

BANKS SHOULD GO EXTRA MILE TO SUCCEED: PM

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BANGI, Mon. — Banks should be adventurous and "willing to go the extra mile" to achieve greater success and have more loyal customers, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said that the banks should be willing to try new ventures and show more flexibility when dealing with clients.

He said among the new areas that banks could look into were the corporate bond market and providing venture capital for new businesses.

Dr Mahathir said the country's

first credit rating agency, Rating Agency Malaysia, which should be operational by this year, was expected to boost investors' confidence in the Malaysian bond market.

It was also expected to provide the necessary impetus for the private sector to raise long-term funds directly from the market, Dr Mahathir said when opening a course on project appraisal and risk analysis management for bankers.

Dr Mahathir said the government was also encouraging the development of a financial fu-

tures market to allow more efficient management and distribution of risks.

The Prime Minister added that what was needed "are bankers with foresight and vision as well skills to take the risk and nurture budding entrepreneurs from the cradle."

Dr Mahathir said banks should also be considerate and during bad times be willing to forgo such sources of profit as penalties and interests on interests to cultivate loyal clients.

He said although bankers described themselves as prudent,

they were conservative people who tend to be wary and unsupportive of new ideas.

"If they are allowed to have their way, nothing new would enter the business scene and the economy would stagnate or even regress," he said.

Dr Mahathir, however, said that this did not mean banks should be "too forgiving" towards clients.

"They should have foresight and not lend so much to so few people that their fate becomes tied completely to the fate of these clients," he added.