

M set to announce Middle East investment
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Prime Minister Najib Abdul Razak said that he will be making an announcement on a major capital investment from the Middle East into Malaysia later today. He however gave no other details on the investment.

The prime minister said this during the Meeting of Minds session with Steve Forbes, chairperson/chief executive officer of Forbes and editor-in-chief of Forbes Magazines at the Ninth Forbes Global CEO Conference last night.

During the meet, Najib also said Malaysia was looking to setting up a physical centre that will showcase the country as the world's Islamic financial hub, Najib said.

He said Malaysia was a leader in Islamic finance and very successful in promoting the industry.

It is the only nation that offers a whole range of Islamic products including banking, insurance, money and capital market as well as Islamic bond (sukuk).

Islamic finance has been growing double digit in the country over the years.

The government also wants to transform Malaysia into a developed and high income nation by 2020, Najib said.

"Therefore, we realise that we need to do structural changes not only to become a developed country but also a high income nation.

"We are looking at improving our competitive position. We want Malaysia to be seen on the radar screen."

Keen on FTA with US

Foreign investment in Malaysia has plummeted this year as a result of the global financial crisis while its economy is expected to contract by 5.0 percent this year. It is targeting about RM30 billion worth of investments, down from RM62 billion last year amid a tough investment climate.

Some of the steps the government has already taken include liberalisation of the services and financial sectors.

On the free trade agreement (FTA) with the United States, Najib said Malaysia was keen to ink the FTA but the terms would have to be acceptable.

"It's a bit of a question mark but I think the present administration is not quite ready to indicate their position on free trade. So, we have to wait a little while.

"I think the Doha Round should be completed as soon as possible. I hope Obama's administration will provide leadership to ensure the concept of free trade," he added.

- *Bernama*

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