

21 June 2022

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Previous Day Highlights

FBM KLCI continued with its selling mode on Monday. The benchmark index lost 1.06% or 15.50 points to end at 1,441.24 with losers led by MAYBANK, PBBANK and TENAGA. Market breadth was negative with 747 losers against 200 gainers. Total volume stood at 2.62bn shares valued at RM1.69bn.

Key regional markets ended on mix note. HSI and STI rose 0.42% and 0.04% to end at 21,163.91 and, 3,099.20 respectively. The Nikkei 225 fell 0.74% to end at 25,771.22. SHCOMP down marginally by 0.04% to end at 3,315.43.

US market is close for Public Holiday on Monday.



News For The Day

UMW's automotive sales up 4% y-o-y in May 2022, up 10% YTD

UMW Group's automotive sales grew 4% y-o-y in May 2022, carried by healthy sales by both UMW Toyota Motor (UMWT) and its associate company Perusahaan Otomobil Kedua SB's (Perodua). UMW said the group sold 26,480 units in May this year as compared with 25,568 units in the same month last year. – *The Edge Markets*

ACE Market-bound Infoline Tec aims to raise RM23.68m from IPO

Infoline Tec which is principally involved in IT infrastructure solutions, cybersecurity solutions, and trading of ancillary hardware and software, aims to raise RM23.68m from its ACE Market IPO. The IPO entails an offering of 96.25m shares, including an offer for sale of 22.25m existing shares by way of private placement to selected investors, at an IPO price of 32 sen. – *The Edge Markets*

PetChem takes over BASF Petronas' MAN plant in Pahang

PetChem expects to produce maleic anhydride (MAN) in Kuantan, Pahang by the first half of 2025. PetChem recently signed an agreement with its joint venture (JV) company, BASF Petronas Chemicals SB (BPC), to acquire the 113 kilotonnes per annum (ktpa) MAN plant in Gebeng, Kuantan. – *NST*

Kerjaya Prospek bags RM154.68m development job

Kerjaya Prospek has exceeded its annual contract target after subsidiary Kerjaya Prospek (M) SB secured a RM154.68m job from Bangsar Hill Park Development SB for the development of a proposed residential project. The group said its year-to-date contract wins have reached RM1.3bn, which exceeds its target of RM1.2bn. – *The Star*

No SST extension for vehicles after June 30, says MoF

The Sales and Services Tax (SST) exemption for new vehicles has not been extended as the Ministry of Finance maintains the cut off date on June 30 this year. The SST exemption was first announced in June 2020 and extended twice, to June 30, 2021, and then December 31, 2021. – *NST*

Our Thoughts

Wall Street was closed yesterday and a look at the futures of the 3 major indices indicates that a rebound is in the offing as all 3 indices performed rather strongly. Therefore, we can expect regional markets to experience improved performance today. Back home, the FBM KLCI closed lower as foreign selling continued on selected heavy weights. As bargain hunting activities did not appear yesterday, we reckon blue chips are ripe for accumulation at current levels. As such, we expect the index to possibly trend within the 1,435-1,455 range today. We noticed plantation stocks have been on a downtrend for the past week mirroring the slump in crude palm oil prices to RM5,260/tonne currently from RM6,150/tonne before due to weakening soya prices on improving production.



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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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