

11 January 2022

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Previous Day Highlights

The FBM KLCI extended gain on Monday session. The benchmark index was up 7.06 points to close at 1,550.17. Gainers were led by CIMB, PMETAL, PCHEM. Market breadth was negative with 462 gainers against 523 losers. Total volume stood at 6.67bn shares valued at RM2.38bn.

Key regional indices ended in green territories on Monday. The Nikkei 225 was closed for holiday. SHCOMP climbed 0.39% to end at 3,593.52, HSI gained 1.08% to end at 23,746.54 and STI up 0.68% to end at 3,227.05.

Wall Street ended mix on Monday as investors were fretting about rising bond yields. The Dow Jones Industrial Average fell 0.45% to end at 36,068.87, S&P 500 lost 0.14% to end at 4,670.29 and Nasdaq Composite added 0.05% to end at 14,942.83.

Our Thoughts

Trading on Wall Street has been volatile to say the least on the back of imminent hikes in interest rates. The 10-year Treasury yield briefly touched the 1.8% before settling at 1.755%. While the DJI Average closed 163 points lower to just above the 36,000 level, the Nasdaq reversed earlier losses to stay up 7 points from a late afternoon rally. On the front, the FBM KLCI defied expectations as bargain hunting activities pushed the index to 1,550 mark. Though we anticipate regional performances to remain mixed, low valuations of the local bourse could be the main catalyst for funds snapping up banking shares yesterday on potential interest rates increase. For today, we reckon buying may continue but profit taking activities could also set in. Therefore, we reckon the index to hover within the 1,545-1,560 range today. Meanwhile, it was heartening to see that daily market volume has improved to above 6bn shares yesterday which is a multiple month high.



News For The Day

Muhibbah Engineering plans to raise up to RM128m via rights issue for revolving credit facilities' repayment

Muhibbah Engineering is planning to raise up to RM128.46m through a rights issue for partial repayment of the group's revolving credit facilities and its working capital. The right issue involves up to 256.91m shares on the basis of one share for every two existing shares held at an entitlement date to be announced later. – *The Edge Markets*

November Industrial Production Index up 9.4% — DOSM

The Industrial Production Index increased 9.4% y-o-y in November 2021, said the Department of Statistics Malaysia (DOSM). Chief statistician Datuk Sri Dr Mohd Uzir Mahidin attributed this to an expansion in the manufacturing (11.3%), electricity (5.1%) and mining (3.7%) indices. – *The Edge Markets*

Petronas delivers first carbon neutral LNG cargo to Hiroshima Gas

Petroleum Nasional's (Petronas) subsidiary Malaysia LNG SB has delivered its first carbon neutral LNG (CNLNG) cargo to Hiroshima Gas Co Ltd. The delivery is part of the national oil company's continued commitment towards becoming a sustainable solutions partner to its customers. – *NST*

HSS Engineers wins 5G contracts from Digital Nasional

HSS Engineers' (HEB) unit HSS Integrated SB (HSSI) has clinched contracts from Digital Nasional (DNB) to provide consultancy services for the implementation of Malaysia's 5G infrastructure and network. The engineering and project management consultant company said this marked its diversification into the telecommunications sector. – *NST*

Nova MSC bags RM14.4m contract in Nigeria

Nova MSC's unit, novaCITYNETS International Ltd, has signed a contract for the provision of FORNAZ ePlanCheck software to ENL-Nova Ltd's electronic physical planning process system project (EPPPS) for the Nigeria Lagos state government. – *The Star*



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- understand the risks involved in relation to the product or service;
- compare and consider the fees, charges and costs involved; and
- make your own risk assessment and seek professional advice, where necessary.

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