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Right time to invest or expand, says MD

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Kota Kinabalu: Crisis and recessions are great times for investing or expanding, said Tan Teng Boo, founder and Managing Director of Capital Dynamics, an investment advisory and fund management group.

While many predict a gloomy global economy, he believes it is on course for recovery with global stock markets on major reversal.

Tan who met with reporters here said many believe the sub-prime problem and the housing bust in the United States led to the current global financial crisis but that he was inclined to think the severe economic contraction has to do with the collapse of the Lehman Brothers group in September 2008.

Had the US Government rescued the group, it would have been business as usual, he said.

He also viewed that while the crisis has had an affect on the Malaysian economy, the government's effort has helped the country weather the crisis such as the introduction of the economic stimulus packages as well as liberalisation of certain sectors.

The emergence of China as a major economy has also helped countries such as Malaysia, he said, pointing out that China's growth has led to demand for produces such as palm oil, of which Malaysia is among the world's top producer.

So optimistic is Tan that he has expanded Capital Dynamics and launched the Capital Dynamics (Australia) Ltd and its retail global fund, i Capital International Value Fund.

He said Capital Dynamics (Australia) Ltd, which was set up late last year obtained the Australian Financial Service License (AFSL) from the Australian Securities and Investment Commission, which allows the company to provide fund management services to retail investors in Australia.

Capital Dynamics presently manages more than USD200 million, he said, adding that it has long-term plans to expand its fund management and advisory business to other countries.

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