

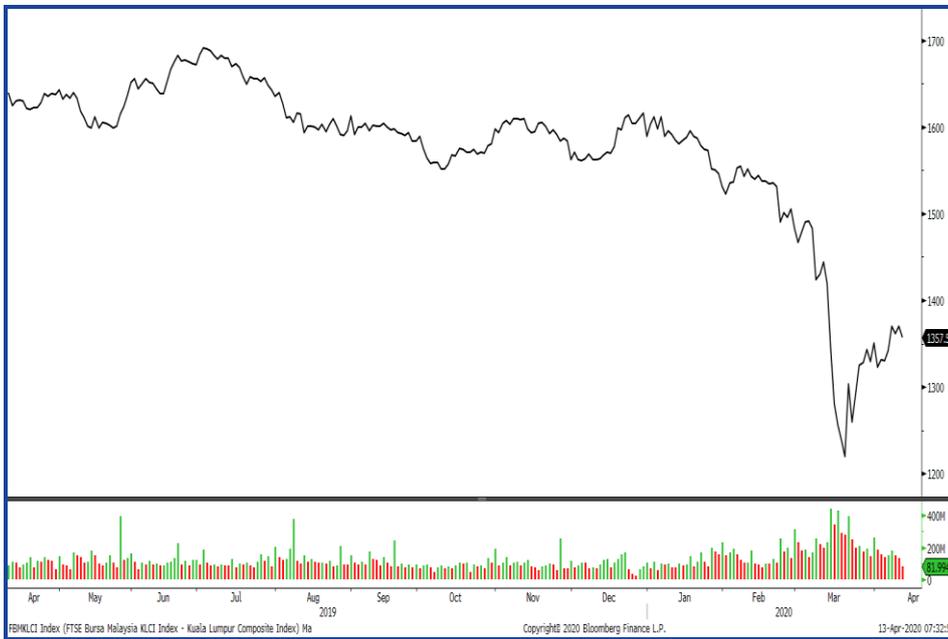
Market Pulse

Monday, 13 Apr, 2020

M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Toppish Conditions

- The FBM KLCI (-0.9%) retreated after the Malaysia government announced that the movement control order (MCO) would be extended by another two week. Still, the FBM KLCI rose 2.0% W.o.W. The lower liners - the FBM Small Cap (-2.0%), FBM Fledgling (-1.2%) and FBM ACE (-3.9%), were all downbeat, while the construction (+0.6%) and healthcare (+0.1%) outperformed the negative broader market.
- Market breadth turned negative as losers overcame the gainers on a ratio of 689-to-207 stocks. Traded volumes fell 21.0% to 3.72 bln shares amid the negative market sentiment.
- More than half of the key index constituents fell, dragged down by Nestle (-40.0 sen), KLK (-30.0 sen), Hap Seng Consolidated (-17.0 sen), Maxis (-14.0 sen) and Genting (-9.0 sen).

Significant decliners on the broader market were KESM Industries (-28.0 sen), Hong Leong Industries (-21.0 sen), Sungei Bagan Rubber (-14.0 sen) and Southern Acids (-12.0 sen). Aeon Credit slipped 16.0 sen after reporting weak FY20 results.

- On the flipside, Allianz (+28.0 sen), Heineken (+28.0 sen), Westports (+13.0 sen), Chin Teck Plantations (+10.0 sen) and Dutch Lady (+8.0 sen) advanced on the broader market. Key winners on the FBM KLCI include Hong Leong Financial Group (+16.0 sen), PPB Group (+12.0 sen), Hartalega (+3.0 sen), Top Glove (+3.0 sen) and Petronas Gas (+2.0 sen).
- Asia benchmark finished mixed as the Nikkei (+0.8%) recovered all its intraday losses on expectations that Bank of Japan may step up purchasing exchange-traded-funds. The Shanghai

Market Scorecard

	Close 10-Apr-20	Change %
FBM KLCI	1,357.50	-0.90
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	9,392.05	-0.82
FBM 100	9,288.66	-0.77
FBM Small Cap	10,057.86	-1.96
FBM Fledgling	11,382.22	-1.19
FBM ACE	4,017.03	-3.89
FBM Shariah	10,363.11	-0.39
FBM MidS Cap	10,995.35	-2.20
FBM MidS (Shariah)	10,505.05	-2.21
Market Participation		
Trading Volume (mln)	3,724.29	-20.97
Trading Value (RM mln)	1,675.44	-25.59
FKLI Spot Futures	1,356.00	-0.44
FKLI Forward Futures	1,348.50	-0.33
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	2,796.63	-1.04
Hang Seng Index	24,300.33	1.38
Nikkei 225	19,498.50	0.79
WTI Crude Oil (USD)	23.01	1.10
Brent Spot (USD)	31.81	1.05
Gold (USD)	1,687.79	-0.52
CPO (RM)	2,312.00	0.35
USD	4.3097	0.61
GBP	5.3786	0.03
EURO	4.7183	-0.09
SGD	3.0502	-0.14
YEN	25.1340	-0.10

Market Scorecard

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Composite fell 1.0% after the consumer price index for March 2020 (+4.3% Y.o.Y) fell short of economists' expectations of +4.8% Y.o.Y, while Hong Kong markets were closed for the Good Friday public holiday. Asia stockmarkets, meanwhile, closed mostly lower on last Friday.

- U.S. and European stockmarkets were closed for the Good Friday public holiday on last Friday.

THE DAY AHEAD

- The FBM KLCI closed negatively following the two week MCO extension and this may cause economic activities disruption to prolong. Consequently, the move will also weigh on Malaysia economic growth, but we see more stimulus measures to come by should the situation turn sour. At the same time, uncertainties over the Saudi Arabia and Russia meeting over the production cut added to the downside on Malaysian equities.
- With economic situation unlikely to improve anytime soon, we think that the weakness may trigger a pullback on the FBM KLCI which chalked in hefty gains over the past couple of weeks. The pullback is expected to see the local bourse supported at the 1,300 level for the time being. On the upside, the 1,400 level will continue to serve as the immediate resistance.
- In the meantime, the lower liners and broader market shares was not spared from the pullback as the recent recovery has led most of the stocks lingering in the overbought territory. In the meantime, Saudi Arabia and Russia has come into an agreement to curb production may see trading interest remain firm in oil & gas companies.

COMPANY BRIEF

- **Aemulus Holdings Bhd** has proposed to set up a joint venture in China in a move to monetise its intellectual property (IP) rights and expands its business. The semiconductor test equipment maker has entered into a joint venture agreement (JVA) with Tangren Microintelligence Technology Co Ltd with Aemulus having a 40.0% stake in the JV company. The duration for the joint venture is 20 years. (The Star)
- **Sunway Bhd** has established a commercial paper/medium-term note programme (CP/MTN Programme) of RM2.00 bln in nominal value, with proceeds raised to be used to finance the group and its subsidiaries' investment activities, capital expenditure, working capital and borrowings.
- The CP/MTN Programme shall have a tenure of seven years from the date of the first issuance, and the CP/MTN to be issued under the CP/MTN Programme are unsecured and shall be transferable and tradable in the secondary market. The proposed papers have been assigned an indicative rating of MARC-1 / AA- by Malaysian Rating Corporation Bhd. (The Edge)
- **MMC Corp Bhd** has proposed a final dividend of 4.5 sen a share for the financial year ended 31st December 2019. The entitlement dates and payment dates for the dividend fall on 3rd June 2020 and 26th June 2020 respectively. (The Edge)
- Particle board and ready-to-assemble furniture maker **HeveaBoard Bhd** has proposed a single-tier final dividend of 1 sen per share, in respect of its financial year ended 31st December

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2019. The dividend is subject to the approval of shareholders at its forthcoming annual general meeting.

- Passenger volume at the 39 airports that **Malaysia Airports Holdings Bhd (MAHB)** operates in Malaysia plunged 63.6% Y.o.Y to 3.2 mln in March 2020, due to the unprecedented travel restrictions imposed by the government since March to curb the spread of the Covid-19 pandemic. This is the second straight month the airport operator recorded contraction in terms of passenger traffic. In February, MAHB reported a 23.4% Y.o.Y slump in passenger numbers to 6.2 mln passengers. (The Edge)
- **Xinghe Holdings Bhd**, which is planning to change its name to MAG Holdings Bhd, has proposed to issue up to 460.9 mln free warrants on the basis of one warrant for every two existing shares held by its shareholders. It could raise up to RM83.0 mln when the warrants are exercised, based on an illustrated exercise price of 18 sen per warrant. (The Edge)
- **Tenaga Nasional Bhd (TNB)** president and chief executive officer Datuk Seri Amir Hamzah Azizan has reported in the group's annual report published that growth prospects for Malaysia's electricity industry look uncertain this year, given the pandemic outbreak, and will depend on the country's economic recovery post Covid-19.
- Meanwhile, Tenaga's 51.0%-owned subsidiary Southern Power Generation Sdn Bhd (SPG) has made a force majeure declaration due to Malaysia's Movement Control Order (MCO) and restrictions in countries where the engineering, procurement and construction (EPC) specialists supporting the project reside. A force majeure is an unforeseen situation which prevents someone from fulfilling a contract. (The Edge)

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Stock	Entitlement Subjects	Description	Ex-Date	Commencement Date	Last Trading Date
SCGM BHD	3rd Interim	RM0.01	13/4/2020	-	-
UNISEM (M) BERHAD	Interim	RM0.02	13/4/2020	-	-
N2N CONNECT BHD	Special Cash	RM0.01	14/4/2020	-	-
N2N CONNECT BHD	1st Interim	RM0.01	14/4/2020	-	-
NESTLE (MALAYSIA) BERHAD	Final	RM1.40	14/4/2020	-	-
LATITUDE TREE HOLDINGS BHD	Interim	RM0.03	16/4/2020	-	-
WONG ENGINEERING CORP BHD	Final	RM0.01	16/4/2020	-	-
WONG ENGINEERING CORP BHD	2nd Interim	RM0.01	16/4/2020	-	-
PETRA ENERGY BHD	Interim	RM0.02	16/4/2020	-	-
OKA CORP BHD	Regular Cash	RM0.02	17/4/2020	-	-
LUXCHEM CORP BHD	Interim	RM0.01	17/4/2020	-	-
PACIFIC & ORIENT BERHAD	3rd Interim	RM0.00	22/4/2020	-	-
UEM EDGENTA BHD	Regular Cash	RM0.08	22/4/2020	-	-
CHIN WELL HOLDINGS BHD	Interim	RM0.02	23/4/2020	-	-
SIME DARBY BERHAD	Interim	RM0.02	24/4/2020	-	-
AXIATA GROUP BERHAD	Interim	RM0.05	24/4/2020	-	-
UNITED PLANTATIONS BHD	Final	RM0.20	27/4/2020	-	-
UNITED PLANTATIONS BHD	Special Cash	RM0.85	27/4/2020	-	-

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