

Annex

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Exchange Control Policy

The exchange control policy of Malaysia is applied uniformly to transactions with all countries except Israel and the Federal Republic of Yugoslavia (Serbia and Montenegro) for which special restrictions apply. The exchange control policy, in general, is aimed at monitoring the settlement of payments and receipts as well as encouraging the use of the country's financial resources for productive purposes in Malaysia. For monitoring and compilation of balance of payments statistics, residents are required to complete statistical forms, Form P and Form R, for each payment or receipt of more than RM10,000 vis-a-vis non-residents. On 1 September 1998, several new exchange control measures were imposed to regulate short-term capital flows as well as to promote financial stability and economic recovery.

The following are the main exchange control requirements:

i. Current Account Transactions

(a) Payment for Import of Goods and Services

- There are no restrictions on payments, irrespective of amount, to non-residents for import of goods and services. All payments for import of goods and services, however, must be made in foreign currency.

(b) Export Proceeds

- All export proceeds are required to be repatriated back to Malaysia in accordance to the payment schedule as specified in the sales contract, which in any case should not exceed six months from the date of export.
- The export proceeds must be received in foreign currency and must either be sold for ringgit or retained in approved foreign currency accounts with onshore commercial banks. For details, please see Item (iv) on Foreign Currency Accounts of Residents.

(c) Import and Export of Currency by Travellers

- All travellers are required to complete Travellers Declaration Forms at the Immigration check-point or carry valid Travellers Declaration Pass upon their exit or arrival at Malaysia.
- Resident and non-resident travellers are allowed to carry ringgit notes up to RM1,000 on person or in their baggage, upon arrival at or departure from Malaysia.
- A resident traveller is freely allowed to take out foreign currency notes, including traveller's cheques, up to the equivalent of RM10,000 per person.
- A non-resident traveller is allowed to take out foreign currency notes, including traveller's cheques, up to the amount brought into Malaysia.
- Resident and non-resident travellers are allowed to bring in any amount of foreign currency notes, including traveller's cheques, upon their arrival in Malaysia.
- Prior permission of the Controller of Foreign Exchange (the Controller) is required for:
 - a traveller to export or import ringgit notes, or to export foreign currency exceeding the permitted limits;
 - and

- any person other than a traveller to export or import foreign currency or ringgit notes irrespective of amount.

ii. Capital Account Transactions

(a) Foreign Direct Investment

- Foreign direct investors are freely allowed to repatriate their investment, including capital, profit and dividends, without being subject to any levy.

(b) Investment Abroad by Residents

- Residents are required to seek prior approval from the Controller to remit funds in excess of RM10,000 for overseas investment purposes.

(c) External Credit Facilities From Non-Residents

Credit Facilities in Foreign Currency

- Residents are freely permitted to obtain credit facilities in foreign currency up to the equivalent of RM5 million. Any amount exceeding the permitted limit would require the prior approval of the Controller.
- There is also no restriction for repayment of credit facilities obtained from non-residents as long as such credit facilities have been obtained in accordance to the relevant exchange control rule.

Credit Facilities in Ringgit

- Residents are not allowed to obtain credit facilities in ringgit from non-residents without the prior approval of the Controller.

(d) Extension of Credit Facilities to Non-Residents

Credit Facilities in Foreign Currency

- Commercial banks are free to extend credit facilities in foreign currency to non-residents for purposes other than financing the acquisition or development of immovable property in Malaysia.

Credit Facilities in Ringgit

- Banking institutions are allowed to extend credit facilities in ringgit up to the aggregate of RM200,000 to a non-resident for purposes other than to finance the acquisition or development of immovable property in Malaysia. Prior approval of the Controller is required for the extension of credit facilities exceeding the limit.
- Banking institutions and other non-bank residents are allowed to extend credit facilities in ringgit to non-residents who are working in Malaysia to finance up to 60% of the purchase price or construction cost of a residential property in Malaysia for their own accommodation.
- The resident stockbroking companies are allowed to extend margin financing facilities to non-resident clients for the purchase of shares listed on the Kuala Lumpur Stock Exchange (KLSE), subject to the compliance with the rules imposed by the KLSE.

(e) Portfolio Capital

- Non-resident portfolio investors are encouraged to hold their investment over a long term in Malaysia. Effective 1 September 1998, the non-residents are required to hold their principal sum for portfolio investment for at least 12 months in Malaysia. This rule was relaxed with effect from 15 February 1999. Since then, capital and profits of the portfolio investments are allowed to be repatriated any time.

A system of levy is imposed on repatriation of portfolio funds, as follows:

For funds brought into Malaysia before 15 February 1999

- The principal capital repatriated after one year from 1 September 1998 or one year from the actual date that the funds came into the country (if it is after 1 September 1998) will not attract any levy.
- If the principal capital is repatriated within the one-year holding period, it will be subject to levy at a decreasing rate, depending on the duration the principal is held, as follows:

Period held	Rate of levy
up to 7 months	30%
exceeding 7 months and up to 9 months	20%
exceeding 9 months and up to 12 months	10%

- All profits realised during the one-year holding period will not attract levy, even if it is repatriated after the one-year holding period.
- If an investment is made during the one-year holding period, but the profit is realised only after the one-year holding period, that profit will still be exempted from levy.
- For investments made after the one-year holding period, a levy of 10% will apply on the profit generated.

For funds brought into Malaysia on or after 15 February 1999

- Repatriation of principal capital will not attract any levy.
- Repatriation of profits will be subject to levy as follows:

Profits	Rate of levy
Realised and repatriated within 12 months from date of investment	30%
Contra profit repatriated within 12 months of realisation	30%
Realised within 12 months of investment, but repatriated after 12 months from the date of investment	10%
Realised and repatriated after 12 months from date of investment	10%
Contra profits repatriated after 12 months of realisation	10%

- No levy will be imposed on the repatriation of proceeds from sale of investments in immovable property (for both principal capital and profits).

iii. Credit Facilities in Ringgit to Non-Resident Controlled Companies

- Non-Resident Controlled Companies (NRCCs) operating in Malaysia are freely permitted to obtain:
 - Credit facilities up to RM10 million per corporate group from domestic sources;
 - Any amount of forward exchange contract, performance guarantees and short-term trade financing facilities; and
 - Any amount of guarantees to secure the repayments of borrowing, subject to the submission of information on the guarantees to the Controller.
- Of the total amount of credit facilities obtained from banking institutions, at least 60% must be from Malaysian-owned banking institutions.
- For borrowing in excess of RM10 million in the aggregate, NRCCs are required to obtain prior approval. The NRCCs are also required to ensure that the ratio between their domestic borrowing and capital funds is less than three times.

iv. Foreign Currency Accounts of Residents

- Resident exporters are permitted to open foreign currency accounts to retain export proceeds in foreign currency up to the following overnight limits, depending on their export receipts:

Aggregate Overnight Limit	Average Monthly Export Receipts
US\$10 million	Exceeding RM20 million
US\$5 million	Exceeding RM10 million up to RM20 million
US\$3 million	Between RM5 million and RM10 million
US\$1 million	Less than RM5 million

- Resident companies with domestic credit facilities are permitted to open foreign currency accounts to retain foreign currency receivables, other than export proceeds, up to the following aggregate overnight limits:
 - US\$0.5 million with commercial banks in Malaysia; and
 - US\$0.5 million with Labuan offshore banks.
- Resident companies with no domestic credit facilities are permitted to open foreign currency accounts with commercial banks in Malaysia to retain foreign currency receivables other than export proceeds with no overnight limit specified by Bank Negara Malaysia.
- Resident individuals are allowed to open foreign currency accounts solely to facilitate education and employment overseas up to the following aggregate overnight limits:
 - US\$100,000 with commercial banks in Malaysia;
 - US\$100,000 with Labuan offshore banks; and
 - US\$50,000 with overseas banks.

v. Foreign Currency Accounts of Non-Residents

- Commercial banks and merchant banks are freely allowed to open foreign currency accounts for non-residents.

- There are no restrictions on the inflow and outflow of funds through the foreign currency accounts of non-residents. No levy is imposed on repatriation of foreign currency funds.

vi. External Accounts of Non-Residents

- Banking institutions are freely allowed to open accounts in ringgit known as External Accounts for non-residents.
- Sources of funds of the External Accounts may be from:
 - Sale of ringgit instruments, securities registered in Malaysia or other assets in Malaysia;
 - Salaries, wages, rental, commissions, interest, profits or dividends; and
 - Sales of foreign currency.
- The uses of funds in the External Accounts are restricted to the following purposes:-
 - Purchase of ringgit assets/placements of deposits;
 - Payment of administrative and statutory expenses in Malaysia;
 - Payment of goods and services for use in Malaysia; and
 - Granting of loans and advances to staff in Malaysia according to the terms and conditions of services.
- Prior approval is required for transfer of funds between External Accounts and for uses of funds other than permitted purposes.
- Nevertheless, there are no restrictions on the operations of External Accounts of non-residents working in Malaysia, embassies, consulates, high commissions, supranational or international organisations in Malaysia.

vii. Designated External Accounts

- Tier 1 commercial banks are allowed to open ringgit accounts known as Designated External Account (DEA) for non-residents, solely for the purpose of facilitating the trading at the Commodity and Monetary Exchange of Malaysia and Kuala Lumpur Options and Financial Futures Exchange. Funds in the DEA are not subject to levy on repatriation.

viii. Special Status Granted to Selected Companies

(a) Offshore Entities in Labuan International Offshore Financial Centre

- Entities set up in Labuan International Offshore Financial Centre (IOFC) are declared as non-residents for exchange control purposes. Offshore entities in Labuan IOFC are freely allowed to deal in foreign currency with non-residents.
- Licensed Offshore Banks in Labuan are permitted to receive payments in ringgit from residents arising from fees, commission, interest from deposit of funds or dividends.
- Offshore Insurance Entities in Labuan are also permitted to use their ringgit accounts for payment of claims and receive insurance premium arising from reinsurance of domestic insurance business.
- All offshore entities are freely allowed to maintain ringgit accounts with onshore banks to facilitate defraying of statutory and administrative expenses in Malaysia.

(b) Multimedia Supercorridor Companies

- Companies operating in Multimedia Super Corridor (MSC) are given exemption from exchange control upon the companies being awarded the MSC status, except for submission of statistics for monitoring purposes.

(c) Approved Operational Headquarters

- Approved Operational Headquarters (OHQs) are allowed to open foreign currency accounts with commercial banks in Malaysia to retain export proceeds up to a maximum aggregate overnight limit of US\$10 million, irrespective of the amount of export receipts.
- OHQs are also allowed to open foreign currency accounts with commercial banks in Malaysia, Labuan offshore banks or overseas banks for crediting foreign currency receivables, other than export proceeds, with no restriction on overnight limit.
- OHQs are permitted to obtain any amount of foreign currency credit facilities from commercial banks and merchant banks in Malaysia, and from any non-residents for their own use or on-lend to their related companies overseas.

(d) Approved International Procurement Centres

- Approved International Procurement Centres (IPCs) are allowed to retain any amount of export proceeds in foreign currency accounts maintained with onshore commercial banks.
- IPCs are also allowed to enter into forward exchange contracts with onshore commercial banks to hedge exchange risk based on projected volume of trade.

Funds Administered/Funded by Bank Negara Malaysia: Fund Utilisation

Type of fund	Date Established	Fund Allocation (RM m)	Total as at end 1997		Total as at end 1998		Annual change		Outstanding as at end 1998 (RM m)
			Number of Approval	Amount Approved (RM m)	Number of Approval	Amount Approved (RM m)	Number of Approval	Amount Approved (RM m)	
Enterprise Rehabilitation Fund	06-Feb-88	500	745	841	761	850	16	9	136
New Entrepreneurs Fund	12-Dec-89	1,250 ¹	2,069	973	2,186	1,064	117	91	652
Special Fund for Tourism	10-Mar-90	200	212	241	211	239	-1 ³	-2	103
Ship Financing Facility	30-Oct-92	600	32	547	32	547	0	0	390
Fund For Food	04-Jan-93	700 ²	1,025	302	1,689	493	664	191	260
Bumiputera Industrial Fund	04-Jan-93	100	45	58	101	99	56	41	77
Fund to Accelerate the Construction of Low-Cost Houses	29-Oct-93	500	58	379	58	379	0	0	78
Abandoned Housing Projects Fund	10-Aug-94	600	74	331	74	331	0	0	94
Fund For Small and Medium Industries	02-Jan-98	1,500	0	0	873	882	873	882	236
Special Scheme For Low and Medium Cost Houses	01-May-98	2,000	0	0	33	241	33	241	12
Rehabilitation Fund For Small and Medium Industries	23-Nov-98	750	0	0	1	0.1	1	0.1	0

¹ Initial allocation was RM750 million. Additional allocation of RM500 million was approved by the Minister of Finance in 1998.

² Initial allocation was RM300 million. Additional allocation of RM400 million was approved by the Minister of Finance in 1997.

³ Approval withdrawn by bank / applicant.

***Bilateral Payments Arrangements (BPA)
Between Bank Negara Malaysia and
Central Banks of Other Countries***

Central Bank of	Model	Date of Agreement	Total Trade Between Partner Countries (RM million)	
			1987	1998
Pakistan	POCPA	6 Aug. 1992	468.5	3,076.5
Myanmar	POCPA	21 Jan. 1994	53.9	1,367.4
Iraq	POCPA	28 Feb. 1993	131.9	122.3
		28 Feb. 1995		
		28 Feb. 1996		
Iran	POCPA Iranian	8 Feb. 1994	46.0	533.7
		8 Aug. 1988		
Bosnia Herzegovina	POCPA	13 Nov. 1996	n.a.	0.6
Algeria	POCPA ALADI	14 June 1992	3.8	60.7
		31 Jan. 1992		
Albania	ALADI	24 Jan. 1994	0.2	0.9
Argentina	ALADI	3 Dec. 1993	104.9	1,083.1
Chile	ALADI	21 June 1991	120.9	811.6
Lao PDR	ALADI	16 Apr. 1994	0.1	6.8
Mexico	ALADI	24 Sept. 1990	37.6	1,439.8
Peru	ALADI	13 Nov. 1991	5.4	199.3
Romania	ALADI	20 May 1991	14.8	58.7
Seychelles	ALADI	21 Sept. 1992	1.1	14.1
Tunisia	ALADI	25 Nov. 1992	3.5	106.6
Turkmenistan	ALADI	30 May 1994	n.a.	25.7
Uzbekistan	ALADI	28 June 1993	n.a.	8.8
Venezuela	ALADI	3 Aug. 1990	6.5	116.4
Vietnam	ALADI	29 Mar. 1993	43.5	2,008.0
Zimbabwe	ALADI	7 June 1991	15.1	91.9

Central Bank of	Model	Date of Agreement	Total Trade Between Partner Countries (RM million)	
			1987	1998
Sudan	Revolving Credit	4 Jan. 1992 16 Apr. 1992 16 Sept. 1992 18 Dec. 1993 11 Oct. 1996	21.5	65.6
Botswana	Iranian	6 June 1991	n.a.	n.a.
Fiji	Iranian	12 Oct. 1991	67.8	105.4
Mozambique	Iranian	27 Apr. 1991	46.8	28.4
Cuba	POCPA	26 Mar. 1998	8.3	57.1
Philippines	ALADI	11 July 1998	1,185.8	9,906.8

Note:

- ALADI Model : Each central bank pays its own exporter in the domestic currency and settles, on a periodic basis (not exceeding 90 days), the net difference with the other central banks in US dollar.
- Iranian Model : Each central bank guarantees payments of its own importers.
- Palm Oil Credit and Payments Arrangement (POCPA) : Created to promote the export of Malaysian palm oil to other developing countries. The importation is on a deferred payment basis.
- Revolving Credit : The importation of goods is limited to the credit limit agreed by both parties on a deferred payment basis.

n.a. not available

Source: Bank Negara Malaysia and Department of Statistics

Licensed Banking Institutions (as at 31 December 1998)

Commercial Banks

1. ABN AMRO Bank Berhad
2. Arab-Malaysian Bank Berhad
3. Ban Hin Lee Bank Berhad
4. Bangkok Bank Berhad
5. Bank Bumiputra Malaysia Berhad
6. Bank of America Malaysia Berhad
7. Bank of Commerce (M) Berhad
8. Bank of Tokyo-Mitsubishi (Malaysia) Berhad
9. Bank Utama (Malaysia) Berhad
10. BSN Commercial Bank (Malaysia) Berhad
11. Citibank Berhad
12. Deutsche Bank (Malaysia) Berhad
13. EON Bank Berhad
14. Hock Hua Bank Berhad
15. Hong Leong Bank Berhad
16. Hongkong Bank Malaysia Berhad*
17. International Bank Malaysia Berhad
18. Malayan Banking Berhad
19. Multi-Purpose Bank Berhad
20. OCBC Bank (Malaysia) Berhad
21. Oriental Bank Berhad
22. Overseas Union Bank (Malaysia) Berhad
23. Perwira Affin Bank Berhad
24. PhileoAllied Bank (Malaysia) Berhad
25. Public Bank Berhad
26. RHB Bank Berhad
27. Sabah Bank Berhad
28. Sime Bank Berhad
29. Southern Bank Berhad
30. Standard Chartered Bank Malaysia Berhad
31. The Bank of Nova Scotia Berhad
32. The Chase Manhattan Bank (M) Berhad
33. The Pacific Bank Berhad
34. United Overseas Bank (Malaysia) Bhd.
35. Wah Tat Bank Berhad
36. Bank Islam Malaysia Berhad

* Change of name to HSBC Bank Malaysia Berhad with effect from 23 February 1999.

Finance Companies

1. Advance Finance Berhad
2. AFFIN Finance Berhad
3. Amanah Finance Malaysia Berhad
4. Arab-Malaysian Finance Berhad
5. Asia Commercial Finance Berhad
6. BBMB Kewangan Berhad
7. Bolton Finance Berhad
8. Boon Siew Finance Berhad
9. BSN Finance Berhad
10. Cempaka Finance Berhad
11. Chew Geok Lin Finance Berhad
12. City Finance Berhad
13. Credit Corporation (Malaysia) Berhad
14. Delta Finance Berhad
15. EON Finance Berhad
16. Hock Hua Finance Berhad
17. Hong Leong Finance Berhad
18. Interfinance Berhad
19. Kewangan Bersatu Berhad
20. Kewangan Utama Berhad*
21. Mayban Finance Berhad
22. MBf Finance Berhad
23. Multi-Purpose Finance Berhad
24. OCBC Finance Berhad*
25. Oriental Finance Berhad
26. Perdana Finance Berhad
27. Perkasa Finance Berhad
28. PhileoAllied Finance (Malaysia) Berhad
29. Public Finance Berhad
30. Sabah Finance Berhad
31. Sime Finance Berhad
32. Southern Finance Company Berhad
33. United Merchant Finance Berhad

* Ceased operation on 1 January 1999.

Merchant Banks

1. Amanah Merchant Bank Berhad
2. Arab-Malaysian Merchant Bank Berhad
3. Aseambankers Malaysia Berhad
4. BSN Merchant Bank Berhad
5. Bumiputra Merchant Bankers Berhad
6. Commerce International Merchant Bankers Berhad
7. Malaysian International Merchant Bankers Berhad
8. Perdana Merchant Bankers Berhad
9. Perwira Affin Merchant Bank Berhad
10. RHB Sakura Merchant Bankers Berhad
11. Sime Merchant Bankers Berhad
12. Utama Merchant Bank Berhad

Credit Guarantee Corporation Malaysia Berhad

The Credit Guarantee Corporation Malaysia Berhad (CGC) was incorporated in July 1972 to provide guarantee cover to the banks for designated loans to small-scale enterprises (SSEs). The various schemes to promote access to institutional credit for SSEs undertaken by CGC includes the Small Entrepreneurs Fund, the New Principal Guarantee Scheme and the Flexible Guarantee Scheme which was introduced on 1 March 1999.

Small Entrepreneurs Fund (SEF)

During the year 1998, CGC, in collaboration with the Ministry of Entrepreneur Development, introduced the SEF which offers small loans ranging from RM2,000 to RM20,000 to the smaller entrepreneurs. The SEF replaced the previous Loan Fund for Hawkers and Petty Traders (launched in 1992) and the Association Special Loan Scheme (also launched in 1992), both managed by CGC, which were wound down in 1998. Each SEF loan is fully funded and guaranteed by the CGC and features bi-weekly repayments which incorporate a service charge to the borrower at the rate of 6% per annum. Loans under the scheme are made available through three types of financing packages, namely the Individual Financing Package for individual borrowers, the Integrated Financing Package for groups of borrowers identified by organisations accredited by the CGC, and the Hawker Centre Financing Package which is promoted jointly with the local authorities. These loans are channelled through 16 participating financial institutions which would carry out the necessary credit assessment although credit decisions ultimately rest with CGC which bears the credit risks. Applications for SEF loans can be made to CGC or the participating financial institutions.

The total allocation for SEF is RM90 million. As at end-1998, a total of 4,304 applications for loans amounting to RM43 million had been approved under the SEF scheme, of which RM32.5 million (75.6%) was extended to Bumiputera borrowers.

Guarantee Schemes

CGC continues to provide guarantee cover for loans to SSEs and small and medium industries (SMIs) granted by the commercial banks and finance companies through its main guarantee scheme, namely, the New Principal Guarantee Scheme (NPGS). In 1998, 2,711 applications for loans amounting to RM515.9 million were guaranteed by CGC. These represented a decrease of 82.8% in terms of number of accounts guaranteed and 86.6% in terms of amount of loans guaranteed over the previous year, mainly due to the slowdown in credit growth during the second half of the year. By sector, 75.3% of the loans extended in 1998 was channelled to general businesses while 22.3% was extended to SMIs in the manufacturing sector. Total guarantee cover issued during 1998 amounted to RM351.6 million, of which 39% (RM137.2 million) was granted to Bumiputera borrowers.

The newly implemented Flexible Guarantee Scheme (FGS) offers guarantee cover for loans extended under the four funds administered by Bank Negara Malaysia, that is, the Fund for SMIs, the Rehabilitation Fund for SMIs, the New Entrepreneurs Fund and the Fund for Food. The maximum guarantee cover for the unsecured portion is capped at RM2.5 million for the manufacturing sector, RM0.75 million for the priority sectors identified by CGC, and RM0.5 million for the other sectors. There is, however, no capping of guarantee cover for the secured portion of the loan. The annual guarantee fee under the scheme, which is to be borne by the lending institution, ranges from 0.5% to 1.5% depending on whether the guarantee cover is for the secured or unsecured portion of the loan. The FGS is made available through the participating financial institutions of the said four funds.

Other than the above guarantee schemes, CGC also manages the SPTF Guarantee Scheme which provides guarantee cover for loans under interest free banking.

Other Schemes

Apart from the SEF, CGC also assists the Ministry of Entrepreneur Development in managing two other schemes, that is, the Small Entrepreneurs Financing Scheme (SEFS) and the Franchise Financing Scheme (FFS). The SEFS provides financing for small borrowers requiring loans ranging from RM10,000 to RM50,000 while the FFS is aimed at assisting franchisees under the Ministry's Franchise Programme. The CGC is also involved in the Youth Economic Development Program which was introduced to encourage Malaysian youths to venture into business and other productive economic activities. The programme is jointly promoted with the Ministry of Youth and Sports and BSN Commercial Bank (Malaysia) Berhad.

Bank Lending under the NPGS

	Amount approved		
	1997	1998	Annual change (%)
	RM million		
General Business	3,052.6	388.5	-87.3
of which:			
Building and construction	477.4	39.8	-91.7
General commerce and sundry retail trade	1,978.0	236.1	-88.1
Transport and repairs	160.2	38.2	-76.2
Small scale industries	744.9	115.2	-84.5
of which:			
Food,drinks and tobacco	33.4	4.1	-87.7
Timber products and furniture	100.0	20.4	-79.6
Textiles and clothing	71.7	8.6	-88.0
Building materials	29.9	2.8	-90.6
Printing and publishing	42.0	3.2	-92.4
Agriculture	44.1	11.1	-74.8
of which:			
Padi cultivation and marketing	0.7	-	-100.0
Livestocks and poultry farming	8.9	1.1	-87.6
Fisheries	7.0	0.5	-92.9
Mining and quarrying	5.8	1.1	-81.0
of which:			
Other minerals	2.3	0.5	-78.3
Total	3,847.4	515.9	-86.6

Source: The Credit Guarantee Corporation Malaysia Berhad (CGC)

Pengurusan Danaharta Nasional Berhad

Background

Pengurusan Danaharta Nasional Berhad (Danaharta) was established on 20 June 1998 to remove the non-performing loan distraction from financial institutions to enable them to resume their lending activities to viable economic sectors in order to accelerate the overall economic recovery process. Danaharta was incorporated under the Companies Act, 1965 but was given statutory backing to enable it to perform its duties expeditiously. This provides Danaharta with greater flexibility regarding its financing and commercial operations, whilst having special powers to perform its function effectively.

Statutory Powers of Danaharta

To enable Danaharta to perform its duties in an efficient and economical manner, the Pengurusan Danaharta Nasional Berhad Act 1998 was gazetted and came into force on 1 September 1998. This Act encompasses two main principles:-

- i. Ability to acquire loans via statutory vesting, whereby Danaharta is allowed to take clear titles to the loans and step into the shoes of the selling institution. Assets can also be transferred without the borrower's consent.
- ii. Ability to manage the borrowers through the appointment of Special Administrators (SAs) with the consent of the Oversight Committee. Danaharta also has the powers to impose a 12-month moratorium on all claims to allow the SAs to work out their restructuring proposals.

Transparency and Corporate Governance

Danaharta adopts a market-based approach and incorporates international best practices in its operations. Danaharta upholds the principle of transparency by publishing details of its acquisitions in its accounts, including amount of NPLs acquired from individual financial institutions and average discounts applied, on a half-yearly basis.

The Board of Directors of Danaharta is the focal point of Danaharta's governance structure. The Board consists of a Chairman, the Managing Director of Danaharta, two non-executive directors from the Government, three non-executive directors from the Malaysian community and two non-executive directors from the international community.

Acquisition Approach

Danaharta's acquisition process is divided into three stages - secured loans, unsecured loans and other credit facilities such as foreign currency loans and off-balance sheet facilities. Danaharta accords priority to weaker financial institutions, including those institutions seeking recapitalisation from Danamodal Nasional Berhad before proceeding to acquire non-performing loans from other financial institutions.

Danaharta also manages, on behalf of Bank Negara Malaysia and the Government, loans of selected financial institutions. The management of these loans is to facilitate strategic mergers between identified financial institutions and to preserve the strength of the acquiring institution.

For loans which are secured by properties, Danaharta appoints independent professional valuers to perform detailed valuation of individual properties. For loans which are secured by quoted shares, the fair value of the loans is determined based on the characteristics of the company whereby premiums are attached to larger stakes that offer influence or control over the company. In the case of loans secured by unquoted shares, acceptable valuation techniques are used. A uniform discount of 90% to the principal outstanding is applied in general to unsecured loans.

Danaharta's profit sharing arrangement stipulates that any excess in recovery value over and above Danaharta's acquisition cost plus direct costs will be shared between the selling financial institution and Danaharta on a 80:20 basis. However, the financial institution's share of the upside will be limited to the shortfall value plus a holding cost of 8% per annum. For larger loans where valuation is either onerous or inconclusive, a risk-sharing arrangement with the selling financial institution is done on a case-by-case basis.

Payments for the Loans Acquired

As consideration for the loans acquired from financial institutions, Danaharta pays cash and/or issues zero-coupon, Government-guaranteed, tradeable bonds with yields approximating those of Malaysian Government Securities with similar tenor. These bonds are issued on a monthly basis with an initial tenor of five years and a rollover option exercisable at Danaharta's discretion for up to an additional five years. For loans acquired from development finance institutions, Islamic loans and unsecured loans, cash payments are made.

Financing Structure

The financing requirement of Danaharta is estimated to be RM15 billion. The paid-up capital of Danaharta is currently RM500 million and will be increased to RM1.5 billion by mid-1999.

Asset Management Approach

Danaharta's asset management approach is divided into two categories, loan management and asset management. The management approach taken by Danaharta will depend on the viability of the loans. For viable loans, Danaharta will undertake the loan management approach whereby Danaharta will rehabilitate or restructure the loans including rescheduling the payments and debt-equity conversion. For non-viable loans, Danaharta will undertake the asset management approach whereby Danaharta will manage the borrower through the appointment of SA or manage the collateral either through the rehabilitation of the collateral or foreclosure if all other options have been exhausted.

Expected Life Span of Danaharta

Danaharta's estimated life span is 7-10 years. Danaharta expects to complete all its acquisition of loans by June 1999, which is 6 months ahead of the original schedule of end-1999.

Danamodal Nasional Berhad

Background

Danamodal Nasional Berhad (Danamodal) was incorporated on 10 August 1998 as a wholly-owned subsidiary of Bank Negara Malaysia to undertake the recapitalisation exercise of the banking institutions so as to ensure that the banking institutions continue to remain well-capitalised at all times. With a strong capital base, the capacity of banking institutions to withstand further shocks in the economy will be further enhanced.

Objectives of Danamodal

- **Recapitalisation and strengthening of the banking industry**
Danamodal serves as an interim funding vehicle for banking institutions to meet their capital adequacy requirements. The capital injections are in the form of equity or hybrid instruments. Danamodal operates on market-based principles and methodologies.
- **Consolidation and rationalisation of the banking system**
Danamodal also plays an important role in facilitating the restructuring of banking institutions. Danamodal operates within the existing regulatory and supervisory framework and consistent with national objectives. As a strategic shareholder in the recapitalised banking institutions, Danamodal is in a position to facilitate the consolidation and rationalisation process and act as a catalyst to guide mergers.

Operating Parameters

Danamodal operates within the following parameters:

- Operates within the existing relevant regulatory and supervisory framework.
- Minimises the use of public funds and ensure equitable burden sharing amongst stakeholders. The first loss principle is applied in all its capital injection through the writing down of the value of investments of the existing shareholders to reflect its net tangible assets prior to any capital injection. Danamodal will only inject capital into banking institutions after these institutions have sold their NPLs to Danaharta whereby the existing shareholders would have to bear the losses from the sale.
- Operates based on commercial and market-oriented principles. Danamodal will only recapitalise viable banking institutions (based on the assessment and due diligence review conducted by reputable, international financial advisors).
- As a strategic shareholder, Danamodal will exercise its rights to inject best practices, promote managerial competence, enhance risk management and operating efficiency and improve the banking institutions' profitability.
- Danamodal will formulate a set of comprehensive performance targets and monitor the performance of these institutions closely.

Structure of Investment in Recapitalised Banking Institutions

Danamodal will rely extensively on three principal instruments, namely common shares, Irredeemable Non-Cumulative Convertible Preference Shares (INCPS) or subordinated loans. The choice or combination thereof will depend primarily on the cash flow characteristics of the instruments and the unique circumstances of the banking institutions concerned.

In cases where the capital injection is made in the form of common shares, Danamodal will protect its investments from potential downside risks through the use of a Call Option. In the event that losses arising from the current asset portfolio reduces the net tangible asset per share significantly, the existing shareholders will compensate Danamodal by transferring their shares to Danamodal at nominal value.

Danamodal will appoint at least two nominees to sit on the Board of Directors of the recapitalised banking institutions as Executive Director and as either Deputy Chairman or Chairman. The Board representation will commensurate with the injection of tier-1 capital by Danamodal.

Funding Requirement

Total funding requirement of Danamodal under the worst case scenario has been estimated to be RM16 billion. This amount will ensure that the risk-weighted capital ratio of all banking institutions to be at least 9%. These funds will be raised in the form of equity, hybrid instruments, or debt in both the domestic and international markets.

Transparency

Danamodal will, at all times, maintain transparency and disclosure in management, operations and selection criteria. It will regularly publish its own financial statements in accordance with international accounting standards.

Corporate Debt Restructuring Committee

Background

The Corporate Debt Restructuring Committee (CDRC) was set up in July 1998 to provide a platform for both the borrowers and creditors to amicably and collectively work out debt problems to the mutual interests of both parties. This would ensure that viable businesses continue to have access to financing.

Objectives of CDRC

The objectives of CDRC are as follows:

- To minimise losses to creditors, shareholders and other stakeholders through voluntary co-ordinated workouts;
- Preserve viable businesses that are affected by the current economic conditions; and
- To introduce and implement a comprehensive framework for debt restructuring.

Debt Restructuring Approach and Framework

- CDRC seeks to assist in the restructuring of debts of viable companies with total aggregate debts of at least RM50 million from more than one financial institution.
- The companies should not be in any insolvency administration.
- CDRC does not have any legal powers and provides a flexible and informal framework outside court proceedings.
- As all legal rights of the parties coming to CDRC are preserved, it is critical that all parties must voluntarily agree to abide by the guidelines set.
- The approach cannot and does not guarantee the survival of businesses. The approach to corporate debt restructuring is premised upon co-operation between the stakeholders through which the mutual interests of both debtor and creditors can be addressed in a mutually collaborative environment.
- Companies which have already sought the protection pursuant to Section 176(10) of the Companies Act, 1965 may apply on the condition that the Restraining Orders obtained against the Financial Institutions be withdrawn once the creditors agree to a standstill.
- The CDRC framework calls for the financial institutions to voluntarily give the debtors a reasonable period of time in order for consultants to determine the company's financial health and needs before further decisions are made.
- During the standstill period, the financial institutions should keep credit lines in place and not precipitate insolvency procedures unless either the debtor or the creditor formally terminates the restructuring exercise.
- Consultants are appointed where necessary to review the affairs of the debtor and make the necessary recommendations to the creditors and the debtors.

Steering Committee

A Steering Committee comprising representatives from Bank Negara Malaysia, the Ministry of Finance and the private sector with the experience in the legal, accounting and banking fields has been set up to monitor the progress of the various debt workouts performed by the Creditors' Committee.

Role and Functions of the Creditors' Committee

- A Creditors' Committee (CC) comprising representatives of creditors will be formed. The CC should be of a manageable size and represent the interests of at least 75% of the total debts of all creditors. The quorum to convene the meeting shall be 2/3 of the members.
- A lead institution and a designated individual within the lead institution, must be appointed early in the restructuring process to manage and co-ordinate the entire debt restructuring process of a particular debtor. The lead institution may seek the assistance of a consultant with the consent of the debtor and the creditors.
- Agree and assess the viability of the debtor.
- Decide on the terms for the debtor to continue to receive financial support.
- Negotiate with the debtor to arrive at some agreed options once the business is deemed viable.
- Report to the Steering Committee on the progress of all the debt restructuring exercises on a regular basis, including cases where the Creditors' Committees encounter inter-creditor or debtor-creditor disputes so that the Steering Committee can assist in the process.

Rights of Creditors

- Creditors' existing collateral rights must continue.
- Additional or new credit extended during the restructuring process to enable the debtor to continue operations should receive priority status, subject to the consent of all participating creditors.
- Creditors retain the right to exercise independent commercial judgement and objectives but should consider the impact of any action on the other creditors and the viability of the debtor.
- Debt trading is allowed under certain conditions but the selling creditor has the professional obligation to ensure the buyer does not have a detrimental effect on the restructuring process.

The Stages of CDRC Workout

The five stages in a CDRC workout process are as follows:

- Initial meetings of debtors and creditors to consider debt restructuring exercise and to obtain temporary standstill. Creditors' Committee is formed and a Lead Creditor is identified.
- Consultants are appointed, where necessary.
- Consultants to conduct initial review and report on findings on the viability of the business and their recommendations therein.
- If restructuring exercise proceeds, a formal standstill is to be executed amongst the creditors, and consultants are to formulate strategies for restructuring.
- Implementation of strategies.

The CDRC framework is not new. It has been successfully implemented in various other countries, most notably in the United Kingdom. Although the framework gives an indicative timeframe of completion for each of the stages, the timeframe could be varied depending on the circumstances of the debtor, to be mutually agreed by the parties involved.

***Key Economic and
Financial Statistics***

Table A.1
Gross Domestic Product by Industrial Origin (in Constant 1978 Prices)

	1994	1995	1996	1997	1998 ^p	1994	1995	1996	1997	1998 ^p
	RM million					Annual change (%)				
Agriculture, forestry and fishery	16,047	16,231	16,584	16,805	16,133	-1.0	1.1	2.2	1.3	-4.0
Mining and quarrying	8,242	8,679	9,381	9,475	9,553	2.5	8.9	4.5	1.0	0.8
Manufacturing	34,842	39,790	44,684	50,270	45,155	14.9	14.2	12.3	12.5	-10.2
Construction	4,589	5,385	6,150	6,732	5,086	14.1	17.3	14.2	9.5	-24.5
Services	48,709	53,300	58,452	63,135	64,110	9.7	9.4	9.7	8.0	1.5
Gross Domestic Product in purchasers' value	109,976	120,272	130,621	140,684	131,258	9.3	9.4	8.6	7.7	-6.7

^p Preliminary

Source: Department of Statistics (1994-97)
Bank Negara Malaysia (1998)

Table A.2
Production: Primary Commodities

	1994	1995	1996	1997	1998 ^p
	Annual change (%)				
Crude palm oil	-2.5	8.2	7.4	8.1	-8.3
Rubber	2.5	-1.0	-0.6	-10.3	-8.8
Saw logs	-3.9	-11.3	-4.7	3.4	-27.2
Cocoa	-11.5	-25.7	-8.7	-11.7	-14.9
Crude oil	1.9	6.8	1.8	-0.5	1.7
Natural gas	12.6	19.0	21.4	12.7	0.3

^p Preliminary

Source: PORLA
Department of Statistics
Forestry Departments (Peninsular Malaysia, Sabah & Sarawak)
Malaysian Cocoa Board
PETRONAS

Table A.3
Selected Indicators for the Services Sector

	1994	1995	1996	1997	1998 ^e
	Annual change (%)				
Insurance premiums	25.0	21.6	20.0	14.4	1.9
KLSE turnover					
Value	-15.3	-45.5	159.3	-11.8	-71.8
Volume	44.2	-43.6	95.8	9.5	-19.9
KL office rentals (RM per sq m)	49.84	48.07	50.45	49.77	41.42
KL office occupancy rates (%)	97	94	95	98	82
Tourist arrivals	10.7	3.8	-4.4	-13.0	-10.6
Hotel occupancy rate (%)	61.4	65.3	65.5	58.0	49.9
Cargo throughput at major ports ¹	8.6	17.4	14.0	12.5	-13.8
Container cargo throughput at major ports ¹	23.6	19.4	19.4	17.1	1.2
Electricity Production Index	13.8	14.1	12.7	14.2	3.4
Water supply	9.8	8.9	2.0	2.0	5.0

¹ Include Port Klang, Penang Port, Johor Port, Bintulu Port and Sabah Port.

^e Estimate

Source: Kuala Lumpur Stock Exchange (KLSE)
Department of Statistics
Survey of Office Space in and around Kuala Lumpur 1998, Bank Negara Malaysia and Valuation and Property Services Department, Ministry of Finance
Malaysia Tourism Promotion Board (Tourism Malaysia)
Various port operators
Public Works Department

Table A.4
GNP by Demand Aggregates

	1994	1995	1996	1997	1998 _p	1999 _f
	RM million current prices					
Consumption	116,504	132,331	143,179	154,589	144,546	154,074
<i>Private consumption</i>	92,568	104,695	114,594	123,910	114,338	120,215
<i>Public consumption</i>	23,936	27,636	28,585	30,679	30,208	33,859
Investment	76,357	94,120	105,501	117,916	71,921	78,280
<i>Private investment</i>	51,700	66,577	77,064	86,093	40,209	41,600
<i>Public investment</i>	24,657	27,543	28,437	31,823	31,712	36,680
Change in stocks	546	974	-1,732	-958	86	275
Exports of goods and non-factor services	173,771	208,699	229,841	261,227	324,677	321,794
Imports of goods and non-factor services	176,904	217,453	227,286	257,407	262,506	271,148
GDP at purchasers' value	190,274	218,671	249,503	275,367	278,724	283,275
Net factor payments abroad	-9,412	-10,377	-11,816	-14,273	-16,230	-14,568
GNP at purchasers' value	180,862	208,294	237,687	261,094	262,494	268,707
	Annual change (%) constant prices ¹					
Consumption	9.9	8.8	4.9	4.9	-10.3	3.3
<i>Private consumption</i>	9.9	9.3	6.0	4.7	-12.4	1.1
<i>Public consumption</i>	9.9	7.3	1.4	5.3	-3.5	10.1
Investment ²	17.1	19.9	9.8	8.5	-44.9	6.2
<i>Private investment</i>	27.9	25.3	13.4	8.4	-57.8	0.9
<i>Public investment</i>	-0.6	8.7	1.1	8.6	-10.0	12.8
Exports of goods and non-factor services	22.5	17.6	7.2	10.8	-0.7	3.3
Imports of goods and non-factor services	27.7	21.4	4.2	10.2	-18.3	6.5
GDP at purchasers' value	9.3	9.4	8.6	7.7	-6.7	1.0
Net factor payments abroad	12.1	10.0	13.5	5.6	-13.9	-7.5
GNP at purchasers' value	9.1	9.3	8.3	7.8	-6.3	1.5

¹ At constant 1978 prices

² Excludes stocks

p Preliminary

f Forecast

Source: Department of Statistics and Bank Negara Malaysia

Table A.5
Selected Private Consumption Indicators

	1994	1995	1996	1997	1998
	Annual change (%)				
Import of consumption goods ¹	33.3	9.1	5.7	10.7	-6.1
Sales of passenger cars ²	25.5	49.5	22.8	12.3	-54.8
Prices of primary commodities					
<i>Rubber</i>	37.7	34.5	-11.1	-20.7	0.7
<i>Crude palm oil</i>	44.3	44.3	-35.7	15.9	72.3
Tax collection					
<i>Sales tax</i>	19.1	17.9	12.4	12.7	-37.7
<i>Services tax</i>	34.6	23.2	21.2	19.8	-1.9
Gross revenue ³					
<i>Wholesale and retail</i>	35.3	23.0	9.1	14.4	-31.4
Consumption credit extended by the banking system ⁴	16.3	30.0	35.7	39.3	-14.6
Stock market indicators					
<i>Market capitalisation of KLSE</i>	-17.9	11.2	42.6	-53.4	-0.3
<i>Kuala Lumpur Composite Index</i>	-23.8	2.5	24.4	-52.0	-1.4

- ¹ Beginning 1995, the data is compiled based on Broad Economic Categories classification. Prior to 1995, the data was compiled based on Economic and Social Commission for Asia-Pacific (ESCAP) classification.
² Include four-wheel drive vehicles for passenger use.
³ Business Expectations Survey, Department of Statistics.
⁴ Beginning December 1996, the data is compiled based on a new statistical reporting format.

Source: Department of Statistics
 Royal Customs and Excise Department
 Palm Oil Registration and Licensing Authority (PORLA)
 Malaysian Rubber Exchange and Licensing Board (MRELB)
 Malaysian Motor Traders Association (MMTA)
 Kuala Lumpur Stock Exchange (KLSE)

Table A.6
Selected Private Investment Indicators

	1994	1995	1996	1997	1998
	Annual change (%)				
Import of capital goods ¹	32.4	24.7	-6.4	17.0	-15.1
Sales of commercial vehicles ²	18.8	43.6	48.7	8.4	-76.1
Proposed capital investment in manufacturing					
<i>Applications to MITI</i>	29.0	10.3	56.7	-18.8	-44.5
<i>Approvals by MITI</i>	66.9	-9.1	64.2	-24.6	2.3
Loans extended by the banking system ³					
<i>For manufacturing</i>	18.7	30.7	14.0	18.5	-0.2
<i>For broad property⁴</i>	2.3	26.8	26.8	32.9	5.3
Capital expenditure by sector ⁵					
<i>Manufacturing</i>	2.2	16.0	9.3	44.3	22.7
<i>Construction</i>	26.9	72.9	-51.2	18.5	2.1
<i>Others (Services etc.)</i>	-9.7	39.1	-24.3	85.7	-5.1

- ¹ Beginning 1995, the data is compiled based on Broad Economic Categories classification. Prior to 1995, the data was compiled based on Economic and Social Commission for Asia-Pacific (ESCAP) classification.
² Include four-wheel drive vehicles for commercial use.
³ Beginning December 1996, the data is compiled based on a new statistical reporting format.
⁴ Excluding loans sold to Cagamas.
⁵ Business Expectations Survey by the Department of Statistics. Beginning second half of 1997, the number of companies surveyed increased from 220 to 270.

Source: Department of Statistics
 Malaysian Motor Traders Association (MMTA)
 Ministry of International Trade and Industry (MITI)

Table A.7
Savings-Investment Gap

	1994	1995	1996	1997	1998 ^p	1999 ^f
	RM million					
Public gross domestic capital formation	24,833	27,828	27,970	31,564	31,750	36,809
Public savings	33,343	32,763	39,729	50,314	42,330	30,102
Deficit/surplus	8,510	4,935	11,759	18,750	10,580	-6,707
Private gross domestic capital formation	52,070	67,266	75,799	85,394	40,257	41,746
Private savings	28,790	40,685	51,843	52,493	65,745	77,991
Deficit/surplus	-23,280	-26,581	-23,956	-32,901	25,488	36,245
Gross domestic capital formation (as % of GNP)	76,903 42.5	95,094 45.7	103,769 43.7	116,958 44.8	72,007 27.4	78,555 29.2
Gross national savings (as % of GNP)	62,133 34.4	73,448 35.3	91,572 38.5	102,807 39.4	108,075 41.2	108,093 40.2
Balance on current account (as % of GNP)	-14,770 -8.2	-21,646 -10.4	-12,197 -5.1	-14,151 -5.4	36,068 13.7	29,538 11.0

^p Preliminary

^f Forecast

Source: Department of Statistics and Bank Negara Malaysia

Table A.8
Balance of Payments

Item	1994			1995		
	+	-	Net	+	-	Net
	RM million					
Merchandise balance (f.o.b.)¹	148,506	144,046	4,460	179,491	179,394	97
Balance on services	31,323	48,328	-17,005	35,778	55,007	-19,229
Freight & insurance	2,054	9,421	-7,367	2,552	11,580	-9,028
Other transportation	3,681	3,240	441	4,434	3,697	737
Travel & education	8,835	5,232	3,603	9,939	5,796	4,143
Investment income ²	5,745	15,193	-9,448	6,280	16,618	-10,338
Government transactions n.i.e. ³	316	352	-36	319	342	-23
Other services	10,692	14,890	-4,198	12,254	16,974	-4,720
Balance on goods and services	179,829	192,374	-12,545	215,269	234,401	-19,132
Unrequited transfers	1,867	4,092	-2,225	1,843	4,358	-2,515
Balance on current account	181,696	196,466	-14,770	217,112	238,759	-21,647
Official long-term capital			861			6,147
Federal Government	1,287	6,051	-4,764	419	2,052	-1,633
Market loans	776	5,104	-4,328	-	1,091	-1,091
Project loans	511	947	-436	419	961	-542
Suppliers' credit	-	-	-	-	-	-
Non-financial public enterprises	8,268	2,507	5,761	9,952	2,184	7,768
Other assets and liabilities ⁴			-136			12
Private long-term capital			10,798			10,464
Balance on long-term capital			11,659			16,611
Basic balance			-3,111			-5,036
Private short-term capital			-8,484			2,529
Errors and omissions			3,333			-1,896
Overall balance (surplus +/ deficit -)			-8,262			-4,403
Allocation of Special Drawing Rights			-			-
IMF resources			-			-
Net change in international reserves of						
Bank Negara Malaysia (increase - / decrease +) ⁵			8,262			4,403
Special Drawing Rights			-23			-41
IMF Reserve Position			-184			-701
Gold and Foreign Exchange			8,469			5,145
Bank Negara Malaysia international reserves, net			68,173			63,770
(Reserves as months of retained imports)			5.5			4.1

1 Adjusted for valuation and coverage to the balance of payments basis. Imports include military goods which are not included in trade data.

2 Include undistributed earnings of foreign direct investment companies.

The counterpart of these earnings is shown as an inflow of direct reinvestment capital under "Private long-term capital".

3 Include transactions of foreign military and diplomatic establishments.

4 Refer to changes in overseas assets of the Government and statutory authorities and subscriptions to international institutions and commodity arrangements.

5 Accumulation of reserves is indicated as a minus (-) sign.

6 In 1997, the foreign exchange gain on the balance sheet date was not recognised in the Bank's account, in view of the volatility of the exchange rate during the year.

7 Arising from the fixing of the ringgit/US dollar exchange rate at RM3.80 in September 1998, all assets and liabilities in foreign currencies have been revalued into ringgit at rates of exchange ruling on the balance sheet date and the cumulative gain has been reflected accordingly in the Bank's current year account. The US dollar equivalent of international reserves as at 31 December 1998 was US\$26.2 billion.

e Estimate

1996			1997			1998 ^e		
+	-	Net	+	-	Net	+	-	Net
RM million								
193,127	182,973	10,154	218,701	207,364	11,337	282,007	212,685	69,322
43,443	62,857	-19,414	49,531	71,323	-21,792	49,088	72,469	-23,381
2,832	11,354	-8,522	3,173	12,699	-9,526	4,129	12,781	-8,652
5,411	3,919	1,492	6,608	4,038	2,570	6,547	4,278	2,269
11,264	6,478	4,786	10,523	6,970	3,553	9,344	6,273	3,071
6,362	17,991	-11,629	6,493	20,320	-13,827	5,789	21,500	-15,711
324	360	-36	308	375	-67	331	491	-160
17,250	22,755	-5,505	22,426	26,921	-4,495	22,948	27,146	-4,198
236,570	245,830	-9,260	268,232	278,687	-10,455	331,095	285,154	45,941
2,000	4,936	-2,936	2,254	5,952	-3,698	2,938	12,811	-9,873
238,570	250,766	-12,196	270,486	284,639	-14,153	334,033	297,965	36,068
		748			4,645			2,138
748	2,927	-2,179	462	2,145	-1,683	4,001	2,182	1,819
342	1,017	-675	-	697	-697	2,435	1,324	1,111
406	1,910	-1,504	462	1,448	-986	1,566	858	708
-	-	-	-	-	-	-	-	-
8,128	5,284	2,844	9,372	3,006	6,366	4,705	4,344	361
		83			-38			-42
		12,777			14,363			8,740
		13,525			19,008			10,878
		1,329			4,855			46,946
		10,317			-11,337			-21,700
		-5,401			-4,410			15,055
		6,245			-10,892			40,301
		-			-			-
		-			-			-
		-6,245			10,892			-40,301
		-37			-51			-315
		-15			117			-757
		-6,193			10,826			-39,229
		70,015			59,123⁶			99,424⁷
		4.4			3.4			5.7

Table A.9
Direction of External Trade¹

	1994			1995		
	Exports	Imports	Trade balance	Exports	Imports	Trade balance
	RM million					
Singapore	31,842.7	21,991.3	9,851.4	37,584.4	24,079.9	13,504.5
Thailand	5,802.2	3,856.6	1,945.6	7,258.0	5,131.5	2,126.5
Indonesia	1,868.2	2,461.4	-593.2	2,441.2	3,057.3	-616.1
Philippines	1,590.5	841.0	749.5	1,692.2	1,153.5	538.7
Brunei Darussalam	688.7	82.3	606.4	742.8	10.3	732.5
Vietnam ²	416.7	292.2	124.5	672.8	315.6	357.2
ASEAN countries	41,792.3	29,232.6	12,559.7	50,391.4	33,748.1	16,643.3
Japan	18,550.7	41,627.5	-23,076.8	23,449.0	53,088.8	-29,639.8
The People's Republic of China	5,062.8	3,577.4	1,485.4	4,904.4	4,298.3	606.1
Hong Kong SAR	7,100.9	3,105.9	3,995.0	9,899.3	4,193.7	5,705.6
Taiwan	4,590.3	7,960.3	-3,370.0	5,813.3	9,913.7	-4,100.4
Korea	4,311.1	4,978.4	-667.3	5,162.0	7,965.3	-2,803.3
India	1,279.9	1,078.7	201.2	2,084.1	1,377.9	706.2
Other Far East countries ³	3,559.0	672.7	2,886.3	3,250.5	449.8	2,800.7
Australia	2,410.1	4,618.9	-2,208.8	2,824.6	5,259.4	-2,434.8
New Zealand	693.8	721.5	-27.7	487.9	800.9	-313.0
United States	32,523.5	26,020.9	6,502.6	38,278.5	31,413.0	6,865.5
Canada	1,421.0	617.4	803.6	1,504.7	1,034.0	470.7
United Kingdom	5,841.1	4,998.3	842.8	7,483.5	5,479.6	2,003.9
Germany	5,087.2	6,542.7	-1,455.5	5,926.6	8,612.6	-2,686.0
Netherlands	3,544.7	1,056.9	2,487.8	4,505.3	1,313.3	3,192.0
France	2,094.0	4,069.0	-1,975.0	1,852.5	5,917.5	-4,065.0
Italy	1,127.1	2,113.5	-986.4	1,418.1	2,462.5	-1,044.4
Belgium	1,962.8	916.4	1,046.4	1,967.6	1,112.8	854.8
Luxembourg	14.8	42.3	-27.5	21.4	43.2	-21.8
Denmark	290.2	251.4	38.8	336.0	275.4	60.6
Ireland	559.4	735.2	-175.8	818.7	1,370.6	-551.9
Greece	107.5	30.3	77.2	137.1	30.3	106.8
Spain	674.5	247.2	427.3	923.0	657.7	265.3
Portugal	111.6	94.1	17.5	140.0	114.5	25.5
Austria ⁴	157.4	267.6	-110.2	155.3	288.1	-132.8
Finland ⁴	88.3	448.7	-360.4	155.4	646.0	-490.6
Sweden ⁴	330.3	1,244.9	-914.6	433.1	1,638.0	-1,204.9
European Union (EU)	21,414.9	21,097.3	317.6	26,273.6	29,962.1	-3,688.5
Other West European countries ⁵	1,482.1	5,116.0	-3,633.9	1,581.2	8,385.0	-6,803.8
Russia	138.7	193.0	-54.3	250.0	439.0	-189.0
East European countries ⁶	275.6	399.7	-124.1	394.4	496.0	-101.6
Rest of the world	7,314.5	4,902.8	2,411.7	8,437.6	1,519.5	6,918.1
Total	153,921.2	155,921.0	-1,999.8	184,986.5	194,344.5	-9,358.0

¹ Exports are valued on a f.o.b. basis and imports on a c.i.f. basis. Data have been adjusted to exclude intra-regional trade and military imports.

² Vietnam became a member of ASEAN on July 28, 1995.

³ Prior to July 1995, include Myanmar, Sri Lanka and Pakistan.

⁴ Finland and Sweden became members of the European Union on 1 January, 1995 while Austria became one on 1 March, 1995.

⁵ Include Gibraltar, Greenland, Iceland, Malta, Monaco, Norway, Switzerland and Turkey.

⁶ Include Bulgaria, the Czech Republic and Slovakia, Poland and Yugoslavia.

Source: Department of Statistics.

1996			1997			1998		
Exports	Imports	Trade balance	Exports	Imports	Trade balance	Exports	Imports	Trade balance
RM million								
40,290.3	26,344.6	13,945.7	44,352.1	28,994.1	15,358.0	48,688.9	30,943.8	17,745.0
8,069.2	6,521.7	1,547.5	7,925.1	8,680.2	-755.1	9,058.9	8,831.7	227.2
3,065.3	3,584.2	-518.9	3,464.1	4,129.3	-665.2	3,932.2	5,777.8	-1,845.6
2,011.1	2,360.2	-349.1	3,301.0	2,632.8	668.2	4,521.2	5,385.6	-864.5
818.0	11.6	806.4	763.5	64.8	698.6	907.0	14.9	892.1
812.8	378.3	434.5	910.7	456.5	454.2	1,469.9	538.1	931.9
55,066.7	39,200.6	15,866.1	60,716.5	44,957.8	15,758.7	68,578.0	51,491.9	17,086.1
26,377.8	48,397.8	-22,020.0	27,483.9	48,497.6	-21,013.7	30,236.9	44,854.5	-14,617.6
4,734.2	4,718.5	15.7	5,256.7	6,274.1	-1,017.4	7,764.0	7,250.1	513.9
11,588.1	4,577.5	7,010.6	12,181.0	5,398.7	6,782.3	13,299.5	5,943.2	7,356.4
8,074.4	9,822.8	-1,748.4	9,484.0	10,574.7	-1,090.7	11,797.9	11,646.5	151.3
5,998.7	10,235.3	-4,236.6	7,049.1	11,352.4	-4,303.3	6,516.5	13,126.4	-6,609.9
3,033.5	1,849.8	1,183.7	3,305.7	2,137.4	1,168.3	6,743.8	1,829.9	4,913.8
3,524.5	310.6	3,213.9	1,345.2	215.8	1,129.5	1,334.3	284.4	1,049.9
3,058.3	5,559.8	-2,501.5	3,797.0	5,490.4	-1,693.4	6,617.4	4,996.5	1,620.9
604.8	918.7	-313.9	564.7	1,079.8	-515.1	820.0	985.2	-165.2
35,821.9	30,495.8	5,326.1	41,124.0	37,102.7	4,021.3	62,129.6	44,762.4	17,367.2
1,367.8	1,191.1	176.7	1,627.0	1,723.6	-96.6	2,144.9	1,466.3	678.6
6,778.0	5,139.3	1,638.7	7,293.5	5,812.1	1,481.4	10,328.4	5,067.0	5,261.4
5,978.9	8,434.7	-2,455.7	6,368.4	9,715.5	-3,347.2	8,654.9	9,018.8	-363.9
5,848.9	1,737.9	4,110.9	8,699.8	2,157.7	6,542.1	13,437.4	2,001.0	11,436.4
1,603.3	3,961.1	-2,357.8	2,101.0	4,257.6	-2,156.6	3,036.4	3,273.5	-237.1
1,535.1	2,740.1	-1,205.0	1,393.4	3,161.3	-1,768.0	2,090.1	2,121.2	-31.2
2,135.6	1,157.4	978.1	2,406.5	1,240.3	1,166.3	3,376.4	1,174.0	2,202.4
17.1	15.4	1.8	23.7	25.3	-1.7	34.9	8.9	26.0
327.7	366.5	-38.8	416.3	373.5	42.8	594.8	440.8	154.0
852.0	1,786.8	-934.8	1,082.5	1,234.2	-151.6	1,740.8	1,435.2	305.7
145.8	48.3	97.5	152.4	22.7	129.7	346.9	21.1	325.8
827.5	575.9	251.6	871.3	564.7	306.6	1,272.3	524.2	748.1
129.0	103.0	26.1	119.7	67.0	52.7	197.4	77.1	120.3
152.3	298.1	-145.8	135.1	244.7	-109.6	214.2	240.6	-26.4
254.2	494.3	-240.1	369.2	810.0	-440.9	448.1	384.2	63.9
412.6	1,559.7	-1,147.2	510.8	1,564.7	-1,053.9	659.2	1,283.8	-624.6
26,998.2	28,418.6	-1,420.4	31,943.7	31,251.5	692.3	46,432.3	27,071.5	19,360.8
1,483.4	6,836.0	-5,352.6	1,222.2	3,587.6	-2,365.4	2,200.8	2,878.6	-677.9
284.6	667.9	-383.3	250.3	1,045.4	-795.1	338.2	500.5	-162.3
458.4	740.1	-281.7	494.4	808.5	-314.1	970.7	459.5	511.2
8,550.8	3,338.9	5,211.9	13,045.0	9,437.6	3,607.4	18,831.0	8,761.9	10,069.1
197,026.1	197,279.8	-253.7	220,890.4	220,935.5	-45.0	286,755.7	228,309.4	58,446.4

Table A.10
Principal Markets for Manufactured Exports

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
ASEAN	33,731	28.0	40,878	27.8	45,388	28.6	50,869	28.4	53,147	24.6
<i>Singapore</i>	27,583	22.9	32,818	22.3	35,686	22.5	39,340	22.0	39,980	18.5
<i>Thailand</i>	3,137	2.6	4,292	2.9	4,746	3.0	5,439	3.0	6,690	3.1
<i>Indonesia</i>	1,344	1.1	1,933	1.3	2,527	1.6	2,745	1.5	2,473	1.1
<i>Philippines</i>	1,146	1.0	1,291	0.9	1,831	1.2	2,794	1.6	3,335	1.5
<i>Brunei Darussalam</i>	520	0.4	543	0.4	599	0.4	551	0.3	669	0.3
EU	17,995	15.0	21,840	14.8	22,920	14.5	27,799	15.5	36,045	16.7
<i>United Kingdom</i>	5,149	4.3	6,839	4.6	6,186	3.9	6,686	3.7	8,722	4.0
<i>Germany</i>	4,625	3.8	5,277	3.6	5,430	3.4	5,826	3.3	7,244	3.4
<i>Netherlands</i>	2,132	1.8	2,953	2.0	4,446	2.8	7,363	4.1	9,538	4.4
<i>Others</i>	6,089	5.1	6,771	4.6	6,858	4.3	7,925	4.4	10,540	4.9
United States	31,153	25.9	36,713	24.9	34,410	21.7	39,495	22.1	54,819	25.4
Japan	10,618	8.8	15,202	10.3	17,515	11.0	18,279	10.2	19,490	9.0
Hong Kong SAR	6,564	5.5	9,149	6.2	10,448	6.6	11,176	6.2	11,341	5.3
Taiwan	3,293	2.7	4,439	3.0	6,643	4.2	7,655	4.3	9,069	4.2
Korea	1,880	1.6	2,622	1.8	2,855	1.8	2,950	1.6	2,960	1.4
The People's Republic of China	2,402	2.0	2,348	1.6	2,746	1.7	2,777	1.6	3,791	1.8
Australia	1,750	1.5	1,900	1.3	2,400	1.5	3,058	1.7	5,038	2.3
Canada	1,331	1.1	1,384	0.9	1,280	0.8	1,501	0.8	1,814	0.8
West Asian countries	2,226	1.9	2,767	1.9	2,858	1.8	3,158	1.8	4,320	2.0
Latin American countries	1,613	1.3	1,965	1.3	1,776	1.1	2,431	1.4	2,780	1.3
Rest of the world	5,738	4.8	6,046	4.1	7,299	4.6	7,797	4.4	11,158	5.2
Total	120,295	100.0	147,253	100.0	158,540	100.0	178,945	100.0	215,772	100.0

Source: Department of Statistic and Bank Negara Malaysia.

Table A.11
Principal Export Markets for Electronics

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
United States	14,592	34.2	18,159	32.0	16,357	25.3	21,365	26.4	31,964	31.0
Singapore	10,720	25.1	14,578	25.7	17,555	27.2	21,170	26.2	22,325	21.6
Taiwan	1,344	3.2	2,150	3.8	4,056	6.3	4,395	5.4	5,372	5.2
Japan	3,392	8.0	4,670	8.2	5,547	8.6	6,156	7.6	7,383	7.2
Hong Kong SAR	2,139	5.0	2,788	4.9	3,963	6.1	4,490	5.6	3,916	3.8
Other	10,450	24.5	14,435	25.4	17,155	26.5	23,201	28.7	32,195	31.2
Total	42,637	100.0	56,780	100.0	64,633	100.0	80,776	100.0	103,155	100.0

Source: Department of Statistics and Bank Negara Malaysia

Table A.12
Principal Export Markets for Electrical Products

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
United States	8,716	25.8	9,445	23.6	9,145	23.1	8,918	23.3	11,449	25.9
Singapore	8,754	26.0	9,165	22.9	8,323	21.0	7,867	20.6	7,290	16.5
Japan	3,034	9.0	4,894	12.2	5,320	13.4	5,140	13.4	5,908	13.4
Hong Kong SAR	1,894	5.6	2,786	7.0	2,599	6.6	2,223	5.8	2,305	5.2
Germany	1,635	4.8	1,618	4.0	1,757	4.4	1,545	4.0	1,757	4.0
United Kingdom	910	2.7	1,067	2.7	1,053	2.7	1,067	2.8	1,202	2.7
Other	8,788	26.1	10,993	27.5	11,443	28.9	11,490	30.1	14,222	32.3
Total	33,731	100.0	39,968	100.0	39,639	100.0	38,249	100.0	44,133	100.0

Source: Department of Statistics and Bank Negara Malaysia

Table A.13
Principal Export Markets for Textiles, Clothing and Footwear

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
United States	1,829	30.2	1,693	26.0	1,662	23.9	1,885	24.7	2,531	29.7
Hong Kong SAR	409	6.7	801	12.3	1,071	15.4	1,009	13.2	1,037	12.2
Singapore	767	12.7	763	11.7	774	11.1	734	9.6	611	7.2
United Kingdom	538	8.9	498	7.6	494	7.1	527	6.9	553	6.5
Japan	305	5.0	383	5.9	433	6.2	487	6.4	407	4.8
Germany	343	5.7	352	5.4	365	5.2	314	4.1	378	4.4
Taiwan	259	4.3	239	3.7	346	5.0	547	7.2	533	6.3
Other	1,606	26.5	1,790	27.5	1,817	26.1	2,113	27.7	2,472	29.0
Total	6,056	100.0	6,519	100.0	6,963	100.0	7,616	100.0	8,522	100.0

Source: Department of Statistics and Bank Negara Malaysia

Table A.14
Principal Export Markets for Wood Products

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Japan	888	18.6	1,405	28.4	2,105	34.6	2,092	32.2	1,422	26.3
The People's Republic of China	1,486	31.1	1,148	23.2	1,241	20.4	949	14.6	667	12.4
Taiwan	478	10.0	384	7.7	476	7.8	533	8.2	440	8.2
Hong Kong SAR	335	7.0	380	7.7	474	7.8	685	10.6	782	14.5
Singapore	438	9.2	367	7.4	399	6.6	433	6.7	328	6.1
Other	1,149	24.1	1,270	25.6	1,391	22.9	1,798	27.7	1,760	32.6
Total	4,774	100.0	4,954	100.0	6,086	100.0	6,490	100.0	5,399	100.0

Source : Department of Statistics and Bank Negara Malaysia

Table A.15
Principal Export Markets for Chemicals and Chemical Products

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Singapore	747	16.4	834	13.3	901	13.4	1,024	12.6	1,151	11.7
Hong Kong SAR	426	9.4	627	10.0	648	9.7	783	9.6	1,015	10.4
Japan	594	13.1	607	9.7	610	9.1	792	9.7	885	9.0
Korea	217	4.8	492	7.9	587	8.7	553	6.8	409	4.2
United States	420	9.2	523	8.4	554	8.3	769	9.5	966	9.9
Taiwan	159	3.5	281	4.5	381	5.7	635	7.8	489	5.0
Thailand	289	6.4	385	6.2	357	5.3	376	4.6	478	4.9
Indonesia	163	3.6	251	4.0	353	5.3	449	5.5	314	3.2
Australia	120	2.6	185	2.9	242	3.6	239	2.9	313	3.2
Other	1,413	31.1	2,072	33.1	2,077	31.0	2,517	30.9	3,776	38.5
Total	4,548	100.0	6,257	100.0	6,710	100.0	8,137	100.0	9,796	100.0

Source: Department of Statistics and Bank Negara Malaysia

Table A.16
Principal Export Markets for Manufacturers of Metal

Country	1994		1995		1996		1997		1998 (Jan.-Nov.)	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Singapore	1,412	38.9	1,513	32.5	1,719	34.4	1,789	31.6	2,118	28.1
United States	310	8.5	357	7.7	414	8.3	418	7.4	621	8.2
Japan	313	8.6	392	8.4	387	7.7	514	9.1	523	6.9
Korea	132	3.6	221	4.7	338	6.8	324	5.7	266	3.5
Thailand	204	5.6	355	7.6	312	6.3	293	5.2	356	4.7
Indonesia	96	2.7	267	5.7	258	5.2	237	4.2	259	3.4
Taiwan	116	3.2	217	4.7	248	5.0	304	5.4	711	9.4
Other	1,051	28.9	1,334	28.7	1,322	26.4	1,782	31.5	2,681	35.6
Total	3,634	100.0	4,656	100.0	4,998	100.0	5,661	100.0	7,535	100.0

Source: Department of Statistics and Bank Negara Malaysia

Table A.17
Export Prices for Major Commodities

	1994	1995	1996	1997	1998
Crude palm oil (RM/tonne)	1,174.0	1,534.0	1,288.4	1,424.9	2,366.4
Rubber (sen/kg)	288.0	398.0	358.0	291.7	286.0
Sawn timber (RM/cu. metre)	911.3	879.0	832.5	904.9	941.4
Saw logs (RM/cu. metre)	302.2	292.0	326.7	366.8	344.4

Source: Department of Statistics

Table A.18
Crude Oil Prices: International Comparison

	1994	1995	1996	1997	1998
	(US\$/bbl)				
Tapis Blend	17.14	18.28	22.00	21.11	14.10
North Sea Brent	16.04	17.20	20.76	19.40	13.16
West Texas Intermediate	17.18	18.43	22.12	20.63	14.48

Source: PETRONAS

Table A.19
Principal Export Markets for Palm Oil

	1994		1995		1996		1997		1998	
	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share
The People's Republic of China	1,412.3	20.6	1,102.3	16.2	934.5	12.8	1,102.5	14.5	918.7	12.2
Pakistan	1,194.7	17.4	1,024.8	15.1	1,119.6	15.3	1,097.4	14.5	1,054.0	14.0
India	219.2	3.2	748.8	11.0	991.9	13.5	974.6	12.8	1,329.7	17.7
West Asia	921.0	13.4	865.2	12.7	1,099.0	15.0	937.6	12.4	872.9	11.6
EU	737.4	10.7	640.2	9.4	857.4	11.7	717.2	9.4	1,058.4	14.1
<i>Netherlands</i>	266.9	3.9	267.2	3.9	421.4	5.8	347.0	4.6	616.5	8.2
<i>Sweden</i>	50.1	0.7	53.9	0.8	71.8	1.0	63.2	0.8	68.3	0.9
<i>Italy</i>	53.0	0.8	61.2	0.9	130.1	1.8	62.8	0.8	102.2	1.4
<i>United Kingdom</i>	143.4	2.1	79.9	1.2	67.2	0.9	60.6	0.8	56.4	0.7
<i>Other</i>	224.0	3.2	178.1	2.6	166.9	2.3	183.6	2.4	215.0	2.9
Singapore	419.2	6.1	441.9	6.5	346.2	4.7	392.1	5.2	399.2	5.3
Japan	341.4	5.0	316.7	4.7	361.8	4.9	344.1	4.5	334.1	4.5
Korea	183.7	2.7	156.7	2.3	190.8	2.6	185.7	2.4	137.8	1.8
Myanmar	178.9	2.6	204.7	3.0	189.0	2.6	179.0	2.4	205.9	2.8
Other	1,255.7	18.3	1,307.8	19.1	1,233.3	16.9	1,661.1	21.9	1,202.2	16.0
Total	6,863.5	100.0	6,809.1	100.0	7,323.5	100.0	7,591.3	100.0	7,512.9	100.0

Source: Department of Statistics

Table A.20
Principal Export Markets for Rubber

	1994		1995		1996		1997		1998	
	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share
EU	299	29.4	329	32.5	298	30.4	315	30.9	379	38.3
<i>Germany</i>	51	5.0	69	6.8	73	7.5	76	7.5	92	9.3
<i>United Kingdom</i>	50	4.9	47	4.6	46	4.7	47	4.6	60	6.1
<i>Belgium</i>	35	3.4	41	4.0	35	3.6	44	4.3	57	5.8
<i>Italy</i>	50	4.9	48	4.7	42	4.3	43	4.2	39	3.9
<i>Netherlands</i>	42	4.1	51	5.0	30	3.0	22	2.1	25	2.5
<i>Other</i>	71	7.1	73	7.4	71	7.3	83	8.2	106	10.7
United States	126	12.4	125	12.3	123	12.6	130	12.8	112	11.3
Korea	144	14.2	111	11.0	98	10.0	87	8.5	77	7.8
Japan	52	5.1	52	5.1	44	4.4	52	5.1	32	3.2
The People's Republic of China	84	8.3	40	3.9	80	8.2	52	5.1	41	4.2
Turkey	30	2.9	41	4.0	34	3.4	32	3.1	29	2.9
Other	282	27.7	315	31.2	303	31.0	350	34.5	319	32.3
Total	1,017	100.0	1,013	100.0	980	100.0	1,018	100.0	989	100.0

Source: Department of Statistics

Table A.21
Principal Export Markets for Saw Logs

	1994		1995		1996		1997		1998	
	'000 cubic metres	% share	'000 cubic metres	% share	'000 cubic metres	% share	'000 cubic metres	% share	'000 cubic metres	% share
Japan	4,652	55.3	4,060	52.4	3,613	51.7	2,856	44.6	2,222	41.0
Taiwan	1,446	17.2	1,233	15.9	1,172	16.8	1,216	19.0	968	17.9
India	255	3.0	321	4.1	318	4.6	688	10.8	741	13.7
Hong Kong SAR	366	4.4	375	4.8	478	6.8	519	8.1	389	7.2
The People's Republic of China	515	6.1	540	7.0	341	4.9	431	6.7	744	13.7
Korea	627	7.4	678	8.8	496	7.1	370	5.8	234	4.3
Thailand	360	4.3	304	3.9	358	5.1	209	3.3	90	1.7
Other	196	2.3	235	3.0	209	3.0	107	1.7	30	0.5
Total	8,417	100.0	7,746	100.0	6,985	100.0	6,396	100.0	5,418	100.0

Source: Department of Statistics

Table A.22
Principal Export Markets for Crude Oil

	1994		1995		1996		1997		1998	
	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share	'000 tonnes	% share
Thailand	4,201	22.0	4,996	26.1	4,913	28.1	3,735	23.5	3,206	17.8
Japan	4,422	23.2	4,405	23.0	3,929	22.5	2,722	17.2	2,108	11.7
Korea	2,492	13.1	1,837	9.6	2,022	11.6	2,393	15.1	2,328	12.9
Singapore	3,545	18.6	2,949	15.4	2,264	12.9	1,829	11.5	1,094	6.1
India	849	4.5	597	3.1	863	4.9	1,050	6.6	1,958	10.9
Indonesia	744	3.9	810	4.2	683	3.9	882	5.6	2,127	11.8
Philippines	636	3.3	368	1.9	437	2.5	547	3.4	617	3.4
New Zealand	-	0.0	405	2.1	587	3.4	332	2.1	459	2.5
Other	2,172	11.4	2,798	14.6	1,797	10.2	2,382	15.0	4,115	22.9
Total	19,061	100.0	19,165	100.0	17,495	100.0	15,872	100.0	18,012	100.0

Source: Department of Statistics

Table A.23
External Debt and Debt Servicing

	1994	1995	1996	1997	1998 ^p
	RM million				
Medium and long-term					
Gross borrowing	20,119	21,310	22,485	25,235	18,353
<i>Federal Government</i>	1,293	442	749	462	4,001
<i>NFPEs</i>	8,268	9,952	8,128	9,371	4,705
<i>Private sector</i>	10,558	10,916	13,608	15,402	9,647
Repayment and prepayment	12,357	11,155	15,958	11,862	14,361
<i>Federal Government</i>	6,050	2,077	2,926	2,143	2,182
<i>NFPEs</i>	2,507	2,184	5,284	3,006	4,344
<i>Private sector</i>	3,800	6,894	7,748	6,713	7,835
Net borrowing	7,762	10,155	6,527	13,373	3,992
<i>Federal Government</i>	-4,757	-1,635	-2,177	-1,681	1,819
<i>NFPEs</i>	5,761	7,768	2,844	6,365	361
<i>Private sector</i>	6,758	4,022	5,860	8,689	1,812
Outstanding debt	59,391	68,811	72,682	127,500	131,271
<i>Federal Government</i>	14,818	13,331	10,470	12,952	14,924
<i>NFPEs</i>	20,370	27,400	29,239	52,467	53,231
<i>Private sector</i>	24,203	28,080	32,973	62,081	63,116
% GNP	32.8	33.0	30.6	48.8	50.0
% exports of goods and services	33.0	32.0	30.7	47.5	39.6
Annual growth (%)	14.5	15.9	5.6	75.4	3.0
Currency composition (% share)	100	100	100	100	100
<i>U.S. Dollar</i>	58	65	72	76	74
<i>Japanese yen</i>	27	22	16	15	17
<i>Other</i>	15	13	12	9	9
Short-term					
Outstanding debt	14,244	16,204	25,151	43,257	28,504
<i>Banking</i>	9,840	11,293	17,053	32,276	19,659
<i>Non-bank private sector</i>	4,404	4,911	8,098	10,981	8,845
Total external debt	73,635	85,015	97,833	170,757	159,775
% GNP	40.7	40.8	41.2	65.4	60.9
% exports of goods and services	40.9	39.5	41.4	63.7	48.3
Annual Growth (%)	6.4	15.5	15.1	74.5	-6.4
Total servicing (including short-term interest payment)	9,967	14,115	16,262	14,718	22,112
of which:					
Medium and long-term					
Repayment (excluding prepayment)	6,212	10,133	11,019	8,321	13,992
<i>Federal Government</i>	1,321	2,077	1,792	1,232	2,181
<i>NFPEs</i>	1,280	1,570	2,442	1,447	4,344
<i>Private sector</i>	3,611	6,486	6,785	5,642	7,467
Interest payment	2,642	2,876	3,603	4,378	5,868
<i>Federal Government</i>	1,136	886	751	637	1,008
<i>NFPEs</i>	845	1,074	1,392	1,862	2,822
<i>Private sector</i>	661	916	1,460	1,879	2,038
Debt service ratio (% exports of goods and services)					
Total debt	5.5	6.6	6.9	5.5	6.7
Medium and long-term debt	4.9	6.0	6.2	4.7	6.0
<i>Federal Government</i>	1.4	1.4	1.1	0.7	1.0
<i>NFPEs</i>	1.2	1.2	1.6	1.2	2.2
<i>Private sector</i>	2.3	3.4	3.5	2.8	2.9

^p Preliminary

Source: Ministry of Finance and Bank Negara Malaysia.

Table A.24
Gross Malaysian Investment Overseas¹

Countries	1994	1995	1996	1997	1998
	RM million				
Singapore	995	2,185	1,806	1,783	2,081
United States	624	544	1,416	1,334	1,650
United Kingdom	444	793	1,308	1,716	812
Thailand	70	89	129	133	537
Netherlands	266	143	21	109	266
Virgin Islands (British)	159	8	183	17	227
Mauritius	44	-	15	18	211
France	11	17	99	90	206
Indonesia	100	328	414	648	192
Hong Kong SAR	1,892	816	769	936	162
Australia	624	592	471	505	115
Philippines	223	646	375	299	103
Bermuda	1	21	23	-	99
Cambodia	3	16	67	40	88
Myanmar	3	-	17	8	83
The People's Republic of China	217	331	514	327	75
Taiwan	40	40	112	100	74
Japan	220	93	641	149	64
Vietnam	73	102	129	142	61
South Africa	45	68	1,183	147	42
India	28	14	17	35	30
Canada	172	96	40	61	28
Italy	7	12	6	6	27
Brunei Darussalam	...	2	...	8	26
Namibia	5	23	20	4	25
Belgium	...	7	18	2	21
New Zealand	79	42	41	50	18
Turkmenistan	-	-	-	-	16
Egypt	-	-	-	2	14
Switzerland	165	89	62	186	13
Germany	60	12	18	110	13
Argentina	-	1	4	-	13
Other	229	612	479	669	146
Total²	6,799	7,742	10,397	9,634	7,538

¹ Refers to equity investment, purchase of real estate abroad and extension of loans to non-residents. Does not include retained earnings overseas.

² Does not include investment in Labuan IOFC.

Source: Cash BOP Reporting System, Bank Negara Malaysia.

Table A.25
Consumer Price Index (1994=100)

	Weights	1994	1995	1996	1997	1998
		Annual change (%)				
Total	100.0	3.7	3.4	3.5	2.7	5.3
Of which:						
Food	34.9	5.3	4.9	5.7	4.1	8.9
Beverages and tobacco	3.6	4.9	2.3	2.2	1.3	4.3
Clothing and footwear	3.6	-0.8	0.0	-0.7	-0.5	0.4
Gross rent, fuel and power	21.1	2.4	3.4	3.2	3.2	4.4
Furniture, furnishings and household equipment and operation	5.6	1.6	2.8	1.1	0.1	3.9
Medical care and health expenses	1.9	3.4	3.1	3.7	3.6	6.2
Transport and communication	17.9	4.6	1.8	1.4	0.6	-0.1
Recreation, entertainment, education and cultural services	5.8	0.7	2.5	3.3	0.4	3.3
Miscellaneous goods and services	5.6	2.4	4.2	2.5	4.6	7.1
Peninsular Malaysia	100.0	3.7	3.7	3.8	2.8	5.5
Sabah	100.0	3.3	2.8	2.8	2.0	4.3
Sarawak	100.0	4.3	2.2	2.2	1.7	4.2
Durable goods	10.0	6.5	1.9	1.4	-0.7	0.4
Semi-durable goods	5.5	-0.5	0.2	1.2	-0.3	1.4
Non-durable goods	41.2	4.3	4.1	4.0	2.6	6.9
Services	43.3	2.7	3.6	3.7	3.8	5.2

Source: Department of Statistics

Table A.26
Consumer Price Index for Food

	Weights	1994	1995	1996	1997	1998
		Annual change (%)				
Food	34.9	5.3	4.9	5.7	4.1	8.9
Of which:						
Food at home	25.1	5.9	5.3	6.0	3.7	9.1
Rice, bread and other cereals	5.5	0.4	1.4	7.4	3.6	6.9
Meat	3.8	8.0	0.8	4.7	3.4	8.1
Fish	4.9	13.2	12.1	11.7	7.2	9.1
Milk and eggs	2.3	1.0	-0.4	4.0	1.6	4.7
Oils and fats	0.7	2.5	11.2	0.2	-0.7	5.2
Fruits and vegetables	5.4	7.4	8.7	3.0	2.6	14.1
Sugar	0.6	0.1	0.7	0.8	0.3	19.3
Coffee and tea	0.8	2.0	4.6	0.5	0.8	10.1
Other foods	1.1	-2.2	2.7	4.4	0.7	4.2
Food away from home	9.8	2.8	3.7	5.2	5.3	8.4

Source: Department of Statistics

Table A.27
House Price Indicators (MHPI, 1990=100)

	1994	1995	1996	1997	1998 1st half
	Annual change (%)				
	8.0	18.4	12.9	1.9	-8.5
Type					
Terraced	8.7	13.1	10.2	10.0	-4.3
Semi-Detached	6.5	9.8	8.1	2.9	-5.4
Detached	10.0	15.7	14.1	4.3	-9.0
High-Rise Unit	6.1	4.2	-1.0	-4.8	-5.9
Region					
Klang Valley	10.4	15.9	15.7	4.4	-11.2
Johor Bahru	15.6	16.6	14.3	0.1	-21.9
Penang Island	8.8	11.2	4.3	4.3	-11.5
Seremban-Sepang	3.1	11.4	18.6	7.8	-3.6
Ipoh-Kinta	3.8	6.7	6.8	5.0	-2.0

Source: Valuation and Property Services Department

Table A.28
Producer Price Index (1989=100)

	Weights	1994	1995	1996	1997	1998
		Annual change (%)				
		4.0	3.9	2.3	2.7	10.7
Domestic Economy	100.0	4.0	3.9	2.3	2.7	10.7
Of which:						
Food and live animals	14.9	5.7	2.4	5.5	2.3	8.5
Beverages and tobacco	2.1	2.1	2.3	0.5	0.1	1.5
Crude materials	18.0	10.0	7.0	-1.5	-4.9	3.0
Mineral fuels, lubricants and related materials	18.8	-4.5	-0.3	12.5	7.0	-2.6
Animal and vegetable oils and fats	8.5	19.1	26.0	-5.8	12.9	63.8
Chemicals and related products	4.4	0.3	2.2	1.0	1.2	4.7
Manufactured goods	10.8	3.1	-0.1	0.8	0.1	6.8
Machinery and transport equipment	18.4	0.4	-1.8	0.5	3.4	5.9
Miscellaneous manufactured articles	3.6	5.3	2.3	3.4	-1.2	5.4
Commodities and other transactions	0.6	1.7	-0.4	0.3	-0.5	2.1
Local Production	79.3	5.0	4.8	2.8	2.5	11.2
Imports	20.7	0.2	0.7	0.1	2.8	9.2

Source: Department of Statistics

Table A.29
Wages in Private Sector¹

Sector	No. of wage agreements		No. of workers involved		Average wage (Weighted increase in %)	
	1997	1998	1997	1998	1997	1998
Manufacturing	241	146	63,381	37,283	15.0	8.0
Transport	31	37	7,708	42,385	10.0	6.1
Commerce	62	52	6,836	50,444	11.8	13.8
Services	44	23	11,973	4,260	14.1	10.1
Agriculture	18	11	35,982	6,665	10.2	8.9
Electricity	2	1	2,307	152	18.1	10.0
Mining	7	4	364	160	7.7	10.6
Construction	-	-	-	-	-	-
Other	7	10	1,484	1,173	9.6	6.0
Total	412	284	130,035	142,522	13.1	9.6

¹ Based on collective wage agreements in the private sector which are of 3-year duration.
– No collective wage agreements were concluded.

Source: Industrial Courts
Bank Negara Malaysia

Table A.30
Labour Market Indicators

	1994	1995	1996	1997	1998
Labour force ('000)	7,846	8,257	8,641	9,038	8,881
(annual change in %)	2.9	5.2	4.7	4.6	-1.7
Employment (annual change in %)	3.0	5.3	4.9	4.6	-3.0
Unemployment rate (% of labour force)	2.9	2.8	2.6	2.6	3.9
Labour productivity growth (GDP/Employment)	6.1	6.6	5.7	5.6	-3.8
Average wages in manufacturing sector (annual change in %)	4.4	6.6	8.4	7.3	0.3
Employment by sector ('000)					
Agriculture, forestry and fishing	1,518	1,524	1,505	1,495	1,434
Mining	38	38	39	39	39
Manufacturing	1,877	2,061	2,221	2,390	2,305
Construction	594	711	802	874	726
Electricity, gas and water	61	66	70	76	77
Wholesale and retail trade, hotels and restaurants	1,318	1,314	1,382	1,447	1,439
Finance, insurance, real estate and business services	346	374	391	406	417
Transport, storage and communication	362	399	419	436	439
Government services	868	870	871	873	875
Other services	636	667	717	769	788
Total	7,618	8,024	8,417	8,805	8,539
Services	3,591	3,690	3,850	4,007	4,034

Source: Economic Planning Unit
Department of Statistics
National Productivity Corporation

Table A.31
Consolidated Public Sector Finance

	1994	1995	1996	1997	1998 ^p
	RM million				
General government					
Revenue	61,136	62,271	70,912	81,528	71,392
% growth	16.2	1.9	13.9	15.0	-12.4
Operating expenditure	40,542	41,394	50,463	51,884	51,896
% growth	7.7	2.1	21.9	2.8	...
Current surplus	20,594	20,877	20,449	29,644	19,496
NFPEs					
Revenue	43,323	48,335	57,380	69,713	77,175
% growth	-0.8	11.6	18.7	21.5	10.7
Operating expenditure	28,520	32,342	37,032	42,033	54,129
% growth	-5.0	13.4	14.5	13.5	28.8
Current surplus	14,803	15,993	20,348	27,680	23,046
Public sector current surplus	35,397	36,870	40,797	57,324	42,542
(% of GNP)	19.6	17.7	17.2	22.0	16.3
Net development expenditure	28,753	29,801	30,818	39,992	47,219
% growth	-11.0	3.6	3.4	29.9	18.1
General government	12,557	16,171	15,306	18,651	21,442
% growth	-2.3	28.8	-5.3	22.2	15.0
NFPEs	16,196	13,630	15,512	21,341	25,777
% growth	-16.8	-15.8	13.8	37.6	20.8
Overall balance	6,644	7,069	9,979	17,332	-4,677
(% of GNP)	3.7	3.4	4.2	6.6	-1.8
General government	8,037	4,706	5,143	10,993	-1,946
NFPEs	-1,393	2,363	4,836	6,339	-2,731

^p Preliminary

Source: Ministry of Finance, state governments and non-financial public enterprises

Table A.32
World Trade¹

	1994	1995	1996	1997	1998 ²
	Annual change (%)				
World trade	9.2	9.5	7.0	10.0	3.4
	% share of world trade				
United States	14.0	13.7	14.0	14.6	14.4
Japan	7.8	7.6	7.1	6.9	6.9
European Union	36.6	37.2	36.5	35.2	36.4
Germany	9.0	9.2	8.8	8.3	8.4
United Kingdom	4.9	4.9	4.9	5.0	5.0
Asia ³	17.4	18.1	18.2	18.4	17.7
The People's Republic of China	3.6	3.7	3.6	4.1	4.0
India	0.7	0.7	0.7	0.7	0.8
Asian NIEs	8.3	8.5	8.4	8.3	7.9
Hong Kong SAR	2.3	2.2	2.1	2.2	2.0
Korea	2.1	2.3	2.3	2.2	2.1
Singapore	1.9	2.0	2.0	1.8	1.9
Taiwan	2.0	2.0	2.0	2.1	1.9
ASEAN	4.0	4.2	4.3	4.5	4.1
Indonesia	0.8	0.8	0.9	0.9	0.9
Malaysia	1.5	1.6	1.6	1.7	1.5
Philippines	0.5	0.5	0.6	0.6	0.6
Thailand	1.1	1.2	1.2	1.1	0.9
Vietnam	0.1	0.2	0.2	0.2	0.2
Latin America	5.0	4.8	5.1	5.5	5.5
Argentina	0.4	0.4	0.4	0.5	0.4
Brazil	0.9	1.0	1.0	1.1	1.0
Chile	0.3	0.3	0.3	0.3	0.3
Mexico	1.6	1.4	1.6	1.8	1.9
Emerging Markets					
South Africa	0.4	0.5	0.5	0.5	0.5
Russia	1.2	1.3	1.3	1.3	1.1

¹ Refers to trade in goods.

² Refers to first quarter, except for world trade data, which is a forecast.

³ Excludes Japan.

Source: IMF World Economic Outlook, December 1998
IMF Direction of Trade Statistics

Table A.33
Industrial Countries: Key Economic Indicators

	1994	1995	1996	1997	1998e	1999f
	Annual change (%)					
Real GDP						
Industrial Countries	2.9	2.2	3.0	3.1	2.3	2.0
United States	3.5	2.3	3.4	3.9	3.9	2.8
Japan	0.6	1.5	5.0	1.4	-2.9	-1.2
Germany	2.7	1.2	1.3	2.2	2.8	1.5
United Kingdom	4.4	2.8	2.6	3.5	2.5	0.9
Consumer Prices						
Industrial Countries	2.2	2.3	2.3	2.0	1.4	1.4
United States	2.6	2.8	2.9	2.3	1.6	1.8
Japan	0.7	-0.1	0.1	1.7	0.7	0.0
Germany	2.7	1.8	1.5	1.8	1.0	1.0
United Kingdom ¹	2.4	2.8	2.9	2.8	2.6	2.5
	% of labour force					
Unemployment						
Industrial Countries	8.0	7.7	7.7	7.4	7.0	7.1
United States	6.1	5.6	5.4	4.9	4.5	4.8
Japan	2.9	3.1	3.3	3.4	4.2	4.5
Germany	9.6	9.4	10.4	11.5	10.9	10.7
United Kingdom	9.3	8.0	7.3	5.5	4.7	5.1
	% of GDP					
Current account balance						
United States	-1.9	-1.6	-1.8	-1.9	-2.7	-3.3
Japan	+2.8	+2.2	+1.4	+2.2	+3.4	+3.3
Germany	-1.0	-0.9	-0.6	-0.2	+0.1	+0.2
United Kingdom	-0.2	-0.5	-0.2	+0.6	+0.2	-0.5
Fiscal balance						
United States	-2.3	-1.9	-0.9	+0.2	+1.1	+1.1
Japan	-2.3	-3.6	-4.2	-3.5	-6.2	-8.5
Germany	-2.4	-3.3	-3.4	-2.7	-2.4	-2.3
United Kingdom	-6.8	-5.5	-4.5	-1.9	+0.1	-0.7

¹ Retail Price Index, excluding mortgage interest
e Estimate
f Forecast

Source: IMF World Economic Outlook, December 1998
National sources

Table A.34
East Asia: Key Economic Indicators

	1994	1995	1996	1997	1998e	1999f
	Annual change (%)					
Real GDP						
Asian NIEs	7.6	7.2	6.3	6.1	-1.8	2.8-2.9
Korea	8.6	8.9	7.1	5.5	-5.4	3.2
Taiwan	6.5	6.0	5.7	6.8	4.8	4.7
Singapore	10.5	8.4	7.5	8.0	1.5	-1.0~+1.0
Hong Kong SAR	5.4	3.9	4.6	5.3	-5.1	0.5
ASEAN¹	8.2	8.1	7.1	4.6	-7.3	-0.8~+0.9
Malaysia	9.3	9.4	8.6	7.7	-6.7	1.0
Thailand	8.9	8.8	5.5	-0.4	-8.0	1.0
Indonesia	7.5	8.2	7.8	4.9	-13.7	-4.0-0
Philippines	4.4	4.7	5.9	5.2	-0.5	2.5-3.2
Vietnam	8.8	9.5	9.3	9.0	5.8	5.0-6.0
The People's Republic of China ²	12.6	10.5	9.6	8.8	7.8	7.0
Consumer prices						
Asian NIEs	5.7	4.7	4.3	3.4	4.4	1.5-1.6
Korea	6.2	4.5	4.9	4.5	7.5	3.0
Taiwan	4.1	3.7	3.1	0.9	1.7	1.6
Singapore	3.1	1.7	1.4	2.0	-0.3	-1.0-0
Hong Kong SAR	8.1	8.7	6.0	5.7	2.6	-2.0
ASEAN¹	6.8	6.7	6.0	6.8	34.2	7.1-9.3
Malaysia	3.7	3.4	3.5	2.7	5.3	< 4.0
Thailand	5.1	5.8	5.9	5.6	8.1	3.0
Indonesia	8.5	9.0	6.6	10.3	77.6	12.0-17.0
Philippines	9.0	8.0	9.1	6.0	9.7	8.0-9.0
Vietnam	14.5	12.7	4.5	3.6	9.2	10.0
The People's Republic of China ²	21.7	14.8	6.1	0.8	-2.6	2.0
Current account balance	US\$ billion					
Asian NIEs	+15.6	+5.3	+0.3	+8.5	-	-
Korea	-3.9	-8.5	-23.0	-8.2	+40.0	+20.0
Taiwan	+6.5	+5.5	+11.0	+7.7	+3.5	n.a.
Singapore	+11.4	+14.4	+14.5	+15.0	+17.6	n.a.
Hong Kong SAR ³	+1.6	-6.1	-2.2	-6.0	n.a.	n.a.
ASEAN¹	-20.4	-33.9	-33.2	-18.9	+27.8	+21.7
Malaysia	-5.6	-8.6	-4.8	-5.0	+9.2	+7.8
Thailand	-7.8	-13.2	-14.4	-3.0	+14.3	+11.0
Indonesia	-2.8	-6.8	-7.7	-5.0	+4.5	+3.7
Philippines	-2.9	-3.3	-4.0	-4.4	+0.8	+0.4
Vietnam	-1.3	-2.0	-2.3	-1.5	-1.0	-1.2
The People's Republic of China	+6.9	+1.6	+7.2	+29.7	n.a.	n.a.
Current account balance	% of GDP					
Korea	-1.0	-1.9	-4.7	-1.9	+13.2	+7.0
Taiwan	+2.7	+2.1	+4.0	+2.7	+1.3	+2.2
Singapore	+16.2	+17.3	+15.9	+15.8	+20.9	+18.4
Hong Kong SAR ³	+1.2	-4.3	-1.4	-3.5	n.a.	+1.2
Malaysia	-7.8	-9.9	-4.9	-5.1	+12.9	+10.4
Thailand	-5.6	-7.8	-7.9	-2.0	+12.3	+8.5
Indonesia	-1.7	-3.3	-3.4	-2.3	+4.4	+2.5
Philippines	-4.6	-4.4	-4.8	-5.3	+1.1 ⁴	+0.6 ⁴
Vietnam	-8.5	-10.0	-10.0	-6.0	-3.7	-5.5
The People's Republic of China	+1.3	+0.2	+0.9	+3.3	+2.4	+1.8

Table A.34
East Asia: Key Economic Indicators (continued)

	1994	1995	1996	1997	1998e	1999f
	% of GDP					
Fiscal balance⁵						
Korea	0.6	0.5	...	...	n.a.	n.a.
Taiwan	-2.0	-0.4	-0.1	-0.3	1.9	0.5
Singapore	7.5	6.2	6.1	1.1	2.4	-3.5 ⁶
Hong Kong SAR	1.1	-0.3	2.2	6.0	n.a.	-2.8 ⁶
Malaysia	2.3	0.9	0.7	2.4	-1.8	-5.7
Thailand	2.7	2.7	2.2	-0.7	-2.4	-3.0
Indonesia	0.2	1.5	0.7	1.3	-5.6	-6.4
Philippines	1.0	0.6	0.3	0.1	-1.9	-2.3
Vietnam	-3.1	-1.6	-1.5	-1.5	-0.9	n.a.
The People's Republic of China	-1.2	-1.0	-0.8	-0.6	n.a.	-1.7
	% of labour force					
Unemployment						
Korea	2.4	2.0	2.0	2.6	6.8	7.5
Taiwan	1.6	1.8	2.6	2.7	2.7	2.6
Singapore	2.0	2.0	2.0	1.8	3.2	n.a.
Hong Kong SAR	1.9	3.2	2.8	2.2	4.7	n.a.
Malaysia	2.9	2.8	2.6	2.6	3.9	4.5
Thailand	2.6	1.7	1.5	1.9	4.0	4.1
Indonesia	4.4	7.2	4.9	7.5	14.5	16.0-18.0
Philippines	9.5	9.5	8.6	8.7	10.1	9.6-9.9
Vietnam	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
The People's Republic of China ⁷	n.a.	n.a.	n.a.	n.a.	3.1	3.5
	% of GNP					
Gross national savings						
Korea ⁸	36.5	36.8	35.2	34.5	34.9	33.9
Taiwan	26.1	25.3	25.0	24.6	24.2	23.9
Singapore	48.5	50.4	51.2	52.3	52.1	n.a.
Hong Kong SAR ⁸	33.1	30.5	30.7	30.6	30.0	32.0
Malaysia	34.4	35.3	38.5	39.4	41.2	40.2
Thailand ⁸	36.0	33.6	33.7	31.0	31.4	32.0
Indonesia	31.9	25.9	26.9	26.9	24.2	18.1
Philippines	18.8	17.5	18.5	18.7	20.4	n.a.
Vietnam ⁸	16.9	17.0	16.7	17.7	16.0	18.0
The People's Republic of China ⁸	42.2	41.9	41.4	42.6	39.0	39.0

¹ Includes Singapore and Vietnam, but excludes Brunei Darussalam, Lao PDR, Myanmar and Cambodia.

² Refers to retail prices.

³ Refers to balance of goods and services.

⁴ As % of GNP.

⁵ Central government balance.

⁶ Refers to fiscal year.

⁷ Refers to urban unemployment.

⁸ Refers to gross domestic savings (as % of GDP).

e Estimates

f Forecasts

n.a. not available

... Negligible

Sources: ADB, Asian Development Outlook, 1997/98
IMF, International Financial Statistics
IMF, World Economic Outlook, October and December 1998
National sources

Table A.35
Broad Money (M3)

	Annual change				
	1994	1995	1996	1997	1998
	RM million				
Broad money (M3) ¹	25,719	49,619	57,759	61,102	10,650
(Annual growth in %)	(13.1)	(22.3)	(21.2)	(18.5)	(2.7)
Currency ²	2,357	1,529	1,525	2,339	-3,177
Demand deposits	3,346	4,549	6,209	80	-5,743
Broad quasi money	20,016	43,541	50,025	58,683	19,570
<i>Fixed deposits</i>	7,260	31,172	41,586	46,138	14,909
<i>Savings deposits</i>	5,001	1,294	6,061	-3,711	1,259
<i>NIDs</i>	5,829	9,408	-2,047	10,117	974
<i>Repos</i>	1,926	1,667	2,572	3,837	1,052
<i>Foreign currency deposits</i> ³	n.a.	n.a.	1,853	2,302	1,376
Factors Affecting M3					
Net lending to Government	-5,945	-3,852	-2,858	510	-12,291
Lending to Government	331	229	2,521	1,856	5,194
Less: Government deposits	6,276	4,081	5,379	1,346	17,485
Private sector credit	31,267	64,154	72,383	90,360	4,161
Net external assets ⁴	6,299	-3,256	1,520	-16,788	51,154
Other influences	-5,902	-7,427	-13,286	-12,980	-32,374

¹ Excludes interplacements among banking institutions.

² Excludes holdings by banking system.

³ Prior to December 1996, foreign currency deposits were subsumed under its respective category of deposits.

⁴ BNM net of banking system.

n.a. Not available

Monthly change												As at end 1998
1998												
Jan.	Feb.	Mar	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
RM million												
2,987	184	169	-2,050	-2,783	-190	-2,023	268	371	1,050	3,429	9,237	401,459
(16.1)	(14.7)	(13.7)	(12.2)	(9.6)	(7.3)	(5.9)	(4.4)	(4.0)	(2.5)	(3.3)	(2.7)	(2.7)
5,179	-5,032	-1,004	-93	-240	-456	-19	428	-2,084	-196	-120	459	17,982
-3,520	-1,972	-1,689	-1,569	-1,996	1,477	-1,565	-755	3,407	-827	1,802	1,464	36,544
1,328	7,188	2,862	-388	-547	-1,211	-439	595	-952	2,073	1,747	7,314	346,933
1,184	5,890	5,343	165	1,028	-29	-726	3,439	128	660	-2,881	709	260,001
-319	481	-1,303	-348	-938	236	-730	-271	1,401	508	925	1,617	32,524
-910	1,477	690	-205	-1,203	-512	-169	-2,415	-1,844	-974	4,165	2,873	27,633
802	-465	-1,854	-279	-38	-746	345	-347	135	1,790	-233	1,941	21,244
571	-195	-14	279	604	-160	841	189	-772	89	-229	174	5,531
3,541	-3,311	300	898	-1,839	-1,786	-2,544	-1,405	843	-6,686	473	-776	-21,016
-223	-77	79	1,743	-70	-37	-611	-575	647	-440	316	4,441	25,229
-3,764	3,234	-221	845	1,769	1,749	1,933	830	-196	6,246	-157	5,217	46,245
7,723	-4,548	-238	-701	-1,269	163	-198	2,894	-1,834	7,138	1,357	-6,325	451,748
157	6,550	2,648	347	917	1,953	2,777	110	24,024	5,999	795	4,877	94,638
-8,434	1,493	-2,541	-2,594	-592	-520	-2,058	-1,331	-22,662	-5,401	804	11,461	-123,911

Table A.36
Money Supply: Annual Change and Growth Rates

	M3 ⁵			M2 ³			M1 ¹						Deposits (incl. NIDs and repos) with other banking inst. ⁴								
	Total			Total			Total			Currency						Demand deposits			Narrow quasi money ²		
	RM	m	%	RM	m	%	RM	m	%	RM	m	%	RM	m	%	RM	m	%	RM	m	%
	1994	25,719	13.1		20,566	14.7		4,679	11.2		2,388	17.6		2,291	8.1		15,887	16.2		5,153	9.1
1995	49,619	22.3		38,508	24.0		5,453	11.7		1,557	9.8		3,896	12.8		33,055	29.0		11,111	17.9	
1996	57,759	21.2		39,335	19.8		8,661	16.7		1,552	8.9		7,109	20.6		30,674	20.9		18,424	25.2	
1997	61,102	18.5		54,009	22.7		2,780	4.6		2,402	12.6		377	0.9		51,229	28.8		7,093	7.8	
1998	10,650	2.7		4,255	1.5		-9,231	-14.6		-3,188	-14.9		-6,043	-14.4		13,485	5.9		6,395	6.5	

¹ Currency in circulation and demand deposits of the private sector.

² Comprising savings and fixed deposits of the private sector placed with Bank Negara and commercial banks, net NIDs and repos by commercial banks.

³ M1 plus narrow quasi money.

⁴ Comprising savings and fixed deposits of the private sector placed with the finance companies, merchant banks, discount houses and Bank Islam, net NIDs issued by the relevant banking institutions and repos; excludes interplacements among these financial institutions and with commercial banks.

⁵ M2 plus deposits (including NIDs and repos) with other banking institutions.

Table A.37
Interest Rates

	Average rates at end-year				Average rates at end-month in 1998											
	1994	1995	1996	1997	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
	% per annum															
3-month interbank	5.45	6.76	7.39	8.70	10.00	11.00	11.00	11.07	11.04	11.20	10.75	9.50	7.48	6.96	6.51	6.46
Commercial banks																
Fixed deposit:																
3-month	5.27	6.64	7.21	9.06	9.09	9.46	9.79	9.89	10.00	10.19	10.27	9.50	6.17	6.09	5.88	5.83
12-month	6.15	6.89	7.26	9.33	9.36	9.67	9.90	10.03	10.18	10.24	10.28	9.46	6.13	6.02	5.79	5.74
Savings deposit	3.54	3.70	4.10	4.23	4.27	4.32	4.34	4.44	4.46	4.51	4.54	4.51	4.00	3.96	3.89	3.87
Base lending rate (BLR)	6.83	8.03	9.18	10.33	10.44	11.08	11.96	12.16	12.21	12.27	12.07	11.70	8.89	8.49	8.04	8.04
Finance companies																
Fixed deposit:																
3-month	5.48	6.79	7.32	10.32	10.61	10.71	10.85	10.85	10.91	10.97	10.92	9.96	6.79	6.71	6.50	6.43
12-month	6.36	6.98	7.36	10.25	10.38	10.53	10.67	10.77	10.77	10.86	10.88	10.02	6.75	6.72	6.57	6.57
Savings deposit	4.57	4.70	5.02	5.49	5.51	5.45	5.50	5.54	5.59	5.56	5.54	5.44	5.18	5.08	5.06	5.01
Base lending rate (BLR)	8.40	9.38	10.65	12.22	12.33	13.16	14.23	14.56	14.65	14.70	14.49	14.17	10.54	10.00	9.50	9.50
Treasury bills (91 days)	4.56	5.92	6.39	6.76	5.87	5.87	6.18	8.18	9.50	9.98	7.80	6.39	6.26	5.82	5.57	5.31
Government securities (1 year)	5.77	6.70	6.70	7.01	7.16	6.95	7.40	8.50	10.00	10.13	9.00	6.84	7.13	6.89	5.82	5.79
Government securities (5 years)	6.30	6.50	6.55	7.75	7.97	7.61	7.61	8.02	8.31	8.47	8.95	6.93	7.38	7.29	6.67	6.66

Table A.38
Sources and Uses of Funds of the Financial System

	1994	1995	1996	1997	1998
	Outstanding in RM million				
Sources of Funds:					
Capital, reserves & profit	55,886.5	78,696.4	109,427.6	106,323.6	102,445.1
Currency	17,170.3	18,913.2	21,065.6	24,532.3	20,547.4
Demand deposits	40,051.8	46,155.8	56,231.9	57,672.4	65,110.6
Other deposits ¹	247,336.4	290,224.5	355,979.8	436,995.6	457,954.1
<i>of which:</i>					
<i>Public sector</i>	27,544.1	41,420.7	35,937.0	37,444.1	40,392.6
<i>Other financial institutions²</i>	68,197.6	71,422.8	81,541.6	103,823.9	103,870.4
<i>Private sector</i>	147,233.9	171,804.3	233,134.1	287,729.2	305,698.6
<i>Foreign</i>	4,360.8	5,576.7	5,367.1	7,998.4	7,992.5
Borrowings	6,811.0	6,322.4	8,365.8	32,683.5	14,400.0
Funds from other financial institutions	61,784.7	78,122.3	99,169.7	154,602.0	66,074.4
<i>Domestic²</i>	46,128.9	61,695.0	77,218.5	113,986.0	39,600.2
<i>Foreign</i>	15,655.8	16,427.3	21,951.2	40,616.0	26,474.2
Insurance, provident & pension funds	108,961.4	127,055.4	146,888.5	168,451.1	188,687.8
Other liabilities	87,417.6	102,074.0	121,913.9	133,277.0	177,898.2
Total Liabilities	625,419.7	747,564.0	919,042.8	1,114,537.4	1,093,117.6
Uses of Funds:					
Currency	1,383.4	1,929.3	2,804.6	4,046.0	3,224.1
Deposits with other financial institutions	121,286.4	139,216.6	146,612.2	219,083.8	151,577.9
<i>Domestic</i>	113,453.2	130,830.7	139,228.4	200,922.3	136,138.0
<i>Foreign</i>	7,833.2	8,385.9	7,383.8	18,161.5	15,439.9
Bills	12,081.1	16,391.6	16,312.6	21,433.2	14,648.5
<i>Treasury</i>	4,061.2	3,887.4	1,916.8	3,912.3	3,796.0
<i>Commercial</i>	8,019.9	12,504.2	14,395.8	17,521.0	10,852.5
Loans & advances	242,498.2	305,751.1	384,261.1	485,615.7	485,712.4
<i>Public sector</i>	4,446.4	4,582.0	3,966.3	2,661.9	5,566.6
<i>Other financial institutions</i>	19,467.7	26,069.8	13,615.5	20,615.6	28,995.5
<i>Private sector</i>	217,677.4	274,075.1	364,697.2	459,250.0	448,318.3
<i>Foreign</i>	906.7	1,024.2	1,982.1	3,088.2	2,832.1
Securities	124,731.8	160,280.7	202,520.6	207,091.7	225,568.9
<i>Malaysian Government</i>	61,056.1	61,532.8	67,626.9	66,090.7	71,574.8
<i>Foreign</i>	91.6	92.8	491.4	1,289.6	1,268.8
<i>Corporate</i>	56,061.0	53,575.6	124,458.0	132,211.6	141,781.5
<i>Others</i>	7,523.1	45,079.5	9,944.3	7,499.8	10,943.9
Gold and forex reserves	66,830.8	61,681.9	67,864.6	57,032.1	96,264.9
Other assets	56,608.0	62,312.8	98,667.2	120,234.9	116,121.0
Total Assets	625,419.7	747,564.0	919,042.8	1,114,537.4	1,093,117.6

¹ Equal savings, fixed and other (NIF,LPHT,etc.) deposits + NIDs + repos.

² Effective 1998, the statutory reserves of banking institutions have been reclassified as " Funds from other financial institutions "rather than "Other deposits from other financial institutions ". In this regard, data for prior years have also been revised accordingly.

Table A.39
Commercial Banks: Sources and Uses of Funds

	As at end									
	Dec. 1994		Dec. 1995		Dec. 1996		Dec. 1997		Dec. 1998	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Sources										
Capital and reserves	15,996.0	6.7	19,387.7	6.6	25,867.4	7.2	38,390.2*	8.0	37,418.1 *	8.3
Debentures and notes	1,103.4	0.5	1,949.0	0.7	3,576.3	1.0	1,877.8	0.4	1,267.3	0.3
Deposits ¹	160,272.1	67.0	196,851.0	67.4	243,968.7	68.1	300,558.1	62.6	307,439.4	67.8
(of which:										
<i>NIDs issued</i>	19,389.8	8.1	24,541.3	8.4	27,467.1	7.7	39,660.6	8.3	36,858.4	8.1
<i>Repos</i>)	9,201.6	3.8	9,612.0	3.3	11,818.1	3.3	15,060.9	3.1	15,633.5	3.4
Amount due to financial institutions	24,614.3	10.3	28,349.9	9.7	34,532.1	9.6	79,586.2	16.6	40,635.5	9.0
<i>Domestic</i>	10,052.9	4.2	13,249.4	4.5	13,060.8	3.6	43,490.0	9.1	18,193.3	4.0
<i>Foreign</i>	14,561.4	6.1	15,100.5	5.2	21,471.3	6.0	36,096.1	7.5	22,442.3	4.9
Bankers acceptances	9,170.3	3.8	15,781.1	5.4	19,580.5	5.5	23,115.4	4.8	18,497.5	4.1
Other	28,080.6	11.7	29,893.2	10.2	30,562.8	8.5	36,720.4	7.6	48,270.0	10.6
Total	239,236.7	100.0	292,211.9	100.0	358,087.8	100.0	480,248.1	100.0	453,527.8	100.0
Uses										
Cash ²	1,361.4	0.6	1,589.7	0.5	2,363.2	0.7	4,547.7	0.9	2,802.2	0.6
Reserve with BNM	14,074.6	5.9	18,518.8	6.3	27,972.9	7.8	37,131.0	7.7	10,624.4	2.3
Amount due from financial institutions	44,727.7	18.7	45,257.3	15.5	37,949.9	10.6	63,744.5	13.3	57,972.3	12.8
<i>Domestic</i>	36,908.6	15.4	36,908.9	12.6	30,104.5	8.4	48,804.3	10.2	45,212.3	10.0
<i>Foreign</i>	7,819.1	3.3	8,348.4	2.9	7,845.4	2.2	14,940.1	3.1	12,759.9	2.8
Investments	7,787.0	3.3	7,633.5	2.6	8,773.0	2.4	14,073.0	2.9	20,308.3	4.5
(of which:										
<i>Stocks and shares</i>	2,845.7	1.2	3,251.1	1.1	4,276.2	1.2	3,714.8	0.8	4,547.8	1.0
<i>Debentures</i>	666.7	0.3	864.6	0.3	821.0	0.2	2,992.4	0.6	7,416.4	1.6
<i>Fixed assets</i>	2,651.2	1.1	2,989.6	1.0	3,505.8	1.0	6,521.4	1.4	7,266.2	1.6
<i>Foreign investments</i>)	1,623.4	0.7	528.2	0.2	170.0	...	844.4	0.2	1,077.9	0.2
Placement with discount houses	2,111.9	0.9	1,829.2	0.6	3,849.4	1.1	6,037.0	1.3	1,342.0	0.3
Marketable securities	29,579.6	12.4	39,962.6	12.6	50,960.1	14.2	61,871.1	12.9	60,104.0	13.3
(of which:										
<i>Treasury bills</i>	2,099.3	0.9	2,301.4	0.8	1,789.4	0.5	3,775.2	0.8	3,611.9	0.8
<i>MGS</i>	6,242.2	2.6	6,462.3	2.2	7,726.1	2.2	8,900.4	1.9	9,978.5	2.2
<i>NIDs held</i>	11,374.7	4.8	12,528.2	4.3	20,776.6	5.8	24,394.7	5.1	21,059.0	4.6
<i>Cagamas bonds</i>)	3,835.0	1.6	4,898.5	1.7	8,301.7	2.3	12,487.6	2.6	12,878.0	2.8
Loans ³ (incl. trade bills)	134,151.0	56.1	175,007.4	59.9	217,820.6	60.8	276,285.3	57.5	285,766.4	63.0
Other	5,443.5	2.3	5,413.4	1.9	8,398.7	2.3	16,558.6	3.4	14,608.3	3.2
Total	239,236.7	100.0	292,211.9	100.0	358,087.8	100.0	480,248.1	100.0	453,527.8	100.0

¹ Includes NIDs issued and repos.

² Includes balances with BNM.

³ Excludes housing loans sold to Cagamas Berhad.

* Includes current unaudited unadjusted profit (If excludes, the figure would be for the year 1997: RM33,714.5 million; 1998: RM 35,331.3 million)

Table A.40
Commercial Banks: Commitments and Contingencies

	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Assets sold with recourse and commitment with drawdown	14,360	4.1	15,299	6.0
Credit extension commitments	138,423	39.4	118,004	46.0
Direct credit substitutes	22,567	6.4	18,992	7.4
Foreign exchange related contracts	124,656	35.5	59,029	23.0
Interest rate related contracts	4,202	1.2	5,930	2.3
Trade-related contingencies	12,237	3.5	7,580	3.0
Transaction- related contingencies	21,403	6.1	17,644	6.9
Underwriting obligations	1,301	0.4	1,174	0.5
Other	11,889	3.4	12,627	4.9
Total	351,037	100.0	256,278	100.0

Table A.41
Finance Companies: Sources and Uses of Funds

	As at end									
	Dec. 1994		Dec. 1995		Dec. 1996		Dec. 1997		Dec. 1998	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Sources										
Capital and reserves	3,713.0	5.1	4,516.7	4.9	6,844.1	5.7	9,431.2*	6.2	7,726.4*	6.3
Debentures and notes	267.6	0.4	332.4	0.4	531.0	0.4	872.2	0.6	742.2	0.6
Deposits ¹	57,276.4	78.0	69,963.1	76.1	90,842.0	75.9	107,350.8	70.4	98,627.2	79.8
(of which:										
<i>NIDs issued</i>	5,491.6	7.5	8,711.0	9.5	14,973.8	12.5	18,751.9	12.3	12,843.8	10.4
<i>Repos</i>)	1,090.4	1.5	1,869.8	2.0	3,001.0	2.5	7,877.3	5.2	2,891.2	2.3
Amount due to financial institutions	4,989.9	6.8	8,908.1	9.7	12,868.8	10.8	25,479.1	16.7	5,243.0	4.2
<i>Domestic</i>	4,989.9	6.8	8,908.1	9.7	12,868.8	10.8	25,479.1	16.7	5,243.0	4.2
<i>Foreign</i>	-	-	-	-	-	-	-	-	-	-
Other	7,225.0	9.8	8,172.1	8.9	8,524.2	7.1	9,253.5	6.1	11,258.1	9.1
Total	73,471.9	100.0	91,892.4	100.0	119,610.1	100.0	152,386.8	100.0	123,596.9	100.0
Uses										
Cash ²	120.9	0.2	159.6	0.2	164.3	0.1	208.7	0.1	181.7	0.1
Reserve with BNM	5,945.7	8.1	7,640.2	8.3	12,050.4	10.1	16,043.1	10.5	3,475.2	2.8
Amount due from financial institutions	6,600.8	9.0	7,548.9	8.2	6,445.4	5.4	5,676.9	3.7	7,529.4	6.1
<i>Domestic</i>	6,600.8	9.0	7,548.9	8.2	6,445.4	5.4	5,676.9	3.7	7,529.4	6.1
<i>Foreign</i>	-	-	-	-	-	-	-	-	-	-
Investments	807.5	1.1	968.2	1.1	1,241.3	1.0	3,191.7	2.1	5,129.0	4.1
(of which:										
<i>Stocks and shares</i>	293.6	0.4	282.0	0.3	281.7	0.2	436.4	0.3	315.4	0.3
<i>Debentures</i>	1.9	...	70.3	0.1	767.9	0.6	1,227.2	0.8	3,134.9	2.5
<i>Fixed assets</i>	511.9	0.7	615.9	0.7	827.9	0.7	1,528.1	1.0	1,678.7	1.4
<i>Foreign investments</i>)	0.1	...	-	-	-	-	-	-	-	-
Placement with discount houses	700.0	1.0	735.1	0.8	1,152.4	1.0	2,051.8	1.3	1,006.1	0.8
Marketable securities	7,913.4	10.8	10,650.8	11.6	14,888.6	12.4	18,312.6	12.0	13,990.6	11.3
(of which:										
<i>Treasury bills</i>	241.5	0.3	119.3	0.1	22.2	...	46.4	...	42.8	...
<i>MGS</i>	1,586.3	2.2	1,768.2	1.9	2,806.5	2.3	3,250.9	2.1	3,602.9	2.9
<i>NIDs held</i>	1,896.0	2.6	2,686.6	2.9	4,451.1	3.7	7,665.3	5.0	5,473.1	4.4
<i>Cagamas bonds</i>)	1,410.8	1.9	2,704.6	2.9	2,959.6	2.5	2,795.8	1.8	1,778.5	1.4
Loans ³ (incl. trade bills)	50,086.7	68.2	62,752.0	68.3	82,496.7	69.0	102,528.1	67.3	86,553.9	70.0
Other	1,296.9	1.8	1,437.6	1.6	1,171.0	1.0	4,373.9	2.9	5,731.1	4.6
Total	73,471.9	100.0	91,892.4	100.0	119,610.1	100.0	152,386.8	100.0	123,596.9	100.0

¹ Includes NIDs issued and repos.

² Includes balances with BNM.

³ Excludes housing loans sold to Cagamas Berhad.

* Includes current unaudited unadjusted profit (If excludes, the figure would be for the year 1997: RM 8,813.3 million; 1998: RM 7,609.6 million)

Table A.42
Finance Companies: Commitments and Contingencies

	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Assets sold with recourse and commitment with drawdown	6,435	24.8	6,498	35.8
Credit extension commitments	16,798	64.9	9,580	52.8
Direct credit substitutes	2,160	8.3	1,213	6.7
Foreign exchange related contracts	-	-	-	-
Interest rate related contracts	300	1.2	510	2.8
Trade-related contingencies	1	...	-	-
Transaction-related contingencies	16	0.1	12	0.1
Underwriting obligations	25	0.1	10	0.1
Other	164	0.6	325	1.8
Total	25,899	100.0	18,147	100.0

Table A.43
Merchant Banks: Sources and Uses of Funds

	As at end									
	Dec. 1994		Dec. 1995		Dec. 1996		Dec. 1997		Dec. 1998	
	RM million	% share	RM million	% share	RM million	% share	RM million	% share	RM million	% share
Sources										
Capital and reserves	1,159.0	4.9	1,615.6	6.0	2,783.4	8.2	4,233.1*	9.6	3,977.8*	10.1
Debentures and notes	17.0	0.1	113.8	0.4	183.8	0.5	150.0	0.3	150.0	0.4
Deposits ¹	14,574.0	61.8	16,093.3	59.5	23,530.7	69.2	26,389.7	59.6	26,337.0	67.1
(of which:										
<i>NIDs issued</i>	2,730.0	11.6	3,380.7	12.5	6,000.8	17.6	6,553.0	14.8	6,242.2	15.9
<i>Repos</i>)	2,040.7	8.7	2,664.0	9.8	2,373.9	7.0	3,933.8	8.9	3,283.9	8.4
Amount due to financial institutions	5,680.9	24.1	5,841.3	21.6	5,198.3	15.3	10,771.7	24.3	4,853.7	12.4
<i>Domestic</i>	5,680.9	24.1	5,811.3	21.5	5,157.3	15.2	9,650.7	21.8	4,288.4	10.9
<i>Foreign</i>	-	-	30.0	0.1	41.0	0.1	1,121.0	2.5	565.3	1.4
Bankers acceptances	431.6	1.8	676.2	2.5	566.6	1.7	612.4	1.4	275.9	0.7
Other	1,722.1	7.3	2,721.6	10.1	1,742.1	5.1	2,143.1	4.8	3,641.4	9.3
Total	23,584.6	100.0	27,061.8	100.0	34,004.9	100.0	44,300.0	100.0	39,235.8	100.0
Uses										
Cash ²	3.2	...	4.3	...	6.5	...	2.3	...	5.6	...
Reserve with BNM	1,408.0	6.0	1,546.2	5.7	2,643.3	7.8	3,466.4	7.8	852.8	2.2
Amount due from financial institutions	4,395.9	18.6	4,968.7	18.4	4,452.8	13.1	6,163.5	13.9	3,191.8	8.1
<i>Domestic</i>	4,395.3	18.6	4,968.4	18.4	4,413.1	13.0	5,761.0	13.0	2,807.7	7.2
<i>Foreign</i>	0.6	...	0.3	...	39.7	0.1	402.5	0.9	384.0	1.0
Investments	468.1	2.0	579.9	2.1	741.7	2.2	970.6	2.2	2,861.5	7.3
(of which:										
<i>Stocks and shares</i>	246.4	1.0	319.6	1.2	310.9	0.9	450.0	1.0	387.6	1.0
<i>Debentures</i>	152.9	0.6	188.3	0.7	337.4	1.0	319.7	0.7	2,244.6	5.7
<i>Fixed assets</i>	68.8	0.3	71.9	0.3	93.3	0.3	166.6	0.4	186.8	0.5
<i>Foreign investments</i>)	-	-	0.1	...	0.1	...	34.3	0.1	42.4	0.1
Placement with discount houses	63.1	0.3	117.0	0.4	296.0	0.9	38.0	0.1	-	-
Marketable securities	5,120.5	21.7	5,132.9	19.0	6,500.1	19.1	9,467.5	21.4	8,673.4	22.1
(of which:										
<i>Treasury bills</i>	119.3	0.5	78.2	0.3	40.7	0.1	57.4	0.1	131.4	0.3
<i>MGS</i>	362.7	1.5	316.6	1.2	633.3	1.9	592.9	1.3	907.4	2.3
<i>NIDs held</i>	3,101.9	13.2	2,894.8	10.7	3,502.5	10.3	5,078.4	11.5	4,844.4	12.3
<i>Cagamas bonds</i>)	1,109.5	4.7	1,211.8	4.5	1,834.8	5.4	1,520.3	3.4	1,260.2	3.2
Loans ³ (incl. trade bills)	11,591.3	49.1	14,141.2	52.3	18,888.2	55.5	23,052.0	52.0	22,191.5	56.6
Other	534.5	2.3	571.6	2.1	476.3	1.4	1,139.7	2.6	1,459.2	3.7
Total	23,584.6	100.0	27,061.8	100.0	34,004.9	100.0	44,300.0	100.0	39,235.8	100.0

¹ Includes NIDs issued and repos.

² Includes balances with BNM.

³ Excludes housing loans sold to Cagamas Berhad.

* Includes current unaudited unadjusted profit (If excludes, the figure would be for the year 1997: RM 3,852.1 million; 1998: RM 3,910.6 million)

Table A.44
Merchant Banks: Commitments and Contingencies

	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Assets sold with recourse and commitment with drawdown	215	0.5	167	0.9
Credit extension commitments	19,869	47.8	7,089	36.6
Direct credit substitutes	9,711	23.3	3,157	16.3
Foreign exchange related contracts	3,813	9.2	1,673	8.6
Interest rate related contracts	4,966	11.9	4,957	25.6
Trade-related contingencies	2	...	2	...
Transaction-related contingencies	1,326	3.2	1,215	6.3
Underwriting obligations	1,219	2.9	635	3.3
Other	475	1.1	476	2.5
Total	41,595	100.0	19,372	100.0

Table A.45
Commercial Banks: Income and Expenditure

	For the financial year				For the calendar year	
	1994	1995	1996	1997	1997	1998
	RM million					
Interest income net of interest-in-suspense <i>(Interest-in-suspense)</i>	15,242.3 594.2	17,161.7 334.1	23,503.0 495.9	29,154.1 66.8	33,555.2 141.8	43,290.9 3,009.4
Less: Interest expense	8,981.8	10,113.3	14,057.4	18,272.8	21,749.9	31,098.1
Net interest income	6,260.5	7,048.4	9,445.6	10,881.4	11,805.3	12,192.8
Add: Non-interest income	2,788.0	2,991.8	3,230.8	4,149.1	3,899.1	5,112.3
Less: Bad debt provisions	1,137.6	874.7	1,269.1	3,231.0	4,022.2	10,091.4
Staff cost	2,010.3	2,260.4	2,579.7	2,889.7	3,007.8	3,040.4
Overheads	1,997.9	2,064.1	2,658.0	2,730.9	2,957.1	3,642.4
Pre-tax profit	3,902.7	4,841.0	6,169.6	6,178.8	5,717.2	530.9

Table A.46
Finance Companies: Income and Expenditure

	For the financial year				For the calendar year	
	1994	1995	1996	1997	1997	1998
	RM million					
Interest income net of interest-in-suspense <i>(Interest-in-suspense)</i>	5,664.7 318.2	6,748.9 177.8	9,377.1 123.7	12,006.5 353.0	13,158.8 335.9	13,142.8 1,411.7
Less: Interest expense	3,330.7	3,741.2	5,774.2	8,056.5	9,050.6	11,321.2
Net interest income	2,334.0	3,007.7	3,602.9	3,950.0	4,108.2	1,821.6
Add: Non-interest income	250.2	308.4	390.5	386.7	511.6	667.8
Less: Bad debt provisions	548.6	554.3	645.8	1,543.8	1,295.4	2,697.8
Staff cost	461.3	572.1	667.2	785.6	821.7	720.2
Overheads	611.2	741.9	843.0	1,380.6	1,228.5	1,221.0
Pre-tax profit	963.1	1,447.8	1,837.4	626.7	1,274.3	-2,149.6

Table A.47
Merchant Banks: Income and Expenditure

	For the financial year				For the calendar year	
	1994	1995	1996	1997	1997	1998
	RM million					
Interest income net of interest-in-suspense <i>(Interest-in-suspense)</i>	1,238.0 61.7	1,361.4 11.0	1,967.8 45.8	2,566.3 25.3	3,410.8 42.1	3,891.1 478.3
Less: Interest expense	964.6	1,025.9	1,488.9	1,936.3	2,611.3	3,151.0
Net interest income	273.4	335.5	478.9	630.0	799.5	740.1
Add: Non-interest income	422.1	502.0	552.7	540.1	532.1	301.2
Less: Bad debt provisions	162.0	54.7	97.4	206.6	307.5	1,261.7
Staff cost	94.4	109.9	128.2	143.7	163.4	134.1
Overheads	100.3	92.9	99.4	205.0	197.5	286.7
Pre-tax profit	338.8	580.0	706.6	614.8	663.2	-641.2

Table A.48
Lending Guidelines

	1996 Lending Guidelines (compliance date 31 March 1998)		1998 Lending Guidelines ¹ (as at end 1998)	
	Target (31.3.1998)	Achieved	Target ² (31.3.2000)	Achieved
Loans to Bumiputera Community				
Total outstanding loans (RM billion)				
Commercial banks	53.0	76.6	71.1	82.6
Finance companies	19.4	36.1	24.5	32.2
Total outstanding loans (%)				
Commercial banks	30.0	43.4	30.0	35.3
Finance companies	30.0	55.8	30.0	39.6
Non-compliance (no. of institutions)				
Commercial banks		9		21
Finance companies		9		11
Housing Loan Commitments				
Total houses (units)				
Commercial banks	100,000	107,747	105,233	46,822
Finance companies	40,000	43,431	39,028	14,894
Non-compliance (no. of institutions)				
Commercial banks		4		35
Finance companies		5		32
New Principal Guarantee Scheme				
Total guarantee cover (RM million)				
Commercial banks	1,000.0	2,341.1	-	-
Finance companies	240.0	1,216.1		
Non-compliance (no. of institutions)				
Commercial banks		9		
Finance companies		8		
New Principal Guarantee Scheme (for Bumiputera community)				
Total guarantee cover (RM million)				
Commercial banks	500.0	585.6		
Finance companies	120.0	278.7		
Non-compliance (no. of institutions)				
Commercial banks		16	-	-
Finance companies		8		
Loans of RM500,000 and below to SMEs				
Total loans approved (RM million)				
Commercial banks	-	-	1,048.2	748.3
Finance companies			228.3	104.6
Non-compliance (no. of institutions)				
Commercial banks				27
Finance companies				30
Loans of RM500,000 and below to SMEs (for Bumiputera community)				
Total loans approved (RM million)				
Commercial banks	-	-	562.4	147.4
Finance companies			123.3	25.8
Non-compliance (no. of institutions)				
Commercial banks				36
Finance companies				32

¹ Under the 1998 Lending Guidelines

- Loans under the New Principal Guarantee Scheme was replaced by Loans of RM500,000 and below to the Small and Medium-Sized Enterprises (SMEs)
- Bank Islam Malaysia Berhad was included for the first time.

² The compliance date for Loans of RM500,000 and below to SMEs is 31 March 1999.

Table A.49
Commercial Banks: Direction of Lending

Loans by Sectors	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Agriculture, hunting, forestry and fishing	5,917.6	2.0	6,178.4	2.1
Mining and quarrying	786.8	0.3	1,200.2	0.4
Manufacturing	54,952.0	19.0	56,531.5	18.9
Electricity, gas and water	3,943.8	1.4	5,082.6	1.7
Wholesale, retail, restaurants and hotels	29,478.0	10.2	30,262.8	10.1
<i>Wholesale trade</i>	17,594.8	6.1	17,005.5	5.7
<i>Retail trade</i>	8,553.3	3.0	8,500.0	2.8
<i>Restaurants and hotels</i>	3,329.9	1.1	4,757.3	1.6
Broad property sector	101,220.9	34.9	108,829.9	36.4
<i>Construction</i>	29,156.8	10.1	30,662.6	10.2
<i>Purchase of residential property</i>	37,894.7	13.1	43,373.1	14.5
<i>Purchase of non-residential property</i>	21,789.0	7.5	23,054.5	7.7
<i>Real estate</i>	12,380.4	4.3	11,739.7	3.9
Transport, storage and communication	8,616.8	3.0	11,419.8	3.8
Finance, insurance and business services	28,432.4	9.8	30,269.7	10.1
<i>Financial services</i>	21,626.8	7.5	23,787.8	7.9
<i>Insurance</i>	58.4	...	172.3	0.1
<i>Business services</i>	6,747.2	2.3	6,309.6	2.1
Consumption credit	18,039.4	6.2	17,144.4	5.7
<i>Personal uses</i>	13,254.6	4.6	12,141.4	4.1
<i>Credit cards</i>	3,521.2	1.2	3,310.7	1.1
<i>Purchase of consumer durables</i>	1,016.6	0.4	528.4	0.2
<i>Purchase of passenger cars</i>	247.0	0.1	1,163.9	0.4
Purchase of securities	24,186.1	8.3	19,431.7	6.5
<i>Individual</i>	10,788.5	3.7	8,439.1	2.8
<i>Non-individual</i>	13,397.6	4.6	10,992.6	3.7
Purchase of transport vehicles	45.8	...	206.7	0.1
Community, social and personal services	4,533.1	1.6	4,821.2	1.6
Others	9,604.0	3.3	7,878.9	2.6
Total Loans	289,756.7	100.0	299,257.8	100.0
Of which housing loans sold to Cagamas	13,471.4	4.6	13,491.4	4.5

Table A.50
Finance Companies: Direction of Lending

Loans by Sectors	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Agriculture, hunting, forestry and fishing	1,315.7	1.2	927.7	1.0
Mining and quarrying	461.5	0.4	327.0	0.4
Manufacturing	5,557.0	5.1	4,026.7	4.4
Electricity, gas and water	95.5	0.1	71.4	0.1
Wholesale, retail, restaurants and hotels	4,020.9	3.7	3,603.6	3.9
<i>Wholesale trade</i>	1,665.5	1.5	1,272.7	1.4
<i>Retail trade</i>	1,753.7	1.6	1,498.9	1.6
<i>Restaurants and hotels</i>	601.7	0.6	832.0	0.9
Broad property sector	31,169.3	28.8	30,191.8	32.8
<i>Construction</i>	8,448.3	7.8	7,622.0	8.3
<i>Purchase of residential property</i>	12,879.8	11.9	12,908.1	14.0
<i>Purchase of non-residential property</i>	6,121.5	5.6	6,423.6	7.0
<i>Real estate</i>	3,719.7	3.4	3,238.1	3.5
Transport, storage and communication	3,377.0	3.1	2,480.2	2.7
Finance, insurance and business services	3,907.8	3.6	3,034.6	3.3
<i>Financial services</i>	1,864.1	1.7	1,496.3	1.6
<i>Insurance</i>	27.4	...	16.8	...
<i>Business services</i>	2,016.3	1.9	1,521.5	1.7
Consumption credit	39,660.2	36.6	32,149.7	34.9
<i>Personal uses</i>	1,542.9	1.4	1,188.6	1.3
<i>Credit cards</i>	1,065.2	1.0	1,002.3	1.1
<i>Purchase of consumer durables</i>	700.1	0.6	298.3	0.3
<i>Purchase of passenger cars</i>	36,352.0	33.5	29,660.5	32.2
Purchase of securities	10,418.4	9.6	9,071.9	9.8
<i>Individual</i>	7,044.7	6.5	6,034.3	6.5
<i>Non-individual</i>	3,373.7	3.1	3,037.6	3.3
Purchase of transport vehicles	5,626.5	5.2	4,282.0	4.6
Community, social and personal services	1,837.7	1.7	1,356.7	1.5
Others	921.7	0.9	658.8	0.7
Total Loans	108,389.2	100.0	92,182.1	100.0
Of which housing loans sold to Cagamas	5,861.1	5.4	5,628.2	6.1

Table A.51
Merchant Banks: Direction of Lending

Loans by Sectors	As at end			
	1997		1998	
	RM million	% share	RM million	% share
Agriculture, hunting, forestry and fishing	404.4	1.8	611.7	2.8
Mining and quarrying	100.2	0.4	146.3	0.7
Manufacturing	2,781.5	12.1	2,642.2	11.9
Electricity, gas and water	421.7	1.8	725.2	3.3
Wholesale, retail, restaurants and hotels	1,441.7	6.3	1,244.9	5.6
<i>Wholesale trade</i>	666.5	2.9	446.7	2.0
<i>Retail trade</i>	224.3	1.0	241.1	1.1
<i>Restaurants and hotels</i>	550.9	2.4	557.1	2.5
Broad property sector	7,532.0	32.7	7,126.6	32.1
<i>Construction</i>	5,010.8	21.7	4,913.7	22.1
<i>Purchase of residential property</i>	69.3	0.3	105.5	0.5
<i>Purchase of non-residential property</i>	529.6	2.3	488.9	2.2
<i>Real estate</i>	1,922.3	8.3	1,618.5	7.3
Transport, storage and communication	1,046.7	4.5	1,083.2	4.9
Finance, insurance and business services	3,869.2	16.8	3,812.4	17.2
<i>Financial services</i>	3,126.3	13.6	3,090.9	13.9
<i>Insurance</i>	45.8	0.2	59.9	0.3
<i>Business services</i>	697.1	3.0	661.6	3.0
Consumption credit	136.3	0.6	124.3	0.6
<i>Personal uses</i>	127.3	0.6	116.9	0.5
<i>Purchase of consumer durables</i>	0.2	...	0.2	...
<i>Purchase of passenger cars</i>	8.8	...	7.2	...
Purchase of securities	4,346.8	18.9	3,956.3	17.8
<i>Individual</i>	601.2	2.6	429.7	1.9
<i>Non-individual</i>	3,745.6	16.2	3,526.6	15.9
Purchase of transport vehicles	15.0	0.1	16.1	0.1
Community, social and personal services	501.1	2.2	493.5	2.2
Others	460.0	2.0	215.6	1.0
Total Loans	23,056.6	100.0	22,198.3	100.0
Of which housing loans sold to Cagamas	4.5	...	6.8	...

Table A.52
Commercial Banks: Non-performing Loans by Sector

	As at end			
	1997		1998	
	RM million	% of total loans to the sector	RM million	% of total loans to the sector
Agriculture, hunting, forestry and fishing	247	4.2	568	9.2
Mining and quarrying	81	10.3	166	13.8
Manufacturing	2,734	5.0	7,223	12.8
Electricity, gas and water supply	24	0.6	39	0.8
Community, social and personal services	461	10.2	543	11.3
Broad property sector	4,823	4.8	13,212	12.1
<i>Real estate</i>	934	7.5	2,593	22.1
<i>Construction</i>	1,350	4.6	5,221	17.0
<i>Purchase of residential property</i>	1,632	6.7	3,000	10.0
<i>Purchase of non-residential property</i>	907	4.2	2,398	10.4
Wholesale and retail, restaurants and hotels	1,339	4.5	3,145	10.4
Transport, storage and communication	242	2.8	1,521	13.3
Finance, insurance and business services	887	3.1	3,132	10.3
Purchase of securities	1,411	5.8	4,130	21.3
Consumption credit	1,160	6.4	2,580	14.9
<i>Credit card</i>	345	9.8	554	16.7
<i>Personal use</i>	715	5.4	1,765	14.5
<i>Purchase of consumer durables</i>	85	8.3	72	13.6
<i>Purchase of transport vehicles¹</i>	15	5.1	189	13.8
Others	750	7.8	1,020	12.9
Total	14,159	4.9	37,279	12.5

¹ Includes commercial vehicles.

Table A.53
Finance Companies: Non-performing Loans by Sector

	As at end			
	1997		1998	
	RM million	% of total loans to the sector	RM million	% of total loans to the sector
Agriculture, hunting, forestry and fishing	129	9.8	172	18.5
Mining and quarrying	38	8.3	57	17.5
Manufacturing	773	13.9	1,242	30.8
Electricity, gas and water supply	4	4.5	13	18.0
Community, social and personal services	90	4.9	233	17.2
Broad property sector	3,676	11.8	6,161	20.4
<i>Real estate</i>	1,128	30.3	1,904	58.8
<i>Construction</i>	881	10.4	1,722	22.6
<i>Purchase of residential property</i>	914	13.0	1,099	15.1
<i>Purchase of non-residential property</i>	754	12.3	1,435	22.3
Wholesale and retail, restaurants and hotels	152	3.8	621	17.2
Transport, storage and communication	375	11.1	996	40.2
Finance, insurance and business services	400	10.2	989	32.6
Purchase of securities	865	8.3	2,419	26.7
Consumption credit	3,244	7.2	4,927	13.5
<i>Credit card</i>	117	11.0	196	19.6
<i>Personal use</i>	187	12.1	237	19.9
<i>Purchase of consumer durables</i>	144	20.6	78	26.2
<i>Purchase of transport vehicles¹</i>	2,796	6.7	4,416	13.0
Others	51	5.6	71	10.7
Total	9,797	9.0	17,901	19.4

¹ Includes commercial vehicles.

Table A.54
Merchant Banks: Non-performing Loans by Sector

	As at end			
	1997		1998	
	RM million	% of total loans to the sector	RM million	% of total loans to the sector
Agriculture, hunting, forestry and fishing	111	27.5	77	12.7
Mining and quarrying	30	30.2	36	24.5
Manufacturing	161	5.8	555	21.0
Electricity, gas and water supply	0	0.0	0	0.0
Community, social and personal services	17	3.4	106	21.5
Broad property sector	268	3.6	1,415	19.8
<i>Real estate</i>	47	2.4	297	18.4
<i>Construction</i>	220	4.4	1,071	21.8
<i>Purchase of residential property</i>	1	1.2	0	0.5
<i>Purchase of non-residential property</i>	-	...	46	9.4
Wholesale and retail, restaurants and hotels	61	4.2	153	12.3
Transport, storage and communication	58	5.5	204	18.8
Finance, insurance and business services	94	2.4	471	12.3
Purchase of securities	260	6.0	974	24.6
Consumption credit	9	6.2	78	55.2
<i>Credit card</i>	-	...	-	...
<i>Personal use</i>	-	...	73	62.4
<i>Purchase of consumer durables</i>	-	...	-	...
<i>Purchase of transport vehicles¹</i>	9	39.1	5	19.6
Others	27	5.6	14	6.5
Total	1,096	4.8	4,083	18.4

¹ Includes commercial vehicles.

Table A.55
Commercial Banks: Loans Sold to Danaharta

	As at end 1998		
	Non-Performing Loans	Performing Loans	Total Loans
	RM million		
Agriculture, hunting, forestry and fishing	8.9	-	8.9
Mining and quarrying	11.7	-	11.7
Manufacturing	1,720.3	115.1	1,835.4
Electricity, gas and water supply	14.0	-	14.0
Wholesale, retail, restaurants and hotels	517.5	56.1	573.6
<i>Wholesale trade</i>	321.5	28.1	349.6
<i>Retail trade</i>	132.8	28.0	160.8
<i>Restaurants and hotels</i>	63.2	-	63.2
Broad property sector	2,126.8	158.9	2,285.7
<i>Construction</i>	1,355.2	77.4	1,432.6
<i>Purchase of residential property</i>	11.7	57.8	69.5
<i>Purchase of non-residential property</i>	585.8	10.4	596.2
<i>Real estate</i>	174.1	13.3	187.4
Transport, storage and communication	225.7	2.0	227.7
Finance, insurance and business services	608.4	198.0	806.4
<i>Financial services</i>	213.4	-	213.4
<i>Insurance</i>	-	-	-
<i>Business services</i>	395.0	198.0	593.0
Consumption credit	33.8	28.5	62.3
<i>Personal uses</i>	20.7	28.5	49.2
<i>Credit cards</i>	-	-	-
<i>Purchase of consumer durables</i>	13.1	-	13.1
<i>Purchase of passenger cars</i>	-	-	-
Purchase of securities	5,236.3	6.0	5,242.3
Purchase of transport vehicles	-	-	-
Community, social and personal services	10.3	4.6	14.9
Others	60.0	4.5	64.5
Total	10,573.7	573.7	11,147.4

Table A.56
Finance Companies: Loans Sold to Danaharta

	As at end 1998		
	Non-Performing Loans	Performing Loans	Total Loans
	RM million		
Agriculture, hunting, forestry and fishing	-	-	-
Mining and quarrying	-	-	-
Manufacturing	13.0	13.0	26.0
Electricity, gas and water supply	-	-	-
Wholesale, retail, restaurants and hotels	6.0	-	6.0
<i>Wholesale trade</i>	-	-	-
<i>Retail trade</i>	-	-	-
<i>Restaurants and hotels</i>	6.0	-	6.0
Broad property sector	609.7	113.9	723.6
<i>Construction</i>	330.6	95.4	426.0
<i>Purchase of residential property</i>	-	-	-
<i>Purchase of non-residential property</i>	104.9	18.5	123.4
<i>Real estate</i>	174.2	-	174.2
Transport, storage and communication	-	-	-
Finance, insurance and business services	19.2	-	19.2
<i>Financial services</i>	-	-	-
<i>Insurance</i>	-	-	-
<i>Business services</i>	19.2	-	19.2
Consumption credit	10.8	-	10.8
<i>Personal uses</i>	10.8	-	10.8
<i>Credit cards</i>	-	-	-
<i>Purchase of consumer durables</i>	-	-	-
<i>Purchase of passenger cars</i>	-	-	-
Purchase of securities	104.4	-	104.4
Purchase of transport vehicles	-	-	-
Community, social and personal services	-	-	-
Others	-	-	-
Total	763.1	126.9	890.0

Table A.57
Merchant Banks: Loans Sold to Danaharta

	As at end 1998		
	Non-Performing Loans	Performing Loans	Total Loans
	RM million		
Agriculture, hunting, forestry and fishing	89.5	-	89.5
Mining and quarrying	-	-	-
Manufacturing	30.4	37.1	67.5
Electricity, gas and water supply	-	-	-
Wholesale, retail, restaurants and hotels	69.0	-	69.0
<i>Wholesale trade</i>	-	-	-
<i>Retail trade</i>	32.1	-	32.1
<i>Restaurants and hotels</i>	36.9	-	36.9
Broad property sector	473.9	78.8	552.7
<i>Construction</i>	107.4	17.1	124.5
<i>Purchase of residential property</i>	-	-	-
<i>Purchase of non-residential property</i>	259.9	11.9	271.8
<i>Real estate</i>	106.6	49.8	156.4
Transport, storage and communication	-	-	-
Finance, insurance and business services	81.5	-	81.5
<i>Financial services</i>	81.5	-	81.5
<i>Insurance</i>	-	-	-
<i>Business services</i>	-	-	-
Consumption credit	-	-	-
<i>Personal uses</i>	-	-	-
<i>Credit cards</i>	-	-	-
<i>Purchase of consumer durables</i>	-	-	-
<i>Purchase of passenger cars</i>	-	-	-
Purchase of securities	129.0	12.6	141.6
Purchase of transport vehicles	-	-	-
Community, social and personal services	-	-	-
Others	-	-	-
Total	873.3	128.5	1,001.8

Table A.58
Banking System: Selected Indicators

	Commercial banks		Finance companies		Merchant banks		Banking system	
	As at calendar year end							
	Dec. 1997	Dec. 1998	Dec. 1997	Dec. 1998	Dec. 1997	Dec. 1998	Dec. 1997	Dec. 1998
Pre-tax profit/Average assets (%)	1.4	0.1	0.9	-1.6	1.7	-1.5	1.3	-0.3
Pre-tax profit/Average shareholders' funds (%)	17.8	1.4	15.7	-25.1	18.9	-15.6	17.5	-4.5
Pre-tax profit per employee (RM'000)	77.6	7.5	45.6	-92.8	236.7	-253.9	73.3	-23.3
Cost ¹ incurred per ringgit of revenue earned ² (sen)	38.0	38.6	44.4	78.0	27.1	40.4	38.7	43.4
Cost ¹ incurred per ringgit of net interest income ² (sen)	50.5	54.8	49.9	106.6	45.1	56.9	50.1	61.3
Overheads to staff cost ratio (%)	98.3	119.8	149.5	169.5	120.9	213.8	109.8	132.2
Staff cost per employee (RM'000)	40.8	42.7	29.4	31.1	58.3	53.1	38.2	40.2
Loan ³ deposit ⁴ ratio (%)	91.9	93.0	95.5	87.8	87.4	84.3	92.5	91.2
Loan ³ per branch (RM million)	165.3	169.1	89.6	78.8	960.5	1,008.7	141.6	140.3
Deposit per branch (RM million)	147.1	150.9	70.6	75.4	662.6	764.1	120.6	126.2

¹ Excluding bad debt provisions.

² Including interest-in-suspense.

³ Excluding housing loans sold to Cagamas Berhad.

⁴ Including NIDs and repos.

Table A.59
Banking System: Key Data

	As at end				
	1994	1995	1996	1997	1998
Number of					
- Commercial banks	37	37	37	35	35
- Finance companies	40	40	40	39	33
- Merchant banks	12	12	12	12	12
Risk-weighted capital ratio (%)					
- Commercial banks	11.3	11.1	10.8	10.3	11.7
- Finance companies	10.1	9.7	9.8	10.3	11.1
- Merchant banks	8.2	11.9	11.7	13.3	15.2
Branch network					
- Commercial banks	1,283	1,433	1,569	1,671	1,690
- Finance companies	860	988	1,096	1,144	1,099
- Merchant banks	17	17	24	24	22
ATM network					
- Commercial banks	1,975	2,230	2,326	2,528	2,647
- Finance companies	345	402	525	622	662
Persons served per office					
- Commercial banks	15,191	14,024	13,492	12,966	13,124
- Finance companies	22,849	20,341	19,314	18,939	20,182
Number of employees					
- Commercial banks	59,674	64,461	68,068	73,709	71,124
- Finance companies	22,488	24,593	26,322	27,937	23,153
- Merchant banks	2,179	2,334	2,592	2,802	2,525

Table A.60
Industrial Finance Institutions¹: Sources and Uses of Funds

	1994	1995	1996	1997	1998
	RM million				
Sources:					
Shareholders' equity	1,328.34	1,598.38	2,252.10	2,804.64	2,757.01
<i>Issued & paid-up capital</i>	747.91	803.89	1,272.99	1,613.55	1,813.54
<i>Reserves</i>	507.86	694.51	882.80	990.59	1,136.82
<i>Current profits</i>	72.57	99.98	96.31	200.50	-193.35
Borrowings	3,972.43	4,719.42	5,302.40	6,655.41	10,463.79
<i>Government</i>	1,554.72	1,799.13	2,078.20	2,567.40	3,579.83
<i>Other</i>	2,417.71	2,920.29	3,224.20	4,088.01	6,883.96
Other	765.62	859.45	1,067.18	1,084.90	1,862.22
Total	6,066.39	7,177.25	8,621.68	10,544.95	15,083.02
Uses :					
Deposits	1,408.13	1,459.73	1,210.61	1,117.10	2,974.47
Investments	689.35	1,033.18	1,435.74	1,755.18	2,167.55
<i>Quoted</i>	67.09	70.90	59.30	67.67	52.56
<i>Unquoted</i>	622.26	962.28	1,376.44	1,687.51	2,114.99
Loans	3,053.86	3,887.45	4,989.65	6,091.82	7,656.24
Fixed assets	202.10	213.16	269.67	417.20	429.98
Other	712.95	583.73	716.01	1,163.65	1,854.78
Total	6,066.39	7,177.25	8,621.68	10,544.95	15,083.02

¹ Consist of Sabah Development Bank Berhad, Malaysian Industrial Development Finance Berhad, Malaysian Industrial Estates Berhad, Bank Pembangunan Malaysia Berhad, Bank Industri Malaysia Berhad, Export-Import Bank of Malaysia Berhad, Borneo Development Corporation (Sabah) Sendirian Berhad and Borneo Development Corporation (Sarawak) Sendirian Berhad.

Table A.61
Industrial Finance Institutions¹: Direction of Lending

	1994	1995	1996	1997	1998
	RM million				
Manufacturing	1,569.07	1,756.57	1,872.08	2,086.37	3,420.59
Agriculture	157.18	94.50	112.27	135.02	102.69
Property	577.99	895.75	1,579.22	2,148.02	2,209.84
<i>Real estate</i>	326.52	491.05	755.16	1,060.92	1,080.83
<i>Construction</i>	208.73	362.49	783.41	1,046.85	1,090.79
<i>Housing</i>	42.74	42.21	40.65	40.25	38.22
General commerce	97.51	161.04	265.74	284.73	313.80
Transport and storage	242.78	241.41	241.52	215.57	341.33
Other	409.33	738.18	918.82	1,222.11	1,267.99
Total	3,053.86	3,887.45	4,989.65	6,091.82	7,656.24

¹ Consist of Sabah Development Bank Berhad, Malaysian Industrial Development Finance Berhad, Malaysian Industrial Estates Berhad, Bank Pembangunan Malaysia Berhad, Bank Industri Malaysia Berhad, Export-Import Bank of Malaysia Berhad, Borneo Development Corporation (Sabah) Sendirian Berhad and Borneo Development Corporation (Sarawak) Sendirian Berhad.

Table A.62
Malaysia Export Credit Insurance Berhad (MECIB)

Year of Establishment	1978					
Objectives	Promoting Malaysian exports through the provision of export credit insurance facilities to exporters to cover against commercial and non-commercial risks and issuing guarantees for banks and financial institutions to facilitate access to export finance. Since the end of 1995, MECIB has also diversified into domestic credit insurance business to provide cover to local SMEs for their domestic sales.					
	1996	1997	1998	1996	1997	1998
	Business Coverage (RM million)			Income (RM '000)		
I. Export Coverage						
Short-term Policies						
Comprehensive policies (export declared)	372.0	383.0	484.0	1,495.2	1,879.1	2,299.4
Banker's comprehensive policies (export declared)	2.2	4.7	0.2	57.9	96.9	4.8
Bankers' Export Finance Insurance Policy (guaranteed value)	44.1	50.4	106.8	508.1	647.4	1,022.3
Confirming bank policy (letter of credit value)	57.0	19.2	83.6	4,031.0	548.1	101.5
Sub-total	475.3	457.3	674.6	6,092.2	3,171.5	3,428.0
Medium and Long-term Policies						
Buyer credit guarantee (amount guaranteed)	161.1	368.7	375.5	3,280.4	11,306.9	1,603.3
Supplier credit guarantee (amount guaranteed)	56.6	47.5	38.3	244.5	-	171.8
Bond indemnity support (face value insured)	-	2.9	2.4	-	47.9	10.8
Sub-total	217.7	419.1	416.2	3,524.9	11,354.8	1,785.9
Total Export Insurance Coverage	693.0	876.4	1,090.8	9,617.1	14,526.3	5,213.9
II. Domestic Sales Coverage						
Domestic credit insurance (sales declared)	12.0	53.0	118.4	73.3	268.0	621.0
Specific policies (amount covered)	15.0	27.0	-	151.9	84.9	41.4
Domestic bonds (face value insured)	-	1.4	-	-	20.1	-
Specific bonds (face value insured)	-	-	0.5	-	-	6.8
Comprehensive services rendered policies (amount covered)	-	-	10.0	-	-	2.9
Total Domestic Insurance Coverage	27.0	81.4	128.9	225.2	373.0	672.1
Total Insurance Coverage	720.0	957.8	1,219.7	9,842.3	14,899.3	5,886.0
Total Income	-	-	-	20,600.0	25,546.0	16,031.0

Source: MECIB

Table A.63
Housing Credit Institutions

	Year of establishment	Objective	Average lending for housing loans (%)		No. of branches	
			1997	1998	1997	1998
Commercial banks	-		9.0~14.35	9.0~14.77	1,671	1,690
Finance companies	-		9.0~16.30	9.0~17.2	1,151	1,099
Treasury Housing Loans Division	1970	To provide housing loans to Government employees	4.0	4.0	-	-
Malaysia Building Society Berhad	1950	To be the nation's single largest provider of property finance and to contribute to the continuous growth of the nation	9.3	10.4	20	20
Borneo Housing Mortgage Finance Berhad	1958	To provide housing loans mainly to Sabah and Sarawak State Government employees	10.0~10.75	11.0~13.0	2	2
Sabah Credit Corporation	1955	To improve the social economic development of Sabah through loans mainly to the property, agriculture and business sectors	9.0~10.5	8.0~11.0	10	11
Bank Rakyat	1954	A co-operative society which collects deposits and provides conventional banking facilities as well as according to Syariah principles	9.75~10.15	10.75~11.00	70	74
Bank Simpanan Nasional	1974	To promote and mobilise savings particularly from the small savers and to inculcate the habit of thrift and savings	10.0	9.56	468	448p

p Preliminary

Table A.64
Sources of Housing Credit

	As at end of		Annual change		Share	
	1997	1998 ^p	1997	1998 ^p	1997	1998 ^p
	RM million		%		%	
Commercial banks	24,423.3	29,881.7	27.0	22.4	49	53
Finance companies	7,018.7	7,279.9	-7.4	3.7	14	13
Treasury Housing Loans Division	15,157.7	15,794.2	3.7	4.2	30	28
Malaysia Building Society Berhad	1,586.3	1,436.2	-5.3	-9.5	3	2
Borneo Housing Mortgage Finance Berhad	480.3	532.7	1.8	10.9	1	1
Sabah Credit Corporation	265.4	273.2	10.3	2.9	...	...
Bank Rakyat	464.8	556.2	34.6	19.7	1	1
Bank Simpanan Nasional	759.7	1,010.5	48.6	33.0	2	2
Total	50,156.2	56,764.6	14.4	13.2	100	100

p Preliminary

... Negligible

Table A.65
Approved Housing Loans

	1997	1998 ^p	1997	1998 ^p	1997	1998 ^p
	RM million		Annual change (%)		% share	
Commercial banks	17,338.8	8,007.1	38.9	-53.8	77	70
Finance companies	3,054.1	1,274.2	1.2	-58.3	14	11
Treasury Housing Loans Division	1,189.8	1,673.5	20.2	40.7	5	15
Malaysia Building Society Berhad	159.9	70.6	28.7	-55.8	1	1
Borneo Housing Mortgage Finance Berhad	48.1	121.2	10.6	152.0	...	1
Sabah Credit Corporation	43.2	16.6	28.2	-61.6	...	...
Bank Rakyat	169.7	48.4	18.3	-71.5	1	...
Bank Simpanan Nasional	402.5	176.9	17.1	56.0	2	2
Total	22,406.1	11,388.5	29.7	-49.2	100	100

^p Preliminary

... Negligible

Table A.66
Agriculture Credit Institutions

	Annual change				As at end 1998	
	1997		1998			
	RM million	%	RM million	%	RM million	% share
Credit for Agriculture						
Banking System	1,753.0	29.8	80.1	1.0	7,717.8	60.6
<i>Commercial Banks</i>	1,493.0	33.7	260.8	4.4	6,178.4	48.5
<i>Finance Companies</i>	288.9	28.1	-388.0	-29.5	927.7	7.3
<i>Merchant Banks</i>	-28.9	-6.7	207.3	51.3	611.7	4.8
Development Agencies	-726.6	-18.3	-285.6	-8.8	2,968.3	23.3
<i>FELDA</i>	-752.4	-19.4	-236.0	-7.6	2,888.4	22.7
<i>Sabah Development Bank</i>	25.8	24.8	-49.6	-38.3	79.9	0.6
Rural Credit Institutions	6.0	0.3	-82.0	-3.8	2,048.3	16.1
<i>Bank Pertanian Malaysia</i>	12.1	0.6	-97.3	-4.8	1,909.3	15.0
<i>Bank Rakyat</i>	-3.5	-7.7	4.4	10.8	45.6	0.4
<i>Farmers' organisations, farmers' co-operatives and agro-based co-operative societies and others</i>	-2.6	-3.1	10.9	13.2	93.4	0.7
Total	1,032.4	8.6	-287.5	-2.2	12,734.4	100.0
Total resources of the Rural Credit Institutions						
Bank Pertanian Malaysia	167.8	3.6	76.0	1.6	4,915.2	42.4
Bank Rakyat	480.0	9.3	460.9	8.2	6,075.8	52.4
Farmers' organisations, farmers' co-operatives and agro-based co-operative societies and others	-145.3	-19.9	23.8	4.1	608.1	5.2
Total	502.5	4.8	560.7	5.1	11,599.1	100.0
Interest Rates	1997		1998			
Bank Pertanian Malaysia	0% to 4% + prevailing BLR (10.8% at end-December)		0% to 4% + prevailing BLR (10.0% at end-December)			
<i>Commercial loans for agricultural purposes</i>	9.55% - 9.85%		6.50%			
<i>Fixed deposits</i>	4.50%		4.50%			
<i>Savings deposits</i>						
Bank Rakyat	13.00% minimum		12.50% minimum			
<i>Commercial loans for agricultural purposes</i>	10.00% - 10.09%		6.84% - 7.03%			
<i>Fixed deposits</i>	4.00%		4.00%			
<i>Savings deposits</i>						
Branches and Membership						
Bank Pertanian Malaysia	142 branches		143 branches			
Bank Rakyat	70 branches with 114,734 members		74 branches with 167,238 members			
Farmers' organisations	282 with 638,487 members		282 with 650,170 members			
Agro-based co-operatives societies	636 with 100,071 members		630 with 67,930 members			

Source: Various agencies

Table A.67
Urban Credit Co-operative Societies¹

	Annual change		As at end 1998	Annual change (%)	% share
	1997	1998			
	Number				
Total co-operative societies	30	21	913	2.4	100.0
<i>Deposit-taking co-operatives</i>	1	-6 ²	11	-35.3	1.2
<i>Other credit co-operatives</i>	29	27	902	3.1	98.8
	('000)				
Total members	78.9	-563	1,220	-31.6	100.0
<i>Deposit-taking co-operatives</i>	7.0	-28	123	-18.6	10.1
<i>Other credit co-operatives</i>	71.9	-535	1,097	-32.8	89.9
	RM million			Annual change (%)	% share
Sources of funds					
Share subscriptions	104.6	-513.9	1,645.2	-23.8	44.9
Reserves	141.5	-1,124.8	706.2	-61.4	19.3
Borrowings	-34.2	61.6	821.0	8.1	22.4
Sundry creditors	26.4	-397.6	155.4	-71.9	4.2
Savings and deposits	24.9	79.7	312.4	34.3	8.5
Surplus	5.0	-81.9	23.9	-77.4	0.7
Total	268.2	-1,976.9	3,664.1	-35.0	100.0
Uses of funds					
Investments	118.0	-1,149.8	1,415.7	-44.8	38.6
<i>Shares</i>	66.4	-728.6	1,068.4	-40.5	29.1
<i>Fixed and savings deposits</i>	33.4	-136.5	267.5	-33.8	7.3
<i>Real estates</i>	14.1	-296.3	-	-	-
<i>Other</i>	4.1	11.6	79.8	17.0	2.2
Loans to members	87.2	-476.9	1,328.5 ³	-26.4	36.2
Fixed assets	50.5	-173.3	415.9	-29.4	11.4
Other assets	12.5	-310.2	144.9	-68.2	4.0
Cash and bank balances	-3.2	-75.8	102.9	-42.4	2.8
Other	3.2	209.1	256.2	444.0	7.0

¹ Urban credit co-operative societies which comprise employees credit societies, thrift and loan societies and thrift and investment societies, were established primarily to provide consumer credit and serve as an investment channel for members.

² There were six deposit-taking co-operatives dissolved in 1998.

³ Refers to total loans outstanding.

Source: Department of Co-operative Development Malaysia

As at the end of 1998, 282 leasing companies and 34 factoring companies had registered with Bank Negara Malaysia. However, only 136 leasing companies and 23 factoring companies submitted statistics pertaining to their operations to the Bank. Total assets of the 136 leasing companies and 23 factoring companies amounted to RM18.5 billion and RM2 billion respectively at the end of 1998. Nevertheless, of the 136 leasing companies, only 45 were pure leasing companies, while of the 23 factoring companies, only 13 were pure factoring companies. The remaining companies only undertook leasing and factoring business as part of their overall business activities.

Table A.68
Leasing Companies¹: Sources and Uses of Funds

	As at end				
	1994	1995	1996	1997	1998
	RM million				
Sources					
Capital and reserves	439	430	569	802	677
Borrowings from financial institutions	2,034	2,779	3,449	4,061	3,071
Inter-company borrowings	621	841	2,102	1,739	1,416
Other	1,586	2,039	2,294	2,767	2,364
Total	4,680	6,089	8,414	9,369	7,528
Uses					
Cash and bank balances	18	20	48	144	266
Investments	126	161	351	484	341
Receivables	3,876	4,851	5,544	5,261	3,820
<i>Leasing</i>	2,743	3,013	3,150	3,067	2,101
<i>Factoring</i>	133	187	171	90	11
<i>Hire purchase</i>	965	1,536	2,016	1,843	1,431
<i>Other</i>	35	115	207	261	277
Other	660	1,057	2,471	3,480	3,101

¹ Statistics shown are for pure leasing companies only.

Table A.69
Leasing Companies¹: Income and Expenditure

	During the period				
	1994	1995	1996	1997	1998
	RM million				
Income					
Income from	327	477	611	615	491
<i>Leasing</i>	240	323	380	393	316
<i>Factoring</i>	9	16	20	12	5
<i>Hire purchase</i>	77	136	208	200	169
<i>Other</i>	1	2	3	10	1
Other	82	120	233	470	418
Total	409	597	844	1,085	909
Expenditure					
Interest paid	189	273	434	586	620
<i>Financial institutions</i>	159	240	388	529	566
<i>Block discounting</i>	30	33	46	57	54
Bad debts written off and provision	35	29	35	100	705
Other	79	145	192	218	283
Total	303	447	661	904	1,608
Pre-tax Profit	106	150	183	181	-699

¹ Statistics shown are for pure leasing companies only.

Table A.70
Leasing Companies¹: Financing by Sector

Sector	During the period				
	1994	1995	1996	1997	1998
	RM million				
Agriculture	61	66	48	50	12
Mining and quarrying	28	37	69	54	4
Manufacturing	549	457	449	406	96
Electricity	2	3	2	3	2
General commerce	152	155	181	164	43
Property sector	197	214	206	195	17
<i>Construction</i>	172	191	190	184	15
<i>Real estate</i>	22	22	15	9	2
<i>Residential property</i>	3	1	1	2	...
Transport	131	184	215	167	74
Business, insurance and other services	214	211	274	216	62
Consumption credit	3	-	...	1	1
Other	91	183	114	128	36
Total	1,428	1,510	1,558	1,384	347

¹ Statistics shown are for pure leasing companies only.

Table A.71
Factoring Companies¹: Sources and Uses of Funds

Sources	As at end				
	1994	1995	1996	1997	1998
	RM million				
Capital and reserves	94	70	92	101	85
Borrowings from financial institutions	403	384	437	596	345
Inter-company borrowings	211	227	354	349	245
Other	315	445	528	675	470
Total	1,023	1,126	1,411	1,721	1,145
Uses					
Cash and bank balances	14	12	30	19	31
Investments	19	4	7	10	8
Receivables	925	1,066	1,275	1,664	1,053
<i>Leasing</i>	1	1	...	...	...
<i>Factoring</i>	714	1,006	1,186	1,459	824
<i>Hire purchase</i>	178	1	7	19	28
<i>Other</i>	32	58	82	186	201
Other	65	44	99	28	53

¹ Statistics shown are for pure factoring companies only.

Table A.72
Factoring Companies¹: Income and Expenditure

	During the period				
	1994	1995	1996	1997	1998
	RM million				
Income					
Income from	70	82	110	150	105
<i>Leasing</i>	...	-	-	-	-
<i>Factoring</i>	63	73	98	129	76
<i>Hire purchase</i>	...	...	...	1	4
<i>Other</i>	7	9	12	20	25
Other	14	16	30	39	37
Total	84	98	140	189	142
Expenditure					
Interest paid	29	34	58	74	88
<i>Financial institutions</i>	29	34	58	74	88
<i>Block discounting creditors</i>	...	-	-	-	-
Bad debts written off and provision	6	8	11	15	86
Other	21	24	30	34	26
Total	56	66	99	123	200
Pre-tax Profit	28	32	41	66	-58

¹ Statistics shown are for pure factoring companies only.

Table A.73
Factoring Companies¹: Financing by Sector

	During the period				
	1994	1995	1996	1997	1998
	RM million				
Sector					
Agriculture	2	1	1	1	1
Mining and quarrying	5	3	2	3	-
Manufacturing	116	139	183	171	69
Electricity	...	1	5	6	2
General commerce	170	216	198	259	149
Property sector	162	259	308	374	231
<i>Construction</i>	152	251	298	363	218
<i>Real estate</i>	7	-	10	11	13
<i>Residential property</i>	3	8	-	-	-
Transport	9	14	14	16	10
Business, insurance and other services	34	86	60	161	62
Consumption credit	28	31	32	33	30
Other	21	132	57	67	27
Total	547	882	860	1,091	581

¹ Statistics shown are for pure factoring companies only.

Table A.74
Venture Capital Companies

Objective To provide risk capital for new ventures, either for totally new enterprises or expansion by existing enterprises into new investment areas.

	As at end	
	1997	1998
No. of venture capital companies	22	23
No. of investee companies	259	246
	RM million	
Total funds mobilised	1,124.4	1,000.3
Cumulative investments made	904.9	952.1
Sources		
Shareholders' funds	481.3	557.2
Liabilities	756.6	773.4
Total	1,237.9	1,330.6
Uses		
Investment in investee companies ¹	754.5	853.4
Other assets	483.4	477.2
Total	1,237.9	1,330.6
	During the year	
No. of investee companies	92	65
	RM million	
Profit before tax of venture capital companies	-59.8	-39.0
Investment during the year by venture capital companies	200.8	152.5
By sector		
<i>Manufacturing</i>	139.4	99.3
<i>Other</i>	61.4	53.2
By type		
<i>Seed capital</i> ²	-	-
<i>Start-ups</i> ³	81.2	32.2
<i>Second-stage</i> ⁴	4.0	21.4
<i>Acquisition/buy-out</i> ⁵	67.7	43.4
<i>Bridge financing</i> ⁶	17.5	5.3
<i>Other</i>	30.4	50.2

¹ After revaluation, liquidation and other.

² Stage where relatively small amounts of capital are required; rarely involves marketing.

³ For investee companies with complete business plans seeking funds to launch both product development and marketing.

⁴ Refers to the period during the expansion stage when the investee company requires assistance in the actual making and distribution of the product while the investee company's account receivables and inventories are growing.

⁵ For investee companies seeking money for plant expansion, marketing and increasing working capital.

⁶ Involves venture capital when synergistic partners are sought for the investee company.

Table A.74
Venture Capital Companies (continued)

List of venture capital companies surveyed	Year of establishment	Type of fund
1. Citicorp Capital Sdn. Bhd.	1985	Open
2. S.B. Venture Capital Corporation Sdn. Bhd.	1989	Open
3. Mezzanine Capital (M) Sdn. Bhd.	1990	Open
4. BI Walden Ventures Sdn. Bhd.	1990	Closed
5. PNB NJI Holdings Sdn. Bhd.	1991	Closed
6. Perbadanan Usahawan Nasional Bhd. ¹	1991	Open
7. Public Bank Venture Capital Sdn. Bhd.	1991	Open
8. MBf Equity Partners Sdn. Bhd.	1991	Closed
9. Malaysian Ventures (II) Sdn. Bhd.	1991	Closed
10. Mayban Ventures Sdn. Bhd.	1992	Open
11. Malaysian Technology Development Corporation Sdn. Bhd.	1992	Open
12. BI Walden Ventures Kedua Sdn. Bhd.	1992	Closed
13. Malaysian Technology Venture One Sdn. Bhd.	1993	Open
14. Malaysian Technology Development (Johor) Sdn. Bhd. (Regional)	1994	Open
15. Ekuiti Teroka Malaysia Sdn. Bhd.	1994	Closed
16. Malaysian Technology Venture Two Sdn. Bhd.	1994	Closed
17. Malaysian Technology Development (Penang) Sdn. Bhd. (Regional)	1994	Open
18. Sumber Modal Satu Sdn. Bhd.	1995	Closed
19. PNB NJI Holdings (II) Sdn. Bhd.	1995	Closed
20. Amanah Venture Capital Co.	1995	Open
21. East Malaysia Growth Corporation Sdn. Bhd.	1995	Closed
22. Malaysian Technology Venture II (Agr.) Sdn. Bhd.	1995	Closed
23. Malaysian Technology Venture III Sdn. Bhd.	1997	Closed

¹ Perbadanan Usahawan Nasional Bhd. is included as it uses venture capital investment instruments.

Table A.75
Export-Import Bank of Malaysia Berhad (Exim Bank)

Year of Establishment	Incorporated in August 1995			
Objective	Establishing an institutional support mechanism to facilitate the exports of manufactured goods and diversification of exports by providing medium-and long-term credit to Malaysian exporters and investors, as well as foreign buyers of Malaysian goods.			
Facility	Loans / Guarantee Approved		Operating Income	
	1997	1998	1997	1998
	RM million		RM million	
Buyer Credit Facility	417.9	7.1	10.5	19.9
Overseas Investment Credit Facility	220.0	27.5	6.6	13.2
Supplier Credit Facility	83.8	260.0	1.2	3.1
Guarantee	298.3	7.6	0.7	2.3
Export of Services Financing Facility	5.0	5.0	0.0	0.1
Export Credit Refinancing	0.0	929.0	0.0	94.4
Other	45.6	0.0	0.0	4.3
Total	1,070.6	1,236.2	19.0	137.3

Source: Exim Bank

Table A.76
Fund Raised in the Capital Market

Sector	1994	1995	1996	1997	1998 ^p
	RM million				
By Public Sector					
Malaysian Government Securities (MGS)	2,229.1	2,000.0	6,000.0	3,000.0	14,950.0
MGS Advanced Subscriptions	270.9	-	-	-	-
Khazanah Bonds (KB)	-	-	-	794.4	2,731.9
Government Investment Issues (GII)	3,000.0	750.0	-	-	-
Malaysia Savings Bonds (MSB)	-	-	-	-	-
New Issue of Public Sector Securities	5,500.0	2,750.0	6,000.0	3,794.4	17,681.9
Less: Redemptions					
MGS	3,549.0	2,250.0	3,809.0	3,648.0	6,200.0
KB	-	-	-	-	-
GII	200.0	500.0	900.0	1,400.0	750.0
MSB	69.8	37.8	34.0	154.8	928.2
Less: Government Holdings	-97.0	-2.6	-74.1	-1.2	-
Net Funds Raised by the Public Sector	1,778.2	-35.2	1,331.1	-1,407.2	9,803.7
By Private Sector					
Shares					
Ordinary Shares ¹					
Initial Public Offers	2,972.9	4,175.0	4,099.2	4,781.0	684.7
Rights Issues	3,436.7	5,240.2	5,268.5	8,524.9	722.0
Private Placements/Restricted Offers-for-Sale	798.9	1,146.9	4,554.4	3,233.6	320.1
Special Issues	1,249.4	875.5	2,002.3	1,818.8	61.0
Preference Shares	-	-	-	-	-
New Issue of Shares	8,457.9	11,437.6	15,924.4	18,358.3	1,787.6
Debt Securities ²					
Straight Bonds	1,021.7	3,929.9	2,675.4	4,209.0	10,238.0
Bonds with Warrants	2,861.4	3,607.7	5,563.7	2,950.3	150.0
Convertible Bonds	1,323.1	863.1	1,794.6	2,018.9	98.8
Islamic Bonds	300.0	800.0	2,350.0	5,249.7	345.0
Cagamas Bonds	4,760.0	3,022.0	4,665.0	5,169.0	3,320.0
New Issue of Debt Securities	10,266.1	12,222.7	17,048.7	19,596.9	14,151.8
Less: Redemptions					
Private Debt Securities ³	383.5	1,249.1	1,765.0	1,368.5	2,904.4
Cagamas Bonds	850.0	2,635.0	750.0	1,640.0	5,012.0
Net Issue of Debt Securities	9,032.6	8,338.6	14,533.7	16,588.4	6,235.4
Net Funds Raised by the Private Sector	17,490.5	19,776.2	30,458.1	34,946.7	8,023.0
Net Funds Raised in the Capital Market	19,268.7	19,741.0	31,789.2	33,539.5	17,826.7
Short-Term Securities					
Commercial Papers	16,601.9	20,216.5	34,320.5	55,994.2	70,045.3
Cagamas Notes	2,490.0	3,395.0	5,790.0	13,890.0	16,845.0
New Issue of Short-Term Securities	19,091.9	23,611.5	40,110.5	69,884.2	86,890.3
Less: Redemptions					
Commercial Papers	14,228.2	18,842.7	31,009.2	53,238.0	71,710.3
Cagamas Notes	2,855.0	1,945.0	5,290.0	11,700.0	15,335.0
Net Issue of Short-Term Securities	2,008.7	2,823.8	3,811.3	4,946.2	-155.0
Total	21,277.4	22,564.8	35,600.5	38,485.7	17,671.7

¹ Exclude funds raised by the exercise of Employee Share Options Schemes, Transferable Subscription Rights, Warrants and Irredeemable Convertible Unsecured Loan Stocks.

² Exclude bonds issued by the banking institutions.

³ Include all straight bonds, bonds with warrants, convertible bonds and Islamic bonds.

^p Preliminary

Table A.77
Kuala Lumpur Stock Exchange: Selected Indicators

	1994	1995	1996	1997	1998
Indices					
<i>Composite</i>	971.2	995.2	1,238.0	594.4	586.1
<i>EMAS</i>	283.7	279.5	347.7	151.2	146.9
<i>2nd Board</i>	260.7	298.7	576.3	162.9	158.4
Trading Volume (mil. units)					
<i>Main Board</i>	60,143.0	33,979.0	66,461.0	72,798.7	58,287.1
<i>2nd Board</i>	58,747.0	30,862.0	47,351.0	62,278.3	52,061.1
<i>Average Daily</i>	1,396.0	3,078.0	19,039.0	10,497.3	6,226.0
<i>Average Daily</i>	242.5	139.8	268.0	293.5	236.9
Trading Volume (RM mil)					
<i>Main Board</i>	328,057.0	178,859.0	463,265.0	408,558.0	115,180.7
<i>2nd Board</i>	318,251.0	157,908.0	278,138.0	299,595.6	100,610.4
<i>Average Daily</i>	9,806.0	20,877.0	185,061.0	108,958.4	14,570.3
<i>Average Daily</i>	1,322.5	736.0	1,868.0	1,647.4	468.2
No. of Listed Companies					
<i>Main Board</i>	478	529	621	708	736
<i>2nd Board</i>	347	369	413	444	454
<i>2nd Board</i>	131	160	208	264	282
Market Capitalisation (RM bil)					
<i>Main Board</i>	508.9	565.6	806.8	375.8	374.5
<i>2nd Board</i>	493.0	542.8	746.0	354.2	353.4
<i>2nd Board</i>	15.9	22.7	60.8	21.6	21.1
Market Capitalisation / GDP (%)					
	267.4	258.7	323.4	136.5	134.4

Source: Kuala Lumpur Stock Exchange

Table A.78
Capital Market Debt Securities¹: Amount Outstanding

As at end	Malaysian Government Securities	Government Investment Issues	Khazanah Bonds	Malaysia Savings Bonds	Danaharta Bonds	Danamodal Bonds	Cagamas Bonds	Other Private Debt Securities ²
	RM million (nominal value)							
1994	64,969.1	4,800.0	-	1,177.3	-	-	8,925.0	15,131.2
1995	64,719.1	5,050.0	-	1,130.6	-	-	9,312.0	22,700.9
1996	66,910.1	4,150.0	-	1,092.0	-	-	13,227.0	33,527.5
1997	66,261.7	2,750.0	1,000.0	918.4	-	-	16,756.0	46,594.4
1998 ^p	75,011.7	2,000.0	4,850.0	3.8	2,601.4	11,000.0	15,064.0	46,797.3

¹ Refer to securities with a maturity period of more than one year.

² Exclude debt securities issued by the banking institutions. Private debt securities are assumed to be redeemed or converted at maturity.

^p Preliminary