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Buying interest from local funds

THE Kuala Lumpur Stock Exchange (KLSE) closed off its low yesterday with heavy volume as local funds were said to be buying shares to stem the slide in the market.

Analysts and dealers said there was buying interest from local funds before the afternoon close, and again later towards the end of trading.

"The buying interest could only come from the local funds, as it is considerably inconvenient for foreign funds to come in to buy," one analyst said.

Prime Minister Datuk Seri Dr Mahathir Mohamad had on Thursday instructed local funds to buy stocks to help prop up the market.

From a low of 778.70 at 11.30am, the Kuala Lumpur Composite Index rose to close mid-day at 811.17. The index dipped to 779.93 by 4pm, but buying interest saw it rising above the 800-level again.

The KLSE Composite Index ended the day 7.78 points lower at 804.40 against Thursday's close of 812.18. The scoreboard showed losers ahead of gainers 558 to 185 while 72 counters remained unchanged.

The broader Emas Index closed 3.96 points lower at 219.48 while the second board index fell 11.95 points to 373.74.

Total turnover surged to 545.734 million shares valued at RM2.051 billion against Thursday's close of 409.577 million shares worth RM1.630 billion. The broad-based BT Ordinaries fell 4.21 points to 209.81.

The 30-share New Straits Times Industrials Index lost 65.09 to close at 4,447.41. On the KLSE main board, turnover amounted to 463.189 million shares valued at RM1.720 billion yesterday while turnover on the second board amounted to 47.407 million shares worth RM296.260 million.

Renong was the most active with 53.98 million shares traded, followed by Maybank with 19.69 million shares and Malaysian Resources with 15.19 million done.

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