

Further retracement

Market Review

Malaysia: The FBM KLCI (-0.1%) ended mildly lower as the key index recorded -0.8% WoW decline. The lower liners also extended their pullback, while the plantation sector (+1.1%) outperformed the mostly negative sectorial peers with CPO prices stabilising above RM3,800/MT.

Global markets: Wall Street finished mixed as the Dow (+0.1%) snapped a 3-day losing streak, while the S&P 500 (-0.01%) and Nasdaq (-0.2%) remained in red as technology giants remain under pressured on the prospects of higher interest rates. Both the European and Asia stockmarkets ended mostly in red.

The Day Ahead

The local bourse was not spared by the sell down in regional markets as volatility remain unabated. The selling pressure was also compounded with the weaker-than-expected 2Q23 GDP growth at 2.9% YoY vs. Bloomberg consensus expectations of 3.6% YoY expansion. Looking ahead, we expect the weakness of external demand (slowing exports) may continue weigh onto growth. Meanwhile, the lower liners may undergo a consolidation spell with key focus shifting towards a barrage of corporate earnings releases. Still, any further pullback may also attract quick bargain hunting, in our view. Commodities wise, the Brent crude oil steadied above USD84/bbl, while the CPO prices hovered above RM3,800/MT.

Sector focus: Following the stability in crude oil and crude palm oil prices, we reckon that the energy and plantation sector may turn upbeat. The strong private spending amid the improved labour market condition may lend support to the consumer products & services sector.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI ended another session lower as the key index formed a bearish candle. Still, the key index remained supported above the daily SMA200 level. Technical indicators stayed mixed as the MACD Histogram formed a negative bar, while the RSI is trading above 50. The immediate resistances are located along 1,480-1,500, while the support is pegged around 1,420-1,440.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	34,500.66	0.07
S&P 500	4,369.71	-0.01
NASDAQ	13,290.78	-0.20
FBM KLCI	1446.09	-0.13
FBM Small Cap	15,648.61	-0.22
FBM ACE	5,264.14	-0.93
Construction	176.23	-1.16
Consumer	56101	-0.07
Energy	815.26	0.05
Financial Services	15,254.10	-0.24
Healthcare	1,700.95	-0.55
Ind Products	167.27	-0.24
Plantation	6,995.80	1.08
Property	816.29	-0.47
REITs	773.76	-0.58
Technology	63.22	-0.89
Telco & Media	580.69	-0.20
Transport	924.59	0.39
Utilities	1,088.14	0.06
Trading Vol (m)	3,187.35	(26.48)
Trading Val (RM m)	215.43	(17.41)
Advance/Decline	69%	
FKLI	1,445.50	(0.14)
FCPO (RM)	3,871.00	(1.33)
Brent oil (USD)	84.80	0.81
Gold (USD)	1,889.31	(0.01)
USD	4.6488	0.12
GBP	5.9158	0.09
EURO	5.0525	0.17
SGD	3.4244	(0.11)

Trading participation 5-day trend and value (m)

Institution	Foreign
76.2	-128.7
52.5	

Source: Bloomberg, Bursa Market Place

Company Brief

TIME Dotcom Bhd's 2QFY23 net profit surged 19.1x YoY to RM2.26bn, on the back of proceeds gained from the discontinued operations of AIMS Data Centre business. Revenue for the quarter increased 10.7% YoY to RM389.2m. A single-tier dividend of 16.25 sen per share, payable on 15th September 2023 was declared. (The Star)

Pestech International Bhd claims the termination of its contract to undertake the aerotrain project at the Kuala Lumpur International Airport (KLIA) is misconceived and invalid. The group had informed **Malaysia Airports Holdings Bhd**'s (MAHB) unit, Malaysia Airports (Sepang) Sdn Bhd (MASSB), of this through a formal letter on 18th August 2023. Pestech firmly disputes the termination as contemplated in the termination notice and will enforce its legal rights if necessary, but prefers to seek an amicable resolution with MASBB. (The Edge)

Yinson Holdings Bhd has secured USD300.0m (RM1.39bn) from a private equity firm, RRJ Capital, to partly finance its floating, production, storage and offloading asset for the Agogo Integrated West Hub Development Project in Angola (FPSO Agogo). The group signed a collaboration agreement with RRJ on 18th August 2023 to jointly develop energy infrastructure and technology projects globally. (The Edge)

CelcomDigi Bhd's 2QFY23 net profit gained 56.1% YoY to RM343.5m, on higher device sales. Revenue for the quarter jumped 102.6% YoY to RM3.12bn. A second interim dividend of 3.2 sen per share, payable on 29th September 2023 was declared. (The Edge)

UEM Sunrise Bhd's 2QFY23 net profit climbed 19.3% YoY to RM24.7m, due to higher share of results from joint ventures and associates. Revenue for the quarter, however, slipped marginally by 0.3% YoY to RM364.0m. (The Edge)

Kerjaya Prospek Group Bhd's 2QFY23 net profit increased 10.6% YoY to RM31.6m, due to improved progress of construction work activities. Revenue for the quarter grew 11.7% YoY to RM309.3m. A second interim dividend of 2.0 sen per share, payable on 6th October 2023 was declared. (The Edge)

Kelington Group Bhd's 2QFY23 net profit rose 40.6% YoY to RM19.1m, following significant growth in all its key operating markets. Revenue for the quarter rose 36.0% YoY to RM424.9m. A first interim dividend of 1.5 sen per share, payable on 2nd October 2023 was declared. (The Edge)

Teladan Group Bhd's 2QFY23 net profit sank 43.6% YoY to RM8.0m, impacted by higher administrative expenses and lower gross profit margin. Revenue for the quarter decrease 3.9% YoY to RM72.6m. (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	SCOMNET	2-Aug	1.370	1.480	1.550	1.650	1.290	1.280	1.380	0.7%	On-going
2	HARBOUR	9-Aug	1.170	1.240	1.290	1.350	1.120	1.110	1.190	1.7%	On-going
3	MCEMENT	16-Aug	3.370	3.500	3.600	3.800	3.100	3.090	3.500	3.9%	Take profit at R1 on 17-Aug

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	0.320	-9.9%	On-going
2	CARIMIN	4-Jul	0.735	0.775	0.835	0.705	0.660	0.640	0.870	18.4%	On-going
3	ECOWLD	4-Jul	0.815	0.900	0.950	0.790	0.750	0.735	1.050	28.8%	On-going
4	MCEMENT	4-Jul	3.080	3.320	3.500	2.880	2.700	2.640	3.870	25.6%	On-going
5	OSK	4-Jul	1.050	1.150	1.200	1.040	0.995	0.970	1.220	16.2%	On-going
6	RCECAP	4-Jul	2.350	2.500	2.600	2.220	2.120	2.070	2.350	0.0%	On-going
7	SCICOM	4-Jul	1.170	1.360	1.450	1.110	1.070	1.040	1.170	0.0%	On-going
8	SFPTECH	4-Jul	0.960	1.150	1.260	0.940	0.895	0.870	1.030	7.3%	On-going
9	TEOSENG	4-Jul	0.920	1.000	1.050	0.880	0.820	0.800	1.080	17.4%	On-going
10	UCHITEC	4-Jul	3.530	3.700	3.850	3.420	3.320	3.240	3.590	1.7%	On-going
11	WASCO	4-Jul	0.890	0.985	1.100	0.860	0.810	0.785	0.970	9.0%	On-going
12	WCEHB	4-Jul	0.635	0.730	0.820	0.610	0.545	0.535	0.680	7.1%	On-going
13	YTLPOWR	4-Jul	1.310	1.450	1.600	1.250	1.150	1.120	1.700	29.8%	On-going
Average Return										11.6%	

Technical Focus Tracker Summary	
Total recommendations	347
Total winners	215
Total losers	132
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)	5.5%
Accuracy (2023)	63.2%
FBM KLCI (Since 30/12/2022)	-3.3%
FBM Small Cap (Since 30/12/2022)	4.9%
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 (%)
TAMBUN (5191)	Final	RM0.06	13/4/2023	21/8/2023	RM0.85	RM0.97	5.8	13.5
ULICORP (7133)	Interim	RM0.02	7/8/2023	21/8/2023	RM1.00	RM1.05	1.9	5.0
CTOS (5301)	Interim	RM0.01	27/7/2023	23/8/2023	RM1.38	RM1.37	0.4	-0.7
MYEG (0138)	Final	RM0.01	27/2/2023	23/8/2023	RM0.72	RM0.79	1.5	9.7
FSBM (9377)	Rights Issue	1:1	11/8/2023	24/8/2023	RM0.28	RM0.34	-	19.6
AMERBIT (5307)	Distribution	RM0.02	9/8/2023	24/8/2023	RM1.25	RM1.25	1.4	0.0
MI (5286)	Interim	RM0.02	11/8/2023	24/8/2023	RM1.53	RM1.57	1.3	2.6
SENTRAL (5123)	Distribution	RM0.03	10/8/2023	24/8/2023	RM0.85	RM0.86	3.7	0.6
EUPE (6815)	Interim	RM0.02	27/7/2023	28/8/2023	RM0.85	RM0.88	1.7	3.5
DUFU (7233)	Interim	RM0.02	1/8/2023	29/8/2023	RM1.90	RM1.87	0.8	-1.6
PANTECH (5125)	Final	RM0.02	27/4/2023	29/8/2023	RM0.77	RM0.83	1.8	8.5
AJI (2658)	Regular Cash	RM0.09	27/6/2023	29/8/2023	RM14.90	RM16.36	0.6	9.8
LBS (5789)	Final	RM0.01	18/4/2023	29/8/2023	RM0.42	RM0.54	2.3	28.0
BOILERM (0168)	Final	RM0.02	25/5/2023	29/8/2023	RM0.67	RM0.92	1.9	37.3
MRDIY (5296)	Interim	RM0.01	9/8/2023	29/8/2023	RM1.43	RM1.56	0.5	9.1
CEKD (0238)	Interim	RM0.01	9/8/2023	29/8/2023	RM0.47	RM0.46	1.6	-1.1
PANSAR (8419)	Interim	RM0.00	14/7/2023	29/8/2023	RM0.57	RM0.58	0.6	2.7
MAXIS (6012)	Interim	RM0.04	9/8/2023	29/8/2023	RM3.98	RM3.93	1.0	-1.3
CRG (03016)	Interim	RM0.01	18/8/2023	30/8/2023	RM0.19	RM0.19	2.6	0.0
SUNREIT (5176)	Distribution	RM0.05	17/8/2023	30/8/2023	RM1.50	RM1.50	3.1	0.0
KLCC (5235SS)	Interim	RM0.09	14/8/2023	30/8/2023	RM6.77	RM6.76	1.3	-0.1
MAGNUM (3859)	Interim	RM0.02	17/8/2023	1/9/2023	RM1.15	RM1.16	1.7	0.9
SFPTECH (0251)	Interim	RM0.00	11/8/2023	1/9/2023	RM1.11	RM1.03	0.2	-7.2
TIMECOM (5031)	Special Cash	RM0.16	18/8/2023	4/9/2023	RM5.43	RM5.43	3.0	0.0
CARIMIN (5257)	Interim	RM0.02	18/8/2023	5/9/2023	RM0.87	RM0.87	2.3	0.0
NESTLE (4707)	Interim	RM0.70	27/7/2023	5/9/2023	RM132.00	RM132.00	0.5	0.0
CDB (6947)	Interim	RM0.03	18/8/2023	5/9/2023	RM4.38	RM4.38	0.7	0.0
LYSAGHT (9199)	Interim	RM0.03	17/8/2023	7/9/2023	RM1.99	RM2.04	1.5	2.5
DOMINAN (7169)	Final	RM0.01	31/5/2023	7/9/2023	RM0.77	RM0.75	1.3	-2.6
PANAMY (3719)	Final	RM1.07	30/5/2023	7/9/2023	RM21.90	RM20.70	5.2	-5.5
KERJAYA (7161)	Interim	RM0.02	18/8/2023	7/9/2023	RM1.20	RM1.20	1.7	0.0
SLP (7248)	Interim	RM0.01	4/8/2023	7/9/2023	RM0.87	RM0.84	1.5	-3.4
MAHSING (8583)	Final	RM0.03	27/4/2023	8/9/2023	RM0.61	RM0.76	4.0	23.8
QL (7084)	Final	RM0.04	26/7/2023	8/9/2023	RM5.35	RM5.43	0.6	1.5
BJFOOD (5196)	Interim	RM0.01	14/8/2023	11/9/2023	RM0.67	RM0.67	0.7	0.0
ELSOFT (0090)	Interim	RM0.01	18/8/2023	14/9/2023	RM0.55	RM0.55	1.8	0.0
KGB (0151)	Interim	RM0.02	18/8/2023	15/9/2023	RM1.46	RM1.46	1.0	0.0
CARLSBG (2836)	Interim	RM0.22	15/8/2023	15/9/2023	RM20.68	RM20.66	1.1	-0.1
AYS (5021)	Final	RM0.01	20/6/2023	20/9/2023	RM0.37	RM0.41	2.4	10.8
UNITRAD (0247)	Final	RM0.00	26/7/2023	20/9/2023	RM0.29	RM0.29	1.0	0.0
SWIFT (5303)	Interim	RM0.01	18/8/2023	25/9/2023	RM0.49	RM0.49	1.6	0.0
L&PBHD (0268)	Interim	RM0.01	14/8/2023	27/9/2023	RM0.48	RM0.45	1.1	-5.3
FFB (5306)	Final	RM0.01	28/7/2023	27/9/2023	RM1.15	RM1.22	0.8	6.1
PANTECH (5125)	Interim	RM0.02	26/7/2023	27/9/2023	RM0.79	RM0.83	1.8	5.7
SKPRES (7155)	Final	RM0.05	27/7/2023	29/9/2023	RM0.97	RM0.95	4.8	-2.1
SDRED (2224)	Regular Cash	RM0.03	30/5/2023	2/10/2023	RM0.42	RM0.54	4.6	28.6
BLDPLNT (5069)	Final	RM0.03	26/7/2023	2/10/2023	RM10.54	RM11.00	0.3	4.4
SAB (5134)	Final	RM0.05	26/5/2023	3/10/2023	RM3.52	RM3.49	1.4	-0.9
ASIAFLE (7129)	Final	RM0.04	29/5/2023	3/10/2023	RM1.71	RM1.91	1.8	11.7
L&G (3174)	Final	RM0.01	31/5/2023	4/10/2023	RM0.11	RM0.14	4.4	28.6
TIENWAH (7374)	Interim	RM0.03	10/8/2023	9/10/2023	RM0.82	RM0.84	3.3	2.4
SHL (6017)	Final	RM0.12	6/7/2023	10/10/2023	RM2.00	RM2.10	5.7	5.0
LAYHONG (9385)	Final	RM0.00	26/6/2023	18/10/2023	RM0.29	RM0.30	1.0	5.3
HEIM (3255)	Interim	RM0.40	15/8/2023	19/10/2023	RM25.82	RM26.38	1.5	2.2
PTRANS (0186)	Interim	RM0.01	16/8/2023	26/10/2023	RM1.21	RM1.22	0.6	0.8
GUOCO (1503)	Final	RM0.02	18/8/2023	30/10/2023	RM0.69	RM0.69	2.9	0.0

Denotes >5% Dividend Yield

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