

Take up equity in joint ventures with locals: Dr M

KUALA LUMPUR, Nov. 6. — The Prime Minister has urged reputable foreign stockbroking companies to take up equity in joint ventures with local firms.

Datuk Seri Dr Mahathir Mohamad said today that the Government "actively encouraged" such joint ventures in view of what the Kuala Lumpur Stock Exchange (KLSE) could offer.

He said the KLSE, once separated from Singapore, would be the only exchange in the world to offer a "solid range of good plantation stocks."

More importantly, he said, it was free, much like the London, New York and Tokyo exchanges.

He described the KLSE as one of the larger exchanges which encouraged international participation.

"(It is) a market which is liquid; a market that is getting more and more professional with the recent corporatisation of the stockbroking industry," he told participants of the World Economic Forum's meeting on Malaysia here.

Dr Mahathir also said that the KL Commodity Exchange was being de-

veloped into a regional commodities exchange trading in rubber, tin and palm oil contracts and the list would soon be expanded.

The feasibility of financial futures was also being evaluated, he added.

"This exchange is professionally run and regulated by an independent commission very much like in the United States," Dr Mahathir said.

He said that "a long list of measures" were being carried out to make Malaysia's capital market "one of the finest in Asia."

He said Malaysia had the only secondary market in Asia for long-term mortgage bonds.

He said many exciting things would happen in the country's capital market over the next few years and he wanted the participants to be aware of Malaysia's strategy in promoting foreign investment which "goes beyond the mere physical investment of plant and machinery."

He added that the Government realised the importance of a modern and competitive financial and capital market sector to serve foreign investors.