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BANKS-CONSOLIDATION

CONSOLIDATION OF BANKS SHOULD BE CONSIDERED SERIOUSLY

KUALA LUMPUR, Oct 12 (Bernama) -- The consolidation of the banking industry is something that must be considered seriously as Malaysia faces the new millennium with major questions about globalisation and liberalisation.

"It is something that must be looked at seriously and implemented. It is a good concept," said AMMB Holdings Bhd chairman Tan Sri Azman Hashim when chairing a workshop at the 1999 Annual Conference of the Asian Securities Analysts Federation Conference here today.

Later, when asked by reporters about AMMB Holdings involvement in the restructuring of local banks, Azman declined to comment on whether it had submitted plans to the government to be one of the anchor banks.

"Maybe, hopefully, I can come up with the whole story some day," he said, when pressed for more details about the bank restructuring, especially in areas concerning the AMMB group.

Asked for the day when he will tell the story, Azman replied: "God willing, as soon as possible".

He declined to comment further.

AMMB holdings has 100 percent stake in Arab-Malaysian Merchant Bank Bhd, 80 percent in Arab-Malaysian Bank Bhd and 66 percent in Arab-Malaysian Finance Bhd.

As part of the bank restructuring exercise, six anchor banks had been named - Malayan Banking Bhd, Multi-Purpose Bank, Bumiputra-Commerce Bank Bhd, Perwira Affin Bank Bhd, Public Bank Bhd and Southern Bank Bhd.

However, there had been widespread speculation recently that the number of anchor banks will be increased.

Today, Prime Minister Datuk Seri Dr Mahathir Mohamad said banks would be allowed to decide among themselves on the lead or anchor banks under Bank Negara Malaysia's accelerated merger programme. -- BERNAMA

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