

21 JULY 2001

MAHATHIR-PERCEPTION

GOVERNMENT NOT TOO WORRIED ABOUT NEGATIVE PERCEPTION

KUALA LUMPUR, July 21 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the government is not too concerned over foreign fund managers' negative perception in its handling of some corporate restructuring exercise.

"We are not too worried about their perception. We will be worried if we are going around begging for money, but we are not doing that," he said.

He was asked whether the recent rating upgrade on the government-owned Petronas's long-term foreign currency rating implies a reversal in foreign funds perceived bail out of Malaysian corporations affected by the regional crisis.

Yesterday, Moody's Investors Service has upgraded the Petroliam Nasional Bhd (Petronas) rating to Baal from Baa2, one notch higher than Malaysia's sovereign ceiling.

"They can downgrade us, they can do what they like but we will ensure that this country's economy is well run," Dr Mahathir told a press conference after the launch of Proton's latest model, the Juara, here.

The prime minister was also asked whether former Second Finance Minister Datuk Mustapa Mohamed would replace Tun Daim Zainuddin as the executive director of the National Economic Action Council (NEAC).

"We have not make the decision but obviously we need a replacement to Tun Daim," said Dr Mahathir, who assumed the Finance Minister's post following Daim's resignation on June 1.

Daim has resigned from his cabinet post and NEAC post. Mustapa is currently the advisor to the NEAC.

NEAC was set up as a consultative body to the cabinet "to deal with economic problems and restore the economy" in the aftermath of the 1997/98 financial crisis.

On the current slide of the Japanese yen against the greenback, Dr Mahathir said with the ringgit pegged at 3.80 per US dollar, Japanese imports would be made cheaper.

In addition, he said Malaysia would benefit from the weaker yen in terms of repayment of its yen loan. -- BERNAMA

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