

Bank deposits may touch RM1tril

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TOTAL deposits in Malaysia's banking system could touch RM1 trillion in one or two years, backed by confidence in the system and government-guaranteed deposits.

Perbadanan Insurans Deposit Malaysia (PIDM) chief executive officer Jean Pierre Sabourin said deposits in the banking system, which stood at RM933.1 billion as at August 31, has

exceeded RM940 billion.

Growth in deposits will increase as people are saving more amid concerns about the future, he said after presenting prizes to winners of the "PIDM & You Contest" in Kuala Lumpur yesterday.

They are also encouraged by the country's banking system where deposits are fully guaranteed for two years amidst the current financial turmoil.

"In these challenging times, we must leave no

doubt in the public's mind that their hard earned savings are safe in our banks and protected at all times," Sabourin said.

From now until December 2010, all ringgit and foreign currency deposits with commercial, Islamic and investment banks, and deposit-taking development financial institutions regulated by Bank Negara Malaysia will be fully guaranteed by the government to maintain the stability of the Malaysian financial system.

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