

Banks Must Ensure Individuals Have Capability To Settle Loans Or Credit Facilities
Bernama
May 2, 2012

KUALA LUMPUR, May 2 (Bernama) -- Financial institutions must ensure that individuals have the means to settle credit facilities within the allocated time frame, the Dewan Negara was told Wednesday.

Deputy Finance Minister Datuk Donald Lim Siang Chai when answering a question by Senator Norliza Abdul Rahim said such measures would ascertain an established household and credit market as well as a permanent household cumulative credit phase which was parallel to the financial capability of the sector.

He said that over 10 years, the household sector's credit level in the country increased at an average annual rate of 12.5 per cent accounting for 76.6 per cent of the Gross Domestic Product (GDP) for 2011 as well as accounting for 55 per cent of the total accumulative outstanding debt by the banking system.

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