

24 MAY 2002

MAHATHIR-BONDS

PM: PURCHASE OF LEBANESE BONDS MAY BE POSSIBLE AFTER CONSIDERATION

KUALA LUMPUR, May 24 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad says it was possible for Malaysia to take up a portion of a Lebanese euro-bond issue after prudent consideration.

Dr Mahathir, who is also Finance Minister, was asked to comment on a news report that Malaysia had bought the euro-bonds.

"It (the buying of bond) depends on whether it is something that according to Bank Negara (Malaysia) is worthwhile or not. I am quite sure they (central bank officials) will make a very prudent decision on this," he told reporters at the Royal Malaysian Air Force base in Subang here upon returning from his trip to Japan and South Korea.

He did not refer directly to the report which said Malaysia had taken up US\$250 million of a US\$1.0 billion Lebanese euro-bond issue which failed to attract subscribers when it was launched in March. The report quoted a government source.

The report said Malaysia took up the bonds after Lebanese Prime Minister Rafiq Hariri visited Kuala Lumpur earlier this month.

Dr Mahathir had returned home from a five-day visit to Japan and South Korea that had helped strengthen Malaysia's ties with the two countries.

Japan and South Korea are countries which Malaysia has looked upon when formulating its Look East Policy. They are also among Malaysia's major investors and trading partners.

The visits -- two days in Japan and three days in South Korea -- are the latest in a string overseas trips made by Dr Mahathir this year. Prior to this, he had visited US President George W. Bush in Washington.

One of the most notable features of the Japan and South Korean trips was the support shown by Japanese Prime Minister Junichiro Koizumi and South Korean President Kim Dae-Jung for the establishment of the Asean Plus Three secretariat in Malaysia. -- BERNAMA

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