

**30% cap on foreign ownership of banks stays**  
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Bank Negara governor Zeti Akhtar Aziz said today the threshold for foreign ownership of local banks remained at 30 percent but this cap may be reviewed on rare occasions.

"At this point in time the threshold is 30 percent and that threshold remains for now because we want a core of domestic banks within our financial system (to facilitate) financial inclusion," Zeti told reporters.

"The reason we have enjoyed balanced growth for so many decades is because the policy of financial inclusion has always been pursued, and if we are dominated by foreign financial institutions this might not happen."

Zeti added that Bank Negara may "from time to time" consider breaching the threshold, but it would be on a very rare occasion.

Prime Minister Najib Razak had earlier said he was open to ANZ doubling its present 24 percent stake in Malaysia's fourth largest bank to 49 percent.

- Reuters

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