

China to invest more in Malaysia's treasury bonds
MalaysiaKini.com
Nov 23rd, 2015

China will invest more in Malaysia's treasury bonds in a move to help stabilise the financial market, Premier Li Keqiang said today.

"Inflation is peaking and currencies depreciate. It is imperative to stabilise the financial market. So, we want assume a market role by purchasing your treasury bonds," he said at the Malaysia-China High-Level Economic Forum in Kuala Lumpur today.

However, he did not reveal how much Beijing would invest in the bond market.

Li said the country would work hand-in-hand with Malaysia in producing more middle income earners, thus bringing Malaysia towards its aspiration of becoming a high-income nation by 2020.

He also said under the Renminbi Qualified Foreign Institutional Investor (RQFII) programme, China would allocate a 50 billion yuan quota to Malaysian investors to invest in its capital market without any barriers.

Via the RQFII, Malaysian investors would be able to invest in the Shanghai and Shenzhen stock exchanges through Hong Kong.

Meanwhile, Deputy Prime Minister Ahmad Zahid Hamidi said that Malaysia and China demonstrated what could be achieved through the strengthening of mutually beneficial economic, trade and diplomatic relations.

"In the context of trade between the two nation, China is already Malaysia's largest trading partner and has been since 2009.

"According to China's statistics, Malaysia remains China's largest trading partner in Asean, with bilateral trade totaling almost US\$102 billion last year.

“Come 2017 our two governments have agreed to raise this total to US\$160 billion,” he said.

Zahid said as for investments, China was among the top 10 foreign investor in Malaysia.

As of Dec 31, 2014 a total of 182 manufacturing projects with Chinese participation, worth US\$2.83 billion, were implemented in Malaysia.

- *Bernama*

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
Source: <https://www.malaysiakini.com/news/320641>