

Suspend trading to give businesses breathing room

THE non-essential business community have risen up to the government's clarion call by fully complying with the movement control order (MCO) and ceased all our operations.

However, I am compelled to draw attention to a critical matter that may have a long-term detrimental and destructive effect on our economy, businesses, people and the nation! The stark reality of the non-essential business communities' compliance with the MCO is that the sources of income have been compromised and earnings have come to a standstill.

To add fuel to fire, the stocks of our business community are being slaughtered at the Bursa with some experiencing all-time lows and rock-bottom valuations based on trailing earnings. I fully expected the Securities Commission and Bursa Malaysia to comply with the MCO, considering that trading and investing fall under the category of non-essential businesses. Instead I was astonished by their announcements as follow:

"We will maintain continuous trading and market operation, to facilitate investors to manage their risks and opportunities during this period."

It is an irrefutable fact that all non-essential businesses make up more than 90% of the economy. These entities provide employment and the majority of the working class rely on them for their livelihood. If these companies and businesses are willing to take a direct hit by ceasing operations in compliance to the MCO, should we facilitate investors to manage their risks and opportunities at a critical time such as this? Aren't we all in this together, waging a war against Covid-19?

We, the business community are doing our part, while some investors are causing a carnage in the Bursa, at the business community's expense and nation's wellbeing! I do not see the reason for investors and traders to be given the exemption to carry on business as usual since trading and investing is a non-essential business. It is imperative for the Securities Commission and Bursa to not make the grave mistake of classifying the current situation as merely an economic crisis. It should be viewed through the lens of harsh reality - we are in a predicament that can be likened to a world war! The only difference is, we are in a bio-warfare, attacked by a virus.

I believe, during this time, the general market sentiment is driven by fear and trading is unfairly based on uncertainties and speculation. I doubt the government would want such investment practices in our Bursa. Moreover, why should the business community that is under MCO bear the brunt and wrath of a volatile market and the impending economic shock?

I agree that having a fully-functioning financial system is paramount, but to include the Bursa as part of a functioning financial system in the current situation is an invalid argument that cannot hold water. After all, on what basis would investors be able to discern, gauge and make buying and selling decisions, when businesses have temporarily ceased operations?

Major markets around the world practise this and by emulating them, I believe the Bursa and SC will be able to control the devastation and minimise its ripple effects. Moreover, by the time the Bursa resumes, companies would have had the opportunity to assess their businesses with their stakeholders and investors. In summary, if trading and investing are allowed to continue while non-essential businesses and companies are under MCO and are unable to defend themselves, businesses will suffer and some may never recover.

The ultimate victims of this catastrophe will be our rakyat! Simply because, they are the workforce who will experience brutal layoffs as businesses shut down and unemployment grow at alarming rates. People will lose hope, many their life savings and livelihood.

This pandemic is bound to wound and scar us, although the crisis is in no way self-inflicted by any particular business sector or industry. But I have hope and trust that the government will do the right thing by taking extraordinary measures to safeguard the national economy to minimise the impact of this pandemic and save the rakyat.

A concerned citizen and business owner, wanting to help Malaysia fight the good fight!

Datuk M. Murly
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