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Market expected to continue slow recovery

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THE market is expected to continue its slow recovery, although market players say performance of the US market may influence the trend here.

"The outlook is still uncertain, mainly due to the situation in the US market," an investment analyst said.

Last week, US investors reacted to the WorldCom accounting scandal which saw the tech-laden Nasdaq index drop back to the low levels of 1997.

"It could be chaotic if Nasdaq crosses below its support level," an institutional dealer said.

On the local front, Prime Minister Datuk Seri Dr Mahathir Mohammad will return from Italy this morning.

Trading on the Kuala Lumpur Stock Exchange (KLSE) was thin yesterday.

The KLSE Composite Index (KLCI) rebounded from Monday's losses to close 18.7 points or 2.6 per cent higher at 743.4.

Its components Tenaga Nasional Bhd and Malaysian Pacific Industries Bhd (MPI) were yesterday's top two gainers.

Tenaga rose RM1 or 10 per cent to RM11 while the chipmaker increased 80 sen or 5.4 per cent to RM15.60.

YTL e-Solutions Bhd was listed on the Mesdaq Market board and was yesterday's most active stock. The counter gained 11 sen, a 10 per cent premium against its offer price of RM1.10 with 34.4 million shares done.

Over 154.6 million shares changed hands worth RM369.4 million.

Winners lead losers 474 to 145, while 181 counters were unchanged and 275 not traded.