News Release

UOB Malaysia completes Malaysia's first brokered MYOR-based interbank transaction with RHB and Maybank

Kuala Lumpur, Malaysia, 26 August 2026 – UOB Malaysia, RHB Banking Group (RHB) and Malayan Banking Berhad (Maybank) today announced the successful execution of the first Malaysia Overnight Rate (MYOR)-based three-month interbank money market transaction in the country, incorporating a two-day lookback calculation convention through an interbank money market broker. The landmark transaction was anchored by UOB Malaysia and executed with RHB and Maybank on 14 August 2026, marking a significant milestone in the evolution of Malaysia's money market and supporting industry efforts towards the adoption of risk-free rate-based market conventions.

The transaction enhances transparency and price discovery by making funding levels and spreads visible to a broader network of market participants. This contrasts with bilateral transactions, where pricing information is limited to the counterparties involved. By helping establish a transparent MYOR funding curve and an observable reference point for three-month interbank funding, the transaction improves visibility into funding spreads over MYOR and banks' cost of borrowing, supporting more efficient pricing across the wider market.

Ms Christina Cheah, Country Head of Corporate and Investment Banking, UOB Malaysia said, "The successful execution of this money market transaction reflects the strong collaboration between UOB Malaysia, RHB and Maybank in supporting the evolution of the country's financial markets. By establishing a transparent benchmark for MYOR-based funding, we are contributing to greater price discovery and helping to build confidence in the adoption of risk-free rate conventions. As a leading foreign bank in the country, UOB Malaysia remains committed to partnering local market participants, sharing regional expertise and supporting initiatives that strengthen market resilience and align the domestic financial ecosystem with global standards."

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The transaction references MYOR compounded in arrears with a two-day lookback mechanism, providing operational certainty in interest calculations while remaining anchored to actual market transactions.

Mr Nurjesmi bin Mohd Nashir, Managing Director of Group Wholesale Banking, RHB Banking Group said, "This transaction demonstrates how market participants can work together to put MYOR-based conventions into practice and support the continued development of Malaysia’s money market. As the industry progresses towards the transition from KLIBOR to MYOR, it is important that we build practical market experience and develop conventions that can be adopted more widely. RHB is committed to supporting Bank Negara Malaysia’s efforts to develop a deeper and more efficient MYOR market, and to playing an active role in the continued development of Malaysia’s financial markets.”

Mr Farid Kairi, Deputy Group CEO of Global Banking & MD of Global Markets, Maybank said: “Maybank is pleased to have played an integral role in this inaugural MYOR-based money market transaction. It marks an important first step in establishing the foundation for deeper liquidity, while setting the stage for widening the aperture for more MYOR-linked solutions and supporting robust price discovery for market participants. This achievement reflects the collective efforts of industry participants and Bank Negara Malaysia in strengthening Malaysia’s financial market infrastructure.”

Bank Negara Malaysia introduced MYOR in September 2021 as Malaysia's Alternative Reference Rate (ARR). MYOR is calculated as the volume-weighted average rate of actual unsecured overnight Malaysian Ringgit interbank transactions, providing a robust benchmark grounded in deep and liquid overnight funding markets. The transition towards MYOR aligns Malaysia with other major financial markets that have adopted overnight risk-free rates including Singapore, Japan, Switzerland, the United States and the United Kingdom.

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