

D809

R E388 AAE
MAHATHIR - KLSE

KUALA LUMPUR, OCT 2 (BERNAMA) -- DATUK SERI DR MAHATHIR MOHAMAD TODAY URGED PRIVATE AND FAMILY-OWNED BUSINESSES TO SEEK LISTING ON THE KUALA LUMPUR STOCK EXCHANGE (KLSE) FOLLOWING THE LAUNCHING OF KLSE'S SECOND BOARD.

THE PRIME MINISTER SAID MANY COMPANIES WERE DOING WELL ENOUGH TO QUALIFY FOR LISTING BUT WERE NOT KEEN BECAUSE THE OWNERS OF THOSE FAMILY-OWNED BUSINESSES WERE AFRAID TO LOSE CONTROL.

+I REGRET THAT MANY PRIVATE AND FAMILY-OWNED BUSINESSES ARE STILL NOT COMING FORWARD TO SEEK LISTING ON THE KLSE,+ HE SAID WHEN OPENING A CONVENTION AND EXPOSITION ON MALAYSIA'S CAPITAL GROWTH OPPORTUNITIES HERE.

ONLY 10 COMPANIES HAVE BEEN LISTED ON KLSE'S SECOND BOARD LAUNCHED LAST YEAR TO ENABLE VIABLE SMALLER COMPANIES WITH STRONG POTENTIAL TO BE LISTED, HE ADDED.

+IF COMPANIES AND ENTERPRISES ARE TO SURVIVE THE FOUNDERS, THEY MUST BE TURNED INTO PUBLIC LIMITED COMPANIES AND HAVE PROFESSIONAL MANAGEMENT,+ HE SAID, ADDING THAT IT MUST BE DONE BEFORE THE DEMISE OF THE FOUNDER. -- MORE

1146MST 02 10 90

D820

R E393 AAE
MAHATHIR - KLSE 2 KUALA LUMPUR

A PUBLIC COMPANY CULTURE WOULD ENSURE NOT ONLY SURVIVAL BUT ALSO GROWTH, HE STRESSED.

DATUK SERI DR MAHATHIR NOTED THAT THE GROWTH OF INDIVIDUALLY FOUNDED COMPANIES INTO HUGE CORPORATIONS IN EUROPE, AMERICA AND JAPAN RESULTED FROM THE CONVERSION OF PRIVATE FAMILY COMPANIES TO PUBLIC LIMITED COMPANIES.

+SO FAR, ONLY BRITISH FOUNDED COMPANIES IN MALAYSIA HAVE SURVIVED THE TEST OF TIME. CHINESE FAMILY COMPANIES WHICH PROSPERED DURING THE LIFETIME OF THE FOUNDERS HAVE ALL DISAPPEARED,+ HE SAID.

THE PRIME MINISTER EXPRESSED FEAR THAT THE SAME WOULD HAPPEN TO THE PRESENT FAMILY COMPANIES UNLESS THEY CONVERTED TO PRIVATE LIMITED COMPANIES.

REFERRING TO INSIDER TRADING, HE SAID COMPANIES LISTED ON THE KLSE HAD THE RESPONSIBILITY TO DISCLOSE PROMPTLY INFORMATION ABOUT THE ACTIVITIES THAT HAD A BEARING ON COMPANY PERFORMANCE. -- MORE
1232MST 02 10 90

D822

R E395 AAE
MAHATHIR - KLSE 3 KUALA LUMPUR

PROMPT DISCLOSURES OF SIGNIFICANT INFORMATION BY THE COMPANIES COULD HELP REDUCE THE POSSIBILITIES OF INSIDER TRADING AS WELL AS HELP CREATE A MATURE AND CREDIBLE MARKET THAT WOULD GAIN THE CONFIDENCE OF LOCAL AND INTERNATIONAL INVESTORS, HE ADDED.

THE PRIME MINISTER POINTED OUT THAT ONE OBVIOUS WAY TO MINIMISE INSIDER TRADING WAS FOR COMPANIES, THEIR OFFICERS AND THE RELEVANT PEOPLE INVOLVED IN ANY SIGNIFICANT CORPORATE DEALS TO ACT IN A MORE RESPONSIBLE MANNER.

HE SAID: +THE AUTHORITIES, ON THEIR PART, WILL NOT HESITATE TO TAKE STERN ACTION AGAINST ANYONE FOUND TO BE IMPLICATED IN UNFAIR TRADING PRACTICE.

+AT THE SAME TIME, THE DIRECTORS AND MANAGEMENT OF LISTED COMPANIES HAVE TO BE MORE RESPONSIBLE TOWARD THE INVESTING PUBLIC AND THE MINORITY SHAREHOLDERS IN THE DISCHARGE OF THEIR DUTIES.+

THE PRICE TO BE PAID FOR BEING GREEDY WAS A VERY PAINFUL ONE, HE WARNED. -- MORE
1237MST 02 10 90

D826

R E396 AAE
MAHATHIR - KLSE 4 KUALA LUMPUR

DATUK SERI DR MAHATHIR ALSO REMINDED THAT WHILE SPECULATION IN SHARES WAS QUITE NORMAL AND NEEDED IN ANY STOCK MARKET FOR IT TO ATTRACT THE INTEREST OF INVESTORS, EXCESSIVE SPECULATION WAS UNHEALTHY.

HE SAID THE MALAYSIAN MARKET WAS UNDULY INFLUENCED BY RUMOURS WHICH EXPOSED THE MARKET TO MANIPULATION BY UNSCRUPULOUS RUMOUR-MONGERS OUT TO MAKE QUICK PROFITS.

+THIS IS VERY UNFORTUNATE BECAUSE THE VICTIMS ARE USUALLY THE SMALL PLAYERS OR THE SERIOUS INVESTORS,+ HE ADDED.

DATUK SERI DR MAHATHIR SAID SHARE PRICES SHOULD AT LEAST BE RELATED TO COMPANY PERFORMANCE IF NOT TO ACTUAL DIVIDENDS OR PROFITABILITY.

THE GOVERNMENT HOPED WITH THE INCREASING MATURITY OF THE STOCK MARKET THE TREND WOULD BE PROGRESSIVELY REDUCED.

+INVESTORS, INSTEAD, SHOULD BASE THEIR DECISION LARGELY ON FUNDAMENTALS AND, TO A REASONABLE DEGREE, INSULATE THE MALAYSIAN MARKET FROM THE PERFORMANCE OF MAJOR WORLD MARKETS WHICH ARE MUCH MORE INFLUENCED BY CERTAIN HAPPENINGS,+ HE ADDED. -- MORE
1248MST 02 10 90

D829

R E398 AAE
MAHATHIR - KLSE 5 KUALA LUMPUR

THE PRIME MINISTER ALSO CALLED FOR MORE CONCERTED EFFORTS IN EDUCATING THE INVESTING PUBLIC ON THE FUNDAMENTALS OF THE STOCK MARKET, SAYING THAT WELL INFORMED AND KNOWLEDGEABLE INVESTORS WOULD GO A LONG WAY TOWARDS DEVELOPING A HEALTHY AND PROGRESSIVE STOCK MARKET.

HE COMMENDED THE CONVENTION AND EXPOSITION ORGANISED BY THE KLSE AND BUSINESS TIMES AS A GOOD EFFORT TO CREATE GREATER AWARENESS OF THE OPPORTUNITIES THAT ABOUND IN THE MALAYSIAN CAPITAL MARKET.

DATUK SERI DR MAHATHIR SAID THE CAPITAL MARKET IN MALAYSIA WAS RELATIVELY YOUNG COMPARED TO THOSE IN DEVELOPED COUNTRIES BUT IT WOULD BE DEVELOPED ACCORDINGLY TO BECOME COMPARABLE TO THE MORE ESTABLISHED MARKETS.

+THE VARIOUS EFFORTS AT STRENGTHENING THE CAPITAL MARKET ARE FURTHER BOOSTED BY THE DECISION TAKEN TO PROMOTE THE KLSE AS AN INDEPENDENT EXCHANGE BY REQUIRING MALAYSIAN REGISTERED COMPANIES TO DELIST THEMSELVES FROM THE STOCK EXCHANGE OF SINGAPORE,+ HE ADDED.

HE ACKNOWLEDGED THAT THE DEVELOPMENT CAME FAST AND ALMOST FURIOUS, BUT IT HAD HELPED TO MAKE THE MARKET MORE MATURE AND MORE CAPABLE OF PLAYING ITS ROLE IN THE DEVELOPMENT OF MALAYSIA'S ECONOMY. -- MORE

1255MST 02 10 90

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R E399 AAE
MAHATHIR - KLSE 6 KUALA LUMPUR

HE SAID THE KLSE WOULD INTRODUCE THE CENTRAL DEPOSITORY OR +SCRIPLESS+ TRADING NEXT YEAR WHICH WOULD ALLEVIATE THE PROBLEMS RELATED TO SHARE CERTIFICATES AS WELL AS DO AWAY WITH PHYSICAL DELIVERY OF SCRIPS.

SOME 60 EXHIBITORS REPRESENTING 90 COMPANIES ARE PARTICIPATING IN THE CONVENTION AND EXPOSITION BEING HELD UNTIL OCT 6 AT THE PUTRA WORLD TRADE CENTRE. -- BERNAMA

1256MST 02 10 90