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BUDGET REACTION

MOHAIYANI: AN EXPANSIONARY BUDGET

KUALA LUMPUR, Oct 23 (Bernama) -- Mohd Amin Abdul Manap, head of research at Mohaiyani Research Sdn Bhd, said the 1999 Budget, unveiled by Prime Minister and First Finance Minister Datuk Seri Dr Mahathir Mohamad, was perceived as an expansionary one.

"Reading along the lines, the Budget's incentives are that they will be the engine of economic recovery," he said.

"We have been suffering too much for too long. I think the government's strategy to help locals first, to restore stability in the business environment and then spur economic activities," he said.

Mohd Amin said a big chunk of the budget is going towards development expenditure from RM5 billion this year to about RM7.0 billion next year, and this would directly boost the infrastructure development.

The tax reliefs, he noted, were also expected to boost the local stock market and the Kuala Lumpur Composite Index (KLCI) could jump by 25 to 35 percent by next year. -- BERNAMA

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