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Malaysia has not decided on launching second bond

SEPANG, Fri. - Malaysia has not decided yet on a second bond issue after the successful launch of the US\$1 billion 10-year global bond last week in New York.

Prime Minister Datuk Seri Dr Mahathir Mohamad today said he discussed the matter with Japanese Vice-Minister for Finance Eisuke Sakakibara after Japan agreed to partially guarantee any bond issue by Malaysia in yen, euro or US dollar.

Speaking to reporters soon after his return from Japan, Dr Mahathir said in the event of a second bond, it had not been decided if it would be in yen, euro or US dollar.

Malaysia's intention to issue the bond was not just to raise funds but more importantly to establish a benchmark for the country's credit rating, he said.

"Actually, we want to establish a benchmark," he said. "Not really that we need to have the money. We have to go to the market to show our worth, what is our rating."

Asked on the possible successor to Election Commission chairman Datuk Harun Din who retires on June 21, Dr Mahathir said the Government had identified several candidates but would make an announcement later.

Asked if Harun would be retained until after the general election, he said Harun had to retire as his term of service had been extended several times.

On a newspaper report that Aceh rebels obtained arms from Malaysia, Dr Mahathir said Malaysia was not involved.

"We are not involved at all," he said, "as we do not like to interfere in the domestic affairs of others."

The report quoted Indonesian Information Minister Muhammad Yunus as saying that the Aceh Independence Movement had received automatic AK-47 and M-16 rifles from Malaysia and Thailand.

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