



26 September 2019

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Previous Day Highlights

The FBM KLCI closed in red ended at 1,589.58 (-2.75 points or -0.17%) yesterday. Market breadth continued to be negative as there were 528 decliners over 278 advancers.

Asian stock markets trended lower with Hong Kong's Hang Seng Index dropped 335.7 points to 25,945.4, Shanghai Composite Index lost 1.00% and Nikkei 225 Index declined 0.36%.

US stock markets ended higher on China trade deal optimism with the Dow Jones Industrial Average Index rose 162.9 points to 26,970.7, S&P 500 Index gained 0.62% while the Nasdaq climbed 1.05%.



Our Thoughts

News on potential trade deal in the horizon as comments by Trump saw the Dow Jones recover to close higher after falling as threat of impeachment looms. On the local front, the decision by FTSE Russell on Malaysia government bond's participation in the World Government Bond Index decision will be an important event to look out for today. Our FBM KLCI is expected to be range bound hovering close to 1,600 level as the regional markets are expected to take cue from the higher close in US markets last night.



News For The Day

Yinson's second-quarter earnings down 44%

Yinson Holdings' net profit fell 44.2% to RM41.14m for the second quarter ended July 31, 2019 from RM73.67m recorded in the same quarter of the previous year, due to net unfavourable foreign exchange movement of RM5.6m, impairment loss on property, plant and equipment of RM4.86m and higher finance costs of RM4.96m. – *The Sun Daily*

Degem to be taken private

Degem Bhd's major shareholder Legion Master Sdn Bhd has initiated a selective capital reduction and repayment exercise with an offer price of RM1.10 in a bid to take the company private. The offer price of RM1.10 represents a premium of 33.9% against its five-day volume-weighted average price of 82.15 sen. – *The Sun Daily*

Widad Group bags RM120m sub-contract job

Widad Group Bhd has clinched a RM120.03m subcontract job from Bumi Segar Indah Sdn Bhd to design and build a new solid waste transfer station in Kepong. – *The Star Online*

Perdana Petroleum bags jobs worth up to RM48m

Perdana Petroleum Bhd has bagged work orders worth up to RM48m from Petronas Carigali Sdn Bhd to provide two anchor handling tug supply vessels. – *The Edge Financial Daily*

Write-down, M&A costs tip Daibochi into net loss

Daibochi Bhd saw a net loss of RM305,000 for the three-month period ended July 31, 2019 due to writedown in line with ongoing operations streamlining and merger & acquisition costs for the purchase of Mega Printing & Packaging. However, it recorded the best quarterly revenue of RM123.28m on the back of increasing flexible packaging sales in Malaysia and regional markets. – *The Sun Daily*

United Malacca swings back to black in 1Q on disposal gain

Plantations group United Malacca Bhd returned to the black with a net profit of RM36.95 million in 1QFY20 against a net loss of RM18.49m a year ago, mainly lifted by a one-off disposal gain. – *The Edge Markets*



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