



10 September 2019

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Previous Day Highlights

The FBM KLCI gained 4.72 points or 0.30% to 1,604.47 points last Friday with MISC and PCHEM being the main leading movers. However, volume traded remained low with 1.67bn unit of shares valued at RM1.44bn being traded.

Asian stock markets ended mixed yesterday with the Shanghai Composite Index rose 0.84%, Nikkei 225 Index increased 0.54% but Hang Seng Index edged down 0.04%.

US markets finished on mixed notes yesterday with the Dow Jones Industrial Average Index rose 0.14%, Nasdaq Composite Index dropped 0.19% and S&P 500 Index inched down 0.01%



News For The Day

Bumi Armada sells non-utilised Armada Perdana FPSO for US\$40m

Bumi Armada Bhd, which is currently looking for buyers for its 39 offshore support vessels and non-utilised floating production storage and offloading (FPSO) vessels, has managed to find a buyer for its Armada Perdana FPSO in Century Energy Services Ltd for US\$40m (approximately RM167.17m). – *The Edge Markets*

Supermax allocates RM1.13bn to double capacity

It has earmarked RM1.13bn in capital expenditure to double its production capacity by mid-2024. The glove maker aims to raise its production to 44.06bn pieces per year, from 21.75bn pieces as at end Dec 31, 2018. The capex will be used to upgrade, rebuild and replace old lines and fund the construction of new plants. – *The Edge Markets*

Axiata, Telenor terminates proposed merger

Axiata Group Bhd and Telenor ASA have mutually agreed to end discussions on the planned non-cash combination of their telecommunication and infrastructure assets in Asia, due to complexities involved in the transaction. – *The Edge Markets*

Gas sales agreement with Petronas likely a new income source for Sapura Energy

Sapura Energy Bhd's oil & gas field — SK408 production sharing contract development project located offshore Sarawak — will start generating earnings soon. Sapura Energy announced that it has signed a gas sales agreement with Petroliam Nasional Bhd. - *The Edge Markets*

DWL Resources partners Mobitel to bid for public projects in Sri Lanka

DWL Resources Bhd is partnering Sri Lanka's mobile provider Mobitel (Private) Ltd to secure government-related projects there. Its wholly-owned subsidiary DWL Technologies Sdn Bhd will form a joint venture company with Mobitel, seeking to provide the Sri Lanka Integrated Placement Solution to the Bureau of Foreign Employment of the Government of Sri Lanka. – *The Edge Markets*



Our Thoughts

Bank of China has again cut the reserve requirement ratio for banks potentially releasing around 900bn yuan or US\$125bn into the financial system to stem the expected economic slowdown in the country amid the ongoing trade spat with the US. This is by far the most aggressive stance made by the Chinese authority which should have positive impact cascading down to other countries within the region. Meanwhile, we reckon the domestic market to be sideways in the absence of any catalysts with the 1,600 seen as the immediate psychological support level.



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