

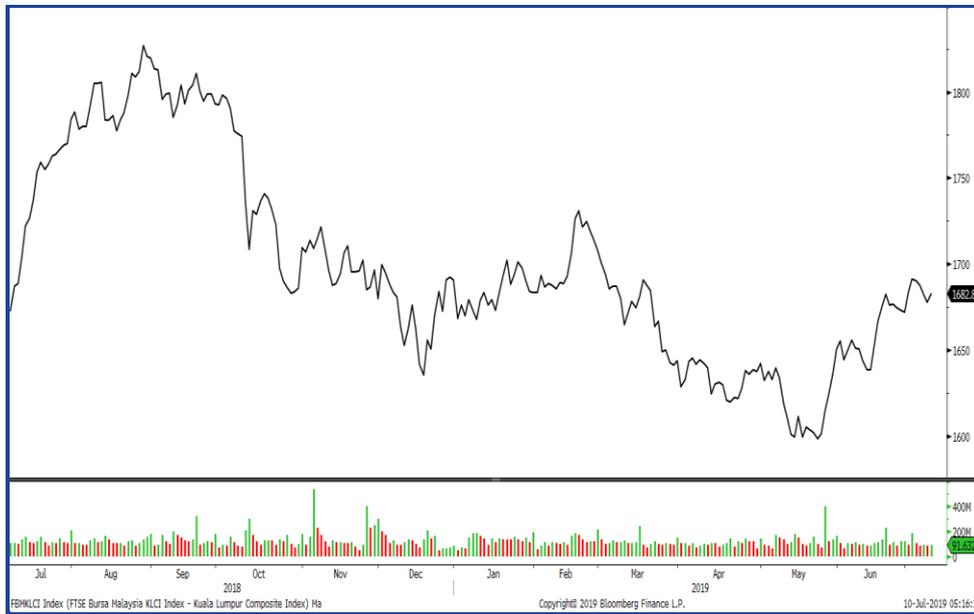
Market Pulse

Wednesday, 10 Jul, 2019

M+Online
Equipping Traders For The Win

Malacca Securities Sdn Bhd
(A Participating Organisation of Bursa Malaysia Securities Berhad)
Hotline: 1300 22 1233
Email: support@mplusonline.com.my
Website: www.mplusonline.com.my

FBM KLCI – Daily



Market Scorecard

	Close 9-Jul-19	Change %
FBM KLCI	1,682.87	0.31
52-W High	1,826.90	
52-W Low	1,572.03	
FBM EMAS	11,909.67	0.36
FBM 100	11,745.14	0.35
FBM Fledgling	14,777.09	-0.14
FBM Small Cap	13,481.97	0.55
FBM ACE	4,625.96	0.96
FBM Shariah	12,297.17	0.52
Volume (mln)	2,410.08	13.43
Value (RM mln)	1,723.73	2.60

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

Indecisive Direction Ahead

- The key index rebounded into the positive region after four consecutive session of decline, closing 0.3% higher than yesterday. The FBM Small Cap (+0.6%) and FBM ACE (+1.0%) traced the positive sentiment, but the FBM Fledgling fell 0.1% as all broader market stock also finished in the green.
- Market breadth was even with 402 negative stocks traded marginally over 401 winner stocks. Traded volumes increased 13.4% to 2.41 bln shares as investors took advantage of lower prices to commence bargain hunting activities.
- All but three blue chip components were positive, spearheaded by IHH Healthcare (+5.0 sen), followed by Sime Darby Plantations (+5.0 sen), Hong Leong Bank (+4.0 sen), Kuala Lumpur Kepong (+4.0 sen) and AmBank (+2.0 sen). Among the biggest winners on the broader market include KESM Industries (+48.0 sen), British American Tobacco (+38.0 sen), Panasonic Manufacturing (+32.0 sen), Carlsberg (+20.0 sen) and Yinson (+20.0 sen).
- Biggest losers in the broader market included United Plantations (-22.0 sen), Ajinomoto (-14.5 sen), Malaysian Pacific Industries (-12.0 sen), Can-One (-10.0 sen) and MB World Group (-9.0 sen). On the Main Index, there were only three stocks in the red which were CIMB Bank (-3.0 sen), Genting Group (-2.0 sen) and RHB Bank (-2.0 sen).
- Asia's benchmark indices remained mostly in the red as the Hang Seng Index further slid 0.8% following another round of protest over the weekend, while the Shanghai Composite dropped 0.2%. However, the Nikkei recovered its losses and gained 0.1% despite the restrictions of high tech exports from the country to South Korea. ASEAN

Futures

FKLI Spot	1,683.50	0.30
FKLI Forward	1,684.00	0.36

Foreign

Dow Jones	26,783.49	-0.08
S&P 500	2,979.63	0.12
NASDAQ	8,141.73	0.54
FTSE 100	7,536.47	-0.17
DAX	12,436.55	-0.85
CAC 40	5,572.10	-0.31
FTSE STI	3,329.46	-0.14
Shanghai Composite	2,928.23	-0.18
Hang Seng Index	28,116.28	-0.76
Nikkei 225	21,565.15	0.14

Commodities

WTI Crude Oil (USD)	58.34	1.18
Brent Spot (USD)	64.49	0.59
Gold (USD)	1,397.65	0.00
CPO (RM)	1,942.00	-0.15

Currency

USD	4.1417	-0.05
GBP	5.1677	0.44
EURO	4.6408	0.22
SGD	3.0419	0.12
YEN	26.2830	-0.41

Disclaimer

This report is prepared exclusively for Malacca Securities Sdn Bhd's (MSSB) clients and is not intended to be distributed to any other party in any form or manner. All information, assumptions, estimates and opinions contained in this report is based on available data and the information is believed to be reliable at the time of writing. MSSB and/or its associated persons does not warrant, represent and/or guarantee the accuracy of any opinions and information herein in any manner whatsoever and no reliance upon the report and/or any parts thereof by anyone shall give rise to any claim whatsoever against MSSB. This report is for information purposes only and shall not be construed as an offer, invitation or solicitation to buy or sell the securities or any related investment or financial instruments mentioned in this report. MSSB and/or its associated persons may from time to time have an interest in the securities mentioned herein.

stockmarkets, meanwhile, closed mostly lower yesterday.

- U.S stockmarkets was mixed on Tuesday as the Dow slid another 0.1%, while on the broader market, both the S&P 500 (+0.1%) and the Nasdaq (+0.5%) ended higher as gains in tech-related shares offset worries about a weakening in the earnings outlook.
- Key European benchmark indices continued their downtrend as the FTSE (-0.2%), CAC (-0.3%) and DAX (-0.9%) slid further amid effects of the U.S-China trade war as European blue chips anticipate cuts in their earnings forecasts.

THE DAY AHEAD

- Stocks surprised on the upside yesterday on institutional support on the key index helped to nullify some technical weakness. However, the underlying market tone is still one of cautiousness in view of the lack of direction and still toppish valuations.
- As a consequence, we continue to think that further upsides will be more difficult to come by unless there are improvements in the corporate Malaysia's fundamental outlook. In the interim, there appears to be continuing support on the index-linked stocks and this is likely to see the key index remaining rangebound and toppish for longer as there is also little selling pressure. The supports are at 1,680 and 1,670 respectively, while the resistances are at the 1,687 and 1,690 levels.
- The lower liners have also made a quick rebound, but also keeping the FBM Small Cap and FBM ACE indices in the overbought zone. Again, we see the overbought conditions leaving little room

for further near term upsides and that a consolidation is again due.

COMPANY BRIEF

- **Aeon Credit Service (M) Bhd** will be sued by the government to recover unpaid taxes due for the seven years of assessment from 2010 to 2016.
- The amount of unpaid taxes was not revealed but in December 2017, the company was slapped with a demand for RM96.8 mln in additional assessment with penalties by the Inland Revenue Board for the same period of assessment. (The Edge Daily)
- **IJM Corp Bhd** is planning to seek "appropriate legal redress" after it was terminated as the contractor for the underground package of the Light Rail Transit Line 3 (LRT3) project.
- The group received the notice of termination from the LRT3 turnkey contractor MRCB George Kent Sdn Bhd (MRCBGK) that noted that the termination was due to the project being remodelled from a project delivery partnership model to a fixed price contract model, pursuant to the direction of the government.
- To recap, the group secured the project worth RM1.12 bln on 13th March last year and preliminary works had commenced before the project was suspended in June 2018. (The Edge Daily)
- **YTL Power International Bhd's** 60.0%-owned unit, YTL Communications Sdn Bhd has come out to refute allegations raised by the Ministry of Education (MoE) to reject its service in relation to the 1BestariNet project.

Disclaimer

This report is prepared exclusively for Malacca Securities Sdn Bhd's (MSSB) clients and is not intended to be distributed to any other party in any form or manner. All information, assumptions, estimates and opinions contained in this report is based on available data and the information is believed to be reliable at the time of writing. MSSB and/or its associated persons does not warrant, represent and/or guarantee the accuracy of any opinions and information herein in any manner whatsoever and no reliance upon the report and/or any parts thereof by anyone shall give rise to any claim whatsoever against MSSB. This report is for information purposes only and shall not be construed as an offer, invitation or solicitation to buy or sell the securities or any related investment or financial instruments mentioned in this report. MSSB and/or its associated persons may from time to time have an interest in the securities mentioned herein.

- The group said that the MoE had failed to follow the contract phase award process, as laid out in the project documents, including the joint-review of the project performance, changes in technology, basic educational needs and price prior to the expiry of each phase and before parties reach agreement on the next phase. (The Edge Daily)

Debt-laden PN17 firm **Barakah Offshore Petroleum Bhd** has been notified by national oil firm Petroliam Nasional Bhd (Petronas) that its unit's licence has been suspended. The was due to the non-performance of Barakah's unit in-relation to the contract for the provision of underwater services.
- Consequently, Petronas has decided to suspend Barakah's licence for a period of three years with effect from the date of the letter. (The Edge Daily)
- **Asdion Bhd** has proposed to undertake a capital reduction to cancel RM30.8 mln of its issued share capital, to eliminate the company's accumulated losses as the group has been in the red since 2009.
- Meanwhile, accumulated losses as at 31st March 2019 stood at RM31.6 mln and will be reduced to RM964,184 after the proposed exercise. (The Edge Daily)
- **Pensonic Holdings Bhd** is disposing its commercial property in Petaling Jaya, for RM19.5 mln cash. The cash proceeds will be used to pare borrowings (RM10.0 mln) and reduce them to 0.6x, from 0.7x as at end-May 2018. Another RM9.2 mln will be used for working capital.
- The disposal is part of its asset rationalisation exercise to unlock and realise the increase in value of its landed assets, including the property, to improve the overall financial position of the entire group. (The Edge Daily)
- **TFP Solutions Bhd** has signed a product co-branding agreement with mobile virtual network operator, Tune Talk Sdn Bhd. The agreement with Tune Talk will facilitate the promotion and marketing activities of the Tune Talk's product and services through TFP's co-branded mobile fintech product - OneCALL.
- OneCall, which targets the "un-banked" population (people without bank accounts) in Malaysia, contains unique features such as remittance, virtual ATM, game PINS, Lifestyle tools, Bill Payments, as well as a B40 entrepreneur programme. (The Edge Daily)
- **PUC Bhd** is looking to explore opportunities to participate in the digital or virtual banking business, ahead of Bank Negara Malaysia's announcement on the digital banking framework. The group is also open to discussing with more parties so as to offer its micro-financing service which is due for launch this year. (The Edge Daily)

Disclaimer

This report is prepared exclusively for Malacca Securities Sdn Bhd's (MSSB) clients and is not intended to be distributed to any other party in any form or manner. All information, assumptions, estimates and opinions contained in this report is based on available data and the information is believed to be reliable at the time of writing. MSSB and/or its associated persons does not warrant, represent and/or guarantee the accuracy of any opinions and information herein in any manner whatsoever and no reliance upon the report and/or any parts thereof by anyone shall give rise to any claim whatsoever against MSSB. This report is for information purposes only and shall not be construed as an offer, invitation or solicitation to buy or sell the securities or any related investment or financial instruments mentioned in this report. MSSB and/or its associated persons may from time to time have an interest in the securities mentioned herein.