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Previous Day Highlights

The FBM KLCI ended on a positive note with a gain of 0.31% or 5.06 points to 1,637.30 last Friday mainly led by telco companies namely Axiata and Digi. Market breath was also positive with 447 gainers against 395 losers and 383 counters remained unchanged.

Regionally, Hang Seng Index gained 0.83% to close above 30,000 level at 30,081.55 points after HSBC beat estimates with its first-quarter earnings. Meanwhile, Japan and China stock markets were closed for holiday.

Elsewhere, U.S. markets ended higher last Friday led by technology and consumer-focused companies. The Nasdaq Composite Index hit a record high of 8,164 points while the Dow and the S&P 500 Index gained 0.75% and 0.96% respectively.

Our Thoughts

Trump is at it again threatening to double tariffs on US\$200bn of Chinese goods plus new import taxes. Such moves will again derail the stability of both the equity and treasury markets as we expect some knee jerk reactions to such developments. As such, we can expect some weaknesses on the local bourse couple with lower Ringgit against the US\$. Notwithstanding this, we would advise investors to accumulate on Blue Chips if and when the FBM KLCI dips below the 1,620 level.

News For The Day

Axiata and Telenor in talks to merge Asian operations

Two Asian telco giants — Malaysia-based Axiata Group Bhd and Norwegian Telenor Group — are in talks to merge their operations in Asia. The value of the merger is not known as of now. The two telcos have already hired foreign investment banks to advise on the merger and acquisition exercise, the sources said. Should the merger talk materialise, it would be a mega merger in Asia that involves at least 300m mobile subscribers. – *The Edge Markets*

Axiata Digital establishes US\$500m valuation for core business with Mitsui investment

Mitsui & Co, one of Japan's largest trading houses, is making a strategic minority investment in Axiata Group Bhd's digital service arm Axiata Digital Sdn Bhd (AD) that gives AD's core digital businesses a pre-money enterprise value of US\$500m. AD chief executive officer (CEO) Mohd Khairil Abdullah said Mitsui would become a strategic shareholder and business partner at AD's core business verticals. – *The Edge Markets*

Gamuda Land signs several MoUs with its partners

Gamuda Land, the property arm of Gamuda Bhd has inked several memorandums of understanding (MoUs) with its partners who will contribute their presence in its new township Gamuda Gardens. The partners come from several sectors, namely sports, tourism, education and services. The property developer will be collaborating with New Zealand tourism company Skyline Enterprises to offer Luge's innovative outdoor adventure activities, to be built on a 30,000 sq m hill site. – *The Star Online*

UUM goes cashless with kiplePay

Communication and technology services company Green Packet Bhd has taken its mobile payment solution to Universiti Utara Malaysia (UUM) to enable the latter's 20,000 population to go cashless. UUM has signed a strategic collaboration with kiplePay Sdn Bhd, a wholly-owned subsidiary of Green Packet, to make UUM in Sintok, Kedah, the first cashless campus. kiplePay is a licensed Bank Negara e-wallet issuer that operates a cashless payment gateway for businesses and an e-wallet for consumers. – *The Star Online*



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