

19 FEB 1998

Mahathir-Investors

NOW TIME TO INVEST IN M'SIA, SAYS MAHATHIR

KUDAT, Feb 19 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today invited foreigners to invest in Malaysia as now is the right time to do so.

"Actually, for investors, this is the time to invest because their money is worth much more now in terms of ringgit. Whereas Malaysia has not really suffered inflation it means that for less foreign currency, they can purchase more ringgit.

"And therefore their investment in this country would be less in terms of their own currency," he said when officiating at the ground-breaking and launching of the Nusantara Steel Group's Integrated Steel Mills project in Kampung Limau-Limauan, about 50km from here.

The Prime Minister also dispelled notions that foreign investors have lost confidence in Malaysia following the country's current economic turmoil.

"Long-term investors have continued to have faith in the country. They have not pulled out and if they have to reduce somewhat their production, it is because the world market has shrunk," he said.

Dr Mahathir, addressing some 2,000 people including several foreign corporate leaders in a remote area of Kudat in northern Sabah, said that foreign investors producing goods for export or local consumption, have continued to do so.

(Kudat is 200 km from Kota Kinabalu, the state capital).

"On the other hand, they have to increase their investment in this country and new investors are coming with very big investment of more than RM4 billion in the information technology sector for instance," he said.

Dr Mahathir expressed confidence that investors would not lose out but acknowledged that "in business, things can never be so easy as sometime you make sometime you don't."

"But I think we should have faith in the future and we should begin to invest in anticipation of the recovery of the economy in this country," he said.

On short-term investors leaving the country, Dr Mahathir said their move could not be construed as a loss of confidence in the country.

"It is merely (because they have) the opportunity to make money quickly that drove them to sell off the shares that they have originally bought at a very low price and have since appreciated and therefore they make a lot of money when they sell," he said.

The Prime Minister also spoke of the need to demonstrate to the world that Malaysia's economy has the capacity to go on growing.

"That is why we welcome investors and I am glad that there are investors coming from so many countries to invest in this (Nusantara Steel Group's) mini-integrated steel mill," he said.

On the project, he said it is an example of Malaysia's success story in transforming a backwater interior once by-passed by development into a modern and sophisticated landscape.

The RM5-billion project, reputedly world's second largest after the one in Mexico, is expected to be the catalyst for economic development in Kudat, acknowledged as among the country's poorest districts.

Nusantara Steel Group Chairman Tunku Abdullah Tunku Abdul Rahman said Kudat was chosen for the project for its strategic and viable location with natural gas being widely available in surrounding areas.

Moreover, he said, the presence of a deep sea port supports the mill's heavy industrial needs.

The project comprises a direct reduction iron and hot briquetted iron (DRI/HBI) mill and a hot coil plant.

The DRI/HBI mill is a joint-venture between Nusantara Steel Group Sdn Bhd, the Sabah government and the Hylsa-Ferrostaal (rpt Hylsa-Ferrostaal) consortium.

The hot coil plant is a tie-up between Nusantara Steel, the Sabah government and the Denieli-Siemens consortium. -- BERNAMA

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