

27/05/2000

Shares continue to fall

LOCAL shares tumbled for the fifth day in a row yesterday as drops in the Nasdaq and Dow Jones continued to hammer stock markets across Asia.

Dealers said a rumour that Finance Minister Tun Daim Zainuddin is stepping down also caused a big sell-off in the morning. The market recovered slightly after Prime Minister Datuk Seri Dr Mahathir Mohamad denied the rumour, but the rebound faltered after the mid-day break.

"The rumour had some effect initially, but it was back to the cloudy atmosphere over interest rates and the weakness of regional markets," a dealer said.

The Nasdaq plunged 2 per cent on Thursday despite a sharp rebound the previous day, while the Dow Jones Industrial Average closed more than 2 per cent lower.

The benchmark Kuala Lumpur Composite Index (KLCI) plunged below its support level of 880 points to a low of 878.74 in the morning. It ended the day 14.34 points, or 1.60 per cent lower at 884.57.

The broader Emas Index dropped by almost 2 per cent, or more than 4.33 points to 224.74, while the Second Board Index lost more than 7.10 points, or almost 3 per cent to 241.59.

Losers trounced gainers 12 to 1, but the volume of shares traded improved slightly to 265.282 million.

Resorts World was the most active stock with 6.33 million shares done. The counter lost 60 sen to close at RM11.20 yesterday.

Telekom lost 30 sen to close at RM13.30, shaving more than 2 points off the KLCI.

Gaming counter Genting also took more than 2 points off the index, after losing RM1.20 to close at RM13.70.

Chipmaker MPI was down by almost 7 per cent after losing RM3.00 to close at RM44.00, taking 1.54 per cent off the index.

(END)