



18 October 2019

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

## Previous Day Highlights

The FBM KLCI closed marginally lower (0.03%) to 1,574.5 points yesterday. Volume traded was 2.3bn unit of shares valued at RM1.88bn. There were 413 losers, outnumbering 393 gainers.

Asian stock market ended on mixed notes yesterday. Shanghai Composite Index dropped a marginal 0.05% to 2,977.3. Hang Seng Index gained 0.69% while Nikkei 225 Index inched down 0.09%.

US stock market finished higher overnight. The Dow Jones Average Industrial Index inched up 0.09%, Nasdaq Composite Index gained 0.40% while S&P 500 Index rose 0.28%.

## Our Thoughts

The local bourse seems to be rather well supported at current levels. Interestingly we also saw the return of foreign buying after a lengthy hiatus. Over the last 2 days, there were net foreign buying of almost RM300m which was unheard of during the past months. If such buying is sustained, we may see the FBM KLCI to re-test the 1,600 anytime soon. Meanwhile, we reckon liquidity remains gravitated to the small/mid cap companies amid some rotational plays. Technology and Construction related companies remain as our preferred picks namely SKP Resources, PIE, D&O, Vertice, Vizione and KAB.

## News For The Day

### Widad Group to take over RM861.6m UiTM concession

Widad Group Bhd, whose parent company Widad Business Group has put in a bid to take over concessionaires under PLUS Expressways Bhd, is forking out RM95.89m to take up a 90% stake in Serendah Heights Sdn Bhd, which is the ultimate owner of a concession to develop and maintain the UiTM campus in Jasin, Melaka. – *The Edge Markets*

### Perdana Petroleum on track for turnaround in FY20

Perdana Petroleum Bhd) is on track to return to the black in its coming financial year ending Dec 31, 2020, since its shareholders have given their nod for the group's proposed rights issue exercise, which forms a part of its debt restructuring plan. – *The Edge Markets*

### KIP REIT NPI rises 36%, declares 1.37 sen distribution

KIP REIT's net property income jumped 36% to RM13.5m for the first quarter ended Sept 30, 2019, from RM9.94m in the previous year's corresponding quarter, helped by unrealised gain on an acquisition. KIP REIT had acquired AEON Mall Kinta City, which resulted in an unrealised fair value gain of RM13.2m that was partially offset by expenses incidental to the acquisition of RM3.5m. – *The Edge Markets*

### US-China trade war offers upside to Malaysian medical device makers

The US-China trade war offers an opportunity for Malaysian medical device manufacturers to continue to position themselves as alternative producers and suppliers to China, Fitch Solutions Macro Research said in a report. – *Sunbiz*

### Perak Corp unit defaults on RM25.7m loan

Perak Corp Bhd's indirect 51%-owned subsidiary Animation Theme Park Sdn Bhd (ATP) has defaulted on payment to Affin Hwang Investment Bank Bhd amounting to RM25.7m. ATP is the developer, owner and operator of Movie Animation Park Studios located in Ipoh, Perak. – *Sunbiz*



18 October 2019

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

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

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

Kenny Yee Shen Pin  
Head of Research