

Market Pulse

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M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Ending The Week On High

- Tracking the positive sentiment on Wall Street overnight, coupled with the rebound in crude oil prices, the FBM KLCI (+0.6%) rebounded after hovering in the positive territory for the entire trading session on Thursday. The lower liners - the FBM Small Cap (+1.5%), FBM Fledgling (+1.6%) and FBM ACE (+2.3%), all advanced, while the telecommunications & media sector (-0.1%) underperformed the positive broader market.
- Market breadth turned upbeat as gainers outmuscled the losers on a ratio of 634-to-252 stocks. Traded volumes, however, declined 12.1% to 4.71 bln shares as market sentiment remain cautious following the recent recovery.
- Leading the FBM KLCI higher was KLK (+30.0 sen) and Nestle (+30.0 sen), followed by Hong Leong Financial Group (+20.0 sen), Sime Darby Plantations (+19.0 sen) and Hartalega (+17.0 sen). Significant advancers on the broader market were KESM industries (+89.0 sen), Vitrox (+41.0 sen), Aeon Credit (+32.0 sen) and Chin Teck Plantations (+30.0 sen). Notion Vtec climbed 4.0 sen after reported to be allowed to operate during the MCO set by the Ministry of International Trade and Industry (MITI).
- Amongst the biggest decliners on the broader market include Rapid Synergy (-24.0 sen), Imaspro (-11.0 sen), Shangri-La (-11.0 sen), UEM Edgenta (-6.0 sen) and Pentamaster (-6.0 sen). Meanwhile, Maxis (-19.0 sen), Genting (-4.0 sen), IHH (-3.0 sen), Petronas Dagangan (-2.0 sen) and Petronas Gas (-2.0 sen) fell on the local bourse.
- Asia benchmark finished mixed as the

Market Scorecard

	Close 9-Apr-20	Change %
FBM KLCI	1,369.76	0.61
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	9,469.91	0.62
FBM 100	9,360.80	0.58
FBM Small Cap	10,258.79	1.55
FBM Fledgling	11,519.00	1.61
FBM ACE	4,179.70	2.30
FBM Shariah	10,404.08	0.79
FBM MidS Cap	11,242.69	1.65
FBM MidS (Shariah)	10,742.07	1.81
Market Participation		
Trading Volume (mln)	4,712.80	-12.14
Trading Value (RM mln)	2,251.72	-15.56
FKLI Spot Futures	1,362.00	0.78
FKLI Forward Futures	1,353.00	0.67
Dow Jones	23,719.37	1.22
S&P 500	2,789.82	1.45
NASDAQ	8,153.58	0.77
FTSE 100	5,842.66	2.90
DAX	10,564.74	2.24
CAC 40	4,506.85	1.44
FTSE STI	2,571.32	1.26
Shanghai Composite	2,825.90	0.37
Hang Seng Index	24,300.33	1.38
Nikkei 225	19,345.77	-0.04
WTI Crude Oil (USD)	22.76	-9.29
Brent Spot (USD)	31.48	-4.14
Gold (USD)	1,684.08	0.02
CPO (RM)	2,304.00	-2.25
USD	4.3360	0.24
GBP	5.3804	-0.43
EURO	4.7139	0.20
SGD	3.0458	0.04
YEN	25.1090	-0.36

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Nikkei (-0.6%) staged a pullback after Bank of Japan's governor warned that the economy faces "extremely high" uncertainty over the impact of Covid-19. The Hang Seng Index (+1.4%) recovered all its' previous session losses, while the Shanghai climbed 0.4%. Asia stockmarkets, meanwhile, was mostly higher on Thursday's close.

- U.S. stockmarkets extended their gains as the Dow rose 1.2%, boosted by the US\$2.3 trn stimulus package revolving loans and credit protection to manage cash flow stresses. On the broader market, the S&P 500 jumped 1.5%, while the Nasdaq finished 0.8% higher after recovering from its' intraday losses.
- European stockmarkets also closed higher as the FTSE (+2.9%), CAC (+1.4%) and DAX (+2.2%), all advanced, taking cue from the positive sentiment across global equities. At the same time, governments in Europe also have been eyeing ways to end the lockdowns as number of Covid-19 infections is on the decline.

THE DAY AHEAD

- The positive sentiment on Wall Street spill over into Malaysian equities as the FBM KLCI advanced in tandem with gains across regional peers. Adding to the positive was also the higher crude oil prices ahead of the meeting between Saudi Arabia and Russia over the potential production cut. The gains fortify the market's recovery trend, albeit we think the upsides are seeing valuations tipping closer to the fair range.
- Albeit that, we still think there will be continued gains as local funds are seen supporting the key index and the foreign selling continues to abate. However, we also think the upsides will be more

measured as there remains few significant leads and the Covid-19 concerns still lingers that will place a lid on the potential upsides towards the 1,400 resistance level. The support will remain pegged at the 1,260 level.

- The lower liners and broader market shares will continue to see sustained buying interest amid the calmer market conditions following last month's steep falls. In anticipation of the crude oil production cut by OPEC members and Russia, we see rotational play shifting to the energy sector with oil & gas companies comes into the picture.

COMPANY BRIEF

- **Fraser & Neave Holdings Bhd** (F&N) is considering its options regarding the RM156.0 mln acquisition of land in Perlis from MSM Perlis Sdn Bhd as the latter had indicated that it will not grant any extension of time to satisfy the conditions in the agreement. (The Edge)
- **Techbond Group Bhd** has reported that the commencement of operations at its new Vietnam factory has been postponed, as the Covid-19 outbreak has resulted in the delay of the issuance of certifications by the Vietnamese authorities. Vietnam had recently announced the implementation of its Social Distancing Order throughout the nation for a period of 14 days starting from 1st April 2020 and a possibility of extension beyond 15th April 2020. (The Edge)
- Riding on the surge of demand for personal protective equipment (PPE) amid the COVID-19 pandemic, **Notion**

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VTec Bhd is venturing into the manufacturing of protective face shields and components related to medical ventilators. It has already made an order for the machinery to produce PPEs. Subject to approvals being obtained from all relevant authorities, production is expected to start by end-May 2020 at its main factory. (The Edge)

- **DRB Hicom Bhd's** 50.1%-owned subsidiary Proton Holdings Bhd will be producing face shields to assist the frontliners in the fight against the Covid-19 pandemic, with the national automaker aiming to produce 60,000 units within 20 days. (The Edge)
- **Omesti Bhd** has bagged a contract worth RM95.6 mln from **Telekom Malaysia Bhd** (TM) to build a new business support systems platform. It added the renewal of the application software subscription for years three, four and five will be at an estimated price of RM105.0 mln, subject to TM's approval. (The Edge)
- **Aeon Credit Service (M) Bhd's** 4QFY20 net profit improved marginally by 0.9% Y.o.Y to RM88.4 mln, as higher interest and tax expenses offset the topline growth. Revenue for the quarter grew 14.9% Y.o.Y to RM413.3 mln.
- For FY20, cumulative net profit declined 17.7% Y.o.Y to RM292.1 mln. Revenue for the year rose 16.8% Y.o.Y to RM1.60 bln. A final dividend of 14 sen per share, payable on 16th July 2020 was declared. (The Edge)

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