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MESDAQ TO OPEN IN JULY, SAYS MUNIR MAJID

By: Yong Soo Heong

HANNOVER, March 20 (Bernama) -- The Malaysian Exchange of Securities Dealing and Automated Quotations (MESDAQ) will be operational in July, said the executive chairman of the Securities Commission, Datuk Dr Munir Majid.

He said the authorities were keen to have the exchange opened by then as its original opening date was last month.

He attributed the delay to a number of reasons, including the currency and stock market crisis.

Dr Munir made these remarks at a workshop session on "Opportunities in the Malaysian Financial and Capital Markets" at the Malaysian-German Business Forum at the Hannover Chamber of Commerce and Industry here yesterday. The session was attended by foreign fund managers and bankers.

Prime Minister Datuk Seri Dr Mahathir Mohamad had earlier delivered a keynote address at the forum.

Also present at the session was Khairil Anuar Abdullah, executive chairman of MESDAQ Bhd, who spoke on the attractiveness of MESDAQ for small and medium scale companies with high growth potential.

Dr Munir also said the regulatory authorities were working hard to regain the confidence after the Kuala Lumpur Stock Exchange was affected by the South East Asian economic turmoil.

He revealed that the market capitalisation of the KLSE had dropped by 70 percent in value from end 1996 at US\$309 billion to just US\$97 billion at the end of 1997.

He said said the benchmark Composite Index had dropped by 52 percent in 1997 after a 24 percent rise in 1996.

However, Dr Munir said the KLSE had gradually gained ground and market capitalisation had risen to about US\$126 billion to US\$130 billion at present.

But despite the crisis, he said there had not been any default in terms of settlement.

Referring to measures to boost investor confidence, he said steps would continuously be made to limit extreme volatility and improve disclosure procedures and transparency from among listed companies.

Dr Munir also said laws pertaining to insider trading would be amended to cover those, who were not employed in the company or organisation, but made use of the insider information to trade to his advantage. -- BERNAMA

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