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Invest in stock market, PM urges

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday urged Malaysians to invest in the Kuala Lumpur Stock Exchange and not depend on foreign investors before making a decision to invest.

"Local investors must remember that when they buy shares, they are helping themselves and helping the economy," he said when addressing the annual general meeting of the Associated Chinese Chambers of Commerce and Industry Malaysia in Klang yesterday.

He urged investors to hold on to the shares purchased and not to be hasty in selling off the shares when the Kuala Lumpur Composite Index climbs a few points.

"Please don't be too quick to take profit, hold on to your shares... believe me it is going to go up.

"By the end of the year, it will go up to 800 points," he said to the laughter of the meeting.

He added that it was the foreign investors who caused the index to fall from 1,200 points to its lowest at 262 points in September last year.

"When controls were imposed it was the local investors who pushed up the index until it reached beyond 800 points," he added.

"You buy shares... don't depend on foreigners to buy shares before you start buying shares.

"(Investors are) always looking at Wall Street... who cares about Wall Street? It is somewhere else. We care for Malaysia, so when you think that the economy is going to grow, buy shares and you will push up the share market and you will gain by it," he said.

Meanwhile, he noted that prices of shares quoted on the Central Limit Order Book (CLOB) International are now 150 per cent higher compared to last September when trading of these shares were frozen.

CLOB, an over-the-counter market in Singapore, ceased operations on September 15 following the KLSE announcement not to recognise it as an exchange that can trade Malaysian securities.

"If we had allowed them to sell in September 1998, their shares will only be one-fourth of what they can get now because the prices have appreciated," he said.

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