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KLCI to hover within 930-970 range

THE Composite Index is expected to continue hovering within the 930 and 970 points range this week as the market takes a breather after its recent long climb, a dealer said.

Although there would be a spur of interest on banking stocks in view of today's deadline for bank mergers, it might not be enough to catapult the CI by as much as 40 points, he added.

The CI was in a previous "consolidation phase" between August, and December, 1999, before it broke out and leapt to about 970 points and then dipping to its current levels.

Market sentiment and strength, he said, were still weak and the consolidation could continue for about two more weeks before jumping out towards the 1,000 points psychological barrier.

"The 1,000 mark may likely be reached by end May," he said.

In the meantime, the market could continue to see see-saw trading, which could get volatile at the end of this week, the dealer added.

The market mostly see-sawed in the early part of last week and became lethargic in the last two days.

Negative speculation on Renong's subsidiary, Time Engineering Bhd, over whether its extension of the creditors' protection would be granted by the High Court on Thursday initiated the dumping of Renong group related shares the day before.

The speculation too triggered persistent selling pressure across the board by retail and institutional players.

Rumours on Prime Minister Datuk Seri Dr Mahathir Mohamad's health also affected share prices during the week.

Although the Renong group-related shares recouped lost ground when it was confirmed that Time's creditors would get a three-month extension of their protection until April 28, market interest in them did not return.

There was small local fund buying of blue chips at lower prices but it was not enough to go against the tide.

On a Friday-to-Friday basis, the CI fell 18.39 points to 935.57, the Emas Index dropped 4.9 points to 237.67 and the Second Board Index eased 6.85 points to 209.78.

The Finance Index lost 111.8 points to 7,925.7 and the Industrial Index shed 31.03 points to 1,540.4.

Total turnover in the normal market fell to 3.504 billion shares valued at RM8.889 billion from 4.736 billion shares amounting to RM12.227 billion in the preceding week.

The main board volume dropped to 3.294 billion shares totalling RM8.068 billion from 4.419 billion shares worth RM11.162 billion previously.

Second board turnover was lower at 209.522 million shares worth RM821.506 million against 317.227 million shares valued at RM1.064 billion.

Direct business deals also went down to 143.543 million shares worth RM441.188 million from 198.492 million shares amounting to RM546.416 million.

On a sectoral basis, consumer products represented 65.675 million shares traded on the main board during the week, industrial products 255.205 million, construction 270.014 million, trading/services 662.127 million, infrastructure 15.991 million, finance 453.850 million, hotels 8.623 million, properties 405.508 million, plantation 48.536 million, mining

14.261 million, trusts 1.012 million, closed/fund 4.968 million, loans 275.162 million, TSR/Warrant 182.175 million and trading of rights 1.462 million.

Time Engineering-warrants were the most active counter for the week with turnover of 326.488 million shares. For the week, they closed 24 sen lower at RM1.84.

Other active stocks were Berjaya Group-warrants which edged one sen lower at 40 sen (116.580 million shares), Renong was down 19 sen to RM2.73 (109.666 million shares), Time Engineering fell 36 sen to RM3.12 (93.019 million shares), Malaysian Plantations-Icubs dropped 13 sen to RM1.89 (84.032 million shares), MBf Capital eased seven sen to RM1.26 (78.903 million shares), MCB Holdings was off 12 sen to RM1.33 (76.375 million shares), Intria-warrants lost five sen to 59 sen (71.734 million shares), Intria was down 10 sen to RM1.03 (71.319 million shares) and Malaysian Resources dipped 14 sen to RM3.28 (68.902 million shares).

On the Malaysian Exchange of Securities Dealing and Automated Quotation Bhd, the Mesdaq Composite Index closed 3.12 points lower at 87.50. Its single component stock, Supercomal Technologies.

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