



22 November 2019

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## Previous Day Highlights

The FBM KLCI tumbled 9.0 points or 0.56% to 1,592.2 yesterday. The index was mainly dragged by PCHEM and TENAGA. Market breadth was negative with 552 losers against 320 gainers.

Asia stock markets extended the losses yesterday following the reports of a likely delay of China – U.S. trade deal. Hang Seng Index lost 422.7 points or 1.6% to 26,466.9. Shanghai Composite Index dropped 0.25% while Nikkei 225 Index declined 0.48%.

U.S. equities declined overnight on the mixed progress of the trade deal. The Dow dropped 0.20% to 27,766.3. Nasdaq dropped 0.24% while S&P 500 was down 0.16%.



## News For The Day

### **Sunway Q3 net profit jumps 27% to RM183.4m**

Sunway Bhd saw a 26.6% jump in its net profit to RM183.42m for the third quarter ended Sept 30, from RM144.92m previously, mainly driven by higher contributions from property development, property investment, quarry and other segments. – *Sunbiz*

### **Hibiscus Petroleum net profit slumps in first quarter**

Hibiscus Petroleum Bhd's net profit plunged 83.8% to RM16.23m for the first quarter ended Sept 30, 2019 against RM100m in the previous corresponding period, mainly due to lower contribution from North Sabah and 3D Oil, VIC/L31 & VIC/P57. – *Sunbiz*

### **Perdana Petroleum 3Q net profit up 2.8 times**

Loss-making Perdana Petroleum Bhd has reported a net profit of RM18.09m for the third quarter ended Sept 30, 2019 on higher revenue due to higher vessel utilisation. The net profit is 2.8 times more than the RM6.53m posted for 3QFY18. – *The Edge Markets*

### **Deleum 3Q net profit jumps 44% to RM13m**

Deleum Bhd's net profit for the third quarter ended Sept 30, 2019 jumped 44% to RM13.11m from RM9.12m a year ago, on higher revenue in the power and machinery, and integrated corrosion solution segments, despite lower operating results from the oilfield service segment. – *The Edge Markets*

### **Revenue Group starts FY20 with 54% jump in quarterly earnings**

Revenue Group Bhd's net profit grew 54% in its first quarter ended Sept 30, 2019 to RM2.97m from RM1.93m a year ago, as revenue expanded 12% to RM16.66m from RM14.84m. – *The Edge Markets*

### **Higher Perodua car sales drives up MBM's 3Q net profit**

Strong Perodua car sales helped to lift MBM Resources Bhd's net profit by 46% to RM55.76m in its third quarter ended Sept 30, 2019. Higher vehicle sales and higher share of profits from a joint venture contributed to an 11.6% increase in revenue to RM515.32m from RM461.84m previously. – *The Edge Markets*

## Our Thoughts

US markets Dow Jones continue to fall for the 3rd day as the uncertainty of trade deal between China and US continues to be watched closely. China's Vice Premier and chief trade negotiator Liu He is "cautiously optimistic" about reaching a phase one trade deal with US as seen to provide some comfort to the equity markets. On our local front, on-going 3Q results have been encouraging even though the FBM KLCI continues to anchor at its support level 1,590 as we expect market to range bound at 1,600 level. With YTD net foreign outflow in excess of RM9bn in our equity markets, investors will continue to set their sights and trade on the small mid-cap stocks that has outperformed the larger cap stocks. We continue to see value in small mid cap stocks and any pullback is buying opportunity.



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