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The main players

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THE deadline for bank mergers on Jan 31 turned out to be an anti-climax. Most investors and observers were waiting for an announcement on banks which were accorded anchor status. But instead Bank Negara issued a meek statement merely reiterating that it has received 10 proposals and was studying them.

The 10 banks that have submitted merger proposals and are seeking anchor status are the original six anchor banks named by Bank Negara and four more 'breakaway' groups.

The original six picked by the central bank are Malayan Banking Bhd (Maybank), Multi-Purpose Bank, Bumiputra Commerce Bank, Perwira Affin Bank, Southern Bank Bhd and Public Bank Bhd.

But the original plan was thrown astray when Prime Minister Datuk Seri Dr Mahathir Mohamad announced in October last year that the banks were free to choose their own partners. Following this, four banks have broken away from the original partners allotted to them by Bank Negara.

The four are Arab-Malaysian Merchant Bank Bhd, Hong Leong Bank Bhd, RHB Capital Bhd and EON Bank.

In the wake of the merger mania, Malaysian Business takes a brief look at the six anchor banks and four breakaway groups.