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MIA HOPES TO BE INCLUDED IN NEAC

KUALA LUMPUR, Nov 21 (Bernama) -- Malaysian Investors' Association President Dr. PHS Lim said he hopes the association would be given a chance to participate in the National Economic Action Council (NEAC) so that it could put forward the views of minority shareholders.

He lamented how previous suggestions made four years ago by the MIA were not acted upon by the relevant authorities including a proposal for a share buy-back scheme as well as the implementation of circuit breakers for the Kuala Lumpur Stock Exchange.

As a result, "we left our market unprotected," he said in reference to the manipulative attacks on the currency and stock market over the past few months which saw the currency decline markedly and KLSE dropping sharply.

Welcoming Prime Minister Datuk Seri Dr. Mahathir Mohamad's announcement last night to form the NEAC to overcome weaknesses in the economy including the ringgit and stock market, Dr. Lim said it as a good idea given the current circumstances.

"But it was important to include as wide a private sector participation as possible," he said.

This was because the regulatory authorities, while formulating policies, rules and regulations, were not exposed to the market environment as a result of which were not fully in grasp of the economic cycles and market forces."

"We hope that we can get in our suggestions to the government through the council," he said.

He said it was important for the regulatory authorities to lay down rules and regulations to prepare for any eventualities despite investors being taken up by the euphoria of a rapidly rising stock market and buoyant economic growth.

"We also have been telling the authorities for a long time that the prices for Initial Public Offerings (IPO) have been over-priced, he said.

He said the government was right in setting up the council so that it would consider macro-economic steps to deal with the weakening currency and stock markets and restore investor confidence. -- BERNAMA

MR SHY