

Bursa Malaysia Q4 Net Profit Likely To Decline Seven Pct
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KUALA LUMPUR, Jan 19 (Bernama) -- MIDF Research says Bursa Malaysia Bhd's fourth quarter net profit for financial year 2011 is likely to be lower by seven per cent due to decline in daily average trading volume (DATV) for equities.

The net profit is likely to be around RM36 million which would translate into an earnings per share of 6.8 sen, it said in a research note today.

The four quarter results will be released on Feb 9.

It said the full financial year 2011 net profit would likely come in at RM151 million, an improvement of 33.3 per cent compared with the previous financial year.

Bursa Malaysia shares were down five sen at RM6.90 as at 10.45am.

MIDF Research is also keeping its FBM KLCI target of 1,530 points for this year.

It said despite the index having surged to 1,530.73, at the end of the fourth quarter, from 1,387.13 in the third quarter, average market velocity for the fourth quarter was still low at 26.1 per cent.

The research house added that trading volume was higher but DAVT dropped in the fourth quarter of last year to RM1.3 billion versus RM1.7 billion in the previous quarter.

Foreign investors were net buyers of equities in the fourth quarter, accounting for RM3.06 billion of transactions recorded but were net sellers of equities totalling RM3.34 billion in the third quarter.

Meanwhile, HwangDBS Vickers Research remained defensive of Malaysian equities, expecting the benchmark FBM KLCI to slide to 1,400 points before staging a subsequent recovery towards its year-end target of 1,590 points.

It said the year of the dragon could shine on industries associated with the wood and earth elements, and favourable sectors include consumer, property, construction and petroleum-related.

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