



23 April 2020

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI managed to close in green yesterday after the sell down in early session. The index hit an intra-day low of 1,359.5 and ended at 1,381.9 points. Volume traded stood at 5.10bn unit of shares with value of RM2.85bn.

Asian stock markets rebounded as the Hang Seng Index gained 0.42% to 23,893.4, Shanghai Composite Index rose 0.60% to 2,844.0 while Nikkei 225 Index declined 0.74% to 19,138.

US stocks rebounded as the Dow Jones Industrial Average Index rose 456.9 points or 2.0% to 23,475.8, S&P 500 Index gained 2.29% to 2,799.3 while Nasdaq advanced 2.81% to 8,495.4.

Our Thoughts

Trading pattern over on Wall Street has been erratic to say the least as traders are having a field day with equities thus far. As expected, following the sell-down on Tuesday, the DJI Average recouped most of its losses by closing 450 points higher as if everything has stabilised. As such, we reckon regional markets may start the day on a positive note but may close off highs as many would prefer to lock in some profits. Locally, the FBM KLCI continued with its resilience to close above the 1,380 level yesterday. As for today, we expect the index to hover between the 1,370/90 levels with some downside bias.

News For The Day

Sime Darby expects RM270m net gain from Tesco Malaysia stake sale

Sime Darby Bhd is selling its 30% stake in Tesco Stores (M) Sdn Bhd for RM300m. The deal is estimated to provide Sime Darby with a net disposal gain of RM270m. – *The Edge Markets*

Minetech bags Perak civil works contract

Minetech Resources Bhd has received a letter of intent from Bumimaju MTE Engineering Sdn Bhd, appointing its wholly-owned subsidiary Minetech Construction Sdn Bhd as a contractor to undertake civil works related to a pipeline laying project in Hulu Grik, Perak. – *Sunbiz*

HeiTech Padu awarded RM19.9m IT job by NRD

HeiTech Padu Bhd has bagged an RM19.89m hardware and software upgrade contract from the National Registration Department. The two-year contract commences on May 1. – *The Edge Markets*

Brent crude rebounds from more-than 20-year low; U.S. oil up 20% in wild trade

Brent crude oil rebounded from two days of losses and U.S. futures surged on Wednesday, bolstered by tentative talk of additional supply cuts from OPEC producers and U.S. inventory builds that were less dire than some expected. – *Reuters*

CSC Steel sells off stake in Vietnamese unit amid fierce competition

CSC Steel Holdings Bhd is disposing of its entire 6% shareholding in CSGT Metals Vietnam Joint Stock Company for US\$1.2m (RM5.25m), as it has not been able to secure a commanding share of the Vietnam steel market. – *The Edge Markets*



23 April 2020

 research@rakutenrade.my

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees and further shall not be re-distributed to any other third party. Rakuten Trade Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Rakuten Trade Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may affect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published:

RAKUTEN TRADE SDN BHD (266701-P)

Level 7, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2110 7188 Website: www.rakutenrade.my

Kenny Yee Shen Pin
Head of Research