

Maybank CEO: No pressure on BNM to raise OPR

KUALA LUMPUR (April 14): Malayan Banking Bhd (Maybank) group president and chief executive officer (CEO) Datuk Seri Abdul Farid Alias said on Thursday (April 14) Maybank does not think there is pressure on Bank Negara Malaysia (BNM) to raise the overnight policy rate (OPR) during the first three quarters of 2022 despite global central banks doing so because Malaysia's inflation "is not very acute."

Speaking at a press conference in conjunction with Maybank's virtual annual general meeting (AGM) here, Abdul Farid said Maybank believes BNM will raise the OPR by 25 basis points to 2% in the fourth quarter of 2022.

"Our view right now is we do not think that there is pressure for (the) central bank to raise the OPR in the first three quarters of the year.

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"We believe that the rise in interest rate will happen in the fourth quarter this year. So, we are looking at a [possible] 25 basis points increase," he said.

BNM said its Monetary Policy Committee on March 3, 2022 decided to maintain the OPR at 1.75% as the central bank evaluated factors including the Russia-Ukraine conflict, which has emerged as a key risk to global economic growth, trade prospects, commodity prices and financial markets.

BNM is also mindful of lingering concerns over the Covid-19 pandemic.

The OPR at 1.75% is the lowest on record, according to BNM data on the central bank's website which dates back to 2004.

The OPR has been maintained at 1.75% since July 7, 2020, when BNM cut the rate from 2%.

On March 25, 2022, the **Department of Statistics Malaysia (DOSM)** said in a statement that Malaysia's inflation, as measured by the consumer price index (CPI), increased 2.2% in February 2022 from a year earlier.

The DOSM said the CPI rise was "mainly driven by the increase in transport group (3.9%) and food & non-alcoholic beverages (3.7%)."

<https://www.theedgemarkets.com/article/maybank-ceo-no-pressure-bnm-raise-opr>