



21 November 2019

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Previous Day Highlights

The FBM KLCI closed 4.2 points or 0.26% lower to 1,601.1 yesterday. Buying interest was weaker and the index hit an intra-day low of 1,598.3. Volume traded stood at 2.9bn unit valued at RM1.98bn.

Asia stock market ended in negative territory yesterday. Hang Seng Index failed to sustain the 27,000 level, dropping 204.2 points to 26,889.6. Nikkei 225 was down 0.62% while Shanghai Composite Index dropped 0.78%.

U.S. equities fell overnight amid the reports of a likely delay in a China-U.S. trade deal. Dow Jones dropped 112.9 points to 27,821.1. S&P lost 0.38% while Nasdaq declined 0.51%.



News For The Day

MBSB Q3 net profit up 40% to RM170m

Malaysia Building Society Bhd saw a 39.5% increase in its net profit for the third quarter ended Sept 30 to RM170.16m from RM121.96m, due to the reversal of prior year overprovision of tax expenses, after it finalised taxation for 2018 during the quarter. – *Sunbiz*

KESM 1Q net profit rises 71% on lower expenses, higher other income

Lower expenses and higher other income helped boost KESM Industries Bhd's net profit to RM4.53m or 10.53 sen a share for the first quarter ended Oct 31, 2019, a whopping 71.45% more than the RM2.64m or 6.14 sen a share for the same period last year. – *The Edge Markets*

Teo Seng Capital 3Q net profit more than doubles

Teo Seng Capital Bhd's net profit has jumped 2.6 times to RM18.05m or 6.02 sen per share for the third quarter ended Sept 30, 2019, against RM7.02m or 2.34 sen per share a year earlier, on higher revenue from its poultry farming business. – *The Edge Markets*

TA Global's 3Q profit slumps 90% with lower sales from Australian projects

TA Global Bhd's net profit slumped 90% to RM6.39m for the third quarter ended Sept 30, 2019 from RM66.41m a year ago, mainly dragged by its property development and investment holding divisions. – *The Edge Markets*

MSM in the red for third quarter

MSM Malaysia Bhd swung into the red registering a net loss of RM185.1m for the third quarter ended Sept 30, 2019 against a net profit of RM15.88m in the previous corresponding period, due to lower average selling price, higher refining cost, higher finance cost and provision of RM137.35m for the impairment of plant and machinery. – *Sunbiz*

Boustead Heavy third-quarter earnings fall

Boustead Heavy Industries Corp Bhd saw a 72.4% drop in its net profit to RM3.28m for the third quarter ended Sept 30, 2019 from RM11.87m in the previous corresponding quarter, dragged down by a variation in milestones achieved from defence-related maintenance, repair and overhaul projects, lower contribution from the joint ventures and higher finance costs. - *Sunbiz*



Our Thoughts

News on the "phase one" trade deal between China and US may have hit a snag and dampened sentiments with the Dow Jones taking a hit notwithstanding ongoing 3Q results has been generally good. This is compounded by US senate passing of bill supporting Hong Kong's protest which is widely seen as interfering with China's affairs. Global markets movement is expected to be focused on the headline news. On our local front, the FBM KLCI continues to hover at the support level at 1,600 and will continue to see rotational play among the small mid cap stocks.



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