

## Downward pressure un eased

### Market Review

**Malaysia:** The FBM KLCI (-0.6%) registered its fourth consecutive session of decline in tandem with the mostly weaker regional markets. The lower liners, however, ended mixed, while the plantation sector (-0.9%) underperformed the mostly negative sectorial peers.

**Global markets:** Wall Street remained downbeat, the Dow (-0.6%) declined as the weaker-than-expected payrolls data does not warrant enough to put a pause for the US Federal Reserve monetary tightening. The European stockmarkets closed mixed, while Asia stockmarkets ended mostly negative.

### The Day Ahead

The FBM KLCI were beset by another round of selling activities after lingering mostly in the negative territory for most of the trading session, whilst foreign funds stepped up in their net selling position. For now, investors will be watching the impending release of Malaysia's unemployment rate. The lower liners may undergo a consolidation after delivering a solid performance last week. While the recovery is still in place, we expect the upside may be limited amid quick profit taking activities. Meanwhile, we reckon that the focus will shift towards the upcoming barrage of corporate earnings in the US. Commodities wise, the Brent crude oil recovered above USD78, while the CPO price slipped towards near RM3,800.

**Sector focus:** We continue to favour the defensive-related sectors such as REIT and utilities amid the volatile environment. The recovery in crude oil prices may lend some support to the energy sector. On the flipside, the plantation sector may remain downbeat in view of the softer CPO prices.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI formed another bearish candle to remain below EMA20 as weakness persisted throughout majority of the trading session. Technical indicators remained mixed as the MACD Histogram formed another positive bar, but the RSI hovered below 50. The immediate resistances are envisaged along 1,413-1,430, while the support is pegged around 1,370.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,734.88	-0.55
S&P 500	4,398.95	-0.29
NASDAQ	13,660.72	-0.13
FBM KLCI	1,377.67	-0.60
FBM Small Cap	15,090.44	-0.01
FBM ACE	5,139.87	0.06
Construction	164.26	0.07
Consumer	545.37	-0.17
Energy	792.20	0.01
Financial Services	15,377.49	-0.62
Healthcare	1,675.02	-0.75
Ind Products	158.25	0.25
Plantation	6,802.93	-0.85
Property	704.09	-0.10
REITs	778.99	0.10
Technology	6124	-0.33
Telco & Media	570.44	-0.49
Transport	897.75	-0.13
Utilities	986.66	-0.18
Trading Vol (m)	1,974.59	(19.56)
Trading Val (RM m)	408.78	(14.56)
Advance/Decline	73%	
FKLI	1,376.50	(0.47)
FCPO (RM)	3,834.00	(197)
Brent oil (USD)	78.47	2.55
Gold (USD)	1,925.05	0.74
USD	4.6665	(0.13)
GBP	5.9491	(0.27)
EURO	5.0776	(0.31)
SGD	3.4522	(0.14)

Trading participant	
Institution	Foreign
77.9	176.2
	-254.1

Source: Bloomberg, Bursa Market Place

## Company Brief

**Samaiden Group Bhd**'s wholly owned subsidiary, Samaiden Capital Management Sdn Bhd has secured a 20-year power purchase agreement (PPA) with Yakult Malaysia Sdn Bhd. Under the terms of the agreement, Samaiden is set to supply Yakult with renewable energy generated from solar facilities located at 2 strategic locations which is Seremban, with a capacity of 496.3kWp and Glenmarie, with a capacity of 212.2kWp. (The Star)

**Telekom Malaysia Bhd** (TM) has appointed Datuk Zainal Abidin Putih as the telecommunication (telco) giant's new chairman, effective 1st August 2023. This comes as the group's current chairman Tan Sri Azlan Hashim is slated to complete his 2-year term on 31st July 2023. It also announced that the group's current head of domestic and global wholesale business Amar Huzaimi Md Deris will be the group's new managing director (MD) and group chief executive officer (CEO) starting 1st August 2023, once the 3-year term of the current MD and group CEO Datuk Imri Mokhtar's is completed at end-July 2023. (The Edge)

**MyEG Services Bhd** announced that the government has agreed to extend its concession as the provider of online services for the Immigration Department of Malaysia, and has appointed it as the collection agent for government revenue. MyEG received a notification letter dated 4th July 2023 from the Ministry of Finance (MoF) on 7th July 2023. The terms of the extension will be finalised pursuant to further discussion with the government in due course and an agreement to formalise the extension will be signed at a later stage. (The Edge)

Two of **Serba Dinamik Holdings Bhd**'s subsidiaries defaulted on 3 facilities worth RM435.4m last year. The PN17 company wholly-owned unit Serba Dinamik Group Bhd (SDGB) had defaulted on payment amounting to RM400.8m provided by MBSB Bank Bhd and Bank Kerjasama Rakyat Malaysia Bhd under the Islamic Club Financing Arrangement. Following the non-payment, MBSB as the custodian bank had initiated legal proceedings against SDGB to exercise its rights as secured creditor per the financing agreements' terms. SDGB also defaulted on another facility amounting to RM34.4m provided by Affin Islamic Bank Bhd under the Tawarruq Term Financing-i facility. The winding up of SDGB triggered the event of default as the subsidiary could not pay all outstanding amounts due to Affin Bank at the time of default. (The Edge)

**Zelan Bhd** wholly-owned unit is being sued by its sub-contractor in the United Arab Emirates – Reliance Electro Mechanical Plumbing Contracting Co LLC (Remco) as Remco wants to enforce an arbitration award amounting to RM37.0m obtained in December 2019 in its favour. Remco claimed that Zelan Holdings (M) Sdn Bhd (ZHSB) had failed to comply with the arbitration award and is seeking an order from the High Court that the arbitration award be recognised as binding and for permission to enforce it. Zelan is engaging external solicitors to oppose the suit, for which case management has been fixed for 18th July 2023. (The Edge)

**Bahvest Resources Bhd** has filed a suit to annul the RM20.4m temporary resolution agreed between its wholly-owned Wullersdorf Resources Sdn Bhd and Southsea Gold Sdn Bhd, over Wullersdorf's wrongful occupation of Southsea Gold's mining lease land. Previously, Wullersdorf agreed to pay a non-refundable deposit of RM13.0m in 2 tranches to start talks pertaining to a final compensation sum, without prejudice to Southsea Gold claiming the full demand of RM20.4m over the wrongful occupation of Southsea Gold's land from September 2017 till April 2023. Bahvest's suit filed with the Sandakan High Court also seeks the return of the RM6.0m Wullersdorf paid Southsea Gold on 10th May 2023 as part of its RM13.0m deposit. (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	MSC	26-Jun	2.050	2.170	2.330	2.500	1.900	1.890	2.170	5.9%	Take profit at R1 on 7-Jul
2	CAPITALA	3-Jul	0.800	0.855	0.880	1.000	0.750	0.745	0.830	3.7%	On-going
3	ECA	5-Jul	0.935	0.955	1.000	1.130	0.825	0.820	0.905	-3.2%	On-going
4	T7GLOBAL	10-Jul	0.460	0.475	0.500	0.550	0.420	0.415	0.460	0.0%	Initiate position

3Q23 Stock Picks											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Support 1 (RM)	Support 2 (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	ADVCON	4-Jul	0.355	0.395	0.425	0.320	0.295	0.280	0.330	-7.0%	On-going
2	CARIMIN	4-Jul	0.735	0.775	0.835	0.705	0.660	0.640	0.745	1.4%	On-going
3	ECOWLD	4-Jul	0.815	0.900	0.950	0.790	0.750	0.735	0.850	4.3%	On-going
4	MCEMENT	4-Jul	3.080	3.320	3.500	2.880	2.700	2.640	3.270	6.2%	On-going
5	OSK	4-Jul	1.050	1.150	1.200	1.040	0.995	0.970	1.080	2.9%	On-going
6	RCECAP	4-Jul	2.350	2.500	2.600	2.220	2.120	2.070	2.320	-1.3%	On-going
7	SCICOM	4-Jul	1.170	1.360	1.450	1.110	1.070	1.040	1.160	-0.9%	On-going
8	SFPTECH	4-Jul	0.960	1.150	1.260	0.940	0.895	0.870	1.040	8.3%	On-going
9	TEOSENG	4-Jul	0.920	1.000	1.050	0.880	0.820	0.800	0.985	7.1%	On-going
10	UCHITEC	4-Jul	3.530	3.700	3.850	3.420	3.320	3.240	3.440	-2.5%	On-going
11	WASCO	4-Jul	0.890	0.985	1.100	0.860	0.810	0.785	0.895	0.6%	On-going
12	WCEHB	4-Jul	0.635	0.730	0.820	0.610	0.545	0.535	0.675	6.3%	On-going
13	YTLPOWR	4-Jul	1.310	1.450	1.600	1.250	1.150	1.120	1.260	-3.8%	On-going
Average Return										1.6%	

Technical Focus Tracker Summary	
Total recommendations	341
Total winners	209
Total losers	131
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)	4.9%
Accuracy (2023)	58.8%
FBM KLCI (Since 30/12/2022)	-7.9%
FBM Small Cap (Since 30/12/2022)	1.1%
Malaysia GDP Growth (1Q23)	5.6%

## Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
KLK (2445)	Interim	RM0.20	24/5/2023	10/7/2023	RM22.54	RM22.54	0.9	0.0
BKAWAN (1899)	Interim	RM0.20	24/5/2023	10/7/2023	RM21.68	RM21.30	0.9	-1.8
MAGNI (7087)	Interim	RM0.03	26/6/2023	10/7/2023	RM1.85	RM1.88	1.3	1.6
VS (6963)	Interim	RM0.00	15/6/2023	11/7/2023	RM0.85	RM0.86	0.5	1.2
MANULFE (1058)	Final	RM0.07	22/2/2023	11/7/2023	RM2.07	RM2.00	3.5	-3.4
ALCOM (2674)	Final	RM0.03	28/2/2023	11/7/2023	RM0.93	RM0.84	3.0	-10.2
POHUAT (7088)	Interim	RM0.03	26/6/2023	12/7/2023	RM1.27	RM1.30	2.3	2.4
PENTA (7160)	Final	RM0.02	23/2/2023	13/7/2023	RM4.92	RM5.14	0.4	4.5
ARTRONIQ (0038)	Bonus-Options	1:2	18/1/2023	13/7/2023	RM0.75	RM0.73	-	-2.4
SURIA (6521)	Final	RM0.03	28/4/2023	13/7/2023	RM1.27	RM1.23	2.0	-3.1
SCGBHD (0225)	Final	RM0.00	27/2/2023	13/7/2023	RM0.36	RM0.32	0.9	-12.5
UNIMECH (7091)	Final	RM0.04	27/2/2023	13/7/2023	RM1.68	RM1.65	2.5	-1.8
UPA (7757)	Bonus	2:1	11/5/2023	13/7/2023	RM2.23	RM2.30	-	3.0
PBA (5041)	Final	RM0.02	28/2/2023	13/7/2023	RM0.80	RM0.82	1.8	1.9
BIPORT (5032)	Interim	RM0.03	31/5/2023	13/7/2023	RM5.00	RM5.02	0.6	0.4
SAM (9822)	Interim	RM0.03	24/5/2023	17/7/2023	RM3.99	RM4.97	0.5	24.6
CANOPE (5105)	Final	RM0.04	23/2/2023	17/7/2023	RM3.10	RM2.80	1.4	-9.7
GOPENG (2135)	Final	RM0.01	11/4/2023	17/7/2023	RM0.36	RM0.36	2.8	0.0
HARISON (5008)	Final	RM0.50	10/4/2023	18/7/2023	RM9.09	RM9.42	5.3	3.6
PWF (7134)	Stock Dividend	1:100	5/7/2023	18/7/2023	RM0.74	RM0.74	-	-0.7
CHOOBEE (5797)	Final	RM0.03	26/4/2023	18/7/2023	RM0.94	RM0.91	2.7	-3.2
BAUTO (5248)	Interim & Special Cash	RM0.11	12/6/2023	20/7/2023	RM2.23	RM2.30	4.8	3.1
FIMACOR (3107)	Interim	RM0.08	19/5/2023	20/7/2023	RM1.95	RM1.95	3.8	0.0
UMCCA (2593)	Interim	RM0.07	28/6/2023	26/7/2023	RM5.20	RM5.20	1.3	0.0
TEGUAN (7439)	Final	RM0.05	29/5/2023	26/7/2023	RM1.63	RM1.69	3.0	3.7
ASB (1481)	Regular Cash	RM0.00	7/4/2023	27/7/2023	RM0.14	RM0.14	0.7	3.7
METROD (6149)	Regular Cash	RM0.06	2/3/2023	27/7/2023	RM1.29	RM1.30	4.6	0.8
OVERSEA (0153)	Rights Issue	1:1	6/7/2023	27/7/2023	RM0.11	RM0.11	-	0.0
DKLS (7528)	Final	RM0.03	27/2/2023	28/7/2023	RM2.20	RM2.15	1.4	-2.3
PGF (8117)	Final	RM0.01	28/4/2023	31/7/2023	RM1.47	RM1.24	0.8	-15.6
KHJB (0210)	Final	RM0.01	13/4/2023	1/8/2023	RM0.22	RM0.20	3.1	-11.4
PTRANS (0186)	Interim	RM0.01	22/5/2023	2/8/2023	RM1.08	RM1.11	0.7	2.8
YINSON (7293)	Final	RM0.01	23/3/2023	2/8/2023	RM2.42	RM2.54	0.4	5.0
KFIMA (6491)	Interim & Special Cash	RM0.12	19/5/2023	3/8/2023	RM2.11	RM2.03	5.9	-3.8
SNS (0259)	Interim	RM0.00	27/6/2023	10/8/2023	RM0.25	RM0.24	1.0	-2.0
KMLOONG (5027)	Final	RM0.05	29/3/2023	10/8/2023	RM1.76	RM1.78	2.8	1.1
CRESNDO (6718)	Final	RM0.02	30/3/2023	10/8/2023	RM1.18	RM1.18	1.7	0.0
FAVCO (7229)	Final	RM0.04	21/2/2023	15/8/2023	RM1.77	RM1.78	2.2	0.6
SUPERLN (7235)	Interim	RM0.01	30/6/2023	18/8/2023	RM0.65	RM0.63	1.2	-3.1
PANTECH (5125)	Final	RM0.02	27/4/2023	29/8/2023	RM0.77	RM0.74	2.0	-3.9
AJI (2658)	Regular Cash	RM0.09	27/6/2023	29/8/2023	RM14.90	RM14.90	0.6	0.0
LBS (5789)	Final	RM0.01	18/4/2023	29/8/2023	RM0.42	RM0.44	2.8	5.3
DOMINAN (7169)	Final	RM0.01	31/5/2023	7/9/2023	RM0.77	RM0.73	1.4	-4.6
PANAMY (3719)	Final	RM1.07	30/5/2023	7/9/2023	RM21.90	RM20.10	5.3	-8.2
MAHSING (8583)	Final	RM0.03	27/4/2023	8/9/2023	RM0.61	RM0.62	4.8	1.6
AYS (5021)	Final	RM0.01	20/6/2023	20/9/2023	RM0.37	RM0.38	2.6	2.7

Denotes >5% Dividend Yield

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