



06 January 2020

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Previous Day Highlights

The FBM KLCI continued to stay above key 1,600 level last Friday despite the sell down of regional equities. The index closed 8.9 points or 0.55% to 1,611.4. Volume traded was 3.58bn units of shares valued at RM2.36bn.

Asian equities dropped last Friday with the Hang Seng Index lost 92.0 points to 28,451.5. Nikkei 225 Index declined 0.76% while Shanghai Composite Index was flat at 3,083.8.

U.S. stock markets closed lower on the geopolitical tension between U.S. and Iran. The Dow dropped 0.81% to 28,634.9, S&P 500 Index lost 0.71% while Nasdaq Composite Index ended 0.79% lower.

Our Thoughts

Fresh tension in the middle east has had investors scurrying for shelter into safe havens namely the Japanese Yen and Gold. Gold prices especially has climbed to a multi-year high surpassing the US\$1,570/oz mark. As a result, we reckon equities will be under some selling pressure following the 200 plus points decline in the DJI Average index last Friday. The FBM KLCI is seen to trend lower today with 1,600 being the psychological support level. Nonetheless, we believe any drastic selling should present as windows of buying opportunity since usually there will be knee jerk reactions during such events.

News For The Day

KAB to acquire 30% in solar energy provider

Kejuruteraan Asastera Bhd has proposed investing into and acquiring a 30 % stake in LeveragEdge Sdn Bhd) for RM2.1m, as part of its strategy to provide a highly integrated energy efficiency solution and to expand KAB's footprint in sustainable energy.- *Sunbiz*

Tadmax to proceed with Pulau Indah power plant project

Tadmax Resources Bhd has received a letter of notification from the Ministry of Energy, Science, Technology, Environment and Climate Change for the company to proceed with the development of a 1,200MW combined-cycle gas turbine power plant in Pulau Indah, Selangor. - *The Edge Markets*

FGV unit, Johor Port team up to buy stake in Pakistan dry bulk terminal

FGV Holdings Bhd's subsidiary FWQ Enterprises (Private) Ltd has entered into a memorandum of understanding with Johor Port Bhd to explore the potential acquisition of a 25% stake in Fauji Akbar Portia Marine Terminals, an operating dry bulk terminal in Port Qasim, Pakistan. - *The Edge Markets*

PMB Technology to unlock bigger opportunities

The appeal of silicon is apparent as more and more products capitalise on its near boundless possibilities. PMB Technology Bhd, recognising the potential, jumped into the metallic silicon last year in an attempt to diversify its business but more so to get a foothold in more value-added segments and products. – *The Edge Financial Daily*



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