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Headline: KLCI Treads Water As Regional Markets Struggle



KLCI treads water as regional markets struggle

KUALA LUMPUR (Aug 29): The FBM KLCI traded range bound at mid-morning Thursday as regional markets struggled to recover, against the backdrop of an opaque US-Sino trade talk development as well as lingering Brexit worries.

At 10am, the FBM KLCI was up 1.53 points to 1,591.35.

Losers led gainers by 241 to 214, while 256 counters traded unchanged. Volume was 517.09 million shares valued at RM241.23 million.

The gainers included Petronas Gas Bhd, Heineken Malaysia Bhd, Kuala Lumpur Kepong Bhd, Amway (M) Holdings Bhd, United Plantations Bhd, Eita Resources Bhd, Petronas Dagangan Bhd and SAM Engineering & Equipment (M) Bhd.

The actives included Green Packet Bhd, Vsolar Group Bhd, Opcom Holdings Bhd, KNM Group Bhd, SMTrack Bhd, PUC Bhd and MNC Wireless Bhd.

The decliners included Telekom Malaysia Bhd, PPB Group Bhd, IQ Group Holdings Bhd, Padini Holdings Bhd, Allianz Malaysia Bhd, Kobay Technology Bhd, Dutch Lady Milk Industries Bhd, Syarikat Takaful Malaysia Keluarga Bhd and Public Bank Bhd.

Global bond yields flirted with record low levels while stocks struggled to recover on Thursday as economic turbulence from intensifying US-China frictions and the spectre of a no-deal Brexit drove investors to safer harbours, according to *Reuters*.

MSCI's broadest index of Asia-Pacific shares outside Japan was flat in early trade while Japan's Nikkei rose 0.14%, it said.

Hong Leong IB Research said in the US, sentiment has turned slightly positive amid the rebound in crude oil.

"However, the upward momentum may face some resistance as additional tariffs will be imposed on selected Chinese goods this Sunday and the inversion of yield curve headlines will cap the upside momentum on Wall Street. The Dow's resistance is envisaged around 26,400.

"Tracking the Wall Street overnight performance, we may anticipate some buying interest to spill over on the local bourse, especially within the O&G sector on the back of a surge in crude oil prices following the EIA report.

"However, we believe the protracted trade war between the US and China may limit the upside potential on the KLCI. Next resistance will be at 1,620," it said.