

**Goldman Sachs suffers in Malaysia over 1MDB**  
**MalaysiaKini.com**  
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US-based investment banking firm Goldman Sachs has failed to win new business in Malaysia after helping debt-laden 1MDB to raise bonds, reported the Financial Times today.

The banking firm pocketed a 10 percent fee or RM1.5 billion for raising RM15.2 billion in bonds for 1MDB in 2012 and 2013.

Goldman's involvement is in the spotlight once again due to the proximity of the 2013 bond issuance to alleged payments of almost US\$700m (RM2.6 billion) from the fund to Prime Minister Najib Razak just weeks before a close-fought general election, reported the UK financial daily.

One rival banker said the shunning of the investment bank was unofficial but added: "If you're a Malaysian corporation, you're not going to use Goldman because you don't want this association."

The report said the latest allegation of RM2.6 billion deposited into Najib's personal bank account has revived questions over the structure and costs of the 2013 bond.

The Financial Times quoted an analysis of data from Dealogic which said that Goldman Sachs's fees from work in Malaysia had slumped.

Goldman Sachs, under its Southeast Asia chairperson Tim Leissner, had made the firm Malaysia's top 10 fees-earner from 2008 to 2013. It slid to 23rd position in 2014.

It does not yet appear in Dealogic's fee calculations for 2015, said the report.

**'Wait and see' stance**

Malaysia makes up only about two percent of Asia's investment banking fee pool.

However, several clients in Malaysia told the Financial Times that they still have faith in Goldman Sachs.

"The wise thing will be to wait it out and see where any wrongdoing was - until then, it's immature to end a business relationship based on hearsay," said one chief executive who plans to continue working with Goldman.

"Malaysia has and continues to be an important part of our Asian business. We have a very positive dialogue with Malaysian clients and an active deal pipeline." said the bank's spokesperson.

A special task force was set up to investigate the corruption allegation surrounding Najib

and 1MDB.

Meanwhile, National Audit Department are auditing the firm while Public Accounts Committee (PAC) is conducting a hearing over 1MDB.

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