

OIL MARKET

RON95 STAYS AT RM2.08

Govt monitoring developments after attack on Saudi oil facility, says finance minister

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THE RON95 pump price cap of RM2.08 per litre remains despite a hike in the global crude oil price following an attack at a Saudi Arabian petroleum-processing facility on Saturday.

Finance Minister Lim Guan Eng said the government was monitoring the developing situation and that a decision would be made accordingly.

"Of course, the surge in price (of global crude oil) would have some impact (on the industry). It also means more money would be spent on the fuel subsidy.

"We are monitoring the development.

We have to look at what happened two days ago (third day today) and whether it (the impact) would be prolonged.

"Let us make an in-depth assessment accordingly.

"This is because I don't want to make a reactive statement based on a development that took place one or two days ago.

"Any decision should be based on plans with a (concrete) basis, because one or two days is too short a time."

Lim said this after attending the Inland Revenue Board's Special Voluntary Disclosure Programme countdown for the second phase, which ends on Sept 30.

It was reported that oil prices increased by more than 19 per cent to US\$71.95 a barrel, while United States' crude futures surged more than 15 per cent to a session high of US\$63.34 a barrel, following an attack on Saudi Aramco's facilities on Saturday. The surge is the high-

est recorded since May.

Aramco said the attack caused a decrease in output by 5.7 million barrels per day, knocking out more than five per cent of global oil supply.

On a separate matter, Lim said Malaysia had benefited from the ongoing US-China trade war, with more companies looking at moving and investing in other countries.

This is to avoid being entangled in the conflict between the global economies.

"There are many companies that do not want to be caught in the trade war. They are looking at trade and investment diversion. They might as well relocate their factories to third countries where they would not be subjected to punitive tariffs between the US, China or other countries.

"(As a result), you see a 100 per cent jump in investments in Malaysia in the first half of the year. It is important for us to capture trade and investments, but we have to en-



Lim Guan Eng

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