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Prices continue to retreat

SHARE prices on the Kuala Lumpur Stock Exchange (KLSE) continued to retreat yesterday on some programmed foreign selling while most local players preferred to stay on sidelines, said analysts. At the close, the Kuala Lumpur Composite Index (KLCI) was 17.39 points or 2.31 per cent down to 735.52 from Wednesday's close of 752.91. It hit a high of 757.65 and a low of 730.64.

The Emas Index was 4.55 points down yesterday to 190.31 while the Second Board Index was 2.48 points down at 160.27.

Analysts said foreign funds are still selling as the Government said it is adamant that it will not relax its capital controls to attract foreign capital.

Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday that there is no need to refine the selective capital controls as the controls "have not done any harm."

Another said there is fear among players that the comment will trigger large foreign fund managers to take out their massive funds out of the country.

Another analyst however dismissed this, saying that the market's fall is a mere consolidation. "Look at the volume. It is far from frightening. I am still bullish."

Total turnover yesterday was 333.998 million shares valued at RM628.146 million compared with Tuesday's 319.171 million shares worth RM599.587 million.

The scoreboard showed losers overtaking gainers 604 to 75 while 81 counters remained unchanged.

The broad-based BT Ordinaries lost 4.39 points to 179.39 while the 30-share New Straits Industrial Index dropped 76.46 points to close at 3,600.92.

Malaysian Cement-rights was the most active with 50.866 million units followed Maybank with 10.136 million and Intria with 8.710 million shares done.

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