

27 JUN 2002

MALAYSIA-MOODY'S

MALAYSIA'S RATINGS UNAFFECTED BY SUCCESSION ISSUE

By: Salmy Hashim

WASHINGTON, June 27 (Bernama)-- Moody's Investors Service said it is maintaining its review for a possible upgrade of Malaysia's foreign currency ratings.

Moody's said the succession issue has been part of its analysis, and that Prime Minister Datuk Seri Dr. Mahathir Mohamad's announcement of his intention to leave office next year is consistent with that analysis.

The agency said in New York that it believes that Malaysia's institutional framework is stable and that the succession process is fairly clear.

The rating agency does not believe that Malaysia's strong economic and financial indicators will be affected by a change in prime ministers.

Moody's reiterated that its review will focus on the current status and prospects for both direct and portfolio investment flows, the outlook for fiscal consolidation, progress in corporate sector restructuring, and the effects of the fixed exchange rate for the ringgit, the national currency.

Meanwhile, a United States government official declined comment on the future change in leadership, saying that "it is an internal matter." --

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