

**Gov't set to announce fuel price cut**  
**Malaysiakini.com**  
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Prime Minister Abdullah Ahmad Badawi today said the government was set to announce a cut in fuel prices, following a 41-percent hike in June that stirred protests.  
MCPX

abdullah sapp bn supreme council 190608The government hiked petrol prices to ease the burden of spiralling energy subsidies, but crude oil costs have fallen around US\$23 from record highs above US\$147 per barrel hit earlier in July.

"If possible, I want to reduce the fuel price right now. Be patient, the government will announce it later," Abdullah was quoted as saying by the Bernama news agency.

"The government is studying several matters before making the announcement."

Deputy Prime Minister Najib Razak said the government wanted to cut fuel prices.

"I think if the trend of oil prices continues downwards, it is only right that it is reflected in domestic prices. There is a desire for us to reflect the current market situation," he told reporters.

**Announcement in two weeks?**

A senior finance ministry official told AFP Thursday that Malaysia may reduce fuel prices in the weeks ahead if global oil prices continue to fall.

The official said "if oil prices remain between US\$120 a barrel and US\$125 a barrel for two weeks," then Abdullah could announce a cut in fuel costs.

oil drum barrel 130607Oil was trading at around US\$123 today after being pushed lower on fears of easing energy demand. But prices are still much higher than in recent history, having traded at under US\$10 in the late 1990s.

Abdullah's decision to hike fuel prices sparked angry street protests and triggered calls for the premier to stand down, compounding his woes after disastrous results in March elections.

Malaysia's annual inflation rate soared to a 26-year high of nearly eight percent in June due to the rise in fuel costs, echoing a surge in inflation across Asia that has stoked fears of slower regional economic growth.

-AFP