

**Najib denies 1MDB stopping foreign investors**  
**Malaysian Insider**  
**Nov 2, 2015**  
**By Eileen Ng**

1Malaysia Development Berhad (1MDB) is not why foreign investors are shunning Malaysia, says Putrajaya, even as detractors claim it affected investors' confidence.

Statistics showed that foreign investors still invested in the country, with a rise during the first six months of this year compared with the same period last year, said Datuk Seri Najib Razak, finance minister and prime minister.

"The 1MDB issue is not a deterrent factor for the entry of investments to Malaysia, instead the latest statistics showed that investors still have confidence towards Malaysia's steady economy," he told Datuk Abdul Aziz Sheikh Fadzir (BN - Kulim Bandar Baru) in a parliamentary written reply.

"This is reflected through the increase of foreign direct investment totalling RM22.4 billion in the first half of 2015. This amount is higher compared with the RM17.5 billion recorded in the second half of 2014."

Najib also said investments approved by the Malaysian Investment Development Authority (Mida) is RM113.5 billion for the first part of 2015 compared with RM112 billion recorded for the same period last year.

He said despite domestic issues, foreign investments were still coming in the form of long term investors who take into account Malaysia's overall economic development prospects, which includes strong macroeconomics fundamentals such as low rate of unemployment, high national savings, sufficient international reserves and controlled government debts.

Najib, who chairs the 1MDB advisory board, said the state strategic development firm had always taken proactive steps by strengthening its information flow between the company, the Finance Ministry and the Prime Minister's Department.

He said 1MDB's corporate communications unit and the government's media response teams worked closely to be more proactive in overcoming challenges.

Additionally, 1MDB through its website are constantly updated with the latest facts on the company to prevent confusion and inaccurate speculations.

1MDB, which has chalked up RM42 billion debt since its inception in 2009, is currently under various probes for alleged financial mismanagement.

It is also undergoing a restructuring exercise to resolve its problems.

Former deputy prime minister Tan Sri Muhyiddin Yassin had last month urged Putrajaya to resolve the 1MDB controversy so that the economy can recover, and said

it was the biggest crisis faced by the country at the moment.

Last month, geopolitical intelligence firm Stratfor warned that with the 1MDB scandal and the economic stresses drawing Umno into a protracted fight for survival, Malaysia could slip further into an environment of uncertainties. – November 2, 2015.

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