

26/09/2001

Market movement expected to be slow

Norzuhaira Ruhanie

MARKET movement is expected to be slow today, although players say construction and property stocks may be active following a RM4.3 billion stimulus package announced yesterday.

The Prime Minister, Datuk Seri Dr Mahathir Mohamad had also announced a further downward forecast of the country's gross domestic product (GDP) growth to between 1 to 2 per cent from 5 to 6 per cent earlier.

An analyst said, investors have already factored in a lower GDP and possibilities of Government aid to cushion the impact of a possible global recession, but are still cautious and look at the US for more leads.

"It was expected that the GDP forecast would be lowered, but there are still too many uncertainties about the economy," the analyst said.

Trade on the Kuala Lumpur Stock Exchange (KLSE) was active although profit-taking dominated the day.

The Kuala Lumpur Stock Exchange Composite Index (KLCI) opened higher at 616.11 and climbed to an intra-day high of 616.31 - 1.80 per cent higher than Monday's closing of 605.44 points.

The index however slid downwards by midday, and later traded in the tight range of between 605 to 610. It eventually closed 0.51 point or 0.08 per cent higher at 605.95.

In Tokyo trade closed mixed with Japan's Nikkei 225 ending up 138.98 points or 1.45 per cent at 9,693.97 while in Hong Kong, the Hang Seng Index and the Straits Times Index of Singapore registering losses after a rebounded on Monday.

The Hang Seng index lost 74.44 points or 0.80 per cent to 9,210.06 while Straits Times Index shed 3.16 points or 0.25 per cent to close at 1,281.52.

(END)