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INVESTORS' ASSOCIATION LAUDS PM'S STATEMENT OVER FOREIGN CAPITAL

KUALA LUMPUR, Sept 30 (Bernama) -- The Malaysian Investors' Association (MIA) today welcomed an assurance from Prime Minister Datuk Seri Dr Mahathir Mohamad, who said in Santiago, Chile that the government would not introduce measures to control currency trading.

In a statement, the association's president, Dr PHS Lim said it was good foreign policy to treat the global funds with some respect because of their financial influence.

Inflows of "hot money" or short term capital inflows to buy shares or to gain from interest rate differentials could help lift the ringgit's exchange value and share prices, he said.

Although foreign investors "could make money out of us", Lim said the absence of their money could deprive Malaysian investors of one source of share-price support.

"Even the US stock markets need foreign money," said Lim. -- BERNAMA
AD LSH