



## Mercury Securities Sdn. Bhd.(113193-W)

(A Participating Organisation of Bursa Malaysia)

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# MARKET FLASH

## FBM KLCI DAILY CHART



### TECHNICAL INDICATIONS

Support : 1474,1441

Resistance : 1528

Bias : Bearish

*In the meantime, the technical outlook continues to weaken with its indicators all on the slide, indicating further weakness ahead. Already, the candle testing level of 1476 and with its core indicators turning down, the near term outlook remains uncertain and precarious. If the level gives way, the 200- day MA of 1442 will be the support.*

### COMMENTARY

**Still down ...** The FBMKLCI continues to lose ground on the back of persistent selling of heavyweights and weak regional markets as a result of nuclear plant fallout fear. The key index reversed its position after 10 am and even succumbed to a low of 1476.24 points. As usual, the round of short covering helped to cushion the index's fall and kept the candle above 1480. MISC resumed its downward trek, losing 24 sen. Newly listed, Manage Pay made a commendable debut with a 6 sen premium on its opening day.

**Bears still rule.** The FBMKLCI's weakness is still ringing loud as sentiments remain frail, which will keep most investors away from the market. As it is, investors are still digesting the impact of the Japanese earthquake. .

## Wednesday, 16 Mac MARKET STATISTICS

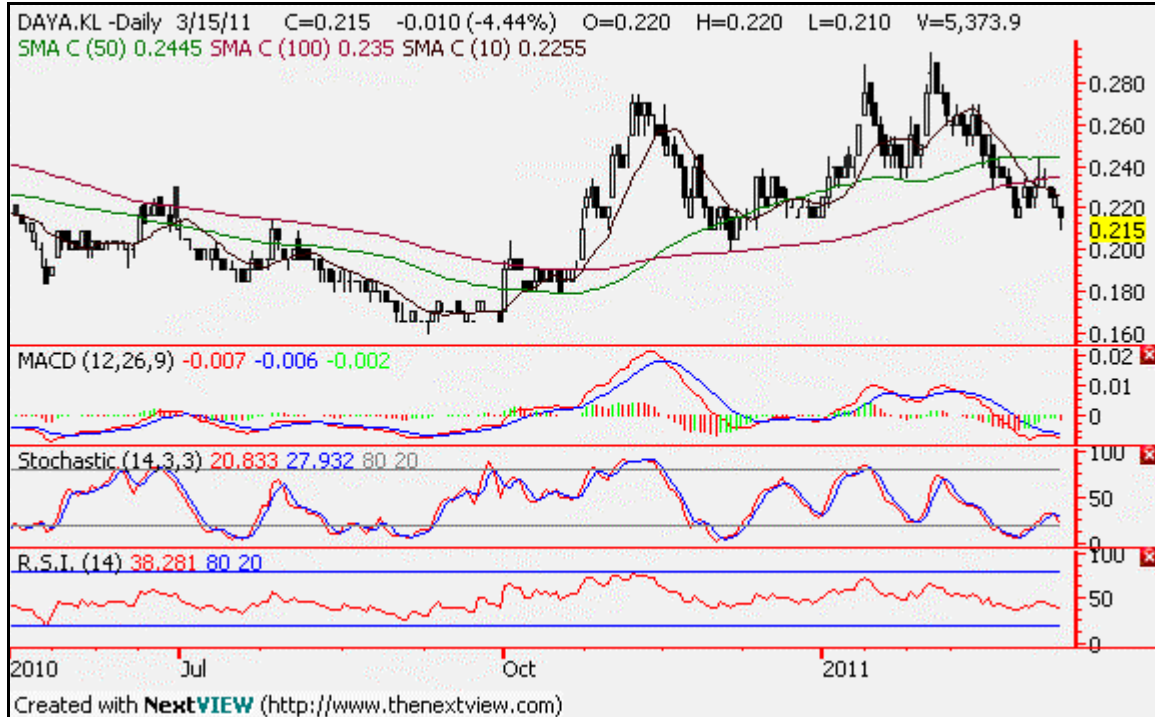
	Close	Chg.
<b>LOCAL</b>		
FBM KLCI	1,484.14	(11.21)
Volume (m)	1,452	
Value (RMm)	2,116	
Up	126	
Down	812	
Unchanged	160	
<b>FOREIGN</b>		
Nikkei	8605.15	(1015.34)
Hang Seng	22678.25	(667.63)
STI	2946.08	(84.78)
Shanghai CI	2896.26	(41.37)

### BURSA MOVERS

Gainers	Close (RM)	Chg (RM)
TopGlov	5.33	0.28
Supermx	4.39	0.21
Kossan	3.23	0.21
Ewein	0.95	0.165
Hunzpty-WB	0.70	0.14
Losers	Close(RM)	Chg(RM)
AIRB-LA	1.35	(0.34)
LPI	13.30	(0.30)
MISC	7.42	(0.24)
LDaun	0.75	(0.24)
TWS	7.57	(0.22)
Actives	Close (RM)	Chg(RM)
MPay	0.22	0.06
SAAG	0.09	(0.005)
IRCB-WA	0.145	(0.00)
HWGB-WB	0.475	(0.04)
IRCB	0.265	0.005

## Current Stock Review

### Sell– **Daya Materials Bhd.**



### Chart wise:

#### Daya Materials Bhd (0091) –Trading/Services- RM0.215

Daya Material's share price has been on the downtrend since forming a double top a month ago. Its downtrend is also in a channel formation and the falls has brought the stock to near its RM0.20 level.

There do not seem to be support as the share price is below the uptrend line formed since October last year. Its momentum indicators and the oversold stochastic continues to point down. Hence Daya Materials is a sell call for now with support at RM0.20 and resistance at RM0.25.

## **MAJOR NEWS**

### **Commodity, Currency and Economic News**

The world's top **rubber-producing countries**, Thailand, Indonesia and Malaysia, will hold an urgent meeting this week to find ways to support prices that have collapsed this month, an senior industry official said yesterday. The price of Thai USS3, a raw material for export grade rubber sheet (RSS3), fell to 90 baht a kg yesterday from 95 baht (100 baht = RM10.04) on Monday. That is half the record high of 180 baht hit in mid-February. Rubber futures on the Tokyo Commodity Exchange (TOCOM), which tend to set global price trends, started falling this month when unrest in the Middle East raised concerns about the global economy and rubber demand. Friday's earthquake in Japan added to these concerns. "We need to do something this week to stop prices from falling," Yium Tavarolit, acting chief executive of the International Rubber Consortium, said, adding that the meeting to discuss the measures will probably be held in Thailand. (BTimes)

**The ringgit** was sharply down against the US dollar at close yesterday as heightened risk aversion prompted increased demand for greenback as a safe-haven. At 5pm, the ringgit was traded at 3.0590/0620 against the dollar compared to Monday's 3.0360/0385, weighed down by the greenback's gains versus a basket of currencies and a slump in stock markets globally. The ringgit was traded lower against the Singapore dollar at 2.3956/3999 from 2.3917/3955 on Monday and depreciated against the Japanese yen to 3.7534/7575 from 3.7065/7100 previously. It fell versus the euro to 4.2624/2672 from Monday's 4.2298/2335 and slipped versus the British pound to 4.9170/9231 from 4.8810/8862 previously. (BTimes)

**The yen** fell against the dollar on speculation the Bank of Japan will add to monetary easing and pump more funds into the financial system in the wake of last week's earthquake and tsunami. The yen dropped against all of its 16 major counterparts as analysts said more robust asset purchases from the central bank and a quicker effort to assemble a fiscal stimulus package could help assuage the economic damage. The euro fell versus 12 of its 16 most-traded peers after Moody's Investors Service cut Portugal's long-term ratings to A3 from A1, with a negative outlook. The yen fell to 80.92 per dollar as of 8:35 a.m. in Tokyo from 80.72 in New York yesterday, when it reached 80.61, the strongest since Nov. 9. The Japanese currency touched 80.22 on Nov. 1, the strongest since April 1995, when it reached a postwar record of 79.75. (Bloomberg)

**Oil** advanced from a two-week low in New York as speculation of supply disruptions in the Middle East outweighed concern that damage from Japan's earthquake will curb crude demand. Futures climbed as much as 0.6 percent after Bahrain declared a state of emergency as a second contingent of troops from Gulf nations poured into the kingdom, while forces loyal to Libyan leader Muammar Qaddafi moved against rebels. Prices fell the most in almost five months yesterday after explosions and fire struck Tokyo Electric Power Co.'s Fukushima nuclear plant. Crude for April delivery gained as much as 53 cents to US\$97.71 a barrel in electronic trading on the New York Mercantile Exchange, and was at \$97.67 at 10:34 a.m. Sydney time. Yesterday, the contract dropped \$4.01, or 4 percent, to \$97.18, the lowest since Feb. 28. Prices fell the most since Oct. 19 and are up 19 percent from a year ago. (Bloomberg)

**Crude palm oil futures** prices on Bursa Malaysia Derivatives ended higher yesterday on increased buying interest, dealers said. They also said the market was bullish driven by demand. At close, March 2011 went down RM75 to RM3,300 a tonne. However, April 2011 rose RM65 to RM3,428, May 2011 went up RM50 to RM3,385 and June 2011 improved RM64 to RM3,379. Turnover rose to 41,357 lots from 35,191 lots on Monday while open interests increased to 98,416 contracts from 96,423 contracts previously. (BTimes)

### Major US and UK Equity Indices

Index	Day Close	Change	Change (%)	Index	Day Close	Change	Change (%)
DJIA	11855.40	-137.74	-1.15	Nasdaq CI	2667.33	-33.64	-1.25
S&P 500	1281.87	-14.52	-1.12	FTSE 100	5695.28	-79.96	-1.38

### Global and Local Headlines

**Japanese stock futures** rose on speculation yesterday's record selloff that drove valuations to a 28-month low was excessive. Australian shares climbed. American depositary receipts of Canon Inc., the world's biggest camera maker, jumped 4.1 percent from the closing share price in Tokyo. Those of Honda Motor Co., Japan's second-largest carmaker by sales, leapt 6 percent. BHP Billiton Ltd., the world's No. 1 mining company, rallied 1.8 percent in Sydney today. Futures on Japan's Nikkei 225 (NKY) Stock Average expiring in June closed at 8,945 in Chicago yesterday, compared with 8,640 in Osaka, Japan. They were bid in the pre-market at 8,800 in Osaka at 8:05 a.m. local time. The Nikkei plunged 11 percent yesterday with record trading volumes on the main section of the Tokyo Stock Exchange, driving the average price of shares in the gauge to 14.7 times estimated profit, the lowest level since November 2008. Australia's S&P/ASX 200 Index rose 0.3 percent today, and New Zealand's NZX 50 Index gained 0.6 percent. (Bloomberg)

A second fire in as many days broke out at a Japanese reactor hours after more earthquakes struck a country battling to avert a nuclear meltdown following last week's record magnitude earthquake and tsunami. **Tokyo Electric Power Co.**, the operator of the Fukushima Daiichi nuclear plant 210 kilometers (130 miles) north of Tokyo, said the fire was spotted by a worker around 5:45 a.m. local time. The company later said it was no longer visible. Radiation from the plant yesterday spewed into the sky, and prevents firefighters from reaching it, NHK Television said. Officials were also battling to cool three damaged reactors at the same plant as more earthquakes rattled the country. A 5.7-magnitude quake hit at 5:43 a.m. 139 kilometers east of Tokyo, according to the U.S. Geological Survey, while a 6.1-magnitude quake struck southwest of the capital last night. Chubu Electric Power Co.'s Hamaoka nuclear plant, about 100 kilometers from the epicenter of the second quake, was unaffected, the Ministry of Economy, Trade and Industry said in a statement. (Bloomberg)

**Portugal's** long-term debt rating was cut two steps by Moody's Investors Service, which cited a "subdued" growth outlook, risks to implementing the government's deficit-reduction plans, and a possible need to recapitalize its banks. The rating was downgraded to A3 from A1, the company said today in an e-mailed statement, adding that the outlook is "negative." The euro weakened against the dollar after Moody's announcement, to \$1.3978 per euro from \$1.3998. Portugal is raising taxes and implementing the deepest spending cuts in more than three decades, aiming to convince investors it can curb its debt, narrow its budget gap and avoid a bailout after the Greek debt crisis led to a surge in borrowing costs for high-deficit euro nations. Moody's says its rating takes into account measures announced by the government last week. (Bloomberg)

**Federal Reserve** policy makers said U.S. growth is becoming more durable and higher energy prices will have a temporary effect on inflation as they affirmed plans to buy US\$600 billion of Treasuries through June. "The economic recovery is on a firmer footing, and overall conditions in the labor market appear to be improving gradually," the Federal Open Market Committee said today in a statement after a one-day meeting in Washington. The inflation effects of increased commodity costs will be "transitory," and officials "will pay close attention to the evolution of inflation and inflation expectations," the Fed said. (Bloomberg)

**Hewlett-Packard Co.** (HPQ) Chief Executive Officer Leo Apotheker, announcing his strategy for the first time since taking the helm, plans a deeper push into software and the expanding market for computing delivered via the Web. The company is starting a cloud-computing service that will let developers create applications for consumers and businesses using HP tools and that run on HP servers, Apotheker said at an event yesterday in San Francisco. HP also plans to put its WebOS mobile software onto a broader range of products, ramping up output to more than 100 million devices a year, he said. The company also announced a 50 percent increase in its dividend. (Bloomberg)

Share prices of **glovmakers** rose despite the broad sell-down on Bursa Malaysia after the emergence of the deadly H1N1 virus in China's Hunan province where six fatalities were reported last month. According to Xinhuanet, the province reported 124 flu A/H1N1 cases in February, up 129.63% from January's, according to an official with the province's health department. In January, there were two A/H1N1 deaths reported. Yesterday's gains came after the share prices of glovmakers came under pressure in the second half of last year from higher latex prices, which narrowed their margins. (Star)

The issue over India's Department of Telecommunications (DoT) cancelling the 2G licence for the Punjab circle will not have an impact on **Axiata Group** (AXIATA). This was because the licence was never operational, said Axiata group in response to queries from StarBiz. India's Idea Cellular, in which Axiata Group has a 19.3% equity stake, has 60 days to explain to the DoT as to why the 2G licence for Punjab circle should not be cancelled. Even Etisalat DB has been asked to defend its licences in Delhi and Mumbai service areas, while Idea will have to defend its licence in the Punjab service area. The reason for the cancellation is over the failure to meet network rollout requirements, media reports from India said. (Star)

**Faber Group Bhd** (FABER) expects the energy performance management system (EPMS) project to contribute to revenue by year-end subject to the finalisation of the agreement between the parties involved. Managing director Adnan Mohammad said at a briefing yesterday that the revenue contribution would depend on the outcome of the talks between the Finance as well as the Energy, Green Technology and Water Ministries together with Faber Group. "We're leveraging on our expertise and subject to the final agreement, we'll like to see some contribution to revenue by year-end," he said. (Star)

**Berjaya Sports Toto Bhd** (BJTOTO) has announced a 17.4% increase in net profit to RM114.88mil while revenue was up 0.05% to RM851.17mil for the third quarter ended Jan 31. In a filing to Bursa Malaysia, the company said the better performance was mainly attributed to the higher profits contributed by Berjaya Philippines Inc Group. Earnings per share for the quarter totalled 8.59 sen from 7.29 sen in the same period of the previous year. The company declared a third interim single-tier dividend of six sen. (Star)

Singapore Post Ltd (SingPost) has increased its shareholding in Bursa Malaysia-listed **GD Express Carrier Bhd** (GDEX) from 4.98% to 27.08%. SingPost said in a statement yesterday that it had acquired 56.838 million GDEX shares through block trades for RM45.47mil. Meanwhile, in an announcement to Bursa yesterday, GDEX said that SingPost chief executive officer (postal and corporate services) Ng Hin Lee had been appointed director in the company. (Star)

**Handal Resources Bhd** (HANDAL), an offshore crane manufacturing and service provider, wants to diversify into the construction of rigs for marginal oil fields. Executive chairman Datuk Mohsin Abdul Halim said with current crude oil prices exceeding US\$100 (RM305) per barrel, more marginal fields will be opened in the future, increasing the demand for rig leasing. The shareholders' nod for the rights and bonus issue at the EGM last month will provide the funds to finance the RM30 million investments, which will enable Handal to be more involved in offshore crane manufacturing and rig construction for leasing. Rig construction is still in the initial stages as the firm awaits certification by the American Petroleum Institute (API) and equipment parts from overseas. Mohsin expects semblance of equipment for the modular rig by July, providing potential for the company to expand that segment in Malaysia and abroad. (BTimes)

**Ranhill Bhd** (RANHILL) yesterday said it had suspended its housing project in Libya. The force majeure condition had made it impossible to continue with the project, Ranhill said in a reply to Bursa Malaysia's query. The group said it had evacuated all its employees, both Malaysians and foreigners, leaving a few Libyan employees to secure the site. It was still unable to ascertain the financial impact arising from the development, it added. (BTimes)

The Naza brothers, SM Nasarudin and SM Faliq SM Nasimuddin, had on March 11 disposed of their entire 4.38 million shares in **Kumpulan Jetson Bhd** (JETSON) held via Superior Pavillion Sdn Bhd. On that day, the Kumpulan Jetson shares were traded between RM1 and RM1.04, before closing at RM1. The disposal came about three months after the brothers resigned as directors of the company. (BTimes)