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SPECULATORS MAY FIND WAYS TO PREVENT EXPORTS FROM REGION

KULIM, Nov 15 (Bernama) -- Speculators may now find ways to prevent the export of goods from this region after attacking the region's economies, Datuk Seri Dr Mahathir Mohamad said today.

The prime minister said they might find excuses for others not to import goods from this region.

All these were made to support their predictions that the region's economies were overheated and needed to slow down, he said after opening the Industri Otomotif Komersil (M) Sdn Bhd (Inokom) plant, here.

Malaysia, he said, should be able to continue competing in the interantional market due to its competitive price for the time being.

However, the cost of exports would increase soon because of the importation factor in the export goods.

"After depreciating our currency, they may find excuses (for others) not to import goods from this region," Dr Mahathir said.

Asked who he meant by "they", he said: "they are the people who made predictions ... locals and foreigners".

The prime minister reiterated his call that Malaysians must work hard to face the challenges by increasing productivity.

Asked whether the United States-Malaysia relations were strained following the US' plan to investigate Petronas, the national oil company, for its business involvement in Iran, Dr Mahathir said: "It is not proper for them to do so,"

He refused to comment on a news report that the US State Department regarded the draft resolution by a group of Congressmen calling for his resignation as "counter productive and could trigger a strong reaction from Malaysia".

Asked whether Malaysia still needed the Americans with the presence of the French, which is involved in this country's automotive industry, Dr Mahathir said Malaysia wanted to make friends with everybody but "unfortunately somebody doesn't want to be friends with us."

The French are involved in the manufacture of the Proton Tiara car and multipurpose light commercial vehicles and vans.

To another question, the prime minister said he might discuss the Petronas issue with French President Jacques Chirac if the latter brought it up at their meeting in Langkawi tomorrow.

"Maybe we will discuss (it) because we are in the same boat," Dr Mahathir said, apparently referring to France's Total SA's and Petronas' involvement in a US\$2 billion joint venture deal with Iran to develop a gas field there.

The joint venture, which also involves a Russian company, is facing the risk of sanctions from the US which regarded it as contravening its Iran-Libya Sanctions Act.

Inokom today began commercial production of the 2,000cc multipurpose van called "Permas" at its 200ha plant.

The van, which incorporates the French and Korean technology, consists of eight models and will be sold between for RM40,000 and RM60,000 each beginning January next year.

The multipurpose van can be used for transporting passengers, goods and can be turned into an ambulance.

The company hoped to produce light trucks by end of next year Inokom chairman Datuk Zulkifli Abdul Rahman said.

Inokom shareholders consist of Berjaya Group Berhad (35 per cent), Pesumals (M) Sdn Bhd (30 per cent), Hyundai Motor Company and Renault (15 per cent respectively) and Hyumal Motor Sdn Bhd (five per cent).

The factory is designed to have a production capacity of 20,000 vehicles per year on one shift but for a start the production capacity will be around 10,000 vehicles per year on one shift. The workforce of 400 will be doubled by next year.

"The van is very good," Dr Mahathir said after giving it a test drive at the factory. -- BERNAMA

JM JK MFJ