

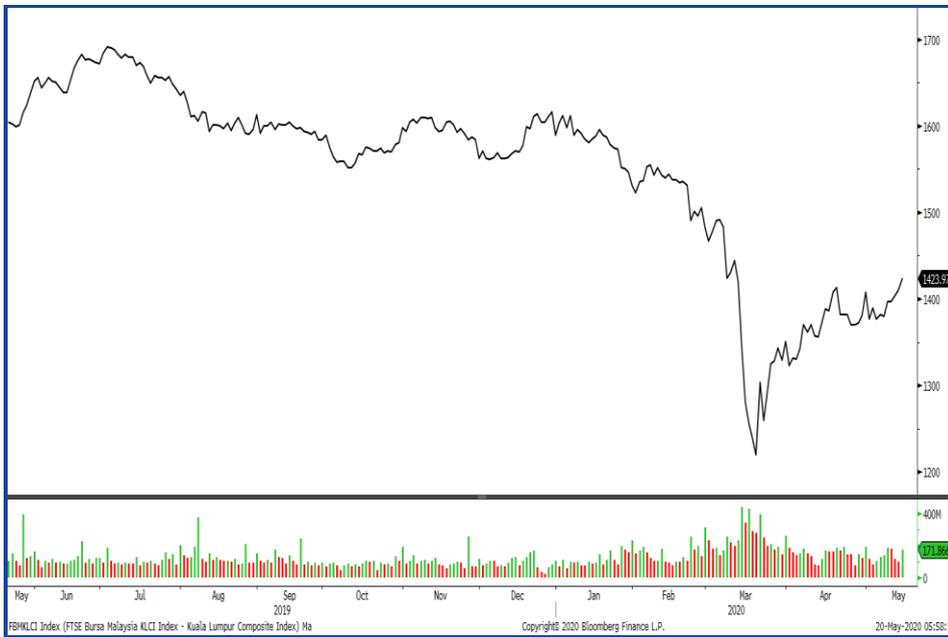
Market Pulse

Thursday, 21 May, 2020

M+Online
Equipping Traders For The Win

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FBM KLCI – Daily



Market Scorecard

	Close 20-May-20	Change %
FBM KLCI	1,435.12	+0.78
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	10,163.91	+0.91
FBM 100	10,005.91	+0.90
FBM Small Cap	11,990.47	+1.31
FBM Fledgling	13,202.27	+0.99
FBM ACE	5461.03	+1.82
FBM Shariah	13,210.44	+1.41
FBM MidS Cap	13,901.25	+1.92
FBM MidS (Shariah)	13,361.24	+2.04
Market Participation		
Trading Volume (mln)	6736.00	-29.19
Trading Value (RM mln)	3636.00	-21.75
FKLI Spot Futures	1,421.50	0.82
FKLI Forward Futures	1,418.00	0.85

Still Ascending

- The FBM KLCI (+0.8%) inched higher after enduring a choppy trading session as the key index was powered higher for the sixth straight session on renewed buying interest in glove heavyweights. The lower liners - the FBM Small Cap (+1.3%), FBM Fledgling (+1.0%) and FBM ACE (+1.8%), all rebounded, while the broader market closed higher, led by the healthcare sector (+4.2%) with only the energy sector (-0.1%) underperformed.
- Market breadth turned positive as advancers upheld the decliners on a ratio of 561-to-356 stocks. Traded volumes, however, fell 29.2% to 6.74 bln shares as investors turned mildly cautious on the recent streak of uptrend.
- Regional benchmark indices closed mostly higher as the Nikkei (+0.8%)

trended higher for the fourth consecutive session on expectations that the Japanese government may lift its state of emergency in Osaka and Kyoto. The Hang Seng Index added 0.1% after nudging into the positive territory in the final trading hour, but the Shanghai Composite slipped 0.5% after the People Bank of China kept lending rates unchanged. Asia stockmarkets, meanwhile, closed mostly higher yesterday.

- U.S. stockmarkets rallied overnight as the Dow jumped 1.5% on re-opening of economic activities following the slowdown in the number of new Covid-19 cases. On the broader market, the S&P 500 (+1.7%) recovered all its previous session losses, while the Nasdaq surged 2.1%.
- Major European stockmarkets - the

Dow Jones	24575.90	+1.52
S&P 500	2,971.61	+1.67
NASDAQ	9,375.78	+2.084
FTSE 100	6,067.16	+1.08
DAX	11,223.71	+1.34
CAC 40	4,496.98	+0.87
FTSE STI	2,561.94	-0.75
Shanghai Composite	2,883.74	-0.51
Hang Seng Index	24,399.95	+0.05
Nikkei 225	20,595.15	+0.79
WTI Crude Oil (USD)	33.29	+4.79
Brent Spot (USD)	35.76	+3.20
Gold (USD)	1,751.40	+0.33
CPO (RM)	2,161.00	-0.96
USD	4.3485	-0.11
GBP	5.3217	+0.05
EURO	4.7752	+0.55
SGD	3.0776	+0.10
YEN	24.7304	+0.09

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FTSE (+1.1%), CAC (+0.9%) and DAX (+1.3%), all recovered from their intraday losses to march higher on the optimism over the potential vaccine could be delivered by next year. Meanwhile, U.K. inflation for April 2020 rose 0.8% Y.o.Y, slightly weaker than consensus forecast of 0.9% Y.o.Y growth.

THE DAY AHEAD

- Surprisingly, the FBM KLCI managed to extend its winning streak supported by renewed trading interest in glove stocks yesterday. Judging from yesterday's trend, it appears that the buying momentum has yet to taper and this would allow more room for the local bourse to make further headway going forward.
- While we expect the key index stocks to trend higher, its technical indicators are now tipping into the overbought zone, which could limit further upsides. At the same time, valuations are also looking toppish that could leave the buying to be more measured. For now, the 1,460 level will serve as the resistance. Downside is cushion at the 1,400 support level.
- The lower liners and broader market shares have remained relatively resilient and continue to maintain the upside, despite some minor profit taking activities. With the sentiment remain on the upbeat manner, we think that the rotational play may continue over the foreseeable future.

COMPANY BRIEF

- **Petronas Chemicals Group Bhd's** (PetChem) 1Q2020 net profit fell 36.8% Y.o.Y to RM506.0 mln, impacted by the sharp decline in petrochemical product

prices following the outbreak of Covid-19. (The Star)

- **Petronas Gas Bhd's** 1Q2020 net profit dropped 28.6% Y.o.Y to RM368.1 mln, due to unrealised foreign exchange loss of RM152.0 mln. Revenue for the quarter, however, rose 2.1% Y.o.Y to RM1.40 bln. A first interim dividend of 16 sen per share, payable on 30th June 2020 was declared. (The Star)
- **Telekom Malaysia Bhd's** 1Q2020 net profit fell 50.5% Y.o.y to RM152.5 mln, impacted by lower revenue for all lines of its products and it remained cautious due to the ongoing Covid-19 pandemic. Revenue for the quarter declined marginally by 0.8% Y.o.Y to RM2.55 bln. (The Star)
- **AEON Co (M) Bhd's** 1Q2020 net profit plunged 77.1% Y.o.Y to RM7.5 mln on higher operating expenses during the quarter, and a share of loss from associates as opposed to a gain previously. Revenue for the quarter slipped 1.7% Y.o.Y to RM1.19 bln. (The Edge)
- **Velesto Energy Bhd's** 1Q2020 net profit stood at RM16.3 mln against a net loss of RM22.2 reported in the previous corresponding quarter due to higher contribution and invoicing efficiency from drilling services segment during the quarter. Revenue for the quarter increased 38.8% Y.o.Y to RM176.3 mln. (The Edge)
- **Genting Plantations Bhd's** 1Q2020 net profit jumped 119.0% Y.o.Y to RM91.3 mln boosted by higher selling prices of palm products. Revenue for the quarter, however, fell 8.5% Y.o.Y to RM569.0 mln. (The Edge)
- **Supermax Corp Bhd's** 3QFY20 net profit jumped 106.9% Y.o.Y to RM72.3 mln driven by a surge in demand for

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medical gloves. Revenue for the quarter grew 23.8% Y.o.Y to RM447.3 mln.

- For 9MFY20, cumulative net profit net profit increased 15.9% Y.o.Y RM126.0 mln. Revenue for the period gained 8.0% Y.o.Y to RM1.20 bln. (The Edge)
- **MMC Corp Bhd's** 1Q2020 net profit rose 8.2% Y.o.Y to RM57.9 mln thanks to higher contributions from the Port of Tanjung Pelepas and Johor Port Bhd. Revenue for the quarter, however, fell 4.4% Y.o.Y to RM1.09 bln. (The Edge)
- **Malakoff Corp Bhd's** 1Q2020 net profit rose 33.0% Y.o.Y to RM89.2 mln, boosted by the inclusion of income from newly acquired subsidiary Alam Flora Sdn Bhd (AFSB) and higher contribution from associate companies as well as lower operations and maintenance costs. Revenue for the quarter, however, dropped 11.6% Y.o.Y to RM1.77 bln. (The Edge)
- **Chemical Company of Malaysia Bhd's** (CCM) 1Q2020 net profit declined 65.1% Y.o.Y to RM2.2 mln impacted by a share of loss from its associate Orica-CCM Energy Sdn Bhd of RM1.1 mln, together with lower volume sold from its chemicals business as customers got hit by the Movement Control Order (MCO). Revenue for the quarter dipped 0.4% Y.o.Y to RM96.6 mln. (The Edge)

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