

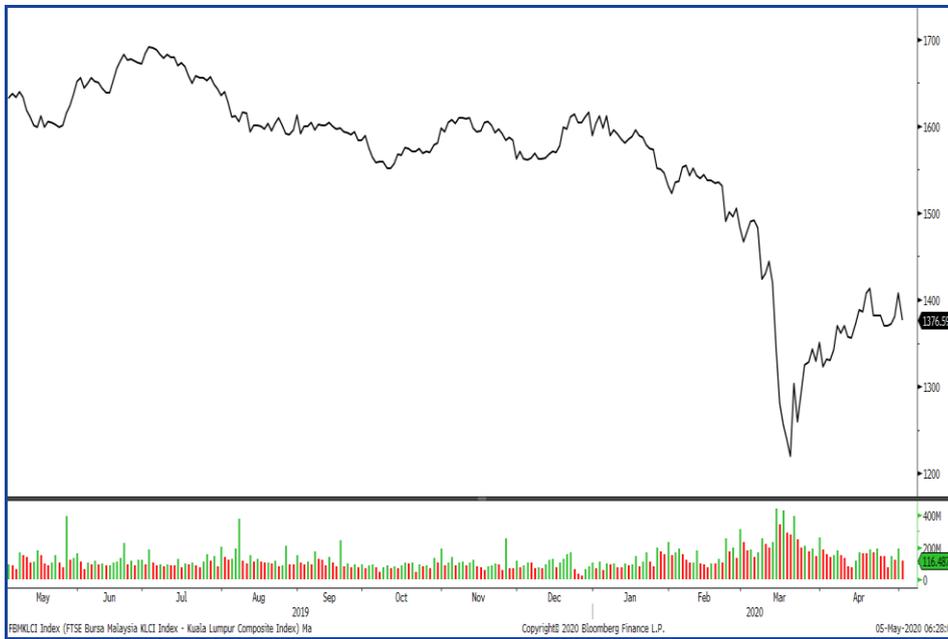
# Market Pulse

Tuesday, 05 May, 2020

**M+Online**  
Equipping Traders For The Win

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## FBM KLCI – Daily



## Market Scorecard

	Close 4-May-20	Change %
FBM KLCI	1,376.59	-2.22
52-W High	1,694.55	
52-W Low	1,207.80	
FBM EMAS	9,638.87	-1.73
FBM 100	9,507.28	-1.76
FBM Small Cap	10,937.53	-1.19
FBM Fledgling	12,338.02	0.22
FBM ACE	4,776.99	-0.38
FBM Shariah	10,720.25	-1.56
FBM MidS Cap	12,178.47	-0.62
FBM MidS (Shariah)	11,706.03	-0.64
Market Participation		
Trading Volume (mln)	5,473.37	-6.47
Trading Value (RM mln)	2,476.06	-26.00
FKLI Spot Futures	1,360.50	-2.93
FKLI Forward Futures	1,355.50	-2.94

## Rebound In Store

- Despite the easing measures over the Movement Control Order (MCO), the FBM KLCI (-2.2%) suffered another setback as investors turned their attention to the sluggish IHS Markit Malaysia Manufacturing Purchasing Managers' Index (PMI) that sank to 31.3 in April 2020, coupled with the renewed trade tension between U.S. and China. The lower liners also ended mostly lower as the FBM Small Cap and FBM ACE (-shed 1.2% and 0.4% respectively, while the plantation sector (-2.2%) took the heaviest beating in the mostly negative broader market.
- Market breadth turned negative as losers outpaced of the gainers on a ratio of 599-to-284 stocks. Traded volumes fell 6.5% to 5.47 bln shares on the back of the negative market sentiment.
- Asia benchmark indices endured a rout

as the Nikkei (-2.4%) extended its losses on expectations that the country's state emergency will continue until end of the month, which is likely to hurt economic recovery prospects. The Hang Seng Index slumped 4.2% amid rising trade tension between U.S. and China, while stockmarkets in China remain closed for the Labour Day public holiday. Asia stockmarkets, meanwhile, were battered yesterday.

- U.S. stockmarkets rebounded overnight as the Dow (+0.1%) managed to climb into the positive territory in the final trading session with crude oil prices advancing for the fourth straight session. On the broader market, the S&P 500 gained 0.4%, boosted by the energy sector (+3.7%), while the Nasdaq jumped 1.2% higher as technology shares advanced.

Dow Jones	23,749.76	0.11
S&P 500	2,842.74	0.42
NASDAQ	8,710.72	1.23
FTSE 100	5,753.78	-0.16
DAX	10,466.80	-3.64
CAC 40	4,378.23	-4.24
FTSE STI	2,563.69	-2.31
Shanghai Composite	2,860.08	1.33
Hang Seng Index	23,613.80	-4.18
Nikkei 225	19,619.35	-2.84
WTI Crude Oil (USD)	21.48	5.35
Brent Spot (USD)	27.20	2.87
Gold (USD)	1,702.63	0.03
CPO (RM)	1,983.00	-5.03
USD	4.3165	-0.33
GBP	5.3638	0.75
EURO	4.7219	0.01
SGD	3.0469	-0.14
YEN	24.7440	0.43

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- Major European stockmarkets faltered after a three-day break as the CAC and DAX sank 4.2% and 3.6% respectively, reflecting the concern over the Sino-U.S. trade tension. The FTSE fell 0.2% after enduring a choppy trading session. Also, the record low of Italy's Manufacturing PMI at 31.1 in April 2020 added to the weakness.

## THE DAY AHEAD

- Expectedly, Bursa Malaysia was battered yesterday as market sentiment was roiled by the renewed trade tension between U.S. and China. Adding on to the woes was also the sluggish economic data as investors continue to assess the impact of Covid-19 to the economic growth which may see the prospects of recovery in economic growth continue to stall with businesses adjust to the new normal of operations.
- After a sharp pullback yesterday, we reckon mild bargain hunting activities may emerge supported by the recovering of crude oil prices. A recovery is expected to be mild with the resistance located at the 1,400 level, followed by the 1,430 level for the time being. On the downside, the supports are located at the 1,360 and 1,350 levels.
- The lower liners and broader market shares were not spared from the selling pressure as investors locked in their recent gains over the past month. Nevertheless, rotational play powered the construction sector higher on the back of resumption of construction activities, albeit not at full pace. We also think that the steady recovery in crude oil prices may garner trading interest amongst oil & gas-related shares.

## COMPANY BRIEF

- **Rubberex Corp Bhd** is seeking to raise RM31.0 mln for the expansion of its nitrile disposable glove production line by placing out new shares in the company. Rubberex has proposed a private placement exercise of up to 25.2 mln new shares, or 10.0% of its total number of issued stocks. The new shares will be issued at RM1.23 each. The placement exercise was targeted for completion by 3Q2020.
- The gross proceeds of RM30.7 mln from the exercise will enable Rubberex to partially fund its expansion plan. The remaining RM59.3 mln of the total RM90.0 mln expansion cost will be funded via proceeds from previous placement (RM15.5 mln), disposal of manufacturing operations in China last year (RM42.1 mln) and bank borrowings and/or internal funds (RM1.7 mln). (The Star)
- **Hibiscus Petroleum Bhd** has activated its asset action plans and established a framework of cooperation with commodities trading company Trafigura Pte Ltd to ensure Hibiscus' business continuity, as the company mitigates the impact of the Covid-19 pandemic on the oil and gas sector. Its asset action plans comprising revenue, operational expenditure (opex) and capital expenditure (capex) components involving the Anasuria and North Sabah oil and gas fields aim to mitigate the effects of low oil prices on the company in 2020. (The Edge)
- **LPI Capital Bhd's** 1Q2020 net profit inched up by 1.0% Y.o.Y to RM77.9 mln on higher gross premiums. Revenue for the quarter grew 2.9% Y.o.Y to RM403.9 mln. (The Edge)

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- **Alam Maritim Resources Bhd**'s unit Alam Maritim (M) Sdn Bhd has clinched a RM6.5 mln work order for underwater services from SapuraOMV Upstream (PM) Inc. The job is expected to start in June 2020 and be completed in July 2020. (The Edge)
- **LYC Healthcare Bhd** is acquiring a 51.0% stake in Singapore-based T&T Medical Group Pte Ltd for S\$7.3 mln (RM22.3 mln). T&T operates a one-stop chronic disease centre focusing on chronic degenerative joint diseases and spine, and pain management, and metabolic diseases like diabetes mellitus, hypertension and high cholesterol. It also owns and operates T&T Family Health Clinic & Surgery, a medical centre in Singapore. The acquisition comes with a profit guarantee of S\$3.9 mln over three years up to the financial year ending 31st March 2024. (The Edge)
- **Fraser & Neave Holdings Bhd**'s 2QFY20 net profit fell 2.2% Y.o.Y to RM102.2 mln, as revenue slipped 1.9% Y.o.Y to RM1.01 bln, owing to consumer demand being impacted by the Covid-19 pandemic and the subsequent Movement Control Order (MCO).
- For 1HFY2020, cumulative net profit rose 1.4% Y.o.Y to RM230.5 mln. Revenue for the period climbed 4.0% Y.o.Y to RM2.12 bln. A 27 sen interim dividend for the period, payable on 12th June 2020 was declared. (The Edge)
- **Ageson Bhd**'s wholly-owned Esa Pile Sdn Bhd has accepted a purchase order from Guangzhou Kaishengda Industrial Co Ltd (GKI) for river sand and sea sand for a period of 15 years, a contract valued about RMB44.8 bln (RM27.5 bln). The company is expected to supply 50.0 mln cubic metres of river sand per year and 100.0 mln cubic metres of sea sand per year to GKI starting from 3Q2020. (The Edge)
- **Country View Bhd** has accepted RM31.0 mln in Islamic financing from AmBank Islamic Bhd (AmBank Islamic). The property developer wholly-owned subsidiary Country View Resources Sdn Bhd (CVR) would redeem RM22.0 mln from the Murabahah Tawarruq Revolving Credit-I (RC-i) facility for working capital purposes. There will also be a RM9.0 mln bank guarantee. (The Edge)
- **KKB Engineering Bhd** has secured a RM53.0 mln water supply contract in Sarawak for duration of 16 months from Kuching Water Board. The proposed construction, completion and commissioning of water supply from Jalan Batu Kawa/Matang to and fro Matang mid-level reservoir for Sarawak water supply grid program will commence this month, subject to the final approval from the state government. (The Star)

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