



25 September 2019

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI remained flat at 1,592.33 points yesterday with an intra-day low of 1,585.58. Market breadth continued to be weak with 1.98bn unit of shares traded valued at RM1.57bn. Losers outnumbered gainers with 425 versus 349.

Asian stock markets ended on positive territory as the Shanghai Composite Index gained 0.28%, Nikkei 225 Index was up 0.09% and Hang Seng Index advanced 0.22%.

US stock markets fell sharply yesterday. The Dow Jones Industrial Average Index dropped 142.4 points to 26,807.8, Nasdaq Composite Index declined 1.46% and the S&P ended 0.84% lower.



Our Thoughts

Funds continued with their exodus from equities as investors are heading for safer haven like Treasuries. As a result, the US 10-year yield had declined to 1.65% from above the 1.90% level only 2 weeks ago. If this persists, the 10-year yield may re-test the 1.50% threshold anytime soon. Domestically, there are murmurings that Budget 2020 may look to lowering corporate tax which will be a solid booster if true. We expect it will be another nonchalant trading day with the FBM KLCI to trend between the 1,585 and 1,595 range as regional bourses are seen to weaken today.



News For The Day

Malaysia needs a pro-growth budget - SERC

In view of "high and rising" risks of a global recessions as 2020 nears, local think tank Socio-Economic Research Centre (SERC) is calling for a pro-growth Budget 2020 from the government that focuses on high-impact sectors, initiatives and measures that would protect growth-enhancing spending and investments. – *The Edge Financial Daily*

AME Elite Consortium to raise RM111m

AME Elite Consortium Bhd is targeting to raise RM111.1m from its proposed initial public offering on the Main Market of Bursa Malaysia with an issue price of RM1.30 per share. AME is slated to be listed on Oct 14. – *The Sun Daily*

MISC to rake in RM842m from two new LNG vessels

MISC Bhd has signed an agreement with Mitsubishi Corp and Nippon Yusen Kabushiki Kaisha to co-own two new liquefied natural gas (LNG) vessels, with a capacity of 174,000 cubic metres each. MISC's interest in the total contract value is estimated at US\$201.6m (RM841.6 m). – *The Sun Daily*

George Kent 2Q net profit halves; pays 1.5 sen dividend

Its net profit more than halved to RM11.05m in 2QFY20 from RM24.58m year ago, on lower contributions from all segments. Revenue fell 13.5% to RM97.72m from RM112.93m. – *The Edge Financial Daily*

Proton CEO says company's turnaround plan on track

Perusahaan Otomobil Nasional Sdn Bhd's (Proton) plan to return to profitability by 2020 is on track, said its CEO. Proton sales grew 36% to 61,396 units in the Jan-to-Aug period, against 45,062 unit sold in 2018, pushing its market share for the year to 15.3%. – *The Edge Financial Daily*

Titijaya's RM150m Islamic notes downgraded to MARC-2IS

Malaysian Rating Corp Bhd has downgraded Titijaya Land Berhad's RM150m Islamic commercial papers to MARC-2IS from MARC-1IS on increased concerns over the property developer's business and credit profile, amid the prevailing weak property market. – *The Edge Markets*



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RAKUTEN TRADE SDN BHD (266701-P)

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

Kenny Yee Shen Pin
Head of Research