



06 February 2020

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Previous Day Highlights

The FBM KLCI ended flat at 1,536.8 level yesterday. Overall market sentiment was positive as there were 514 gainers and 344 losers. Trading volume stood at 3.06bn units valued at RM2.68bn.

Asian stock markets ended higher yesterday. Shanghai Composite Index gained 1.25%, Hang Seng Index advanced 110.8 points and Nikkei 225 Index was 1.02% higher.

U.S. stock ended positively overnight. The Dow Jones Industrial Average Index surged 483.2 points to 29,290.9. Nasdaq Composite Index rose 0.43% while S&P 500 Index gained 1.13%.

Our Thoughts

As expected, there were wild swings in sentiments as investors are now less edgy on the pandemic. Wall Street closed on a record high yesterday which should send positive vibes to Asia. Commodity prices also improved as both the crude prices and CPO rebounded yesterday. The CPO in particular jumped by almost 6% to close at RM2,850/MT following a sell-down over the past week. We need to see such improved sentiments in a more sustaining manner before acting with conviction. Meanwhile, we still consider prevailing market conditions as situational with the broader market environment as fluid. Nonetheless, we anticipate the FBM KLCI to retest the 1,550 mark sooner than later.

News For The Day

Malaysia prepping its booster shot for the economy

Less than a week after Malaysia said it would not discount the likelihood of hastening a stimulus package to bolster the economy amid fierce headwinds, the ministry of finance is now preparing the booster shot to overcome the economic impact of the rampaging Wuhan virus. – *The Edge Financial Daily*

Careplus to partner Ansell in RM26m joint venture deal

Careplus Group Bhd will sell 50% of its loss-making subsidiary to Ansell Services (Asia) Sdn Bhd for RM26.81m cash as part of a joint venture deal between the two companies. – *The Edge Markets*

MISC bags RM2.16bn charter contract from Petrobras

MISC Bhd has won a new long-term charter contract worth US\$525.6m (RM2.16bn) from Brazilian national oil company Petrobras. – *The Edge Markets*

Uzma ups stake in Setegap Ventures to 86%

Uzma Bhd is spending RM52.8 million to raise its stake in oil and gas support services provider Setegap Ventures Petroleum Sdn Bhd allowing the group to consolidate an even higher percentage of SVP's earnings. – *The Edge Markets*

Oil prices jump 2% as virus vaccine reports spur hope

Oil prices jumped about 2% on Wednesday on media reports that suggested scientists were developing a vaccine for the fast-spreading coronavirus, even as world health experts said treatments have not yet been found. – *Reuters*

AAX forms committee to review Airbus bribery allegation

It has set up a non-executive board committee to review the Airbus bribery allegations involving the low-cost carrier's executives.



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