

28/01/2000

CLOB impasse not govt-to-govt issue

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THE Central Limit Order Book International (CLOB) impasse is not a government-to-government issue and the upcoming meeting between Prime Minister Datuk Seri Dr Mahathir Mohamad and his counterpart, Mr Goh Chok Tong, is not aimed at seeking a solution to it although the matter may be raised.

"It is a problem between the Kuala Lumpur Stock Exchange (KLSE) and the Stock Exchange of Singapore (SES)," First Finance Minister Tun Daim Zainuddin said.

The Government will not bail out the private sector and CLOB is a private sector problem.

It will only intervene if the private sector wants it to be involved but so far the exchanges have not even sat down to discuss the issue, he said.

Daim was speaking to reporters after opening the South-East Asian Central Bank Governors' Conference in Kuala Lumpur yesterday.

He reiterated that any new private sector proposals to resolve the issue would be a waste of time and the affected shareholders should just concentrate on the existing offers.

"If there are more proposals, when will it be settled?"

Some RM17 billion worth of Malaysian securities previously traded on Singapore's over-the-counter market have been frozen since September 1998 following the imposition of selective capital controls by Malaysia.

A number of proposals have so far been made by the private sector which include offers from Effective Capital Sdn Bhd, Bintang Melewar Sdn Bhd, United Engineers (M) Bhd, an individual entrepreneur, and most recently, Continental Edge Sdn Bhd.

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