

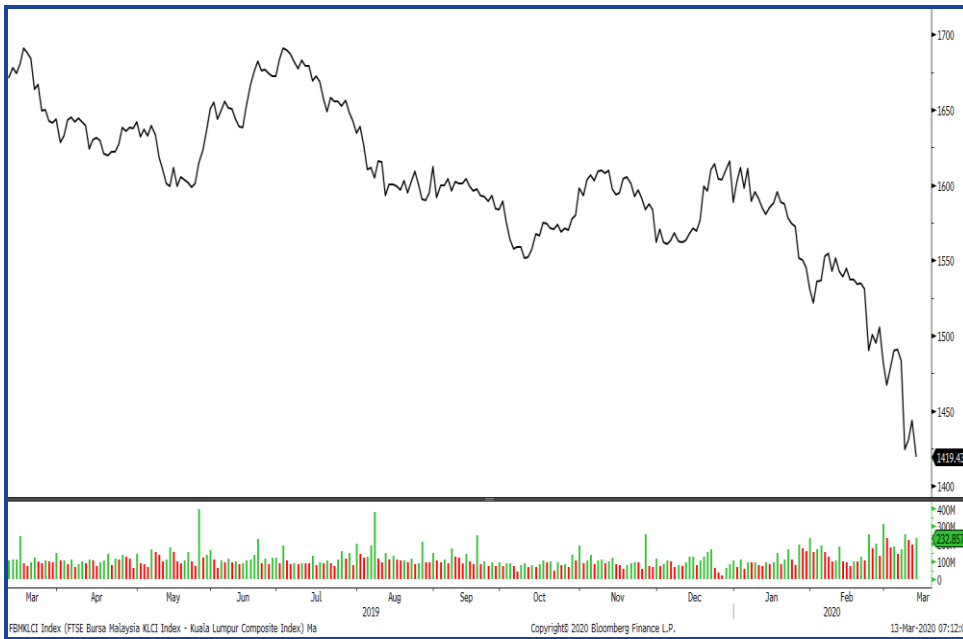
# Market Pulse

Friday, 13 Mar, 2020

**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 12-Mar-20	Change %
FBM KLCI	1,419.43	-1.69
52-W High	1,694.89	
52-W Low	1,414.95	
FBM EMAS	9,858.07	-2.21
FBM 100	9,742.31	-2.04
FBM Fledgling	12,291.18	-3.13
FBM Small Cap	10,732.59	-5.74
FBM ACE	4,515.77	-4.42
FBM Shariah	10,532.08	-1.74
FBM MidS Cap	11,619.45	-5.77
FBM MidS (Shariah)	11,029.55	-5.91
<b>Market Participation</b>		
Trading Volume (mln)	3,791.22	-15.25
Trading Value (RM mln)	3,069.91	7.20
FKLI Spot Futures	1,398.50	-2.10
FKLI Forward Futures	1,394.00	-2.18

## A Week To Forget

- Selling activities resume on Bursa Malaysia as the FBM KLCI (-1.7%) erased all its' previous session gains, spooked by the sharp downturn on Wall Street overnight. Market sentiment also turned much weaker as the FBM Small Cap (-5.7%), FBM Fledgling (-3.3%) and FBM ACE (-4.2%), all fell, while the health care sector (+0.2%) outperformed the broader market, boosted by gains in glove manufacturers.
- Market breadth turned negative as losers hammered gainers on a ratio of 923-to-167 stocks. Traded volumes fell 15.3% to 3.79 bln shares as investors opted to stay at the sideline amid the renewed volatility.
- Big board decliners on Thursday include Nestle (-RM1.00), KLK (-72.0 sen), Public Bank (-60.0 sen), Hong Leong Bank (-44.0 sen) and Hap Seng Consolidated (-38.0 sen). Consumer products giants like Carlsberg (-RM3.20), Heineken (-RM1.16), Dutch Lady (-98.0 sen) and Panasonic (-80.0 sen) fell, while MPI declined 60.0 sen.
- In contrast stocks in health care sector like Kossan (+18.0 sen), Apex Healthcare (+10.5 sen) and Kotra (+10.0 sen) outperformed, while Rapid Synergy and Imaspro added 17.0 sen and 9.0 sen respectively. There were only three advancers on the FBM KLCI – Top Glove (+23.0 sen), Hartalega (+9.0 sen) and DIGI (+3.0 sen).
- Asia benchmark indices remain downbeat, roiled by the sell down on Wall Street overnight after WHO declared Covid-19 as a global pandemic. The Nikkei sank 4.4%, Shanghai Composite slipped 1.5%, while the Hang Seng Index dipped 3.7%. ASEAN

Dow Jones	21,200.62	-9.99
S&P 500	2,480.64	-9.51
NASDAQ	7,201.80	-9.43
FTSE 100	5,237.48	-10.87
DAX	9,161.13	-12.24
CAC 40	4,044.26	-12.28
FTSE STI	2,678.64	-3.77
Shanghai Composite	2,923.49	-1.52
Hang Seng Index	24,309.07	-3.66
Nikkei 225	18,559.63	-4.41
WTI Crude Oil (USD)	31.18	-1.02
Brent Spot (USD)	33.22	-7.18
Gold (USD)	1,575.14	-0.06
CPO (RM)	2,277.00	-3.48
USD	4.2645	-0.75
GBP	5.4443	0.46
EURO	4.8029	-0.37
SGD	3.0420	-0.01
YEN	24.3440	2.23

### 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.

equities, meanwhile, were splashed in red yesterday.

- Wall Street suffered another blow as the Dow sank 10.0%, bogged down by fear over the rising of global recession following the rising cases of Covid-19 reported across the globe. On the broader market, the S&P 500 slipped 9.5% with all eleven major sectors in the red, while the Nasdaq dipped 9.4%.
- Earlier, major European equities – the FTSE (-10.9%), CAC (-12.3%) and DAX (-12.2%), all slump in tandem with the losses across global markets. Market sentiment was further dented by U.S. President Donald Trump announcement on ban travel to Europe for 30 days.

## THE DAY AHEAD

- Malaysian stocks succumbed to selling pressure stemmed by the World Health Organization move to declare Covid-19 as a global pandemic. Following the move, the odds of global recession has also jumped above the 50% level (from 25% level recorded since the start of the year), triggering fears that the contagion effect may be felt across the globe.
- Even after yesterday's steep falls, a rebound may not be forthcoming as investor sentiment remains frail. At the same time, foreign selling remains unabated, thus increasing the selling pressure on the index heavyweights and this trend is likely to persist for longer. Hence, we think that the 1,415 level is likely to be re-visited and if it gives, way, the FBM KLCI could slip to the 1,400 level. We think that any rebound for now will be miniscule, limited to the 1,445-1,455 levels.
- There is also little reprieve for the broader market shares amid the weak

sentiments. With the fading interest, the downside pressure on the lower liners will continue to dampen their share price performance over the near term.

## COMPANY BRIEF

- **Aeon Co (M) Bhd** has reported that its' retail business would be minimally affected amid the sluggish retail market on the back of the slowing economy and the Covid-19 outbreak. The group's outlets are not frequented by tourists and would not be badly affected by the outbreak. The group's hardline items as well as fashion items have seen a slight dip in sales but these have been mitigated by the groceries and supermarket businesses. (Bernama)
- **AEON Credit Service (M) Bhd** issued subordinated sukuk or Islamic bonds with a nominal value of RM200.0 mln, under the financial services provider's RM2.00 bln sukuk programme. Proceeds from the RM200 mln subordinated sukuk will be utilised for ordinary course of business of providing consumer financing based on Shariah principles, and also to refinance AEON Credit's existing loans or sukuk. (The Edge)
- **YTL Power International Bhd's** wholly-owned subsidiary YTL PowerSeraya Pte Ltd is acquiring Tuaspring Pte Ltd's power plant and associated assets in Singapore for S\$331.5 mln (about RM1.00 bln). The acquisition entails purchase of the assets of which S\$230.0 mln will be settled in cash, while the remaining S\$101.5 mln portion comprises ordinary shares and loan notes amounting to 7.5% of the post-acquisition equity in YTL Utilities (S) Pte Ltd. (YTLUS). (The Edge)
- **LTKM Bhd** has lodged a police report and will consult lawyers against organisations

## **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.*

or individuals who published articles that alleged wrongful practices at its poultry farm. Referring to a report on a news portal last Thursday (5th March 2020), LTKM wishes to put on record for public information, that its poultry farm operations have fully complied with the requirements set by the Department of Veterinary Services Malaysia for the livestock sector. (The Edge)

- **Telekom Malaysia Bhd** (TM) has partnered VMware Malaysia Sdn Bhd to kick off the tGRID project, an initiative to transform the existing cloud platform to TM ONE Cloud Solutions, which caters to an end-to-end cloud platform. The cloud platform, which runs on VMware's technology, aims to simplify the complexity of cloud adoption, while offering built-in service level agreements that are tailored to customers' needs. (The Edge)
- **Malakoff Corporation Bhd's** subsidiary Tanjung Bin Energy Sdn Bhd (TBE) has commenced arbitration against the contractor, saying there were multiple breaches of contractual duties. TBE seeks a declaration by the contractor that TBE is entitled to the RM36.3 mln payment.
- It wants the contractor to pay the company RM7.9 mln, after deducting the remaining milestone claims of RM28.4 mln from TBE. TBE also demanded the contractor to deliver a warranty bond worth RM12.1 mln, either in warranty bond form or cash payment. (The Edge)

## 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.*