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PM: No plan to devalue ringgit

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KUALA LUMPUR, Sat. - Prime Minister Datuk Seri Dr Mahathir Mohamad said today that the ringgit was doing fine at RM3.80 against the US dollar and there are no immediate plans to devalue the currency.

He was clarifying a newspaper report which suggested that Malaysia was going to devalue its currency. The Prime Minister said he never said anything like that.

"What I said is that if the yen goes down and the Chinese devalue their currency, we will have to examine (our peg).

"Examine doesn't mean we will reduce (the value of our currency).

"Our condition is that if the value of our neighbours' currencies go down by 20 per cent or go up by 20 per cent, and it remains at that level, then we will consider," he said.

"So please correct your report. Don't say that I said that we are going to devalue the ringgit," he added.

Dr Mahathir was speaking to reporters after going on a test ride of the KLIA Ekspres train and a familiarisation tour of the Kuala Lumpur City Air Terminal at KL Sentral.

The Express Rail Link train connects KL Sentral here with the Kuala Lumpur International Airport in Sepang in 28 minutes and has a maximum speed of 160km per hour.

Trial operations of the train will continue until April. Free trial services will be conducted for two weeks in April before the revenue service due on April 19.

Dr Mahathir gave the KLIA Ekspres a thumbs-up, saying that the service was good as the test ride beat the scheduled time by reaching KLIA in 25 minutes instead of 28 minutes.

"I believe we can go faster if we have our lines more straight ... as far as I can see they can go ahead," he quipped.

Asked if there was a need to review the RM35 fare, he replied: "I don't think it is high."

Dr Mahathir said Malaysians wanted the best of everything at no price at all, but that this was not possible.

"You want something, you have to pay for it. I think it is very cheap ... Putra (LRT) is worse, Putra hardly collects any money at all. The cheapest service in the world," he said.

On developments at the Gaza City, Dr Mahathir said: "We can protest, but we cannot do much; those who have the power are not taking any action..."

It was reported today that Israeli bulldozers tore up the runway of the Gaza International Airport.

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