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## Pre-Chinese New Year rally expected

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SHARES on the Kuala Lumpur Stock Exchange (KLSE) are expected to experience a pre-Chinese New Year rally next week, despite overall weaker sentiments among retailers, a dealer said.

Interest will be mainly from institutional purchasers with some profit-taking and bargain hunting by punters.

The Kuala Lumpur Composite Index (KLCI) is expected to hover between the 930 and 950-point range with the short trading week. The KLSE will be closed on Tuesday for Federal Territory Day and Friday for the Chinese New Year.

The main market mover will come from the finance stocks as today's deadline for banking merger draws to a close. Bank Negara Malaysia has given financial institutions up to January 31 to submit their plans for a market consolidation.

Banking stocks remained firm with institutional funds tracking their price movements. Among the banking stocks, AMMB rose RM1.30 to close at RM13.90 from the previous week's closing of RM12.60.

Maybank added 10 sen for the entire week to end the week at RM17.

Last week saw a play on the Renong related counters after news on Time Engineering and its listing plans came in the limelight. Renong dropped 13 sen from the previous close of RM2.86 to RM2.73 while its warrants perked 52 sen to RM1.61 from the previous RM1.09. Time Engineering was down 14 sen to end the week at RM3.26 last week with its warrants up 52 sen to close at RM1.84.

Generally, the KLSE saw mixed trading last week. The market was rather nervous mid-week after rumours that Prime Minister Datuk Seri Dr Mahathir Mohamad fell ill, spread through the market an hour before Wednesday's closing.

Press reports later refuted the rumours.

However, the market continued to trade on a weaker note for the next two days.

The KLCI which opened at 953.96 was 18.39 points lower to close the week at 935.57.

Total turnover was 3.5 billion shares valued at RM8.89 billion.

The Main Board turnover was 3.01 billion valued at RM7.71 billion while Second Board volume hit 209.52 million worth RM821.50 million.

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