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Mahathir-shares

MAHATHIR HOPES HEAVY TRADING ON KLSE NOT BASED ON RUMOURS

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MELAKA, April 16, (Bernama) -- Datuk Seri Dr Mahathir Mohamad today reminded investors "not to be swayed by speculation that several "companies connected to Umno" would get certain projects in the run-up to the Umno general assembly in November, so much so as to buy the shares of these companies'.

The prime minister said investors should buy shares based on the performance of the company and not on such rumours.

"I am a bit surprised with the rise in volume of trading on the Kuala Lumpur Stock Exchange (KLSE). I hope this trading is healthy trading," he told a press conference at the end of his two-day visit to Melaka.

He was asked to comment on the trading on the KLSE yesterday which reached an all-time high with 1.033 billion shares with total value of RM2.48 billion being traded.

He said investor; who believed in rumours that a company would get a particular project or contract would always compete to buy the shares of the company.

He said that besides his reminder to investors to buy shares; based on their performance, Finance Minister Datuk Seri Anwar Ibrahim had also warned those spreading rumours on the KLSE. -- more

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However, he said, the high turnover on the KLSE now could be because the investors knew something or were confident with the investment climate.

Dr Mahathir said speculation that "companies connected with Umno" would secure projects in the run-up to the Umno general assembly were not true because there was no company connected with Umno despite numerous claims by the public.

He said Umno knew many businessmen but this did not mean the companies owned by these businessmen were owned by Umno.

"We admit that sometimes Umno has to seek donations when we want to hold elections or for whatever but this does not mean that the donor is Umno's company. We accept from non-Umno members if they want to donate," he said.

Dr Mahathir was also asked about the difficulty encountered by Johor Menteri Besar Tan Sri Haji Muhyiddin Yassin in obtaining the Johor Sultan's consent to the appointment of Datuk Ishak Yusof as the new state secretary in place of Datuk Rahim Ramli.

He said he believed the matter would be resolved in the end because the government had encountered worse problems. -- Bernama

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