

31 MAY 2003
KLCI-WEEKLY
KLCI FUTURES TO REMAIN HIGHER NEXT WEEK

KUALA LUMPUR, May 31 (Bernama) -- The Kuala Lumpur Composite Index (KLCI) futures contracts on the Malaysia Derivatives Exchange (MDEX) are likely to trade on a higher trend next week amid renewed investor confidence.

An analyst said despite concerns over the Severe Acute Respiratory Syndrome (SARS) and global economic uncertainties, Bank Negara Malaysia announced a positive growth of 4.0 percent Gross Domestic Products for the first quarter.

He said another boost factor was the stimulus economic package, which was earlier announced by the Prime Minister Datuk Seri Dr Mahathir Mohamad.

"Investors are satisfied with the government's effort, and many who earlier were sidelined have re-entered the market," he said.

The analyst said trading for the week just ended was active with greater participation as evidenced by the higher volume and open interests.

For the week just ended, the market crept up in line with the rise on the cash market.

Sentiment on the cash market was aided by Wall Street's gains and positive corporate news including organisational restructurings.

On a Friday-to-Friday basis, May contract rose 19.6 points to 673.4 versus 653.80 previously while June increased 24.1 points to 679.0 from 654.9.

Turnover for the week rose to 8,278 lots from 3,221 lots, previously.

On a Friday-to-Friday basis, the underlying Composite Index (CI) on the cash market ended the week 20.58 points higher at 671.46, against 650.88 in the previous week. -- BERNAMA

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