

Steering Monetary Policy Through Unprecedented Crises

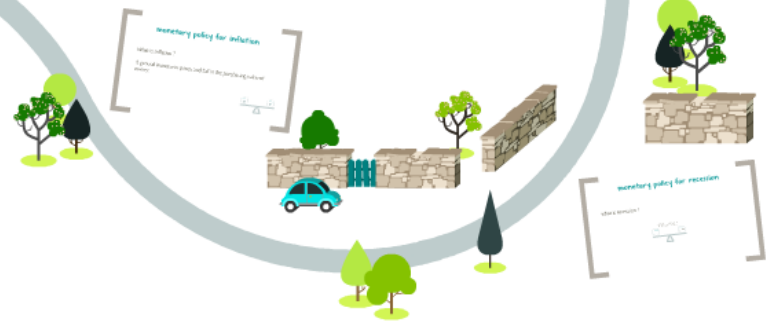
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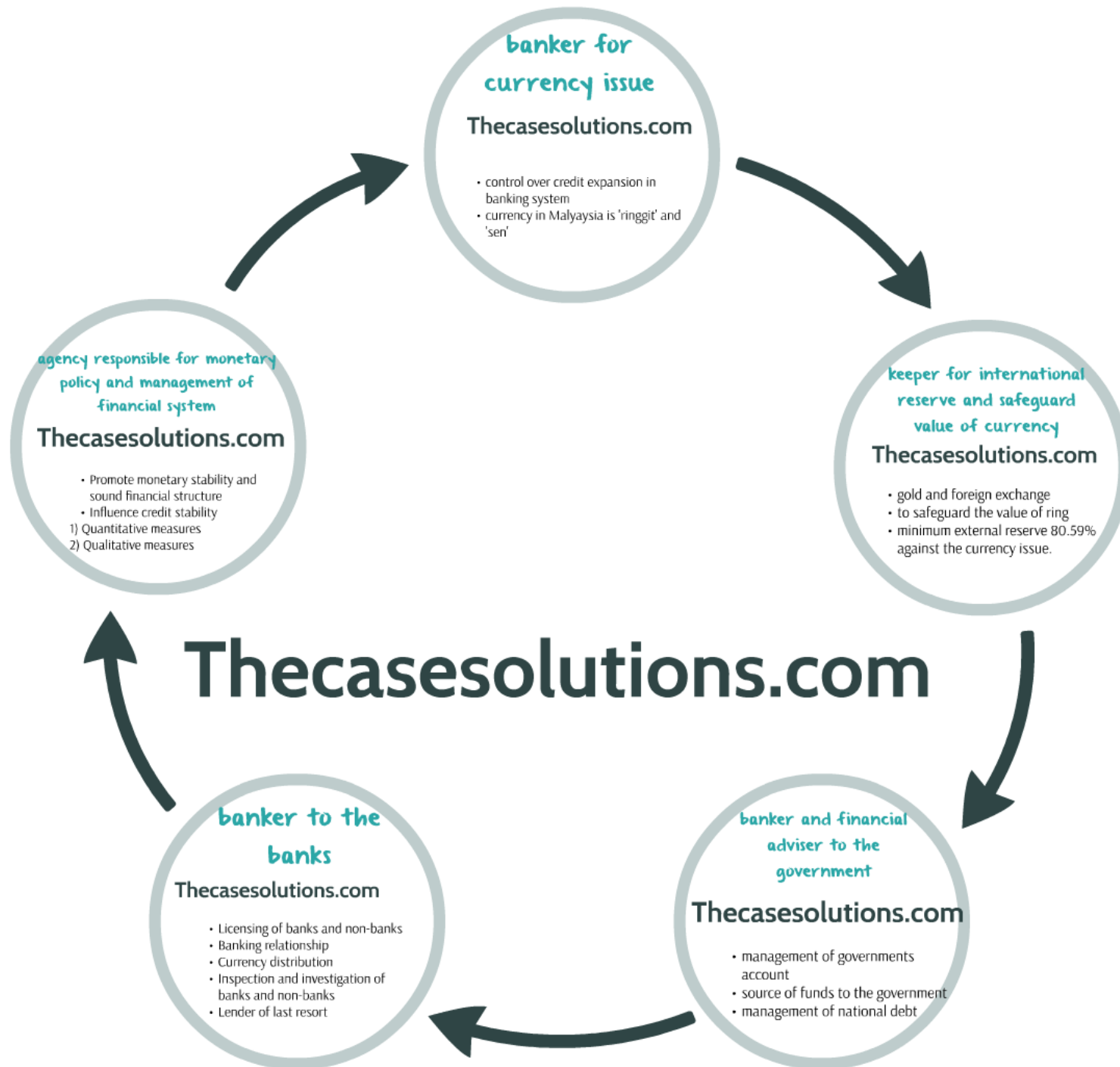


FUNCTION AND ROLE OF CENTRAL BANK

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central bank of Malaysia : BNM
- controller and supervisor of institutions
and banking system in Malaysia





banker for currency issue

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- control over credit expansion in banking system
- currency in Malaysia is 'ringgit' and 'sen'

keeper for international
reserve and safeguard
value of currency

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- gold and foreign exchange
- to safeguard the value of ring
- minimum external reserve 80.59%
against the currency issue.



banker and financial
adviser to the
government


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- management of governments account
- source of funds to the government
- management of national debt



banker to the banks

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- Licensing of banks and non-banks
 - Banking relationship
 - Currency distribution
 - Inspection and investigation of banks and non-banks
 - Lender of last resort
- 

agency responsible for monetary
policy and management of
financial system

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- Promote monetary stability and sound financial structure
 - Influence credit stability
- 1) Quantitative measures
 - 2) Qualitative measures