

TARIKH : 15 MAC 2023  
AKHBAR : THE SUN  
MUKA SURAT : 2

'Govt income, expenditure not hit by stronger US dollar'

## 'Govt income, expenditure not hit by stronger US dollar'

**KUALA LUMPUR:** The strengthening of the US dollar has so far not affected the government's revenue and expenditure although food prices, especially the import of seeds and fertilisers, have suffered due to the weakness of the ringgit against the currency.

Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said the ringgit remained positive against the British pound, Japanese yen, Australian dollar, Chinese yuan and Indonesian rupiah.

"Fortunately, our exposure to debt based on US dollar is much lower than before, and as I mentioned, this US dollar payment

» Ringgit remains positive against British pound, Japanese yen, Aussie dollar, Chinese yuan and Indonesian rupiah, says PM

includes the debt of 1Malaysia Development Bhd," he said during the minister's question time in the Dewan Rakyat yesterday.

Earlier, Datuk Ahmad Amzad Mohamed @ Hashim (PN-Kuala Terengganu) had asked the government to state the country's fiscal strength due to the weakening of the ringgit and solutions to

balance the situation.

Anwar said the strengthening of the US dollar against the ringgit was driven by the increase in interest rates in the world's largest economy compared with Bank Negara Malaysia's (BNM) overnight policy rate, which is currently at 2.75%.

Responding to Ahmad Amzad's supplementary question about the

steps taken by Malaysia to deal with the increase in interest rates in the US, Anwar said he is confident that BNM would take the best steps to deal with the matter.

"I think BNM had taken into account all these factors, which is why in the meeting last week it decided to maintain the interest rate so as to be able to maintain the strength of the ringgit and inflation in our country.

"I believe BNM in evaluating this matter also takes into account inflation, which has not increased at the moment, and therefore we can still hold out apart from our inability to control developments in the US."

He said the national inflation is still based on the 3.3% forecast for 2022 and is expected to remain at that rate for this year, if not less, Bernama reported.

On Dr Mohammed Taufiq Johari's (PH-Sungai Petani) earlier question about the government's measures to reduce the (fiscal) deficit to 3.2% by 2025, Anwar said the projected deficit for 2023 and future years is "reasonable", looking at the results achieved.

He pointed out that apart from the reduction in expenditure related to the Covid-19 pandemic, the revenue from the settlement from the International Petroleum Investment Company worth US\$1.8 billion (RM8.1 billion), there is also the absence of IMDB debt payments for next year.

"For this year, we haven't spent anything yet for Covid-19.

"Another thing to be considered for 2023 is the IMDB money that has to be paid this year of about RM13.5 billion, but this is a one-off. Next year this amount is not included in the estimate."



Anwar stressing a point in Parliament yesterday. — BERNAMAPIC