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KLSE-WEEKLY

ANOTHER RANGEBOUND WEEK EXPECTED FOR KLSE

KUALA LUMPUR, June 9 (Bernama) -- Another rangebound week is expected at the Kuala Lumpur Stock Exchange (KLSE) next week, with analysts saying that last Friday's rebound appears unsustainable over the short term.

Wall Street's performance, especially that of NASDAQ and "domestic market moving news" over the weekend would dictate the bourse's movement, said an analyst.

A much-awaited announcement of a new finance minister to replace Tun Daim Zainuddin could provide the much-awaited local impetus especially with speculation that Prime Minister Datuk Seri Dr Mahathir Mohamad who is temporarily holding the portfolio now might decide so when he returns home from Japan this weekend.

Daim's resignation last weekend, after two months' leave created some market uncertainty and led to weaker share prices in the early part of the holiday-shortened. The KLSE was closed on Monday for a public holiday.

From Thursday onwards, stock prices recouped their losses on buying support, speculative play on lower liners and on technical correction.

"Technical-wise, the market could extend its rebound next week as prices remain in an oversold position.

"But the buying momentum seems weak as investor sentiment is still a bit bearish with the US economic uncertainty still plaguing the region," the analyst said.

Over the week, the benchmark Composite Index gained 4.45 points to 575.71, the Emas Index increased 1.71 points to 140.21 and the Industrial Index rose 3.09 points to 1,149.04.

Total weekly turnover stood 503.259 million shares worth RM858.524 million.

On the main board, turnover increased to 477.316 million shares valued at RM823.747 million from the previous week's 423.362 million shares worth RM723.317 million.

Volume on the second board declined to 25.942 million stocks worth RM34.778 million from 26.996 million shares valued at RM32.212 million.

Direct business deals contracted to 41.278 million stocks worth RM59.757 million from 80.497 million shares valued at RM277.108 million.

On a sectoral basis, consumer products accounted for 9.047 million shares traded, industrial products 32.278 million, construction 23.537 million, trading/services 107.198 million, technology 5.668 million, infrastructure 4.075 million, finance 141.322 million, hotels 1.535 million, properties 30.945 million, plantation 12.308 million, mining 2.000 million, trusts 51,000, closed/fund 97,000, loans 15.391 million and TSR/Warrants 91.864 million.

Leading the top 10 counters was Arab-Malaysian Corporation (35.788 million shares), which perked two sen to 83 sen, United Merchant Group (5.665 million), was five sen higher at RM1.62, Ho Wah Genting-warrants (12.394 million), Suria Capital Holdings, (6.283 million), up four sen to 67 sen, Rashid Hussain-warrants (10.468 million), up one sen to 16 sen, Pan Malayan Industries-warrants (10.328 million), unchanged at 11 sen, MUI Industries (9.307 million) up half sen to 55 sen, Technology Resources Industries (9.098 million), down two sen to RM1.74, Berjaya Group-warrants (8.622 million), unchanged at seven sen and Advance Synergy-warrants (8.499 million), up two sen to 17 sen.

Heavyweights Telekom jumped 40 sen to RM8.20, Tenaga Nasional was up 15

sen at RM8.00 and Maybank improved 25 sen to RM9.65.

The week saw two new but unimpressive listings, Edaran Digital Systems on Wednesday and Century Logistics Holdings the following day.

Edaran entered the main board with a 35 sen discount over its offer price of RM2.15 while Century debuted on the second board at its offer price of RM1.80.

Edaran closed the week at RM2.10 and Century at RM1.40.

Meanwhile, the Malaysian Exchange of Securities Dealing and Automated Quotation (MESDAQ) was extremely quiet this week.

Volume stood at a meagre 2,000 shares worth RM1,400 compared with 832,200 shares worth RM582,540 previously. All the trading was contributed by Kotra Industries.

The Mesdaq Composite Index was closed at 69.83, unchanged from last week's level.

Supercomal Technologies settled the week at RM2.50, Intelligent Edge at RM0.70 and Kotra Industries at RM0.70. -- BERNAMA

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