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PNB expects good returns from investment in Valuecap

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PERMODALAN Nasional Bhd (PNB) expects good returns from its venture in the

Government investment vehicle Valuecap Sdn Bhd.

PNB president and group chief executive Datuk Hamad Kama Piah Che Othman

said it is confident that the venture will yield good dividends in the long run.

He was speaking to reporters in Kuala Lumpur after announcing Amanah Saham Malaysia's 2003 distributable income yesterday.

Valuecap, equally owned by Khazanah Nasional Bhd, PNB and Kumpulan Wang

Amanah Pencen, began buying stocks on the Kuala Lumpur Stock Exchange in January with an allocation of RM10 billion.

Valuecap's participation in the local market has helped undervalued stocks to appreciate in value at a time when sentiment was at an all-time low.

Sources said the Government-owned investment vehicle has not even used a quarter of the RM10 billion.

Valuecap is the brainchild of Tan Sri Nor Mohamed Yakcop - the Special Economic Adviser to Prime Minister Datuk Seri Dr Mahathir Mohamad.

Hamad also said that PNB's investments in Valuecap will not interfere with its unit trust operations.

The country's largest fund manager handles seven unit trust schemes which have a combined value of more than RM39 billion held by more than seven million unitholders.