

Invest wisely, PM tells trust fund managers

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ALOR STAR, Mon. — Prime Minister Datuk Seri Dr Mahathir Mohamad today reminded trust fund managers to be more cautious and conscientious in their investments to ensure profitable long-term returns.

He said any inclination to seek fast gains should be avoided because of the high risk involved.

He also advised fund managers not to be obsessed with speculation and rumours without giving them appropriate evaluation.

"Each fact has to be studied and analysed conscientiously before an investment is made," Dr Mahathir said when launching the Amanah Saham Kedah (ASK) at Wisma Darul Aman here.

He said fund managers should capitalise on the advanced computerised information system which analyses information as this would help them make proper and strategic investment decisions.

Also present at the launching ceremony were Datin Seri Dr Siti Hasmah Mohd Ali, Menteri Besar Tan Sri Osman Aroff and State Executive Councilors.

About 3,000 people, including civil servants and corporate figures, witnessed the ceremony.

Dr Mahathir also reminded the trust fund management to be honest, sincere and committed in carrying out its duties so as to ensure the success of the fund. He said management staff should not take advantage and work for their personal interest.

However, the Prime Minister said he is confident that the management's professional team would be able to achieve the noble objectives of the trust fund.

To be run according to Islamic principles, some 200 million ASK shares priced at RM1 each were put up for sale to Bumiputeras throughout the country.

The State Government has appointed all district offices in the State as ASK sales agents. The ASK is open to all Bumiputeras above 18, while those below the age limit can acquire a stake in the trust fund by jointly buying the shares with the eligible parties.

At today's launching ceremony, RM18 million shares were snapped up by individuals and corporate investors.

Dr Mahathir said like any other trust fund, the ASK should help encourage the people to save as this would help eliminate wastage and control inflation.

"This will gradually help the Government to realise its zero inflation target."

The Prime Minister then recalled an attempt by Prophet Yusuf to encourage the people to save. He said Prophet Yusuf had encouraged the people to save and

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Dr M cites prophet's directive on saving for a bright future

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spend cautiously.

"According to the story, Egypt was enjoying prosperity but Prophet Yusuf, who was supervising the country's treasury, directed the people to save even though the drought was expected only in seven years' time," he added.

Dr Mahathir reminded everyone that a willingness to save was an important habit. "Through investment in ASK, investors will be taught a lesson of saving today for an excellent future."

Dr Mahathir said the trend among trust funds seemed to show that the industry was heading towards an encouraging future.

Dr Mahathir said efforts should be intensified to encourage investments in trust funds especially in government-supported schemes.

"These initiatives should be undertaken by capable organisations and institutions."

On ASK, Dr Mahathir said

it was set up at a most appropriate time.

"This is so because of the country's vibrant economic growth which has attracted global attention."

In view of the rapid development experienced by Kedah coupled with its strategic location in the Indonesia-Malaysia-Thailand growth triangle (IMT-GT), the Prime Minister said it was appropriate that the State's prosperity be divided equally among the people especially the Bumiputeras through ASK.

He said the ASK also helps the low income group to invest.

Dr Mahathir also noted that the setting up of ASK was a continuity of the Government's assimilation of Islamic values in administration and financial fields.

"We have witnessed the success of Bank Islam which was established 11 years ago which in its early stage was scorned and criticised by certain quarters.

"We have also tasted the success of the Islamic banking system which has been

met with increasing popularity. More than 30 financial institutions now have Islamic-based transactions in their outlets.

"We are not shouting empty slogans and the establishment of ASK is the testimony of the Government's commitment to assimilate Islamic principles and distribute the country's wealth among the people for the betterment of the nation and religion."

Later, a laser display depicting a single padi seed which transforms into a big harvest symbolising the launching of the trust fund.

The choice of the padi seed symbolises Kedah as the major rice producing State in the country.

After the display, Osman presented the first investor in the scheme with the ASK shares certificate bearing registration No 000001.

The investor was none other than Dr Mahathir himself, who invested RM10,000. His wife Dr Siti Hasmah, who also invested RM10,000 was the second ASK investor.

Osman and his wife, Puan Sri Azizah Abdul Hamid were ASK's third and fourth investors with investments of RM10,000 each.

The certificate presentation ceremony was followed by a choir performance by Wisma Darul Aman staff.

Earlier in his speech, Osman said ASK was a testimony of the State Government's efforts to improve the livelihood of Bumiputeras who could not afford the huge capital needed to invest in other schemes.

"All Bumiputeras should grab the opportunity to participate in the ASK," he said.

Topping the list of corporate investors was the Kedah State Development Corporation (KSDC) which invested RM10 million.

Meanwhile, 16,000 hardcore poor families in the State also received an early Hari Raya cheer when Kuala Lumpur-based Bumiputera businessman Syed Mokhtar Al Bukhari of Syarikat Puncak Bersatu Sdn Bhd pledged RM8 million for them to invest in the ASK.