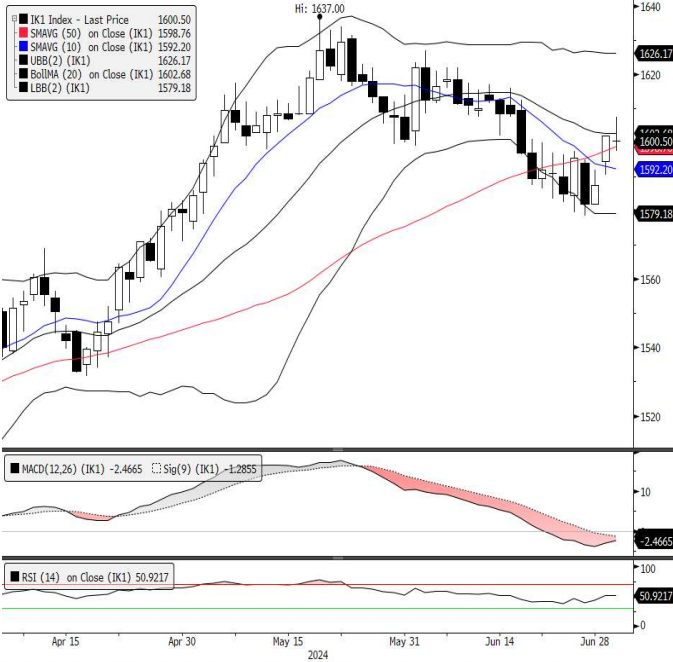


FBMKLCI Futures daily chart



Preview

Fundamental

Expect futures to trade higher today tracking record breaking rally on overnight Wall Street amid improving global sentiment driven by the prospect of Federal Reserve rate cuts after Jerome Powell's comments suggesting that the U.S. is returning to a disinflationary trajectory. Stateside, U.S. stocks reached new record highs on Tuesday, as bond yields declined, and sentiment turned optimistic on potential Federal Reserve rate cuts following Jerome Powell's remarks indicating that the U.S. is back on a disinflationary trajectory while volumes were thin ahead of the July Fourth holiday and the release of job figures on Friday. Regionally, Asian stocks were mixed on Tuesday, with Hong Kong marking sharp gains, boosted by a catch-up rally in property shares after better-than-expected June home sales and Japanese shares supported by financial stocks' gains from the prospect of higher lending rates while participants closely watch on US Federal Reserve chairman Jerome Powell's speech on Tuesday which may provide a hint on an imminent timing towards a rate cut capped participants at bay. Back home, the FBM KLCI erased early gains and closed on a flattish note, snapping two days of advance as profit taking activities emerged at the eleventh hour in the absence of fresh domestic leads and resonating mixed regional peers' undertone. The index closed at 1,597.96, losing 0.24 points, led by the losses in PETD, CDB, MAXIS, IOI and AXIATA shares. Futures to cash basis weakened to 3 points premiums from 4 points premiums.

Technical

Futures contract ended the choppy session on a lower note, retreated from previous session gains as profit taking activities emerged tracking underlying cash market subdued performance and in tandem with mixed regional bourses. The July futures contract finished 1.5 points lower at 1,600.5, forming a short black bodied candlestick pattern with long upper and short bottom shadow, indicating bears managed to seize control of the session. On the technical perspective, MACD issued a sell signal while RSI indicator oscillated at neutral region. However, expect futures to trade higher today fuelled by potential bargain hunting in the wake of the surge in the overnight U.S. equities market lifted by Federal Reserve Chairman Jerome Powell's remarks, which implied the imminent timing of a rate cut while the drop in crude oil prices may curb the gains. Therefore, the support and resistance can be eyed at 1,595.0 and 1,612.0 respectively.

IKI Index (Generic 1st 'IKI' Future) DAILY REPORT CHART Daily 03APR2024-02JUL2024 Copyright © 2024 Bloomberg Finance L.P. 02-Jul-2024 17:38:24

Source: Bloomberg

Contract	Sett	Change	High	Low	Volume	Open Int	O/I chg	O/I chg Value USD	Open Interest		Previous Week	
									3mth avg	Value USD	High	Low
FBMKLCI	1597.96	-0.24	1602.52	1595.62	164 Mn	39,937	1,681	28.49 Mn	37,111	629.04 Mn	1594.71	1581.52
JUL 24	1600.50	-1.50	1607.50	1597.50	8,605	39,937	1,681	28.49 Mn	37,111	629.04 Mn	1602.00	1578.50
AUG 24	1602.00	-2.00	1609.00	1599.50	673	862	421	7.14 Mn	8,646	146.68 Mn	0.00	0.00
SEP 24	1586.00	-2.00	1592.00	1584.00	297	1,953	32	.54 Mn	872	14.64 Mn	1587.00	1562.00
DEC 24	1593.50	-2.00	1600.00	1591.50	116	571	11	.19 Mn	842	14.21 Mn	1593.00	1569.50
					9,691	43,323	2,145	36.36 Mn	47,471	804.57 Mn		

Futures Fair Value			KLIBOR			KF Est		
Contract	Exp. Date	Index Pt	Div Idx Pt (Gross)	FV	Div Idx pt (Net)	FV	Div Idx pt (Net)	FV
JUL 24	31/7/2024	4.03	0.31	3.72	0.31	3.72		
AUG 24	30/8/2024	8.50	5.28	8.50	5.28	3.22		
Roll FV				4.78		-0.50		

Benchmark Indices		Relative to FBMKLCI					
Source: Bloomberg		Last	1d Chg	6m Chg	3m Chg	6m Chg	
FBMKLCI		1597.96	-0.02%	9.27%	7.47%	7.69%	
FBM100		11884.32	0.22%	12.58%	1.86%	3.03%	
FBMEMAS		12312.74	0.25%	12.93%	2.23%	3.35%	

Local Sector Performance againts FBMKLCI				
Sector	1d Chg	3m Chg	6m Chg	
Financial	0.30%	-1.60%	-1.55%	
Plantation	-0.35%	-8.09%	-8.83%	
Utilities	0.00%		0.00%	
Currencies	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.7212	0.16%	-0.66%	2.51%
CNYMYR	0.6493	0.12%	-1.11%	0.70%
Dollar Index (DXY)	105.722	-0.17%	0.86%	3.45%
MYR to DXY		-0.33%	1.53%	0.92%

World Equity Indices		Relative to FBMKLCI					
Source: Bloomberg		Last	1d Chg	6m Chg	3m Chg	6m Chg	
<b>USA</b>							
Dow Jones		39331.85	0.41%	4.29%	-3.42%	-4.56%	
S&P 500		5509.01	0.62%	16.15%	1.79%	6.30%	
NASDAQ		18028.76	0.84%	22.10%	6.78%	11.74%	
<b>Europe</b>							
DAX		18164.06	-0.69%	9.83%	-4.88%	0.51%	
CAC		7538.29	-0.30%	1.71%	-11.07%	-6.92%	
FTSE100		8121.20	-0.56%	5.71%	-1.59%	-3.26%	
EURO Stoxx		510.91	-0.42%	7.70%	-3.65%	-1.44%	
<b>Asia Pacific</b>							
Nikkei 225		40074.69	1.12%	19.75%	-2.30%	9.59%	
Hang Seng		17769.14	0.29%	6.74%	2.19%	-2.31%	
Straits Times		3367.90	0.88%	5.27%	0.52%	-3.67%	
KOSPI		2780.86	-0.84%	6.66%	-1.19%	-2.39%	
TAIEX		22879.37	-0.78%	30.30%	8.21%	19.24%	
S&P/ASX200		7718.17	-0.42%	2.59%	-4.61%	-6.11%	

**U.S. markets**  
Wall Street's main stock indexes closed higher on Tuesday, boosted by gains in Tesla TSLA.O and megacap growth stocks, but volumes were thin ahead of the July Fourth holiday and the closely watched release of June nonfarm payrolls on Friday. - Reuters

