

External factors may limit the upside move

Market Review

Malaysia: The FBM KLCI (+0.02%) ended flat as investors stayed cautious while digesting the Budget 2024 announcement. The Construction (-0.50%) and Property (-0.58%) sectors reversed earlier gains as profit taking emerged. Meanwhile, the Telco & Media and Healthcare sectors rose 0.36% and 0.25%, respectively.

Global markets: Despite opening higher on the back of positive consumer sentiment data, coupled with stronger-than-expected banking earnings, Wall Street ended lower amid rising concerns over geopolitical tension. Both the European and Asian stock markets closed lower, the latter after China's CPI and PPI missed estimates.

The Day Ahead

The FBM KLCI closed higher for the sixth session prior to the Budget 2024 as investors were anticipating positive catalysts from the event. However, the US stock markets pulled back amid rising geopolitical tension offsetting the stronger-than-expected quarterly earnings from the banking heavyweights. Given the growing geopolitical uncertainty in the Middle East region, we believe the upside could be limited on the local front. Nevertheless, the traders may focus on the Budget 2024 which may provide trading catalysts at least for the near term. Commodities wise, the Brent crude oil surged strongly above USD90/bbl after the Middle East tension intensified, while the CPO closed above RM3,700/MT with the improved China demand.

Sector focus: Following the Budget 2024, we expect the traders to focus on the poultry stocks with the intention of removing the price ceiling for chicken and eggs. Meanwhile, the other beneficiaries include the construction, solar-related, building materials and utilities sectors. Also, with the surge in crude oil prices, the energy sectors will be traded more positively.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI ended flat, but maintained above the 1,430 level. The technical readings on the key index were more positive with the MACD Histogram extending another positive bar, and the RSI is hovering above 50. The resistance is envisaged around 1,450-1,460 and the support is located around 1,420-1,430.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,670.29	0.12
S&P 500	4,327.78	-0.50
NASDAQ	13,407.23	-1.23
FBM KLCI	1,444.14	0.02
FBM Small Cap	1,277.64	-0.12
FBM ACE	5,144.95	-0.63
Construction	189.55	-0.50
Consumer	553.47	-0.08
Energy	877.36	0.22
Financial Services	1,264.18	-0.09
Healthcare	1,678.60	0.25
Ind Products	174.44	0.23
Plantation	6,862.73	0.23
Property	875.73	-0.58
REITs	775.87	0.15
Technology	62.56	-0.06
Telco & Media	576.58	0.36
Transport & Logist	926.51	-0.14
Utilities	115.39	-0.44
Trading Vol (m)	3,217.31	-4.91
Trading Val (RM m)	1797.56	-11.41
Gainers/ Losers rat	8%	
FKLI	1,444.50	0.17
FCPO (RM)	3,759.00	2.73
Brent oil (USD)	90.89	0.09
Gold (USD)	1,932.82	-0.38
USD	4.7283	-0.36
GBP	5.7645	0.53
EURO	4.9786	0.48
SGD	3.4539	0.11

Trading participation 5- day trend and value (m)		
Institution	Foreign	
136.8	-147.1	10.3

Source: Bloomberg, Bursa Market Place

Company Brief

Employees Provident Fund (EPF) has raised its stake in **TIME dotCom Bhd** to 9% after acquiring a 1.47% stake in the telecommunications service provider and data centre operator. The pension fund acquired an aggregate 27.91m shares and disposed of 769,500 shares on Oct 10 – translating to a net acquisition of 27.14m shares or 1.47% stake. (The Edge)

Hibiscus Petroleum Bhd's wholly owned unit Anasuria Hibiscus UK Ltd has received conditional approval for its proposed acquisition of a 42.5% stake in Rapid Oil Production Ltd's licence for an undeveloped oil field known as Fyne Field. Hibiscus said the approval by the North Sea Transition Authority is subject to the legal transfer of the farm-in-interest being done in a form approved by the authority. It is also subject to the acquisition being completed by Jan 9, 2024. (The Edge)

One Glove Group Bhd plans to undertake a capital reduction of RM120m to eliminate accumulated losses of the glove manufacturing company. The balance, if any, will be credited to a capital reserve account of the company, which will be used towards setting off future losses. As of Thursday, One Glove had a total of 441.21m shares in issue. In addition, it had 87.5m irredeemable convertible preference shares held by BT Capital Sdn Bhd, and 71m outstanding warrants 2023/2028 in the company. (The Edge)

Palm oil mill manufacturer **Dolphin International Bhd** has decided not to proceed with a rights issue that it had proposed early this year for now, as it intends to relook into the exercise in its entirety and revise the utilisation of the proceeds to be raised. Dolphin said the decision came after taking into consideration the group's recent financial performance, as well as the changes in its financial needs. (The Edge)

Hexza Corp Bhd spent US\$7.77m (RM36.72m) to acquire 185,000 shares in Nasdaq-listed robotics warehouse automation company Symbiotic Inc. Hexza spent US\$7.77m (RM36.72m) to acquire 185,000 shares in Nasdaq-listed robotics warehouse automation company Symbiotic Inc. Meanwhile, Hexza disposed of 10,000 shares in graphics processing unit designer Nvidia Corp for US\$4.63m on the Nasdaq stock market. It sold the block of shares at US\$463.20 apiece on Wednesday. (The Edge)

Higher rental income helped **IGB Real Estate Investment Trust** (IGB REIT) record a 9.99% increase in net property income (NPI) to RM111.29m for the third quarter ended Sept 30, 2023 (3QFY2023), from RM101.19m a year earlier. The REIT, whose portfolio includes the Mid Valley Megamall and The Gardens Mall, posted a 6.82% rise in revenue to RM149.68m versus RM140.12m previously. Distributable income rose 6.89% to RM95.76m as compared to RM89.59m a year ago. The REIT declared an income distribution per unit (DPU) of 2.6 sen, payable on Nov 20. (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	HIAPTEK	4-Oct	0.450	0.475	0.500	0.525	0.425	0.410	0.440	-2.2%	Initiate on 4/10/2023
2	SLVEST	6-Oct	1.340	1.430	1.480	1.550	1.300	1.280	1.340	0.0%	Initiate on 6/10/2023


Market Chat Tracker

4Q23 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	GTRONIC	2-Oct	1.560	1.700	1.820	1.450	1.360	1.340	1.450	-7.1%	Initiate on 2/10/2023
2	HIAPTEK	2-Oct	0.435	0.500	0.535	0.400	0.365	0.355	0.440	1.1%	Initiate on 2/10/2023
3	HSSEB	2-Oct	0.805	0.895	0.940	0.725	0.670	0.660	0.910	13.0%	Initiate on 2/10/2023
4	LHI	2-Oct	0.555	0.610	0.640	0.520	0.500	0.490	0.595	7.2%	Initiate on 2/10/2023
5	MUHIBAH	2-Oct	0.730	0.810	0.855	0.715	0.670	0.660	0.730	0.0%	Initiate on 2/10/2023
6	PECCA	2-Oct	1.210	1.400	1.450	1.100	1.050	1.030	1.210	0.0%	Initiate on 2/10/2023
7	PWF	2-Oct	0.653	0.950	1.000	0.825	0.790	0.780	0.640	-2.0%	Initiate on 2/10/2023
8	RAMSSOL	2-Oct	0.495	0.545	0.605	0.425	0.395	0.385	0.485	-2.0%	Initiate on 2/10/2023
9	SLVEST	2-Oct	1.320	1.450	1.520	1.250	1.200	1.180	1.340	1.5%	Initiate on 2/10/2023
10	T7GLOBAL	2-Oct	0.480	0.525	0.555	0.475	0.455	0.445	0.465	-3.1%	Initiate on 2/10/2023
11	TUNEPRO	2-Oct	0.435	0.485	0.515	0.420	0.405	0.395	0.430	-1.1%	Initiate on 2/10/2023
12	ULICORP	2-Oct	1.530	1.750	1.900	1.420	1.330	1.310	1.570	2.6%	Initiate on 2/10/2023
13	WELLCAL	2-Oct	1.490	1.600	1.680	1.380	1.310	1.290	1.570	5.4%	Initiate on 2/10/2023
Average Return										1.2%	

Technical Focus Tracker Summary	
Total recommendations	348
Total winners	214
Total losers	134
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)	4.6%
Accuracy (2023)	60.3%
FBM KLCI (Since 30/12/2022)	-3.4%
FBM Small Cap (Since 30/12/2022)	9.1%
Malaysia GDP Growth (1H23)	4.2%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
TIENWAH (7374)	Interim	RM0.03	10/8/2023	9/10/2023	RM0.82	RM0.87	3.2	5.5
PWF (7134)	Bonus	1:3	16/8/2023	10/10/2023	RM0.77	RM0.88	-	14.3
MNRB (6459)	Final	RM0.04	21/9/2023	10/10/2023	RM1.10	RM1.18	3.8	7.3
HIGHTEC (7033)	Interim	RM0.02	25/9/2023	10/10/2023	RM0.87	RM0.88	2.3	1.1
SHL (6017)	Final	RM0.12	6/7/2023	10/10/2023	RM2.00	RM2.34	5.1	17.0
PARLO (0022)	Bonus-Options	1:2	25/9/2023	11/10/2023	RM0.13	RM0.15	-	16.0
TAS (5149)	Interim	RM0.01	26/9/2023	11/10/2023	RM0.32	RM0.37	2.7	14.1
VS (6963)	Interim	RM0.01	26/9/2023	12/10/2023	RM1.02	RM0.97	-	-5.4
POHUAT (7088)	Interim	RM0.02	26/9/2023	12/10/2023	RM1.30	RM1.33	1.5	2.3
KSENG (3476)	Interim	RM0.05	28/8/2023	12/10/2023	RM4.47	RM4.23	1.2	-5.4
AEONCR (5139)	Interim	RM0.29	26/9/2023	12/10/2023	RM11.44	RM12.00	2.4	4.9
GASMSIA (5209)	Interim	RM0.06	21/8/2023	12/10/2023	RM3.02	RM3.06	-	1.3
PTRB (0260)	Interim	RM0.01	27/9/2023	13/10/2023	RM0.50	RM0.48	1.4	-4.0
ATECH (5302)	Interim	RM0.02	29/9/2023	13/10/2023	RM2.65	RM2.65	0.9	0.0
MCEHLDG (7004)	Interim	RM0.03	27/9/2023	13/10/2023	RM1.87	RM1.68	1.8	-10.2
MYEG (0138)	Interim	RM0.00	21/8/2023	17/10/2023	RM0.78	RM0.79	-	1.7
APOLLO (6432)	Interim	RM0.20	23/6/2023	17/10/2023	RM4.25	RM5.30	3.8	24.7
PMCORP (4081)	Interim	RM0.01	29/9/2023	17/10/2023	RM0.22	RM0.22	2.8	-2.3
MYNEWS (5275)	Interim	RM0.01	3/10/2023	17/10/2023	RM0.56	RM0.58	0.9	2.7
HIBISCS (5199)	Stock Split	2:5	24/8/2023	18/10/2023	RM0.93	RM1.04	-	12.3
DOLPHIN (5265)	Rights Issue	3:4	19/9/2023	18/10/2023	RM0.25	RM0.24	-	-6.0
LAYHONG (9385)	Final	RM0.00	26/6/2023	18/10/2023	RM0.29	RM0.28	1.1	-3.5
BAUTO (5248)	Interim	RM0.05	12/9/2023	19/10/2023	RM2.18	RM2.48	2.0	13.8
HEIM (3255)	Interim	RM0.40	15/8/2023	19/10/2023	RM25.82	RM24.12	1.7	-6.6
DSS (0259)	Interim	RM0.01	29/8/2023	19/10/2023	RM0.41	RM0.40	1.9	-2.4
EIG (5081)	Final	RM0.01	31/5/2023	19/10/2023	RM0.30	RM0.31	1.6	3.4
JOE (7096)	Stock Split	1:10	21/8/2023	20/10/2023	RM0.02	RM0.02	-	0.0
KAREX (5247)	Interim	RM0.01	28/8/2023	20/10/2023	RM0.63	RM0.59	0.9	-6.4
CHINWEL (5007)	Interim	RM0.01	29/8/2023	23/10/2023	RM1.43	RM1.34	0.5	-6.3
KML0ONG (5027)	Interim	RM0.05	27/9/2023	25/10/2023	RM1.84	RM1.91	2.6	3.8
PTRANS (0186)	Interim	RM0.01	16/8/2023	26/10/2023	RM1.21	RM1.23	0.6	1.7
HLCAP (5274)	Final	RM0.17	30/8/2023	27/10/2023	RM5.36	RM5.32	3.2	-0.7
PA (7225)	Interim	RM0.01	25/8/2023	30/10/2023	RM0.25	RM0.25	2.0	-2.0
ORIENT (4006)	Interim	RM0.20	25/8/2023	30/10/2023	RM6.32	RM6.35	3.1	0.5
GUOCO (1503)	Final	RM0.02	18/8/2023	30/10/2023	RM0.69	RM0.71	2.8	2.9
HLBANK (5819)	Final	RM0.38	30/8/2023	31/10/2023	RM19.96	RM19.32	2.0	-3.2
SIMPLT (5285)	Interim	RM0.03	23/8/2023	1/11/2023	RM4.32	RM4.28	0.8	-0.9
HLFG (1082)	Final	RM0.32	30/8/2023	1/11/2023	RM18.22	RM17.38	1.8	-4.6
MCEMENT (3794)	Interim	RM0.06	24/8/2023	1/11/2023	RM3.85	RM3.62	1.7	-6.0
SNS (0259)	Interim	RM0.00	26/9/2023	8/11/2023	RM0.26	RM0.25	1.0	-5.8
PLENITU (5075)	Final	RM0.03	20/9/2023	9/11/2023	RM1.14	RM1.08	2.8	-5.3
YTL (4677)	Interim	RM0.04	24/8/2023	9/11/2023	RM1.36	RM1.41	2.8	3.7
YTLPOWR (6742)	Interim	RM0.04	24/8/2023	9/11/2023	RM1.75	RM1.90	1.8	8.6
KEINHIN (7199)	Final	RM0.02	27/6/2023	14/11/2023	RM1.42	RM1.43	1.4	0.7
HPPHB (0228)	Final	RM0.01	21/7/2023	15/11/2023	RM0.32	RM0.38	2.0	18.8
OKA (7140)	Final	RM0.01	29/5/2023	16/11/2023	RM0.76	RM0.68	1.6	-10.6
BESHOM (7668)	Final	RM0.02	23/6/2023	21/11/2023	RM1.07	RM1.01	2.0	-5.6
YINSON (7293)	Interim	RM0.02	29/9/2023	29/11/2023	RM2.48	RM2.37	0.8	-4.4
NOVA (0201)	Final	RM0.01	27/9/2023	30/11/2023	RM0.72	RM0.74	1.7	2.1
TMCLIFE (0101)	Final + Special Cash	RM0.00	22/8/2023	5/12/2023	RM0.63	RM0.61	1.4	-2.4
FIBON (0149)	Regular Cash	RM0.01	11/9/2023	7/12/2023	RM0.43	RM0.45	2.8	4.7
GLOMAC (5020)	Final	RM0.01	21/6/2023	13/12/2023	RM0.31	RM0.37	3.4	17.7
JAYCORP (7152)	Final	RM0.04	29/9/2023	14/12/2023	RM0.72	RM0.75	5.4	4.2
KLUANG (2453)	Final + Special Cash	RM0.01	5/10/2023	15/12/2023	RM3.81	RM3.80	0.7	-0.3
KUCHAI (2186)	Final + Special Cash	RM0.01	5/10/2023	15/12/2023	RM1.31	RM1.31	1.9	0.0
SBAGAN (2569)	Final + Special Cash	RM0.02	5/10/2023	15/12/2023	RM3.26	RM3.26	2.1	0.0
PTARAS (9598)	Final	RM0.03	21/9/2023	28/12/2023	RM1.56	RM1.61	1.9	3.2
SCIENTX (4731)	Final	RM0.05	20/9/2023	2/1/2024	RM3.68	RM3.69	1.4	0.3
SCIPACK (8125)	Final	RM0.03	19/9/2023	2/1/2024	RM2.20	RM2.30	1.1	4.5

 Denotes >5% Dividend Yield

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