

PM: Don't trade in shares based on rumours

17 APR 1993

MALACCA: Prime Minister Datuk Seri Dr Mahathir Mohamad said he was surprised by the record one billion volume of shares traded at the Kuala Lumpur Stock Exchange on Thursday and hoped it was not because of investors reacting to rumours.

"I have always stressed that trading should be based on the performance of companies and not rumours.

"Sometimes speculators scramble to buy after hearing rumours that a company was going to get a project or contract."

Dr Mahathir said the high volume could be because investors knew something or they were confident with the investment climate.

A total of one billion shares with a value of RM2.48 billion were traded on Thursday in feverish conditions which continued from Wednesday.

Asked if the rumours were connected to Umno-related companies, he said:

"There is no such thing as Umno-related companies. Umno does not have any company. The party has many members some of whom are businessmen.

"Sometimes Umno gets donations from these people. This does not mean that they are related or connected to the party."