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Mahathir-ringgit
M'SIA CAN MANAGE RINGGIT DESPITE VOLATILITY, SAYS MAHATHIR

KUALA LUMPUR, Sept 23 (Bernama) -- Malaysia will do her utmost to manage the ringgit despite the currency being attacked by foreign speculators, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said:"Although the country's imports will cost more, we will make up with increased exports which have been made competitive due to the ringgit's decline against major currencies."

Asked how he felt about the ringgit, which had declined some 20 per cent against the US dollar, Dr Mahathir said he was happy with the ringgit being very cheap now as it would enhance exports.

He was responding to questions by newsmen after witnessing the signing of an agreement between Perusahaan Otomobil Nasional Bhd (Proton), Automobiles Citroen of France and Usahasama Proton-DRB Sdn Bhd to manufacture, assemble and distribute a new Proton car based on an existing Citroen model.

As the Prime Minister made those comments, the ringgit managed to recoup some its losses, closing at 3.0680/30 today against the dollar compared with 3.0950/10 at yesterday's close.

The Malaysian currrency also regained some lost ground against several major currencies. It rose to 2.0171/17 from 2.0271/17 against the Singapore dollar and strengthened to 2.5168/30 from 2.5199/50 against the Japanese yen.

Against the pound sterling, it strengthened to 4.9332/43 from 4.9659/55 and firmed to 1.7113/45 from 1.7316/48 against the deutschemark.

Earlier in the day, International Trade and Industry Minister Datuk Seri Rafidah Aziz called on local exporters and manufacturers to expand existing export markets and find new ones now that local goods were cheaper.

However, she cautioned manufacturers who exported their products against creating a sellers' market by raising prices but rather expand market size not just as a one-off thing due to the currency crisis, but as a long-term strategy.

She said manufacturers should also try to cut costs at all levels to make up for the increased costs they would incur from paying more for imports. -- BERNAMA

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