

1. JAKARTA: The situation in Indonesia is critical as the Rupiah crashed to its lowest level in its history. The Rupiah yesterday crashed to 16,500 to 1 US dollar. This had enhanced the lack of confidence among international banking community over the success of the Indonesian government efforts in settling foreign debts. Page 1

2. KUALA LUMPUR: The sales of the Malaysian motor vehicles are expected to decrease to 60 percent this year due to the credit squeeze, the Malaysia Motor Traders Association (MMATA) said. Its chairman Aishah Ahmad said the sale for this year is expected to decrease to 160,000 units compared to 404,837 unit last year. Page 2

3. KUALA LUMPUR: The National Economic Advisory Council (NEAC) which had its first meeting yesterday concentrated on the prices of goods and the credit liquidity in efforts to foster the country's economic recovery. Prime Minister Datuk Seri Dr Mahathir Mohamad said the two agenda were discussed thoroughly to enable the government know the situation of national economy and identify the problems. Page 1

4. KUALA LUMPUR: Datuk Seri Dr Mahathir Mohamad has suggested that the local production companies be merged to pool their capital and expertise in producing higher quality films for the export market. The prime minister said as the local market was small and limited, such a merger and export of local films were appropriate and in line with the current government's priority. Page 2

5. KUALA LUMPUR: Datuk Seri Dr Mahathir Mohamad has criticised Malaysian suppliers who demand their customers to pay in US dollar although they should conduct their business in the ringgit which is legal currency in this country. Page 2

6. KOTA KINABALU: Deputy Prime Minister Datuk Seri Anwar Ibrahim has repeated his call for the people, especially the business circle, not only to have full faith in the country's local banks but the entirety of the system. He said only with very strong self-confidence, and a resolve to work together could Malaysians overcome the current economy problems, quickly and with minimum casualty. Page 2

7. KUALA LUMPUR: Malaysia is saddened over the massacres in Algeria and hopes its government will ensure that bloodshed is not prolonged. Foreign Minister Datuk Seri Abdullah Haji Ahmad Badawi said Malaysia and Algeria had long standing diplomatic relations and the tragic events there lately were of concern to Malaysia. Page 5

8. SEGAMAT: Tenaga Nasional Berhad (TNB) has no plan to increase a new electric tariff to consumers while the country's is facing economic slowdown, its Executive Chairman Datuk Ahmad Tajuddin Ali said. Page 22

9. KUANTAN: Reliance on foreign military equipment will be reduced by using suitable locally-manufactured equipment, said Defence Minister Datuk Seri Syed Hamid Albar. He said the armed forces depended heavily on foreign equipment and the time had come for Malaysia to use the ones locally produced. Page 24

10. KUALA LUMPUR: The government is worried over the people's ignorance of what is meant by a healthy lifestyle, Health Minister Datuk Chua Jui Meng said. He said an unhealthy lifestyle would lead to all kinds of diseases especially when people were getting older everyday. Page 25

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