

12 SEP 2001

KLSE CLOSURE

KLSE, MDE & MESDAQ CLOSED FOR TRADING TODAY

KUALA LUMPUR, Sept 12 (Bernama) -- The Kuala Lumpur Stock Exchange (KLSE), Malaysia Derivatives Exchange and Malaysian Exchange of Securities Dealing & Automated Quotation (MESDAQ) are closed today.

The KLSE's decision to close both the exchanges was contained in a statement issued by the exchange early this morning,

The KLSE said it would make appropriate announcements before commencing full operations.

MESDAQ issued a statement this morning saying that its closure was in line with the KLSE and MDE's decision.

Analysts believe the decision to close the local markets may have been prompted by the plunge in leading foreign stock markets after two hijacked planes crashed into the World Trade Center (WTC) in New York which caused U.S. stock futures to plunge before the U.S. market's trading was suspended indefinitely before the opening bell.

The attacks also affected European stock markets last night and that of Japan this morning. Stock exchanges in London, Frankfurt, Paris, Milan and Zurich fell last night. Tokyo stocks plunged four percent to below the 10,000 level for the first time in 17 years this morning.

The first indication that the KLSE and MDE would be closed today came from Prime Minister and Finance Minister Datuk Seri Dr Mahathir Mohamad late last night.

He also said he was not sure how long the KLSE would be closed.

The KLSE's Composite Index had dipped 4.74 points to 690.54 yesterday prior to the attacks on the World Trade Center in New York.

Yesterday, the local stock market had performed quite well when it breached the 700-points level during intra-day trading, indicating that there was renewed strength and strong investor confidence in the local bourse.

The New York Stock Exchange, American Stock Exchange and Nasdaq Stock Market will be closed on Wednesday. The U.S. bond market, Chicago Mercantile Exchange and Chicago Board of Trade will also remain closed on Wednesday.

The last time the NYSE was closed for two consecutive days was after the Second World War on Aug. 15 and 16, 1945.

The last time the NYSE was closed for a full day was on April 27, 1994 during the funeral of ex-US president Richard Nixon.

Although share prices and the US dollar plunged, gold and oil prices surged in London last night. The U.S. dollar had dipped to a seven-month low against pound sterling in London last night. New York trading in gold and energy futures was also suspended. -- BERNAMA

TM SHY