

Heads turning to 4Q22 GDP announcement

Market Review

Malaysia: The FBM KLCI (-0.4%) registered its third consecutive session of decline with oil & gas heavyweights underperformed. The lower liners, however, staged a mild recovery, while industrial products and services sector (+0.2%) was the sole outperformer amongst the negative sectorial peers.

Global markets: The US stockmarkets extended their losses as the Dow (-0.7%) slipped on concerns over the US Federal Reserve's future monetary policy direction, while technology giants such as Alphabet (-4.4%) and Meta (-3.0%) slipped. The European stockmarkets advanced, while Asia stockmarkets closed mixed.

The Day Ahead

The FBM KLCI declined for the third straight session on the back of weakness in telecommunications and transportations & logistics heavyweights. However, we believe the key index is poised for a mild rebound as investors may hunt for bargains prior to the reporting season, but the upside might be capped amidst the jittery global sentiment. Meanwhile, investors will be watching Malaysia's 4Q2022 GDP data which will be released today. Commodities wise, the Brent crude oil price climbed above USD84, while the CPO price fell below RM3,850.

Sector focus: The technology sector may remain under pressure, tracking the downward trending move in Nasdaq. On the other hand, the oil & gas sector may stage for a rebound as the Brent oil price is hovering above USD80. Meanwhile, the renewable energy sector is gaining traction ahead of the Budget 2023.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI extended its losing streak for the third session as its daily EMA9 has crossed below the SMA200. Technical indicators remained negative as the MACD Histogram extended a negative bar, while the RSI is hovering below 50. Support is monitored at 1,460, followed by 1,450, while the resistance is pegged along 1,525-1,540.

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Market Scorecard

| Key indices | Last price | Change (%) |
|--------------------|------------|------------|
| Dow Jones | 33,699.88 | -0.73 |
| S&P 500 | 4,081.50 | -0.88 |
| NASDAQ | 11,789.58 | -1.02 |
| FBM KLCI | 1,464.64 | -0.42 |
| FBM Small Cap | 16,175.86 | 0.09 |
| FBM ACE | 5,812.47 | 0.39 |
| Construction | 158.12 | -0.42 |
| Consumer | 601.02 | -0.33 |
| Energy | 884.88 | -1.00 |
| Financial Services | 15,915.21 | -0.25 |
| Healthcare | 1,644.59 | -0.06 |
| Ind Products | 190.33 | 0.18 |
| Plantation | 6,878.79 | -0.31 |
| Property | 679.44 | -0.53 |
| REITs | 816.92 | -0.28 |
| Technology | 66.86 | -0.96 |
| Telco & Media | 594.88 | -0.70 |
| Transport | 959.07 | -1.25 |
| Utilities | 885.74 | -0.40 |
| Trading Vol (m) | 3,571.00 | -9.44% |
| Trading Val (RM m) | 2,190.00 | -12.68% |
| Advance/ Decline | 70% | |
| FKLI | 1,468.50 | -0.37% |
| FCPO (RM) | 3,963.00 | -0.25% |
| Brent oil (USD) | 84.08 | -1.19% |
| Gold (USD) | 1,873.35 | -0.27% |
| USD | 4.323 | 0.26% |
| GBP | 5.2352 | 0.20% |
| EURO | 4.6377 | 0.51% |
| SGD | 3.262 | 0.30% |

| Trading participation 5-day trend and value (m) | | |
|---|--------|---------|
| Institution | Retail | Foreign |
| 171.0 | 177.9 | -348.9 |

Source: Bloomberg, Bursa Market Place

Company Brief

Bina Darulaman Bhd (BDB) has won a RM34.1m tender for a tertiary irrigation system development project in Kedah and Perlis. The project will involve strengthening and improving rice cultivation in the abovementioned states. The completion period for the project shall be 104 weeks from the date of site possession which will be on 27th February 2023. (The Star)

The Ministry of Transport intends to set up an Airport Development Fund (ADF) to help finance airport developments. 50.0% of the passenger service charge component that is taken into account in the calculation of the user fee that **Malaysia Airports Holdings Bhd** (MAHB) pays to the government to operate the airports will be channelled into the ADF trust account. (The Edge)

Kejuruteraan Asastera Bhd has acquired a 10.0% stake in a unit of **Petronas Gas Bhd** (Petgas) which is responsible for a power plant project in Sabah, and will be the sole energy supplier to Petronas' near-shore floating liquefied natural gas facility that is to be completed in 2026. KAB's wholly-owned subsidiary KAB Energy Holdings Sdn Bhd signed the share purchase agreement with Petgas to acquire a 10.0% stake in PetGas' subsidiary Regas Terminal (Lahad Datu) Sdn Bhd. The parties entered into the joint venture to co-own and undertake the RM230.0m power plant located in the Sipitang Oil and Gas Industrial Park. (The Edge)

Iqzan Holdings Bhd has reported that Bursa Malaysia Securities has granted the PN17 company a further extension of four months, up to 31st March 2023, to submit its regularisation plan to the relevant authorities. The initial extension came when it applied for it on 29th November 2022. (The Edge)

Ta Win Holdings Bhd's managing director Datuk Seri Ngu Tieng Ung has emerged as **Khee San Bhd**'s largest substantial shareholder. This came after Khee San director Datuk Mohamad Razali Mohamad Rahim ceased to be the candy maker's major shareholder on 9th February 2023, having offloaded all 22.8m shares, or a 16.7% stake, by way of a direct business transaction at 13.0 sen apiece, or RM3.0m in total. Ngu bought that block of shares through Timur Enterprise Sdn Bhd, raising his stake in Khee San to 16.8%. (The Edge)

The Social Security Organisation (Socso) has increased its stake in **Cypark Resources Bhd** from 5.5% to 6.2%. Socso bought 3 blocks of shares worth 9.1m on the open market at an undisclosed price, raising its direct stake to 47.6m. (The Edge)

Ivory Properties Group Bhd has appointed UHY as the company's new auditor following the resignation of KPMG PLT. The Practice Note 17 (PN17) company has received UHY's letter of consent dated 25th January 2023 to act as the company's auditor. (The Edge)

KNM Group Bhd, which recently defaulted on debts of about RM417.0m, has announced that its director Tunku Datuk Yaacob Khyra will serve as its non-executive chairman from 9th February 2023. This comes after the group announced the redesignation of Tan Sri Zulhasnan Rafique from non-executive chairman to non-independent and non-executive director of the group. (The Edge)

MyEG Services Bhd bought back an additional 2.0m shares at 72.0 sen each. The block of shares cost a total of RM1.45m. This is its second block of shares it bought back on the open market this week. (The Edge)

Technical Focus Tracker

| Technical Focus Tracker | | | | | | | | | | | |
|-------------------------|-----------|-------------|------------------------------|-------------------|-------------------|-----------------------|--------------|---------------|-----------------|---------------------------|----------------------------|
| No. | Companies | Report Date | Report Date Share Price (RM) | Resistance 1 (RM) | Resistance 2 (RM) | Long Term Target (RM) | Support (RM) | Cut Loss (RM) | Last Price (RM) | Change in Share Price (%) | Comments |
| 1 | TELADAN | 30-Jan | 1.290 | 1.380 | 1.480 | 1.550 | 1.140 | 1.130 | 1.250 | -3.1% | On-going |
| 2 | SAMAIDEN | 07-Feb | 0.825 | 0.845 | 0.890 | 1.000 | 0.740 | 0.735 | 0.845 | 2.4% | Take profit at R1 on 9-Feb |
| 3 | SUNCON | 08-Feb | 1.700 | 1.800 | 1.870 | 2.000 | 1.620 | 1.610 | 1.630 | -4.1% | On-going |

| 1Q23 Stock Picks | | | | | | | | | | | |
|------------------|-----------|-------------|------------------------------|-------------------|-------------------|-----------------------|--------------|---------------|-----------------|---------------------------|----------|
| No. | Companies | Report Date | Report Date Share Price (RM) | Resistance 1 (RM) | Resistance 2 (RM) | Long Term Target (RM) | Support (RM) | Cut Loss (RM) | Last Price (RM) | Change in Share Price (%) | Comments |
| 1 | BIMB | 03-Jan | 2.640 | 2.780 | 2.940 | - | 2.580 | 2.500 | 2.360 | -10.6% | On-going |
| 2 | BJFOOD | 03-Jan | 1.020 | 1.110 | 1.200 | - | 0.975 | 0.935 | 1.150 | 12.7% | On-going |
| 3 | CMSB | 03-Jan | 1.070 | 1.130 | 1.250 | - | 1.000 | 0.915 | 1.290 | 20.6% | On-going |
| 4 | D&O | 03-Jan | 4.290 | 4.450 | 4.770 | - | 4.100 | 3.940 | 4.710 | 9.8% | On-going |
| 5 | DIALOG | 03-Jan | 2.400 | 2.550 | 2.720 | - | 2.320 | 2.230 | 2.500 | 4.2% | On-going |
| 6 | GENTING | 03-Jan | 4.480 | 4.750 | 4.850 | - | 4.290 | 4.180 | 5.080 | 13.4% | On-going |
| 7 | HEKTAR | 03-Jan | 0.740 | 0.750 | 0.795 | - | 0.665 | 0.645 | 0.710 | -4.1% | On-going |
| 8 | JTIASA | 03-Jan | 0.660 | 0.710 | 0.755 | - | 0.615 | 0.585 | 0.635 | -3.8% | On-going |
| 9 | MAGNI | 03-Jan | 1.860 | 1.940 | 2.000 | - | 1.800 | 1.750 | 1.860 | 0.0% | On-going |
| 10 | MISC | 03-Jan | 7.270 | 7.680 | 8.190 | - | 7.000 | 6.800 | 7.270 | 0.0% | On-going |
| 11 | MYEG | 03-Jan | 0.855 | 1.000 | 1.080 | - | 0.825 | 0.770 | 0.715 | -16.4% | On-going |
| 12 | SLVEST | 03-Jan | 0.815 | 0.915 | 0.995 | - | 0.795 | 0.705 | 1.150 | 41.1% | On-going |
| 13 | UMW | 03-Jan | 3.450 | 3.640 | 3.950 | - | 3.220 | 3.100 | 3.730 | 8.1% | On-going |
| Average Return | | | | | | | | | | 5.8% | |

| Technical Focus Tracker Summary | |
|----------------------------------|-------|
| Total recommendations | 300 |
| Total winners | 186 |
| Total losers | 114 |
| Portfolio performance (2020) | 22.7% |
| Accuracy (2020) | 53.3% |
| Portfolio performance (2021) | 30.4% |
| Accuracy (2021) | 66.4% |
| Portfolio performance (2022) | 13.3% |
| Accuracy (2022) | 62.9% |
| Portfolio performance (2023) | 21.0% |
| Accuracy (2023) | 70.0% |
| FBM KLCI (Since 30/12/2022) | -2.1% |
| FBM Small Cap (Since 30/12/2022) | 8.4% |
| Malaysia GDP Growth (9M22) | 9.3% |