

ASSET-LIABILITY MANAGEMENT OF MAYBANK DURING 1991-1997

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ABSTRAK

PENGURUSAN ASET DAN LIABILITI DI MAYBANK 1991-1997

Kajian ini adalah untuk menganalisis **pengurusan aset** dan liabiliti oleh bank berkenaan. Kajian ini adalah berbentuk kes kajian yang akan meninjau keadaan di **Maybank** yang merupakan **salah** satu bank yang utama di negara ini. Kami berhasrat untuk menganalisis **struktur** aset-liabiliti bank berkenaan dalam jangkamasa 1991-1997 dengan menggunakan penyata kewangan.

Kajian ini berbentuk penganalisaan data. **Ianya** adalah satu kajian dan analisa penyata kewangan yang **boleh diperolehi** dalam laporan-laporan tahunan **Maybank**. Dengan menggunakan penyata-penyata kewangan kami akan menggunakan kaedah kuantitatif untuk melihat bagaimana aset-liabiliti bank ini diuruskan. Untuk ini, kami juga telah membuat kiraan ratio dan peratusan untuk melihat bagaimana bank ini menguruskan keuntungan dan kecairan mereka untuk menjamin kepercayaan pengguna dan masyarakat terhadap keutuhan bank tersebut.

Hasil kajian menunjukkan aset dan liabiliti **Maybank** telah diuruskan secara bijak dan kami dapati bahawa bank **ini** dapat menguruskan perniagaan mereka dengan baik. Dalam kegawatan ekonomi negara sekarang, bank **ini** masih mampu mencatatkan keuntungan RM 0.50 bilion dari Jun 1997 hingga Jun 1998. Menuju alaf akan datang bank **ini** perlu menyusun strategi yang lebih berkesan untuk menghadapi cabaran-cabaran yang lebih genting **lagi**.

ABSTRACT

ASSET-LIABILITY MANAGEMENT OF MAYBANK

DURING 1991-1997

This study sought to analyze the assets and liabilities management in banking with a focus on the experience of **Maybank** which is one of the leading banks in Malaysia. The liabilities and asset structure of this as reflected in its balance sheets for the period of 1991- 1997 have been examined as a case study.

The study is data based. It is primarily based on balance sheet statements of **Maybank** which is incorporated in its annual reports. With a scrutiny of these annual reports we used a quantitative approach in analysing the significance of major variables such as deposits, credits, investment, loan and among others to see how asset and liability of the bank is managed. **Specifically** some ratios and percentages have been computed to see how the bank managed its business to achieve its diverse goals of profitability and liquidity in order to win the confidence and trust of its customers and public at large in the country.

The findings on this study shows that Maybank's asset and liability are well managed and it is economically performing well in banking business. Despite the present dismal economic situation in the country, the bank has managed to make some profit around RM 0.50 million in 1997 -- 1998(June End) In the next millennium the bank need to prepare for still better strategies to meet the new challenges.

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ABBREVIATIONS

A	: Total Assets of Maybank
AA	: Aggregate Commercial Asset.
ABC	: Automated Banking Consortium.
AC	: Aggregate Commercial Bank Credits.
AD	: Aggregate Commercial Bank Deposits.
AIM	: Amanah Ikhtiar Malaysia.
ALM	: Asset-Liability Management.
AMDF	: Malaysian Industrial Development Finance Sendirian Berhad.
ATM	: Automatic Teller machine.
BNM	: Bank Negara Malaysia.
C	: Credits.
CH	: Cash Balance.
FD	: Fixed Deposits.
FELDA	: Federal Land Development Authority.
FRCD	: Floating-rate Certificate of Deposits.
LA	: Loan and Advances.

MARA	: Majlis Amanah Rakyat.
MC	: Money at call.
MIMB	: Malaysian International Merchant Bankers Berhad.
NCD	: Negotiable Certificates of Deposits.
PERNAS	: Perbadanan Nasional Berhad.
PETRONAS	: Petroleum Nasional Sendirian Berhad.
PIKOM	: Association of the Computer Industry Malaysia.
RISDA	: Rubber Industrial Smallholders development Authority.
SD	: Saving Deposits.
SRR	: Statuary Reserved Requirement.
TC	: Total Credits.
TD	: Total deposits.
TL	: Total Liability.
TMA	: Total Monetary Asset.

CHAPTER 1

INTRODUCTION

1.0 CONTEXT OF THE PROBLEM

The banking and financial industry is a vibrant and dynamic component of the Malaysian economy. It is gearing itself for the impending era of accelerated industrialisation which will provide numerous opportunities for organisational growth and expansion, especially the commercial bank.

The decade of 1990's is crucial in the economic history of Malaysia. Besides, growth dynamism and remarkable success of economic progress until 1996, the country has also experienced a sudden setback in the later part of 1997. Recent currency crisis in neighboring countries such as Thailand and Indonesia has caused financial sector turmoil as well. Malaysian economy also experienced some major financial crisis. Some institutions have faced some trouble but the government has taken steps to balance this situation. Commercial banking is the pillar of the financial sector of Malaysian economy.

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