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KLSE-WEEKLY
KL SHARES TO BE ON UPBEAT MOMENTUM NEXT WEEK

KUALA LUMPUR, Sept 6 (Bernama) -- Shares on the Kuala Lumpur Stock Exchange (KLSE) are likely see an upbeat trend next week amidst positive sentiment on the domestic economy and expectations of a forthcoming 2004 Budget, an analyst said.

Last week, the market had many impetus which are yet to be digested fully, he said.

"As such, we assume that there is going to be a follow through support...not necessarily broad-based but the momentum as a whole would be in a positive mode."

He said the International Monetary Fund's positive outlook on Malaysia's 2004 gross domestic product (GDP) would continue to boost the local market. IMF's managing director, Dr Horst Kohler had projected Malaysia's GDP to exceed five percent.

Other contributing news in the week was United Nation's upbeat report of the country's economy.

Malaysia with its excellent infrastructure, strong fundamentals and a stable government, is set to be a major beneficiary of an expected rebound in global foreign direct investment (FDI), the UN Conference on Trade and Development (Unctad) said in its World Investment Report 2003.

It also said that Malaysia could afford to be selective about incoming FDI, picking those that suited its economic masterplan.

"Traditionally, the market would stage a pre-budget rally as investors will bank on the counters that are touted to benefit from the budget and with all the rosy news, the market has a strong fundamental reason to move upwards," he said.

He put the market's support level at 640 and resistance at 760.

Overall, he said the market trend was positive and if there is any decline, it would be due to profit taking or downtrend on the Wall Street.

The 2004 budget is scheduled to be tabled on Sept 12, 2003 by Prime Minister Datuk Seri Dr Mahathir Mohamad who is also the Finance Minister.

For the week ended, the Composite Index saw a decline on Tuesday but was bullish the rest of the week, touching a new year high of 756.48 on Friday.

The KLSE was closed on Monday for the National Day celebration.

After some sharp gains on Wednesday, there were profit taking activities on Thursday and Friday on the finance lower liners and penny stocks. But strong interest in the bluechip counters saved the day.

On a Friday-to-Friday basis, the Composite Index rose 13.18 points to 756.48 from 743.30 at the end of last week.

The Emas Index added 1.27 points to 186.22 from 184.95 but the Second Board Index dropped 4.51 points to 117.18 compared with 121.69 previously.

The Industrial Index increased 46.08 points to 1,683.96 versus 1,637.88, the Mesdaq Index slipped 11.43 points to 149.79 from 161.22 and the Finance Index appreciated 38.56 points to 6,239.39 from 6,200.83 previously.

The weekly Main Board volume declined to 1.530 billion shares worth RM3.043 billion from 2.373 billion shares worth RM3.745 billion previously.

The Second Board volume slipped to 434.831 million shares worth RM591.549 million from 941.834 million shares worth RM1.511 billion.

The MESDAQ market's volume dropped to 358.668 million shares valued at RM216.101 million from 778.102 million shares valued at RM494.490 million.

Off market deals shrank to 340.401 million valued at RM758.881 million from 582.939 billion shares worth RM737.797 million.

In the top 10 active list, Hiap Teck shed 2.5 sen to 65.5 sen, Iris Corporation edged down two sen to 37.5 sen, MCM Technologies inched down 5.5 sen to 46 sen, Kai Peng added one sen to RM1.06, Salcon dropped 14 sen to RM2.17.

Premium Nutrients slipped 2.5 sen to 48.5 sen, Furqan Business Organisation added half a sen to 39.5 sen, Amcorp edged up one sen to RM1.19, Willowglen MSC shed 1.5 sen to 33.5 sen and Three A Resources declined three sen to 34.5 sen.

In terms of volume, Hiap Tech transacted 98.100 million shares, Iris 90.451 million shares, MCM Technologies 57.332 million shares, Kai Peng 52.619 million shares, and Salcon 47.653 million shares.

Premium Nutrients transacted 42.870 million shares, Furqan Business 41.703 million shares, Amcorp 40.237 million shares, Willowglen MSC 39.873 million shares and Three A Resources 33.996 million shares.

On a sectoral basis, consumer products accounted for 40.476 million shares traded on the Main Board, industrial products 272.106 million, construction 92.696 million, trading/services 369.541 million, technology 10.206 million, infrastructure 29.353 million, finance 197.127 million, hotel 21.801 million, property 236.191 million, plantation 26.830 million, mining 246,600, trusts 406,100, closed/fund 1.255 million, PN4 condition 21.184 million, loans 13.517 million, TSR/Warrants 195.145 million, TSR/Warrants (PN4) 34,000 and rights 1.973 million. -- BERNAMA

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