

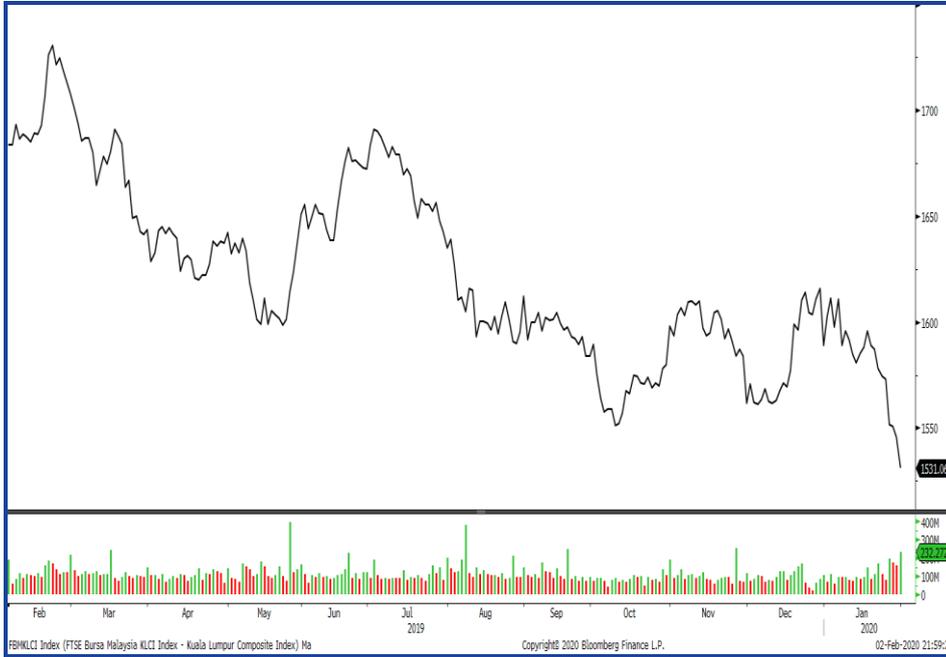
Market Pulse

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M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Market Scorecard

	Close 1-Feb-20	Change %
FBM KLCI	1,531.06	-0.94
52-W High	1,732.27	
52-W Low	1,530.69	
FBM EMAS	10,890.12	-1.27
FBM 100	10,703.59	-1.14
FBM Fledgling	14,678.68	-2.27
FBM Small Cap	13,274.12	-3.73
FBM ACE	5,377.22	-4.34
FBM Shariah	11,552.70	-1.37
FBM MidS Cap	14,704.70	-3.77
FBM MidS (Shariah)	14,031.18	-3.77
Market Participation		
Trading Volume (mln)	3,789.47	34.90
Trading Value (RM mln)	3,292.59	42.17
FKLI Spot Futures	1,533.50	-0.90
FKLI Forward Futures	1,530.00	-0.84

More Downside Is To Be Expected

- The FBM KLCI fell for the ninth-straight sessions, after closing at an eight-year low, although the lower liners – the FBM Small Cap (-3.7%), the FBM Fledgling (-2.3%) and the FBM Ace (-4.3%) were more badly hit amid fears of the virus outbreak in China. On a weekly basis, the key-index also extended its losses for the second consecutive week, while the broader market tracked the general sentiment and ended on a downbeat note.
- Market breadth was bleak as losers overwhelmed the winners by more than five-fold, while traded volumes jumped 34.9% to 3.79 bln shares amid extended panic selling and foreign outflows.
- Main Board decliners were Nestle (-90.0 sen), Petronas Dagangan (-34.0 sen), Public Bank (-30.0 sen), MISC (-26.0 sen) and Petronas- Petronas Chemicals (-26.0 sen). Other broader market stocks like KESM Industries (-78.0 sen), Dutch Lady (-60.0 sen), UWC (-39.0 sen), Aeon Credit (-34.0 sen) and Dufu Technology (-26.0 sen).
- In contrast, Heineken Malaysia (+32.0 sen), QL Resources (+20.0 sen), Tasek (+11.0 sen), New Hoong Fatt (+10.0 sen) and Ayer (+8.0 sen) closed positively. The only four surviving stocks on the key-index, meanwhile, were Hong Leong Bank (+22.0 sen), Sime Darby Plantation (+7.0 sen), IOI Corporation (+3.0 sen) and Dialog (+1.0 sen).
- Key regional benchmark indices retreated after the WHO declared the coronavirus a global health emergency, sparking an extended selldown in risky assets. The Nikkei bucked the general sentiment with minor gains, on the back bargain-hunting activities and a weaker

Dow Jones	28,256.03	-2.09
S&P 500	3,225.52	-1.77
NASDAQ	9,150.94	-1.59
FTSE 100	7,286.01	-1.30
DAX	12,981.97	-1.33
CAC 40	5,806.34	-1.11
FTSE STI	3,153.73	-0.53
Shanghai Composite	2,976.53	-2.75
Hang Seng Index	26,312.63	-0.52
Nikkei 225	23,205.18	0.99
WTI Crude Oil (USD)	51.56	-1.11
Brent Spot (USD)	56.62	-1.24
Gold (USD)	1,589.16	0.95
CPO (RM)	2,604.00	-1.81
USD	4.0980	-0.21
GBP	5.3790	-1.23
EURO	4.5120	-0.15
SGD	3.0035	-0.09
YEN	26.6320	-0.02

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Yen. The Hang Seng Index, however, ended 0.5% lower, alongside most of the ASEAN equities.

- Rising concerns of weaker global growth, following travel curbs amid the coronavirus outbreak dragged U.S. equities into the negative territory last Friday. Consequently, the Dow (-2.1%), the S&P 500 (-1.8%) and the Nasdaq (-1.6%) was beaten down, amplified by losses in the energy sector.
- Key European benchmark indices tanked after the U.K. and Italy reported its first coronavirus victims, coupled with weaker-than-expected Eurozone economic data. Both the FTSE and the DAX fell 1.3%, while the CAC erased 1.1% to 5,806.3 points.

THE DAY AHEAD

- It was another day of bloodbath on the global equities as concern over the coronavirus outbreak remained unabated. On the local front, the FBM KLCI continues to slide lower as the key index finished at the lowest level since August 2015. The rising number of casualties also does not bode well over the near term as economic performances, particularly the retail and services sector were deeply impacted.
- In the meantime, the Chinese equities will resume trading after a week-long festive break is due for a sharp dive, taking cue from the weakness across global markets. Hence, we reckon that further downside is expected for the key index towards the 1,515 or even the 1,500 level. With the downside risk remain unabated, any recovery is expected to be relatively mild with resistance located towards the 1,550 level in the interim.
- The lower liners and broader market

shares were not spared from the selldown as the weakness persisted. With the market sentiment remain largely dour, we reckon that further pullback is expected on the lower liners before we head to the earnings season towards the final weeks of the month.

COMPANY BRIEF

- **Sapura Energy Bhd** has appointed Permodalan Nasional Bhd (PNB) president and CEO Abdul Jalil Abdul Rasheed as its chairman with effect from 1st February 2020. He succeeds Datuk Hamzah Bakar, who has had a long relationship with Sapura, going back to 4th July 2003 when he was appointed board member of SapuraCrest Petroleum.
- Sapura Energy is one of PNB's key strategic companies, in which PNB and its associated funds collectively own a 40.0% stake. Prior to joining PNB, Abdul Jalil had been the CEO of the South Asian operations of a US-based fund management company, Invesco in Singapore. (The Star Online)
- **Hextar Global Bhd** (HGB) is seeking shareholder approval for the proposed sale of its freehold industrial land in Johor for RM30.0 mln. HGB informed shareholders that its' wholly-owned subsidiary Halex Link Sdn Bhd (HLSB) will be selling a single-storey detached factory with an annexed double-storey office building which has a land area of 45,033 sqm and a built-up area of 13,656 sqm in Johor for RM30 mln, resulting in a loss on disposal of RM90,000 with Plato Chemical (M) Sdn Bhd (PCSB).

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- The property has a net book value (NBV) of RM30.7 mln, and was given a market value of RM31.0 mln by Savills (Johor) Sdn Bhd on 19th November 2019. The now-vacant property was first acquired by Hextar Global's wholly-owned subsidiary Halex Woolton (M) Sdn Bhd for RM10.1 mln on 2nd October 2006 which was then transferred to HLSB for RM31.0 mln on 13th June 2017. (The Edge Daily)
- Ooi Chieng Sim will cease to be the executive chairman of **Heng Huat Resources Group Bhd** and **ATTA Global Group Bhd**. Ooi has been re-designated as its non-executive director with immediate effect, while ATTA will suspend Ooi from his post as executive chairman and his executive roles in the subsidiaries. As at 31st October 2019, Ooi had a cumulative 20.3% stake in Heng Huat, whereas his mother Tang Ah Mooi is a major shareholder. As for ATTA, he had an indirect 13.8% as at 29th March 2019. (The Edge Daily)
- **PBA Holdings Bhd** has reported that the ongoing criminal case against Ooi Chieng Sim, its fifth largest shareholder who was among eight men charged with drug trafficking in Penang yesterday, will not impact the company's operations or standing. As at 31st December 2019, the abovementioned individual holds only 1.9% of the total shareholdings of PBA (6.13 mln ordinary shares).
- PBA also clarified that Ooi is not a director of PBA or any of its subsidiaries, and is not represented on the board of PBA or Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP). He is also not associated with the management of PBA or PBAPP. (The Edge Daily)
- **Datasonic Group Bhd** has announced that the Home Affairs Ministry (KDN) has sought to change the scope of a RM318.8 mln contract the latter awarded in December 2015. Under the change of scope, the total quantity of passport chips to be supplied by Datasonic will be cut from 12.5 mln chips to 11.0 mln chips, bringing the amount to RM280.5 mln.
- It will now include maintenance services of hardware and software for the autogate and chips and maintenance services for equipment and application of public key infrastructure and public key directory, amounting to RM38.3 mln, not included in the contract's original scope.
- Separately, Datasonic announced that its' managing director and chief executive officer Datuk Abu Hanifah Noordin has retired from his positions effective immediately. Abu Hanifah will be succeeded by Datuk Haji Razali Mohd Yusof as managing director with immediate effect. (The Edge Daily)
- **PRG Holdings Bhd** is settling RM7.0 mln worth of debt owed to major shareholder and group executive vice-chairman Datuk Lua Choon Hann via the issuance of 12.7 mln new shares in the group at 55.3 sen each. PRG's current issued shares stand at 402.88 mln, of which Lua holds 75.1 mln, representing an 18.6% stake.
- The settlement will raise Lua's shares in PRG to 87.7 mln shares, representing a 21.1% stake in an

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enlarged PRG share base of 415.5 mln – prior to the group's proposed private placement of an additional 40.3 mln shares that Bursa Securities had approved earlier. (The Edge Daily)

- **Asia Poly Holdings Bhd**, a manufacturer of acrylic products and a property developer, is looking to diversify its business to include renewable energy (RE) business via the acquisition of an 80.0% stake in **Dolphin International Bhd**'s unit for RM2.1 mln.
- Under the proposed deal, Asia Poly will also assume liabilities comprising RM341,270 owing by Dolphin Biogas Sdn Bhd to its parent Dolphin, as well as any advances made by Dolphin to Dolphin Biogas. (The Edge Daily)
- **Power Root Bhd** has proposed to issue and allot new shares in four of its subsidiaries to its existing shareholders and new subscribers in order to provide the sharing of direct risk and rewards with Power Root in driving their respective businesses.
- The subsidiaries are Power Root Distributor Sdn Bhd, Alicafe Roasters Sdn Bhd, Power Root HKChina Co Ltd and Superwrapz International Sdn Bhd. The subscription prices are between RM1.00 and HK\$1.00 per share, adding that the total gross proceeds raised from the shares allotment of RM1.3 mln will be used for working capital. (The Edge Daily)

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Stock	Entitlement Subjects	Description	Ex-Date	Commencement Date	Last Trading Date
AXIS REAL ESTATE INVESTMENT	Pro Rata	RM0.01	3/2/2020	-	-
TOWER REAL ESTATE INVESTMENT	Distribution	RM0.01	5/2/2020	-	-
EUPE CORP BHD	Interim	RM0.02	5/2/2020	-	-
IGB REAL ESTATE INVESTMENT T	Regular Cash	RM0.02	5/2/2020	-	-
UOA REAL ESTATE INVESTMENT	Distribution	RM0.05	5/2/2020	-	-
CAPITALAND MALAYSIA MALL TRU	Distribution	RM0.03	6/2/2020	-	-
IMPIANA HOTELS BHD	Stock Consolidation	1:10	6/2/2020	-	-
PAVILION REAL ESTATE INVEST	Distribution	RM0.04	7/2/2020	-	-
KLCCP STAPLED GROUP	4th Interim	RM0.12	7/2/2020	-	-
UWC BHD	Bonus	1:2	10/2/2020	-	-
FOCUS POINT HOLDINGS BHD	Interim	RM0.01	10/2/2020	-	-
XOX BHD	Preferred Right	2:1	11/2/2020	13/2/2020	20/2/2020
DPI HOLDINGS BHD	Interim	RM0.00	11/2/2020	-	-
KUMPULAN H&L HIGH-TECH BHD	Interim	RM0.02	12/2/2020	-	-
FOUNDPAC GROUP BHD	Interim	RM0.01	13/2/2020	-	-
HOMERITZ CORP BHD	Final	RM0.01	13/2/2020	-	-
AL-SALAM REAL ESTATE INVESTM	Distribution	RM0.01	14/2/2020	-	-
AL-'AQAR HEALTHCARE REAL EST	Distribution	RM0.02	14/2/2020	-	-

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