



21 April 2020

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Previous Day Highlights

The FBM KLCI closed 5.8 points or 0.41% higher to 1,413.1 yesterday. The index hit an intra-day high of 1,429. Trading volume continued to be high with 6.0bn unit of shares worth RM3.2bn traded. There were 504 gainers versus 434 losers.

Asian stock markets ended mostly lower on the profit taking activities after last week's rally. Hang Seng Index lost 0.21% to 24,330 and Nikkei 225 Index dropped 1.15% to 19,669.1. Shanghai Composite Index was 0.50% higher.

Dow Jones Industrial Average Index tumbled nearly 600 points or 2.44% to 23,650.4, S&P 500 Index fell 1.79% to 2,823.2 while Nasdaq lost 1.03% to 8,560.7.

News For The Day

Oil plunges below US\$12 as storage rapidly fills amid demand slump

Oil plunged the most on record to below US\$12 (RM52.6) a barrel in New York as a historic demand slump fills inventories to the brim. Futures fell as much as 40%. The fresh historical low comes as inventories soar because of the supply-demand mismatch created by Covid-19. – *Bloomberg*

Gamuda-BMD JV invited to tender for A\$2.6bn project

A joint venture (JV) between Gamuda Bhd and BMD Constructions Pty Ltd has been invited to tender for a motorway connecting to the south of Sydney, Australia, costing about A\$2.6bn (RM7.27bn). – *The Edge Markets*

KKB secures contract from Sarawak Energy

KKB Engineering Bhd has secured a RM15m tender for the supply and delivery of steel poles from Sarawak Energy Bhd. – *The Star Online*

Ajiya 1Q net profit triples despite lower revenue

Ajiya Bhd's net profit for 1QFY20 almost tripled to RM3.1m or 1.05 sen per share, from RM1.05m or 0.35 sen a year earlier, despite recording lower revenue. – *The Edge Markets*

Nexgram partners with Indonesian firm to sell medical devices

Nexgram Holdings Bhd has teamed up with Indonesia's PT Mitra Abadi Propertindo Utama to sell medical test kits in Indonesia and other Southeast Asian markets. – *The Edge Markets*



Our Thoughts

Finally, the correction that we have been anticipating should happen today. With crude oil doing something unprecedented where its May futures went negative, Covid-19 in the US remains unrelenting. As a result, the DJI Average declined by almost 600 points in a volatile late session yesterday. As such, we expect regional markets to experience some selling across the board today. On the local front, the FBM KLCI which have had surprised many of late will see some downside pressure today with immediate support level at the 1,400 mark. Though trading opportunities still prevails we still advise investors to exercise caution.



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