to oversee banking, insurance and Takaful supervision, financial intelligence and enforcement, talent management, finance and centralised shared services as well as Bank Negara Malaysia's Regional Offices and BNMLINK.

15 November

At the Third Quarter 2013 GDP press conference, the Bank announced that the Malaysian economy recorded stronger growth of 5.0%. Domestic demand remained the key driver of growth, expanding by 8.3% while exports turned around to grow by 1.7%. On the supply side, growth in most economic sectors improved in the third quarter. The headline inflation rate was higher at 2.2% in the third quarter, attributed mainly to higher inflation in the transport and food and non-alcoholic beverages categories.

The Bank also emphasised that the domestic financial system remained resilient throughout the third quarter, despite the increased volatility in global and domestic financial markets. Domestic financial intermediation continued to be well-supported by sound financial institutions, orderly financial market conditions and sustained confidence in the financial system.
Moving forward, the economy is expected to remain on its steady growth trajectory, supported by the gradual recovery in the external sector as well as private demand remaining supportive amidst the continued consolidation of the public sector.

18 November

Dato' Sri Mustapa Mohamed, Minister of International Trade and Industry Malaysia officially opened the Bank's third representative office in Beijing complementing its offices in London and New York. Also present at the ceremony was Governor Dr Zeti and Dr Zhou Xiaochuan, Governor of People's Bank of China.

In her opening remarks, Governor Dr. Zeti highlighted that the Beijing representative office is the Bank's first presence in Asia (outside of Malaysia) which reflects the growing importance of China in the global economy and the international financial system as well as the significant and longstanding financial and economic linkages between Malaysia and China. The office will also serve as a key point for the Chinese financial community to engage Malaysia and understand the opportunities available in our countries.

At the same event, the Bank also announced further measures to promote bilateral trade and investment, namely introducing the Renminbi Liquidity Facility to licensed onshore banks to facilitate more effective renminbi liquidity management by financial institutions in Malaysia; permitting eligible non-resident financial institutions to offer ringgit trade financing in collaboration with resident financial institutions; and an MoU establishing a cross-border collateral arrangement that will enable financial institutions access to the central bank's liquidity facilities.

On the same day at Sasana Kijang, the Bank organised the second national statistics conference (MyStats 2013) in collaboration with the Department of Statistics Malaysia (DOSM) and Institut Statistik Malaysia (ISM), themed 'Promoting Innovation in Economic and Financial Statistics to Support Policy Making in a Dynamic Environment'. The conference stressed on the importance of statistics in planning and development policies of the country.

27 November

In her Opening Remarks at the Islamic Development Bank (IDB) Prize Lecture on Islamic Finance themed "Financial Stability, Economic Growth and Development" in Jeddah, Governor Dr Zeti highlighted the instrumental role of IDB in the development of Islamic finance and that it has been an inspiration in driving its progress and evolution. She also highlighted that Islamic finance through its emphasis on risk-sharing for the attainment of socio-economic goals based on Shariah principles, strengthens the link between finance and the real economy, thus contributing towards overall financial stability. With the global economy now on the recovery path, there is thus more potential for Islamic finance in supporting a more inclusive and sustainable economic growth. As such, she called upon developing and emerging economies in particular to exercise regulatory priorities in strengthening financial stability taking into consideration the specificities of Islamic finance. This will ensure its continued resilience and its potential to effectively service the functioning of economies and the economic wellbeing of societies.

3 December

The first meeting of the private sector led Joint Forum on Islamic Finance (Forum) was held in Hong Kong. The Forum was set up pursuant to an agreement between Hong Kong Monetary Authority (HKMA) and the Bank in August 2013 to strengthen collaboration between HKMA and Malaysia in the area of Islamic finance. It was attended by senior representatives of commercial banks and fund management companies with the Bank and HKMA as facilitators. Among the major points discussed were the identification of potential sukuk issuers and encouragement for cross-border sukuk issuances between Hong Kong and Malaysia. The Forum also actively considered launching Islamic funds and making use of the established mutual recognition framework for Islamic funds between Hong Kong and Malaysia to facilitate cross-border Islamic financial activities.

5 December

The Malaysia – Hong Kong Private Sector Dialogue on Offshore Renminbi Business (Dialogue) convened for its first meeting in Kuala Lumpur. The Dialogue was established following the agreement by the Bank and the Hong Kong Monetary Authority in August 2013 to strengthen the collaboration between Malaysia and Hong Kong in the area of renminbi (RMB) business. The encouraging interest and participation in the Dialogue reflected the strengthening of trade and investment links between Malaysia, Hong Kong and Mainland China.

10 December

Governor Dr Zeti recognized as one of the "Global Financial Game Changes of the Year 2013" by CBN, a leading business media group in China. This was announced at the 2013 CBN Annual Meeting and Financial Summit event held in Beijing.

20 December

The Bank issued commemorative coins in conjunction with the 80th Anniversary of Malaysian Armed Forces. The origin of the Malaysian Armed Forces dates back to the formation of the Malay Regiment on 1 March 1933, which was later officially known as the Malaysian Armed Forces with the formation of Malaysia on 16 September 1963. The Malaysian Armed Forces have since evolved to a Full Spectrum Force.