

# Market Pulse

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## FBM KLCI - Daily



## Market Scorecard

	Close 22-Jan-18	Change %
FBM KLCI	1,833.15	0.24
52-W High	1,840.35	
52-W Low	1,664.35	
FBM EMAS	13,239.76	0.33
FBM 100	12,908.76	0.37
FBM Fledgling	19,100.76	0.29
FBM Small Cap	17,356.50	-0.20
FBM ACE	6,703.52	-0.14
FBM Shariah	13,641.19	0.10
Volume (mln)	4,617.35	20.50
Value (RM mln)	2,865.55	-10.19

Market Participation	%	Net (RM mln)
Institution	51.5	-162.8
Retail	29.3	-27.0
Foreign	19.2	189.8

Futures		
FKLI Spot	1,837.50	0.25
FKLI Forward	1,836.50	0.25

Foreign		
Dow Jones	26,214.60	0.55
S&P 500	2,832.97	0.81
NASDAQ	7,408.03	0.98
FTSE 100	7,715.44	-0.20
DAX	13,463.69	0.22
CAC 40	5,541.99	0.28
FTSE STI	3,569.43	0.54
Shanghai Composite	3,501.36	0.39
Hang Seng Index	32,393.41	0.43
Nikkei 225	23,816.33	0.03

Commodities		
WTI Crude Oil (USD)	63.87	0.47
Brent Spot (USD)	69.03	0.61
Gold (USD)	1,333.13	-0.06
CPO (RM)	2,475.00	1.23

Currency		
USD	3.9335	0.13
GBP	5.4667	0.33
EURO	4.8146	0.41
SGD	2.9790	0.21
YEN	28.1690	-0.31

## On The Rise

- The FBM KLCI rallied with minute gains for the second-straight session, on the back of gains in selected heavyweights. Most of the lower liners, however, declined with the exception of the FBM Fledgling (+0.3%), while the broader market closed mixed.
- Market breadth, however, remains weighted to the positive side as advancers overtook the decliners on a ratio of 520-to-502 stocks. Traded volumes also regained traction, rising 20.5% to 4.62 bln shares amid profit-taking activities in the small cap stocks.
- Hong Leong-affiliated companies like Hong Leong Bank (+48.0 sen) and Hong Leong Financial Group (+12.0 sen) dominated the FBM KLCI, followed by Nestle (+20.0 sen), Petronas Dagangan (+20.0 sen) and Genting Malaysia (+8.0 sen). Broader market chart-toppers, meanwhile, include consumer products bellwethers like Dutch Lady (+92.0 sen) and Nestle (+20.0 sen), alongside Hartalega (+48.0 sen), Airasia (+24.0 sen) and Scientex (+21.0 sen).
- On the contrary, Ajinomoto (-32.0 sen), Lafarge Malaysia (-21.0 sen), Ayer Holdings (-20.0 sen), Aeon Credit (-18.0 sen) and Tasek (-16.0 sen) bucked the general market direction to close lower. The only four counters that weighed on the key-index yesterday were Petronas Gas (-20.0 sen), Petronas Chemicals (-10.0 sen), Telekom Malaysia (-5.0 sen) and Kuala Lumpur Kepong (-2.0 sen).
- Key regional equities advanced, despite the latest U.S. government shutdown last Saturday amid optimism on the global economic recovery. The Nikkei flatlined, weighed down by a stronger Yen, while the Hang Seng Index added 0.4%, boosted by casino operators. The Shanghai Composite (+0.4%) also closed

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higher at 3,501.4 points. Most ASEAN stockmarkets kicked-off the week in the positive territory.

- Wall Street logged fresh new highs after the Senate passed a procedural bill, clearing the hurdle for the resumption of government operations. The S&P 500 (+0.8%) advanced as energy and telecommunication services stocks tracked higher. The Dow (+0.6%) finished at an all-time high, boosted by notable tech stocks like Intel (+2.1%) and Microsoft (+1.8%), alongside the Nasdaq (+1.0%).
- Major European stockmarkets extended their rally on Monday on the back of the recovery in Wall Street. The FTSE, (-0.2%) however, bucked the general positive trend and closed in the red, weighed down by industrials and consumer staples-related stocks. Meanwhile, the DAX (+0.2%) and the CAC (+0.3%) rebounded from earlier losses, ahead of the European Central Bank (ECB) meeting this Thursday.

## THE DAY AHEAD

- We see the upsides sustaining over the near term as local market sentiments are improving, in tandem with the gains in most global indices that will also help to draw in more market players after the recent pullback. Fresh buying looks to re-appear after the lull as market players are likely to take advantage of the more positive market environment to increase their trading activities.
- Nevertheless, we are also in the view that the upsides could be limited by the toppish market conditions which are still to manifesting despite the recent pullback. Hence, we see the near term upsides potentially finding it difficult to get pass the 1,840 level, while on the

downside there remain strong supports at around the 1,800-1,820 levels for now.

- Similarly, we see trading interest regaining ground among the lower liners and broader market shares, albeit we suspect quick profit taking activities may temper with the upsides.

## COMPANY BRIEFS

- **ManagePay Systems Bhd** (MPay) is planning to launch its money-lending business in April 2018, after receiving approval from the moneylenders and pawnbrokers division of the Ministry of Urban Wellbeing, Housing and Local Government on 19th January 2018. The group expects the new business to contribute to its revenue and bottom line in 2018. (The Star Online)
- **Seacera Group Bhd** has been awarded a contract worth RM202.8 mln from Fire Global Development Sdn Bhd to build a residential development with expected Gross Development Value (GDV) of RM242.0 mln in Kampung Air Sejuk, Setiu, Terengganu. The 110.9 ac. government land is registered under Lembaga Tabung Amanah Warisan Negeri Terengganu and will house 989 units of landed houses, which is targeted for government staff. The 60-month project will commence from the building plan approval of the project. (The Edge Daily)
- **Sumatec Resources Bhd**'s business partner, CaspiOilGas LLP has inked a presale gas agreement with Kazakhstan-based NIPIneftegas Consortium (NIPi). The deal entails the sale of 6.2 bln cubic metres of gas to NIPi over 15 years at market prices. NIPi will then convert the gas into petroleum products through proprietary gas-to-liquid technology.
- The proposed capital expenditure (capex)

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for the gas utilisation plan, which is tied to the gas development production agreement between SRB (Sumatec) and COG (CaspiOilGas) will start at US\$60.0 mln (RM236.5 mln) and the total capex of the plant over the period to bring it to full capacity will be US\$360.0 mln. The first phase of the plant operation is expected to start next year. (The Star Online)

- **Pasukhas Group Bhd** is selling a shipment of steam coal to a Taiwanese company for US\$6.4 mln on a free-on-board basis at the anchorage point of South Kalimantan, Indonesia. (The Star Online)
- **UCrest Bhd** returned to the black with a 2QFY18 net profit of RM3.6 mln, from a net loss of RM550,000 last year, boosted by higher revenue from its Russian venture. Quarterly revenue, meanwhile hit record high at RM11.2 mln, from RM61,000 in the previous corresponding year.
- Cumulative 1HFY18 net profit stood at RM6.6 mln, compared with a loss of RM1.1 mln previously, in-tandem with the spike in revenue which jumped more than 66x to RM19.1 mln, from RM283,000 in 1HFY17. (The Edge Daily)
- **MSM Malaysia Holdings Bhd's** President and Group Chief Executive Officer (CEO), Datuk Mohamad Amri Sahari @ Khuzari has left his position after claiming he had been constructively dismissed and will be replaced with Mohd Shaffie Said, effective 22th January 2018.
- Mohd Shaffie is the Chief Technical Officer at MSM and the Project Director of MSM Sugar Refinery (Johor) Sdn Bhd, who will also assume the responsibilities of the President and Group CEO of MSM. (The Star Online)
- **GHL Systems Bhd** will begin offering Alipay payment acceptance services to Philippine in-store and online merchants this month. The roll-out will commence with physical merchants this month and eventually be extended to e-commerce merchants. The Philippines is the third Asean country after Malaysia and Thailand where GHL has tied-up with Alipay to offer a next generation payment option to merchants. (The Edge Daily)
- **UEM Sunrise Bhd** has awarded London-based project management consultant Atkins, a member of the SNC-Lavalin Group, as the winner of the International Land Use Master Planning Competition for Gerbang Nusajaya's Transit-Oriented Development (TOD) plot. Gerbang Nusajaya is the second phase development of Iskandar Puteri - one of seven stations in Malaysia for the Kuala Lumpur-Singapore High Speed Rail (KL-SG HSR) project.
- The Gerbang Nusajaya TOD will be developed in parallel with the Iskandar Puteri HSR station and the group expects to complete the TOD in time for the station to receive its first passengers once the KL-SG HSR becomes operational in 2026. (The Edge Daily)
- **Bright Packaging Industry Bhd's** 1QFY18 net loss widened to RM2.1 mln, from RM243,000 last year, dragged down by lower sales volume as well as realised and unrealised forex losses. Revenue, however, slipped marginally to RM9.7 mln, from RM9.8 mln a year ago. (The Edge Daily)

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