

Deepavali festive cheer

Market Review

Malaysia: The FBM KLCI (+0.6%) marched higher for the sixth straight session prior to the extended weekend break; the key index rose 4.2% WoW. The lower liners inched higher, while the transportation & logistics sector (+1.3%) outperformed the mixed sectorial peers.

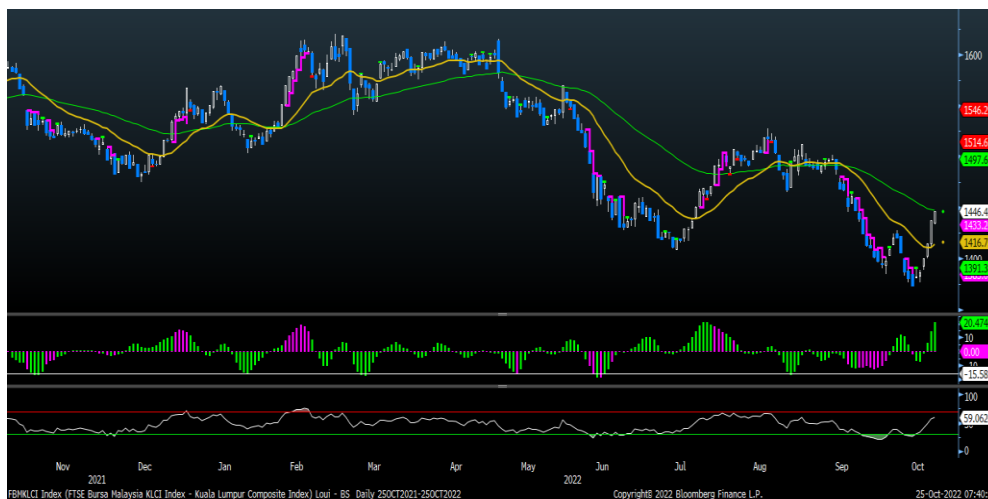
Global markets: Wall Street extended their lead as the Dow (+1.3%) advanced despite the sluggish Manufacturing PMI that fell to 49.9 in October 2022 as the market view it may ease the US Feds aggressive stance on future rate hikes. The European stock markets closed upbeat, but the Asia stock markets ended mixed.

The Day Ahead

The FBM KLCI advanced on Friday, outperforming the mixed regional stock markets prior to the long weekend break as the official GE15 date was announced. However, investors should remain cautious as persisted worries over possible recession in major economies, which may cap the upside potential over the near term. Meanwhile, traders may focus on the European Central Bank's interest rate decision which will be released by end of the week. Commodities wise, the crude oil traded above USD93, while the CPO price hovered above RM4,100.

Sector focus: Investors may favour the technology sector as Nasdaq traded positively towards the 11,000 level. Besides, bargain hunting activities are likely to emerge on the energy and plantation counters following as both the commodity prices remained solid. Also, we like the banking and solid consumer stocks on the back of their defensive characteristic.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI notched gains, closing just below its daily EMA60 level. Market breadth turned positive as the MACD Histogram extended a positive bar, while the RSI remained above 50. Resistance is pegged along 1,460-1,480, while the support is set at 1,415-1,430.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	31499.62	1.34
S&P 500	3,797.34	1.19
NASDAQ	10,952.61	0.86
FBM KLCI	1446.42	0.61
FBM Small Cap	13,984.82	0.09
FBM ACE	4,801.27	0.38
Construction	147.03	0.75
Consumer	558.41	0.08
Energy	679.55	-0.55
Financial Services	16,511.08	0.76
Healthcare	1588.48	-1.03
Ind Products	175.76	0.79
Plantation	6,807.27	-0.47
Property	599.99	-0.52
REITs	761.27	-0.35
Technology	57.18	-0.40
Telco & Media	555.19	-0.01
Transport	830.81	1.33
Utilities	820.04	0.23
Trading Vol (m)	1991.39	-26.44
Trading Val (RM m)	1508.06	-4191
Advance/Decline	10.4%	
FKLI	1442.50	0.42
FCPO (RM)	4,101.00	0.12
Brent oil (USD)	93.26	-0.26
Gold (USD)	1649.78	-0.48
USD	4.738	0.01
GBP	5.3698	-1.86
EURO	4.6591	-0.92
SGD	3.3313	-0.48

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
147.4	-79.2	-68.2

Source: Bloomberg, Bursa Market Place

Company Brief

Tenaga Nasional Bhd (TNB) through its wholly owned subsidiary, TNB Power Generation Sdn Bhd (TNB Genco) has received a letter of intent (LoI) from the Energy and Natural Resources Ministry for the development of a 2,100.0MW combined cycle power plant in Kapar, Selangor. The project would be carried out in collaboration with Widad Business Group Sdn Bhd and is scheduled to achieve a commercial operation date by 2031. The project has an estimated investment of RM9.50bn and is projected to deliver earnings before interest & tax (EBIT) of approximately RM400.0m per annum. (The Star)

Malaysia Building Society Bhd (MBSB) has submitted an application to Bank Negara Malaysia (BNM) to seek approval for its proposed acquisition of Malaysian Industrial Development Finance (MIDF) from Permodalan Nasional Bhd to form a universal Islamic banking group. Subject to the approval of BNM and/or the Finance Ministry being obtained, a definitive sale and purchase agreement would be signed by the transacting parties. Subsequently, the approval of other regulators and shareholders would be sought. (The Star)

Caely Holdings Bhd's new board of directors has announced plans to expand the business with a total investment of US\$800,000 (RM3.8m) in Indonesia by 1Q23. The group is in talks for a joint venture with an Indonesian counterpart to set up a new production facility in the republic to bring in additional earnings. (The Edge)

Sime Darby Plantation Bhd expects to eliminate the need for manual workers in all non-harvesting activities by end-2023, as it has successfully mechanised several tasks across its plantation operations in Malaysia. The plantation group expects to reduce the number of plantation workers by 55.0% by end-2023. (The Edge)

CIMB Thai Bank PCL, which is 94.8%-owned by **CIMB Group Holdings Bhd**, reported a 7.6% YoY decline in net profit for 3QFY22 to 696.0m baht (RM86.0m). The reduced net profit was due to lower net interest income, coupled with higher operating expenses, income tax expenses and a slight increase in expected credit losses. Net interest income for the quarter fell 2.8% YoY to 2.42bn baht. (The Edge)

Press Metal Aluminium Holdings Bhd's Koon brothers have offloaded 123.6m shares off market, representing a 1.5% stake in the company, for RM605.6m. The shares were sold on 18th October 2022 at RM4.90 apiece. This leaves the brothers with a collective direct stake of 16.9% in Press Metal, and an indirect stake of 38.9%. (The Edge)

Stella Holdings Bhd has received a notice of unconditional mandatory takeover offer at 95 sen a share from joint offerors Varia Engineering & Services Sdn Bhd, Datuk Lau Beng Wei and Datuk Lau Beng Sin, who collectively intend to acquire the remaining Stella shares not owned by them. The takeover offer comes after the joint offerors entered into an unconditional share sale and purchase agreement with a group of shareholders to acquire a total of 34.7m shares in Stella, representing a 51.7% stake. The joint offerors intend to maintain Stella's listing on the Main Market of Bursa Malaysia. (The Edge)

Tanco Holdings Bhd plans to raise up to RM47.7m via a private placement for repayment of bank borrowings and investments in complementary businesses. The exercise will see up to 176.7m shares or 10.0% of the group's total issued shares to independent third-party investors, issued at a price to be determined later. (The Edge)

Econframe Bhd's 4QFY22 net profit ballooned 59.4x YoY to RM3.0m, carried by higher revenue driven by a greater volume of orders fulfilled. Revenue for the quarter surged 227.7% YoY to RM16.3m. (The Edge)

Harn Len Corp Bhd has proposed an 8-for-5 bonus issue of up to 411.2m shares. The entitlement date for the bonus issue would be determined later. (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	TALIWRK	4-Oct	0.925	0.960	0.985	1.000	0.880	0.875	0.910	-1.6%	On-going
2	MRDIY	5-Oct	2.020	2.130	2.180	2.360	1.900	1.890	2.000	-1.0%	On-going
3	SAMAIDEN	17-Oct	0.705	0.760	0.785	0.845	0.650	0.645	0.740	5.0%	On-going
4	CNERGEN	19-Oct	0.910	0.990	1.050	1.150	0.810	0.805	0.860	-5.5%	On-going
5	TEXCHEM	25-Oct	3.160	3.300	3.470	3.920	2.700	2.690	3.160	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	1.640	-12.3%	On-going
2	PECCA	3-Oct	0.880	1.000	1.080	-	0.795	0.740	0.840	-4.5%	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	1.570	-6.0%	On-going
5	OPTIMAX	3-Oct	0.745	0.910	1.000	-	0.695	0.625	0.755	1.3%	On-going
6	SAMAIDEN	3-Oct	0.755	0.835	0.915	-	0.670	0.605	0.740	-2.0%	On-going
7	TIMECOM	3-Oct	4.620	5.000	5.250	-	4.400	4.210	4.470	-3.2%	On-going
8	HEXTAR	3-Oct	1.760	2.000	2.150	-	1.620	1.510	2.070	17.6%	On-going
9	TGUAN	3-Oct	2.560	2.870	3.030	-	2.470	2.320	2.620	2.3%	On-going
10	GAMUDA	3-Oct	3.930	4.470	4.680	-	3.760	3.600	3.750	-4.6%	On-going
11	MYEG	3-Oct	0.840	1.000	1.080	-	0.785	0.715	0.830	-1.2%	On-going
12	CCK	3-Oct	0.650	0.720	0.760	-	0.580	0.550	0.610	-6.2%	On-going
13	SIGN	3-Oct	1.730	2.000	2.150	-	1.610	1.440	2.180	26.0%	On-going
Average Return										0.2%	

Technical Focus Tracker Summary	
Total recommendations	270
Total winners	161
Total losers	108
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	7.4%
Accuracy (2022)	56.5%
FBM KLCI (Since 31/12/2021)	-7.7%
FBM Small Cap (Since 31/12/2021)	-11.3%
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 (%)
KMLOONG (5027)	Interim	RM0.05	28/9/2022	25/10/2022	RM1.66	RM1.78	2.8	7.2
CRESNDO (6718)	Interim	RM0.03	28/9/2022	25/10/2022	RM1.07	RM1.08	2.8	0.9
MYEG (0138)	1st Interim	RM0.00	29/8/2022	26/10/2022	RM0.72	RM0.83	0.3	16.1
SCGBHD (0225)	Bonus-Options	1:2	11/10/2022	26/10/2022	RM0.35	RM0.36	12.0	2.9
STELLA (5006)	Final	RM0.03	20/7/2022	26/10/2022	RM0.90	RM1.06	2.4	17.8
PTRANS (0186)	3rd Interim	RM0.01	16/8/2022	27/10/2022	RM0.85	RM0.90	0.8	5.9
GLOTEC (5220)	Final	RM0.02	25/8/2022	27/10/2022	RM0.51	RM0.45	4.0	-11.9
ORIENT (4006)	Interim	RM0.20	25/8/2022	27/10/2022	RM6.72	RM6.84	2.9	1.8
SUCCESS (7207)	Regular Cash	RM0.02	11/10/2022	28/10/2022	RM0.70	RM0.69	2.6	-1.4
MPHBCAP (5237)	Return of Capital	RM0.40	17/10/2022	31/10/2022	RM1.39	RM1.40	-	0.7
FLBHD (5197)	Bonus	1:1	25/8/2022	31/10/2022	RM1.41	RM1.36	-	-3.6
POHKONG (5080)	Interim	RM0.01	27/9/2022	31/10/2022	RM0.71	RM0.72	1.4	1.4
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	RM0.62	9.8	-10.9
GUOCO (1503)	Final	RM0.02	14/10/2022	31/10/2022	RM0.64	RM0.67	3.0	5.5
HLBANK (5819)	Final	RM0.37	30/8/2022	1/11/2022	RM20.90	RM21.30	1.7	1.9
SPSETIA (8664)	Preferred Right	67:100	18/10/2022	1/11/2022	RM0.52	RM0.42	-	-20.2
AXREIT (5106)	Distribution	RM0.02	19/10/2022	2/11/2022	RM1.84	RM1.87	1.3	1.6
HLCAP (5274)	Final	RM0.19	30/8/2022	2/11/2022	RM6.33	RM6.33	3.0	0.0
ADVPKG (9148)	Stock Split	4:1	29/3/2022	3/11/2022	RM2.50	RM2.68	-	7.2
SIMPLT (5285)	Interim	RM0.10	23/8/2022	3/11/2022	RM4.40	RM4.42	2.3	0.5
PGF (8117)	1st Interim	RM0.01	19/10/2022	3/11/2022	RM1.28	RM1.31	0.8	2.3
HLFG (1082)	Final	RM0.31	30/8/2022	4/11/2022	RM19.42	RM19.06	1.6	-1.9
MNC (0103)	Stock Split	1:10	21/10/2022	7/11/2022	RM0.01	RM0.01	-	0.0
SJC (9431)	Bonus	3:1	21/10/2022	7/11/2022	RM2.60	RM2.60	-	0.0
SAB (5134)	Final	RM0.05	19/5/2022	8/11/2022	RM3.88	RM3.66	1.4	-5.7
ZHULIAN (5131)	3rd Interim	RM0.03	12/10/2022	8/11/2022	RM1.91	RM1.89	1.6	-1.0
MNC (0103)	Bonus-Options	3:8	21/10/2022	9/11/2022	RM0.01	RM0.01	-	0.0
PLENITU (5075)	Final	RM0.03	20/9/2022	9/11/2022	RM1.00	RM0.94	2.7	-6.5
P&O (6009)	5th Interim	RM0.01	21/10/2022	9/11/2022	RM1.03	RM1.03	1.2	0.0
YTL (4677)	Interim	RM0.03	25/8/2022	10/11/2022	RM0.57	RM0.57	5.3	0.0
YTLPOWR (6742)	2nd Interim	RM0.03	25/8/2022	10/11/2022	RM0.72	RM0.67	3.7	-6.9
KEINHIN (7199)	Final	RM0.02	24/6/2022	14/11/2022	RM1.06	RM1.24	1.2	17.0
HPPHB (0228)	Final	RM0.01	22/9/2022	15/11/2022	RM0.40	RM0.43	1.8	7.6
OKA (7140)	Final	RM0.02	31/5/2022	17/11/2022	RM0.81	RM0.80	2.9	-1.9
GADANG (9261)	Final	RM0.01	27/7/2022	18/11/2022	RM0.35	RM0.30	2.3	-14.3
BESHOM (7668)	Final	RM0.05	24/6/2022	21/11/2022	RM1.50	RM1.44	3.5	-4.0
DIGI (6947)	3rd Interim	RM0.03	20/10/2022	21/11/2022	RM3.50	RM3.57	1.0	2.0
IOIPG (5249)	Final	RM0.04	22/8/2022	22/11/2022	RM0.98	RM1.00	4.0	2.1
KRETAM (1996)	Interim	RM0.01	18/10/2022	25/11/2022	RM0.57	RM0.59	1.7	2.6
YINSON (7293)	Interim	RM0.01	22/9/2022	29/11/2022	RM2.30	RM2.20	0.5	-4.3
PENSONI (9997)	Final	RM0.01	28/7/2022	29/11/2022	RM0.53	RM0.52	2.4	-1.9
DIALOG (7277)	Final	RM0.02	17/10/2022	30/11/2022	RM1.72	RM1.82	1.2	5.8
KOTRA (0002)	Final	RM0.16	6/10/2022	30/11/2022	RM4.24	RM4.30	3.7	1.4
CWG (9423)	Final	RM0.01	23/8/2022	2/12/2022	RM0.37	RM0.30	1.7	-18.9
TMCLIFE (0101)	Final	RM0.00	23/8/2022	5/12/2022	RM0.51	RM0.57	0.5	12.9
FIBON (0149)	Regular Cash	RM0.01	19/9/2022	7/12/2022	RM0.38	RM0.33	2.6	-14.5
APOLLO (6432)	Final	RM0.15	24/6/2022	14/12/2022	RM3.89	RM3.78	4.0	-2.8
APOLLO (6432)	1st Interim	RM0.10	28/9/2022	14/12/2022	RM3.63	RM3.78	2.6	4.1
JAYCORP (7152)	Final	RM0.00	29/9/2022	15/12/2022	RM0.69	RM0.72	0.0	3.6
MATANG (0189)	Final	RM0.00	25/8/2022	16/12/2022	RM0.10	RM0.09	2.4	-5.3
GLOMAC (5020)	Final	RM0.02	29/6/2022	16/12/2022	RM0.31	RM0.29	5.2	-4.9
YOCB (5159)	Final	RM0.03	25/8/2022	21/12/2022	RM1.17	RM1.18	2.5	0.9
SCIPACK (8125)	Final	RM0.03	28/9/2022	21/12/2022	RM2.35	RM2.25	1.1	-4.3
RKI (7006)	Final	RM0.05	30/8/2022	22/12/2022	RM1.45	RM1.43	3.5	-1.4
KUCHAI (2186)	Final	RM0.01	12/10/2022	22/12/2022	RM1.35	RM1.34	0.7	-0.7
KLUANG (2453)	Final & Special Cash	RM0.03	12/10/2022	22/12/2022	RM4.00	RM3.90	0.7	-2.5
PTARAS (9598)	Final	RM0.06	19/9/2022	22/12/2022	RM2.23	RM2.15	2.8	-3.6
SBAGAN (2569)	Final & Special Cash	RM0.07	12/10/2022	22/12/2022	RM3.16	RM3.20	2.2	1.3
SCIENTX (4731)	Final	RM0.05	29/9/2022	23/12/2022	RM3.47	RM3.22	1.6	-7.2
PANTECH (5125)	2nd Interim	RM0.02	18/10/2022	29/12/2022	RM0.63	RM0.69	2.2	8.7
IMASPRO (7222)	Final	RM0.04	24/8/2022	30/12/2022	RM4.48	RM5.57	0.6	24.3
HIBISCS (5199)	Final	RM0.01	4/10/2022	3/1/2023	RM0.87	RM0.95	1.1	8.6

 Denotes >5% YoY Dividend Yield