



11 December 2019

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Previous Day Highlights

The FBM KLCI ended flat at 1,561.8 yesterday. A total of 2.66bn shares worth RM1.51bn were traded on Bursa Malaysia. There were 443 losers against 365 gainers.

Asian stock markets were on mixed note yesterday. Hang Seng Index dropped 0.22% to 26,436.6. Nikkei 225 Index inched down 0.09% while Shanghai Composite Index edged up 0.1% to 2,917.3.

U.S. stock markets continued to trend lower overnight. The Dow declined 0.10% to 27,881.7, Nasdaq Composite Index lost 0.07% while S&P 500 Index was 0.11%.



News For The Day

Malaysia considering selling Petronas stakes to Sabah, Sarawak

Malaysia is considering selling stakes in energy giant Petroliaam Nasional Bhd to states where the company's oil and gas field are located, in a bid to raise funds for the debt-laden government. – *The Edge Financial Daily*

MAHB expected to collect less PSCs this year

Malaysia Airports Holdings Bhd, which operates 39 airports in the country, is expected to collect less passenger service charges this year in line with anticipated lower passenger traffic growth. – *The Edge Financial Daily*

Magni-Tech Q2 net profit up 28.7%

Magni-Tech Industries Bhd posted a 28.7% rise in net profit to RM29.9m for its second quarter ended Oct 31, 2019, from RM23.2m in the previous corresponding quarter, contributed mostly by its garment segment. – *Sunbiz*

Bermaz Auto 2Q net profit falls 72% amid lower Mazda sales

Bermaz Auto Bhd net profit fell 72.42% in the second quarter ended Oct 31, 2019 to RM20.39m from RM73.92m, largely due to lower contribution from domestic operations, as well as from its associate company Mazda Malaysia Sdn Bhd. – *The Edge Markets*

Nomura: More policy rate cuts expected for Malaysia in 2020

Nomura is expecting more policy rate cuts in Malaysia, as well as several Asian peers in 2020, on the back of a prolonged bottoming process for gross domestic product growth recovery across the region. – *The Edge Markets*

LFE Corp wins RM19m structural works contract

FE Corp Bhd has won a RM19.1m contract to undertake structural works for the carpark and podium of a service apartment in Damansara. The nine-month contract is estimated to be completed by June 15, 2020. – *The Edge Markets*



Our Thoughts

As the US China tariff deadline looms, we will not be at all surprised that another extension could be in the offing. Nonetheless, the silence of any affirmative indicators should continue to put investors in a nervy state. As such we anticipate it will be another flattish trading day ahead with the FBM KLCI looking to break the 1,565 level. Buying interests on plantation stocks may persist buoyed by the strong CPO price which had surpassed the RM2,900/MT mark. We have identified a few laggards like IOI Corp, NSOP, MHC Plantation and PLS Plantation.



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