

Newspaper	NEW STRAITS TIMES
Date	12 MARCH 2015

Balance of 1MDB funds redeemed, says PM

NST
-12/3/2015

AUDIT: 'US\$1.1 billion parked in Singapore bank for easy transactions'

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THE balance of the 1Malaysia Development Berhad (1MDB) funds has been redeemed in cash, Prime Minister Datuk Seri Najib Razak said yesterday.

Najib said the funds, which were managed by the Cayman Monetary Authority, are parked at the BSI Bank Limited Singapore (BSI Singapore).

The decision to park the funds amounting to US\$1.103 billion (RM4.08 billion) in BSI, he said, was to enable easy transactions.

"The decision to park the money in BSI is so that it would be easier to manage transactions, as the ruling by Bank Negara is that it has to approve transactions of more than RM50 million," said the prime minister in a written reply to a question from Tony Pua Kiam Wee (DAP-Petaling Jaya Utara) at the Dewan

Rakyat yesterday.

BSI Bank Limited Singapore is a wholly owned subsidiary of BSI AG, Lugano, Switzerland.

It was reported on Tuesday that the National Audit Department has begun an audit on 1MDB following a cabinet directive last week.

Auditor-General Tan Sri Ambrin Buang said his department would give priority to the audit and that it would be done in an independent and professional manner.

The prime minister had, on March 4, instructed Ambrin to independently verify 1MDB's accounts, and had pledged that those responsible would face action if there was proof of wrongdoing.

Meanwhile, Najib said the government remained committed to ensuring that the nation's debt level does not exceed 55 per cent of gross domestic product (GDP).

He said up to the end of last year, federal debt amounted to RM582.8 billion, or 54.5 per cent of GDP.

"Out of the total, 97.1 per cent, or RM566.1 billion, was domestic debt, while the remaining RM16.8 billion were foreign loans.

"Although external debt amounted to RM744.7 billion, or 69.6 per cent of the GDP, it is important to note that the government's external debt remained low," he said in written reply to a

question by William Leong Jee Keen (PKR-Selayang).

He said to ensure the government's debt level remained low and manageable, fiscal consolidation measures would continue to reduce the deficit level gradually.

"Strict adherence to fiscal discipline and prudent debt management are emphasised to ensure that the economy remains strong and able to cushion any crisis."