



04 September 2019

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI started the month on a weaker note as it tumbled 20.6 points or 1.28% to close at 1,591.52 points yesterday. Market breadth was negative with 614 losers versus 242 gainers.

Asian markets were also mixed as the Shanghai Composite Index gained 0.21%, Hang Seng Index dropped 0.39% and the Nikkei 225 Index inched up 0.02%.

US markets ended sharply lower after the U.S. launched a new round of tariffs on \$112bn in Chinese goods amid weaker economic data. The Dow dropped 1.08%, S&P 500 declined 0.69% and Nasdaq Composite Index ended 1.11% lower.



Our Thoughts

Financial markets especially equities are seen to remain volatile for the time being. With the ongoing US/China trade war and the latest setback in Brexit, we reckon investors have begun a flight to safety namely to treasuries and gold. As a result, the US 10-year yield have dipped to its lowest YTD at 1.45% with gold prices soaring above its 5-year high at US\$1,548/oz. Locally we see the support of the FBM KLCI at 1,580 following some heavy selling yesterday with 1,600 as the immediate psychological resistance level.



News For The Day

S P Setia to use IBS for landed residential projects

S P Setia Bhd plans to implement the industrialised building system (IBS) in the construction of upcoming landed-linked houses as well as prefabricated bath units in some of its projects to increase operational efficiency. – *The Edge*

UWC reports 16% jump in FY19 net profit

Net profit for the fourth quarter ended July 31, 2019 came in at RM10.07m against a revenue of RM46.91m. This brings the integrated engineering support services provider's full-year net profit to RM36.24m, up 16.1% from RM31.22m in the preceding year. Full-year revenue meanwhile rose 5.8% to RM144.35m from RM136.50m, on stronger demand. – *The Edge*

BLand awarded RM2.63bn GDV Myanmar job

BLand has been awarded a public housing and mixed development project in Myanmar with an estimated gross development value of US\$624.00m (RM2.63bn). – *The Sun*

BCM Alliance ventures into dairy business

BCM Alliance Bhd is diversifying into the dairy business segment via the proposed acquisition of a controlling 51% stake in Foodict Maker Sdn Bhd, Malaysia's main distributor of China's largest dairy player. – *The Sun*

Dayang bags contract from Petronas Carigali

Its unit has been awarded a 15-month contract by Petronas Carigali Sdn Bhd. The contract was awarded for the provision of hook-up, commissioning, and topside major maintenance services for Petronas Carigali in Peninsular Malaysia. The contract will expire on Nov 15, 2020. – *The Sun*

Oil price sinks amid global economy worries

Oil prices fell on Tuesday, with U.S. crude futures down 2% after manufacturing data raised concerns about a weakening global economy, while the U.S.-China trade dispute continued to drag on investor sentiment. U.S. West Texas Intermediate (WTI) crude futures fell \$1.16, or 2.1%, to settle at \$53.94 a barrel. – *Reuters*



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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

Kenny Yee Shen Pin
Head of Research