



17 June 2019

 [research@rakutentrade.my](mailto:research@rakutentrade.my)

## Previous Day Highlights

The FBM KLCI closed 5.11 points or 0.31% to RM1,638.63 last Friday. Market breath was negative with 498 losers versus 288 gainers and 356 counters unchanged.

Hong Kong's Hang Seng Index fell 0.65% to 27,118.30 and Shanghai Composite Index fell 0.99% to 2,881.97 while Japan's Nikkei 225 Index inched up 0.4%.

U.S. markets close lower last Friday with the Dow inched down 17.2 points or 0.07%, the S&P 500 Index also dropped 0.16% while Nasdaq Composite Index closed 0.52% lower.



## News For The Day

### **Perisai Petroleum awarded RM83.38m contract from Petronas Carigali**

Perisai Petroleum Teknologi Bhd's 51% subsidiary Perisai Offshore Sdn Bhd has been awarded a US\$20m (RM83.38m) contract from Petronas Carigali Sdn Bhd. The contract is expected to commence between Aug 1, 2019 to Sept 1, 2019 for a period of 200 days, to drill five wells at the depth of 30,000 feet. – *The Sun Daily*

### **Malaysia Airlines Q1 revenue up 2%, breakeven unlikely**

Malaysia Airlines Bhd has reported a year-on-year (yoy) revenue improvement of 2% in the first quarter ended March 31, 2019 (Q1) on the back of increased available seat kilometres, but does not expect to break even this year due to external volatilities. – *The Sun Daily*

### **KNM awarded contracts worth RM27.71m**

KNM Group Bhd has been awarded two contracts with an estimated value of RM27.71m via its indirect wholly-owned subsidiaries FBM Hudson Italiana S.p.A (FBM) in Italy and FBM-KNM FZCO (FZCO) United Arab Emirates. Its Italian subsidiary FBM has accepted a design and supply contract from Dangote Oil Refining Co Ltd and Dangote Petroleum Refinery & Petrochemicals Free Zone Ent for US\$4.55m (RM18.97m). – *The Sun Daily*

### **Scientex aggressively expanding land bank**

Packaging materials maker and property developer Scientex Bhs is aggressively stocking up on its land bank, at a time when most developers are taking it slow when it comes to acquiring and developing land due to the overhang in properties. Scientex has been on an acquisition mode in recent years and would now have a landbank of 3,611 acres, after the completion of its latest purchases of six parcels of land in Penang, measuring 179.7 acres for RM109.59m – *The Star Online*



## Our Thoughts

It was shortlived. Foreign funds inflows which started the month of June on a positive note has now turned negative again. For the first week of the month, net foreign inflows totalled RM409m before foreign fund reverted to their selling mode again. Last week saw another RM469m of foreign net outflow pushing month to date flows to a -RM60m. However, we expect foreign flows to be positive in view of the imminent rate cut in the US which should see funds returning to higher yield investment destinations.



17 June 2019

 [research@rakutenrade.my](mailto:research@rakutenrade.my)

---

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees and further shall not be re-distributed to any other third party. Rakuten Trade Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Rakuten Trade Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may affect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

---

Published:

Kenny Yee Shen Pin  
Head of Research

**RAKUTEN TRADE SDN BHD (266701-P)**

Level 7, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia  
Telephone: (603) 2110 7188 Website: [www.rakutenrade.my](http://www.rakutenrade.my)