



22 January 2020

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Previous Day Highlights

The FBM KLCI declined 0.1% or 1.6 points to 1,587.3 yesterday, mainly dragged by AXIATA. Rubber gloves stocks were among the top gainers. RM1.9bn value of shares with 2.66bn unit of share were traded.

Asian stock markets finished lower as the Hang Seng Index plummeted 810.6 points or 2.81% to 27,985.3. Shanghai Composite Index dropped 1.4% while Nikkei 225 Index lost 0.91%.

U.S. stock markets resumed on lower note amid the report of first coronavirus case in the country. Dow Jones closed 0.52% to 29,196.0. S&P 500 Index declined 0.27% while Nasdaq Composite Index dropped 0.19%.



News For The Day

CIMB Thai FY19 net profit expands 216-fold

CIMB Thai PCL reported a net profit of 1.502bn baht (RM201.15m) for the year ended Dec 31, 2019, a 216-fold increase over 1.49bn baht a year earlier. The improvement was mainly due to a 48.7% decline in provisions resulting from remedial actions to improve the assets quality and a 3.5% growth in operating income. – *The Edge Markets*

Kelington bags RM35m infrastructure contract

Kelington Group Bhd has bagged a RM35m contract from a leading global semiconductor chip manufacturer to provide infrastructure works for a facility in Penang. – *The Edge Markets*

Prestariang proposes private placement

Prestariang Bhd, the sole Microsoft licensing solutions provider for the Malaysian government, has proposed to undertake a private placement of not more than 10% of its issued share capital to raise up to RM19.29m. – *The Edge Markets*

Air France-KLM proposes buying 49% of Malaysia Airlines

Proposals to invest in ailing Malaysia Airlines include one from Air France-KLM, which wants as much as 49%, while Japan Airlines is looking at a 25% stake. Domestic carrier AirAsia Group Bhd and Malindo Air, the Malaysian arm of Indonesia's Lion Air, have also submitted proposals. – *The Edge Markets/ Reuters*

Mudajaya bags RM32m contract

Mudajaya Group Bhd has bagged a RM31.99m contract to supply and maintain street lighting and traffic light system for the Sungai Besi-Ulu Kelang Elevated Expressway project. – *The Edge Markets*



Our Thoughts

Global markets were on cautious mode on the news of the continued spread of Coronavirus which have reached US shores. Memories of SARS epidemic back in 2002 and 2003 have caused knee jerk reaction to the markets, nevertheless the impact would be temporary. On the local front, FBM KLCI is expected to be listless and hover around the 1,590 level with focus continue to be in gloves, healthcare and tech related stocks. Today's IPO listing of Powerwell Bhd which have been heavily oversubscribed could see investors chasing the stock up and will be good for trading.



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