

15 September 2023

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Previous Day Highlights

FBM KLCI closed lower due to selling on selected heavyweights and Maybank's ex-dividend price adjustments. The benchmark index lost 0.27% or 3.96 points to close at 1,449.58. Losers were led by NESTLE, MISC and PCHEM. However, market breadth was positive with 530 gainers against 342 losers. Total volume stood at 2.96bn shares valued at RM2.2bn.

Major regional indices trended mostly higher. Nikkei225 and STI surged 1.41% and 0.95% to close at 33,168.10 and 3,249.51 respectively. HSI and SHCOMP added 0.21% and 0.11% to end at 18,047.92 and 3,126.55 respectively.

Wall Street ended higher as investors cheered the revival of Wall Street's IPO market. The DJIA rose 0.96% to end at 34,907.11. S&P500 and Nasdaq gained 0.84% and 0.81% to close at 4,505.10 and 13,926.05 respectively.

Our Thoughts

Wall Street closed higher thanks largely to the successful listing of ARM despite both the headline CPI and PPI for August coming in slightly higher than expected. Nonetheless, consensus is of the view that the Fed will not hike interest rates this month. As such, the DJIA Average rose 331 points while the Nasdaq increased by 112 points as the US 10-year yield edged higher to 4.286%. As for Hong Kong, the HSI halted its 6-day decline on improving rate outlook in the US. China's latest cut in its RRR by 25bps injecting around US\$69bn to aid its recovery should boost sentiment for now. Meanwhile, EU's probe on China's EV subsidies may ignite some discontentment. On the domestic front, the FBM KLCI declined slightly to below the 1,450 level due mainly to Maybank's ex-dividend price adjustments. As market undertone for the local bourse remains solid firmly supported by stock accumulation, we anticipate the index to hover between the 1,450-1,460 range today. Focus may return to Oil & Gas stocks as the Brent crude had surged past US\$93/barrel in view of supply shortfall.



News For The Day

TNB secures court permission to challenge IRB assessment

Tenaga Nasional's (TNB) indirect 70%-owned subsidiary Southern Power Generation SB has been allowed to proceed with its challenge of additional tax assessments from the Inland Revenue Board (IRB) amounting to RM78.49m via a judicial review. TNB said the High Court had granted Southern Power Generation leave (permission) to commence a judicial review against the notices of assessment issued by IRB dated May 26 for additional taxes for the years of assessment of 2017 to 2021. - *The Edge Markets*

MN Holdings bags RM40.1m job

MN Holdings has secured a turnkey project valued at RM40.1m to build the main distribution substation (PPU) network for a residential development in Taman Lagenda in Teluk Intan, Perak. The company's wholly-owned subsidiary Mutu Nusantara SB has secured the contract from Lagenda Properties, appointing it to be the contractor for the project. It said Mutu Nusantara will be responsible for the design, engineering, procurement, fabrication and assembly of the 33 kilovolt (KV) cable connection works. - *The Star*

Property market 1H23 transaction value rose to RM85.37bn

Malaysia's total property transaction value hit RM85.37b, up 1.1% YoY with more than 184,000 transactions recorded, 1H2023, according to a report from the National Property Information Centre (Napic). - *The Edge Markets*

Sunsuria and Icon Group forms JV to enhance cancer care

Sunsuria's subsidiary Sunsuria Healthcare and Icon Group's Icon Cancer Center has formed a joint venture, Icon Sunsuria SB to elevate the standard of cancer care for Malaysians. In a statement, the JV said it aims to provide access to quality cancer care and improve the well-being of patients and their families, by establishing cancer centres across Malaysia via strategic partnerships with local healthcare operators. - *The Star*

Armada's Indonesian venture could reap long-term rewards

Bumi Armada's venture with two Indonesian firms to develop floating LNG and carriers while engineering a carbon capture injection system for a gas field in Indonesia could be the start of a new source of income for the company. The offshore energy facilities provider said it had entered into a non-binding agreement with PT Pertamina International Shipping (PIS), a shipping and marine logistics subholding of Indonesia's state-owned energy company, and natural gas trading firm PT Davenergy Mulia Perkasa (DMP) to develop and commercialise LNG from the Madura gas field and its surrounding fields. - *The Star*



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All buy calls are based on the research team's judgement. Investing is risky and trading is at your own risk. We advise investors to:

- read and understand the contents of the disclosure document or any relevant agreement or contract before investing;
- 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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