



09 March 2020

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## Previous Day Highlights

The FBM KLCI finished 7.9 points or 0.53% lower to 1,483.1 last Friday. Market sentiment was negative as there were 649 losers versus gainers of 251. 2.65bn unit of stocks were traded valued at RM2.29bn.

Asian markets continued to trend lower. Hong Kong's Hang Seng Index lost 621.2 points to 26,146.7, Shanghai Composite Index declined 1.21% while Nikkei 225 Index dropped 2.72%.

Dow Jones fell 0.98% or 256.5 points to 25,864.8 last Friday. Nasdaq Composite Index dropped 1.87% to 8,575.6 while S&P 500 Index declined 1.71% to 2,972.4.



## News For The Day

### **Saudis plan big oil output hike, beginning all-out price war**

Saudi Arabia plans to boost oil output next month to well above 10m barrels per day, as the kingdom responds aggressively to the collapse of its Opec+ alliance with Russia. – *Bloomberg*

### **EPF re-emerges as substantial shareholder in MyEG**

The Employees Provident Fund board has re-emerged as a substantial shareholder in MyEG Services Bhd, over a year after it ceased as the e-government service provider's substantial shareholder in December 2018. EPF now holds 173.66m shares in MyEG, raising its stake in the group to 5.0% - *The Edge Markets*

### **Media Prima mulling privatisation - sources**

Media Prima Bhd, traditional revenue segment has been shrinking over the years, may undertake a private exercise as part of its restructuring plan. – *The Edge Financial Daily*

### **Prolonged Covid-19 spread to cause economic fallout in Asia-Pacific**

The wider and prolonged global spread of COVID-19 will cause an economic fallout in the Asia-Pacific region, according to S&P Global Ratings. It expects an approximately 4.0% growth in 2020 and a US\$211bn income loss across the region from the coronavirus outbreak, with the losses distributed across households, firms, banks and governments. – *Sunbiz*

### **Hextar director Ong Choo Meng now Rubberex's largest shareholder with 31.33% stake**

Datuk Ong Choo Meng is now Rubberex Corp (M) Bhd's largest shareholder with a 31.33% stake, just 1.67% shy of the 33% threshold that would trigger a mandatory general offer for the remaining shares he does not own in the company. – *The Edge Markets*



## Our Thoughts

It is going to be another volatile day for regional equity markets. Crude oil price had slumped to a multi-year low with the Brent now at below US\$40/barrel. The US 10-year Treasury yield is also at an all-time low of 0.52% as all seems rather bleak at this juncture. We noticed some funds are already heading towards safe haven like Gold which is now trending towards the US\$1,700/oz and could see more upside nearing its high of US\$1,900/oz. Looking ahead, we expect prevailing consolidation to continue with more downside for the equity markets. Locally, we expect the FBM KLCI to experience some selling pressure albeit not much as foreign shareholding is already at an all-time low. Immediate support is expected at the 1,470 level.



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