

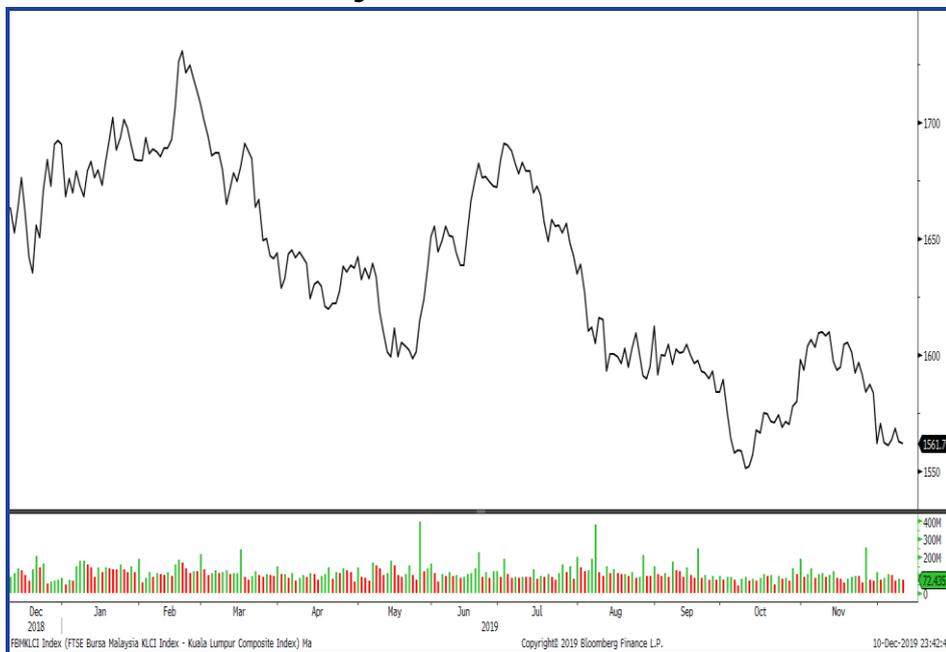
Market Pulse

Wednesday, 11 Dec, 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 10-Dec-19	Change %
FBM KLCI	1,561.79	-0.06
52-W High	1,732.27	
52-W Low	1,548.45	
FBM EMAS	11,110.73	0.01
FBM 100	10,911.42	0.01
FBM Fledgling	14,946.53	0.04
FBM Small Cap	13,779.96	0.07
FBM ACE	4,920.03	0.68
FBM Shariah	11,705.10	0.04
FBM MidS Cap	15,037.89	0.40
FBM MidS (Shariah)	14,148.41	0.23
Market Participation		
Trading Volume (mln)	2,664.3	1.9
Trading Value (RM mln)	1508.4	-7.1
FKLI Spot Futures	1,562.00	0.26
FKLI Forward Futures	1,564.50	0.29

Still Marking Time

- The FBM KLCI extended its losing streak for a second-straight day, weighed down by Petronas-linked counters and weaker crude oil prices. All the lower liners, however, bucked the prevailing negative sentiment and closed with minor gains, while the broader market ended mixed.
- Market breadth was downbeat as losers continued to hold the upper hand against the winners, while traded volumes inched up by 1.9% to 2.66 bln shares as investors retreated to the sidelines following the lack of fresh developments on the U.S.-China initial trade deal.
- Heavyweights like Petronas Dagangan (+34.0 sen), Nestle (+20.0 sen), Hong Leong Financial Group (+18.0 sen), Top Glove (+8.0 sen) and Genting (+6.0 sen) rallied, buoyed by last-minute buying-support. Other broader market gainers include Panasonic Manufacturing (+70.0 sen), Heineken Malaysia (+30.0 sen), Quality Concrete (+29.5 sen), KESM Industries (+15.0 sen) and QL Resources (+13.0 sen).
- Dutch Lady (-52.0 sen) reversed Monday's gains and closed lower, followed by Hong Leong Industries (-34.0 sen), Carlsberg (-22.0 sen), LPI Capital (-22.0 sen) and BAT (-20.0 sen). Key-index laggards, meanwhile, were Kuala Lumpur Kepong (-32.0 sen), Petronas Gas (-18.0 sen), Public Bank (-6.0 sen), Petronas Chemicals (-5.0 sen) and CIMB Bank (-4.0 sen).
- The majority of Asian shares finished lower as unresolved trade uncertainties kept investors on the edge. The Shanghai Composite clawed back earlier

Dow Jones	27,881.72	-0.10
S&P 500	3,132.52	-0.11
NASDAQ	8,616.18	-0.07
FTSE 100	7,213.76	-0.28
DAX	13,070.72	-0.27
CAC 40	5,848.03	0.18
FTSE STI	3,162.89	-0.53
Shanghai Composite	2,917.32	0.10
Hang Seng Index	26,436.62	-0.22
Nikkei 225	23,410.19	-0.09
WTI Crude Oil (USD)	59.10	-0.24
Brent Spot (USD)	64.34	0.14
Gold (USD)	1,464.38	0.00
CPO (RM)	2,903.00	0.03
USD	4.16	-0.10
GBP	5.48	0.00
EURO	4.6076	-0.08
SGD	3.0605	-0.06
YEN	26.0980	-0.10

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.

losses and eked-out gains, tracking the tepid IPO debut of Postal Savings Bank of China on the Shanghai Stock Exchange. The Nikkei (-0.1%) and the Hang Seng Index (-0.2%), meanwhile, were in the red, alongside most of the ASEAN stockmarkets.

- Wall Street took the backseat again, driven by persisting trade uncertainties ahead of key interest rates decisions by the U.S. Federal Reserve and the ECB. The Dow, S&P500 and the Nasdaq all finished 0.1% lower on Tuesday.
- U.K. stocks were mainly in the red as the FTSE fell 0.3%, weighed down by the extended rally in the Pound and losses in equipment rental provider Ashtead, following weaker prospects amid challenging business conditions. The DAX also weakened by 0.3%, although the CAC persevered after reversing all its intra-day losses, closing with minor gains.

THE DAY AHEAD

- With stocks dithering yesterday as anticipated, the near term outlook is little changed with the key index likely to remain rangebound over the near term, awaiting for a decision on higher tariffs on China made goods by the U.S., ahead of the mid-month deadline.
- As a consequence, we see FBM KLCI listed stocks to continue marking time as there are also few noteworthy leads for market players to follow, thereby keeping market interest subdued for longer. Apart from the lack of leads, there is also sustained wariness over the key index's near term direction due to the still net selling by foreign funds that could also curtail the strength of any potential window dressing activities later in the month. In the interim, we expect the key

index to maintain its stance within the 1,560 and 1,570 levels in the absence of firmer buying interest. The other support and resistance levels are at 1,550 and 1,580 respectively.

- The lower liners and broader market shares are also marking time, albeit they are still attracting rotational interest that could keep the FBM KLCI, FBM ACE and FBM Fledgling indices afloat for longer. Still, further significant gains are difficult to come by as retail participation remains on the thin side that could curtail the lower liners and broader market share's upside potential, in our view.

COMPANY BRIEF

- Qatar Investment Authority (QIA) sold 74.0 mln units in **Pavilion Real Estate Investment Trust (REIT)** for RM125.8 mln. The sale was executed in an off-market deal at RM1.70 each, which was seven sen lower from 9th December 2019 close of RM1.77. QIA owns 35.6% of Pavilion REIT, prior to the 2.4% stake disposal. (The Star Online)
- Shareholders of **TSR Capital Bhd** gave the nod for the related-party disposal of 70.0% in its 17-storey flagship Menara TSR to a company linked to its Deputy Executive Chairman, Tan Sri Lim Kang Yew. All shareholders approved the 70.0% stake sale in U-Ni Magna Sdn Bhd for RM18.6 mln cash to Ivory Code Sdn Bhd, in which Lim owns 25.0%.
- U-Ni Magna is the owner of 14 floors within the four-year-old Menara TSR, located in Mutiara Damansara. TSR will continue to own 30% in U-Ni Magna, on which Ivory Code has a call option to acquire in a three-year period for RM8.0 mln. The consideration for both the 70% and the optional 30% – of RM26.6 mln represents a premium of approximately

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.

13.5% to U-Ni Magna's adjusted net asset of RM23.4 mln as at 30th June 2019. The proceeds will be used for working capital. (The Edge Daily)

- Passengers who passed through **Malaysia Airports Holdings Bhd's** (MAHB's) network of airports including the group's Turkey Istanbul Sabiha Gokcen International Airport (ISG), grew 6.1% Y.o.Y in November 2019 to 11.5 mln. MAHB's Malaysian airports alone saw 4.7% Y.o.Y growth in passenger movements to 8.6 mln in November 2019. ISG, meanwhile, saw passenger traffic rising 10.2% Y.o.Y to 2.9 mln. (The Edge Daily)
- **Bermaz Auto Bhd's** 2QFY20 net profit sank 72.4% Y.o.Y to RM20.4 mln, largely due to lower contribution from domestic operations as well as from its associate company, Mazda Malaysia Sdn Bhd. Revenue for the quarter fell 33.8% Y.o.Y to RM457.2 mln.
- For 1HFY20, cumulative net profit declined 42.9% Y.o.Y to RM70.9 mln. Revenue for the period slipped 15.6% Y.o.Y to RM992.2 mln. A dividend of 2.8 sen per share for the quarter was announced. (The Edge Daily)
- **Magni-Tech Industries Bhd's** 2QFY20 net profit gained 28.7% Y.o.Y to RM29.9 mln, amid higher revenue and lower operating costs. Revenue for the quarter rose 17.8% Y.o.Y to RM301.3 mln.
- For 1HFY20, cumulative net profit climbed 33.5% Y.o.Y to RM60.4 mln. Revenue for the period added 18.7% Y.o.Y to RM628.7 mln. (The Edge Daily)
- **AMMB Holdings Bhd** and its subsidiary AmBank Islamic Bhd have appointed solicitors to fight the suit filed by former Prime Minister, Datuk Seri Najib Razak, in relation to the handling of his current accounts with AmBank Islamic. The bank

confirmed it has been served with a writ and statement of claim by Najib on 9th December 2019 and that Najib is seeking damages in relation to the conduct of his accounts. (The Edge Daily)

- **LFE Corp Bhd** has won a RM19.1 mln contract to undertake structural works for the carpark and podium of a service apartment in Damansara. The letter of award was from Shiangly Athens Park Sdn Bhd. The nine-month contract is estimated to be completed by 15th June 2020. (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.