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KLSE-WEEKLY
KLSE TO MOVE RANGEBOUND NEX WEEK

KUALA LUMPUR, May 17 (Bernama) -- The Kuala Lumpur Stock Exchange (KLSE) is expected to move rangebound as investors eagerly awaits for the long-awaited economic stimulus package to be unveiled next week.

According to analysts, although market sentiment had improved recently investors would rather wait for a clearer picture of what was in store in the stimulus package.

Prime Minister Datuk Seri Dr Mahathir Mohamad is scheduled to announce the stimulus package next week to bolster the economy by mitigating problems confronting those in the tourism and services industries and providing sustenance to businesses affected by the fallout from the Severe Acute Respiratory Syndrome (SARS) outbreak.

An analyst said that KLSE had gained positive spillover from Wall Street's steady performance of late and merger talks between two banking group, he said.

Finance stocks might attract some interest on expectations of further consolidation in the banking sector sparked by merger talks between EON Capital and AMMB Holdings, he said.

Technology counters would also draw some interest given the upbeat prospect of the chip industry.

"Some people feel that the worst is over for the technology industry and now is a good time to start accumulating more technology stocks," he said.

The analyst also said that the market was poised to receive better investors' interest given the recent KLSE's announcement to expedite the implementation of 100 units board lot sizes for the remaining main board's counters by May 26.

Based on observation, he said, the second board counters and main board stocks traded under trading/services category, which had been trading in 100 units board size, saw an increase in their average daily volume.

For the week just ended, the KLSE moved in narrow-range with investors largely sidelined due to shorten trading week.

The KLSE was closed on Wednesday for Prophet Muhammad's birthday followed by the Wesak Day celebration on Thursday.

Technology counters and finance stocks mostly posted gains.

On Friday-to-Friday basis, the closely-watched Composite Index (CI) ended the week 6.12 points higher at 636.26, against 630.14 in the previous week.

The all Main Board Emas Index edged up 1.91 points to 155.51 compared with 153.6 last week, the Industrial Index increased 2.29 points to 1,417.42 versus 1,415.13 and the Second Board Index advanced 0.89 of a point to 92.88 from 91.99 in the previous week.

Total turnover on the Main Board for the week declined to 392.261 million shares worth RM821.231 million compared with 516.433 million valued at RM1.186 billion, previously.

Volume on the second board decreased to 97.924 million stocks worth RM111.471 million versus 195.448 million valued at RM139.489 million, previously.

Mesdaq market's volume improved slightly to 11.797 million shares worth RM6.573 million compared with 11.255 million valued at RM5.809 million.

Direct business deals fell to 27.35 million amounted to RM50.019 million compared with 156.688 million valued at RM194.54 million,

previously.

Scomi Group Bhd, which made its debut, posted some gains as investors were attracted to its good earnings prospects. Scomi is involved in the oil and gas industry.

Top 10 active counters for the week were Amsteel with 29.105 million shares, Eden 24.375 million, Mutiara 14.884 million, Berjaya Group-warrants 12.043 million, NTPM 11.256 million, Berjaya Group 10.106 million, MTD Infraperdana 9.774 million, Scomi 9.528 million, Magnum 9.355 million and Intria 8.624 million.

Amsteel was flat at 16 sen, Eden added four sen to 73 sen, Mutiara fell four sen to RM1.97, Berjaya Group-warrants was unchanged at six sen, NTPM was flat at 49 sen, Berjaya Group added a sen to 20 sen, MTD Infraperdana rose 16 sen to 95 sen, Scomi nudged up 14 sen to RM2.15, Magnum was unchanged at RM2.24 and Intria increased two sen to 92 sen.

On a sectoral basis, consumer products accounted for 23.024 million shares traded on the main board normal market, industrial products 50.568 million, construction 31.788 million, trading/services 104.835 million, technology 6.801 million, infrastructure project 3.572 million, finance 45.722 million, hotel 1.905 million, property 44.841 million, plantation 9.719 million, mining 2.139 million, trusts 162,000, closed/fund 184,000, PN4 condition 8.579 million, loans 3.925 million, TSR/Warrants 47.555 million and TSR/Warrants (PN4) 36,000. -- BERNAMA

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