

## 5 M'sian banks in The Banker's Top 1000

KUALA LUMPUR: Five Malaysian banks made it to the top 400 in *The Banker* magazine's 2009 Top 1000 rankings for banks globally.

The banks are Malayan Banking Bhd (Maybank), Bumiputra-Commerce Holdings Bhd (BCHB), Public Bank Bhd (PBB), AMMB Holdings Bhd and Hong Leong Bank Bhd (HLB).

“In future, banks will be run much more conservatively. Regulators will require them to hold more capital and be less leveraged.”

The Banker's Top 1000 is an annual industry benchmark listing of banks by their capital strength.

Maybank was the highest ranked Malaysian bank at 118 with a 29.1% increase in its capital strength to US\$6.74 billion (RM23.7 billion). BCHB made the list at 226 with US\$2.83 billion, a decline of 4.2%, while PBB ranked 232 with a 2.1% increase in capital to US\$2.77 billion.

AMMB was ranked 339 with a 9% increase in capital to US\$1.68 billion and HLB came in at 371 with a 15.3% increase in capital strength to US\$1.5 billion.

Banks that stuck to the basics of banking, taking deposits and lending in their home markets, fare the best, the publication said in a statement yesterday. It said the banks in the Top 1000 overall had an abysmal year.

It said system profits fell 85.3% from US\$780.8 billion to US\$115 billion and return on equity dropped to 2.69% from 20%.

“In future, banks will be run much more conservatively. Regulators will require them to hold more capital and be less leveraged. This will reduce the profits of the industry as a whole but will bring about a safer banking system,” its editor Brian Caplen said.

The publication said 2009 has also seen stand-alone investment banks becoming extinct.