

Soaring higher

Market Review

Malaysia: The FBM KLCI (+1.1%) notched higher for the third winning session, driven by banking heavyweights as the key index rose 3.3% WoW. The lower liners also extended their recovery trend, but the plantation sector (-0.5%) was the sole underperformer on the broader market.

Global markets: Wall Street retreated as the Dow (-0.4%) fell on the back of weaker earnings from Snap Inc, while preliminary US Composite PMI Index tumbled to 47.5 in July 2022; the first contraction in almost two years. The European stock markets ended higher, while Asia stock markets mostly positive.

The Day Ahead

The FBM KLCI ended on a positive note last Friday amid the return of foreign funds which noted gains accelerated on the banking heavyweights. However, we believe the key index may succumb to mild profit taking activities following the overnight pullback on Wall Street. Nevertheless, the broader market may stay positive-bias over the near term as it has dropped significantly lower over the past 2 weeks into the oversold region. This week, investors will be watching closely on the US Fed's interest rate decision. Meanwhile, commodities wise, the crude oil stabilised around USD103, while the CPO traded above RM3,700.

Sector focus: The technology sector may see some consolidation due to the drop in Nasdaq overnight and concerns over the interest rate hike in the US this week. Meanwhile, investors may favour the banking and solid consumer stocks prior to the August reporting season.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI closed above its immediate resistance level at 1,460, marking the third consecutive session of gains. Technical indicators remained positive as the MACD Histogram has extended a positive bar, while the RSI hovered above the 50 level. Next resistance is located along 1,480-1,500, while support is set at 1,400-1,410.

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Market Scorecard

| Key indices | Last price | Change (%) |
|---|------------|------------|
| Dow Jones | 31899.29 | -0.43 |
| S&P 500 | 3,961.63 | -0.93 |
| NASDAQ | 11834.11 | -1.87 |
| FBM KLCI | 1465.80 | 1.07 |
| FBM Small Cap | 13,993.56 | 0.54 |
| FBM ACE | 4,789.17 | 0.97 |
| Construction | 56.24 | 1.36 |
| Consumer | 567.96 | 0.40 |
| Energy | 642.84 | 0.94 |
| Financial Services | 16,449.69 | 1.44 |
| Healthcare | 1704.56 | 0.49 |
| Ind Products | 177.04 | 0.03 |
| Plantation | 6,866.25 | -0.47 |
| Property | 626.38 | 0.37 |
| REITs | 800.39 | 0.29 |
| Technology | 62.79 | 0.74 |
| Telco & Media | 565.72 | 0.20 |
| Transport | 801.61 | 0.61 |
| Utilities | 832.40 | 0.91 |
| Trading Vol (m) | 2,047.59 | -3.80 |
| Trading Val (RM m) | 1,545.56 | 12.00 |
| Advance/ Decline | 23% | |
| FKLI | 1466.50 | 1.10 |
| FCPO (RM) | 3,704.00 | -0.43 |
| Brent oil (USD) | 103.20 | 0.53 |
| Gold (USD) | 1,727.64 | 0.51 |
| USD | 4.453 | 0.12 |
| GBP | 5.3261 | -0.08 |
| EURO | 4.5245 | 0.33 |
| SGD | 3.2032 | -0.20 |
| Trading participation 5-day trend and value (m) | | |
| Institution | Retail | Foreign |
| - 87.1 | - 104.1 | 191.2 |

Source: Bloomberg, Bursa Market Place

Company Brief

AMMB Holdings Bhd (AmBank Group) has denied reports that it is in talks to dispose of its asset management unit, AmlInvest, for about RM1.33bn. The company has been approached by other industry players and private equity firms which have expressed interest in AmlInvest. (The Star)

Protasco Bhd has announced that the civil servant housing project with a gross development cost of RM442.7m awarded by Perbadanan Putrajaya 5 years ago has been revised to affordable housing for low-income earners. Under the new scheme, Protasco is tasked with constructing 688 units of apartments under Residensi Perihatin Keluarga Malaysia Putrajaya, Melur and 984 units of apartment under Residensi Perihatin Keluarga Malaysia Putrajaya, Kenanga. (The Edge)

LBS Bina Group Bhd has proposed to purchase 2 pieces of land in Bentong, Pahang for a total consideration of RM97.9m. Its subsidiary Casa Inspirasi Sdn Bhd has signed the sale and purchase agreement with Pejabat Setiausaha Kerajaan Pahang. (The Edge)

Gabungan AQRS Bhd's wholly-owned unit Gabungan Strategik Sdn Bhd has secured an RM66.6m contract from the Public Works Department to build 24 classrooms for Sekolah Menengah Kebangsaan Pendidikan Khas Bandar Enstek in Negeri Sembilan. The project is scheduled to commence on 2nd August 2022 and be completed by 28th July 2025. (The Edge)

Iskandar Waterfront City Bhd (IWC) has firmed up an agreement to dispose of 5.6-ac of vacant land in Johor Bahru for RM53.2m to **Knusford Bhd**. (The Edge)

Thong Guan Industries Bhd has embarked on 100.0% renewable energy for its electricity supply at its polyethylene packaging production plants. (The Edge)

MyNews Holdings Bhd saw the Employees Provident Fund (EPF) cease to be its substantial shareholder after EPF offloaded 1.8m shares in MyNews to reduce its stake to 4.9% or 33.7m shares. (The Edge)

Ireka Corp Bhd's wholly-owned subsidiary Ireka Engineering & Construction Sdn Bhd has terminated the RM45.8m construction contract awarded by Wanland Metro Sdn Bhd in Bukit China, Besut, Terengganu, after both parties were unable to agree on various commercial terms. (The Edge)

HPP Holdings Bhd's 4QFY22 net profit declined 30.0% YoY to RM3.5m, due to higher effective tax rate and lower revenue. Revenue for the quarter fell 16.4% YoY to RM21.1m. (The Edge)

Tanco Holdings Bhd has proposed a retirement gratuity of RM450,000 to Datuk Tan Lee Sing, who will be retiring as executive director on 31st July 2022, in recognition of her past services and contribution. (The Edge)

Focus Point Holdings Bhd has appointed Datuk Suriani Ahmad, secretary general in the Ministry of Entrepreneur Development and Cooperatives, as its new non-independent and non-executive chairman. (The Edge)

Hextar Industries Bhd's 3QFY22 net profit jumped 93.4% YoY to RM1.8m, driven by higher demand for fertilisers. Revenue for the quarter rose 38.1% YoY to RM48.7m. (The Edge)

Econframe Bhd's 3QFY22 net profit increased 74.3% YoY to RM3.0m, driven by higher billings and improvement in gross profit margin contributed by its manufacturing segment. Revenue for the quarter added 20.1% YoY to RM15.1m. (The Edge)

UMediC Group Bhd's 3QFY22 net profit stood at RM1.3m on the back of revenue of RM6.5m. Its performance was driven by higher demand for medical devices and consumables from both public and private hospitals, as well as healthcare service providers. (The Edge)

Artroniq Bhd has proposed for full acquisition of Paklin Venture Capital Sdn Bhd for RM1.6m in cash as it eyes growth prospects of the lending market in Malaysia, particularly on the alternative lending market, due to strict lending requirements imposed by licensed financial institutions. (The Edge)

CapitaLand Malaysia Trust's (CLMT) 2QFY22 net property income rose 41.6% YoY to RM37.4m, underpinned by retail sentiment recovery as tenants' businesses gradually normalised. Revenue for the quarter gained 29.6% YoY to RM68.3m. (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 | CHINHIN | 20-Jul | 3.380 | 3.600 | 3.830 | 4.000 | 3.110 | 3.100 | 4.100 | 21.3% | On-going |
| 2 | HARBOUR | 25-Jul | 1.070 | 1.080 | 1.150 | 1.240 | 1.010 | 1.000 | 1.070 | 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 | 3.710 | 13.8% | On-going |
| 2 | DUFU | 1-Jul | 2.840 | 3.100 | 3.280 | - | 2.750 | 2.600 | 2.910 | 2.5% | On-going |
| 3 | DAYANG | 1-Jul | 0.965 | 1.100 | 1.140 | - | 0.940 | 0.880 | 0.935 | -3.1% | On-going |
| 4 | GASMSIA | 1-Jul | 3.010 | 3.220 | 3.300 | - | 2.970 | 2.850 | 3.190 | 6.0% | On-going |
| 5 | PTRANS | 1-Jul | 0.770 | 0.860 | 0.905 | - | 0.725 | 0.680 | 0.865 | 12.3% | On-going |
| 6 | SYSCORP | 1-Jul | 0.410 | 0.445 | 0.470 | - | 0.375 | 0.340 | 0.410 | 0.0% | On-going |
| 7 | PWROOT | 1-Jul | 1.700 | 1.830 | 1.920 | - | 1.630 | 1.550 | 1.780 | 4.7% | On-going |
| 8 | GCB | 1-Jul | 2.510 | 2.710 | 2.800 | - | 2.460 | 2.380 | 2.260 | -10.0% | On-going |
| 9 | QL | 1-Jul | 5.210 | 5.710 | 5.920 | - | 5.230 | 5.050 | 5.220 | 0.2% | On-going |
| 10 | AMBANK | 1-Jul | 3.720 | 3.980 | 4.110 | - | 3.620 | 3.450 | 3.900 | 4.8% | On-going |
| Average Return | | | | | | | | | | 3.1% | |

| Technical Focus Tracker Summary | |
|----------------------------------|--------|
| Total recommendations | 244 |
| Total winners | 146 |
| Total losers | 97 |
| Portfolio performance (2020) | 292.2% |
| Accuracy (2020) | 53.3% |
| Portfolio performance (2021) | 314.6% |
| Accuracy (2021) | 66.4% |
| Portfolio performance (2022) | 24.7% |
| Accuracy (2022) | 55.9% |
| FBM KLCI (Since 31/12/2021) | -6.5% |
| FBM Small Cap (Since 31/12/2021) | -11.2% |
| Malaysia GDP Growth (1Q22) | 5.0% |

Upcoming Dividend List

| Stock | Entitlement | Description | Declare Date (DD) | Ex-Date | DD Price (RM) | Last Price (RM) | DY (%) | Price Chg Since DD (%) |
|-----------------|----------------------------|-------------|-------------------|------------|---------------|-----------------|--------|------------------------|
| TOPVISN (03013) | Interim | RM0.01 | 12/7/2022 | 26/7/2022 | RM0.75 | RM0.75 | 1.1 | 0.0 |
| UMCCA (2593) | 2nd Interim & Special Cash | RM0.10 | 28/6/2022 | 26/7/2022 | RM5.49 | RM5.40 | 1.9 | -1.6 |
| ASB (1481) | Regular Cash | RM0.00 | 11/4/2022 | 27/7/2022 | RM0.10 | RM0.10 | 1.5 | 5.3 |
| CRG (03016) | Interim & Special Cash | RM0.02 | 20/7/2022 | 27/7/2022 | RM0.20 | RM0.19 | 8.1 | -7.5 |
| TECGUAN (7439) | Final | RM0.03 | 30/5/2022 | 27/7/2022 | RM1.57 | RM1.20 | 2.5 | -23.6 |
| KESM (9334) | Interim | RM0.02 | 14/7/2022 | 28/7/2022 | RM6.11 | RM6.60 | 0.2 | 8.0 |
| DKLS (7528) | Final | RM0.03 | 24/2/2022 | 28/7/2022 | RM1.75 | RM2.20 | 1.4 | 25.7 |
| METROD (6149) | Regular Cash | RM0.06 | 28/2/2022 | 28/7/2022 | RM1.30 | RM1.31 | 4.6 | 0.8 |
| HEXTECH (5136) | Interim | RM0.40 | 13/7/2022 | 28/7/2022 | RM3.51 | RM4.15 | 9.6 | 18.2 |
| YONGTAI (7066) | Stock Split | 1:5 | 18/7/2022 | 29/7/2022 | RM0.07 | RM0.06 | - | -7.7 |
| EVERGRN (5101) | Final | RM0.02 | 15/6/2022 | 29/7/2022 | RM0.51 | RM0.47 | 3.2 | -8.8 |
| REX (9946) | Rights Issue | 1:3 | 18/7/2022 | 29/7/2022 | RM0.20 | RM0.19 | - | -2.6 |
| AXREIT (5106) | Distribution | RM0.03 | 20/7/2022 | 2/8/2022 | RM1.88 | RM1.95 | 1.3 | 3.7 |
| SNOWFIT (03054) | Interim | RM0.00 | 21/7/2022 | 3/8/2022 | RM0.20 | RM0.20 | 0.9 | 0.0 |
| PTRANS (0186) | 2nd Interim | RM0.01 | 23/5/2022 | 3/8/2022 | RM0.74 | RM0.87 | 0.9 | 17.7 |
| YINSON (7293) | Final | RM0.02 | 29/3/2022 | 3/8/2022 | RM1.95 | RM2.00 | 1.0 | 2.5 |
| GAMUDA (5398) | 2nd Interim | RM0.06 | 29/6/2022 | 4/8/2022 | RM3.42 | RM3.69 | 1.6 | 7.9 |
| BAT (4162) | 2nd Interim | RM0.25 | 21/7/2022 | 4/8/2022 | RM10.52 | RM10.62 | 2.4 | 1.0 |
| CHOOBEE (5797) | Bonus | 1:2 | 28/4/2022 | 4/8/2022 | RM2.06 | RM1.85 | - | -10.1 |
| KFIMA (6491) | Interim & Special Cash | RM0.15 | 30/5/2022 | 4/8/2022 | RM2.39 | RM2.39 | 6.3 | 0.0 |
| UOAREIT (5110) | Distribution | RM0.04 | 21/7/2022 | 4/8/2022 | RM1.15 | RM1.16 | 3.7 | 0.9 |
| PRESTAR (9873) | Final | RM0.02 | 23/2/2022 | 5/8/2022 | RM0.68 | RM0.50 | 4.0 | -26.7 |
| P&O (6009) | 4th Interim | RM0.02 | 21/7/2022 | 5/8/2022 | RM1.02 | RM1.05 | 1.7 | 2.9 |
| ZHULIAN (5131) | 2nd Interim | RM0.03 | 13/7/2022 | 9/8/2022 | RM1.95 | RM1.97 | 1.5 | 1.0 |
| GFM (0039) | Interim | RM0.00 | 20/6/2022 | 11/8/2022 | RM0.18 | RM0.19 | 0.9 | 2.8 |
| KMLOONG (5027) | Final | RM0.05 | 29/3/2022 | 11/8/2022 | RM1.96 | RM1.68 | 3.0 | -14.3 |
| CRESINDO (6718) | Final | RM0.02 | 30/3/2022 | 11/8/2022 | RM1.20 | RM1.09 | 1.8 | -9.2 |
| TAMBUN (5191) | Final | RM0.06 | 14/4/2022 | 24/8/2022 | RM0.84 | RM0.89 | 6.7 | 5.4 |
| PANTECH (5125) | Final | RM0.02 | 27/4/2022 | 29/8/2022 | RM0.75 | RM0.60 | 2.5 | -20.1 |
| LBS (5789) | Final | RM0.01 | 15/4/2022 | 29/8/2022 | RM0.47 | RM0.43 | 2.4 | -9.8 |
| BOILERM (0168) | Final | RM0.02 | 24/5/2022 | 29/8/2022 | RM0.91 | RM0.76 | 2.3 | -16.0 |
| DIGI (6947) | 2nd Interim | RM0.03 | 15/7/2022 | 30/8/2022 | RM3.42 | RM3.54 | 0.8 | 3.5 |
| FAVCO (7229) | Final | RM0.08 | 25/2/2022 | 5/9/2022 | RM1.96 | RM1.72 | 4.7 | -12.4 |
| EWAIN (7249) | Final | RM0.01 | 25/2/2022 | 7/9/2022 | RM0.27 | RM0.31 | 1.6 | 13.0 |
| PA (7225) | Interim | RM0.01 | 20/6/2022 | 8/9/2022 | RM0.27 | RM0.28 | 1.8 | 3.8 |
| DOMINAN (7169) | Final & Special Cash | RM0.02 | 5/7/2022 | 8/9/2022 | RM0.93 | RM0.96 | 2.1 | 3.2 |
| PANAMY (3719) | Final | RM0.68 | 31/5/2022 | 8/9/2022 | RM28.02 | RM26.60 | 2.6 | -5.1 |
| MAHSING (8583) | Regular Cash | RM0.03 | 28/4/2022 | 15/9/2022 | RM0.68 | RM0.59 | 4.5 | -14.0 |
| AYS (5021) | Final | RM0.01 | 19/7/2022 | 20/9/2022 | RM0.44 | RM0.45 | 2.2 | 2.3 |
| STELLA (5006) | Final | RM0.03 | 20/7/2022 | 26/10/2022 | RM0.90 | RM0.92 | 2.7 | 1.7 |

■ Denotes >5% Dividend Yield