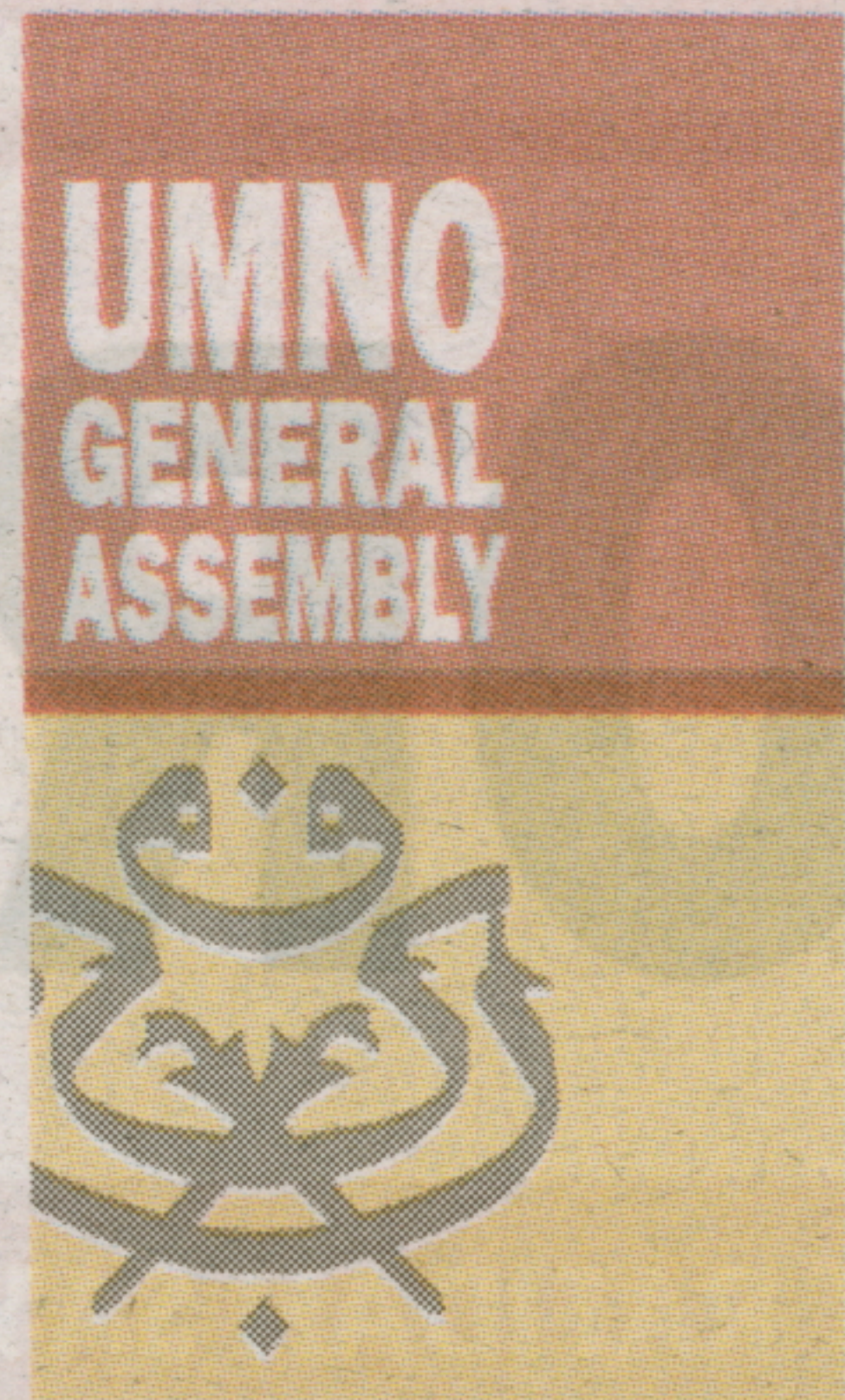


# Happy with the ringgit

## PM hopes change in value will happen gradually

NST - 24/7/2005



THE Government will be happy with the value of the ringgit against the dollar as long as it does not fluctuate too sharply, Prime Minister Datuk Seri Abdullah Ahmad Badawi said yesterday.

The ringgit, pegged at 3.80 to the dollar since 1998, gained 0.7 per cent against the dollar at the end of trading Friday.

Abdullah said: "So long as it does not fluctuate like a yo-yo, I think the situation based on the closing yesterday is certainly acceptable."

"If there's any change, I hope it will happen gradually."

Using a managed float system, the central bank has said it will allow the ringgit to trade freely in a band determined by the value of an unspecified basket of currencies.

Traders and analysts say the ringgit's modest rise Friday was largely due to central bank intervention and the prevention of offshore trading.

Many analysts believe the ringgit has been undervalued by around 10 per cent, but some say its rise against the dollar might be less than five per cent by year end.

At the Press conference, Abdullah also answered questions on:

### THE NEW ECONOMIC POLICY

He said the move to revive the New Economic Policy was not an attempt to provide more crutches for the Malays. Neither was it contradictory to the principles of

competitiveness in a meritocratic system.

Abdullah said the NEP was an effort to bring progress to the Malays and make them better.

### ON RAFIDAH'S EXPLANATION ON THE AP POLICY

"Rafidah has told the delegates what she told me. It is a complete explanation with details on the issue."

On whether he believed the delegates were satisfied with Rafidah's explanation, he said:

"Whether they are satisfied or not, I cannot make any assumption."

### ON TERRORIST ATTACKS

"The international community should immediately sit down and uncover its roots. Unless the root causes are known, workable solutions cannot be found."

Abdullah said the world was disturbed by the frequency of bombings. The latest in Egypt killed more than 80 people.

"I think the whole world is getting disturbed... the frequency (of bombings) is mounting."

"But there is so much reluctance to look into (the causes) and I find this hard to understand."

Abdullah said from the time of former Prime Minister Tun Dr

Mahathir Mohamad, Malaysia had persistently called for a study into the root causes of terrorism but this had been ignored.

"We can't tell these people to stop. We can condemn and say whatever we like. But we must (also) be ready to sit down and discuss why this is happening," he said, commenting on the bombings in Egypt.

As long as the world continues to ignore the importance of finding out the root causes of terrorism, he said, it will never stop.

"Perhaps because it's the only thing for them to do; that is to terrorise and put the fear of God into people."

UMNO president Datuk Seri Abdullah Ahmad Badawi touched on several issues in his winding-up speech at the end of the three-day party general assembly yesterday.

The Prime Minister called on the Malays to be the best in whatever they do.

"Be the best teacher, the best fisherman, the best farmer, the best corporate figure, the best footballer," he said.

These are among the other points he made:

- The Malays should wear a new look and discard any negative labels. Wear the look of dynamism and success.

- The Malays should look at themselves before criticising other races.

- They must achieve excellence at all levels. They must strive to be champions as they were known to be in the past, not followers.

- There is no need for the setting up of Universiti Umno. What is important is to make Universiti Tun Razak a success.

- To revitalise KUB Malaysia Bhd, an

Umno-linked company, and ensure that there are no "sacred cows" in it.

- The Malays are Muslims who believe in the supernatural and other "nonsensical beliefs", as can be seen with *Utusan Malaysia* carrying stories on five-legged cats and three-legged hens.

- Abdullah said that his wife, Datin Seri Endon Mahmood, has expressed her gratitude to those who had prayed for her recovery. She has begun her chemotherapy treatment.