

JOHOR BAHRU, JUNE 29 (BERNAMA) -- PRIME MINISTER ~~DATUK SERI DR MAHATHIR MOHAMAD~~ TODAY POINTED OUT THAT LOCAL INVESTORS SHOULD NOT USE THE FLUCTUATING SHARE PRICES ON THE KUALA LUMPUR STOCK EXCHANGE TO CONCLUDE THAT THE COUNTRY'S ECONOMY IS IN BAD SHAPE.

HE SAID THE SHARE PRICES IN THE STOCK MARKET DID NOT AT ALL NECESSARILY REFLECT THE PERFORMANCE AND STANDING OF THE COMPANIES WHOSE SHARES WERE LISTED ON THE STOCK EXCHANGE.

THE PRIME MINISTER SAID HE HAD RECENTLY CONDUCTED A STUDY ON THE PERFORMANCE OF SEVERAL COMPANIES IN THE COUNTRY AND JUDGING FROM THE COMPANIES' ANNUAL REPORTS, THEY WERE DOING +EXTREMELY WELL.+

THIS, HE SAID, WAS QUITE CONTRARY TO THE SITUATION REFLECTED IN THE SHARE PRICES ON THE STOCK EXCHANGE.

+MOST OF THEM REAPED PROFITS, WITH SOME CHALKING UP VERY HUGE PROFITS, BUT THEIR PRICES IN THE SHARE MARKET DID NOT REFLECT SO,+ HE STRESSED.

HE WAS OPENING THE SYARIKAT MEDICAL-LATEX SDN BHD FACTORY AT THE SENAI INDUSTRIAL ESTATE, 32 KM FROM HERE. -- MORE
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THE PRIME MINISTER NOTED THAT LOCAL INVESTORS HAD THE +BAD HABIT+ OF BUYING SHARES ON THE STOCK EXCHANGE GUIDED BY THE LATEST RUMOURS AND NOT BY THE PERFORMANCE OF THE COMPANIES.

FOR EXAMPLE, HE SAID, PRICES IN THE SHARE MARKET DROPPED TREMENDOUSLY RECENTLY FOLLOWING A STORY ON THE MCA CRISIS AND OTHER KINDS OF RUMOURS WHICH HE SAID WERE SOMETIMES CIRCULATED BY LOCAL INVESTORS THEMSELVES.

HE SAID LOCAL INVESTORS SHOULD NOT +SCARE THEMSELVES BUT SHOULD TAKE NOTE OF THE POSSIBLE PROFITABLE VENTURES THAT THEY COULD GO INTO DURING THE CURRENT WORLDWIDE RECESSION INSTEAD OF JUST SIGHING AWAY.+

DATUK SERI DR MAHATHIR WAS HAPPY TO NOTE THAT JOHOR WAS ENJOYING A +MINI BOOM+ IN THE SENSE THAT SINGAPOREANS WERE TAKING ADVANTAGE OF THE HIGHER EXCHANGE RATE OF THE SINGAPORE DOLLAR TO SPEND IN JOHOR.

HE SAID HE DID NOT SEE ANY REASON WHY LOCAL INVESTORS SHOULD COMPLAIN WHEN FOREIGN INVESTMENTS WERE POURING INTO THE COUNTRY. -- MORE

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MANY FOREIGN INVESTORS PREFERRED TO INVEST IN MALAYSIA BECAUSE THEY FELT IT ENJOYED BOTH POLITICAL AND ECONOMIC STABILITY WITH AN EFFICIENT ADMINISTRATIVE SYSTEM WHEN COMPARED TO OTHER COUNTRIES, HE SAID.

DATUK SERI DR MAHATHIR ALSO FELT THE THE COUNTRY COULD FURTHER INCREASE ITS PER CAPITA INCOME IF THE LOCAL WORK FORCE WERE WILLING TO TRY AND DISCIPLINE THEMSELVES TOWARD INCREASING THEIR PRODUCTIVITY.

WITH THE CONDUCIVE INVESTMENT CLIMATE AND HARD WORKING WORK FORCE, MORE INVESTORS WOULD DEFINITELY BE ATTRACTED TO INVEST IN THE COUNTRY, HE SAID.

+ONCE THIS HAPPENS THERE WILL BE KEEN COMPETITION IN THE RECRUITMENT OF LABOUR WHICH WILL IN TURN LEAD TO BETTER WAGES AND OTHER REMUNERATION BENEFITS FOR THE WORKERS,+ HE SAID.

THE PRIME MINISTER RETURNED TO KUALA LUMPUR THIS EVENING AFTER A TWO-DAY OFFICIAL VISIT TO THE STATE. -- BERNAMA
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