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MAHATHIR-FUNDS
M'SIA TO RAISE FUNDS IN S'PORE

SEPANG, Nov 5 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad says Malaysia would need to raise funds in Singapore to finance its economic activities.

Speaking at a joint news conference after a meeting with his Singapore counterpart Goh Chok Tong here, he said Singapore had promised to negotiate on how best the republic could be of help on the matter.

"Singapore can be of help to Malaysia during this crisis," said Dr Mahathir following their talks where both countries agreed to improve bilateral relations.

However, Dr Mahathir did not disclose how much funds were needed to be raised in Singapore.

Goh said details of the fund-raising exercise would be discussed at a later stage.

He also said Singapore had agreed to assist Malaysia in overcoming its financial problems but first it had to ascertain what were Kuala Lumpur's requirements.

The last time Dr Mahathir and Goh met was at the joint opening of the Second Malaysia-Singapore crossing in April this year.

Following the onset of the regional currency crisis late last year, Malaysia's economy was adversely affected.

To finance its activities, Malaysia decided to raise funds by issuing bonds in the international market but just before its officials left for these fund-raising exercises, some international rating agencies downgraded Malaysia's sovereign rating. As a result, the exercises were called off.

Dr Mahathir recently unveiled a deficit but expansionary budget, which meant that Malaysia would need additional funds to finance economic activities and jump-start the economy. -- BERNAMA

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