

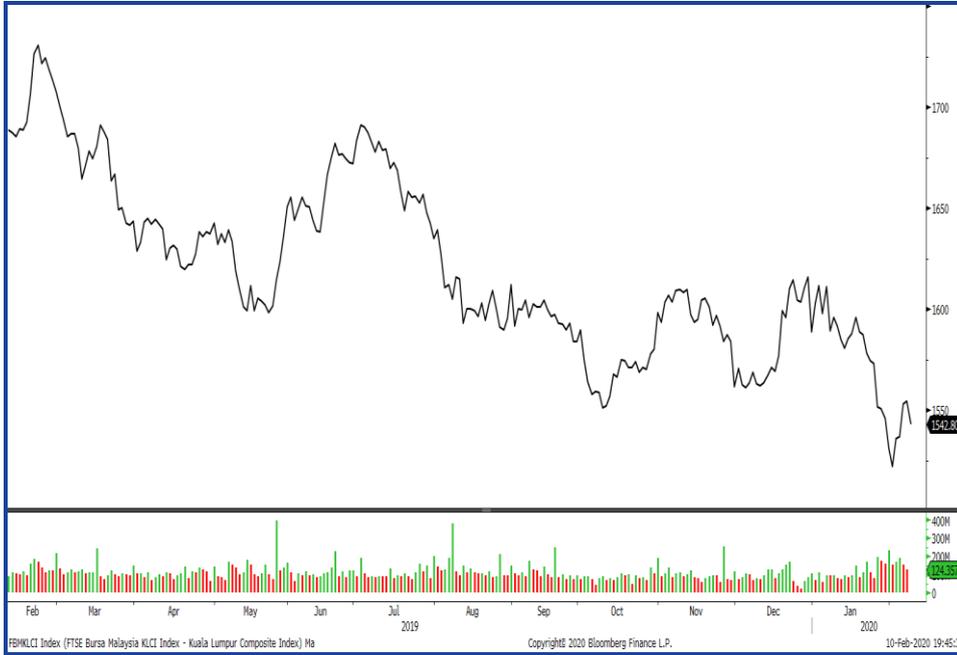
Market Pulse

Tuesday, 11 Feb, 2020

M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Market Scorecard

	Close 10-Feb-20	Change %
FBM KLCI	1,542.80	-0.75
52-W High	1,732.27	
52-W Low	1,517.61	
FBM EMAS	10,980.94	-0.72
FBM 100	10,782.44	-0.72
FBM Fledgling	14,778.22	-0.78
FBM Small Cap	13,636.38	-0.63
FBM ACE	5,518.89	-0.05
FBM Shariah	11,682.84	-0.71
FBM MidS Cap	15,001.67	-0.95
FBM MidS (Shariah)	14,311.10	-0.84
Market Participation		
Trading Volume (mln)	2,415.85	-11.86
Trading Value (RM mln)	1,915.12	-11.75
FKLI Spot Futures	1,544.00	-0.58
FKLI Forward Futures	1,537.00	-0.58

Still Wary

- The FBM KLCI (-0.8%) snapped a four-day winning streak as the key index started off the week on a dour tone alongside with the weakness across its regional peers. The lower liners - the FBM Small Cap (-0.6%), FBM Fledgling (-0.8%) and FBM Ace (-0.1%), while only the REIT and healthcare sector outperformed the negative broader market, rising 0.7% each.
- Market breadth stayed negative as losers outpaced the gainers on a ratio of 597-to-285 stocks. Traded volumes declined 11.9% to 2.42 bln shares amid the negative market sentiment.
- More than two third of the key index components fell, dragged down by Hong Leong Financial Group (-96.0 sen), followed by Tenaga (-24.0 sen), Malaysia Airport Holdings (-10.0 sen), MISC (-10.0 sen) and CIMB (-8.0 sen).

Amongst the biggest decliners on the broader market were Heineken (-70.0 sen), KESM Industries (-66.0 sen), MPI (-44.0 sen), Carlsberg (-42.0 sen) and Panasonic (-30.0 sen).

- In contrast, Allianz (+50.0 sen), BAT (+54.0 sen), Shangri-La (+31.0 sen), Fraser & Neave (+30.0 sen) and UWC Holdings (+22.0 sen) led the broader market winner list. Willowglen added 0.5 sen after bagging a three-year contract in Singapore. Meanwhile, Nestle (+70.0 sen), Hartalega (+13.0 sen), Petronas Dagangan (+8.0 sen), Top Glove (+8.0 sen) and Hong Leong Bank (+6.0 sen) advanced on the local bourse.
- Major Asian equities finished lower on Monday as the Nikkei and Hang Seng Index extended their losses by 0.6% each on the back of the growing concern over the coronavirus impact on

Dow Jones	29,276.82	0.60
S&P 500	3,352.09	0.73
NASDAQ	9,628.39	1.13
FTSE 100	7,446.88	-0.27
DAX	13,494.03	-0.15
CAC 40	6,015.67	-0.23
FTSE STI	3,163.15	-0.58
Shanghai Composite	2,890.49	0.51
Hang Seng Index	27,241.34	-0.59
Nikkei 225	23,685.98	-0.60
WTI Crude Oil (USD)	49.76	0.38
Brent Spot (USD)	53.27	-2.20
Gold (USD)	1,572.31	0.01
CPO (RM)	2,754.00	-2.10
USD	4.1470	-0.18
GBP	5.3466	0.03
EURO	4.5418	-0.17
SGD	2.9868	-0.25
YEN	26.4710	0.39

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global economic growth. The Shanghai Composite (+0.5%), however, extended its' gains on the back of the stronger-than-expected inflation data. ASEAN stockmarkets, meanwhile, finished mostly lower yesterday.

- U.S. stockmarkets staged a quick recovery as investors as the Dow climbed 0.6% on the back of a solid set of corporate earnings. On the broader market, the S&P 500 rose 0.7% to close at fresh record high level with only the energy sector (-0.8%) underperformed, while the Nasdaq jumped 1.1% – also scaled to record level.
- Earlier, major European indices – the FTSE (-0.3%), CAC (-0.2%) and DAX (-0.2%), all extended their losses, mirroring the weakness in Asia equities. Market sentiment remains downbeat on the back of the developments over coronavirus outbreak that saw death tolls surpassed the SARS virus outbreak over a decade ago.

THE DAY AHEAD

- Following the string of recovery, the FBM KLCI staged a pullback yesterday as concern over the coronavirus outbreak and the impact towards the global economy returned to the fore. Factories in China are expected to remain shut for a longer period and this may cause disruption to the supply manufacturing supply chain, particularly to ASEAN countries.
- The insipid market environment is expected to prolong and the key index may continue to remain under pressure with key support pegged at the 1,535 level. On the upside, gains is expected to be choppy with key resistance located at the 1,570 level.

- Profit taking activities ruled among the lower liners and broader market shares yesterday and we think the process could be still be in the cards after the FBM Small Cap's 6.9% recovery over the past week. Hence, the negative sentiment on the lower liners is still intact for now and we think the upsides are difficult to come by over the near term.

COMPANY BRIEF

- **NWP Holdings Bhd's** group Chief Executive Officer (CEO) has been suspended from his duties with immediate effect, following an ongoing investigation of a potential breach of fiduciary duty in the past transactions involving a subsidiary of the group. However, the individual was not named. The group previously announced on 21st January, 2020 that its previous CEO, Datuk Seri Kee Soon Ling, had retired. (The Star Online)
- **Cycle & Carriage Bintang Bhd's** shareholders is set to decide on the proposed privatisation of C&C Bintang via a selective capital reduction (SCR) and repayment of RM2.20 per share at the extraordinary general meeting (EGM) today. (The Edge Daily)
- **Omesti Group Bhd's** indirectly-owned unit has clinched a contract for the provision of hardware and software operated by the Inland Revenue Board (LHDN) for RM35.7 mln. The order involves the supply, delivery, installation and maintenance of hardware and software for the Hasil Integrated Tax System (HITS), operated by LHDN.
- The order was received by Applied Business Systems Sdn Bhd (ABS) from Strateq Sdn Bhd. According to Omesti's annual report, ABS is indirectly wholly-owned by Microlink Solutions Bhd, which

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in turn is a 61.5%-owned subsidiary of Omesti. (The Star Online)

Daily)

- **Solarvest Holdings Bhd** has been slapped with an unusual market activity (UMA) query by Bursa Malaysia after a significant surge in its share price recently. (The Star Online)
- **Compugates Holdings Bhd** has secured the approval from the Sepang Municipal Council (MPSp) to jointly-develop Phase 1 of a 25.09ha agriculture land in Dengkil, Selangor. This is after over two years since it entered a conditional joint-venture (JV) agreement with Jade Classic Sdn Bhd to develop a potential mixed development on the said land.
- Based on preliminary plans, the proposed mixed development will include 500 houses, 1,100 Rumah Selangorku homes and four blocks of 600 units of high rise mixed residential and commercial units. The estimated gross development value (GDV) of Phase 1; with 418 units of houses, 278 units of Rumah Selangorku and the relevant infrastructure is targeted to be around RM230.0 mln. (The Edge Daily)
- **T7 Global Bhd** is planning to raise up to RM22.0 mln in a private placement, to finance its ongoing projects. The proposal involves the issuance of up to 55.2 mln new shares to third party investors at an issue price to be identified later. (The Edge Daily)
- **Green Packet Bhd's** Kiplepay Sdn Bhd has become the first fintech player in Malaysia to provide a white labelled e-wallet solution with Bank Negara Malaysia's (BNM) approval. Coupled with a payment gateway service, the group's white labelled e-wallet solution is a key strategic thrust to the group's overall fintech play, where it will provide a new revenue stream for the group. (The Edge

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