

Press Release by YB Datuk Johari Abdul Ghani, Minister of Finance II

 Wednesday, Nov 30 2016

1. I wish to address some misrepresentation of facts regarding the Ringgit and the Malaysia's Reserves as appeared in the Article entitled "Malaysia has to face ringgit volatility, says second finance minister" which was published online at themalaymailonline.com on 28 November 2016.

2. Whilst the Ringgit has indeed depreciated in recent period due partly to the speculative activities in the offshore market, the depreciation of the Ringgit has not, however, led to a material decline in Malaysia's foreign exchange reserves. To the contrary, Malaysia's foreign reserves has been fairly stable throughout 2016 at around USD97 billion.

3. I wish to confirm that more recently, the Reserves has actually increased to USD98.3 billion (as at 15 Nov 2016) from USD97.8 billion recorded as at 31 October 2016.

4. In view of the above facts, the Reserves could not possibly have fallen "from USD170 billion to USD97 billion due to investors leaving Malaysia" as reported in the aforesaid Article.

5. It is important to note that the level of Reserves continues to be supported by sustained current account surpluses and inflows of FDI which provided buffer against volatility experienced in the financial markets.

6. I wish to also clarify that Malaysia's highest recorded reserves level was USD141.4 billion (recorded in May 2013) and not USD170 billion as reported in the said Article.

YB Datuk Johari Abdul Ghani
Minister of Finance II
