

15 June 2022

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Previous Day Highlights

FBM KLCI ended sharply higher as bargain hunting emerged after 8 days of heavy sell-down. The benchmark index gained 1.12% or 16.45 points to end at 1,481.28 with gainers led by NESTLE, PETDAG and KKK. Market breadth was mixed with 483 losers against 482 gainers while 422 were unchanged. Total volume stood at 2.72bn shares valued at RM2.11bn.

Key regional markets ended broadly lower yesterday. The Nikkei 225 and STI lost 1.32% and 0.91% to end at 26,629.86 and 3,110.84 respectively. SHCOMP lost 1.02% to end at 3,288.91 while HSI was flattish at 21,067.99.

Wall Street ended mixed as investors await for the US Federal Reserve's decision on interest rate hike. The DJIA and S&P500 down 0.50% and 0.38% to end at 30,364.83 and 3,735.48 respectively. Nasdaq was up marginally by 0.18% to end at 10,828.35.

Our Thoughts

All 3 major indices on Wall Street closed off their day highs as selling continued ahead of another prospective rate hike by the Federal Reserve. The DJIA Average declined by 152 points while the Nasdaq ended 19 points higher despite the US 10-year yield climbing to almost 3.48% which is a 11-year high. Back home, bargain hunting activities helped push the FBM KLCI higher amid a weak regional performance. Though buying may persist, we reckon sentiments are to remain cautious thus expect the index to hover within the 1,475-1,490 range today. Meanwhile, crude palm oil rebounded to above the RM6,200/tonne attributed to bargain buying.



News For The Day

Berjaya Food proposes four-for-one bonus issue

Berjaya Food has proposed a bonus issue of 1.56bn shares on the basis of 4-for-1. The F&B chain operator said the entitlement date is yet to be determined and will be announced at a later date. As at June 9, 2020, the issued share capital of the company stood at RM257.82m comprising 389.53m shares including treasury shares. – *The Star*

Malaysia's 1Q retail sales up 18.3%, higher than expected

The Malaysian retail industry recorded a promising growth rate of 18.3% YoY in retail sales in the 11Q22. In its Malaysia Retail Industry Report for June 2022, Retail Group Malaysia (RGM) said the latest quarterly result was better than the estimate made by members of the Malaysia Retailers Association (MRA) and the Malaysia Retail Chain Association (MRCA) at 16.5% in March 2022. – *The Edge Markets*

Oil bounces around as tight supply offsets China, recession fears

Oil prices seasawed in positive and negative territory on Tuesday, holding up despite recession fears and potential new COVID-19 curbs in China that could dampen demand as the market remains tightly supplied. U.S. West Texas Intermediate (WTI) crude eased 4 cents to US\$120.89 a barrel at 0156 GMT, while Brent crude futures dipped 6 cents to US\$122.21 a barrel. – *The Edge Markets*

Seng Fong plans to raise RM68.1m proceeds from Main Market IPO

Rubber processor Seng Fong Holdings is aiming to raise gross proceeds of about RM68.1m from its IPO on the Main Market of Bursa Malaysia, the bulk of which will go towards repaying bank borrowings and working capital. In a statement, he said the proceeds will be used in part to expand annual production capacity to 166,000 tonnes by 2023 from the current capacity of 142,000 tonnes. – *The Star*

AirAsia looks forward to Changi Airport's T4 reopening

Low-cost carrier AirAsia is looking forward to the reopening of Terminal 4 (T4) of Changi Airport in September 2022. "Anytime sooner is great for us," AirAsia Malaysia CEO Riad Asmat told Bernama on the sidelines of Aviation Festival Asia 2022 here on Tuesday (June 14). – *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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