Bank Negara To Continue Measures To Broaden Participation Of Regional Players
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KUALA LUMPUR, Jan 27 (Bernama) -- Bank Negara Malaysia will continue to introduce measures to broaden the participation of regional players in the domestic market through progressive liberalisation of the foreign exchange administration rules and the development of cross-border settlement infrastructure.

Its Governor Tan Sri Dr Zeti Akhtar Aziz said the measures would enable more efficient and cost effective foreign currency trading and settlements.

"We have the foundation to take our financial sector to a new level of development," she said in her keynote address at the Fixed Income, Money Market and Derivatives Association of India and Primary Dealers Association of India (FIMMDA-PDAI) Annual Conference 2012 here Friday.

She said the development will focus on new areas that will further strengthen the competitiveness and efficiency of the financial sector and its potential role in facilitating Malaysia's ongoing economic transformation and strengthening linkages in the region.

"Progressive efforts have been made to transform Malaysia's financial sector, with a major dimension of the transformation, involving achieving greater regional integration, she added.

The government launched the financial sector blueprint in December last year to spur new areas of growth and facilitating economic transformation while keeping the development and growth agenda to be inclusive and sustainable.

Zeti said as Malaysia evolves and a new financial landscape emerges, one prominent area of focus is the development of deep, liquid and efficient financial markets, particularly, the development of a domestic bond market.

"Malaysia's bond market has already grown to RM867 billion or 105 per cent of the gross domestic product in 2011, becoming one of the largest debt securities markets in South East Asia," she added.

She said the Islamic capital market has also thrived, with a growing presence of international issuers and investors, operating in both the ringgit and foreign currency sukuk markets in Malaysia.

Zeti said the money and foreign exchange markets had also continued to grow in depth and liquidity.

She said the volume transacted in the domestic money market and foreign exchange market, had now reached RM23.5 trillion and RM9.21 trillion trades respectively.

"Participation in these markets has also broadened significantly with the growing presence of new issuers, banks, institutions and investors in general, including a growing presence of

regional players," she added.

Themed, "Asian Money, Bonds and Derivatives in the New Global Economy", the one-day FIMMDA-PDAI conference provides the platform for the heads and dealing officials of treasuries organisations to meet and discuss topics and issues relating to fixed income and derivatives, with delegates from the Reserve Bank of India, the Indian Ministry of Finance and overseas bodies.

The conference also provides an opportunity for the service providers of treasury products to exhibit and market their services and products.

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