

KLCI down ahead of Bank Negara monetary policy

By [Chong Jin Hun](#) / theedgemarkets.com | September 7, 2016 : 9:38 AM MYT

KUALA LUMPUR (Sept 7): The FBM KLCI fell 8.85 points or 0.5% on profit taking following the index's recent gains and as investors waited for Bank Negara Malaysia's monetary policy announcement today.

At 9:07am, the KLCI was traded at 1,681.07 points. Yesterday, the index rose 11.84 points to close at 1,689.92 points.

Today, analysts said the KLCI had earlier risen with Asian shares in anticipation that US policy makers would postpone interest rate hikes after taking into account the country's latest economic data.

"On the back of heightened speculation that the Fed will keep a lid on interest rate, the market has walked past a lackluster 2Q16 earnings cycle to focus on upcoming Budget on 21 Oct coupled with the readiness of Bank Negara to support economic growth via easing are overall positive for the market," Hong Leong Investment Bank Bhd wrote in a note today.

Bursa Malaysia saw some 69 million shares worth RM53 million traded. There were 102 gainers and 105 decliners.

Top gainer was Heineken Malaysia Bhd while Dutch Lady Milk Industries Bhd led decliners. The most-active stock was Sumatec Resources Bhd.

Investors will closely watch today Bank Negara's monetary policy announcement and the Statistics Department's announcement on Malaysia's external trade.

Bank Negara is expected to announce its monetary policy statement at 3pm. The Statistics Department will announce the July external trade numbers at 12 noon.

In July this year, Bank Negara reduced its overnight policy rate from 3.25% to 3%.

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