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STANCHART TO PLAY SIGNIFICANT ROLE IN M'SIA'S EXPORT FINANCING

KUALA LUMPUR, April 21 (Bernama) -- Standard & Chartered Bank says it could play a significant role in providing financing for Malaysia's export activities, which would put the country on its recovery path, said group chief executive Malcolm Williamson.

Speaking to newsmen after a meeting between Stanchart board of directors (BOD) and Prime Minister Datuk Seri Dr Mahathir Mohamad here today, he said, "We expect to help very much in the export drive that would help the country (Malaysia) back on its feet."

As an international bank with presence around the world and across Asia, he said Stanchart has "particular advantage" when it comes to trade financing.

Although the bank hopes to expand its Malaysian operations amidst the economic slowdown, the country's revised gross domestic product (GDP) for 1998 was expected to affect some parts of its businesses.

Malaysia's GDP has been revised to 2.0 to 3.0 percent this year from 4.0 to 5.0 percent

Williamson said for instance, retail business was not expected to grow as fast as it had been historically, as people would be more cautious in their spending.

Standard Chartered PLC chairman, Patrick J. Gillam said its Malaysian banking operation was not expected to face problems caused by Asia's economic and financial crisis.

Standchart is very prudent in running its bank he said, adding: "We always have a policy of not lending to commercial property building.

"I think the softness throughout the region is commercial property, which is being very much overbuilt.

"We do not think we will face large banking problem on that because we do not do it," Gillam added.

On the meeting with Dr Mahathir, he said several issues were discussed including Standard Chartered Bank's position in the country, the economic situation, Malaysia's rate of economic recovery, economic problems and solutions to overcome the problems.

Gillam said the visit by Standchart BOD to the country is a normal practice as it was customary for them to visit places important to the group.

Sixty five percent of all the bank's business is in Asia, and Malaysia is the third most important country for the region, he said.

The British-controlled bank is the first foreign bank in Malaysia with the the first operation starting in 1875.

At present, the locally incorporated bank operates 35 branches throughout Malaysia and one offshore bank in Labuan.

"We are a very steady investor here and expect this to continue," said Gillam. -- BERNAMA

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