



25 June 2019

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI started the week lower, losing 6.1 points or 0.36% to 1,676.13 yesterday. Market breath was negative with 518 losers versus 294 gainers and 356 counters remained unchanged.

Asian markets closed mostly higher following President Xi confirmation in attending the G-20 summit this week. The Shanghai Composite Index gained 0.21%, Nikkei 225 Index climbed 0.13% and Hong Kong's Hang Seng Index rose 0.14%.

The Dow Jones Average Industrial Index gained marginally to 26,727.5 (+8.4 points or 0.03%) yesterday. However, the Nasdaq Composite Index dropped 0.32% while the S&P 500 Index lost 0.17%.



News For The Day

Serba Dinamik inks MoU with Melaka govt unit to explore business opportunities

Serba Dinamik Holdings Bhd is exploring opportunities in oil and gas, energy, engineering and civil works, as well as construction and development projects with the Melaka government in the state. Its wholly owned subsidiary Serba Dinamik Sdn Bhd has entered into a memorandum of understanding with PKNM Energy Sdn Bhd, which is wholly owned by the state's Perbadanan Kemajuan Negeri Melaka, for the venture. - *The Edge Markets*

Fajarbaru bags RM297m high-rise residential project

Fajarbaru Builder Group Bhd has secured a RM297.54m job for the main building works (Phase 1) of Duta Park Residences in Kuala Lumpur. The proposed high-rise residential development is by Malton Bhd's wholly owned subsidiary Malton Development Sdn Bhd. The construction work for Phase 1 of the development is expected to be completed within 36 months from its commencement. - *The Sun Daily*

Handal JV secures RM360m contract

Handal Resources Bhd 's joint venture has received a letter of award from Petronas Carigali Sdn Bhd for the provision of a water injection module worth about RM360m. The contract secured by the JV between Handal Engineering Sdn Bhd and Borneo Seaoffshore Engineering Sdn Bhd will begin from March 2020 for a period of seven years with an extension option of three years. Including this contract, Handal's order book has risen to more than RM950m and will contribute to the group's financial until 2027. - *The Star Online*

Scomi Transit inks RM122m train job contract

Scomi Group Bhd 's subsidiary has inked a RM122m contract with Prasarana Malaysia Bhd to design and manufacture seven trains for the Kuala Lumpur Monorail. The contract, which is a completion agreement, comprised seven four-car revenue service vehicles and its systems. - *The Star Online*



Our Thoughts

Reflecting the prevailing scenario as we are entering into a lower interest rate regime, the MYR has actually performed rather credibly against the greenback. For the past month, the local currency strengthened from the RM4.20/US\$1 level to the current MYR4.14/US\$1. We reckon the MYR will continue to strengthen vis-à-vis the US\$ and expect it to re-test the MYR4.00/US\$1 over the next few months.



25 June 2019

 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