

## Turning upbeat

### Market Review

**Malaysia:** The FBM KLCI (+1.9%) staged a sharp rebound to snap a 6-day losing streak following China's aggressive move to boost stimulus in bid to spur economic growth. The lower liners also advanced, while all the 13 major sectors on the broader market marched higher, led by the energy sector (+3.6%).

**Global markets:** Wall Street extended their lead as the Dow (+1.0%) rose ahead of the outcome from Jackson Hole economic symposium, while jobless claims continue to decline for the 3rd straight week. Both the European and Asia stock markets closed mostly upbeat.

### The Day Ahead

The FBM KLCI jumped on a broad-based recovery as bargain-hunting activities took place following a six-session decline. As sentiment across regional markets have shown signal of improvement, we believe follow-through buying activities may emerge on the local bourse. However, investors should trade in a cautious undertone ahead of Malaysia's inflation rate which is due to be released at noon. Commodities wise, the crude oil price fell below USD100 per barrel mark, while the CPO traded above RM4,200.

**Sector focus:** Profit-taking may hit the energy sector following the mild drop in crude oil price below the USD100 per barrel mark. On the other hand, the technology sector should track the positive trading tone in Nasdaq overnight. Meanwhile, we expect traders to focus on solid earnings to lookout for trading opportunities.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI snapped a six-session losing streak and rebounded above its daily EMA9 level. Technical indicators turned mixed as the MACD Histogram extended a negative bar, while the RSI crossed above 50. Should the key index breached above 1,500, next resistance is located at 1,530, while support is pegged along 1,460-1,480.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,291.78	0.98
S&P 500	4,199.12	1.41
NASDAQ	12,639.27	1.67
FBM KLCI	1,495.49	1.92
FBM Small Cap	14,528.61	1.09
FBM ACE	4,990.87	2.38
Construction	157.60	0.47
Consumer	578.04	1.37
Energy	732.85	3.63
Financial Services	16,648.63	0.59
Healthcare	1583.54	1.35
Ind Products	183.05	1.76
Plantation	6,953.63	1.35
Property	656.20	1.20
REITs	800.93	0.17
Technology	65.01	1.82
Telco & Media	599.84	2.56
Transport	807.27	0.38
Utilities	879.34	1.31
Trading Vol (m)	2,641.65	-8.67
Trading Val (RM m)	2,107.67	2125
Advance/Decline	23%	
FKLI	1496.50	-0.10
FCPO (RM)	4,246.00	-0.28
Brent oil (USD)	99.34	-1.86
Gold (USD)	1,758.71	0.43
USD	4.4715	0.31
GBP	5.2979	0.09
EURO	4.4704	-0.18
SGD	3.2204	-0.05
Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
-266.4	48.4	218.0

Source: Bloomberg, Bursa Market Place

## Company Brief

**PPB Group Bhd's** 2QFY22 net profit jumped 277.9% YoY to RM693.4m, mainly contributed by profit growth in Wilmar International Ltd. Revenue for the quarter rose 46.3% YoY to RM1.58bn. An interim dividend of 12.0 sen per share, payable on 28th September 2022 was declared. (The Star)

**Hap Seng Consolidated Bhd's** 2QFY22 net profit rose 34.9% YoY to RM166.2m, contributed by the better performance of its plantation, automotive, trading and building materials divisions. Revenue for the quarter increased 34.9% YoY to RM1.70bn. (The Star)

**IHH Healthcare Bhd's** 2QFY22 net profit rose 26.6% YoY to RM612.1m, mainly due to an exceptional gain of RM295.5m upon application of the Malaysian Financial Reporting Standards (MFRS) 129 on its Turkey operations. Revenue for the quarter improved 2.3% YoY to RM4.37bn. (The Star)

**Malayan Banking Bhd's** (Maybank) 2QFY22 net profit dropped 5.4% YoY to RM1.86bn, hit by higher impairments and unrealised mark-to-market losses. Revenue for the quarter slipped 1.2% YoY to RM11.20bn. (The Edge)

**Malaysia Airports Holdings Bhd's** (MAHB) 2QFY22 net loss narrowed to RM58.2m, from a net loss of RM226.1m registered in the previous corresponding quarter, amid the reopening of international borders in Malaysia, and summer holiday-driven travels in Türkiye. Revenue for the quarter jumped 113.3% YoY to RM689.8m. (The Edge)

**Press Metal Aluminium Holdings Bhd's** 2QFY22 net profit increased 60.1% YoY to RM409.2m, amid higher metal price and production output as well as the appreciation of the USD against the Ringgit. Revenue for the quarter rose 51.8% YoY to RM4.01bn. A second interim dividend of 1.75 sen per share, payable on 29th September 2022 was declared. (The Edge)

**Genting Bhd's** net loss narrowed to RM59.5m, from net loss of RM563.5m booked in the previous corresponding quarter, driven by stronger contributions from its leisure and hospitality business. Revenue for the quarter jumped 93.6% YoY to RM5.69bn. A 7.0 sen per share interim dividend, payable on 6th October 2022 was declared. (The Edge)

**Genting Malaysia Bhd's** (GenM) 2QFY22 net loss narrowed to RM10.9m, from a net loss of RM348.1m registered in the previous corresponding quarter, following the reopening of national borders amid strong pent-up demand for gaming and travel. Revenue for the quarter jumped 166.5% YoY to RM2.18bn. An interim dividend of 6.0 sen per share, payable on 29th September 2022 was declared. (The Edge)

**DRB-Hicom Bhd's** 2QFY22 net profit stood at RM169.6m vs. a net loss of RM217.5m recorded in the previous corresponding quarter, driven by overall business improvement. Revenue for the quarter increased 35.4% YoY to RM3.55bn. (The Edge)

**Sime Darby Property Bhd's** 2QFY22 net profit leapt 352.4% YoY to RM105.0m, driven by strong development site progress coupled with sales of products with higher margins. Revenue for the quarter grew 22.6% YoY to RM615.6m. A first single-tier dividend of 1.0 sen per share, payable on 19th October 2022 was declared. (The Edge)

**7-Eleven Malaysia Holdings Bhd's** 2QFY22 net profit surged 23.0x YoY to RM25.8m, on improved contribution from both its convenience stores and pharmaceutical segments. Revenue for the quarter grew 39.5% YoY to RM943.7m. (The Edge)

**Tomei Consolidated Bhd's** net profit soared 18.9% YoY to RM25.8m, boosted by sharply higher contribution from both retail and manufacturing & wholesale segments. Revenue for the quarter jumped 103.0% YoY to RM297.9m. (The Edge)

**Petron Malaysia Refining & Marketing Bhd's** 2QFY22 net profit surged 336.8% YoY to RM183.5m, as demand for fuel improved following the removal of restrictions on travel and business activities. Revenue for the quarter jumped 175.9% YoY to RM5.60bn. (The Edge)

**Careplus Group Bhd's** 2QFY22 net loss stood at RM35.3 vs. a net profit of RM105.1m recorded in the previous corresponding quarter, dragged by decline in average selling price (ASP) and lower sales orders from key customers. Revenue for the quarter shrank 65.7% YoY to RM85.5m. (The Edge)

**YTL Corp Bhd's** 4QFY22 net profit stood at RM8.7m vs. a net loss of RM407.5m recorded in the previous corresponding quarter, on the absence of impairment losses under its property business, while contribution from its utilities business strengthened. Revenue for the quarter improved 41.9% YoY to RM6.07bn. An interim dividend of 3.0 sen per share, payable on 29th November 2022 was declared. (The Edge)

**YTL Power International Bhd's** 4QFY22 net profit stood at RM193.2m vs. a net loss of RM490.2m recorded in the previous corresponding quarter, on improved revenue. Revenue for the quarter rose 49.4% YoY to RM4.53bn. A second interim dividend of 2.5 sen per share, payable on 29th November 2022 was declared. (The Edge)

**Tenaga Nasional Bhd** (TNB) intends to work with Petronas on joint feasibility studies in the areas of hydrogen and carbon capture with a view to unlock the commercial value of at least RM10.00bn up to 2035. The decarbonisation efforts would be achieved mainly through a collaborative study to develop a green hydrogen ecosystem and carbon capture and storage technology, leveraging both organisations' technical expertise and resources. (The Edge)

**Telekom Malaysia Bhd** (TM) is hinting at a likelihood of better-than-expected earnings performance against its initial guidance of a low-to-mid single-digit growth in revenue. The group is in final negotiations with Digital Nasional Bhd regarding the commercial arrangement for the access agreement between both parties for the purchase of 5G capacity. (The Edge)

Jardine Cycle & Carriage Ltd has reported that its stake in **Cycle & Carriage Bintang Bhd** rose to 94.8% after its takeover offer ended on 25th August 2022, paving the way for the delisting of one of Malaysia's leading Mercedes Benz dealers. (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	KERJAYA	10-Aug	1.150	1.240	1.290	1.370	1.080	1.070	1.170	1.7%	On-going
2	CFM	15-Aug	1.070	1.160	1.200	1.400	0.970	0.965	1.080	0.9%	On-going
3	DELEUM	22-Aug	0.620	0.635	0.675	0.760	0.560	0.555	0.720	16.1%	On-going
4	WELLCAL	24-Aug	1.250	1.290	1.380	1.500	1.180	1.170	1.260	0.8%	On-going

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	3.980	22.1%	On-going
2	DUFU	1-Jul	2.840	3.100	3.280	-	2.750	2.600	3.010	6.0%	On-going
3	DAYANG	1-Jul	0.965	1.100	1.140	-	0.940	0.880	1.100	14.0%	On-going
4	GASMSIA	1-Jul	3.010	3.220	3.300	-	2.970	2.850	3.420	13.6%	On-going
5	PTRANS	1-Jul	0.770	0.860	0.905	-	0.725	0.680	0.860	11.7%	On-going
6	SYSCORP	1-Jul	0.410	0.445	0.470	-	0.375	0.340	0.460	12.2%	On-going
7	PWROOT	1-Jul	1.700	1.830	1.920	-	1.630	1.550	1.860	9.4%	On-going
8	GCB	1-Jul	2.510	2.710	2.800	-	2.460	2.380	2.430	-3.2%	On-going
9	QL	1-Jul	5.210	5.710	5.920	-	5.230	5.050	5.130	-1.5%	On-going
10	AMBANK	1-Jul	3.720	3.980	4.110	-	3.620	3.450	4.040	8.6%	On-going
Average Return										9.3%	

Technical Focus Tracker Summary	
Total recommendations	253
Total winners	154
Total losers	99
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	314.6%
Accuracy (2021)	66.4%
Portfolio performance (2022)	74.6%
Accuracy (2022)	60.3%
FBM KLCI (Since 31/12/2021)	-4.6%
FBM Small Cap (Since 31/12/2021)	-7.8%
Malaysia GDP Growth (1H22)	6.9%