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Mart volatile as bears dampen bullish mood

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LAST week, trading on the Kuala Lumpur Stock Exchange (KLSE) experienced see-saw trading as the exchange saw strong buying interest, selling pressure and profit taking activity.

The exchange's key barometer KLSE Composite Index (KLCI) lost 3.92 points last week and closed at 324.06 compared to 327.98 the week before.

On Monday, the KLCI lost 11.74 points to close at 316.24.

Analysts said the de facto devaluation of the Russian ruble and investors' worries over regional currencies' outlook also helped to dampen sentiments on Monday.

On Monday, key blue chip counters such as Telekom dropped 20 sen to RM6.10, Tenaga fell 31 sen to RM2.19, Resorts declined 46 sen to RM3.18, Petronas Gas lost 60 sen to RM5.40 and Malayan Banking fell three sen to RM2.77.

The KLCI close marginally lower at 315.66, 0.58 points lower on Tuesday.

However, the tables were turned in favour for the local bourse on Wednesday when investors hailed Prime Minister Datuk Seri Dr Mahathir Mohamad's announcement on Tuesday that the Government intends to buy shares of companies hit by the sell down in the local bourse.

The KLCI rocketed 27.81 points or 8.8 per cent on Wednesday to close at 343.47.

The bullish trend on Wednesday was also evident in the more than doubled market turnover volume which swell to 288.158 million shares compared to 113.342 million shares on Tuesday. The KLCI rose 7.57 points to close at 351.04 on Thursday.

Analysts said local funds continued to buy selective blue counters on Thursday which helped to spur buying interest among retail and individual investors.

Market turnover on Thursday continued to rise to 351.003 million shares compared to 288.158 million on Wednesday.

However, the local bourse failed in sustaining its bullish trend on Friday when it succumbed to selling pressure and profit taking activity.

The KLCI lost 26.98 points to close at 324.06 on Friday.

The all-main board Emas Index finished the week 0.24 point or 0.28 per cent lower at 84.20 while the second board index was 2.29 points or 2.96 per cent higher to 79.61.

Total turnover on the KLSE for last week amounted to 1.068 billion shares worth RM1.467 billion compared to 541.343 million shares worth RM871.223 million the week before, which gave an average daily volume of 213.6 million shares.

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