



19 March 2020

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Previous Day Highlights

The FBM KLCI continued to trend lower yesterday. The index lost 17.6 points or 1.4% to 1,239.0 level. There were 745 losers against 221 gainers. Volume traded was 3.49bn unit of shares valued at RM2.89bn.

Asian stock markets ended lower yesterday. Hang Seng Index dropped 971.9 points or 4.18% to 22,291.8. Shanghai Composite Index declined 1.83% and Nikkei 225 Index closed 1.68% lower.

U.S. equities extended selloff as Dow Jones broke below 20,000 level. The index fell 1,338.5 points to finish at 19,898.9. S&P 500 Index lost another 4.70% and Nasdaq Composite Index ended 5.18% lower.



News For The Day

U.S. oil plunges to 18-year low

Oil prices plunged, with U.S. crude futures hitting an 18-year low, as governments worldwide accelerated lockdowns to counter the coronavirus pandemic. – *Reuters*

Dutch Lady proposes to buy 32.59 acres of land

Dutch Lady Milk Industries Bhd has proposed to acquire three parcels of freehold land in Bandar Baru Enstek, Seremban, Negri Sembilan, totalling 32.59 acres for RM56.79m cash. – *Sunbiz*

Uzma bags 4-year pumping equipment contract from ExxonMobil

Uzma Bhd has secured a four-year contract from ExxonMobil Exploration and Production Malaysia Inc for the provision of pumping equipment and services. – *Sunbiz*

S&P: Asia Pacific recession is now guaranteed

Asia-Pacific economic growth in 2020 will more than halve to less than 3% as the global economy enters a recession, said S&P Global Ratings. Economist estimates permanent income losses are likely to be more than UD\$400bn. – *The Edge Financial Daily*

Genting Malaysia market cap is on par with its parent

Genting Bhd, a conglomerate that has three public-listed companies under its belt with businesses in casino, plantations, and oil & gas is now being valued the same as its 49.5%-owned subsidiary, Genting Malaysia Bhd. – *The Edge Financial Daily*

Rock-solid Public Bank sinks to seven-year low

Public Bank Bhd suffered its largest single-day percentage drop in 10 years, to close at RM13.02 yesterday. – *The Edge Financial Daily*



Our Thoughts

Nowhere to hide as one can expect another rout for the regional markets today following the trashing on Wall Street. We believe investors are reverting to “cash is king” as even the US treasuries were sold down as well. The US 10-year yield climbed from a low of 0.7% a few days ago to now around 1.2%. Locally, we may see more downside bias for the FBM KLCI with 1,220 as the immediate support after which the 1,200 would be the psychological support level.



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