

13 SEP 2003
KLCI-WEEKLY
KLCI FUTURES TO TREND HIGHER NEXT WEEK

KUALA LUMPUR, Sept 13 (Bernama) -- The Kuala Lumpur Composite Index (KLCI) futures contracts on the Malaysia Derivatives Exchange (MDEX) are likely to trend higher next week following movement of the cash index which is expected to remain steady, a dealer said.

Investors will track closely the performance of the underlying Composite Index (CI), the Wall Street and the current economic scenario.

"Most investors are looking forward to the CI maintaining above the current level of 740.94, a dealer said.

He added that the futures and cash markets were technically ready to register stronger gains, boosted by investors confidence following the 2004 Budget announced by Prime Minister Datuk Seri Dr Mahathir Mohamad on Friday.

The dealer said that the market would likely be on a higher trend after the Prime Minister unveiled the budget which featured several bold policy initiatives.

On another note, the Economic Report 2003/2004 released by the Treasury here stated that Malaysia's economy will grow by 5.5 to 6.0 percent in 2004, driven by an upturn in global demand, while revenues will trim the fiscal deficit.

On Friday-to-Friday basis, spot month Sept'03 declined 15.9 points to 739.0 and nearby Oct'03 shed 18.4 points to 740.1.

Quarterly Dec'03 and March'04 were not traded.

A total of 4,401 lots were transacted this week compared with the previous week's 2,448 lots.

Open interest stood at 2,780 contracts, up from 2,735 contracts last Friday.

The underlying CI closed 15.54 points lower at 740.94 on Friday compared with 756.48 recorded at the end of last week. -- BERNAMA

TNS FR