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AIG TO RAISE US\$1 BLN FOR REGIONAL RECOVERY FUND

KUALA LUMPUR, May 4 (Bernama) -- American International Group Inc. (AIG) will contribute US\$150 million (RM547.5 million) to the US\$1 billion (RM3.65 billion) fund it intends to raise across the world to aid the recovery of Southeast Asian economies.

"We would raise it in a couple of months," AIG chairman Maurice Greenberg told newsmen here today after signing a joint venture agreement between AIG and Malaysia's Software International Corporation (M) Sdn Bhd (SI).

He said the fund would be invested in marketable securities, direct investments and corporate bonds for the benefit of the Southeast Asian economies.

The signing was witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and the U.S. ambassador to Malaysia, John Mallott.

Later at a press conference, U.S.-Asean Business Council President Ernest Z. Bower said AIG would raise the fund with a number of investment bankers and international investors.

The fund would add to AIG's existing list of Asian funds, like its US\$1 billion Asian Equity Fund, and AIG's over US\$1 billion in Asian infrastructure Fund, he added.--BERNAMA

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