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MAHATHIR-KLSE

KLSE'S SALLEH CONCURS WITH PM ON NEED FOR LONG-TERM INVESTING STRATEGY

KUALA LUMPUR, Sept 3 (Bernama) -- The president of the Kuala Lumpur Stock Exchange (KLSE) Datuk Mohamed Salleh Majid today agreed with Prime Minister Datuk Seri Dr Mahathir Mohamed that investors in KLSE counters must not base their investment decisions on rumours circulating in the market.

Salleh said while the stock market needed a fair amount of speculation, excessive dependence on rumours to trade was not encouraged.

"This is not the first time that the prime minister has given this advice," Salleh said.

Dr Mahathir told participants at the Malaysian Capital Summit here today that the KLSE was for serious investors with a strategic outlook and sincere intention to make profitable long-term investments.

"Do not gamble on the stock market simply because rumours may be circulating freely," the prime minister said.

"For those who have short memories, recent history has proven that most of these rumours were blatantly untrue."

The prime minister also said Malaysia was striving hard to build a capital market that would be reflective of the strong form of the efficient-market hypothesis, where prices of stocks in the market would fully reflect all available information and where there would not be any trading based on rumours.

As part of the KLSE's efforts to promote informed investing based more on fundamentals and less on speculation and sentiments, Salleh said the KLSE would stage its Annual Investors' Week here from Wednesday until Sunday.

Investors' Week will feature company briefings, exhibitions by industry associations and regulators and talks by experts on informed investing.

"The need for better understanding of our country's capital market is evident due to the overwhelming response we have received from the inaugural Investors' Week last year," Salleh said.

He said many Malaysians were still not aware of the opportunities in the local capital market.

"And these days, one does not need a fat bank account in order to be a successful investor in the stock market, given the diverse investment products available," he said.

Of special significance at this year's Investors' Week will be the KLSE's endeavour to promote investments among young people of between 12 and 16 years.

"We want to expose them to the fundamentals of investing," he said when referring to the KLSE's Young Investors Programme to be held on Saturday and Sunday.

Organised by the Research Institute of Investment Analysts in collaboration with Strategi Didik Sdn Bhd, participants will be exposed to the fundamentals of investments and stocks. They will also get an opportunity to buy and sell "dummy shares" and taught the basics of money.

Details on investors week are available from the KLSE's website at [www.klse.com.my](http://www.klse.com.my). -- BERNAMA

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