



15 May 2019

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## Previous Day Highlights

The FBM KLCI inched down 1.9 points or 0.12% to 1,599.19 yesterday. The index hit a low of 1,572.03 points during the morning session before reversing to a high of 1,603.72. Market breath was negative with 488 decliners versus 386 advancers and 381 counters remained unchanged.

Regional markets continued the downtrend with Shanghai Composite Index declined 0.69%, Hong Kong's Hang Seng Index dropped 1.50% and the Nikkei 225 Index fell 0.59%.

U.S. stock markets rebounded from the early steep selloff. The Dow gained 0.82%, posted its best day gain since April 12. The S&P 500 Index rose 0.8% while the Nasdaq Composite Index ended 1.14% higher.

## News For The Day



### **New income stream for TNB**

Utility giant Tenaga Nasional Bhd (TNB) is expected to see earnings contribution from the National Fibreisation and Connectivity Plan beginning next year. The energy group is currently in the phase of exploring commercially viable penetration for its fibreisation and connectivity business nationwide. Meanwhile, TNB chief financial officer Nazmi Othman said the group would allocate RM9bn to RM9.5bn as capital expenditure for 2019. – *The Star Online*

### **Picorp wins RM12.16m contract**

Progressive Impact Corp Bhd (Picorp) has bagged a field measurement services contract for total petroleum hydrocarbon contamination in soil in Indonesia worth RM12.16m. The contract, which was awarded by PT Chevron for Rapid TPH to Picorp subsidiary PT Als, is an addition to an earlier contract worth RM31.35m that was awarded on March 21, 2019. – *The Star Online*

### **AirAsia challenges Mavcom in court**

AirAsia X Bhd and its affiliate AirAsia Bhd have filed a judicial review application against the Malaysian Aviation Commission (Mavcom) and Malaysia Airports (Sepang) Sdn Bhd to challenge Mavcom for declining to decide on the disputes with regard to passenger service charge and the poor level of service at klia2. – *The Sun Daily*

### **YFG gets RM40m project in Kuantan**

YFG Engineering Sdn Bhd, a wholly owned subsidiary of YFG Bhd has accepted a RM40m project for contract works for a proposed residential project in Pahang. It is expected to commence on May 30 and is to be completed within two years. The project is expected to contribute positively to the revenue and earnings of the group for the financial year ending Sept 30, 2019. – *The Star Online*

### **Dialog net profit up on cost savings**

Dialog Group Bhd's net profit for its third quarter ended March 31 grew 21% to RM143.71m from RM118.84m in the previous corresponding period, mainly due to cost savings realised on completed projects and an increased share of profit in joint ventures and associates. – *The Star Online*

### **New car models lift Tan Chong Motor Q1 earnings**

Tan Chong Motor Holdings Bhd, the distributor of Nissan cars, said earnings jumped in the first quarter boosted by higher volume and better sales mix arising from new models launched in Malaysia and overseas markets. – *The Star Online*

## Our Thoughts



A more dovish statement by Trump on the trade war with China had sent positivity on Wall Street thus we may witness regional markets to trend higher today. Locally the equity market is expected to see some bargain hunting activities with the FBM KLCI to test the immediate resistance at 1,620. Malaysia being the worst performer on both currency and equity within the region is not expected to see any immediate reversal in fortune but we expect foreign direct investment (FDIs) especially from China will lend support on the stock market and currency in due course.



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