

Statement by EMEAP Monetary and Financial Stability Committee
30 October 2008

In view of the adverse developments and volatility in the international financial markets, the Monetary and Financial Stability Committee (“MFSC”) of the Executives’ Meeting of East Asia-Pacific (EMEAP) Central Banks held a number of special teleconferences to discuss developments in the region.

The Committee noted that the limited exposures of EMEAP economies to foreign troubled assets have helped to mitigate the negative impact of the crisis on financial institutions and markets in member economies. Their ability to withstand external shocks has been further strengthened by pre-emptive and precautionary measures undertaken by the various authorities to address liquidity and confidence issues in the financial system. Member central banks will continue to jointly monitor closely ongoing developments given that the current global financial environment remains uncertain.

The Committee agreed that the prevailing crisis has underlined the importance of stepping up regional cooperation in information sharing and joint monitoring of the impact of the evolving global financial crisis on regional economies and the implications for central banks in the region. The Committee reaffirmed its commitment to maintaining monetary and financial stability in the region, which is essential for supporting the health of the region and the global economies.

Notes:

EMEAP, the Executives' Meeting of East Asia-Pacific Central Banks, is a cooperative organisation of central banks and monetary authorities (hereinafter referred to collectively as “central banks”) in the East Asia and Pacific region. Its primary objective is to strengthen the monetary and financial cooperative relationship among its members. It comprises the Reserve Bank of Australia, People's Bank of China, Hong Kong Monetary Authority, Bank Indonesia, Bank of Japan, The Bank of Korea, Bank Negara Malaysia, Reserve Bank of New Zealand, Bangko Sentral ng Pilipinas, Monetary Authority of Singapore, and Bank of Thailand

Under the aegis of EMEAP, the Monetary and Financial Stability Committee (“MFSC”) was established in 2007 to enhance regional collaboration and cooperation in the area of macro-monitoring and crisis management. It is represented at the Deputies’ level to support the EMEAP Governors in promoting regional growth and stability. The current Chair and Deputy Chair of MFSC are People’s Bank of China and Bank Negara Malaysia respectively. The Deputy Governors or Assistant Governors of all the EMEAP central banks took part in the recent MFSC teleconference.