



30 May 2019

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Previous Day Highlights

The FBM KLCI extended its gain to close 9.1 points or 0.56% higher at 1,623.67 points yesterday mainly led by Tenaga Nasional Bhd. However, value traded on Bursa Malaysia were low at RM1.83bn with 1.95bn unit of shares traded.

Asian market closed mixed with the Shanghai Composite Index gained a marginal 0.16% but Hong Kong's Hang Seng Index and Japan's Nikkei 225 Index were 0.57% and 1.21% lower respectively.

U.S. stocks ended lower as U.S.-China trade tensions continued to weigh on stocks. The Dow Jones Industrial Index sank 0.87%, the Nasdaq Composite Index dropped 0.79% and the S&P 500 index fell 0.69%.



News For The Day

IJM Corp quarterly net profit surges

Conglomerate IJM Corp Bhd's net profit jumped by over 13 times in the fourth quarter ended March 31, marking a sharp improvement from the previous nine months of lower earnings. The turnaround of its infrastructure and plantation business segments on a year-on-year basis as well as higher profits from its construction, property development and manufacturing and quarrying segments widened the group's bottom line to RM240.81m in the January to March 2019 period. - *The Star Online*

Serba Dinamik 1Q net profit up 21%

Serba Dinamik Holdings Bhd's net profit rose 21.1% to RM112.15m in the first quarter ended March 31, 2019 (1QFY19) from RM92.65m a year ago, due to strong activities from its operation and maintenance (O&M) segment. This resulted in higher earnings per share of 7.64 sen for 1QFY19 compared with 6.51 sen for 1QFY18. Quarterly revenue also increased 34.7% to RM984.39m from RM730.83m in 1QFY18 - *The Edge Markets*

AirAsia Group declares 90c dividend

AirAsia Group Bhd posted net profit of RM96.09m in the first quarter ended March 31, 2019 but surprised shareholders with a special dividend of 90 sen a share. Its net profit was lower than the RM1.14bn a year ago which included a gain on a partial disposal of a subsidiary of RM350.3m and a remeasurement gain on the retained interest in a former subsidiary of RM534.7m. - *The Star Online*

Perdana Petroleum bags OSV job from Petronas

Perdana Petroleum Bhd's unit clinched a three-year umbrella contract for offshore support vessel services for Petroliaam Nasional Bhd (Petronas)'s petroleum arrangement contractors' drilling and project activities. Its wholly-owned subsidiary Perdana Nautika Sdn Bhd had acknowledged receipt of a letter dated April 9, 2019 from Petronas appointing the company as a panel contractor. - *The Edge Markets*



Our Thoughts

The local bourse continues to be hampered by the exodus of foreign funds which has topped RM5.3bn year to date. This was after the RM11.6bn outflow last year. As a result, foreign shareholding on the FBM KLCI components has had tumbled from around 17.4% to currently 15.5% which we believe is at one of its lowest level. Therefore, though foreign selling may persists, we reckon the pace may be slower going forward. We continue to advocate investors to buy on weakness especially on blue chips.



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Published:

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