



10 June 2019

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Previous Day Highlights

The FBM KLCI gained 5.24 points or 0.32% to 1,649.33 last Friday. Gainers stood at 487 stocks against 306 losers with 349 counters unchanged. However, valued traded on Bursa remained low at RM1.52bn with 1.55bn unit of shares traded.

China and Hong Kong markets were closed for Dragon Boat Festival on Friday while Japan's Nikkei 225 Index gained 0.53%.

U.S. markets ended higher last Friday with the Dow gained 1.02% to 25,983.9 points. The S&P 500 Index climbed 1.05% while the Nasdaq Composite Index closed 1.66% higher.



News For The Day

SLP Resources to bank on exports to Australia and Japan

SLP Resources Bhd is counting on its exports to Australia and Japan to drive the group's top and bottom line in 2019, as domestic demand continues to contract. Domestic sales contribution is projected to contract to around 32% this year from over 40% in 2018. SLP will now work on increasing its exports to Japan, Australia, Thailand, Singapore, New Zealand, and which are its key markets, where the demand from the retail, industrial, dairy, and household sectors is still strong. - *The Star Online*

CAB Cakaran terminates MoU signed two years ago on setting up solar farm

CAB Cakaran Corp Bhd announced that the Memorandum of Understanding (MoU) that it signed with Panasonic Eco Solutions Malaysia Sdn Bhd related to the establishment of a solar farm in Kedah has been mutually terminated. No reason was disclosed for the termination of the MoU, which was entered into in June 2017. - *The Edge Markets*

Parkson extends lease for property in Beijing

Parkson Holdings Bhd's 54.97%-owned subsidiary Parkson Retail Group Limited has entered into a lease agreement as lessee in respect of a property in Beijing, China for another 2.5 years. - *The Sun Daily*

US\$120bn company to be formed in biggest ever merger in Technology sector

United Technologies Corp agreed on Sunday to combine its aerospace business with U.S. defence contractor Raytheon Co and create a new company worth more than \$120bn, in what would be the industry's biggest ever merger. - *The Sun Daily*

China warns tech companies about complying with trade restrictions

Chinese authorities summoned some of the world's largest tech companies this week to tell them they could face repercussions if they respond too aggressively to U.S. trade restrictions. - *The Wall Street Journal*



Our Thoughts

How things have changed. What were perceived as a "SELL" market only 2-3 weeks ago, is now viewed with much aplomb. We reckon the US/China trade war may be getting stale and that investors are becoming more immune to such developments.

Nonetheless, we believe market volatility still prevails but to a much lesser extent. Today, regional markets are anticipated to trend higher following Wall Street's uptick. Domestically we see the FBM KLCI to remain firm with the immediate resistance at around the 1,670 mark.



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