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MAHATHIR-CLOB

PRIME MINISTER HOPES CLOB ISSUE RESOLVED

KUALA LUMPUR, March 2 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad has expressed the hope that the Central Limit Order Book (CLOB) issue would finally end after the Kuala Lumpur Stock Exchange (KLSE) and Singapore Exchange Ltd (SGX) had signed agreements to provide for the migration of CLOB shares back to Malaysia.

"I hope so," he told reporters when asked whether he thought the 17-month CLOB episode has ended after addressing the Asean Management Seminar organised by the Kansai Economic Federation (Kankeiren) of Japan here.

The KLSE and SGX signed agreements last month to provide the migration of the CLOB shares, which were currently held in Central Depository (Pte) Ltd (CDP) authorised nominee accounts, to the Malaysian Central Depository Sdn Bhd (MCD) into individual investors' securities for trading on the KLSE.

Under the KLSE and SGX agreement, the two bourses would facilitate the implementation of an amended proposal by the Effective Capital Sdn Bhd for the only proposal that has complied with all the rules and procedures of KLSE and MCD when the authorised nominee status of CDP was extended on Dec 31, 1999.

Effective Capital's offer to buy CLOB shares was accepted over several offers by other companies.

Asked whether he expected another proposal or just one proposal (from Effective Capital) for the CLOB issue, he said: "As far as I'm concerned, I don't care how it is resolved, as long as it is resolved."

As to whether he thought a breakthrough had been achieved regarding the CLOB issue, Dr Mahathir said: "I believe a thing has happened when it has happened."--BERNAMA

MK MR SHY