

14/06/1999

ASN2 units worth RM5m snapped up

Rashid Yusof

KUALA LUMPUR, Sun. - About RM5 million worth of ASN2 units were snapped up by 1,600 investors over the first two days of the scheme's launching with Permodalan Nasional Bhd expecting more than RM1 billion in investments when the offer period ends on Sept 30.

PNB group chief executive Hamad Kama Piah Che Othman today described the initial response following last Wednesday's launch of the units as "very good" given the fact that investors only got to know about details of the new scheme at its launch by Prime Minister Datuk Seri Dr Mahathir Mohamad.

He said this signified their faith in PNB's investment schemes as investors generally needed time and information before making a decision on such matters.

Hamad Kama Piah said the nationwide response was favourable as it came even before the launching of the scheme at State level.

He said PNB was also looking into the possibility of introducing another unit trust scheme to enable participation by more non-Bumiputeras.

He added the company was thinking of opening a scheme that would allow non-Bumiputeras aged 30 and above to participate, provided there was demand for it.

"If the demand is there, we have to look at it positively, because we want to ensure that at the end of the day we are full-fledged fund managers who manage professionally," he said after the closing of the "Investment Week with PNB" by Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi at the Putra World Trade Centre.

A total of 2.5 billion ASN2 units will be on offer until Dec 31 after which they will be traded in the open market.

For the offer period, investors will get 20 free units for every 1,000 units with each unit costing RM1. (see CORRECTION above)

ASN2 is for Bumiputeras aged 18 and above with a minimum purchase of 1,000 units.

PNB expects Employees Provident Fund's contributors to come in strongly for ASN2 as it is the first PNB scheme which accommodates investment through the EPF.

To a question, Hamad Kama Piah said PNB did not fear competition from fund managers participating in an EPF investment scheme launched in November 1996.

Eligible contributors had, in the first two years of the scheme, transferred out RM1.2 billion to these fund managers.

"We are the biggest unit trust company. We have a track record and we go for (funds) exceeding RM1 billion," Hamad Kama Piah said.

He said PNB had an army of experienced fund managers with more than 15 years' experience who had "seen it all including the 1987 crash (of the stock market)".

He added that ASN2 with the maximum investment of 500,000 units compared to 200,000 for ASN would be attractive to those with excess money, including people with maximum ASN investments.

To another question, he said unit trusts had to be viewed as a long-term investment and on top of the gains made in changes in price - ASN2 would be traded from Jan 1 - investors would also earn dividends.

He added in the future, PNB would also look at specific markets on top of the mass-based schemes.

"ASN2 is a reflection of this new strategy," he said, referring to the

focus on EPF contributors and those who had reached the maximum in ASN2.

In his speech, Abdullah said investment opportunities should be seized, given the Government's desire to see the people continuing to enjoy the country's wealth.

"I urge Malaysians to fully support the efforts of the Government by taking advantage of the opportunities created for investment," he said.

Abdullah added that efforts to encourage savings and investments, especially in unit trusts, would be stepped up.

In his speech, PNB chairman Tan Sri Ahmad Sarji Abdul Hamid said the "Investment Week" had created greater awareness on what PNB did.

More Malaysians, for instance, now know that PNB is the majority shareholder in Pos Malaysia Berhad and that it had investments in more than 300 companies.

The Investment Week also saw various programmes like an investment game where the winners made, on paper, profits of more than RM7 million from an initial capital of RM2 million.

Students from Sekolah Menengah Agama Persekutuan in Kajang won the "investment quiz" followed by Sekolah Menengah Damansara Jaya and the Victoria Institution.

(END)