

Staying afloat above 1,500

Market Review

Malaysia: The FBM KLCI (+0.04%) closed largely unchanged following the release of the better-than-expected 2Q22 GDP data that rose +8.9% YoY. The lower liners extended their gains, but broader market ended mixed with the energy sector (+0.6%) outperformed on the higher crude oil prices.

Global markets: Wall Street advanced as the Dow (+1.3%) charged higher after the consumer sentiment data in August 2022 rose to 3-month high at 55.1 on expectations that inflationary pressure could have peaked. The European stock markets also turned upbeat, while the Asia stock markets ended mostly positive.

The Day Ahead

The FBM KLCI eked out marginal gains amidst the positive-biased regional market. Also, Wall Street ended positively with the easing inflation expectations, coupled with the stronger-than-expected consumer sentiment should see buying interest spilling over to our stock markets. Given the key index is staying above the 1,500 level, the local bourse may see more upward movement driven by optimism ahead of the upcoming reporting season, in view of the better-than-expected Malaysia GDP data. Commodities wise, the crude oil price hovered around the USD98 per barrel mark, while the CPO price surged above RM4,400.

Sector focus: The technology sector should be in focus as Nasdaq resumed in its uptrend move overnight. Meanwhile, investors are likely to put defensive stocks such as selected banking, consumer, and REIT counters on radar ahead of the reporting season in expectation of their solid earnings. Meanwhile, the plantation sector may gain traction given the stronger CPO price.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI inched up and stayed above its daily EMA9 level. Technical indicators remained mixed as the MACD Histogram extended a negative bar, while the RSI hovered above 50. Support is set at 1,460-1,480, while the resistance is envisaged along 1,530-1,560.

Research Team

research@msec.com.my
(603) 2201 2100

Market Scorecard

| Key indices | Last price | Change (%) |
|--------------------|------------|------------|
| Dow Jones | 33,761.05 | 1.27 |
| S&P 500 | 4,280.15 | 1.73 |
| NASDAQ | 13,047.19 | 2.09 |
| FBM KLCI | 1506.19 | 0.04 |
| FBM Small Cap | 14,502.47 | 0.48 |
| FBM ACE | 4,936.74 | -0.25 |
| Construction | 159.82 | -0.36 |
| Consumer | 575.42 | -0.02 |
| Energy | 663.12 | 0.64 |
| Financial Services | 16,827.61 | 0.31 |
| Healthcare | 1607.44 | -2.61 |
| Ind Products | 184.04 | 0.01 |
| Plantation | 7,196.81 | 0.57 |
| Property | 645.80 | 0.34 |
| REITs | 803.33 | -0.88 |
| Technology | 67.01 | -0.27 |
| Telco & Media | 583.91 | 0.22 |
| Transport | 808.68 | -0.12 |
| Utilities | 862.41 | 0.92 |
| Trading Vol (m) | 2,083.95 | -18.23 |
| Trading Val (RM m) | 1628.04 | -17.34 |
| Advance/Decline | 120% | |
| FKLI | 1508.00 | 0.10 |
| FCPO (RM) | 4,407.00 | 3.35 |
| Brent oil (USD) | 98.15 | -0.47 |
| Gold (USD) | 1802.40 | 0.71 |
| USD | 4.4445 | 0.02 |
| GBP | 5.4134 | 0.51 |
| EURO | 4.5772 | 0.38 |
| SGD | 3.2445 | 0.09 |

| Trading participation 5-day trend and value (m) | | |
|---|--------|---------|
| Institution | Retail | Foreign |
| -573.0 | 121.2 | 451.8 |

Source: Bloomberg, Bursa Market Place

Company Brief

Tan Chong Motor Holdings Bhd has obtained a 4-year extension for the development of large-scale solar photovoltaic plant (LSSPV) of 20.0-MW at Hulu Selangor, Selangor. The scheduled commercial operation date (SCOD) for the LSSPV on 31st December 2023 remained unchanged, while the effective period of the power purchase agreement (PPA) has been extended from 21 years to 25 years. (The Star)

Heineken Malaysia Bhd's 2QFY22 net profit jumped 240.6% YoY to RM86.1m, due to an upsurge in sales following the reopening of the economy and international borders, improvement in product mix and better revenue management. Revenue for the quarter grew 84.5% YoY to RM644.6m. A single-tier interim dividend of 40 sen per share, payable on 11th November 2022 was declared. (The Star)

Tenaga Nasional Bhd plans to begin the process next year for a potential US\$1.00bn (RM4.44bn) listing of its power generation business. In what would be the country's largest initial public offering in a decade, TNB Power Generation Sdn Bhd, known as TNB Genco, could be valued at about US\$4.00bn. (The Edge)

Hibiscus Petroleum Bhd has relinquished its VIC/P57 petroleum exploration permit to the Australian National Offshore Petroleum Titles Administrator (NOPTA) after an unsuccessful farmout exercise. The application to surrender the exploration permit was submitted on 4th February 2022, through the group's indirect unit, Carnarvon Hibiscus Pty Ltd (CHPL) and associate company 3D Oil Ltd. (The Edge)

Ecomate Holdings Bhd has proposed to undertake a special issue of 50.0m new shares to Bumiputera investors, which is estimated to raise some RM27.0m based on an indicative issue price of 54 sen per share. The special issue will also enable Ecomate to comply with the Bumiputera equity condition to be listed on the ACE Market. (The Edge)

PIE Industrial Bhd's 2QFY22 net profit fell 36.4% YoY to RM8.0m, mainly attributable to higher labour costs and provision for slow-moving inventories. Revenue for the quarter, however, grew 25.9% YoY to RM296.3m. (The Edge)

China Automobile Parts Holdings Ltd (CAP) has been granted further extension of time of up till 30th September 2022 to submit its regularisation plan to the regulatory authorities. CAP shares have been suspended from trading since 8th June 2017, after it failed to release its financial reports within the stipulated time. (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 | HARBOUR | 25-Jul | 1.070 | 1.150 | 1.240 | 1.430 | 1.010 | 1.000 | 1.090 | 1.9% | On-going |
| 2 | MTAG | 3-Aug | 0.500 | 0.520 | 0.540 | 0.560 | 0.445 | 0.440 | 0.500 | 0.0% | On-going |
| 3 | KERJAYA | 10-Aug | 1.150 | 1.240 | 1.290 | 1.370 | 1.080 | 1.070 | 1.160 | 0.9% | On-going |
| 4 | CFM | 15-Aug | 1.060 | 1.160 | 1.200 | 1.400 | 0.970 | 0.965 | 1.060 | 0.0% | Initiate position |

| 3Q22 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 | UWC | 1-Jul | 3.260 | 3.890 | 4.180 | - | 3.230 | 2.850 | 4.030 | 23.6% | On-going |
| 2 | DUFU | 1-Jul | 2.840 | 3.100 | 3.280 | - | 2.750 | 2.600 | 3.100 | 9.2% | On-going |
| 3 | DAYANG | 1-Jul | 0.965 | 1.100 | 1.140 | - | 0.940 | 0.880 | 0.985 | 2.1% | On-going |
| 4 | GASMSIA | 1-Jul | 3.010 | 3.220 | 3.300 | - | 2.970 | 2.850 | 3.200 | 6.3% | On-going |
| 5 | PTRANS | 1-Jul | 0.770 | 0.860 | 0.905 | - | 0.725 | 0.680 | 0.835 | 8.4% | On-going |
| 6 | SYSORP | 1-Jul | 0.410 | 0.445 | 0.470 | - | 0.375 | 0.340 | 0.420 | 2.4% | On-going |
| 7 | PWROOT | 1-Jul | 1.700 | 1.830 | 1.920 | - | 1.630 | 1.550 | 1.750 | 2.9% | On-going |
| 8 | GCB | 1-Jul | 2.510 | 2.710 | 2.800 | - | 2.460 | 2.380 | 2.410 | -4.0% | On-going |
| 9 | QL | 1-Jul | 5.210 | 5.710 | 5.920 | - | 5.230 | 5.050 | 5.020 | -3.6% | On-going |
| 10 | AMBANK | 1-Jul | 3.720 | 3.980 | 4.110 | - | 3.620 | 3.450 | 4.030 | 8.3% | On-going |
| Average Return | | | | | | | | | | 5.6% | |

| Technical Focus Tracker Summary | |
|----------------------------------|--------|
| Total recommendations | 250 |
| Total winners | 150 |
| Total losers | 98 |
| Portfolio performance (2020) | 292.2% |
| Accuracy (2020) | 53.3% |
| Portfolio performance (2021) | 314.6% |
| Accuracy (2021) | 66.4% |
| Portfolio performance (2022) | 53.6% |
| Accuracy (2022) | 56.9% |
| FBM KLCI (Since 31/12/2021) | -3.9% |
| FBM Small Cap (Since 31/12/2021) | -8.0% |
| Malaysia GDP Growth (2Q22) | 8.9% |

Upcoming Dividend List

| Stock | Entitlement | Description | Declare Date (DD) | Ex-Date | DD Price (RM) | Last Price (RM) | DY (%) | Price Chg Since DD (%) |
|----------------|----------------------|-------------|-------------------|------------|---------------|-----------------|--------|------------------------|
| CTOS (5301) | 2nd Interim | RM0.01 | 26/7/2022 | 15/8/2022 | RM1.31 | RM1.45 | 0.4 | 10.7 |
| ACO (0218) | Interim | RM0.00 | 28/7/2022 | 15/8/2022 | RM0.22 | RM0.23 | 0.9 | 7.0 |
| YONGTAL (7066) | Bonus-Options | 1:4 | 2/8/2022 | 16/8/2022 | RM0.26 | RM0.31 | - | 21.6 |
| LPI (8621) | 1st Interim | RM0.25 | 2/8/2022 | 16/8/2022 | RM13.34 | RM13.30 | 1.9 | -0.3 |
| LUXCHEM (5143) | Interim | RM0.01 | 28/7/2022 | 17/8/2022 | RM0.59 | RM0.56 | 1.8 | -4.3 |
| CHINHN (5273) | Bonus | 1:1 | 4/8/2022 | 18/8/2022 | RM5.37 | RM5.23 | 0.8 | -2.6 |
| FRONTKN (0128) | 1st Interim | RM0.02 | 28/7/2022 | 19/8/2022 | RM2.72 | RM2.90 | 0.6 | 6.6 |
| RESINTC (7232) | Bonus | 1:3 | 8/8/2022 | 19/8/2022 | RM0.77 | RM0.79 | - | 1.9 |
| RESINTC (7232) | Bonus-Options | 1:2 | 8/8/2022 | 22/8/2022 | RM0.77 | RM0.79 | - | 1.9 |
| MYEG (0138) | Final | RM0.01 | 25/2/2022 | 23/8/2022 | RM0.99 | RM0.79 | 1.3 | -20.7 |
| TEXCHEM (8702) | 1st Interim | RM0.08 | 9/8/2022 | 23/8/2022 | RM2.90 | RM3.60 | 2.2 | 24.1 |
| TANCO (2429) | Bonus-Options | 1:2 | 28/6/2022 | 23/8/2022 | RM0.31 | RM0.25 | - | -21.0 |
| ULICORP (7133) | 3rd Interim | RM0.02 | 10/8/2022 | 24/8/2022 | RM1.04 | RM1.07 | 1.4 | 2.9 |
| MRDIY (5296) | Interim | RM0.01 | 4/8/2022 | 24/8/2022 | RM2.32 | RM2.11 | 0.3 | -9.1 |
| CEKD (0238) | 2nd Interim | RM0.01 | 9/8/2022 | 24/8/2022 | RM0.60 | RM0.66 | 1.5 | 9.2 |
| TAMBUN (5191) | Final | RM0.06 | 14/4/2022 | 24/8/2022 | RM0.84 | RM0.92 | 6.4 | 8.9 |
| DUFU (7233) | Interim | RM0.03 | 2/8/2022 | 29/8/2022 | RM3.15 | RM3.10 | 0.8 | -1.6 |
| PANTECH (5125) | Final | RM0.02 | 27/4/2022 | 29/8/2022 | RM0.75 | RM0.64 | 2.3 | -14.1 |
| LBS (5789) | Final | RM0.01 | 15/4/2022 | 29/8/2022 | RM0.47 | RM0.44 | 2.3 | -7.6 |
| HOMERIZ (5160) | 1st Interim | RM0.01 | 28/7/2022 | 29/8/2022 | RM0.49 | RM0.50 | 2.0 | 1.0 |
| BOILERM (0168) | Final | RM0.02 | 24/5/2022 | 29/8/2022 | RM0.91 | RM0.80 | 2.2 | -12.2 |
| MAXIS (6012) | 2nd Interim | RM0.05 | 28/7/2022 | 29/8/2022 | RM3.62 | RM3.79 | 1.3 | 4.7 |
| AJI (2658) | Regular Cash | RM0.09 | 29/6/2022 | 30/8/2022 | RM11.90 | RM11.90 | 0.7 | 0.0 |
| DIGI (6947) | 2nd Interim | RM0.03 | 15/7/2022 | 30/8/2022 | RM3.42 | RM3.68 | 0.8 | 7.6 |
| KLCC (5235SS) | 2nd Interim | RM0.08 | 9/8/2022 | 30/8/2022 | RM6.93 | RM7.03 | 1.1 | 1.4 |
| CVIEW (5049) | 1st Interim | RM0.03 | 26/7/2022 | 30/8/2022 | RM1.00 | RM0.97 | 3.1 | -2.5 |
| FFB (5306) | Final | RM0.01 | 28/7/2022 | 1/9/2022 | RM1.68 | RM1.67 | 0.6 | -0.6 |
| FAVCO (7229) | Final | RM0.08 | 25/2/2022 | 5/9/2022 | RM1.96 | RM1.77 | 4.5 | -9.9 |
| EWELN (7249) | Final | RM0.01 | 25/2/2022 | 7/9/2022 | RM0.27 | RM0.33 | 1.5 | 22.2 |
| PA (7225) | Interim | RM0.01 | 20/6/2022 | 8/9/2022 | RM0.27 | RM0.29 | 1.7 | 9.4 |
| DOMINAN (7169) | Final & Special Cash | RM0.02 | 5/7/2022 | 8/9/2022 | RM0.93 | RM0.91 | 2.2 | -1.6 |
| PANAMY (3719) | Final | RM0.68 | 31/5/2022 | 8/9/2022 | RM28.02 | RM26.48 | 2.6 | -5.5 |
| NESTLE (4707) | Interim | RM0.70 | 28/7/2022 | 8/9/2022 | RM134.80 | RM135.80 | 0.5 | 0.7 |
| SLP (7248) | 2nd Interim | RM0.02 | 5/8/2022 | 8/9/2022 | RM0.88 | RM0.91 | 1.6 | 4.0 |
| QL (7084) | Final | RM0.04 | 27/7/2022 | 9/9/2022 | RM5.23 | RM5.02 | 0.7 | -4.0 |
| MAHSING (8583) | Regular Cash | RM0.03 | 28/4/2022 | 15/9/2022 | RM0.68 | RM0.60 | 4.5 | -12.5 |
| UNITRAD (0247) | Final | RM0.00 | 21/7/2022 | 15/9/2022 | RM0.27 | RM0.25 | 0.0 | -5.7 |
| AYS (5021) | Final | RM0.01 | 19/7/2022 | 20/9/2022 | RM0.44 | RM0.48 | 2.1 | 9.2 |
| BLDPLNT (5069) | Final | RM0.05 | 25/7/2022 | 21/9/2022 | RM9.01 | RM9.00 | 0.6 | -0.1 |
| PANTECH (5125) | 1st Interim | RM0.02 | 28/7/2022 | 29/9/2022 | RM0.61 | RM0.64 | 2.3 | 4.9 |
| SKPRES (7155) | Final | RM0.06 | 25/7/2022 | 30/9/2022 | RM1.59 | RM1.62 | 3.4 | 1.9 |
| L&G (3174) | Final | RM0.01 | 30/5/2022 | 4/10/2022 | RM0.11 | RM0.10 | 5.0 | -4.8 |
| ASIAFL (7129) | Final | RM0.02 | 30/5/2022 | 4/10/2022 | RM2.01 | RM1.80 | 1.1 | -10.4 |
| TENNAH (7374) | Interim | RM0.03 | 12/8/2022 | 6/10/2022 | RM0.96 | RM0.96 | 2.9 | 0.0 |
| MNRB (6459) | Final | RM0.03 | 26/7/2022 | 7/10/2022 | RM0.98 | RM0.99 | 2.5 | 1.0 |
| SHL (6017) | Final | RM0.09 | 12/7/2022 | 11/10/2022 | RM1.82 | RM1.94 | 4.6 | 6.6 |
| LAYHONG (9385) | Regular Cash | RM0.00 | 27/6/2022 | 18/10/2022 | RM0.29 | RM0.29 | 1.1 | 0.0 |
| HEIM (3255) | Interim | RM0.40 | 12/8/2022 | 19/10/2022 | RM24.40 | RM24.40 | 1.6 | 0.0 |
| STELLA (5006) | Final | RM0.03 | 20/7/2022 | 26/10/2022 | RM0.90 | RM0.93 | 2.7 | 2.8 |
| SAB (5134) | Final | RM0.05 | 19/5/2022 | 8/11/2022 | RM3.88 | RM3.69 | 1.4 | -4.9 |

Denotes >5% Dividend Yield

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