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Mahathir-Investments

AMERICAN INVESTORS STILL CONFIDENT OF M'SIA, SAYS PM

KUALA LUMPUR, Oct 16 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that American companies, among the largest investors in Malaysia, are confident about the country as an investment destination.

He said that their confidence in Malaysia's investment climate and stability was evident by their supportive statements about the country.

Judging from their comments, "American investors have shown their confidence in Malaysia," he said after launching Permodalan Nasional Bhd's new unit trust scheme at Seri Kembangan near here.

Dr Mahathir said "there are no anti-American feelings" here.

The Prime Minister said this when asked to comment on the outcome of a luncheon meeting earlier with members of the American-Malaysian Chamber of Commerce (AMCHAM) led by its president, Nicholas Zeffreys.

Despite the difference in opinions and approaches between Malaysia and the US over global matters, "they (US investors) feel Malaysia is a good place to invest and where they are most welcome," he said.

Zeffreys told reporters separately after the luncheon that US companies in Malaysia were undeterred despite the global economic slowdown and the Sept 11 terrorist attacks.

Dr Mahathir also said that it was a good time to invest in unit trusts and the local stock market as analysts forecast the global economy and stock markets to recover by 2002.

He said that many of the shares on the Kuala Lumpur Stock Exchange were undervalued in terms of assets and potential.

"So, this is the time to invest, but it should be for the long term," he said.

Asked whether this was the right time to invest given the global economic slowdown and political tension, he said this was the right time as Malaysian stocks had appreciated with the market barometer composite index now at around the 618 point level.

The index ended marginally easier today by 2.05 points to 616.85 after opening higher by 1.28 points to 620.18.

"World stocks have also recovered slightly while the Dow Jones Industrial Average has also performed better than expected," he said.

On comments by some quarters that this was the wrong time to invest, he said "it is wrong to say that it is not the right time because the climate is good as shares have appreciated."

As to whether the Malaysian economy could recover faster, Dr Mahathir said that "we can try to insulate our economy from external pressures as well as prevent it from slipping into recession."

On concerns whether Malaysia could achieve developed nation status or Vision 2020 given that among the prerequisites was an average of 7 per cent growth annually, he said: "We can achieve that, but we need to enhance our growth."

"There was a period before when we achieved growth of more than 8 per cent on average...if we grew less than 7 per cent, we can still achieve our goal even though the growth has slowed down three years ago," he said.

"So, if we try to achieve 7 per cent, i.e. 7.5-8 per cent, we can still make it," Dr Mahathir said.

Asked on investigations into Singaporean businessman Akhbar Khan as reported by the Asian Wall Street Journal (AWSJ) last week, Dr Mahathir said he was not aware about that. "Maybe the AWSJ knows more than us," he

said.

The report said that Dr Mahathir had requested for an audit to be carried out.

He said: "We are looking into all companies and where we do an audit, that is a normal thing."

For example, the Central Limit Order Book (CLOB) shares issue "has now finished and the transfer of shares has been done (and) we want to know what actually happened."

Akhbar Khan controlled Effective Capital Sdn Bhd, the company which won the concession last year to manage the return of more than US\$4 billion in Malaysian shares from Singapore's over-the-counter market to the KLSE.

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