Bernama - BNM Also Buys Bonds In The Market If Necessary, Says Tengku Zafrul

Monday, Sep 07 2020

KUALA LUMPUR, Sept 7 -- In its efforts to promote a robust domestic bond market, Bank Negara Malaysia (BNM) also purchases bonds in the market if necessary and under certain conditions, says Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz.

“In general, this move has provided an additional RM54 billion worth of liquidity to the banking system,” he told the Dewan Negara today.

He was replying to a question from Senator Alan Ling Sie Kiong (PH-DAP), who wanted to know the fiscal and monetary policy techniques or mechanisms implemented by the Finance Ministry in order to prevent excessive economic disruption amid the COVID-19 outbreak.

Tengku Zafrul said to curb the impact of the spread of COVID-19, the government has implemented an expansionary fiscal policy with the rollout of comprehensive economic stimulus packages and recovery plans worth RM295 billion or 20 per cent of the gross domestic product (GDP), with direct fiscal injection of RM45 billion or three per cent of GDP.

Contact Us

Ministry of Finance Malaysia
No. 5 Persiaran Perdana Presint 2,

The Prihatin Rakyat economic stimulus package (PRIHATIN) and national economic recovery plan (PENJANA) are also aimed at enhancing the capacities of the health services to handle COVID-19 as well as easing the burden of the rakyat, assisting businesses, and helping the economy to recover, he said.

"In terms of monetary policy, the measures implemented by BNM include reducing the statutory reserve requirement (SRR) ratio by 100 basis points from three per cent to two per cent in March and May 2020," he said.

Banking institutions have also been given flexibility through the affirmation of Malaysian Government Securities and Malaysian Government investment issues as part of the SRR compliance, while BNM had cut the Overnight Policy Rate (OPR) by 125 basis points from three per cent to 1.75 per cent in the first seven months of 2020, he added.

-- BERNAMA

Federal Government Administrative Centre,
62592 WP PUTRAJAYA

03-8000 8000
03-88823893 / 03-88823894

Privacy Policy | Security Policy | Disclaimer | Site Map | Help | Archives | Poll
© Copyright Reserved 2020 Ministry of Finance Malaysia.
Last Updated: 3 May 2021 | Total Visitor: 27637216

JOOMLA! DEBUG CONSOLE

Session

Profile Information

Memory Usage

Database Queries