

Market Pulse

Thursday, 02 Apr, 2020

M⁺Online
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Malacca Securities Sdn Bhd

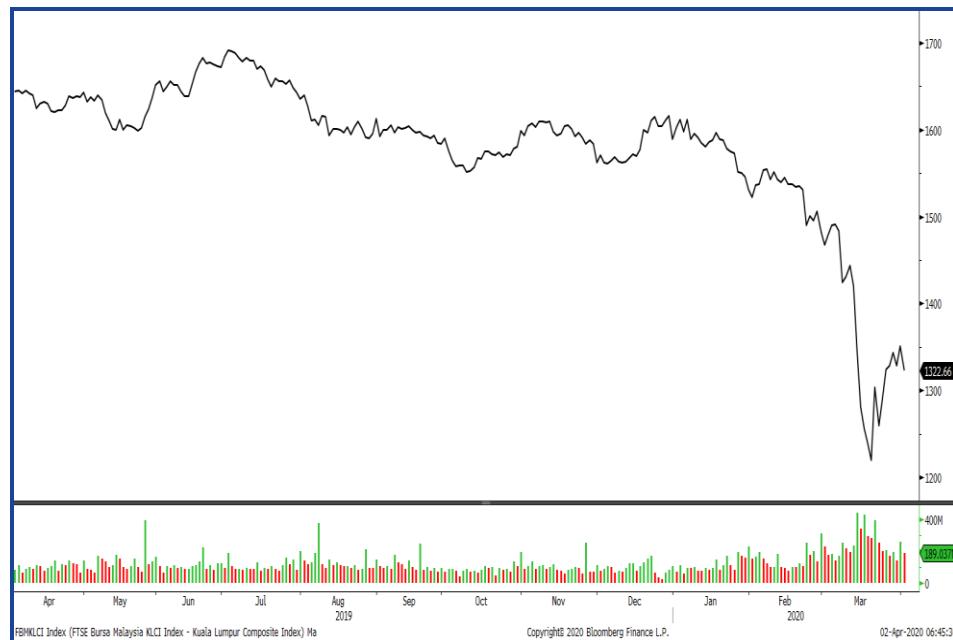
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FBM KLCI – Daily



Market Scorecard

	Close 1-Apr-20	Change %
FBM KLCI	1,322.66	-2.09
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	9,086.18	-1.66
FBM 100	9,008.87	-1.72
FBM Small Cap	9,181.84	-0.29
FBM Fledgling	10,596.93	0.28
FBM ACE	3,893.18	-2.23
FBM Shariah	9,923.39	-1.80
FBM MidS Cap	10,000.72	-0.45
FBM MidS (Shariah)	9,514.78	-0.38
Market Participation		
Trading Volume (mln)	4,740.77	34.51
Trading Value (RM mln)	2,771.42	-3.70
FKLI Spot Futures	1,309.50	-1.69
FKLI Forward Futures	1,302.50	-2.21
Dow Jones	20,943.51	-4.44
S&P 500	2,470.50	-4.41
NASDAQ	7,360.58	-4.41
FTSE 100	5,454.57	-3.83
DAX	9,544.75	-3.94
CAC 40	4,207.24	-4.30
FTSE STI	2,440.27	-1.65
Shanghai Composite	2,734.52	-0.57
Hang Seng Index	23,085.79	-2.19
Nikkei 225	18,065.41	-4.50
WTI Crude Oil (USD)	21.24	4.58
Brent Spot (USD)	24.74	-6.11
Gold (USD)	1,591.42	-0.01
CPO (RM)	2,339.00	-2.62
USD	4.3632	-0.96
GBP	5.3921	-1.49
EURO	4.7757	-0.80
SGD	3.0401	-0.44
YEN	24.6750	1.95

More Pain Ahead

- The FBM KLCI (-2.1%) erased all its' previous session gains following World Bank's move to slash Malaysia's GDP growth to -0.1% Y.o.Y (from +4.5% Y.o.Y) for 2020. The lower liners also finished mostly lower as the FBM Small Cap and FBM ACE shed 0.3% and 2.2% respectively, while broader market closed mostly lower.
- Market breadth turned negative as losers outpaced the gainers on a ratio of 523-to-355 stocks. Traded volumes, however, rose 34.5% to 4.74 bln shares as quick profit taking activities took charge.
- More than two-third of the key index constituents fell, dragged down by Hong Leong Financial Group (-88.0 sen), Petronas Dagangan (-78.0 sen), Nestle (-60.0 sen), Petronas Gas (-44.0 sen) and Hap Seng Consolidated (-42.0 sen).

Significant losers on the broader market include Heineken (-68.0 sen), Fraser & Neave (-46.0 sen), Batu Kawan (-36.0 sen), Dutch Lady (-30.0 sen) and Dufu Technology (-30.0 sen).

- On the other side of the trade, MPI (+23.0 sen), Metrod Holdings (+21.0 sen), Aeon Credit (+20.0 sen), Far East Holdings (+20.0 sen) and C.I. Holdings (+19.0 sen) topped the broader market gainers list. There were only a handful of gainers on the FBM KLCI, namely Sime Darby (+11.0 sen), MISC (+5.0 sen), Genting Malaysia (+2.0 sen) and Genting (+1.0 sen).
- Volatility returns as Asia benchmark indices finished lower with the Nikkei diving 4.5% lower as business sentiment data points to a looming recession. The Hang Seng Index slipped 2.2%, while the Shanghai Composite declined 0.6%.

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Asia stockmarkets, meanwhile, finished mostly lower on Wednesday's close.

- U.S. stockmarkets started off the month on a sluggish note as the Dow sank 4.4% after U.S. President Donald Trump warned of more pain ahead in the depth of the Covid-19 crisis. Similarly, the S&P 500 tumbled 4.4% with all 11 major sectors in the red, while the Nasdaq slipped 4.4%.
- Major European stockmarkets - the FTSE (-3.8%), CAC (-4.3%) and DAX (-3.9%), all took a beating after reversing their previous session gains mirroring the weakness across global markets. Market sentiment was impacted by the intensifying Covid-19 pandemic in the U.S.

- Although the lower liners and broader market started off the day on a upbeat note, quick profit taking emerged throughout the day as investors book their recent gains. With market sentiment turning sluggish again, we reckon that further downside may take place as investors will adopt a wait-and-see approach for the time being.

COMPANY BRIEF

- **Wong Engineering Corporation Bhd** (WEC) plans to acquire a 35.0% stake in a company controlled by its substantial shareholder Ong Yoong Nyock. WEC has entered into a deal to buy a 35.0% stake in Broadway Lifestyle Sdn Bhd (BLSB) for RM875,000. It has also proposed to subscribe up to 14.9 mln new redeemable non-cumulative preference share in BLSB for RM14.9 mln. (The Star)
- **Yinson Holdings Bhd**'s contract from Aker Energy Ghana Ltd to provide a floating production storage and offloading (FPSO) vessel for the latter's Pecan development project in offshore Ghana has been terminated amid the Covid-19 pandemic. Yinson will preserve its right under the letter of intent (LoI) for compensation arising from the termination. (The Edge)
- **Kenanga Investment Bank Bhd** (KIBB) is selling off its wholly-owned Libra Invest Bhd, which it had stripped down for consolidation with its asset management arm towards end-2019, for RM10.8 mln. Libra Invest, formerly the fund management arm of ECM Libra Financial Group Bhd that KIBB acquired for RM50.6 mln in July 2019 is being sold to Ericsenz Partners Sdn

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Bhd. (The Edge)

- **Keck Seng (Malaysia) Bhd** has reported that its hotel operations located in the U.S. and Canada have temporarily closed, following the enforcement of citywide lockdowns. Back home, Keck Seng's Tanjung Puteri Golf Resort in Johor was also affected, but it will continue to service guests who were staying at the resort prior to the Movement Control Order (MCO) imposed by the Government. (The Edge)
- **Genting Bhd**'s associate **Landmarks Bhd** is also temporarily closing its resorts and leisure operations in Malaysia and Indonesia, starting 1st April 2020, as the pandemic caused serious and significant disruption to both domestic and international travels. As at 29th March 2020, Genting has a 27.6% stake in Landmarks. (The Edge)
- **Sapura Energy Bhd** is in discussions with banks to refinance its borrowings and that these lenders are supportive of the company's refinancing plans. Sapura Energy expects to complete the refinancing exercise in 2020. (The Edge)
- **Top Glove Corporation Bhd**, which makes one out of every five gloves in the world, needs to urgently recruit up to 700 more workers as orders in the past few weeks have doubled. The world's biggest maker of medical gloves is grappling with a serious shortage of workers as it tries to meet a huge surge in demand as countries such as the U.S. run out of personal protective gear due to the coronavirus outbreak. (The Edge)
- **Affin Bank Bhd** has appointed Wan Razly Abdullah Wan Ali as its chief executive officer (CEO), replacing Kamarul Ariffin Mohd Jamil who has completed his contract, effective 2nd April 2020. Wan Razly was chief financial officer of **CIMB Group Holdings Bhd**'s Indonesian subsidiary PT Bank CIMB Niaga Tbk for a decade, before returning to Malaysia in 2019, where he assumed the position of regional head of consumer strategic business management at CIMB. (The Edge)
- **Boustead Heavy Industries Corporation Bhd** (BHIC) has appointed Sharifuddin Md Zaini Al-Manaf as its new chief executive officer effective immediately. Sharifuddin has held various roles in the upstream and downstream segments of the oil and gas industry, including at Shell Malaysia. (The Edge)
- Datuk Awang Daud Awang Putera, the co-founder of **Serba Dinamik Holdings Bhd**, has continued to increase his stake in **Minetech Resources Bhd**, following his appointment as the firm's new executive chairman on Tuesday. He now holds 155.8 mln shares or a 16.9% stake in Minetech, up 0.6% from the 150.0 mln shares he owned on the first day he took office. (The Edge)

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