



08 April 2021

 research@rakutenrade.my



Previous Day Highlights

The FBM KLCI pared its losses yesterday mainly due to bargain hunting in plantation stocks after import ban by Sri Lanka. The benchmark index closed at 1,600.6, up 21.7 points or 1.37%, mainly supported by MAYBANK, SIMEPLT, and TOPGLOV. Turnover was 6.3bn shares valued at RM3.6bn. Market breadth was positive with gainers outnumbered losers by 590 to 440.

Asian stock markets closed lower yesterday. Shanghai Composite Index dropped 0.10% to 3,479.6, Hong Kong's Hang Seng Index lost 0.91% to 28,674.8 and Nikkei 225 Index closed 0.12% higher to 29,730.8.

Wall Street hovered near unchanged overnight with S&P 500 closing up slightly after Fed reinforced that it would take some time for substantial further progress on goals of maximum employment and stable prices. S&P 500 Index gained 0.15% to 4,080.0, Dow Jones Industrial Average inched up 0.05% to 33,446.3, but Nasdaq Composite Index edged down 0.07% to 13,688.8.



Our Thoughts

Cautious optimism returned on Wall Street buoyed by the Federal Reserves ongoing accommodative policies. Though the Nasdaq was down slightly, the S&P 500 closed on another record high whilst the DJI Average was up 16 points to almost 33,450. As such, we reckon regional markets to remain mixed on the absence of any clear buying catalysts. On the home front, it would be interesting see if the FBM KLCI is able to sustain above the 1,600 today after a last minute spike-up yesterday. Nonetheless, we believe sentiments to stay tepid and expect the index to trend within the 1,595-1,605 today.



News For The Day

MGRC signs private label, right of use agreement contract worth RM7m

Malaysian Genomics Resource Centre Bhd (MGRC) has entered into a private label and right of use agreement with Eostre Bhd for the latter's procurement of the former's know-how to research, design, develop and provide genetic screening tests and other products under private label for sale to customers. – *The Edge Markets*

Nestle Malaysia invests RM150m to set up ASEAN's first plant-based meal solutions facility in Shah Alam

Nestle (Malaysia) Bhd has invested a total of RM150m to set up a plant-based meal solutions manufacturing facility in Shah Alam. – *The Edge Markets*

Samaiden proposes 1-for-2 bonus issue of warrants, SIS scheme

Solar engineering, procurement, construction and commissioning service provider Samaiden Group Bhd has proposed a bonus issue of up to 105m warrants on the basis of one warrant for every two existing shares. – *The Edge Markets*

Velesto clinches US\$17.68m contract for provision of jack-up drilling rig services

Velesto Energy Bhd said its unit Velesto Drilling Sdn Bhd has bagged a contract worth US\$17.68m for the provision of jack-up drilling rig services. – *The Edge Markets*

IMF maintains Malaysia's GDP growth at 6.5% this year

The International Monetary Fund (IMF) maintains its forecast on Malaysia's gross domestic product (GDP) growth this year at 6.5%, according to its latest World Economic Outlook report published today. – *Malay Mail*

Uzma banks on two strategies to drive business forward

Oil and gas contractor Uzma Bhd is banking on two strategies to drive the group forward in terms of operations and profitability amid the volatility in the oil and gas industry. – *The Star*



08 April 2021

 research@rakutenrade.my

All buy calls are based on the research team's judgement. Investing is risky and trading is at your own risk. We advise investors to:

- read and understand the contents of the disclosure document or any relevant agreement or contract before investing;
- 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.

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained within does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This is not to be taken in substitution for the exercise of judgement by addressees and further shall not be re-distributed to any other third party. Rakuten Trade Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of the contents within or any solicitations of an offer to buy or sell any securities. Rakuten Trade Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may affect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published:

Kenny Yee Shen Pin
Head of Research