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Investors pick up financial stocks and heavyweights

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BANKING stocks continued to hog the limelight on the Kuala Lumpur Stock Exchange (KLSE) yesterday as investors, including foreign interest, accumulated financial stocks and other heavyweights.

The television appearance of Prime Minister Datuk Seri Dr Mahathir Mohamad on Thursday night also allayed widespread concern of investors over his health and buoyed sentiment.

The Prime Minister was admitted to the National Heart Institute last Friday for a chest infection, and is said to be recovering and will be back at work soon.

The benchmark Composite Index gained 11.52 points or 2.07 per cent higher to close at 568.10 - off its intra-day high of 571.24 in early afternoon trading - as investors took the cue from the lower interest rates.

The country's biggest bank, Malayan Banking, had yesterday again cut its base lending rate - the second time in five days - to 7.65 per cent from 7.80 per cent to reflect the excess liquidity in the banking system.

The focus on interest rates also spurred the KLSE's finance index to notch up another 85.98 points to close the trading week at 3,834.73.

Maybank, the most active counter, gained 10 sen to RM7.80, Commerce Asset 24 sen to RM4.82 while its warrants rose 4.5 sen to 71.5 sen. Public Bank meanwhile gained 1 sen to RM2.35.

Other heavyweights that rose on the improved sentiment were Sime Darby up 20 sen to RM4.18 while Tenaga Nasional gained 25 sen to RM6.90. Gaming stock Genting rose 40 sen to RM9.50.

Reflecting gains across the board, the Emas Board gained 2.85 points to 139.77 while the Second Board was up 2.56 points to close at 128.18.

The day's turnover improved to 168.850 million shares worth RM427.812 million compared with 93.108 million amounting to RM207.095 million on Thursday. Gainers overwhelmed losers 537 to 86 with 121 counters unchanged and 166 untraded.

Across the region, bourses were generally higher with the Tokyo Nikkei index gaining 0.04 per cent, the Sydney All-Ordinaries 0.12 per cent and Hang Seng 1.59 per cent.

The Singapore bourse rose 1.44 per cent, Seoul 0.91 per cent, Bangkok 1.88 per cent and Jakarta 5.30 per cent.

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