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Anwar-IMF

IMF TABLES REPORT ON PROPOSED CURRENCY RULES ON DEC 1

PETALING JAYA, Nov 1 (Bernama) -- The International Monetary Fund (IMF) is to table its report, prepared by an IMF task force, on Malaysia's proposal for rulings on currency trading in a month's time.

Deputy Prime Minister Datuk Seri Anwar Ibrahim said today IMF's managing director Michel Camdessus would table the report at the two-day meeting of Asean finance ministers with counterparts from five major Asian countries, here starting Dec 1.

He said: "At the upcoming meeting, IMF will inform us the development in fixing procedures or prudential regulations governing movement of hedge funds."

Anwar, who is also Finance Minister, announced this when simultaneously opening the new headquarters of Angkasa, the national co-operative body and launching the 75th International Co-operative Day in Kelana Jaya here.

The occasion was also in conjunction with Angkasa's 14th national annual conference.

"In whatever activity, be it co-operatives, banking or insurance, we have rules, but not in currency trading. This is what (Prime Minister) Datuk Seri Dr Mahathir Mohamad is talking about (and) now people accept this," he said.

Dr Mahathir has adamantly maintained that rules were needed to regulate and make currency trading transparent because of the destructive effects of speculation and manipulation on regional currencies since last May.

The Thai baht was first to succumb followed by the Indonesian rupiah, the Philippine peso, Malaysian ringgit and the Singapore dollar.

On his return from abroad last Thursday, Dr Mahathir said efforts by the World Trade Organisation (WTO) towards globalisation and deregulation would fail if no new rules, which apply to all countries, were introduced.

The new rules should also include those governing currency trading, Dr Mahathir had said.

Anwar said the five Asian countries attending the meeting with the Asean finance ministers are South Korea, China, Hong Kong, Japan and Australia.

Anwar said Camdessus telephoned him last night confirming his participation at the meeting to table the progress report of the IMF study on the Malaysian proposal.

Camdessus also informed him of IMF's US\$23-billion rescue package to Indonesia to rebuild investor confidence in the economic fundamentals of the republic, said Anwar.

Anwar added that Malaysia was confident the IMF aid to Indonesia and its US\$17.2 billion loan to Thailand earlier would expedite recovery of the weakened economies of the region, including Malaysia's -- BERNAMA

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