

Monetary Authority of Singapore (MAS)

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The **Monetary Authority of Singapore (MAS)** is the country's de facto central bank and chief financial regulation-setter and supervisor.

The authority was created in 1971 to coordinate the city's rapidly developing financial sector. In recent years, the MAS' breadth of regulation has expanded to the cryptocurrency market, as well. It meets only twice a year—in April and October—to set an exchange rate policy, which it uses as a tool of economic growth while uniquely allowing the city-state's interest rate to float. The policy is set by a Board of Directors, which is headed by its Managing Director, who is appointed by a Chairman. As well as advising the government on financial law and regulation, the MAS also oversees and enforces them. Monetary policy

One of the MAS' chief roles is to set and maintain the monetary policy for the city. As the state's banker, it issues currency and sells government bonds to fund public spending.

The MAS also manages the city's foreign reserves to keep the Singapore dollar (SGD) fixed within an undisclosed MAS-defined range, which is adjusted depending on financial circumstances. The currency was formerly pegged to a basket of currencies, the pound sterling (GBP) and the U.S. dollar (USD).

Uniquely, the MAS doesn't set Singapore's interest rates; rather, it uses instead the currency rate as its main policy tool. Financial regulation

The MAS is empowered by the Monetary Authority of Singapore Act to set regulations and supervise the city's banking, capital markets, insurance and payments sectors. The organization enforces its regulations and government laws through legally binding instructions called Directions. They may take the form of Directives, which are issued to specific entities or individuals, and Notices, which cover a class of asset, institution or person, such as loans or loan issuers.

The MAS also offers non-binding Guidelines on best practice standards, and Codes, which make recommendations on how to go about specific business activities.

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