



22 August 2019

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Previous Day Highlights

The FBM KLCI failed to hold above 1,600 level yesterday with 22 losers and only 3 gainers. The index dropped 8.16 points or 0.51% to 1,594.59 point. Value traded was low at RM1.62bn with 2.0bn unit of shares traded.

Asia markets closed mixed as the Nikkei 225 Index lost 0.28% but Shanghai Composite Index gained a marginal 0.01% and Hang Seng Index rose 0.15%.

US stock markets rose yesterday with the Dow gained 0.93%, S&P 500 Index advanced 0.82% and Nasdaq ended 0.90% higher.



News For The Day

Jaks Resources' 2Q net profit triples

Jaks Resources Bhd's net profit jumped near three times in the second quarter ended June 30, 2019, as it recorded higher earnings in its construction division, contributed by engineering, procurement and construction works in Vietnam. - *The Edge*

Amway 2Q net profit jumps 148%, declares 5 sen dividend

Posted a 148% jump in net profit to RM18.49m for the second quarter ended June 30, against RM7.46m in the same period last year, due to higher sales and lower import costs on the back of favourable foreign exchange impact. - *The Edge*

BAssets 4Q net loss widens following higher deferred tax bill

Its net loss widened significantly in the fourth quarter ended June 30, 2019 to RM83.1m from RM30.2m in the previous corresponding quarter as a result of higher deferred taxes provision. - *The Edge*

GDB Holdings posts lower net profit in 2Q

Construction services firm GDB Holdings Bhd posted a lower net profit of RM6.94m in the second quarter ended June 30, 2019 from RM9.13m in the same period a year ago. - *The Edge*

MSM registers third straight quarterly loss

Posted a net loss of RM67.33m for the second quarter ended June 30, 2019 compared with a net profit of RM14.33m a year ago, attributable to lower average selling price, higher refining cost and higher finance cost incurred following the modification of certain terms in respect of the Islamic term loan. - *The Sun*

Tomei's Q2 profit almost triples

Tomei Consolidated Bhd's net profit for the second quarter ended June 30, 2019 surged almost three times to RM1.12m from RM394,000 a year ago, thanks to its retail and manufacturing and wholesale segments. - *The Sun*



Our Thoughts

The domestic market remains stuck in a consolidation mode with the FBM KLCI oscillating between a tight range of 1,590-1,600. Due to the absence of positive catalysts, foreign fund outflows are still rampant touching almost RM2.1bn for the month of August alone. Corporate earnings reported thus far failed to whet investors' appetite as most came were within expectations at best. In view of this, we believe the upcoming Budget for 2020 this October would be crucial to spur sentiments amongst the investing community. For today, we may see some bargain hunting as investors predominantly are seen to be sidelined until the completion of the corporate results season by end-August.



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