

Relief rebound

Market Review

Malaysia: The FBM KLCI (+0.7%) snapped a 5-day losing streak as bargain hunting activities took charge with more than two-thirds of the key index components advanced. The lower liners also advanced, while 11 of the 13 major sectors ended in green with the healthcare sector (+1.3%) leading the pack.

Global markets: Wall Street erased some of its previous session gains as the Dow (-1.3%) fell on a consumer survey from the University of Michigan which implies that inflation expectations remain on the rise. The European stock markets extended their lead, while Asia stock markets ended mostly upbeat.

The Day Ahead

The FBM KLCI staged a rebound on Friday following the positive cues from global markets. However, we opine that the rebound attempt may stall as Wall Street was hit by another wild swing on the back of rising inflation expectations suggested in University of Michigan consumer survey and potentially the rising concerns of the tightening monetary policies could push the US economy into a recession. Nevertheless, we still expect bargain hunting to emerge within the solid balance sheet companies and stable consumer stocks. Commodities wise, the crude oil price hovered around USD91, while the CPO price traded along RM3,800.

Sector focus: The broad-based rebound on Friday could fizzle as global sentiment remained negative and the technology stock may see further sell-down following the declining session on Nasdaq. Investors could favour the consumer, utilities and banking sectors; the latter may benefit under the interest rate upcycle environment.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI rebounded from its five-session losing streak but stayed below the daily EMA9 level. Technical indicators were negative as the MACD Histogram extended a positive bar, while the RSI remained below 50. Resistance is set along 1,400-1,430, while the support is envisaged along 1,355-1,365.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	29,634.83	-1.34
S&P 500	3,583.07	-2.37
NASDAQ	10,321.39	-3.08
FBM KLCI	1,382.47	0.66
FBM Small Cap	13,659.88	0.31
FBM ACE	4,652.10	0.75
Construction	148.44	-0.76
Consumer	545.82	0.74
Energy	668.69	0.11
Financial Services	15,873.48	0.06
Healthcare	1,559.73	1.34
Ind Products	169.88	0.81
Plantation	6,421.87	1.16
Property	599.78	-0.31
REITs	766.68	0.73
Technology	56.90	1.19
Telco & Media	545.90	1.04
Transport	785.31	0.31
Utilities	809.84	0.24
Trading Vol (m)	2,253.05	10.97
Trading Val (RM m)	1,761.04	4.10
Advance/Decline	148%	
FKLI	1,383.50	0.87
FCPO (RM)	3,866.00	4.46
Brent oil (USD)	91.63	-3.11
Gold (USD)	1,644.47	-1.32
USD	4.7045	-0.26
GBP	5.2893	-1.11
EURO	4.5773	-0.29
SGD	3.3025	-0.87
Trading participation 5-day trend and value (m)		
Institution	506.2	
Retail	116.9	
Foreign	-623.1	

Source: Bloomberg, Bursa Market Place

Company Brief

Tenaga Nasional Bhd (TNB)'s unit has secured financing of up to RM185.0m from CIMB Islamic Bank Bhd for its third large-scale solar project in Bukit Selambau, Kuala Muda, Kedah. The project, with a capacity of 50.0MWac (75MWdc), is part of the government's Large Scale Solar @ Mentari or Large Scale Solar 4 (LSS4) programme.

Separately, another unit of TNB, TNB Power Generation Sdn Bhd, has obtained approval from the Energy Commission to refurbish Sungai Perak hydroelectric power plants with a capacity of 650.8MW. The project, dubbed Hydro Life Extension Programme, involves 6 power stations comprising 18 units, with refurbishment works commencing in 2024. (The Edge)

The Malaysia Competition Commission (MyCC) is seeking a review of the Federal Court's decision not to grant leave to the watchdog to appeal against the rejection of its bid to reinstate a fine on **Capital A Bhd**'s AirAsia Bhd and Malaysia Airlines System Bhd. MyCC had imposed a fine of RM10.0m each on AirAsia and Malaysia Airlines in 2014, after it found that the 2 firms had breached the market sharing prohibition under Section 4(2) of the Competition Act 2010. (The Edge)

No appeal has been filed by Emqore Envesecure Private Capital Trust against a court decision to dismiss the US fund's lawsuit seeking over US\$6.50bn (RM30.56bn) in damages from **IHH Healthcare Bhd** and others. Emqore had a 30-day window to file an appeal against the New Jersey District Court's order dated 7th September 2022. (The Edge)

Hibiscus Petroleum Bhd indirect wholly-owned subsidiary, Anasuria Hibiscus UK Ltd, is set to operate in its North Sea block on a 100.0% interest basis. This comes after NEO Energy (ZPL) Ltd assigned its 30.0% interest in the related UK petroleum production licence to Anasuria. (The Edge)

Samaiden Group Bhd's unit has signed a partnership agreement with Thingnario Ltd to pursue opportunities in the development of telemetry monitoring artificial intelligence (AI)-based solutions for existing and future businesses. Its wholly-owned subsidiary Samaiden Sdn Bhd would explore the AI system to support the renewable energy and energy efficiency businesses of Samaiden within Malaysia. (The Edge)

Pansar Bhd has secured a contract worth RM67.1m in Sarawak. Its unit, Perbena Emas Sdn Bhd, has received a letter of acceptance from Public Works Department Sarawak for the completion of the remaining works for a road in Jalan Lubok Teranggan, Samarahan Division. (The Edge)

Revenue Group Bhd is planning to undertake a bonus issue of up to 105.6m Warrants B, on the basis of 1 warrant for every 6 existing shares held. The exercise price of the Warrants B will be fixed by the board at a later date. Upon full exercise of the Warrants B, the gross proceeds will be used to fund additional working capital such as courier charges, as well as transportation and other costs related to the installation and deployment of the electronic data capture terminal. (The Edge)

Stella Holdings Bhd is offloading its healthcare business to Panorama Elit Sdn Bhd, as part of its efforts to streamline and focus on its core construction and property development segments. The group will dispose of its entire equity interest in Stella Healthcare Holdings Sdn Bhd for RM12.0m cash. (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	SUNREIT	3-Oct	1.390	1.470	1.540	1.580	1.330	1.320	1.430	2.9%	On-going
2	TALIWRK	4-Oct	0.925	0.960	0.985	1.000	0.880	0.875	0.900	-2.7%	On-going
3	MRDIY	5-Oct	2.020	2.130	2.180	2.360	1.900	1.890	1.960	-3.0%	On-going
4	EFRAME	11-Oct	0.640	0.685	0.700	0.750	0.620	0.615	0.630	-1.6%	On-going
5	SAMAIDEN	17-Oct	0.705	0.760	0.785	0.845	0.650	0.645	0.705	0.0%	Initiate position

4Q22 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	ATECH	3-Oct	1.869	2.180	2.280	-	1.740	1.660	1.750	-6.4%	On-going
2	PECCA	3-Oct	0.880	1.000	1.080	-	0.795	0.740	0.825	-6.3%	On-going
3	KGB	3-Oct	1.290	1.520	1.630	-	1.260	1.150	1.230	-4.7%	On-going
4	SCOMNET	3-Oct	1.670	1.890	2.050	-	1.390	1.240	1.560	-6.6%	On-going
5	OPTIMAX	3-Oct	0.745	0.910	1.000	-	0.695	0.625	0.710	-4.7%	On-going
6	SAMAIDEN	3-Oct	0.755	0.835	0.915	-	0.670	0.605	0.705	-6.6%	On-going
7	TIMECOM	3-Oct	4.620	5.000	5.250	-	4.400	4.210	4.440	-3.9%	On-going
8	HEXTAR	3-Oct	1.760	2.000	2.150	-	1.620	1.510	1.740	-1.1%	On-going
9	TGUAN	3-Oct	2.560	2.870	3.030	-	2.470	2.320	2.550	-0.4%	On-going
10	GAMUDA	3-Oct	3.930	4.470	4.680	-	3.760	3.600	3.900	-0.8%	On-going
11	MYEG	3-Oct	0.840	1.000	1.080	-	0.785	0.715	0.845	0.6%	On-going
12	CCK	3-Oct	0.650	0.720	0.760	-	0.580	0.550	0.605	-6.9%	On-going
13	SIGN	3-Oct	1.730	2.000	2.150	-	1.610	1.440	1.710	-1.2%	On-going
Average Return										-3.8%	

Technical Focus Tracker Summary	
Total recommendations	268
Total winners	159
Total losers	108
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	6.2%
Accuracy (2022)	55.4%
FBM KLCI (Since 31/12/2021)	-11.8%
FBM Small Cap (Since 31/12/2021)	-13.3%
Malaysia GDP Growth (1H22)	6.9%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
LAYHONG (9385)	Regular Cash	RM0.00	27/6/2022	18/10/2022	RM0.29	RM0.24	1.3	-15.8
FBBHD (03026)	Interim	RM0.01	11/10/2022	18/10/2022	RM0.31	RM0.31	4.5	1.6
EIG (5081)	Final	RM0.01	3/10/2022	18/10/2022	RM0.33	RM0.33	1.5	-1.5
HEIM (3255)	Interim	RM0.40	12/8/2022	19/10/2022	RM24.40	RM23.52	1.7	-3.6
CCIB (03053)	Interim	RM0.01	13/10/2022	20/10/2022	RM0.45	RM0.45	1.4	0.0
CHINWEL (5007)	2nd Interim	RM0.08	29/8/2022	21/10/2022	RM1.76	RM1.66	4.8	-5.7
KMLOONG (5027)	Interim	RM0.05	28/9/2022	25/10/2022	RM1.66	RM1.69	3.0	1.8
CRESNDO (6718)	Interim	RM0.03	28/9/2022	25/10/2022	RM1.07	RM1.07	2.8	0.0
MYEG (0138)	1st Interim	RM0.00	29/8/2022	26/10/2022	RM0.72	RM0.85	0.3	18.2
SCGBHD (0225)	Bonus-Options	1:2	11/10/2022	26/10/2022	RM0.35	RM0.36	-	2.9
STELLA (5006)	Final	RM0.03	20/7/2022	26/10/2022	RM0.90	RM0.95	2.6	5.0
PTRANS (0186)	3rd Interim	RM0.01	16/8/2022	27/10/2022	RM0.85	RM0.89	0.8	4.1
GLOTEC (5220)	Final	RM0.02	25/8/2022	27/10/2022	RM0.51	RM0.44	4.1	-12.9
ORIENT (4006)	Interim	RM0.20	25/8/2022	27/10/2022	RM6.72	RM6.44	3.1	-4.2
SUCCESS (7207)	Regular Cash	RM0.02	11/10/2022	28/10/2022	RM0.70	RM0.68	2.6	-2.9
FLBHD (5197)	Bonus	1:1	25/8/2022	31/10/2022	RM1.41	RM1.38	-	-2.2
POHKONG (5080)	Interim	RM0.01	27/9/2022	31/10/2022	RM0.71	RM0.72	1.4	0.7
REDTONE (0032)	Interim	RM0.02	23/8/2022	31/10/2022	RM0.43	RM0.47	3.8	10.6
PCCS (6068)	Special Cash	RM0.06	29/8/2022	31/10/2022	RM0.69	RM0.61	9.8	-11.6
GUOCO (1503)	Final	RM0.02	14/10/2022	31/10/2022	RM0.64	RM0.64	3.1	0.0
HLBANK (5819)	Final	RM0.37	30/8/2022	1/11/2022	RM20.90	RM20.50	1.8	-1.9
HLCAP (5274)	Final	RM0.19	30/8/2022	2/11/2022	RM6.33	RM6.26	3.0	-1.1
SIMEPLT (5285)	Interim	RM0.10	23/8/2022	3/11/2022	RM4.40	RM4.03	2.5	-8.4
HLFG (1082)	Final	RM0.31	30/8/2022	4/11/2022	RM19.42	RM18.40	1.7	-5.3
SAB (5134)	Final	RM0.05	19/5/2022	8/11/2022	RM3.88	RM3.60	1.4	-7.2
ZHULIAN (5131)	3rd Interim	RM0.03	12/10/2022	8/11/2022	RM1.91	RM1.91	1.6	0.0
PLENITU (5075)	Final	RM0.03	20/9/2022	9/11/2022	RM1.00	RM1.00	2.5	0.0
YTL (4677)	Interim	RM0.03	25/8/2022	10/11/2022	RM0.57	RM0.56	5.4	-2.6
YTLPOWR (6742)	2nd Interim	RM0.03	25/8/2022	10/11/2022	RM0.72	RM0.68	3.7	-6.2
KEINHIN (7199)	Final	RM0.02	24/6/2022	14/11/2022	RM1.06	RM1.13	1.3	6.6
HPPHB (0228)	Final	RM0.01	22/9/2022	15/11/2022	RM0.40	RM0.39	1.9	-1.3
OKA (7140)	Final	RM0.02	31/5/2022	17/11/2022	RM0.81	RM0.78	2.9	-3.7
GADANG (9261)	Final	RM0.01	27/7/2022	18/11/2022	RM0.35	RM0.30	2.4	-15.7
BESHOM (7668)	Final	RM0.05	24/6/2022	21/11/2022	RM1.50	RM1.46	3.4	-2.7
IOIPG (5249)	Final	RM0.04	22/8/2022	22/11/2022	RM0.98	RM0.96	4.2	-1.5
YINSON (7293)	Interim	RM0.01	22/9/2022	29/11/2022	RM2.30	RM2.15	0.5	-6.5
PENSONI (9997)	Final	RM0.01	28/7/2022	29/11/2022	RM0.53	RM0.46	2.7	-14.2
KOTRA (0002)	Final	RM0.16	6/10/2022	30/11/2022	RM4.24	RM4.38	3.7	3.3
TMLIFE (0101)	Final	RM0.00	23/8/2022	5/12/2022	RM0.51	RM0.58	0.5	13.9
FIBON (0149)	Regular Cash	RM0.01	19/9/2022	7/12/2022	RM0.38	RM0.32	2.7	-15.8
APOLLO (6432)	Final & 1st Interim	RM0.25	24/6/2022	14/12/2022	RM3.89	RM3.80	6.6	-2.3
JAYCORP (7152)	Final	RM0.00	29/9/2022	15/12/2022	RM0.69	RM0.70	0.0	0.7
GLOMAC (5020)	Final	RM0.02	29/6/2022	16/12/2022	RM0.31	RM0.28	5.5	-9.8
SCIPACK (8125)	Final	RM0.03	28/9/2022	21/12/2022	RM2.35	RM2.09	1.2	-11.1
RKI (7006)	Final	RM0.05	30/8/2022	22/12/2022	RM1.45	RM1.40	3.6	-3.4
KUCHAI (2186)	Final	RM0.01	12/10/2022	22/12/2022	RM1.35	RM1.35	0.7	0.0
KLUANG (2453)	Final & Special Cash	RM0.03	12/10/2022	22/12/2022	RM4.00	RM4.00	0.7	0.0
PTARAS (9598)	Final	RM0.06	19/9/2022	22/12/2022	RM2.23	RM2.18	2.8	-2.2
SBAGAN (2569)	Final & Special Cash	RM0.07	12/10/2022	22/12/2022	RM3.16	RM3.16	2.2	0.0
SCIENTX (4731)	Final	RM0.05	29/9/2022	23/12/2022	RM3.47	RM3.32	1.5	-4.3

Denotes >5% YoY Dividend Yield