



20 March 2020

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Previous Day Highlights

The FBM KLCI continued to finish on negative territory yesterday. The benchmark index lost 19.3 points or 1.56% to 1,219.7 level. Bursa Technology Index lost 7.71% while FBM Small Cap Index dropped 6.88%. Value traded was RM2.87bn with 4.17bn unit of shares exchanged.

Asian stock markets ended lower with Hang Seng Index declined 582.7 points or 2.61% to 21,709.1. Shanghai Composite Index ended 0.98% lower while Nikkei 225 Index was 1.04% lower.

U.S. equities managed to finish slightly higher after the massive selloff. Dow Jones Industrial Average Index was up 0.95% to 20,087.2, Nasdaq Composite Index gained 2.30% and S&P closed 0.47% higher.



News For The Day

BNM cuts SRR by 100 basis points to 2% to release RM30bn liquidity

Bank Negara Malaysia will be lowering the statutory reserve requirement (SRR) ratio by 100 basis points to 2% from 3% previously, effective March 20. – *Sunbiz*

Top Glove Q2 profit up 9.3%, expects strong quarters ahead

Top Glove Corp Bhd's net profit rose 9.3% to RM115.7m for the second quarter ended February 29, 2020 compared to RM105.8m reported in the corresponding quarter of the previous year, attributed to tax incentives and sales volume growth despite a surge in natural rubber latex concentrate prices. – *Sunbiz*

WCT bags Pavilion D'sara Heights award worth RM1.2bn

WCT Holdings Bhd has been awarded a RM1.2bn contract from Jendela Mayang Sdn Bhd to carry out superstructure works for the Pavilion Damansara Heights integrated development project, in a related party transaction. – *Sunbiz*

Genting Malaysia to inject RM174.8m into Empire Resorts

Genting Malaysia Bhd will be injecting US\$40m (RM174.8m) cash into loss-making Empire Resorts Inc, which is bought from its chairman Tan Sri Lim Kok Thay. – *The Edge Financial Daily*

Ringgit slips to 4.40 to 3-year low against dollar

The ringgit weakened to hit the 4.4 level against the US dollar yesterday, sliding 0.92% to a three-year low of 4.4095. Year-to-date, it has depreciated 7.8. – *Sunbiz*



Our Thoughts

Wall Street rebounded yesterday but we remained unimpressed. With the quadruple witching due tonight for US options, market volatility is expected to heighten. As such, many may view yesterday's market stability as temporary. As a result, we would expect regional markets to remain volatile with some downside bias today. Locally, we continue to see selling with immediate support at 1,200 for the FBM KLCI despite the 1% cut in SRR by Bank Negara yesterday. The only saving grace for the market is that crude price rebounded with the Brent surpassed the US\$30/barrel.



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