

Daily Market Report



30 November 2021

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Previous Day Highlights

The FBM KLCI closed Monday session 0.11% lower on continuous selling activities as investors tried to calibrate the economic risks from the new Covid-19 variant. The benchmark index lost 1.65 points to close at 1,510.57. The top losers are PMETAL, PCHEM and MAXIS. Losers outpaced the gainers by 790 to 351. Total volume stood at 6.14bn shares valued at RM5.20bn.

Regional indices ended lower too as Omicron variant clouded sentiments. The Shanghai Composite Index closed 0.04% lower to 3,562.70, Hang Seng Index declined 0.95% to end at 23,852.24, Japan's Nikkei 225 slid 1.63% to close at 28,283.92 and Straits Times Index lost 1.44% to close at 3,120.58.

Wall Street rebounded with reassurance from US President that Omicron coronavirus would not lead to lockdowns. The Nasdaq advanced 1.88% to close at 15,782.83, followed by S&P 500 Index which added 1.32% to close at 4,655.27 and the Dow Jones Industrial Average gained 0.68 % to 35,135.94.



Our Thoughts

US equities rebounded on the back of President Biden's statement that there will be no lockdown amid the threat from the new Omicron variant. The DJI Average jumped by 236 points to above the 35,000 mark while the Nasdaq surged by more than 290 points to almost the 15,800 level. Meanwhile the US 10-year yield climbed to above 1.5% after Friday's knee jerk reaction. As for the local bourse, we expect the FBM KLCI to trend higher today following yesterday's brief encounter around the 1,500 level. We reckon bargain hunting activities to emerge today as sentiments recover surrounding the glove counters. For today, we expect the index to hover within the 1,510 – 1,520 range. Meanwhile, the crude palm oil is expected to end November on a record high averaging above RM5,200/tonne from last month's RM5,051/tonne.



News For The Day

Public Bank's net profit eased 2.2 % to RM1.36bn in Q3

Public Bank's 3QFY21 net profit eased 2.2% to RM1.36bn from RM1.39bn YoY. The third-largest bank by market capitalisation said the decrease in net profit for the quarter was mainly due to lower investment income, lower fee income and other income and higher other operating expenses. – *NST*

Hong Leong Bank posts stronger Q1FY22 earnings of RM858.25m

Hong Leong Bank's 1QFY22 net profit jumped 17.7% YoY to RM858.25m underpinned by topline growth, disciplined expense management, lower loan impairment allowances and robust associate contributions. – *The Star*

Sime Darby 1Q net profit down 16% year-on-year at RM236m

Sime Darby's 1QFY22 net profit fell 16.01% to RM236m from RM281m a year earlier mainly due to lower profit from the diversified group's heavy equipment distribution business and after the company registered a year earlier foreign exchange gains against an operating environment marred by Covid-19 pandemic-driven movement restrictions. – *The Edge Markets*

Hong Leong Financial Group 1QFY22 profit up 9% YoY thanks to commercial banking, insurance divisions

Hong Leong Financial Group (HLFG) posted a 1QFY22 net profit of RM640.56m, an increase of 9.12% from RM587.03m in the previous year's corresponding period due to positive contributions from its operating businesses — commercial banking division Hong Leong Bank Bhd (HLB) and insurance division HLA Holdings SB. – *The Edge Markets*

FELDA postpones EGM for holders of RM9.9bn Islamic bonds to Dec 9

The Federal Land Development Authority (FELDA) has postponed the extraordinary general meeting (EGM) to Dec 9 from Dec 2 for holders of the Malaysian statutory body's RM9.9bn Islamic bonds or sukuk, which are guaranteed by the Malaysian government. – *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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