CALENDAR OF EVENTS
July-September 2006

7 July 2006

Three types of commemorative coins were issued in conjunction with the golden jubilee of the Federal Land Development Authority (FELDA). The coins pay tribute to FELDA in improving the standard of living and quality of life of its settlers, as well as to FELDA's founder, Malaysia's second Prime Minister, the late Tun Abdul Razak.

28 July 2006

During the fifth meeting for this year, the Bank's Monetary Policy Committee (MPC) decided to maintain the Overnight Policy Rate (OPR) at 3.50%.

2 August 2006

The Bank announced the appointment of three additional Assistant Governors, Dato' Mohd Nor bin Mashor, Puan Lillian Leong Bee Lian and Encik Gopala Krishnan Sundaram.

7 August 2006

The National SME Development Council (NSDC), of which the Bank is the Secretariat, released the inaugural SME Annual Report 2005. The report provides information on the performance of SMEs, as well as highlights the major programmes undertaken by the Government to promote the development of SMEs. The NSDC also announced the formulation of a comprehensive microfinance institutional framework to ensure adequate and continuous access to financing for micro-enterprises as well as the formation of an SME Marketing Committee to drive global marketing of SME products.

8 August 2006

At the launch of Prudential BSN Takaful Berhad in Kuala Lumpur, Governor, in her speech, spoke on the need for financial institutions with complementary strengths to form strategic alliances to develop into a world-class takaful player. The takaful industry is expected to see significant progress through the development of international best practices for the takaful industry by the Islamic Financial Services Board (IFSB).

14-15 August 2006

At the Malaysian Islamic Finance Issuers and Investors Forum 2006 in Kuala Lumpur, Governor announced the launch of the Malaysia International Islamic Financial Centre (MIFC) initiative to

position Malaysia as an international hub for Islamic finance. Backed by the country's financial and market regulators and industry players, key measures and incentives of the MIFC include :

- Approval to establish International Currency Business Units within the Malaysian Islamic banks and takaful operators, for the purpose of conducting Islamic financial services in international currencies, and to benefit from tax incentives that may be introduced;

- New conditional licences under the Islamic Banking Act 1983 to qualified foreign and Malaysian financial institutions, to conduct Islamic banking business in international currencies and enjoy tax incentives;

- New registration under the Takaful Act 1984 to qualified foreign and Malaysian insurance companies, to conduct business in international currencies and to be accorded similar tax incentives;

- Labuan offshore Islamic banks and the Islamic divisions of the offshore banks and takaful operators being allowed to open operational offices anywhere in Malaysia;

- Incentives to attract the best foreign talents and market players to the MIFC to spur innovation and the offering of attractive Islamic financial instruments; and

- The establishment of the MIFC Executive Committee to efficiently coordinate the implementation of the MIFC recommendations.

At the closing of the Forum, Deputy Governor Dato' Mohd Razif Abdul Kadir reiterated the strong commitment of the Government and regulatory agencies to spearhead the MIFC initiative, and affirmed that MIFC will be Malaysia's global brand.

22-23 August 2006

The Bank held a dialogue with the insurers and takaful operators to discuss issues, such as the transition of the insurance and takaful industries towards a risk-based regulatory and operating environment, and the development of a sustainable dual financial system for conventional insurance and takaful in Malaysia. Themed "Strategic Positioning in a Changing Environment", the dialogue also identified opportunities for complementarities and mutual synergies to be reaped between takaful operators and conventional insurers.

At the same event, Governor announced that the Bank is initiating internal organisational changes aimed at integrating the regulation of different financial institutions under its purview, along functional lines. The new structure, details of which will be issued later in the year, is intended to promote greater efficiency and competition in the financial system by :

- Minimising regulatory overlaps and duplication within the system

- Preserving regulatory neutrality in the management of similar risks between different financial service providers; and

- Ensuring more efficient use of regulatory resources.

25 August 2006

The Bank announced the establishment of the Shariah Scholarship Award and Shariah Research Grant, under the Fund for Shariah Scholars in Islamic Finance, to enhance the pool of talents, knowledge and research capacity in the field of Shariah relating to Islamic finance.

In its sixth meeting, the MPC decided to leave the OPR unchanged at 3.50%.

30 August 2006

The Bank announced that the Malaysian economy strengthened in the second quarter of 2006 with real gross domestic product expanding at 5.9%. Economic activity continued to be driven by the private sector with the services, manufacturing and agriculture sectors being the key contributors to growth.

14 September 2006

Subsequent to the announcement on MIFC in August, the Bank issued guidelines which specifiy the eligibility criteria and scope of business for the establishment of new entities in the MIFC to conduct Islamic finance business in international currencies.

15 September 2006

Bank Negara Malaysia and Banco Central de la República Argentina co-hosted the inaugural South East Asia (SEA) and Latin America and Caribbean (LAC) Central Bank Governors' Meeting. The meeting acts as a platform for central banks from both regions to exchange views on important developments affecting the economic, monetary and financial interests in Asia and the Latin American and Caribbean economies, as well as to discuss on issues of mutual interest to promote greater cooperation in the economic and financial sectors.

18 September 2006

The Bank approved the first two retakaful licenses for Munich Re and MNRB Holdings Berhad under the Takaful Act 1984, to conduct both general and family retakaful businesses in the domestic takaful industry. This development will provide the supporting institutional infrastructure for the takaful industry, as well as promote Malaysia as a centre for international currency retakaful business under the MIFC initiative.

26 September 2006

At its seventh meeting, the Bank's MPC affirmed its decision to maintain the OPR at 3.50%.

29 September 2006

The Bank announced the expansion of the operations of Agensi Kaunseling Dan Pengurusan Kredit (AKPK), at additional locations at Bank Negara Malaysia's branches in Pulau Pinang, Johor Bahru, Kuala Terengganu, Kuching and Kota Kinabalu effective 2 October 2006. The establishment of these regional offices marked the agency's continuous effort to ensure its services are available to a wider segment of the Malaysian public. AKPK provides advisory services, counselling and assistance to individuals on areas relating to credit, financial management and education as well as on debt restructuring, which are free of charge.