Calendar of Events
July – September 2005

13–15 July 2005

The Bank and the European Commission (EC) jointly organised a conference titled "Expanding ASEAN-EU Economic Links – The Role of Euro". The conference, the first of its kind in the ASEAN region, explored issues in further strengthening the ASEAN-EU economic and financial relations against the backdrop of the increasing role of the euro in Asia and in the international financial system.

18 July 2005

The ABF Malaysian Bond Index Fund, the first Exchange Traded Fund in Malaysia and the second of its kind among the EMEAP (Executive Meeting of East-Asia and Pacific Central Banks) countries, was listed on Bursa Malaysia. It represented the successful implementation of the Asian Bond Fund (ABF) project to accelerate the development of the domestic bond market and to promote greater integration among the regional bond markets.

19 July 2005

During the official launch of Hong Leong Islamic Bank Berhad (HLIBB), the Governor said that Islamic financial institutions in the country need to take on a more active role in promoting Islamic finance and complement the efforts of the Bank and the Government, so that there will be increased potential for Malaysia to evolve as an Islamic financial centre. HLIBB is the Islamic banking subsidiary of Hong Leong Bank Berhad.

21 July 2005

The Bank announced that the ringgit exchange rate will be allowed to operate in a managed float, with its value being determined by economic fundamentals. The exchange rate will be monitored against a currency basket to ensure that it remains close to its fair value. Promoting stability of the exchange rate continues to be a primary objective of the policy.

4 August 2005

The Governor delivered a keynote address at the Public-Private Dialogue Session of the 7th SEACEN Conference of Directors of Supervision of Asia Pacific Economies that was held in Kuala Lumpur, in which she spoke about the cross-border challenges in implementing Basel II in emerging economies.

9–10 August 2005

The Bank with the insurance and takaful industries held their regular dialogue session themed "Moving Towards a More Competitive Market", to discuss issues confronting the insurance and

takaful industries, major policy initiatives by Bank Negara Malaysia as well as current economic and financial developments affecting both industries.

24 August 2005

The Bank announced that the Malaysian economy expanded by 4.1% in the second quarter of 2005. The Bank also stated that given an environment where inflation is increasing, the level of monetary accommodation will be balanced to ensure that the maximum sustainable growth is achieved in an environment of price stability. The overnight policy rate (OPR) remained unchanged at 2.70%.

26 August 2005

The Bank issued a revised Guideline on Medical and Health Insurance Business to promote a more equitable and consistent treatment of consumers by both general and life insurance companies.

29 August 2005

The Bank announced the eighth and final issuance of Bon Simpanan Merdeka (BSM) amounting to RM430 million which was subsequently issued on 1 October 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. Since the first issue in February 2004, the eight series of BSM attracted subscriptions amounting to RM3.5 billion from 93,300 investors in the target groups; with 60% of them investing RM40,000 and below.

1 September 2005

Following the approval of the Minister of Finance, the Bank announced the introduction of a deposit insurance system for Malaysia to further strengthen the country's financial consumer protection infrastructure. The Bank also announced the establishment of the Malaysia Deposit Insurance Corporation to administer the system.

5 September 2005

The Bank announced that effective 7 December 2005, the RM1 coin will cease to be legal tender and will be withdrawn from circulation.

12 September 2005

At the International CEO Forum of the Development Finance Institutions (DFIs) 2005, Deputy Governor Datuk Zamani Abdul Ghani spoke about the role of DFIs in the financial system from the Malaysian perspective.

16 September 2005

The Bank announced that the Financial Services Resource Centre (FSRC) has reached an important milestone with the award of the construction contract. The FSRC represents an investment in a knowledge centre with learning and research facilities to support the SEACEN Research and Training Centre, the Islamic Financial Services Board and the Bank itself.

20 September 2005

At the 2nd Annual Asian Islamic Banking & Finance Summit, Deputy Governor Datuk Zamani Abdul Ghani said that to accelerate the growth of Islamic financial services industry through effective linkages and integration, four areas deserve greater attention:

- Building the necessary infrastructure to facilitate efficient capital and trade flows;
- Creating vibrant financial markets;
- Strengthening information sharing and human talent management; and
- Promoting the adoption of standard regulation and market practices.

26 September 2005

The Governor delivered a statement at the Joint Annual Discussion of the Boards of Governors at the 2005 World Bank-IMF Annual Meeting, in which she stressed the need for a greater engagement with the entire spectrum of member countries, including the emerging and developing economies. In increasing the prospects for a greater shared global economic prosperity, “it is important for voices from the constituency of the emerging and developing world to not only be heard but to be listened to,” the Governor said.