

PIDM: Tell depositors what's insured

MALAYSIA Deposit Insurance Corp (Perbadanan Insurans Deposit Malaysia or PIDM) said banks should tell their customers which of their deposit products are protected by the national deposit insurer and which are not.

This has been proposed by PIDM and the regulation for this is due to take off by the end of the year.

Most products are insured by PIDM, but there are no disclaimers to state this.

PIDM chief executive officer Jean Pierre Sabourin (picture) said the global financial crisis has increased the need of insurance coverage for deposits backed with a system that is credible and well managed.

"The statement on the product to show whether it



is insured under PIDM or not will help to create the awareness to customers to know the kind of products and risk they have subscribed into," he said in Kuala Lumpur.

Yesterday, PIDM announced its income statement for the year ended December 31 2009.

The group posted revenue of RM139.4 million, 41 per cent higher than RM98.6 million last year. Of the total revenue, premiums totalled RM131.8 million, up from RM90 million in 2008.

About 96 per cent of PIDM's assets as at end-2009 comprised cash at RM157.2 million and investments of RM204 million. The deposit insurer had property and equipment worth RM13.2 million. Its total deposit insurance fund is valued at RM370 million.

For 2010, PIDM said it will, among others, focus on completing all key initiatives under budget.

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