

12 MAR 2002
CAPITAL MARKET-ISLAMIC
BIG TURNOUT EXPECTED AT ISLAMIC CAPITAL MARKET WEEK

KUALA LUMPUR, March 12 (Bernama) -- In a sign of growing importance of Islamic capital market in Malaysia and globally, the Securities Commission (SC) chose the Islamic Capital Market Week (ICM) on March 26 - 30 as its biggest public event in 2002 calendar.

Prime Minister Datuk Seri Dr Mahathir Mohamad will launch ICM and also opened the flagship event, Kuala Lumpur International Islamic Capital Market Conference at the SC building at Bukit Kiara, SC chairman Datuk Ali Abdul Kadir told a media briefing today.

He said the conference would have expert and professional speakers of Islamic capital markets from various countries including UK, US and Kuwait, and it would expect to attract some 250 local and foreign participants.

For the general public, there will be a free exhibition at SC building which will run throughout the week to enable visitors learn more about Islamic capital market products and services.

Ali said the large untapped demand for Islamic financial products both locally and internationally, would present opportunities for Malaysia to establish itself as an Islamic capital market centre.

Although not the largest Islamic country, Malaysia capital market size of about RM500 billion, 80 percent Syariah-compliance, is one of the biggest, if not the biggest, Islamic capital market, he said.

On Kuala Lumpur Stock Exchange, there are 638 counters that are Syariah-compliance, while on Mesdaq there are four, he added.

"But yet we have not been able to capitalise on this yet," he said.

"One of our aims, clearly specified in the 10-year Capital Market Masterplan is to develop Malaysia to a status of an international Islamic capital market centre by introducing more Islamic capital market products and services, mobilising funds more efficiently and putting in place a regulatory framework based on Islamic tenets, he said.

He said one very crucial challenge and pre-requisite to the growth of the Islamic capital market was inculcating market awareness and understanding of its diverse investment opportunities.

He said ICM week was to enable people of various levels, from students to muftis, to professionals such as fund managers to investors, to come together at a specially-organised forums to discuss issues that matter to individual groups, but all bound by the common theme of Islamic capital market.

Ali said Islamic capital market and takaful (Islamic insurance) can co-exist in the world capital market without any real problem.

"There is no difference between the Islamic capital market and the rest of capital market. Whatever vagaries from globalisation and technology affecting global market will have the same effect on Islamic capital market," he added.

He said Malaysia would consider bilateral arrangements in developing Islamic capital market.

"We would like for them (other countries) to come over and look at our Islamic capital market infrastructure and discuss the issue that they have with us so that the Islamic capital market will develop," he added.

Meanwhile, Tan Sri Ramon Navaratnam, of Asian Strategic & Leadership Institute (ASLI), feels that the Sept 11 terrorists attacks on US last year, which caused many muslims to feel insecure about sending their

children to study in the US, could have similar effect on investments.

There will be a lot of people in the world, especially Muslims, who feel secure, to invest in Islamic instruments rather than other investments, he added.-- BERNAMA

MSL KTC