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MAHATHIR-BONDS

THUMBS UP FROM JAPAN FOR M'SIA'S SUCCESS IN RAISING BONDS

By: Khairdzir Yunus

TOKYO, June 2 (Bernama) -- Japan has congratulated Malaysia for its success in raising US\$1 billion from the successful launch of the 10-year Malaysian Global Bond last week.

Japan' Vice Finance Minister for International Affairs Eisuke Sakakibara said today he had congratulated Prime Minister Datuk Seri Dr Mahathir Mohamad for the success.

"I think it was a feat, nobody thought Malaysia would be coming back to the private market six months ago, but it came back with reasonable success," he told reporters after a meeting with Dr Mahathir here.

He said Japan was also glad to have defended the selective capital control policy adopted by Malaysia.

"The policies that have been taken by Dr Mahathir, in particular the controls on capital (which) were criticised very strongly by the international community at that time, but that policy has proven to be successful," he said.

Sakakibara said he had defended Malaysia very strongly on the policy as he believed that in emergency cases, such kind of action would be justified.

He said the Japanese government had defended Malaysia too for adopting such a policy.

"We are glad that we were right and Malaysia was right," he said.

Dr Mahathir said last week that the overwhelming response based on the 300 percent oversubscription to Malaysia's 10-year Global Bond issue of US\$1 billion (RM3.8 billion) reflected the increased level of investor confidence in the Malaysian economy.-- BERNAMA

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