



25 June 2020

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Previous Day Highlights

The FBM KLCI ended 4.4 points or 0.29% lower to 1,502.6 yesterday. Market breadth was negative as there were 556 losers versus 407 gainers. Meanwhile, value traded across Bursa was RM2.60bn with 5.39bn units of shares exchanged.

Asian stock markets ended on a mixed note yesterday. Hang Seng Index dropped 0.50% or 125.8 points to 24,781.6, Nikkei 225 Index edged down 0.07% to 22,534.3 while Shanghai Composite Index gained 0.30% to 2,979.6 points.

US stock markets finished weaker overnight as investors worry about the resurgence of coronavirus. Dow Jones plunged over 700 points to 25,445.9, Nasdaq Composite lost 2.19% to 9,909.2 and S&P 500 Index fell 2.59% to 3,050.3 points.

Our Thoughts

Sentiments on Wall Street turned tentative on the back of a potential second Covid-19 wave in the US. As such the DJI Average lost 710 points to close below the 25,500 mark whilst the Nasdaq lost 222 points following its record-breaking run. As a result, we anticipate regional markets to remain mixed today amid the ongoing consolidation. On the domestic front, the FBM KLCI may finally relent and is seen to close below the psychological 1,500 level today having held on stubbornly above this threshold over the last few days. Immediate support is seen at 1,490 level.

News For The Day

IMF Projects Deeper Global Recession on Growing Virus Threat

The International Monetary Fund downgraded its outlook for the coronavirus-ravaged world economy, projecting a significantly deeper recession and slower recovery than it anticipated just two months ago. It now expects global gross domestic product to shrink 4.9% this year, more than the 3% predicted in April. For 2021, the fund sees growth of 5.4%, down from 5.8%. – *Bloomberg*

Yinson's 1Q net profit down 6.3%

Yinson Holdings Bhd's net profit fell 6.3% to RM46.72m for its first financial quarter ended April 30, 2020, from RM49.85m a year earlier, mainly due to higher depreciation and amortisation charges. – *The Edge Markets*

Spritzer Q1 earnings up 13.8%

Spritzer Bhd saw a 13.8% rise in its net earnings for the first quarter ended March 31 to RM8.79m, from RM7.71m previously mainly due to lower manufacturing costs. – *Sunbiz*

Malaysia Smelting Corp records losses in 1Q

Lower tin prices and lower sales dragged Malaysia Smelting Corporation Bhd into the red with a net loss of RM13.19m for its first quarter ended March 31, 2020, compared with a net profit of RM8.6m in the previous corresponding quarter. – *The Edge Markets*

No dividend from Gamuda as quarterly profit falls 77%

Gamuda Bhd's net profit for its third financial quarter ended April 30, 2020 slumped 77.14% to RM40.23m from RM175.99m a year earlier, as its Malaysian operations were affected by the movement control order imposed during the final six weeks of the quarter. – *The Edge Markets*



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