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No plan to review ringgit peg, says PM

THE Government has no plan at present to review the ringgit which is pegged to the US dollar, said Prime Minister Datuk Seri Dr Mahathir Mohamad. He said the value of the ringgit was supported by strong economic fundamentals while the inflation rate was low and the foreign reserves strong. Dr Mahathir, who is also the Finance Minister, said in a fast-changing foreign exchange market, a fixed exchange rate provided certainty for trade and investment. He told Datuk Mustafa Ali (Pas-Dungun) in a written reply that changes in the exchange rate and a drop in the value of the ringgit would not benefit Malaysia as global demands overall were low and the electronics sector was on the downside. "Therefore a drop in the value of the ringgit compared to the US dollar will not increase Malaysia's exports," he said.

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