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Previous Day Highlights

FBM KLCI rebounded and surged to its YTD peak, underpinned by the broad-based accumulation. The benchmark index gained 0.66% or 10.76 pts to close at 1,629.82. Majority of sectors were positive with construction (+2.2%), property (+1.3%), and technology (+1.2%), leading the gains; while losers were seen in energy (-1.4%), and transportation (-0.6%). Market breadth was positive with 738 gainers against 491 losers. Total volume stood at 5.36bn shares valued at RM3.95bn.

Major regional indices trended mixed following the weaker than expected GDP growth in China. HSI tumbled 1.52%, to end at 18,015.94. SHCOMP advanced 0.09%, to close at 2,974.01. STI added 0.06%, to close at 3,499.89. Meanwhile, Nikkei 225 closed for Marine Day.

Wall Street continue to climb after the failed attempt on former President Donald Trump. The DJIA climbed 0.53%, to end at 40,211.72. Nasdaq jumped 0.40%, to close at 18,472.57. S&P500 rose 0.28%, to finish at 5,631.22.



Our Thoughts

Wall Street closed on another record high following a failed assassination attempt on Trump and that funds are broadening to other stocks to sustain prevailing bull-run. Meanwhile, Fed chair Jerome Powell stated that the Federal Reserve may not have to wait for inflation to hit 2% to cut rates. As such, the DJIA added 211 points while the Nasdaq gained 74 points as the US 10-year yield edged higher at 4.23%. Over in Hong Kong, the HSI slipped almost 280 points to end at just above the 18,000 level after China's 2Q GDP growth came in lower than expected. In addition, Trump now being the favourite to become the US next president has put China requiring more easing policies to boost domestic demand. Back home, the FBM KLCI performed strongly despite failure to stay above the 1,630 mark. Nonetheless, we noticed buyers are returning as daily volume surpassed the 5bn shares mark thus expect prevailing uptrend to persist. For today, we anticipate the index to possibly break the 1,630 level decisively and hover within the 1,630-1,640 range.



News For The Day

WCT bags RM214m construction contract

WCT Holdings has accepted a letter of award issued by Kwasa Land SB for infrastructure works at the Kwasa Damansara Township Development, Selangor, worth RM214m. The contract pertains to the proposed construction and completion of common infrastructure works (Phase 1) and new vehicular underpass at the Kwasa Damansara Township Development. The works under the contract are expected to be completed within 30 months from Aug 1, the date of possession. -*The Star*

UUE bags contracts valued at RM26.93m

UUE Holdings' wholly-owned subsidiary Kum Fatt Engineering SB has secured two contracts for the installation of underground cables and accessories valued at a combined RM26.93m. The contracts were awarded by Komasi Engineering SB and Sutera Utama SB respectively for the installation, testing and commissioning of 11kV aluminium XLPE underground cables and accessories for asset development (North Zone), distribution network division, Tenaga Nasional. Both contracts have a 730-day period from the commencement date with an option to extend for another 365 days. -*The Star*

Citaglobal to set up SPV with China govt-linked unit

Citaglobal has entered into a joint development framework agreement (JDFA) with Shanghai SUS Environment Co Ltd, a China government-linked entity, to develop waste-to-energy projects in Pahang. It said the collaboration will focus on converting municipal waste into green energy and developing agricultural waste such as empty fruit bunches and palm oil sludge into biomass energy. -*The Edge Markets*

Advancecon inks JV with Perak govt to develop CLQs

Advancecon Holdings through its wholly owned subsidiary Advancecon Ventures SB is working with the Perak government for the development, construction, operation, management, and maintenance of centralised labour quarters (CLQs) in the state, with the aim of addressing the increasing demand from industrial manufacturers for workers' accommodation. Advancecon Ventures will retain a 70% stake in the JV company, CLQ Silvervalley SB, while Perak Equity will hold the remaining 30% stake. -*The Edge Markets*

PMBT disposes of Klang land for RM79m

PMB Technology is disposing of a piece of leasehold land measuring 113,312 sq metres in Klang, Selangor to Knauf SB for RM79.28m. The proposed disposal is expected to contribute a net gain of approximately RM51m to the group. -*The Star*



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All buy calls are based on the research team's judgement. Investing is risky and trading is at your own risk. We advise investors to:

- read and understand the contents of the disclosure document or any relevant agreement or contract before investing;
- understand the risks involved in relation to the product or service;
- compare and consider the fees, charges and costs involved; and
- make your own risk assessment and seek professional advice, where necessary.

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