



26 November 2019

 [research@rakutentrade.my](mailto:research@rakutentrade.my)

## Previous Day Highlights

The FBM KLCI closed 5.5 points or 0.34% lower to 1,591.4 level yesterday. Bursa Energy Index was 1.4% lower as most of the oil and gas related stocks fell. Decliners stood at 549 versus 337 gainers.

Major Asia stock markets finished on positive note with Hong Kong's Hang Seng Index being the leading index, gaining 398 points to 26,993.4. Japan's Nikkei 225 Index was 0.78% higher and Shanghai Composite Index rose 0.72%.

U.S. equities continued its uptrend supported by the positive expectation on the trade deal. Dow Jones closed at 28,066.5, S&P 500 Index gained 0.75% while Nasdaq Composite Index advanced 1.32%.



## News For The Day

### **Serba Dinamik 3Q net profit jumps 36%**

A jump in revenue from stronger contributions from its operation and maintenance segment pushed Serba Dinamik Holdings Bhd's net profit up by 36% in the third quarter ended Sept 30, 2019 to RM113.16m, from RM83.23m a year ago. – *The Edge Markets*

### **Favelle Favco bags eight contracts worth RM68.8m**

Favelle Favco Bhd, which saw its share price hit its all-time high of RM3.02 last week, has bagged eight supply contracts worth a total of RM68.8m. Six out of the eight contracts are for the supply of offshore cranes, while the remainder two are for the provision of compressor system and replacement of flare pips. – *The Edge Markets*

### **Chin Hin reports 3Q profit rise, sees Solarvest as growth driver**

Chin Hin Group Bhd, which reported today a 15.16% rise in third quarter net profit to RM7.37m, said it is confident that its associate Solarvest Holdings Bhd could be the next earnings growth driver for the building material distributor. – *The Edge Markets*

### **TSH Resources 3Q net profit down 25.7% on lower CPO, palm kernel selling prices**

Plantation player TSH Resources Bhd announced a 25.7% decline in net profit to RM6.03M for its third quarter ended Sept 30, 2019, from RM8.12m a year ago. This was as quarterly revenue contracted 9.7% to RM203.81m from RM225.76m in the year-ago quarter, mainly due to lower average crude palm oil and palm kernel selling prices. – *The Edge Markets*

### **Manulife reports first quarterly loss since listing**

Manulife Holdings Bhd registered a net loss of RM7.88m for its third quarter ended Sept 30, 2019 — its first quarter in the red since the group was listed in 2002 — versus a net profit of RM3.93m a year ago, dragged by its life insurance business segment, as claims climbed. – *The Edge Markets*

### **EITA Resources 4Q net profit rises 59%**

EITA Resources Bhd's fourth quarter net profit grew 59.03% to RM5.85m, from RM3.68m a year ago, in tandem with higher revenue from the manufacturing and high voltage system segments. Earnings per share for the quarter ended Sept 30, 2019 rose to 4.5 sen from 2.83 sen. – *The Edge Markets*



## Our Thoughts

We anticipate the local bourse to trend higher today following yesterday's disappointing performance. As Wall Street remains rather strong due to flush in liquidity as valuations on US stocks seems a tad rich at current levels hovering at 18x forward PER as opposed to the average of 15x for the DJI Index. In view of this, we reckon funds may look elsewhere for better valuations and Asia's emerging markets seems to be good bets. Today, we believe the FBM KLCI to re-test the 1,600 level to break its prevailing consolidation mode.



26 November 2019

 [research@rakutentrade.my](mailto:research@rakutentrade.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.rakutentrade.my](http://www.rakutentrade.my)

Kenny Yee Shen Pin  
Head of Research