



05 March 2020

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Previous Day Highlights

The FBM KLCI finished 11.3 points or 0.76% to 1,490 yesterday mainly lifted by PCHEM. There were 464 losers against 431 gainers. RM2.37bn worth of stock was traded with 3.0bn unit of shares.

Asian stock markets closed mostly higher as the Nikkei 225 Index increased 17.3 points to 21,100.1, Hang Seng Index dropped 0.24% to 26,222.1 while Shanghai Composite Index closed 0.63% higher.

Dow Jones surged over 1,000 points yesterday ended at 27,090.9. Technology-led Nasdaq Composite Index also advanced 3334 points to 9,018 while S&P finished 4.22% higher.



News For The Day

Another OPR cut likely, say economists

Economists are not discounting another cut in Bank Negara Malaysia's key interest rate down the road, amid the various internal and external headwinds from the Covid-19 outbreak to weak global trade. – *The Edge Financial Daily*

TNB completes purchase of UK RE firms

Tenaga Nasional Bhd (TNB) has completed the acquisition of the balance 20% interest in two UK renewable energy (RE) companies GVO Wind Limited and Bluemerang Capital Limited for GBP18.6m (RM99.85m). – *Sunbiz*

Hong Kong's Vodoke seeks US\$34.54m from TM

Hong Kong-based IPTV services provider Vodoke Pte Ltd is seeking over US\$34.54m (RM145.13m) from Telekom Malaysia Bhd in relation to a collaboration agreement between the two parties. – *Sunbiz*

Xinghe expects to be back in the black

Edible vegetable oil producer Xinghe Holdings Bhd expects a return to profitability this year following a net loss of RM101.4m reported for the financial year ended Dec 31, 2019. – *Sunbiz*

Eden Inc gets compensation for ECRL land sale

Eden Inc Bhd received compensation amounting to RM16.7m from the Malaysia government for the compulsory disposal of Eden's 6.39ha land in Kuantan, Pahang for the proposed East Coast Rail Link project. – *The Edge Financial Daily*

Parliament to sit on May 18

Malaysia has delayed its parliamentary sitting by more than 2 months, forcing former leader Tun Dr Mahathir Mohamad to wait until May for a confidence vote against the new premier. – *The Edge Financial Daily*



Our Thoughts

US markets stage a strong rebound with Dow Jones rising over 1,000 points shrugging off the rise of Covid-19 cases globally as IMF has announced US\$50bn aid package to combat Covid-19 pandemic. Meanwhile, China continues to see drop in Covid-19 cases. The concerted efforts by major central banks globally have managed to calm the markets as US markets have recovered out of "correction territory". Regional markets will follow suit and on the local front, we expect the FBM KLCI to open firmer with 1,480 being the support level and possible moving to back to 1,500 level. Investors and traders should take the opportunity to position themselves for rebound play on oversold stocks.



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