

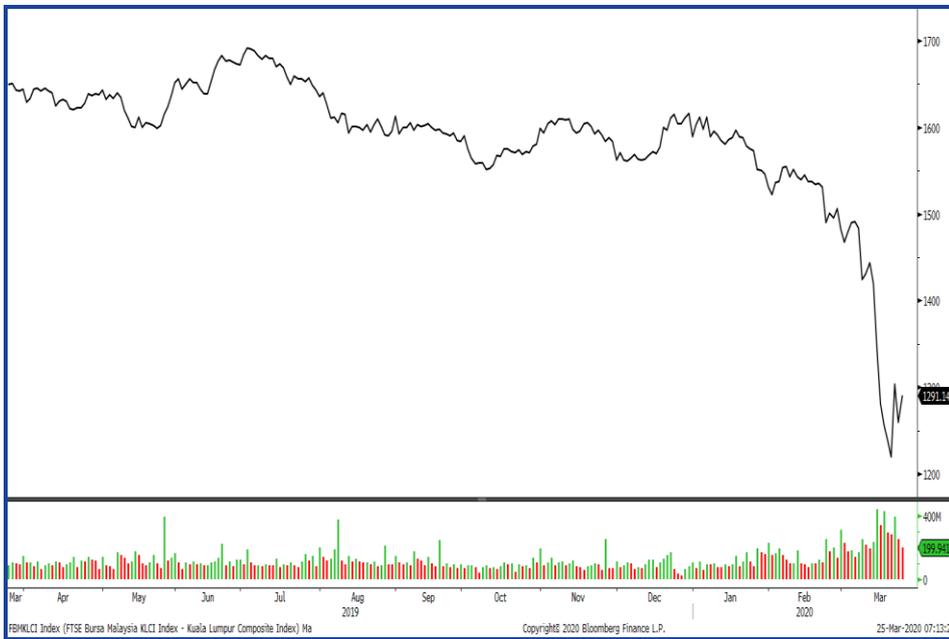
Market Pulse

Wednesday, 25 Mar, 2020

M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Market Scorecard

	Close 24-Mar-20	Change %
FBM KLCI	1,291.14	2.48
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	8,742.73	2.84
FBM 100	8,689.24	2.73
FBM Small Cap	8,329.57	5.51
FBM Fledgling	10,096.55	2.79
FBM ACE	3,552.15	5.97
FBM Shariah	9,471.12	1.53
FBM MidS Cap	9,007.40	5.90
FBM MidS (Shariah)	8,525.77	6.31
Market Participation		
Trading Volume (mln)	3,169.16	13.13
Trading Value (RM mln)	2,182.26	-5.83
FKLI Spot Futures	1,282.50	3.26
FKLI Forward Futures	1,276.00	3.03

Path Of Recovery

- The FBM KLCI (+2.5%) staged a relief rebound to re-test the 1,300 psychological level after lingering in the positive territory for the entire trading session yesterday. The lower liners - the FBM Small Cap (+5.1%), FBM Fledgling (+2.8%) and FBM ACE (+6.0%), all rebounded, while the broader market finished higher, led by the technology sector (+7.6%).
- Market breadth turned positive as gainers were on the upper hand against the losers on a ratio of 756-to-155 stocks. Traded volumes rose 13.1% to 3.17 bln shares amid the positive market sentiment.
- Anchoring the FBM KLCI winners list was Hong Leong Bank (+RM1.50), followed by Public Bank (+RM1.34), Hong Leong Financial Group (+86.0 sen), KLK (+56.0 sen) and Nestle (+40.0 sen). Notable advancers on the broader market were Fraser & Neave (+RM2.00), Dutch Lady (+RM1.90), Carlsberg (+RM1.78), Allianz (+RM1.16) and Heineken (+90.0 sen).
- Notable decliners on the broader market include Shangri-La (-31.0 sen), Chin Teck Plantations (-19.0 sen), Warisan (-19.0 sen), DKLS Holdings (-10.0 sen) and Negri Sembilan Oil Palms (-10.0 sen). In the meantime, Petronas Gas (-36.0 sen), Malaysia Airport Holdings (-21.0 sen), DiGi (-10.0 sen), Press Metal (-10.0 sen) and Hartalega (-8.0 sen) fell on the local bourse.
- Asia benchmark indices advanced as the Nikkei jumped 7.1% following U.S. government move to allocate indefinite liquidity to support the financial markets. Likewise, the Hang Seng Index surged 4.5%, while the Shanghai

Dow Jones	20,704.91	11.37
S&P 500	2,447.33	9.38
NASDAQ	7,417.86	8.12
FTSE 100	5,446.01	9.05
DAX	9,700.57	10.98
CAC 40	4,242.70	8.39
FTSE STI	2,362.05	5.76
Shanghai Composite	2,722.44	2.34
Hang Seng Index	22,663.49	4.46
Nikkei 225	18,092.35	7.13
WTI Crude Oil (USD)	24.84	3.46
Brent Spot (USD)	27.15	0.44
Gold (USD)	1,634.60	0.14
CPO (RM)	2,353.00	2.80
USD	4.4335	0.30
GBP	5.1689	-0.05
EURO	4.7967	-0.81
SGD	3.0557	-0.18
YEN	24.9780	-0.73

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Composite finished 2.3% higher. Asia stockmarkets, meanwhile, finished higher on Tuesday's close.

- U.S. stockmarkets recorded their biggest single day rally as the Dow jumped 11.4% overnight on optimism that members of Congress may reach a deal on a nearly \$2 trn stimulus package. On the broader market, the S&P 500 surged 9.4% with all eleven major sectors advanced, while the Nasdaq rallied 8.1% higher.
- Earlier, European stockmarkets – the FTSE (+9.1%), CAC (+8.4%) and DAX (+11.0%), all recovered their previous session losses, taking cue from gains across global equities. Market sentiment was also supported by slowing signs that the Covid-19 spread in Italy.

THE DAY AHEAD

- Yesterday's gains on the FBM KLCI were stronger than anticipated amid the optimism over U.S. central bank's massive stimulus move. It appears that the overnight gains may spillover to Asia equities as central banks across the globe will also step up their moves to combat the slowing economic growth, of which the Malaysian government will outline another round of measures on next Monday (30th March 2020).
- Moving forward, we see the recovery continuing to allow the key index to find stability. As it is, the market undertone of global indices are showing signs of stabilisation that will also extend to Malaysian equities and potentially boost bargain hunting activities after the FBM KLCI's bout of oversold. We see the 1,320 level the immediate target, followed by the 1,350 level. The supports, meanwhile, are at 1,250 and 1,210 levels respectively.
- The lower liners and broader market

shares should also be heading higher in tandem with the improved market sentiments. This could entice more retail players to undertake bargain hunting activities following the recent sharp downturn.

COMPANY BRIEF

- **Mulpha International Bhd** has warned that revenue and earnings across its hotel and education assets will be materially impacted from mid-March 2020, as a result of recently-introduced travel bans in Malaysia, Australia, the UK and New Zealand, amid the coronavirus (Covid-19) outbreak. (The Edge)
- **Apollo Food Holdings Bhd's** 3QFY20 net profit declined 12.2% Y.o.Y to RM4.0 mln, due to higher administrative expenses, foreign exchange loss and fair value loss incurred. Revenue for the quarter dipped 4.9% Y.o.Y to RM48.9 mln.
- For 9MFY20, cumulative net profit fell 24.8% Y.o.Y to RM10.4 mln. Revenue for the period declined 6.8% Y.o.Y to RM131.5 mln. (The Edge)
- Tan Sri Dr Lim Wee Chai, founder and executive chairman of **Top Glove Corporation Bhd**, has emerged as a substantial shareholder in **LBS Bina Group Bhd**, after purchasing 103.1 mln shares or a 6.8% stake in the property developer. Lim bought the shares via direct business transactions between 19th March 2020 and 24 at 32 sen apiece or RM33.0 mln. (The Edge)
- **Censof Holdings Bhd** saw Erwin Selvarajah Peter Selvarajah ceasing to be a substantial shareholder of the company, after disposing 1.6 mln

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shares in the company. Erwin, who held 27.6 mln shares or a 5.5% stake in the company on 19th February 2019, appeared to have gradually disposed of his shares. Following this, his equity interest in the company has come down to 4.9% or 24.7 mln shares. (The Edge)

12.6%, subsequent to the dilution in equity interest, following the completion of a private placement by Ho Hup in November 2019. (The Edge)

- Datuk Jaganath Derek Steven Sabapathy has ceased to be a substantial shareholder of **Scicom (MSC) Bhd**, after he had disposed of 1.5 mln shares in the company. Jaganath, who is also the founder and CEO of Tribeca Real Estate Asset Management Sdn Bhd, first emerged as a substantial shareholder of Scicom in December 2014, after acquiring a 5.8% stake in the company at 10 sen apiece. (The Edge)
- **Meridian Bhd** saw the emergence of Datuk Seri Lee Koon Weng as a substantial shareholder, after Lee purchased 7.7 mln shares in the property developer via direct business transaction and the open market. Lee now holds 31.7 mln shares or a 5.5% stake in the company. (The Edge)
- Netposa Technologies Ltd has ceased to be the largest shareholder of **Cabinet Holdings Bhd**, after the 20.0% stake or 35.8 mln shares the former held via Netposa Technologies (HK) Ltd was disposed of on 19th March 2020. Meanwhile, Singaporean Vincent Tai Seh Kiat emerged as Cabinet's new largest shareholder with a 20.0% stake, through his shareholding in Dragonbay Global Pte Ltd, which acquired 35.8 mln shares in Cabinet. (The Edge)
- **Omesti Bhd** has raised its stake in **Ho Hup Construction Company Bhd** by 0.5% to 12.6%, after buying an additional 2.1 mln shares for RM604,155 or an average of 29.1 sen per share between 13th March 2020 and 23rd March 2020. The acquisition provides an opportunity for Omesti Group to increase its stake to

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