



13 June 2019

 research@rakutenrade.my

Previous Day Highlights

The FBM KLCI closed marginally lower 0.46 point or 0.03% lower at 1,650.74 yesterday. Trading volume stood at RM1.76 billion with value at RM1.61 billion.

Hong Kong's Hang Seng Index fell 1.73% to 27,308.50 and Shanghai Composite Index fell 0.35% to 2,909.38 while Japan's Nikkei 225 Index inched up 0.33% to 21,129.72.

U.S. markets close lower yesterday with the Dow losing 0.17% to 26,004.8 points. The S&P 500 Index lost 0.35% while the Nasdaq Composite Index closed 0.38% lower.



News For The Day

ECRL civil works portion attracts 1,321 contractors

The civil works portion of the RM44 billion East Coast Rail Link (ECRL) project has attracted 1,321 submission from construction companies during the prequalification exercise held on May 29 and 30. Malaysia Rail Link Sdn Bhd and China Communications Construction Company Ltd said in a joint statement yesterday that the response shows that the local contractors are ready to demonstrate their willingness and capabilities to participate in mega infrastructure projects. – *SunBiz*

BAuto FY19 net profit leaps, declares 10.5 sen dividend

Bermaz Auto Bhd (BAuto) which reported a 5% growth in net profit for the fourth quarter ended April 30, 2019 declared a 10.5 sen dividend per share. The group's full year revenue expanded 25.1% to RM2.49 billion from RM1.99 billion, thanks to robust sales volume growth from the domestic operations - *SunBiz*

Malaysia's end-May palm oil stocks fall to 10-month - MPOB

Malaysian palm oil stockpiles fell to a 10-month low at end-May, according to official data yesterday, extending monthly falls since March, as export gains outpaced an unexpected rise in production. The benchmark palm prices have eased about 5% since the start of the year weighed by concerns about high stocks and flat demand – *TheEdge Financial Daily/Reuters*

Penang's approved manufacturing investments up over seven-fold

Penang attracted approved investments worth RM8.8 billion in the manufacturing sector in the first quarter (Q1) of 2019, up 763% from RM1.02 billion in the same period last year. Chief Minister Chow Kon Yeow said despite the intensifying trade and technology disputes between United States and China that created uncertainties in the global trade and economic outlook, Penang remained a favoured investment destination - *The StarBiz/Bernama*



Our Thoughts

Expectations of further rate cut in the US has heightened with the US 10-year yield declined to 2.12% yesterday from the year high of 2.79% earlier this year. It is now widely anticipated that there may be two rate cuts by end 2019. In view of this, we can also anticipate that the US dollar to experience some weaknesses ahead. Meanwhile, crude price volatility continued with the Brent now trading at below the US\$60/barrel due to higher than expected stockpile in the US.



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RAKUTEN TRADE SDN BHD (266701-P)

Level 7, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2110 7188 Website: www.rakutentrade.my

Kenny Yee Shen Pin
Head of Research