



29 January 2020

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### Previous Day Highlights

The FBM KLCI tumbled 21.2 points or 1.34% to 1,551.6 yesterday amid the weak sentiment across regional markets. Losers outnumbered gainers by 850 to 179.

Nikkei 225 Index was 0.55% lower at 23,215.7. Hang Seng Index and Shanghai Composite Index were closed.

U.S. stock markets rebounded as the Dow Jones Industrial Average Index gained 187.1 points to 28,722.9. Nasdaq Composite Index rose 1.43% while S&P 500 Index was 1.01% higher.



### News For The Day

#### **Pos Malaysia gets green light to raise postage rates**

Pos Malaysia Bhd will raise postage rates for registered mail, commercial mail and small parcels below 2kg, effective Feb 1, 2020. The postage hike will help to lighten the postal group's cost burden. – *The Edge Financial Daily*

#### **Palm oil falls 10% as coronavirus worsens demand outlook**

Malaysian palm oil futures fell as much as 10% on Tuesday, their most in over a decade, on mounting fears that a fast-spreading coronavirus in China will hit demand, amid a diplomatic spat with India. – *The Edge Markets/Reuters*

#### **Iris bags RM3.94m contract from MITI for APEC summit**

Iris Corp Bhd has won an RM3.94m contract from the Ministry of International Trade and for the provision of control card access meeting rooms for the upcoming Asia-Pacific Economic Cooperation (APEC) summit this year. – *The Edge Markets*

#### **Tambun Indah inks MoU with Taiwanese firm**

Tambun Indah Land Bhd has entered into a memorandum of understanding with Show Chwan Medical Care Corp to collaborate in the proposed establishment of Penang Show Chwan Hospital at Pearl City, Penang. – *The Edge Markets*

#### **Sports retailer Al-Ikhsan aims for 18% sales growth**

Al-Ikhsan Sports Sdn Bhd, which is partly owned by Government-linked private equity firm Ekuiti Nasional Bhd, is targeting for an annual sales growth of up to 18% over the next three years as part of its three-year strategic expansion plan. – *The Edge Markets*



### Our Thoughts

Wall Street staged a relief rebound but we reckon it is insufficient to prop regional markets up to recoup yesterday's losses. With sentiments still affected by the virus, investors may opt to wait and see on how the situation pens out. Nonetheless, we believe the FBM KLCI to see a mild uptrend with 1,560 as the immediate resistance. As usual, glove makers benefitted during such crisis as demand would have heightened. Meanwhile, CPO price slumped to around the RM2,600/mt level fearing the virus may affect demand coupled with the import ban by India.



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