



BEST-PERFORMING IN ASIA

Ringgit strength due to fiscal discipline, says PM

KUALA LUMPUR: Fiscal discipline and effective management of Malaysia's economy have made the ringgit the best-performing currency in Asia so far this year, Prime Minister Datuk Seri Anwar Ibrahim told the Dewan Rakyat yesterday.

Speaking during the ministers' question time, Anwar said the currency's strength reflected confidence in the nation's economic policies and broader fiscal reforms.

"If we look at domestic factors, the strength of the ringgit is clearly due to the policies we have implemented from the start.

"First, we introduced targeted subsidies to ensure government resources benefit those who need

them most. We have stopped subsidies that did not directly help lower-income groups.

"That is why the adjustments, including for RON95 petrol, have had a very positive impact. While some may not be fully satisfied, the public has generally welcomed these changes.

"For example, during my recent visit to Sabah, people were very pleased with the reduction in the petrol price."

He was responding to Jimmy Puah Wee Tse (PH-Tebrau), who asked about the main factors driving the stronger ringgit, which is at its highest against the US dollar in nearly four years.

Anwar said fiscal discipline had also allowed the government to



The ringgit is at its highest against the US dollar in nearly four years. NSTP FILE PIC

reduce its financial deficit while maintaining expenditure on education, healthcare and infrastructure.

On rising prices, he said the strengthening of the local currency should have lowered import costs, but this had not occurred.

He said retail prices, particularly in the livestock and private hospital medicine sectors, had

not reflected the expected decreases.

"Our inflation is very low, yet we have not seen a significant reduction in prices despite the ringgit's strength. This is not fair."

Anwar said the government was strengthening enforcement measures and encouraging initiatives such as "Jualan Rahmah", where prices are lower.

"These steps ensure that Malaysians benefit directly from economic improvements and currency strength."

He also directed the Domestic Trade and Consumer Affairs Ministry to tighten enforcement to ensure that importers, including private hospitals purchasing medicines from abroad, adjust their prices in line with current import costs.