



29 May 2019

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Previous Day Highlights

The FBM KLCI closed at its high of 1,614.57 points with a gain of 13.22 points or 0.83% yesterday. The index was mainly led by Tenaga Nasional Bhd, Maxis Bhd and Public Bank Bhd. Value traded on Bursa Malaysia increased to RM4.5bn with 2.4bn unit of shares traded.

Asian market closed on positive notes with the Shanghai Composite Index ended higher for second consecutive days gaining 0.61%. Meanwhile, the Hang Seng Index and Nikkei 225 Index advanced 0.38% and 0.37% respectively.

U.S. stocks finished sharply lower on Tuesday with the Dow Jones Industrial Average dipped 0.93%, S&P 500 Index fell 0.84% and Nasdaq declined 0.39%.



News For The Day

Axiata posts RM709m profit in Q1

Axiata Group Bhd posted one of its best quarterly results ever led by strong revenue growth overseas and one-time gain from the disposal of a stake in a telecommunication company in Singapore, as well as other non-core ventures. The group made a net profit of RM709m in the three-month ended March 31 compared with a loss of RM147m a year ago. - *The Star Online*

Hong Leong offers to take cement maker Tasek private

The Hong Leong Group, controlled by Tan Sri Quek Leng Chan, has offered to buyout minority shareholders in cement producer Tasek Corp Bhd for RM5.50 a share. Shares in Tasek were last traded at RM5.05 on Tuesday. The offer values the company at RM666m. Quek, through his Singapore-based holding company Hong Leong Asia Ltd, controls a 80.8% equity interest in Tasek. - *The Star Online*

Bumi Armada says no cash call plan for now

Burmi Armada Bhd, which is currently looking for buyers for its 39 offshore support vessels and non-utilised floating production and offloading vessels, has no intention to ask for more money from its existing shareholder. The group's top management told shareholders at its annual general meeting yesterday that it has no plan to make any cash call, at least for the time being. - *The Edge Financial Daily*

HRC World takes stake in Yong Tai's Encore Melaka company

HRC World Plc will take a strategic stake in Yong Tai Bhd's unit PTS Impression Sdn Bhd which is involved in the development of the tourism stage performance Encore Melaka. PTSI had inked an MoU with HRC Music Plc – a subsidiary of HRC World – to formalise their intention and understanding in relation to the proposed investment by HRC World in PTSI. Under the MoU, HRC Music will subscribe up to 70% stake in PTSI at a subscription price to be determined later. - *The Star Online*



Our Thoughts

Based on the US Treasury semi-annual foreign exchange report, Trump administration has not labelled China as currency manipulator, this is likely to ease some tensions on the on-going trade war between US and China. However, there are five new countries added onto the watch list and this includes Malaysia. Our currency MYR has been weakening due to host of factors such as outflow of foreign funds, cut in overnight policy rate (OPR) and highly correlated with Chinese RMB currency. We feel this is unlikely to have any major impact on our equity market.



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