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Najib confident nation's economy can reach RM2t in 7-8 years

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PRIME Minister Datuk Seri Mohd Najib Razak is confident Malaysia's economy will reach RM2 trillion in seven to eight years.

Najib, who is also Finance Minister, said the rapid development of Iskandar Malaysia will help the country reach the target.

"I want the economy to reach RM2 trillion economy within seven to eight years.

"I have discussed with Finance Minister II Datuk Johari Abdul Ghani and we believe we can achieve that target," he said at the launch of the 10th Iskandar Malaysia anniversary celebrations at Educity Sports Complex in Iskandar Puteri yesterday.

Najib, who is also joint chairman of Iskandar Regional Development Authority (IRDA), said he wants Malaysia to be among the Top 20 major economic nations within a certain period of time. "Iskandar Malaysia will also contribute to achieve the target."

Meanwhile, Najib said Bank Negara Malaysia's (BNM) new measures to enhance the liquidity of the foreign-exchange market, which came into effect on Dec 5, will



Najib (centre) launches Iskandar Malaysia's 10th anniversary celebration at Educity Sports Complex in Iskandar Puteri. Also present are Johor Menteri Besar Datuk Seri Mohamed Khaled Nordin (right) dan IRDA CEO Datuk Ismail Ibrahim

strengthen the ringgit.

The central bank, as a regulator, adopted a prudent monetary policy which included the management of the exchange rate, which was carefully thought out, he said.

"I believe the measures (BNM) announced last week

will instil confidence in the market.

"(And) these measures, we believe, can strengthen the ringgit, God willing," said the finance minister, when commenting on whether BNM's latest measures could stabilise the ringgit.

The measures announced last Friday included allowing residents, including resident fund managers, to freely and actively hedge their US dollars and Chinese yuan with an exposure of up to a limit of RM6 million per client per bank.

Residents with domestic ring-

git borrowings, are free to invest in foreign currency assets both onshore and abroad, up to the prudential limit of RM50 million for corporates and RM1 million for individuals.

Another measure which took effect on Monday was to allow exporters to retain only up to 25% of export proceeds in foreign currencies and the remaining 75% in ringgit.

At 4:46pm, the ringgit was traded at 4.4400/4440 versus the US dollar compared to 4.4470/4500 at 6pm on Monday.

On another note, Najib has described the progress of the Kuala Lumpur-Singapore high-speed rail (HSR) as "well and good".

Najib said Singapore has requested for a bit of time as the country required the approval from its president.

"(Singapore) Prime Minister Lee Hsien Loong has called me and asked for a little bit of time to brief their president."

Najib said under the Singapore Constitution, the guarantee of such project would need the approval from the president.

"We will be signing the agreement next week, I think. He (Lee) is coming to Kuala Lumpur," he added. — *Bernama*