



16 January 2020

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Previous Day Highlights

The FBM KLCI gained 4.5 points or 0.29% to 1,585.1 yesterday. Losers stood at 471 versus 339 gainers. Shares worth RM1.68bn with 2.54bn unit of shares were traded.

Asian stock markets closed mostly lower with the Hang Seng Index dropped 0.39% to 28,773.6. Nikkei 225 Index lost 0.45% and Shanghai Composite Index dropped 0.54%.

U.S. shares ended at record high after the signing of phase 1 trade deal agreement. Dow Jones ended above 29,000 mark (+0.31% or 90.55 points), S&P 500 Index jumped 0.19% while Nasdaq Composite Index closed at 9,258.7 level.



News For The Day

Cabinet decides not to sell PLUS

The Cabinet decided not to sell PLUS Malaysia Bhd. The country's biggest highway concessionaire will remain with its current shareholders Khazanah Nasional Bhd, which owns a 51% stake, and the Employees Provident Fund with a 49% stake. The government intends to restructure concession agreements to reduce toll rates. – *The Edge Financial Daily*

SC prescribes IEO model for digital token offering

The Securities Commission Malaysia has set out the requirements for offerings of digital tokens to be carried out through an initial exchange offering (IEO) operator that is registered with the commission. – *The Edge Financial Daily*

Securemetric invests in 5% stake in Indonesian digital startup

Software company Securemetric Bhd has invested in a 5% stake in Indonesian digital startup PrivyID for a cash consideration of 20.25bn Indonesian rupiah (RM6.03m). – *The Edge Markets*

Pestech buys solar farm project in Cambodia

Pestech International Bhd, which is engaged in the provision of electrical power facilities, is expanding its business in Cambodia by acquiring a 94% stake in a Cambodian company. Its unit Astoria Solar Farm Sdn Bhd is investing US\$4m (about RM16m) to acquire the solar farm project. – *The Edge Markets*

Cuscapi inks MoU with Indonesian company

Point-of-sale systems provider Cuscapi Bhd is collaborating with Indonesian-based PT Cartenz Inti Utama for the supply and implementation of 20,000 POS units in Indonesia. – *The Edge Markets*



Our Thoughts

US markets continued its renewed optimism as it closes above 29,000 level on the signing of phase one trade deal. News of Trump may propose tax cut 2.0 sent the markets higher with further stimulus in the pipeline to continue feeding the bull market. Regional market is likely to follow the positive sentiments overnight at US markets. On the local front, FBM KLCI continue to lag behind the small mid cap stocks and tech related sector while we believe investors should take a look at laggard tech related stocks and construction stocks for the next rotational play.



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