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KLSE-WEEKLY  
KL SHARES LIKELY TO TREND HIGHER NEXT WEEK

KUALA LUMPUR, Sept 13 (Bernama) -- Share prices on the Kuala Lumpur Stock Exchange (KLSE) are set for an uptrend next week after a period of consolidation this week, an analyst said.

He said that the underlying sentiment remained bullish on expected stronger growth especially with the 2004 Budget unveiled by Prime Minister and Finance Minister Datuk Seri Dr Mahathir Mohamad on Friday, which featured several bold policy initiatives.

The Budget adopted a five-pronged strategy which took into account the performance of the first half of the 8th five-year development plan to ensure the full implementation of development policies and strategies for the country.

Another good news which could push the market up this week was the Gross Domestic Product (GDP) forecast which was expected to grow between 5.5 and 6.0 percent in 2004.

The analyst also said that investors are expected to enter the market to take advantage of lower stock prices and bargain hunt.

He said that there are still speculative interests on certain stocks with potential for growth amidst the economic recovery, such as technology and property.

MCM Technologies, AWC Facility Solution and newly listed stocks like Naim Cendera Holdings and Luster Industries are among a few which attracted speculative interests this week.

The analyst said that the trend among investors now was to go for newly listed companies and those meant to replace companies undergoing restructuring exercises.

He expected speculative interests to continue to drive up the lower liners while bluechips would attract selective interests.

There would be rotational plays on the lower liners with those that have made gains this week likely to face profit taking next week and vice-versa, he said.

The Composite Index is expected to rise to over the 750 level again next week.

He said that a factor that could dampen sentiment next week was concerns on the pace of the US economic recovery, as it would have an impact on the recovery of other economies, including Malaysia.

Following the release of disappointing data that showed rising unemployment in the US, Wall Street was weaker on Thursday and this affected sentiment in regional markets on Friday.

On Thursday, the Dow Jones Industrial Average fell 38.39 points to 9,421.09.

The re-emergence of Severe Acute Respiratory Syndrome (SARS) case in Singapore and losses on Wall Street were among the contributing factors to the market's weakness on Friday. The CI dropped 2.06 points to 740.94 on Friday.

Overall, this week saw a consolidation for the local bourse following the previous week's big gains.

However, technology stocks and lower liners attracted strong interests from investors who were optimistic about the economic outlook.

The benchmark Composite Index closed the week at 740.94, down 15.54 points from last week's close of 756.48.

The all Main Board Emas Index closed at 182.30, down 3.92 points from a

week earlier at 186.22, and the Industrial Index rose 45.73 points to 1,638.23.

The Second Board Index shed 3.49 points to 113.69 and the Mesdaq Market Index dropped 6.88 points to 142.91.

Weekly turnover on the Main Board normal market dropped to 1.438 billion shares worth RM2.806 billion from 1.530 billion shares worth RM3.043 billion in the previous week.

Second Board's turnover increased to 447.553 million shares valued at RM588.842 million from 434.831 million shares worth RM591.549 million.

The Mesdaq Market's volume rose to 479.461 million shares worth RM288.810 million from 358.668 million shares valued at RM216.101 million.

Direct business deals declined to 260.831 million shares worth RM544.809 million from 340.401 million shares valued at RM758.881 million.

MCM Technologies was the most active counter this week with 129.552 million shares traded, followed by AWC Facility with 85.750 million shares, Iris Corporation 81,089 million, and Nova MSC 47.858 million.

Sumatec Resources was in the fifth spot with 43.855 million, followed by Arab Malaysia Corporation 43.114 million, Willowglen MSC 41.567 million, GHL System 37.255 million, Luster Industries 34.176 million, and Premium Nutrients 31.927 million shares transacted.

MCM Technologies closed at 46 sen, unchanged from its previous week's closing, while AWC Facility rose eight sen to RM1.38, Iris Corporation declined two sen to 36 sen, Nova MSC was flat at 51 sen, Sumatec Resources gained seven sen to RM2.16, Arab Malaysia Corporation added one sen RM1.14.

Willowglen was flat at 33 sen, GHL Systems shed one sen to 57 sen, Luster dropped one sen to RM1.86 and Premium Nutrients eased two sen to 45 sen.

On a sectoral basis, consumer products accounted for 46.385 million shares traded on the Main Board, industrial products 211.850 million, construction 91.944 million, trading/services 350.463 million, technology 12.446 million, infrastructure 20.862 million, finance 197.052 million, hotels 25.276 million, property 225.496 million, plantation 26.538 million, mining 170,100 million, trusts 656,800, closed/fund 1.534 million, PN4 Condition 10.352 million, loans 12.846 million, TSR/Warrant 202.030 million, TSR/Warrants (PN4) 14,000 and Trading of Rights 3.619 million. --

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