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Ahmad is still governor of Bank Negara

TAN Sri Ahmad Mohd Don has not resigned as Bank Negara governor, a central bank spokesman said yesterday.

Bernama said the spokesman denied rumours circulating in the financial market that Ahmad had tendered his resignation.

The rumours stemmed from the weakening of the ringgit following repeated attacks on it by speculators.

Later, Datuk Seri Dr Mahathir Mohamad was also asked to comment on this.

The Prime Minister, who had launched the InterAsia Fairs and Exhibition Sdn Bhd and its website at Nikko Hotel, said: "Actually, there is no such rumour at all. You are creating them only to fish (for information)."

Dr Mahathir was also asked to comment on the performance of the Kuala Lumpur Stock Exchange which closed broadly lower yesterday.

He said he was not worried with the lower closing because it was usual for fund managers to pull out at such time as they were afraid of further declines.

Because of cheap shares now, Dr Mahathir said he would expect local funds to come in and buy them, adding that they should do so as they could get a bargain.

"If I were a player on the stock exchange, I will be buying shares now but I don't buy shares.

"In any case even if I buy, I wouldn't make any impact," he said.

On Bank Negara's latest ruling to limit to US\$2 million (RM5.2 million) non-commercial ringgit swap transactions with foreigners, Dr Mahathir said the measure would be carried out as long as it was necessary.

He said the ruling was not a restriction but merely a differential rate of interest, noting that such measures had been implemented before.

On the request from American financier George Soros to meet him, Dr Mahathir said he had yet to decide on the matter.

Soros has been named by the Prime Minister as the man behind the recent speculative attack on the ringgit.

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