

Singapore says no local bank received 1MDB bond proceeds

MalaysiaKini.com

June 8th, 2016

Reuters

Singapore's central bank said today no bank in Singapore received a US\$3 billion wire transfer from Goldman Sachs which had arranged a bond issuance for Malaysian state fund 1MDB.

The Wall Street Journal (WSJ) reported this week that proceeds from the 1MDB US\$3 billion bonds ended up in the Singapore branch of a Swiss bank.

1MDB is the subject of multiple money-laundering investigations in at least six countries including the United States, Switzerland and Singapore.

Malaysian Prime Minister Najib Abdul Razak has been facing calls to step down over allegations of graft and billions of dollars in misappropriated funds at his pet project 1MDB.

Critics say Najib was a beneficiary of 1MDB's funds, after about US\$681 million (RM2.6 billion) was deposited in his bank account before a 2013 election.

Najib has consistently denied any wrongdoing.

It is rare for the Singapore's central bank, the Monetary Authority of Singapore (MAS), to issue statements about specific banking transactions, and it said it was doing so in response to media queries.

"MAS stated that no bank in Singapore received the US\$3 billion wire transfer from Goldman Sachs in relation to the bond issuance for 1MDB," an MAS spokesperson said.

Goldman Sachs declined to comment on the MAS statement.

The WSJ, citing people familiar with the investigation, reported that US law enforcement officials were attempting to identify whether Goldman Sachs Group Inc violated federal law after failing to flag a transaction in Malaysia.

The newspaper said half of the proceeds from the sale of the bonds, which were transferred to a Swiss bank account controlled by 1MDB, disappeared offshore with some later ending up in Najib's bank account.

The United States is also reviewing Goldman Sachs' business relationship with 1MDB as part of a broader investigation into the fund.

In an unprecedented move last month, Singapore's central bank ordered the closure of BSI Bank's operations in the city-state, while Switzerland began criminal proceedings against the private bank, in the biggest international crackdown on financial entities dealing with 1MDB.

- Reuters

Copyright © 1999-2016 Mkini Dotcom Sdn. Bhd
Source: <https://www.malaysiakini.com/news/344547>