

FBMKLCI 1WK Chg (1652.15, -0.06%)

Our View of The Week:

Bullish

17 September 2024

Market Commentary

Highlights:

- KLCI Ends 0.8% Higher; Utilities, Property, Tech Stocks Lead Gains
- Oil prices climb on hurricane impact ahead of US rate decision
- Hong Kong stocks edge higher in thin trade; weak China data limits gains
- S&P inches up, Nasdaq declines as tech weighs ahead of Fed decision

Spotlight of the week

Malaysia's KLCI ended up 0.8% at 1652.15 amid upbeat sentiment on Fed rate cut hopes.

At 5 pm, the FTSE Bursa Malaysia KLCI jumped 13.84 points, or 0.85 per cent, to 1,652.15 from yesterday's close of 1,638.31.

Oil prices rose on Monday as the ongoing impact of Hurricane Francine on output in the U.S. Gulf of Mexico offset persistent Chinese demand concerns ahead of this week's U.S. Federal Reserve interest rate cut decision.

This week, FKLI will likely to trade higher following gains in U.S. indices and positive market sentiment, as traders now speculate a 50-basis-point rate cut at the upcoming FOMC meeting.

Market Wrap Up

Regional Asia Index :

Japan's Nikkei share average ended lower on Friday after a stronger yen weighed on export-oriented stocks, while gains in chip-related stocks limited losses.

Hong Kong shares inched up in holiday-thinned trade on Monday, reversing early losses, with another batch of underwhelming Chinese economic data capping gains.

US & Europe Market :

The S&P 500 eked out a slight gain in a subdued session while the Nasdaq fell on Monday, weighed down by a drop in technology stocks as investors assessed the likelihood of an upsized rate cut from the U.S. Federal Reserve this week.

The Dow Jones Industrial Average .DJI rose 228.30 points, or 0.55%, to 41,622.08, the S&P 500 .SPX gained 7.07 points, or 0.13%, to 5,633.09 and the Nasdaq Composite .IXIC lost 91.85 points, or 0.52%, to 17,592.13.

Market expectations on the size of the rate cut the Federal Reserve will announce on Wednesday have been volatile in recent days and are currently pricing in a 59% chance for a 50-basis-point cut, according to CME's FedWatch Tool.

Europe's STOXX 600 closed slightly lower on Monday as losses in heavyweight technology shares weighed on the index, while the focus remained on the U.S. Federal Reserve, which is widely expected to kick off its policy easing cycle this week.

Financial Insights

Indices

Regional Indices	Price	1wk Chg	%	High	Low
FBM KLCI	1652.15	-0.97	-0.06%	1661.09	1637.91
Nikkei 225	36581.76	190.29	0.52%	36902.21	35247.87
Straits Times Index	3562.65	108.18	3.13%	3572.84	3441.84
Hang Seng	17369.09	-75.21	-0.43%	17540.81	16964.28
S&P / ASX 200	8099.946	86.56	1.08%	8143.6	7918.9
Shanghai Comp	2704.09	-61.72	-2.23%	2756.556	2703.369

US & Europe Indices	Price	1wk Chg	%	High	Low
DJI	41393.78	1048.37	2.60%	41533.84	39993.07
S&P 500	5626.02	217.6	4.02%	5636.27	5406.96
NASDAQ Comp.	17683.98	993.15	5.95%	17719.14	16732.83
STOXX Europe 600	515.95	9.39	1.85%	517.07	506
DAX	18699.40	397.5	2.17%	18722.19	18208.84

Commodities

Instrument	Price	1wk Chg	%	High	Low
COMEX Gold	2610.7	86.1	3.41%	2614.6	2514.2
WTI Crude	68.65	0.98	1.45%	70.32	65.27
Crude Palm Oil	3775	-99	-2.56%	3906	3772

Currency	Last	Change	%	High	Low
USDMYR	4.3012	-0.03	-0.67%	4.3725	4.3012

2 years FBM KLCI Daily Chart



Source: Bloomberg/ Phillip Capital

FKLI Spot Month Daily Candle Chart



Source: TradingView/ Phillip Capital

Technical Comments (FKLI Spot Month)

Based on the daily chart, FKLI seems to trade higher as the index is holding above the SMA 50, 100 & 200 indicators.



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