

# Market Pulse

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**M+Online**  
Equipping Traders For The Win

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## FBM KLCI – Daily



## Market Scorecard

	Close 2-Apr-19	Change %
FBM KLCI	1,632.83	0.26
52-W High	1,896.03	
52-W Low	1,626.93	
FBM EMAS	11,511.04	0.27
FBM 100	11,357.98	0.26
FBM Fledgling	15,456.78	0.08
FBM Small Cap	12,823.22	0.36
FBM ACE	4,837.11	0.27
FBM Shariah	11,678.86	0.05
Volume (mln)	2,755.62	4.78
Value (RM mln)	1,974.47	0.41

  

Market Participation	%	Net (RM mln)
Institution	N/A	N/A
Retail	N/A	N/A
Foreign	N/A	N/A

## Base Building Ahead

- The local key-index closed up by 0.3% on Tuesday, helped by bargain-hunting in selected banking heavyweights and positive sentiment spilled over from Wall Street overnight. All the lower liners advanced, with the FBM Small Cap (+0.4%) at the helm, while the broader market closed mixed.
- Market breadth remained positive as winners exceeded losers on a ratio of 433-to-363 stocks, while traded volumes grew by 4.8% to 2.76 bln as upbeat economic data from the U.S. and China eased concerns of weaker global growth.
- Notable front liners that advanced on the Main Board were Nestle (+RM1.10), Public Bank (+22.0 sen), Maxis (+16.0 sen), Petronas Dagangan (+14.0 sen) and Genting (+10.0 sen). Broader market players like Heineken Malaysia (+46.0 sen), MBM Resources (+15.0

sen), Daiboci (+12.0 sen) and Globetronics (+11.0 sen) also advanced, alongside Coastal (+11.0 sen) after announcing three new charter contracts worth RM28.0 mln.

- On the downside, decliners were Vitrox (-11.0 sen), Tasco (-10.0 sen), United Malacca (-10.0 sen), UEM Edgenta (-8.0 sen) and Leon Fuat Bhd (-8.0 sen). Significant underperformers include IHH Healthcare (-15.0 sen), Sime Darby Plantation (-6.0 sen), Tenaga Nasional (-4.0 sen), Malaysia Airports (-3.0 sen) and Petronas Chemicals (-2.0 sen).
- Japanese equities were splashed in the red, alongside its key-index as the Nikkei flatlined due to mild profit-taking activities. Both the Shanghai Composite and the Hang Seng index, however, added 0.2% each as investors cheered improved economic health, alongside majority of the ASEAN stockmarkets.

Futures		
FKLI Spot	1,629.00	-0.06
FKLI Forward	1,629.00	-0.06

Foreign		
Dow Jones	26,179.13	-0.30
S&P 500	2,867.24	0.00
NASDAQ	7,848.69	0.25
FTSE 100	7,391.12	1.01
DAX	11,754.79	0.62
CAC 40	5,423.47	0.33
FTSE STI	3,279.78	0.90
Shanghai Composite	3,176.82	0.20
Hang Seng Index	29,624.67	0.21
Nikkei 225	21,505.31	-0.02

Commodities		
WTI Crude Oil (USD)	62.46	-0.19
Brent Spot (USD)	69.37	0.52
Gold (USD)	1,292.37	-0.01
CPO (RM)	2,153.00	1.89

Currency		
USD	4.0848	-0.12
GBP	5.3268	0.25
EURO	4.5739	0.33
SGD	3.0115	0.09
YEN	27.2720	-0.25

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- Key U.S. stockmarkets ended mixed on Tuesday as investors took a breather from the strong rally on Monday and digested losses in Walgreens Boots due to disappointing quarterly earnings. The Dow finished 0.3% lower, while the S&P 500 flatlined. The Nasdaq (+0.3%), however, eked-out gains, buoyed by Facebook.
- European equities scaled fresh highs in six months in-tandem with gains in autos and insurance providers. The FTSE (+1.0%) extended its gains, boosted by export-reliant counters that are expected to benefit from the weakening Pound amid the ongoing Brexit turmoil, while the CAC added 0.3%. The DAX (+0.6%) also advanced, on the back of gains in auto-related stocks like Continental AG and Bayerische.

## THE DAY AHEAD

- Expectedly, the key index made minor headway yesterday as bargain hunting activities helped to provide some reprieve for the market from its recent slide. However, with the gains seen as largely measured, the FBM KLCI is still rooted in a downward trend.
- Over the near term, however, we see further minute gains as the key index could now attempt to build up a base at the current levels as the selling pressure eases. The overall buying strength, however, remains weak and this could again temper the potential gains for now. Hence, we see the key index attempting to build up a base around the 1,630-1,635 levels with the recent low of 1,628 providing the support for now. The resistances, meanwhile, are at 1,640 and 1,647 respectively.
- We continue to think that the FBM Small Cap, Fledgling and ACE Market stocks will

head higher and buck the indifferent trend among the index-linked stocks as valuations remain compelling among the the broader market and lower liner stocks. This will continued to draw retail players into the above listed stocks and to provide the bright spot on Bursa Malaysia.

## COMPANY BRIEF

- **Globaltec Formation Bhd** has secured an investment for a 51.0% stake in its Australian-listed subsidiary, NuEnergy Gas Ltd, from Saujana E&P Sdn Bhd via a share placement valued at A\$38.5 mln (RM111.4 mln). The proposed placement will see Saujana E&P taking up 1.54 bln new NuEnergy shares or a 51.0% stake in the enlarged share capital of the company at a placement price of AUD\$0.025 each.
- Although the Proposed NuEnergy Placement will result in a dilution of more than 25.0% shareholding in the principal subsidiary, the Board of Directors of Globaltec is of the opinion that the Proposed NuEnergy Placement will enable fresh new funds into the Energy segment of the Group and will facilitate and expedite the development and commercialisation of the unconventional gas production of the Energy segment and thus enabling, realising and expediting future income accretion to the Group. The proposed placement is subject to the approval of the shareholders of Globaltec and NuEnergy. (The Star Online)
- **Comintel Corp Bhd** will be facing a suspension from 8th April 2019 if the company fails to submit its 4QFY19 financial statements by 5th April 2019. The company failed to submit its fourth quarter report for public release within the stipulated timeframe by 31st March

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2019 as per Bursa Securities' Main Market Listing Requirement. (The Star Online)

- **Avillion Bhd's** former Group Managing Director, See Ah Sing has been appointed back into the same role after retiring from the position two years ago. The hotel operator has redesignated him from Executive Director. Meanwhile, Yulina Baharuddin has resigned as Non-Independent Director due to personal reasons. (The Edge Daily)
- **Sime Darby Bhd** disposed of a 53.0% stake in Sime Kubota Sdn Bhd to Kubota Corporation for RM25.9 mln. Following the disposal, Sime Kubota is a 40% associate company of Sime Darby. (The Edge Daily)
- **Pentamaster Corp Bhd** has proposed a one-for-two bonus issue of up to 158.3 mln new shares to be undertaken on a date to be determined later. (The Edge Daily)
- **Sanbumi Holdings Bhd** has inked a joint venture agreement with Iconic Development Sdn Bhd (IDSB) for the proposed mixed development comprising shop lots, offices and a budget hotel, based in Seberang Perai, Penang. Sanbumi shall facilitate the implementation and completion of the development project name Iconic Point and it has an estimated gross development value of RM127.8 mln that is expected to commence in July 2019 and be completed by June 2021.
- It said in order for Sanbumi to participate in the development project, it shall pay IDSB an upfront participation fee of RM18.0 mln which shall be satisfied via the proposed issuance of 57.3 mln Redeemable Convertible Preference Shares, at an issue price of 31.4 sen each.
- Sanbumi is also proposing to raise an estimated RM22.0 mln via the issuance of 74.7 mln special issue shares at an indicative issue price of 29.5 sen, representing 30.0% of the group's existing share capital to independent third party investor to be identified. The estimated proceeds is expected to fund the development cost of the project as well as finance the expenses in relation to the proposals. (The Edge Daily)
- **Petronas Chemicals Group Bhd's** (PetChem) 50.0%-owned Pengerang Petrochemical Company Sdn Bhd (PPC) has executed the first phase of financing from various export credit agencies (ECAs) and banks for the repayment of a US\$1.00 bln bridge loan. The unit had procured the first phase of the project financing amounting to US\$400.0 mln from various ECAs and commercial banks of which the financing document for the US\$200.0 mln was executed on 1st April 2019.
- The subsequent financing document for US\$200.0 mln is expected to be executed by end-April 2019. The remaining project financing of US\$600.0 mln under phase 2 is expected to be executed by June 2019, bringing the total project financing amount to US\$1.00 bln with a tenure of 15.5 years. (The Edge Daily)

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