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Shares likely to remain in positive territory

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SHARE prices on the Kuala Lumpur Stock Exchange (KLSE) are likely to remain in positive territory following yesterday's performance, despite an expected decline in volume.

Analysts said the benchmark Kuala Lumpur Stock Exchange Composite Index (KLCI) is expected to move sideways today due to a lack of fresh news to spur excitement in the local market.

The KLCI rose slightly higher by 0.77 per cent or 5.25 points to close at 679.79 points yesterday mostly due to late buying interest that helped boost the market performance. The announcement by Prime Minister Datuk Seri Dr Mahathir Mohamad on a Cabinet reshuffle helped spur market movement, market followers reckoned.

An analyst said banking stocks were pushed up following the announcement.

"The only good news in the market today was on the reshuffle which allowed finance stocks to rise about 58 points," he said.

Banking stocks such as Maybank and RHB Capital alone pushed the index up almost 1 point. Maybank rose 10 sen to close at RM13.90 while RHBC gained 10 sen to close at RM2.54.

The three most active counters were Renong, Time Engineering warrants, and MRCB. Renong closed at RM1.17, up 10 sen, Time warrants closed at RM1.35. up 13 sen while MRCB closed at RM1.40, up 9 sen.

"Time's share price dropped last Friday but rebounded with the news of Time dotCom's flotation although the interest might not last until next week," an analyst added.

Analysts said it is unlikely for Renong and member companies to sustain high volumes for a long time frame.

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