

Bank Negara exonerates Dr M over ringgit slump
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Bank Negara has refuted recent media reports blaming former premier Dr Mahathir Mohamad's criticisms of the Najib-administration for the ringgit slump.

In a press release today, Bank Negara said the current volatility of the Ringgit was caused both global and domestic developments, which does not involve politics.

"Global developments would include the investor expectations relating to monetary policies of major central banks and the trends in crude oil and gas prices.

"Domestic factors include concerns about government linked entities and ratings related issues.

"While external developments are beyond the control of any open economy, every effort needs to be undertaken to bring about resolution to the domestic issues that confront our economy," said the central bank.

Noting that Malaysia has sound economic fundamentals and growth prospects, the central bank said the performance of the ringgit will be stable once these issues are resolved.

Was Ahmad Maslan lying?

Bank Negara added it will never be drawn into any political agenda and will focus on its mandate to maintain monetary and fiscal stability.

Although Mahathir was never named in the press release, it was clear that Bank Negara was referring to Deputy Finance Minister Ahmad Maslan's recent attempt to pin blame on the former premier.

Ahmad claimed he had been briefed by Bank Negara that Mahathir was among three reasons for the ringgit slump.

Two other factors are uncertainties over the interest rates in the US and the fall in commodity prices including oil prices.

In September last year, the ringgit was RM3.20 to the US dollar. At the time of writing, it was RM3.70.