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Demonetisation from July next year

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KUALA LUMPUR, Sat. - Bank Negara today announced that currency notes of RM500 and RM1,000 denominations will be demonetised and no longer be legal tender from July 1 next year.

From then, the highest denominated currency note will be that of RM100.

"Members of the public should continue to accept the RM500 and RM1,000 currency notes at full face value up to June 30, 1999," said the central bank in a statement.

"During this period, members of the public are encouraged to exchange the RM500 and RM1,000 currency notes for lower denominations or deposit them at all branches of commercial banks, finance companies, Bank Islam Malaysia Bhd and Bank Simpanan Nasional within Malaysia.

"For holders of RM500 and RM1,000 currency notes abroad, appropriate arrangements are being made to facilitate the exchange of these currency notes," the statement added.

The demonetisation is part of a series of capital control measures announced recently by Prime Minister Datuk Seri Dr Mahathir Mohamad.

The measures will also end the ringgit's convertibility outside Malaysia from Oct 1.

Bank Negara had also pegged the ringgit at 3.80 against the US dollar from Sept 2.

The central bank's communication centre will be open for enquiries on the new measures from Monday.

From Monday to Wednesday, the centre will operate from 8.30am to 9pm.

Thereafter, the centre will operate from 8.30am to 6pm. On Saturdays, the centre will take calls from 8.30am to 12.30pm.

It is closed on Sundays.

The telephone numbers are: 03-2916606, 2932330, 2943991, 2914827, 2916511 and the fax numbers are 03-2912990, 2933791, 2936919 and 2937732.

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