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MAHATHIR-RATE

FIXED EXCHANGE RATE TO STAY FOR A LONG TIME, SAYS DR MAHATHIR

KUALA LUMPUR, Dec 12 (Bernama) -- Prime Minister Datuk Ser Dr Mahathir Mohamad today reiterated that the ringgit's fixed exchange rate of RM3.80 per US\$1 would be maintained for a long period.

"If someone tells you that the government is going to change the rate, ask them to jump into the sea.

"It is going to remain at RM3.80 for a very long, long time," he said when launching the one-month Home Ownership Campaign here.

Lately there has been calls for an upward revision of the rate to RM3.50 following improvement in Malaysia's economy and the appreciation of regional currencies.

The fixed exchange rate, imposed along with other selective exchange control measures by the government since early September this year, had given businesses certainty and aided their budgetting and planning, said Dr Mahathir.

He said together with the move to make trading of Malaysian shares in Singapore's over the counter market Central Limit Order Book illegal, the exchange control had propped up the Kuala Lumpur Stock Exchange.

From a low of 262 points, the benchmark Composite Index had since the introduction of the control gradually risen to a high of 530 points at the end of this week, said the prime minister.

"What the government is doing is to try to revive the share market and stabilise the ringgit," he added. -- BERNAMA

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