



02 October 2019

 [research@rakutenrade.my](mailto:research@rakutenrade.my)

## Previous Day Highlights

The FBM KLCI rebounded yesterday, gaining 5.53 points or 0.35% to 1,589.44 points. The blue-chip index saw 19 gainers over 6 losers. Market breadth was positive with 438 gainers against 297 losers.

China and Hong Kong stock markets were closed for China National Day. Japan's Nikkei 225 Index rose 0.59% to 21,885.2 points.

US stock market ended in negative territory as the Dow Jones Industrial Average Index lost 343.8 points to 26,573.0. S&P 500 Index declined 1.23% while Nasdaq Composite Index ended 1.13% lower.



## News For The Day

### **MIER urges government to reintroduce GST**

The Malaysian Institute of Economic Research (MIER) has urged the government to reintroduce the goods and services tax in the Budget 2020 at a lower rate of 3%. – *The Edge Financial Daily*

### **Revenue partners with TNG Digital**

Cashless payment solutions provider Revenue Group Bhd has teamed up with TNG Digital Sdn Bhd to enable the usage of Touch 'n Go eWallet on the Alibaba-owned Taobao and Tmall marketplaces. – *The Edge Markets*

### **Bioalpha boosts presence in China with new products**

It strengthened its foothold in China, having launched seven new food products to the local market last month. The products were launched by the company's partner Jinrui Yandentang Co Ltd and promote various health functions ranging from men's and women's health, as well as improving immunity and gut function. – *The Sun Daily*

### **KNM bags two Indonesian contracts**

KNM Group Bhd has clinched two contracts with a total value of US\$13.285m (RM55.62m). The supply and delivery duration of the transaction would be for a combined targeted total period no later than March 24, 2021. – *The Sun Daily*

### **Straits eyes RM60m a year from deal with LMTSB**

Straits Inter Logistic Bhd expects an additional RM60m worth of business from its new fuel bunkering services agreement signed between its 55% subsidiary Tumpuan Megah Development Sdn Bhd and Lumut Maritime Terminal Sdn Bhd (LMTSB). – *The Star Online*

### **Tadmax buys 3.24 acres land for RM36.65m**

Tadmax Resources Bhd is buying 3.24 acres of land located near the Cheras-Kajang Expressway from Syarikat Perumahan Pegawai Kerajaan Sdn Bhd for RM36.65m. – *The Star Online*



## Our Thoughts

Trump may have shot himself in the foot as the US economic data deteriorated much steeper than anticipated. With almost 60-70% of corporate America earnings are derived overseas one should almost expect results for Wall Street to be adversely impacted amid the prevailing tariff war with China. In our view, Trump has had singlehandedly created existing global market volatility and we do not reckon he is relenting anytime soon. Meanwhile, we are also monitoring the ascension of the Thai Baht (YTD +6% vs USD) boosted by the influx of hot foreign funds triggering a mild déjà vu feeling prior to the 1997 Asian Financial crisis.



02 October 2019

 [research@rakutentrade.my](mailto: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](http://www.rakutentrade.my)

Kenny Yee Shen Pin  
Head of Research