



13 August 2019

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## Previous Day Highlights

The FBM KLCI closed marginally lower to 1,615.05 level last Friday. The index inched down 0.97 point or 0.06%. Market breath was positive with 447 gainers versus 354 losers. However, turnover was low at RM1.55bn with 1.97bn unit of shares traded.

Asian markets closed mixed yesterday with the Shanghai Composite Index and Nikkei 225 Index gained 1.45% and 0.44% respectively. Hong Kong's Hang Seng Index dropped 0.44%.

US stocks closed on negative territory yesterday. The Dow sank 389 points or 1.48% to close at 25,897.71. S&P 500 Index lost 1.22% to 2,883.09 while Nasdaq Composite Index declined 1.20%.



## Our Thoughts

Dow Jones Industrial Average Index tumbled 389 points yesterday amid the heightened uncertainties of US-China Trade war. The 10-year treasury yield dropped to 1.64%, its lowest since October 2016. We expect KLCI to remain volatile due to global markets uncertainties. Hence, we recommend investors to buy on weakness with focus on the heavily oversold index-linked counters, and keep an eye on bargain hunting on small mid cap stocks and construction related stocks



## News For The Day

### **Empire Resorts on the brink of filing for bankruptcy**

Empire Resort Inc, in which Genting Malaysia Bhd will buy a 46% stake from controlling shareholder Tan Sri Lim Kok Thay for US\$128m (RM538m), is facing a liquidity problem so severe, it has prompted the US-based casino operator to consider filing for voluntary Chapter 11 bankruptcy. - *The Edge*

### **ECRL poised to close economic gap among people**

The East Coast Rail Link is seen as being capable of lifting the economy of residents in the states involved including Kelantan, says Deputy Home Minister Senator Dr Mohd Radzi Md Jidin. He added the project was in line with the ambition of Prime Minister to link up infrastructure as a catalyst for the future economy under the shared prosperity concept. - *The Edge*

### **TDM inks agreements for biogas plants development**

It has entered into two agreements with Concord Biotech Sdn Bhd to develop biogas plants with power generation facilities at two palm oil mills in Terengganu. The two mills are the Kemaman Palm Oil Mill and Sg Tong Palm Oil Mill, said TDM, which is 61.49% owned by the Terengganu State Government. - *The Edge*

### **LCTITAN to sell 49% stake in Indonesian unit**

It is planning to trim its equity stake in PT Lotte Chemical Indonesia by selling a 49% stake in the subsidiary to its parent Lotte Chemical Corp for US\$65.4m (RM273.49m) cash. The rationales for the proposed divestment are the challenging petrochemical business environment and financial performance, which are causing continuous margin compression of LCT's profits as well as a decrease in cash flows from operations. - *The Edge*

### **Oil price steadies as Saudi, Kuwait signals offset demand fears**

Oil prices were little changed on Monday as expectations that major producers would continue to reduce global supplies ran into worries about sluggish growth in crude demand due to the U.S.-China trade war. - *Reuters*



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