



31 July 2019

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Previous Day Highlights

The FBM KLCI continued to trend lower on Monday due to lower expectation on the trade talks. The index lost 5.27 points or 0.32% to 1,642.69 points. Market breath was negative with 589 losers outnumbered 298 gainers. Bursa Malaysia was closed yesterday.

Asian stock markets gained yesterday with the Shanghai Composite Index rose 0.39%, Nikkei 225 Index advanced 0.43% and Hang Seng Index ended 0.14% higher.

US markets closed in red on Tuesday following the renewed trade war attack from Donald Trump to China. The Dow inched down 0.09%, S&P 500 Index dropped 0.26% and Nasdaq declined 0.24%.



Our Thoughts

We believe the equity markets are in for a choppy ride today following the trade talk impasse between the US and China. The situation could be exacerbated by the earnings shortfall in the US which so far had been below expectations. Though we expect the FBMKLCI to be flattish today, regional markets are seen to experience some profit taking today. Expect the FBMKLCI to retest the 1,640 level again with immediate resistance at the 1,650 level.



News For The Day

Revenue Group still on the hunt for acquisitions

Despite having acquired two companies this year, Revenue Group Bhd is still on the prowl to acquire companies that can strategically enhance its business or help it move into another part of its supply chain. So far this year, the company has acquitted a 51% stake in Buymall Services Sdn Bhd and a 70% stake in Anypay Sdn Bhd. It also obtained a licence to operate as a money lender in March. – *The Edge*

TNB to reorganise

Tenaga Nasional Bhd (TNB) is proposing an internal reorganisation exercise that will see the power company transfer its domestic power generation and electricity retail businesses to two new wholly owned subsidiaries, as part of its strategic transformation plan to embrace future reforms in the industry. – *The Star*

Credit Suisse now substantial shareholder in Vsolar

Credit Suisse Group AG has emerged as a substantial shareholder in loss-making Vsolar Group Bhd with a 5.08% stake. It bought 8.80m shares on July 24 and raised its stake to 19.60m shares. Vsolar previously announced that it was reviewing several renewable energy projects including opportunities to participate in the government's drive to increase investments in the revised net-energy metering scheme. – *The Star*

Tashin posts net profit of RM3.5m in Q1

Steel products manufacturer Tashin Holdings Bhd, which will be listed on the ACE Market on Aug 1, posted net profit of RM3.5m in the first quarter ended March 31, 2019. The earnings were on the back of RM62.78m in revenue while its earnings per share stood at 1.21 sen. For FY2018, Tashin reported net profit of RM11.28m and revenue of RM260.55m. – *The Star*

PRG ventures into the fashion apparel in Thailand

PRG Holdings Bhd through its 54.19% owned subsidiary, Furniweb Holdings Limited, has opened its first Philipp Plein outlet in Bangkok, marking its first business venture into Thailand's fashion apparel industry and the second of such outlet in Southeast Asia. – *The Star*



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