



13 March 2020

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Previous Day Highlights

The FBM KLCI ended below the 1,420 level yesterday. The index closed 1.69% or 24.4 points lower to 1,419.4. There were 923 losers versus gainers of 167.

Asian stock markets finished lower yesterday. Shanghai Composite Index was 1.52% lower, Hang Seng Index declined 3.66% and Nikkei 225 Index dropped 4.41%.

U.S. stock markets plunged overnight. Dow Jones plummeted the most since 1897 as the index was down 10% to 21,200.6. S&P 500 Index lost 9.5% while Nasdaq Composite Index was 9.4% lower.



News For The Day

Emerging Asian market rout worsens

The stock rout in Asia's emerging markets is going from bad to worse. After most gauges tumbled into bear territory in the last few weeks, now the plunge is triggering trading halts. – *The Edge Financial Daily*

YTL Power to acquire assets of Singapore's Tuaspring for RM1bn

YTL Power International Bhd plans to acquire the power plant and associated assets of Tuaspring Pte Ltd for S\$331.45m (RM1bn). YTL Power and YTL PowerSeraya's wholly owned subsidiary Taser Power Pte Ltd entered into a put and call option agreement with Tuaspring for the proposed acquisition. – *Sunbiz*

Equities, oil slump as Trump's shock Europe ban fans global recession fears

Stock markets tumbled across the globe and oil prices slumped today after President Donald Trump banned all travel from mainland Europe to the United States for a month to fight the coronavirus pandemic, ramping up fears of worldwide recession. – *Reuters*

Pan Borneo Highway to continue using conventional method

The construction of the Pan Borneo Highway will continue using the conventional project approach adopted by the previous government following the termination of the project delivery partner contract on Feb 20. – *The Edge Financial Daily*

AEON Malaysia sees minimal effect on retail from Covid-19 outbreak

AEON Co (M) Bhd expects its retail business to be only impacted minimally this year amid the sluggish retail market due to a slowing economy and Covid-19. – *The Edge Financial Daily*



Our Thoughts

US markets suffered its biggest drop in a day since 1987 Black Monday crash. Dow Jones has fallen from 29,551.42 in Feb 12 to the current level 21,200.62, a fall of 28.2% in a month ending the longest bull markets by definition. Panic has gripped the markets globally on the fear of Covid-19 prompting Fed to step in and has announced a total US\$1.5 trillion liquidity into the financial system which is akin to start of quantitative easing to calm the markets. Regional markets are expected to take a big hit and mirror the drop. Back to our markets, KLCI is going to see the same trend with support level at 1,360.



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