

Extended its upbeat momentum

Market Review

Malaysia: The FBM KLCI (+0.4%) recorded its third straight winning session, spurred by gains in selected Petronas-related heavyweights. The lower liners also advanced, while the transportation & logistics sector (+1.6%) took the winner spot after snapping a 3-day losing streak.

Global markets: The US stockmarkets remained jubilant as the Dow (+0.3%) advanced after earnings season kick-started with JPMorgan Chase & Co and Bank of America Corp beating estimates. The European stockmarkets extended their winning run, while the Asia stockmarkets finished mostly higher.

The Day Ahead

The FBM KLCI notched gains for the third consecutive session as investors took cue from the bullish sentiment on Wall Street following a cooler inflation data. As the market rebounded on Wall Street after better-than-expectation results were seen in banking counters, the positive trading sentiment may spillover to our local front. Meanwhile, traders may focus on China's reopening theme, while awaiting Malaysia's inflation rate and the Bank Negara interest rate decision this week. Commodities wise, the Brent crude oil price climbed above USD85, while the CPO price consolidated below RM3,850. Gold price rose above USD1,900.

Sector focus: The technology sector should see buying momentum building up as the Nasdaq steadied above the 11,000 level. Besides, investors can add exposure to banking stocks ahead of Malaysia's interest rate decision. In view of the rising gold price, trading interest could be seen in gold counters.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI extended its gains to the third straight session to close above the SMA200. Technical indicators remained positive as the MACD Histogram extended a positive bar, while the RSI is hovering above 50. Resistance is monitored at 1,500-1,510, while the support is located at 1,460, followed by 1,450.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	34,302.61	0.33
S&P 500	3,999.09	0.40
NASDAQ	11,079.16	0.71
FBM KLCI	1,495.03	0.43
FBM Small Cap	1,492.48	0.45
FBM ACE	5,455.48	0.49
Construction	155.41	-0.75
Consumer	595.44	0.18
Energy	822.94	0.82
Financial Services	1,621.15	0.50
Healthcare	1,676.64	-0.20
Ind Products	185.29	0.81
Plantation	6,922.91	0.00
Property	658.28	-0.28
REITs	795.34	0.02
Technology	66.96	1.01
Telco & Media	583.50	0.03
Transport	925.24	1.60
Utilities	87.180	-0.13
Trading Vol (m)	3,405.16	-4.79
Trading Val (RM m)	2,018.56	-26.73
Advance/Decline	137%	
FKLI	1,498.00	0.37
FCPO (RM)	3,845.00	-1.96
Brent oil (USD)	85.28	0.25
Gold (USD)	1,920.23	1.15
USD	4.335	0.56
GBP	5.3008	0.14
EURO	4.7003	-0.16
SGD	3.2801	-0.03

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
339.2	-292.5	-46.7

Source: Bloomberg, Bursa Market Place

Company Brief

FGV Holdings Bhd is allocating over RM1.00bn in capital expenditure (capex) for FY23, which is also its largest annual capex. Around RM400.0m of the capex would be utilised for replanting old oil palm trees, whereby a lot of machinery seedlings and other items are needed. The remaining capex will be used for mainly asset replacement and upgrading to improve operating efficiencies as well as to meet regulatory requirements. (The Star)

Serba Dinamik Holdings Bhd, which resumed trading on last Friday after it submitted its annual report for FY22, together with its audited consolidated financial statements for the year will see trading of the oil and gas services provider's shares to be suspended on 18th January 2023 until further notice, as the court had granted a winding-up order against the company. (The Edge)

Revenue Group Bhd has filed police reports against two suspended executive directors and co-founders Brian Ng Shih Chiow and Dino Ng Shih Fang over complaints, illegal forced entry and alleged theft. The e-payment solutions provider is considering 2 independent professional firms to conduct a special review but did not elaborate on what it will entail. (The Edge)

Tenaga Nasional Bhd (TNB) has expressed interest to participate in the development and operation of energy solutions in Indonesia's Ibu Kota Negara (IKN) Authority across various areas of gas, solar, wind, hydro and battery storage. TNB wants to explore any opportunity in the grid interconnection business through collaboration with PT Perusahaan Listrik Negara to develop a secure and reliable high-voltage transmission infrastructure in the Global City for All, IKN Nusantara. (The Edge)

GIIB Holdings Bhd chief executive-cum-executive chairman Tai Boon Wee and executive director Wong Ping Kiong have been charged at the Sessions Court in Kuala Lumpur for allegedly furnishing fake documents to auditor Grant Thornton Malaysia PLT in relation to the non-existent sale of RM3.0m worth of machinery. The two top officials of GIIB pleaded not guilty to the charges. The two, who were allowed to post bail of RM60,000 for Wong and RM50,000 for Tai also surrendered their passports. (The Edge)

MCE Holdings Bhd's unit has secured a contract to supply various electronic and mechatronics parts of a new car model under Perusahaan Otomobil Kedua Sdn Bhd (Perodua), which is expected to generate total revenue of about RM60.7m. The supply of these parts is expected to commence in 3QFY24, for a duration of 6 years and will involve an estimated investment cost of about RM5.5m. (The Edge)

Advancecon Holdings Bhd has proposed to undertake a private placement of up to 20.0% of the company's total share base to raise as much as RM21.9m to fund the development of a solar photovoltaic project under the Large Scale Solar 4 (LSS4) @ MEnTARI programme. The private placement will entail the issuance of up to 96.7m shares to third-party investors to be identified later, at an issue price to be determined. (The Edge)

Cypark Resources Bhd has decided to change its financial year end to 30th April 2023, to allow for better availability of resources and improve management of audit and annual reporting, strengthen operations and refocus on the enlarged group's business plan. Its current set of financial statements will comprise a period of 18 months from 1st November 2021 to 30th April 2023. (The Edge)

Eduspec Holdings Bhd has proposed to undertake a rights issue with free warrants to raise as much as RM29.9m for the repayment of borrowings, as well as to fund its education programs and digital school solutions business. Prior to implementing the rights issue, Eduspec plans to undertake a share consolidation of every 20 Eduspec shares into 1 share on a date to be determined and announced later. (The Edge)

Inari Amertron Bhd has appointed Datuk Mohamad Azmi Ali as its independent director, as well as the chairman of its audit committee, effective last Friday. Besides Inari, Mohamad Azmi also holds directorship in **SYF Resources Bhd** and **Insas Bhd**. (The Edge)

Stella Holdings Bhd has appointed Datuk Lau Beng Wei as executive deputy chairman effective last Friday. Beng Wei is the brother of managing director Datuk Lau Beng Sin and a major shareholder of the group with a direct interest of 15.0m shares or 22.4% and an indirect interest of 8.1m shares (12.1%) in Stella. Meanwhile, Manivannan Ganapathy will be appointed as executive director effective 17th January 2023, and Datuk Jamaluddin Sabeh was appointed independent director effective last Friday. (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	PENERGY	27-Dec	0.880	0.930	0.975	1.010	0.815	0.810	0.900	2.3%	Closed at cut-off on 13-Jan
2	GCB	11-Jan	2.460	2.520	2.610	2.740	2.350	2.340	2.570	4.5%	
3	EG	16-Jan	0.575	0.600	0.620	0.670	0.540	0.535	0.575	0.0%	Initiate position

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	3-Jan	2.640	2.780	2.940	-	2.580	2.500	2.500	-5.3%	On-going
2	BJFOOD	3-Jan	1.020	1.110	1.200	-	0.975	0.935	0.995	-2.5%	On-going
3	CMSB	3-Jan	1.070	1.130	1.250	-	1.000	0.915	1.150	7.5%	On-going
4	D&O	3-Jan	4.290	4.450	4.770	-	4.100	3.940	4.660	8.6%	On-going
5	DIALOG	3-Jan	2.400	2.550	2.720	-	2.320	2.230	2.600	8.3%	On-going
6	GENTING	3-Jan	4.480	4.750	4.850	-	4.290	4.180	4.920	9.8%	On-going
7	HEKTAR	3-Jan	0.740	0.750	0.795	-	0.665	0.645	0.810	9.5%	On-going
8	JTIASA	3-Jan	0.660	0.710	0.755	-	0.615	0.585	0.630	-4.5%	On-going
9	MAGNI	3-Jan	1.860	1.940	2.000	-	1.800	1.750	1.880	1.1%	On-going
10	MISC	3-Jan	7.270	7.680	8.190	-	7.000	6.800	7.290	0.3%	On-going
11	MYEG	3-Jan	0.855	1.000	1.080	-	0.825	0.770	0.910	6.4%	On-going
12	SLVEST	3-Jan	0.815	0.915	0.995	-	0.795	0.705	0.885	8.6%	On-going
13	UMW	3-Jan	3.450	3.640	3.950	-	3.220	3.100	3.760	9.0%	On-going
Average Return										4.4%	

Technical Focus Tracker Summary	
Total recommendations	293
Total winners	181
Total losers	111
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)	63.0%
Portfolio performance (2023)	8.8%
Accuracy (2023)	66.7%
FBM KLCI (Since 30/12/2022)	0.0%
FBM Small Cap (Since 30/12/2022)	3.8%
Malaysia GDP Growth (9M22)	9.3%

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Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
ANNUM (5082)	Rights Issue	4:3	3/1/2023	16/1/2023	RM0.31	RM0.30	-	-3.3
EDARAN (5036)	Interim	RM0.02	30/12/2022	17/1/2023	RM0.55	RM0.55	3.2	0.9
KESM (9334)	Final	RM0.06	26/10/2022	18/1/2023	RM7.00	RM6.89	0.9	-1.6
LEFORM (0266)	Special Cash	RM0.01	30/11/2022	19/1/2023	RM0.19	RM0.23	4.0	21.6
F&N (3689)	Final	RM0.33	16/12/2022	19/1/2023	RM21.80	RM23.90	1.4	9.6
VS (6963)	Final	RM0.00	27/9/2022	19/1/2023	RM0.93	RM0.91	0.4	-2.8
KMLOONG (5027)	Special Cash	RM0.05	28/12/2022	19/1/2023	RM1.84	RM1.89	2.6	2.7
GPHAROS (5649)	Interim	RM0.01	30/12/2022	20/1/2023	RM0.23	RM0.28	4.7	22.2
HEKTAR (5121)	Distribution	RM0.05	3/1/2023	25/1/2023	RM0.74	RM0.81	6.5	9.5
ALLIANZ (1163)	Interim	RM0.69	21/12/2022	25/1/2023	RM13.92	RM14.62	4.7	5.0
PECCA (5271)	Interim	RM0.01	9/1/2023	25/1/2023	RM0.86	RM0.86	0.8	0.0
YEWLEE (0248)	Bonus-Options	1:2	11/1/2023	27/1/2023	RM0.41	RM0.41	-	0.0
CBIP (7076)	Interim	RM0.02	30/11/2022	30/1/2023	RM1.07	RM1.09	1.8	1.9
ATLAN (7048)	Interim	RM0.04	12/1/2023	30/1/2023	RM2.90	RM2.90	1.4	0.0
GAMUDA (5398)	Interim	RM0.06	16/12/2022	31/1/2023	RM3.61	RM3.86	1.6	6.9
PTRANS (0186)	4th Interim	RM0.01	23/11/2022	2/2/2023	RM1.12	RM1.27	0.6	13.4
HOMERIZ (5160)	Final	RM0.01	28/10/2022	13/2/2023	RM0.54	RM0.55	1.8	2.8
POHKONG (5080)	Final	RM0.01	27/9/2022	14/2/2023	RM0.70	RM0.90	1.5	27.7
VS (6963)	Interim	RM0.01	16/12/2022	16/2/2023	RM0.94	RM0.91	0.6	-3.2
KLK (2445)	Final	RM0.80	9/12/2022	17/2/2023	RM20.80	RM22.18	3.6	6.6
BKAWAN (1899)	Final	RM0.90	9/12/2022	17/2/2023	RM20.82	RM22.60	4.0	8.5
PANTECH (5125)	Interim	RM0.02	12/1/2023	27/2/2023	RM0.78	RM0.81	1.9	3.2
BSTEAD (2771)	Interim	RM0.02	29/12/2022	27/2/2023	RM0.63	RM0.64	2.3	2.4
ASTINO (7162)	Final	RM0.01	30/9/2022	9/3/2023	RM0.49	RM0.51	2.0	5.2
MELATI (5129)	Final	RM0.01	29/12/2022	9/3/2023	RM0.55	RM0.54	1.9	-1.8

Denotes >5% Dividend Yield