



REFINEMENT IN THE FOREIGN EXCHANGE POLICY (FEP)

providing greater flexibility to:



Improve business efficiency



Enhance corporates' FX risk management

Exporters can

retain 100% of export proceeds of RM200,000 and below per transaction in foreign currency

How does this help?

This eases the administrative burdens of the exporters, especially SMEs, to meet their foreign currency obligations



CORPORATES CAN
**MANAGE
FX RISK
BETTER**



1

Residents can hedge foreign currency loan obligations up to underlying tenure

2

Residents and non-residents can cancel their hedging positions* in response to changing market conditions

*except hedges for portfolio investment

CORPORATES CAN
**SUPPORT
GLOBAL
OPERATIONS
BETTER**



1

Residents
can freely
obtain financial
guarantee from
non-residents
e.g. parent
companies

2

Residents
can freely
issue financial
guarantee* to
non-residents
e.g. subsidiaries
abroad

*except certain financial guarantees that are subjected to external borrowing and investment abroad rules



BANK NEGARA MALAYSIA
CENTRAL BANK OF MALAYSIA

These measures are effective
immediately on 30 April 2020

For further details,
visit <https://bnm.my/fep>