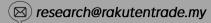


Dail<u>y Market Re</u>port



20 April 2020





Previous Day Highlights

The FBM KLCI broke above the 1,400 level last Friday. The index rose over 20 points or 1.5% to finish at 1,407.3. Trading volume was significantly higher with 6.31bn unit of shares worth RM3.02bn were traded. There were 764 gainers versus 211 losers.

Asian stock markets closed higher last Friday. Nikkei 225 Index advanced 3.15% to 19,897.3, Hang Seng Index gained 1.56% to 24,380 while Shanghai Composite Index finished 0.66% higher to 2,838.5.

Dow Jones Industrial Average Index closed 2.99% or 704.8 points higher to 24,242.5. Nasdaq Composite Index advanced 1.38% or 117.8 points to 8,650.1 and S&P 500 gained 2.68% or 75.0 points to 2,874.6.



Our Thoughts

Wall Street was higher last Friday on hopes of an early opening of the US economies as mooted by Trump. However, judging from the Covid-19 figures in the US where total cases are closing in at 800,000 with deaths surpassing 40,000, we believe Trump's wish is only wishful thinking and is playing a highly dangerous game. Nonetheless, we reckon after a rather strong performance last week, regional markets may look to take a breather today. Locally, the FBM KLCI which was up by 50 points last week may see some easing today with 1,400 as the immediate support level. Meanwhile with crude oil prices plunging to a low again, this may put additional pressure on the MYR currently hovering at the RM4.40/US\$1.



News For The Day

AirAsia to resume domestic flights

AirAsia's scheduled domestic flights is slated to resume on April 29, 2020, followed by Thailand and the Philippines on May 1, India on May 4, and Indonesia on May 7, subject to approval from the authorities. – *The Edge Markets*

Grim 1Q earnings outlook for selected industries

Earnings for the gaming industry, comprising casino and numbers forecast operators, will be affected the most, followed by the airline, property, and banking sector due to the impact of Covid-19. – *The Edge Financial Daily*

Broadcom sounds alarm on tech industry disruptions

Broadcom Inc warned customers they will need to place orders for parts at least six months ahead of time, a surprisingly long lead time that points to wider-than-anticipated disruptions to the technology industry's global supply chain. – *Bloomberg*

Why credit rating matters despite great need to aid people, business

Governments around the world are expected to sizeably raise borrowings for necessary expenditure to battle the ill effects of the Covid-19 pandemic and its economic consequences, pushing budget deficits and public debt ratios well above levels last seen during the global financial crisis. Global debt is estimated to increase 13.1% to reach 96.4% of GDP in 2020 from 83.3% in 2019. – The Edge Financial Daily

Scomnet declares 1.5 sen dividend

Supercomnet Technologies Bhd has proposed a 1.5 sen dividend for its year ended Dec 31, 2019. The dividends consist of a special single tier dividend of 0.5 sen and a final single tier dividend of 1 sen. –*The Star Online*



Dail<u>y Market Re</u>port



20 April 2020



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

Kenny Yee Shen Pin Head of Research