

# Currency crisis to top agenda

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JOHANNESBURG: The financial crisis which has spread to South Africa will be the focus of discussions between Prime Minister Datuk Seri Dr Mahathir Mohamad and southern African leaders when they meet at the Southern Africa International Dialogue '98 which begins in Walvis Bay, Namibia, today.

The Prime Minister, who ended a two-day working visit here yesterday, said he would explain the currency problem and share Malaysia's experience on the issue.

"Generally there is an increased interest on the part of African governments on currency trading, how is it done, how it affects the economy and what they should they do in order to counter or protect their economy," Dr Mahathir said.

He said he had exchanged views with South Africa's Acting President Thabo Mbeki on the currency problem and bilateral issues yesterday.

"As there will be a lot of discussions on this (currency problem) in Namibia, I will reserve my views," he said.

The value of the South African rand has gone down by about 30% since the currency came under attack by currency

traders since May.

Dr Mahathir was also asked on South Africa's concern about the diminishing role of Malaysia in this country, as the second largest investor with investments of RM2.4bil since 1994, due the depreciation of the ringgit.

"As we are less competitive now our investments are bound to diminish. Some people are even thinking of selling some of their properties because we need the money to revive our economy," he said.

However, he said that there could more trade and tourism activities between Malaysia and South Africa because that did not require investments.

Earlier, Dr Mahathir and Mbeki opened the Southern Bank of Africa, a joint venture between the National Empowerment Trust, a government agency to help native South Africans, and Killinghal (Malaysia) Berhad, the primary shareholder of Southern Bank Berhad.

SBA has an initial capital of 100mil rand. Fifty per cent of its shares are owned by NET Investment Fund (Pty) Limited while the other half is owned by Killinghal. - Bernama