Calendar of Events
October - December 2004

4 October 2004
The Bank announced the issuance of the Dynamic Solvency Testing (DST) guidelines to further strengthen the life insurance industry in Malaysia. The DST is a robust solvency assessment tool which enables life insurance companies to identify and manage their risks in order to enhance their ability to meet current and future long-term liabilities and obligations to policy owners. Indirectly, this would enhance their ability to innovate and introduce new products to the benefit of consumers.

8 October 2004
The Governor launched the 2004 Islamic Banking and Takaful Expo entitled "Sustaining Islamic Banking and Finance Growth Through Effective Dissemination of Information." The exposition serves as a showcase of Shariah-compliant financial products and services, and as a one-stop information outlet to educate the public on the Islamic financial services available in the country. In her speech, Governor stressed that it is vital to enhance the effectiveness and efficiency of the Islamic financial institutions in meeting the changing requirements of our economy to further strengthen the Islamic financial system and sustain its growth.

11 October 2004
The Bank and the International Monetary Fund (IMF) jointly hosted a two-day high-level conference on the role of IMF in supporting financial sector development in Asia. Participants included senior officials from central banks, ministries of finance and financial sector regulatory agencies from around the region. The conference was held to discuss how the IMF could assist ongoing efforts to identify financial sector issues of regional importance, and analyse the implications of growing interdependencies for financial systems.

14 October 2004
The Bank announced the approval for two more foreign Islamic financial institutions - Al-Rajhi Banking & Investment Corporation of Saudi Arabia, and a consortium of Islamic financial institutions represented by Qatar Islamic Bank, RUSD Investment Bank Inc. and Global Investment House - to establish full-fledged Islamic banks in Malaysia. The Bank had announced in September 2003 that three new Islamic banking licences would be issued to qualified foreign Islamic banking players as part of the move to bring forward the liberalisation of the Islamic banking industry. The first foreign Islamic banking licence was awarded to Kuwait Finance House in May 2004.

19 October 2004
The Minister of Education, Y.B. Dato' Hishammuddin Tun Hussein and the Governor jointly launched Duitsaku.com, the financial education website targeted at primary and secondary school

children. In her welcoming speech, Governor said that financial education is a branch of knowledge that needs to be mastered by everyone, especially in times of dynamic and challenging economic and financial environment. The Minister meanwhile said the launch of the website was in line with the Government's aspiration to encourage learning through information technology.

26 October 2004

The Bank issued the RM5 polymer banknote, thus making Malaysia one of the group of 18 countries that have adopted the polymer banknote technology and issued polymer banknotes for circulation.

28 October 2004

A multi-bank Internet payment platform known as the Financial Process Exchange (FPX) was launched by the Governor, that marked an important milestone in the development of Malaysia's payments system. The FPX leverages the banking institutions' Internet banking services to provide on-line assurance of payments, enables payment references to accompany payments to facilitate reconciliation of transactions, and provides an efficient and cost-effective settlement mechanism.

29 October 2004

The Bank with the insurance and takaful industry held their regular dialogue session to discuss on economic and financial developments, the performance of the insurance and takaful industries, new policy measures as well as developments and current issues concerning the insurance and takaful sectors.

2 November 2004

The Bank announced the appointment of ten members of the Shariah Advisory Council for Islamic Banking and Takaful for a two-year term. The Council is the authority in determining the validity of Islamic banking, finance and takaful transactions conducted by Islamic financial institutions under the purview of Bank Negara Malaysia.

25 November 2004

The Bank announced the fifth issuance of Bon Simpanan Merdeka amounting to RM557 million which was issued on 3 January 2005. The bond provides an additional savings instrument to senior citizens, retired Malaysian Armed Forces personnel, as well as Malaysian citizens who have retired on medical grounds.

30 November 2004

The Bank announced that the Malaysian economy expanded at a favourable rate of 6.8 percent in the third quarter of 2004, driven mainly by growth in the private sector. The Bank also announced a revision to the growth rate in the second quarter of 2004 to 8.2 percent from 8.0 percent indicated previously.

2 December 2004

The Second Meeting of the National Small and Medium Enterprise (SME) Development Council was held in Putrajaya, and was chaired by the Prime Minister. The Council represents the highest-level policy-making body to chart future direction and strategies for SME development.