



18 July 2019

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Previous Day Highlights

The FBM KLCI dropped 11.4 points or 0.68% to 1,657.53 yesterday with the blue chips index seeing only 1 gainer versus 27 losers mainly dragged by TENAGA and PCHEM. Market breath continued to be negative with 618 losers outpaced 226 gainers.

Regional markets also ended in negative territory with the Shanghai Composite Index dropped 0.2%, Nikkei 225 Index lost 0.3% and Hong Kong's Hang Seng Index declined 0.09%.

US stock markets continued to trend lower as investor aware of the corporate earnings season. The Dow fell 0.42%, S&P lost 0.65% and Nasdaq declined 0.46%.



Our Thoughts

The Transport Ministry has approved Penang's Bayan Lepas Light Rail Transit (LRT) project. The Bayan Lepas LRT project, estimated to cost RM8.4bn and stretch some 29.9km from Komtar to Bayan Lepas, is part of the State Government's RM46bn Penang Transport Master Plan. The Master Plan features an undersea tunnel linking the island to the mainland, highways, LRT and monorail, and an extensive bus connectivity on both the island and mainland. Gamuda as one of the players for the project should see some buying interest today with the mega infra project finally taking off.



News For The Day

Khazanah raises US\$500m via bonds convertible for 3.45% of CIMB

Khazanah Nasional Bhd clarified yesterday it did not sell a 3.45% stake in CIMB Group Holdings Bhd, but that the shares were transferred in relation to exchangeable bond issued recently. The issuance of exchangeable bonds is part of Khazanah's regular financing activity, and it has issued 10 exchangeable bonds since 2004. – *The Edge*

Hibiscus buys O&G rights in North Sea

Independent oil and gas (O&G) exploration and production company Hibiscus Petroleum Bhd is acquiring O&G rights offshore in the UK sector of the North Sea worth US\$5m (RM20.6m) – *The Edge*

Mulpha sells Cairns hotel

Mulpha International Bhd is selling a 4-star hotel in Cairns for A\$65m (RM187.9m). Its units in Australia have entered into a property and business asset sale agreement with JY Cairns Esplanade Hotel Pty Ltd on July 16 for the disposal of Rydges Esplanade Resort. Rydges Esplanade Resort is a 242-room hotel. – *The Star*

DNeX wins RM11.8m Petronas contract

Dagang Nexchange Bhd's wholly owned subsidiary OGPC Sdn Bhd has been awarded a RM11.8m contract from Petronas Dagangan Bhd. The contract is for the supply, installation, testing, commissioning and maintenance automatic tank gauging and accessories for 200 Petronas stations nationwide. – *The Sun Daily*

Zhulian's net profit jumps 62% in Q2

Zhulian Corp Bhd's net profit for the second quarter ended May 31, 2019 rose 61.79% to RM19.53m from RM12.07m a year ago due to higher sales with cost control and higher share of profit from an associate. Revenue for the quarter rose 18.87% to RM52.32m from RM44.02m a year ago due to higher sales both locally and to Thailand. – *The Sun Daily*

Pharmaniaga appoints five new directors

It has appointed five new directors to its board, including Datuk Dr Hafsah Hashim, SME Corp Bhd's former chief executive officer. – *The Star*



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