



20 August 2019

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## Previous Day Highlights

The FBM KLCI closed 2.77 points or 0.17% lower to 1,596.45 points yesterday mainly led by telco companies namely AXIATA and DIGI. However, market breadth was positive with 428 gainers versus 349 losers.

Regional markets gained with the Shanghai Composite Index rose 2.10% to 2,883.1. Japan's Nikkei 225 advanced 0.71% and Hang Seng Index increased 2.17%.

Dow Jones Industrial Average Index rose 0.96% to 26,135.79 on the renewed optimism on the trade talk. Meanwhile, S&P 500 Index gained 1.21% and Nasdaq advanced 1.35%.



## Our Thoughts

It is interesting to note that the emerging Asian countries are currently offering highly attractive yields amid more stable political scenario and yet foreign investors are shunning the region. Apart from Thailand which saw huge inflows of hot foreign money, the rest of South East Asia countries apart from Singapore offer solid 10-year bond yields ranging from 3.25% to 7.33%. As most countries are jumping into the low interest rates bandwagon, we reckon it will be a matter of time before foreign monies return to the region which will have a positive impact on their respective currencies.



## News For The Day

### Icon Offshore makes cash call

Offshore support vessel operator Icon Offshore Bhd is making a cash call to raise up to RM250m fresh capital and to restructure RM370.66m of debt, partly by issue of new shares - *The Edge*

### BToto posts two-month losses of RM41m

Berjaya Sports Toto Bhd posted a net loss of RM41.38m in the two months ended June 30, 2019 — its first loss-making period in 15 years since 2004 — mainly due to a RM78.43m impairment of goodwill and assets. — *The Edge*

### Asia's growing cocoa appetite lifts Guan Chong's 2Q net profit up 42%

Cocoa grinder Guan Chong Bhd's net profit rose 42% year-on-year to RM60.1m or 12.77 sen per share in its second quarter ended June 30, 2019, thanks to higher sales volume of cocoa products, which pushed revenue up 53% to RM753.06m.- *The Edge*

### SunCon net profit drops

Lower revenue from construction segment and higher-income tax expenses pulled down Sunway Construction Bhd's (SunCon) net profit for a consecutive quarter for the second quarter ended June 30, 2019) by 7.23%. Quarterly net profit fell to RM33.19m against RM35.77m a year earlier. - *The Edge*

### OSK partners Japan's Marubeni to bid for large scale solar project

OSK Holdings Bhd is partnering Japan's Marubeni Corp to jointly bid for a large scale solar photovoltaic plant in Peninsular Malaysia, under the government's third cycle of the scheme (LSS3). Marubeni, based in Tokyo, is one of the world's largest independent power producers. - *The Edge*

### Utusan huge debt turns off potential investors

Financially stressed Utusan Melayu (M) Bhd is facing an uphill task finding a white knight to salvage the newspaper group, with total debts of RM139.9m as at June 30. — *The Star*



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