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KLSE-WEEKLY
KL SHARES TO TREND HIGHER NEXT WEEK

KUALA LUMPUR, May 24 (Bernama) -- The Kuala Lumpur Stock Exchange (KLSE) is expected to hover around 650 to 670 level next week, as the new measures unveiled by the government to boost the economic slowdown, is likely to yield results over the medium to long term.

Market analysts said that the "signal" was positive, with the participation of selected local fund managers and Valuecap Sdn Bhd as well as interest from foreign buyers spurring the local bourse following the announcement on the new economic package on Wednesday.

"We believe that the positive trend will continue as the measures have clearly resulted in continued investors confidence and interest," an analyst said.

The RM7.3 billion package announced by Prime Minister Datuk Seri Dr Mahathir Mohamad had included intervention rate cut by 50 basis points, a half month bonus for some 850,000 government servants, and reduced contributions to the Employees Provident Fund (EPF) by employees to 9.0 percent from 11 percent.

Meanwhile, another analyst said that the market would keep its eyes on the latest news regarding Maxis, following talks that three local funds have acquired 10.61 percent stake in the company for RM1.3 billion.

He also said that expectations that the domestic economy would likely grow 4.5 percent this year and the final phase of all board lot size at 100 units for securities traded on the KLSE by May 26, would continue to lend support to the market.

The market barometer, the Composite Index (CI) closed the week sharply higher, increasing 8.63 points or 1.13 percent at 650.08 points, its highest close in nearly three months, on positive reactions to the initiatives unveiled in the economic package.

Heavyweights, finance counters, trading as well as gaming and leisure stocks, contributed to the strong gains.

On a Friday-to-Friday basis, the CI jumped 14.62 points to 650.88 from 636.26 at the end of last week.

The Emas Index rose 3.44 points to 158.95 from 155.51 and the Second Board Index increased 2.13 points to 95.01 compared with 92.88 previously.

The Industrial Index was 10.82 points higher at 1,428.24 versus 1,417.42 while the Finance Index jumped 110.83 points to 4,987.84 from 4,877.01 previously.

The weekly main board volume increased to 1.851 billion shares valued at RM980.306 million from 392.261 million shares worth RM821.231 million previously.

The second board turnover rose to 213.747 million shares worth RM177.027 million from 97.924 million worth RM111.471 million.

The MESDAQ market's volume decreased to 10.024 million shares valued at RM21.405 million from 11.979 million shares worth RM6.573 million.

Off market deals increased to 1.425 billion shares worth RM331.680 million from 27.350 million shares valued at RM50.019 million.

As for the top 10 actives list, Arab Malaysian Corporation added four sen to 95 sen, followed by Eden Enterprises which gained two sen to 81 sen, Mutiara Goodyear Development shed 10 sen to RM2.63, Amsteel was flat at 16 sen and Magnum rose one sen to RM2.37.

Time Engineering edged up seven sen to 91 sen, Public Bank gained eight sen to RM2.55, Intria rose four sen to 95 sen, Berjaya Group added one sen

to 16 sen and Tanah Emas increased five sen to RM1.34.

In terms of volume, Arab Malaysian Corporation transacted 53.105 million shares, Eden Enterprises 29.816 million shares, Mutiara Goodyear 29.063 million shares, Amsteel 25.140 million shares and Magnum 24.452 million shares.

Time Engineering 20.040 million shares, Public Bank 19.710 million shares, Intria 19.637 million shares, Berjaya Group 17.866 million shares and Tanah Emas 17.851 million shares.

On sectoral basis, consumer products accounted for 38.610 million shares traded on the main board, industrial products 91.887 million, construction 73.718 million, trading/services 265.901 million, technology 9.011 million, infrastructure 8.526 million, finance 180.330 million, hotel 3.626 million, properties 143.354 million, plantation 28.733 million, mining 4.262 million, trusts 570,500, closed/fund 210,000, PN4 condition 7.863 million, loans 11.697 million, TSR/Warrant 100.064 million, TSR/Warrants (PN4) 10,000 and trading of rights 11.934 million. -- BERNAMA
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