

Daily Market Report



29 November 2021

research@rakutentrade.my

Previous Day Highlights

The FBM KLCI saw broad based selling on Friday caused by renewed Covid-19 fears. The benchmark index lost 5.38 points, down 0.35% to close at 1,512.22. The top losers are IHH, AXIATA and SIMEPLT. There are 993 losers versus 194 gainers. Total volume stood at 4.9bn shares valued at RM3.48bn.

The fears of new Covid-19 variant swiped the Asian markets into red territory on Friday. The Shanghai Composite Index closed 0.56% lower to 3,564.09 and the tourism city has been prompted to limit activities to control the clusters spread. The Hang Seng Index also declined 2.67% to end at 24,080.52. The Japan's Nikkei 225 slid 2.53% lower to close at 28,751.62 and Straits Times Index lost 1.77% to close at 3,164.43.

Wall Street tumbled on the same reason with Nasdaq Composite Index lost 2.23%, S&P 500 Index dropped 2.27% and the Dow Jones Industrial Average lost 2.53% to 15,491.66, 4,594.62 and 34,899.34 respectively.

Our Thoughts

Wall Street tumbled with the discovery of a new Covid variant in South Africa as funds shifted to less risky assets with the US 10-year yield dipped to below the 1.5%. The DJI Average lost 905 points to below the 35,000 mark whilst the Nasdaq declined 353 points to below the 15,500 level. On the home front, the FBM KLCI was dragged down by heavy regional losses to close below the crucial 1,520 level. As sentiments remains jittery, we expect the index to hover within the 1,510-1,520 range today as we anticipate some stability to emerge regionally following the heavy selling last Friday. The new Covid variant also disrupted prices for crude oil as the Brent closed at US\$75/barrel after a turbulent trading day.



News For The Day

Alliance Bank reported positive Q2 earnings from increased business banking, financial markets and investment banking segments

Alliance Bank Malaysia's 2QFY22 net profit jumped 66.2% YoY to RM172.74m, from RM103.94m recorded previously. The bank said this was attributed to higher interest income, net interest margin, and lower credit cost. – *NST*

Axiata 3Q net profit dips marginally

Axiata Group's 3QFY21 net profit declined 1% to RM349.56m against RM352.99m YoY. This is mainly due to higher depreciation and amortisation and foreign exchange losses, partially offset by higher top lines, lower finance costs on the back of lower borrowings and lower taxes. – *The Star*

Malakoff 3Q net profit drops 43% q-o-q on lower contribution from Johor coal plant

Malakoff Corp's 3QFY21 net profit dropped 42.96% to RM67.16m from RM117.73m in the immediate preceding quarter, on lower contribution from Tanjung Bin Power Sdn Bhd's (TBP) coal plant in Johor. – *The Edge Markets*

DNeX records RM293.56m net profit for 1QFY22

Dagang NeXchange Bhd's (DNeX) net profit for the 1QFY22 stood at RM293.56m, while revenue came in at RM270.87m. DNeX said there were no comparative figures for the 1Q due to a change in its financial year end to June 30 from Dec 31. – *The Edge Markets*

Sime Darby Property upbeat on property outlook, plans new launches worth RM1.6bn GDV for 4QFY21

Sime Darby Property Bhd is gearing up for its new launches for the last quarter this year with a gross development value (GDV) of about RM1.6bn worth of properties — after unveiling over RM2.3bn worth over the past nine months this year — as it expects the economy and property market to regain momentum following the reopening of the economy. – *The Edge Markets*



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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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Published:

Kenny Yee Shen Pin
Head of Research