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ROADSHOWS BRING IN HOT MONEY, SAYS DAIM

KUALA LUMPUR, June 19 (Bernama) -- Economic Adviser to the Government Tun Daim Zainuddin said today it is up to the local companies to decide whether or not to hold roadshows abroad although they largely attract "hot money" into the country.

"These are short-term investments...it's hot money, they come in and they go out...you can't stop them," the former Finance Minister told reporters at the end of the first day of the Umno general assembly here.

He said it was up to the companies to decide whether or not to hold such roadshows to sell their shares.

"I leave it to the companies. It is their decision, not ours," said Daim, who is also National Economic Action Council executive director.

In his keynote address this morning, Prime Minister Datuk Seri Dr Mahathir Mohamad said many investment groups had travelled to the United States to attract foreign funds to invest in major local industries.

Dr Mahathir said the government had repeatedly warned that a high share value that was not related to assets' worth or company performance was unhealthy and dangerous.

Hot money inflow has been said to be a major cause of the downfall of the local stock market when investors decide to move their funds elsewhere, resulting in the steep depreciation of share prices.

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