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Dr M: Buy shares now, prices will rise soon

BUY shares now and hold on to them as the prices will go up, advises Datuk Seri Dr Mahathir Mohamad.

In one of the rare occasions where the Prime Minister provided "hints" about the market, he told a gathering of captains of various Chinese industries and commercial entities, the Kuala Lumpur Stock Exchange would again reach the 800-point mark before the end of the year.

"So please buy, I am urging you to buy ... I don't know whether this (advice) is right or wrong or it will go down well with the KLSE (SC) but I think it is good for the country," he said to loud applause from the businessmen attending the 53rd annual general meeting of the Associated Chinese Chambers of Commerce and Industry of Malaysia in Klang, Selangor, yesterday.

Dr Mahathir said local investors must remember that when they bought shares, they were helping themselves and the economy.

"But please don't be too quick in selling the shares to make profits. Because if you do so, it will go down again, so hold on to your shares... believe me it will go up again," he said.

On the frozen shares in the Central Limit Order Book, he said the owners were now richer following the appreciation in the price of the stocks.

"Today, their shares are 146 per cent higher than what they were in September last year when we took action to stop the sale.

"We helped them to get rich and they should thank the Government. If they had sold their shares then, they would have only got a quarter of today's value."

Dr Mahathir said it was the local investors who helped push up the composite index after it was brought down by the action of foreign investors.

Malaysia declared CLOB trading illegal in September last year when it introduced selective capital controls, freezing the shares of 172,000 investors which were then worth about RM9.88 billion.

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