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PM: Discard 'bad habit of profit taking'

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PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday appealed to the business community to discard what he described as their "bad habit of profit taking" in the stock market as this was not only bad for business but for the country.

"Whenever shares go up a little, you start selling. And when you sell, the share market goes down and companies suffer," he said at the opening of the 52nd annual meeting of the Associated Chinese Chambers of Commerce and Industry Malaysia at the Hilton Hotel in Kuching.

Dr Mahathir said the companies listed on the KLSE were good companies and were making profits ranging from RM100 million to RM2 billion a year before foreign currency traders exerted pressures on the market.

"In order to do business, do not try to make money out of selling shares. It is bad for business and for the country.

"Please do not, everytime the share prices rise a few points, take profit. Do not sell off your shares just because you can make a few sen.

"Wait ... the share index will go up, we hope it will go up to 500 or 600 points, and then at that time if you want to sell a little you can make more money.

"So please support the stock market because it is your stock market, it is your company.

"You help each other by boosting the stock market because when the share prices go up, the problems of non-performing loans, the problem of not being able to meet margins will disappear and then we can do business and prosper and become rich again," he said to the applause of the crowd.

The Prime Minister stressed that the Government was a "business friendly" one and was keen to see businesses prosper.

"We want you to become rich. We want you to make a lot of profits because as I have often enough said, 28 per cent of your profits belong to the Government.

"When you help the Government, you are actually helping yourself because this Government is business friendly. We want to see businesses do well, because when you do well, you enrich the country, and when the country is rich people can live a better life ... everyone, without exception," he said.

Among those present were his wife Datin Seri Dr Siti Hasmah Mohd Ali, Chief Minister Tan Sri Abdul Taib Mahmud, Deputy Chief Ministers Datuk Amar Dr George Chan Hong Nam and Tan Sri Alfred Jabu anak Numpang and ACCCIM president Tan Sri Wee Boon Ping.

Dr Mahathir added that "we have now changed completely the attitude of the central bank".

"The central bank is there to help the economy to grow, not to stifle the economy."

Dr Mahathir added that recent set of policies and actions taken by the Government had shown some positive results.

The country's foreign reserves now stood at more than RM21 billion and in the first seven months of this year, the trade surplus was RM26 billion.

"Today, more than RM12 billion had been repatriated from outside so the banks have enough funds to lend to business community."

Dr Mahathir also reiterated that in an economic crisis, the Government could not think merely in terms of becoming popular.

He explained that the Government had to do what it thought was right for the country and that was why it carried out measures against currency attacks and stabilised the ringgit.

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