



02 July 2019

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

## Previous Day Highlights

The FBM KLCI started the second half of 2019 higher with a gain of 11.49 points or 0.69% to 1,683.62 level yesterday. Turnover was higher at RM2.18bn with 3.32bn unit of shares traded yesterday.

Asian markets were lifted by the positive sentiment due to the delay in US-China trade war. The Shanghai Composite Index rose 2.2% and Japan's Nikkei 225 Index gained 2.13%. Hong Kong's Hang Seng Index was closed yesterday.

U.S. stock markets ended higher following the positive development on the trade talk. The Dow gained 0.44%, S&P 500 Index rose 0.77%, Nasdaq Composite Index increased 1.06%.



## News For The Day

### **Dialog secures long-term contract from Petronas**

Dialog Group Bhd has secured a master service agreement for turnaround and maintenance works from Petroliaam Nasional Bhd (Petronas) via its wholly owned subsidiary Dialog Plant Services Sdn Bhd. The contract covers integrated plant turnaround works and daily maintenance work on mechanical static for Petronas' plants group-wide and is valid for a period of five years with an option to extend by Petronas. – *The Star*

### **Prestariang bags RM22.94m job from MOF**

Prestariang Bhd has secured a RM22.94m contract from the Ministry of Finance. The contract, which was awarded to its wholly owned subsidiary Prestariang Systems Sdn Bhd, is to supply Microsoft software licenses, products and services under the Master Licensing Agreement 3.0 to the Ministry of Education for a period of one year. – *The Sun Daily*

### **Opec+ set to extend output cuts into 2020 as demand falters**

The Opec+ alliance is poised to extend production cuts into 2020 as the world's leading oil exporters fret about a weakening outlook for global demand growth and the relentless rise in output from America's shale fields. – *The Star*

### **Merge Energy bags RM26m Langat 2 work package**

Merge Energy Bhd has accepted a contract from federal government agency Pengurusan Aset Air Bhd to undertake connection and installation works for the Langat 2 water treatment plant. Merge Energy said the contract, worth RM26m, will be undertaken by its wholly-owned subsidiary Mewah Kota Sdn Bhd over a period of 12 months. – *The Edge Markets*

### **Ranhill secures RM151.5m job to reduce non-revenue water in Johor**

Ranhill Holdings Bhd, via its wholly-owned unit Ranhill Water Services Sdn Bhd, has secured a two-year contract worth RM151.5m for non-revenue water reduction in Johor. The project, which is expected to be completed by June 30, 2021, was a related party transaction as it was awarded by its 80%-owned subsidiary Ranhill SAJ Sdn Bhd. – *The Edge Markets*



## Our Thoughts

Just as we thought the trade war between the US and China is off the boil, in come another kick in the mouth as the US are now targeting the EU (European Union) with additional tariffs. Though the amount may not be huge of US\$4bn nonetheless, such move may create a certain degree of volatility to the financial markets. Domestically, sentiments are improving with more foreign fund inflows amounting RM114.4m yesterday. Recall, that we mentioned of net foreign inflows by the 3Q this year and hope that this will be sustainable.



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**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