



01 October 2019

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI dropped to an intra-day low of 1,578.53 level yesterday before rebounded to close flat at 1,583.91 points. Market sentiment remained weak as there were 556 losers versus 298 gainers. Volume traded was low at RM1.86bn with 1.50bn unit of shares traded.

Asian stock markets ended on mixed notes with the Shanghai Composite Index lost 0.92%, Nikkei 225 Index declined 0.56% and Hang Seng Index gained 0.53%.

Major US stock markets indices ended higher with the Dow Jones Industrial Average up 0.36%, Nasdaq Composite Index increased 0.75% and S&P 500 Index gained 0.50%.

Our Thoughts

A lot has been said by the property related players in cutting the RPGT (Real Property Gains Tax) to improve the ailing property market. While this is deemed as a beneficial move, this will not improve the participation of first time buyers rather will encourage those with high speculative interests. To address the prevailing property overhang, it would require both the banks and developers to collaborate. For once, the developers may need to relook at their pricing while the banks should not be too stringent on their scrutiny of applicant especially for first time buyers.

News For The Day

ACE Market-bound Solarvest to raise RM34.6m

Solarvest Holdings Bhd is looking to raise RM34.6m from its listing on the ACE Market of Bursa Malaysia. Solarvest specialises in turnkey engineering, procurement, construction and commissioning services for solar photovoltaic systems. – *The Sun Daily*

CIMB to issue US\$680m SDG bond

It is issuing a bond worth US\$680m (RM2.85bn) to fund projects related to the United Nations' sustainable development goals. The bond — a five-year floating rate note priced at a spread of 78 basis points above the three-month US dollar London Interbank Offered Rate— will be issued on Oct 9 under CIMB Bank's existing US\$5bn Euro Medium Term Note Programme. – *The Edge Markets*

Handal Energy secures job

Handal Energy Bhd has bagged a contract from Sarawak Shell Bhd and Sabah Shell Petroleum Co Ltd. to provide offshore crane operations and maintenance services. The contract entailed the provision of operations, maintenance, repair and manpower services for 29 offshore cranes under SSB and SSPC located off the waters of Sarawak and Sabah. – *The Edge Markets*

Net financing grew at slower pace in August

Bank Negara Malaysia said net financing within the country's banking system grew at a slower pace of 5.2% year-on-year in August, compared to 5.6% in July. This is due to lower outstanding corporate bond growth of 8.9% in August, from 10.3% in July, amid high redemptions. – *The Edge Markets*

AirAsia to implement lower PSC rate for non-ASEAN destination

Airasia Group Bhd says it is set to implement starting Oct 1, the new, lowered passenger service charge for passengers flying out to destinations beyond Asean from all other airports in Malaysia, except the Kuala Lumpur International Airport. – *The Edge Markets*

Sunsuria applies to extend completion of private placement

It had appealed to Bursa last Friday to delay the completion of the 102.23m share placement to April 15, 2020. – *The Edge Markets*



01 October 2019

 research@rakutentrade.my

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees and further shall not be re-distributed to any other third party. Rakuten Trade Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Rakuten Trade Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may affect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published:

RAKUTEN TRADE SDN BHD (266701-P)

Level 7, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2110 7188 Website: www.rakutentrade.my

Kenny Yee Shen Pin
Head of Research