

Najib: Our economy won't be hit

SOUND FUNDAMENTALS: Malaysia can withstand volatility, says PM

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THOUGH the British people have voted to leave the European Union in Thursday's referendum, Britain's exit will not have a major impact on the Malaysian economy.

Prime Minister Datuk Seri Najib Razak said in a statement yesterday that Malaysia's sound fundamentals, diversified economic structure and ample liquidity in financial markets had positioned the country well enough to face any volatility.

"I am confident that we will be able to weather this period of uncertainty.

"The government will also continue to strengthen the economy

and further our fiscal reforms."

It was announced yesterday that 52 per cent of British voters had opted to leave the EU, leading to British Prime Minister David Cameron announcing that he would step down by October.

Najib said he had an excellent working relationship with Cameron, and was sad to see him depart as prime minister.

He said he respected Cameron's reasons for resigning and was looking forward to working with his successor.

The prime minister said British "voters have spoken. As democrats, we must respect the result. We wish our British friends well in the new



fence, education and tourism.

"Trade between us has been growing with British companies, such as Rolls-Royce, Dyson and BaE Systems, increasing their footprints in Malaysia, and Malaysian companies driving the redevelopment of one of London's greatest landmarks, Battersea Power Station," Najib said.

However, Malaysia's economic exposure to Britain was limited, the prime minister said, as it was not among Malaysia's top-10 trading partners, accounting for about one

per cent of the country's total trade.

"We should increase this, and there may be an opportunity to do so now if the United Kingdom reaches out to strategically important nations beyond the EU."

"Whatever comes to pass, I am confident that the Malaysia-UK relationship will be maintained and strengthened."

The prime minister said both countries were outward-facing nations with a diversity of faiths and cultures, and strong traditions of moderation and cooperation.

"We are firm allies in the fight against violent extremism, a scourge which affects us all. We must remain united in that long-term effort."

Najib said while there would be testing times ahead for Britain, the



'Vote Leave' supporters waving the Union Jack, following the result of the European Union referendum, outside Downing Street in London yesterday. Reuters pic

British people should know that an "old friend will always be with them, as they open a new chapter in their long history".

British High Commissioner to Malaysia Vicki Treadell welcomed Najib's statement, and gave an assurance that Britain and Malaysia were important partners and the referendum would not change anything.

She said the British government would work towards delivering the will of the people and to commence the formal and legal process of leaving the bloc.

"My team and I at the British High Commission will continue to focus on further strengthening our relationship with Malaysia for the mutual interests of our countries."