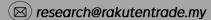


Dail<u>y Market Re</u>port



06 December 2019





Previous Day Highlights

The FBM KLCI gained 2.65 points or 0.17% to 1,563.6 yesterday. Market sentiment was positive spurred by plantation counters as the FBM Palm Oil Index rose 4.62%. There were 529 gainers versus 305 losers.

Asian stock markets ended mostly higher. Japan's Nikkei 225 Index gained 0.71% while Hang Seng Index increased 154.5 points to 26,217.0. Meanwhile, Shanghai Composite Index was 0.74% higher.

U.S. stock markets finished higher overnight. The Dow Jones Industrial Average gained 0.10% to 27,677.8. S&P 500 Index dropped 0.15% to 3,117.4 points while Nasdag inched up 0.05%.



Our Thoughts

Expectations of further cuts in crude oil production may see oil prices to trend higher which in turn will spur production of bio fuel. While Brent price has climbed to almost US\$64/barrel, CPO has also trended higher at almost RM2,775/MT. These may induce buying interests to centre on both the Oil & Gas and some Plantation companies. Following yesterday's positive close for the FBM KLCI, we expect the buying momentum to persist albeit at a slower pace. Expect the FBM KLCI to test the 1,570 level today.



News For The Day

Sapura Energy posts wider Q3 loss, secures RM615m jobs

Sapura Energy Bhd saw a wider net loss of RM100.9m for the third quarter ended Oct 31, 2019, compared to RM31.1m previously, reflecting the large volume of projects or activities that are in their early execution phases, involving mainly engineering and procurement, with lower project margins. – *Sunbiz*

TH Plantations sells Bintulu, Sibu assets for RM170m

TH Plantations Bhd is disposing of its 100% equity interests in Bumi Suria Ventures Sdn Bhd and Maju Warisan Sdn Bhd to Tamaco Plantation Sdn Bhd for RM170m. The two non-performing companies own 6,513.80 hectares of oil palm plantation in Bintulu and Sibu, Sarawak. – *The Edge Markets*

<u>LFE Corp wins RM34.5m contracts to provide</u> electrical services

LFE Corp Bhd has secured four contracts with a combined value of RM34.5m to provide electrical, fire protection, and hydraulic services for a service apartment project in Damansara, Selangor. The contract tenure spans 26 months from Sept 23, 2019 to Nov 22, 2021. – The Edge Markets

Gamuda expects to sign Penang Transport Master Plan PDP agreement in 'next few weeks'

Gamuda Bhd is likely to sign the Project Delivery Partner agreement for Penang Transport Master Plan in the 'next few weeks', and the first package of Light Rail Transit would be awarded by mid-2020, according to managing director. — The Edge Markets

Malakoff completes Alam Flora buy with lower price tag

Malakoff Corp Bhd has completed the acquisition of a 97.37% stake in Alam Flora Sdn Bhd from DRB-Hicom with a lower price tag of RM869m. This represents a discount of 8% from RM944.61m, after taking into consideration the revised independent discounted cashflow valuation range of between RM796m and RM893m. – Sunbiz



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