

Profit taking emerged

Market Review

Malaysia: The FBM KLCI (-0.3%) snapped its 3-day winning streak, dragged down by more than half of the key index components amid profit taking activities. The lower liners ended lower, while the construction sector (+2.0%) outperformed the mostly negative sectorial peers following the improved earnings from GAMUDA.

Global markets: Wall Street trended lower as the Dow (-0.7%) fell on the concerns over the elevated interest rates environment may result in sharp economic downturn. The European stockmarkets extended their weakness, while Asia stockmarkets ended mostly negative.

The Day Ahead

The FBM KLCI snapped a 3-day winning streak, along with the regional peers as worries over potential slowdown in the global economic growth resurfaced following the US Fed Chair comments last week. This week, we believe the market will continue to monitor economic data from Japan, the US and China for further clarity in the current state of the economy. Meanwhile, the pullback on Wall Street last Friday, coupled with the bigger-than-expected rate hike from the Bank of England, as well as Japanese inflation rising faster-than-expectation may weigh on the market sentiment. Commodities wise, the Brent crude oil traded above USD73 per barrel, while the CPO price hovered above RM3,600.

Sector focus: Investors may look into the plantation stocks as FCPO stayed above RM3,600. Besides, traders may shift their focus back to sectors such as telecommunications and utilities as the recent rally on Wall Street appeared to be running out of steam. Meanwhile, we remain positive in the travelling related counters.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI slid below its daily EMA 20 level as earlier gains evaporated in the afternoon session. Technical indicators were remained mixed as the MACD Histogram extended a positive bar, while the RSI is slightly below 50. Resistance is pegged along 1,400-1,440, while the support is set around 1,370.

Company Brief

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,727.43	-0.65
S&P 500	4,348.33	-0.77
NASDAQ	13,492.52	-1.01
FBM KLCI	1,390.89	-0.27
FBM Small Cap	4,945.18	-0.02
FBM ACE	5,042.87	-1.32
Construction	162.21	1.97
Consumer	547.41	-0.31
Energy	785.08	-0.44
Financial Services	15,444.85	-0.52
Healthcare	1,691.45	-0.80
Ind Products	158.87	-0.01
Plantation	6,718.44	0.38
Property	688.55	-0.32
REITs	773.71	-0.31
Technology	6157	-0.24
Telco & Media	584.77	-0.48
Transport	907.87	0.03
Utilities	959.10	0.19
Trading Vol (m)	4,903.62	27.48
Trading Val (RM m)	1630.09	2.32
Advance / Decline		
FKLI	1,387.50	(0.50)
FCPO (RM)	3,620.00	1.63
Brent oil (USD)	73.85	1.16
Gold (USD)	1,921.20	0.18
USD	4.6783	(0.49)
GBP	5.9501	0.04
EURO	5.081	0.80
SGD	3.4586	0.38

Trading participant	
Institution	Foreign
250.2	-240.2

Source: Bloomberg, Bursa Market Place

Tenaga Nasional Bhd views the latest implementation of the Imbalance Cost Pass-Through (ICPT) mechanism between 1st July 2023 and 31st December 2023 as neutral to the group. The execution will also not have any effect on its business operations and financial position. The decision was made to address the additional generation costs resulting from higher fuel prices for electricity supply between 1st January 2023 and 30th June 2023. To date, the government has successfully implemented 18 cycles of ICPT since the introduction of the mechanism in 2015. (The Star)

Sports Toto Bhd (SPToto) via its wholly-owned subsidiary Magna Mahsuri Sdn Bhd (MMSB) has bought shares in sister companies **7-Eleven Malaysia Holdings Bhd** (SEM) and **Berjaya Food Bhd** (BFood) for RM38.8m cash. Following the share purchases, SPToto and its subsidiaries now hold about 25.4m shares or about 2.3% stake in SEM and about 7.5m shares or about 0.4% stake in BFood. (The Edge)

Bursa Malaysia Bhd has reported that it has been the target of scams with ill-intentioned impersonations of the exchange and its management on social media platforms, in particular its chief executive, and that an alarming number of them are found on Facebook. (The Edge)

Boustead Holdings Bhd is set to be delisted on 28th June 2023 from the Main Market of Bursa Malaysia Securities Bhd. Its entire issued share capital will be removed from the official list, in accordance with the Main Market Listing Requirements. In an earlier filing, Lembaga Tabung Angkatan Tentera (LTAT) had posted a compulsory acquisition notice to dissenting holders on 16th June 2023. (The Edge)

AMMB Holdings Bhd (AmBank) has clarified that the recent media reports involving AmBank Group regarding mergers and acquisitions (M&A) are purely speculative. AmBank clarified that if and when the group have anything pertinent to announce, in accordance with best practices and corporate governance, a Bursa announcement will be made. (The Edge)

Sunway Real Estate Investment Trust (SunREIT) has joined forces with HSBC to execute its first sustainability-linked cross currency swap (CCS) in Malaysia, which is worth RM200.0m. The CCS hedges both the currency and interest rate risks of SunREIT's foreign currency loan with HSBC, while offering direct sustainability-linked incentives. (The Edge)

Affin Bank Bhd has successfully issued RM500.0m additional Tier 1 Capital Securities (AT1CS) under the RM3.00bn AT1CS programme with a distribution rate of 5.7% per annum. The perpetual non-callable bond has a tenure of 5 years, with an A3 Rating assigned by RAM Rating. First callable date for the bond is 23rd June 2028. (The Edge)

Tiong Nam Logistics Holdings Bhd has signed a logistic services agreement with Chery Malaysia which will see Tiong Nam handling Chery's spare parts warehousing and transportation in Malaysia, including heavy-duty vehicle models such as TIGGO 8 PRO and OMODA5. (The Edge)

HHRG Bhd has proposed to acquire a 7.2-ac piece of leasehold industrial land from Jeenuat Foodstuffs Industries Sdn Bhd in Penang for RM15.7m via cash and share issuance. The group plans to utilise the industrial land as the site of its new corporate headquarters. (The Edge)

Yinson Holdings Bhd has signed a Memorandum of Understanding (MOU) with

PLUS Malaysia Bhd to jointly develop the country's first chargeEV hyperpower direct current fast charging hubs along the PLUS highway. The estimated investment cost for each hyperpower fast charging hub will range from RM10.0-20.0m. One of the hyperpower fast charging hubs will be located at the PLUS Seremban rest and service area (South-bound), while another is still in the discussion.

Separately, Yinson's 1QFY24 net profit rose 73.3% YoY to RM208.0m, on the back of higher contribution from engineering, procurement, construction, installation and commissioning (EPCIC) business activities. Revenue for the quarter jumped 199.0% YoY to RM3.02bn. (The Edge)

Kumpulan Kitacon Bhd has secured a RM50.3m construction project in Ijok, Kuala Selangor. Its wholly-owned subsidiary Kitacon Sdn Bhd received the contract from **Eco World Development Group Bhd's** 60.0%-owned unit Paragon Pinnacle Sdn Bhd for the proposed construction of 80 units of single-storey terrace houses, one unit of electrical substation, and emblem fencing under package one. The second package involves the construction and completion of 104 units of single-storey terrace houses and another electrical substation unit. (The Edge)

The Indonesian Ministry of Finance has given the indirect subsidiaries of **Globaltec Formation Bhd** tax waivers on their coal-bed methane (CBM) production-sharing contracts (PSC) in South Sumatra. In a filing with the Australian Stock Exchange, NuEnergy Gas Ltd in which Globaltec owns a 65.0% stake has announced that its wholly-owned subsidiaries Dart Energy (Tanjung Enim) Pte Ltd and Dart Energy (Muralim) Pte Ltd were awarded the tax exemption facilities on 22nd June 2023. (The Edge)

MSM Malaysia Holdings Bhd is now a part of the Asean Sugar Alliance (ASA) which will help the refined sugar producer to expand its export market. The ASA membership would further support MSM's vision to grow its export market share from 6.0% to 12-15% in the region. (The Edge)

Telekom Malaysia Bhd (TM) has entered into a collaboration with **Maxis Bhd** that will see TM getting access to Maxis' 4G Multi Operator Core Network (MOCN), as well as 4G and 2G domestic roaming services to enhance its mobile connectivity nationwide. Through this, TM will extend its 4G coverage across the country by leveraging Maxis' radio access network infrastructure and improve Unifi Mobile's population coverage to above 95.0%. (The Edge)

Astino Bhd's 3QFY23 net profit increased 8.1% YoY to RM12.7m, thanks to an increase in overseas sales with higher profit margins. Revenue for the quarter, however, dropped 0.4% YoY to RM155.9m. (The Edge)

Pertama Digital Bhd received a notice from Australia's Macquarie Bank that the financial institution will subscribe for the company's 425,000 placement shares at an issue price of RM2.69 per share. The placement shares were allotted on 23rd June 2023 and are expected to be listed on 27th June 2023. (The Edge)

Apollo Food Holdings Bhd's 4QFY23 net profit jumped 77.7% YoY to RM6.8m, boosted by higher sales. Revenue for the quarter rose 5.1% YoY to RM60.3m. A final dividend of 15 sen per share was proposed. (The Edge)

Beshom Holdings Bhd's 4QFY23 net profit fell 53.1% YoY to RM2.7m, reflecting lower revenue as weak consumer confidence and lower willingness to spend impacted its multi-level marketing business, and higher marketing costs. Revenue for the quarter fell 14.0% YoY to RM38.9m. A final dividend of 2.0 sen per share was announced. (The Edge)

Jaycorp Bhd's 3QFY23 net profit fell 40.7% YoY to RM5.5m, due to the absence of a gain on disposal of two subsidiaries. Revenue for the quarter dipped 32.7% YoY to RM61.5m. (The Edge)

NWP Holdings Bhd's shares will be traded under its new name **Auro Holdings Bhd**, with effect from 27th June 2023, to reflect a new corporate identity under its business activities and brand image. The counter's new short name will be "AURO", replacing the old stock short name "NWP". (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	KRONO	12-Jun	0.565	0.595	0.630	0.655	0.520	0.515	0.540	-4.4%	On-going
2	KGB	19-Jun	1.530	1.570	1.630	1.700	1.430	1.420	1.490	-2.6%	On-going
3	YTLREIT	21-Jun	0.940	0.975	0.990	1.050	0.905	0.900	0.945	0.5%	On-going
4	MSC	26-Jun	2.050	2.170	2.330	2.500	1.900	1.890	2.050	0.0%	Initiate position

2Q23 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	DANCO	04-Apr	0.460	0.500	0.525	0.425	0.405	0.395	0.405	-12.0%	On-going
2	EFRAME	04-Apr	0.935	1.100	1.150	0.925	0.880	0.860	0.850	-9.1%	On-going
3	HEXTAR	04-Apr	1.210	1.350	1.450	1.100	1.040	1.020	1.140	-5.8%	On-going
4	INFOM	04-Apr	1.530	1.620	1.720	1.420	1.320	1.300	1.650	7.8%	On-going
5	KPJ	04-Apr	1.120	1.210	1.260	1.070	1.030	1.000	1.100	-1.8%	On-going
6	LAYHONG	04-Apr	0.310	0.335	0.365	0.280	0.265	0.250	0.280	-9.7%	On-going
7	PANTECH	04-Apr	0.810	0.865	0.900	0.750	0.720	0.695	0.735	-9.3%	On-going
8	PENTA	04-Apr	4.930	5.250	5.500	4.580	4.380	4.300	4.870	-1.2%	On-going
9	RANHILL	04-Apr	0.490	0.550	0.580	0.450	0.425	0.405	0.520	6.1%	On-going
10	T7GLOBAL	04-Apr	0.415	0.460	0.475	0.385	0.365	0.345	0.455	9.6%	On-going
11	TIMECOM	04-Apr	4.970	5.800	6.000	5.250	5.060	5.000	5.320	7.0%	On-going
12	UNISEM	04-Apr	3.200	3.180	3.300	2.970	2.760	2.700	3.020	-5.6%	On-going
Average Return										-2.0%	

Technical Focus Tracker Summary	
Total recommendations	337
Total winners	206
Total losers	130
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)	4.1%
Accuracy (2023)	57.4%
FBM KLCI (Since 30/12/2022)	-7.0%
FBM Small Cap (Since 30/12/2022)	0.1%
Malaysia GDP Growth (1Q23)	5.6%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
YSPSAH	Dividend	RM0.10	25/04/2023	26/06/2023	RM2.35	RM2.51	4.0	6.8
YOCB	Dividend	RM0.04	25/05/2023	27/06/2023	RM1.35	RM1.38	2.5	2.2
MGB	Dividend	RM0.00	27/04/2023	27/06/2023	RM0.72	RM0.73	0.3	1.4
PARAMON	Dividend	RM0.04	27/04/2023	27/06/2023	RM0.76	RM0.81	4.3	5.9
PECCA	Dividend	RM0.01	13/06/2023	27/06/2023	RM1.00	RM1.01	0.7	1.0
CATCHA	Rights Issue	1:1	14/06/2023	27/06/2023	RM0.24	RM0.25	-	4.3
ONEGLOVE	Rights Issue	1:2	14/06/2023	27/06/2023	RM0.26	RM0.25	-	-5.8
IJM	Dividend	RM0.04	29/05/2023	28/06/2023	RM1.53	RM1.65	2.4	7.8
IJM	Dividend	RM0.02	29/05/2023	28/06/2023	RM1.53	RM1.65	1.2	7.8
SPTOTO	Dividend	RM0.02	23/05/2023	28/06/2023	RM1.31	RM1.42	1.4	8.4
TGUAN	Dividend	RM0.01	22/05/2023	28/06/2023	RM2.21	RM2.24	0.6	1.4
MITRA	Dividend	RM0.01	28/04/2023	28/06/2023	RM0.27	RM0.25	2.0	-5.7
SOP	Dividend	RM0.06	28/04/2023	28/06/2023	RM2.46	RM2.40	2.5	-2.4
TRC	Dividend	RM0.01	28/04/2023	28/06/2023	RM0.34	RM0.32	3.8	-7.4
MUDA	Dividend	RM0.04	27/04/2023	28/06/2023	RM1.56	RM1.50	2.7	-3.8
ORIENT	Dividend	RM0.20	27/04/2023	28/06/2023	RM6.65	RM6.75	3.0	1.5
UPA	Dividend	RM0.08	27/04/2023	28/06/2023	RM2.20	RM2.36	3.4	7.3
VITROX	Dividend	RM0.04	27/04/2023	28/06/2023	RM7.95	RM7.87	0.5	-1.0
KIMLUN	Dividend	RM0.01	26/04/2023	28/06/2023	RM0.76	RM0.75	1.3	-1.3
WCT	Dividend	RM0.01	26/04/2023	28/06/2023	RM0.44	RM0.42	1.2	-5.7
LBS	Dividend	RM0.01	18/04/2023	28/06/2023	RM0.43	RM0.41	2.9	-4.7
RGB	Dividend	RM0.00	18/04/2023	28/06/2023	RM0.23	RM0.23	0.4	-2.2
BDB	Dividend	RM0.00	12/04/2023	28/06/2023	RM0.29	RM0.30	1.6	1.7
RHONEMA	Dividend	RM0.01	11/04/2023	28/06/2023	RM0.72	RM0.76	1.3	5.6
GPHAROS	Dividend	RM0.01	27/04/2023	30/06/2023	RM0.28	RM0.28	4.5	-1.8
NATGATE	Dividend	RM0.01	27/04/2023	30/06/2023	RM1.28	RM1.23	0.8	-3.9
WTK	Dividend	RM0.02	14/06/2023	30/06/2023	RM0.41	RM0.45	3.4	9.9
DIGISTA	Bonus	1:4	16/06/2023	30/06/2023	RM0.09	RM0.08	-	-5.9
JCBNEXT	Dividend	RM0.06	27/04/2023	03/07/2023	RM1.41	RM1.50	4.0	6.4
LYSAGHT	Dividend	RM0.03	27/04/2023	03/07/2023	RM1.99	RM1.85	1.6	-7.0
DKSH	Dividend	RM0.16	18/04/2023	04/07/2023	RM4.98	RM5.20	3.1	4.4
AEONCR	Dividend	RM0.21	11/04/2023	04/07/2023	RM11.82	RM11.38	1.8	-3.7
GTRONIC	Dividend	RM0.01	16/06/2023	04/07/2023	RM1.24	RM1.25	0.8	0.8
ASTRO	Dividend	RM0.00	19/06/2023	04/07/2023	RM0.67	RM0.59	0.4	-11.9
INFOTEC	Dividend	RM0.01	19/06/2023	04/07/2023	RM0.80	RM0.85	1.6	6.9
KRETAM	Dividend	RM0.01	19/06/2023	04/07/2023	RM0.62	RM0.60	1.7	-2.4
SCIPACK	Dividend	RM0.03	19/06/2023	04/07/2023	RM2.25	RM2.27	1.1	0.9
HEVEA	Dividend	RM0.01	27/04/2023	05/07/2023	RM0.35	RM0.34	3.6	-2.9
SCIENIX	Dividend	RM0.05	20/06/2023	05/07/2023	RM3.29	RM3.44	1.5	4.6
FM	Dividend	RM0.01	24/05/2023	06/07/2023	RM0.58	RM0.58	1.7	-0.9
SAPIND	Dividend	RM0.03	19/05/2023	06/07/2023	RM0.85	RM0.82	3.1	-3.6
TIENWAH	Dividend	RM0.03	19/04/2023	07/07/2023	RM0.82	RM0.85	3.3	3.7
SAMCHEM	Dividend	RM0.01	21/06/2023	07/07/2023	RM0.54	RM0.53	1.0	-1.9
ECOWLD	Dividend	RM0.02	22/06/2023	07/07/2023	RM0.81	RM0.81	2.5	0.0
BKAWAN	Dividend	RM0.20	24/05/2023	10/07/2023	RM21.68	RM20.60	1.0	-5.0
KLK	Dividend	RM0.20	24/05/2023	10/07/2023	RM22.22	RM21.22	0.9	-4.5
ALCOM	Dividend	RM0.03	26/04/2023	11/07/2023	RM0.90	RM0.88	2.8	-2.2
VS	Dividend	RM0.00	15/06/2023	11/07/2023	RM0.85	RM0.83	0.5	-1.8
BIPORT	Dividend	RM0.03	31/05/2023	13/07/2023	RM5.00	RM5.00	0.6	0.0
PENTA	Dividend	RM0.02	31/05/2023	13/07/2023	RM4.93	RM4.91	0.4	-0.4
SURIA	Dividend	RM0.03	28/04/2023	13/07/2023	RM1.26	RM1.23	2.0	-2.4
UNIMECH	Dividend	RM0.04	28/04/2023	13/07/2023	RM1.61	RM1.58	2.7	-1.9
PBA	Dividend	RM0.02	27/04/2023	13/07/2023	RM0.78	RM0.81	1.9	3.2
SCGBHD	Dividend	RM0.00	27/04/2023	13/07/2023	RM0.31	RM0.31	0.9	0.0
UPA	Bonus Issue	2:1	23/06/2023	13/07/2023	RM2.37	RM2.39	-	0.8
RADIUM	Dividend	RM0.01	31/05/2023	17/07/2023	RM0.35	RM0.39	2.6	10.0
SAM	Dividend	RM0.03	24/05/2023	17/07/2023	RM3.99	RM4.66	0.5	16.8
CANONE	Dividend	RM0.04	27/04/2023	17/07/2023	RM2.89	RM2.96	1.4	2.4
GOPENG	Dividend	RM0.01	11/04/2023	17/07/2023	RM0.36	RM0.33	3.0	-8.3
HARISON	Dividend	RM0.50	27/04/2023	18/07/2023	RM9.16	RM9.66	5.2	5.5
CHOOBEE	Dividend	RM0.03	26/04/2023	18/07/2023	RM0.96	RM0.92	2.7	-4.2
FIMACOR	Dividend	RM0.08	19/05/2023	20/07/2023	RM1.94	RM1.93	3.9	-0.5
BAUTO	Dividend	RM0.11	12/06/2023	20/07/2023	RM2.24	RM2.20	5.0	-1.8
TECGUAN	Dividend	RM0.05	29/05/2023	26/07/2023	RM1.63	RM1.59	3.1	-2.5
ASB	Dividend	RM0.00	27/04/2023	27/07/2023	RM0.13	RM0.14	0.7	3.8
METROD	Dividend	RM0.06	24/03/2023	27/07/2023	RM1.25	RM1.28	4.7	2.4
DKLS	Dividend	RM0.03	26/04/2023	28/07/2023	RM2.19	RM2.19	1.4	0.0
KHJB	Dividend	RM0.01	13/04/2023	01/08/2023	RM0.22	RM0.20	3.1	-11.4
PTRANS	Dividend	RM0.01	22/05/2023	02/08/2023	RM1.13	RM1.08	0.7	-4.4
YINSON	Dividend	RM0.01	23/03/2023	02/08/2023	RM2.39	RM2.60	0.4	8.8
KFIMA	Dividend	RM0.03	19/05/2023	03/08/2023	RM2.11	RM2.00	1.5	-5.2
KFIMA	Dividend	RM0.09	19/05/2023	03/08/2023	RM2.11	RM2.00	4.5	-5.2
CRESNDO	Dividend	RM0.02	30/03/2023	10/08/2023	RM1.13	RM1.20	1.7	6.2
KMLOONG	Dividend	RM0.05	29/03/2023	10/08/2023	RM1.76	RM1.78	2.8	1.1
LBS	Dividend	RM0.01	18/04/2023	29/08/2023	RM0.43	RM0.41	3.0	-4.7
AYS	Dividend	RM0.01	20/06/2023	20/09/2023	RM0.38	RM0.38	2.7	-1.3

 Denotes >5% Dividend Yield

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