



26 February 2020

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Previous Day Highlights

The FBM KLCI marked a rebound of 10.8 points or 0.73% yesterday to close at 1,500.9. Market sentiment turned positive with 531 gainers versus losers of 380.

Hong Kong's Hang Seng Index ended 0.27% higher at 26,893.2. Japan's Nikkei 225 Index declined 781.3 points to 22,605.4 while Shanghai Composite Index closed 0.60% lower at 3,013.1.

Dow Jones continued to drop overnight as the index lost 3.15% ended at 27,081.4. S&P 500 Index dropped 3.03% to 3,128.2 and Nasdaq declined 2.77% to 8,965.6.



News For The Day

Dr M to announce date for economic stimulus package

Tun Dr Mahathir Mohammad will go ahead to announce the highly anticipated economic stimulus package but on a date to be decided by him in his capacity as the interim prime minister. – *The Edge Financial Daily*

Energy price slump dims Petronas prospects

A slump in the prices of crude oil and natural gas since the start of the year will not augur well for the national oil firm Petroliam Nasional Bhd, the single largest contributor to the nation's coffers. – *The Edge Financial Daily*

IJM Corp Q3 net profit almost halves to RM49.77m

IJM Corp Bhd's net profit for the third quarter ended Dec 31, 2019 fell 46.7% to RM49.77m from RM93.42m a year ago due to higher share of losses of associates. The group posted revenue of RM1.44bn, a decrease of 4.4% over RM1.51bn achieved previously, on the back of lower contribution from property development and manufacturing & quarrying divisions. – *Sunbiz*

MSM loss widens in Q4, chairman to step down as part of deal on FGV directors' fees

MSM Malaysia Holdings Bhd saw its net loss for the fourth quarter ended Dec 31, 2019 widen to RM40.28m, from RM10.35m in the previous corresponding quarter due to the continuous depletion of its average selling prices and decline in export volumes throughout the year. – *Sunbiz*

PetDag 4Q net profit more than doubles

Petronas Dagangan Bhd's net profit jumped 171% to RM126.6m for 4QFY19, from RM46.7m for the year-ago quarter. The results were attributed to higher sales volume and better gross profit following higher Mean of Platts Singapore prices. – *The Edge Financial Daily*



Our Thoughts

Looks like investors are abandoning all asset classes with many reverting back to "cash is king" status. Wall Street in particular, is looking vulnerable due to its high valuations propped up by the abundance of liquidity. We believe the ongoing correction of US stocks are not done as yet hence foresee regional markets to remain jittery. Locally, the local bourse is seen to be on a downside bias despite yesterday's 10 points gain. We stick to our expectations that the FBM KLCI could break the 1,470 level and advise investors to accumulate on weakness.



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