

Headline	Strong economic results likely to spur FBM KLCI		
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MARKET OUTLOOK

Strong economic results likely to spur FBM KLCI

KUALA LUMPUR: The FTSE Bursa Malaysia KLCI (FBM KLCI) is expected to be boosted this week by the good sets of economic results released on Friday, said MIDF Research deputy head Mohd Redza Abdul Rahman.

He said the results released on Friday fuelled the rise in FBM KLCI, with both the industrial production index and manufacturing sector growing 4.7 and 10.2 per cent, respectively, beating the consensus of four per cent and at higher than November number at 8.2 per cent, respectively.

The FBM KLCI closed up 10.44 points on Friday, or 0.62 per cent, to 1,698.94 points from 1,688.50 points on Thursday.

Mohd Redza said moving forward, these positive numbers were likely to point to a good earnings for the current ongoing fourth-quarter results season, particularly stocks such as agricultural, chemical, electrical and electrical, and timber-related products.

Sentiment this week is expected to also be positively affected by the better-than-expected export and im-

port numbers, which rose 7.9 and 16.7 per cent, respectively.

In addition, he said United States President Donald Trump's support of the "One China" policy during his first phone call with his Chinese counterpart Xi Jinping also boded well for the capital market.

He said the FBM KLCI would be able to climb and stay above 1,700 level this week.

In focus this week will be plantation stocks as the palm oil stockpiles dropped 7.6 per cent last month.

The shipping and logistics sector is also expected to be in focus after Westports Holdings Bhd seeing

record profit on the back of higher container throughput amid the good export numbers.

Markets will also look ahead to the release of Malaysia's fourth quarter gross domestic product on the Thursday, with the consensus estimating a 4.1 per cent growth.

He said Tenaga Nasional Bhd could see further upside as better manufacturing numbers also meant higher electricity consumption. **Farah Adilla**

The FBM KLCI will be able to climb and stay above 1,700 level (this) week."

MOHD REDZA ABD RAHMAN
deputy head
MIDF Research