

Emerging signs of stability

Market Review

Malaysia: The FBM KLCI (+0.4%) edged little higher with more than half of the key index components advanced led by industrial products & services and banking heavyweights. The lower liners also rebounded, while the plantation (-0.5%) and energy (-0.2%) sectors underperformed the positive broader market.

Global markets: Wall Street extended their lead as the Dow (+2.7%) surged after expectation over inflationary pressure dialled down, coupled with the easing concern over a potential recession. Both the European and Asia stock markets also marched higher.

The Day Ahead

The FBM KLCI closed a turbulent session mildly higher on Friday along with the regional peers as investors have priced in concerns over a potential recession moving forward. However, given the sharp gains on Wall Street overnight, investors' narrative may have changed for now and may look out for opportunities within the stock market as most of the stocks were bashed down and oversold over the past weeks. On a side note, we believe the optimism in poultry sector may fade following the Prime Minister's decision to retain the ceiling price of chicken. Commodities wise, the Brent oil price was traded above USD113 per barrel mark last week, while the CPO price declined further to RM4,650.

Sector focus: The technology sector may continue to bounce higher following the overnight rallies in Nasdaq. Meanwhile, we are positive on sectors like REIT and consumer as safer bets. On the other hand, we foresee the government's decision to retain the ceiling price for chicken will hamper the poultry sector once again.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI rebounded off its 52-week low following a 2-session decline. Technical indicators showed improvement as the MACD Histogram crossed above the zero line, while the RSI hovered above the oversold 30 level. Resistance is located along 1,450-1,480, while the support is pegged at 1,400-1,420.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	31500.68	2.68
S&P 500	3,911.74	3.06
NASDAQ	11607.62	3.34
FBM KLCI	1436.70	0.39
FBM Small Cap	14,179.66	0.47
FBM ACE	4,769.89	0.49
Construction	152.17	0.19
Consumer	552.33	0.32
Energy	677.49	-0.15
Financial Services	15,964.45	0.28
Healthcare	1649.74	1.03
Ind Products	183.37	1.15
Plantation	6,917.73	-0.53
Property	634.20	0.83
REITs	795.92	0.72
Technology	62.62	2.35
Telco & Media	553.21	0.66
Transport	804.87	0.64
Utilities	826.90	1.10
Trading Vol (m)	2,468.86	5.28
Trading Val (RM m)	1,478.91	-5.22
Advance/Decline	55%	
FKLI	1437.00	0.84
FCPO (RM)	4,664.00	-1.69
Brent oil (USD)	113.12	-0.84
Gold (USD)	1,826.88	0.23
USD	4.4028	0.07
GBP	5.4078	-0.58
EURO	4.6465	-0.27
SGD	3.1733	-0.12

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
-7.9	69.4	-61.5

Source: Bloomberg, Bursa Market Place

Company Brief

Apollo Food Holdings Bhd's 4QFY22 net profit tumbled 34.9% YoY to RM3.8m, mainly due to higher raw materials costs and lower production capacity resulting from labour shortage. Revenue for the quarter, however, rose 6.0% YoY to RM57.3m. A first and final single-tier dividend of 15.0 sen per share, payable on 11th January 2023 was declared. (The Star)

Hong Seng Consolidated Bhd's wholly-owned subsidiary, HS Bio Sdn Bhd has proposed to dispose of 35.0% stake in Pantasniaga Sdn Bhd to Nexterra Sdn Bhd for RM24.0m cash. Upon completion, HS Bio's shareholdings in Pantasniaga, a life science healthcare solution provider, will be reduced to 16.0%, from the current 51.0%. The proposed disposal is expected to generate an estimated gain of approximately RM20.0m. (The Star)

Paragon Globe Bhd's (PGB) wholly-owned subsidiary, Paragon Platinum Sdn Bhd (PPSB) has signed 3 sales and purchase agreements (SPAs) to acquire 3 parcels of freehold agriculture land measuring 10.9-ha. in Johor for RM38.1m. It is the intention of PGB to develop the land into a well-conceptualised commercial area. The proposed acquisition is expected to be completed within 12 months from the date of the SPAs. (The Star)

Bumi Armada Bhd has failed in its bid to appeal against an Australian court's decision that favoured its former client Woodside Energy Julimar Pty Ltd (WEJ), which terminated a charter contract worth RM1.46bn for its Armada Claire floating production storage and offloading (FPSO) unit in 2016. (The Edge)

Astino Bhd's 3QFY22 net profit sank 48.4% YoY to RM11.8m, as profit margin was hurt by higher cost of materials amid weak market demand, which led to competitive pricing. Revenue for the quarter, however, remained flat at RM156.5m. (The Edge)

Shangri-La Hotels (Malaysia) Bhd (SHMB) has announced the redesignation of its non-independent and non-executive director Chan Kong Leong as the group's new managing director (MD), with effect from the conclusion of the 51st annual general meeting (AGM) to be held on 30th June 2022. Chan will succeed Kuok Oon Kwong, whom is the niece of business tycoon Robert Kuok and will retire from the board. (The Edge)

VS Industry Bhd's 3QFY22 net profit dropped 30.1% YoY to RM51.3m, weighed by rising inflation, labour and material costs, as well as supply chain and logistics disruptions. Revenue for the quarter fell 13.7% YoY to RM927.6m. (The Edge)

Euro Holdings Bhd has proposed to raise some RM20.1m via a private placement for its general working capital expenses and repayment of bank borrowings. The furniture company will issue up to 160.4m shares, representing not more than 20.0% of its total issued shares of 801.9m to third party investors at price to be fixed later. (The Edge)

Supermax Corp Bhd is confident that workers at its sites are free from systemic forced labour. Since January this year, the company had put in place measures supported by a comprehensive foreign worker management policy to strengthen its human resources (HR) management and migrant worker policies and practices. (The Edge)

The joint venture (JV) of **Sime Darby Property Bhd** and LOGOS SE Asia Pte Ltd (LOGOS Property), SDPLOG, announced the first close of its US\$250.-m industrial development fund, which will go towards the development of sustainable and integrated modern logistics facilities with green building certification at its E-Metro Logistics Park in Bandar Bukit Raja, Klang. With 70.0% in capital commitments secured at first close for a fund size of up to US\$250.0m, the shariah-compliant fund will be anchored by Permodalan Nasional Bhd and unit trust funds under its management, and Kumpulan Wang Persaraan (Diperbadankan). (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	PAVREIT	20-Jun	1.310	1.380	1.410	1.440	1.250	1.240	1.320	0.8%	On-going
2	DUFU	22-Jun	2.890	3.060	3.220	3.680	2.600	2.590	2.880	-0.3%	On-going
3	FRONTKN	27-Jun	2.550	2.840	2.950	3.300	2.390	2.380	2.550	0.0%	Initiate position

2Q22 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	AIRPORT	1-Apr	6.950	7.470	7.970	-	6.320	5.900	6.570	-5.5%	Closed on 9-May
2	ECONBHD	1-Apr	0.290	0.350	0.435	-	0.235	0.190	0.260	-10.3%	Closed on 9-May
3	OCK	1-Apr	0.425	0.460	0.505	-	0.405	0.375	0.400	-5.9%	Closed on 9-May
4	JAKS	1-Apr	0.325	0.375	0.430	-	0.310	0.275	0.320	-1.5%	Closed on 9-May
5	KGB	1-Apr	1.360	1.600	1.780	-	1.290	1.150	1.210	-11.0%	Closed on 9-May
6	ELKDESA	1-Apr	1.320	1.450	1.510	-	1.270	1.230	1.290	-2.3%	Closed on 9-May
7	HARTA	1-Apr	4.860	5.530	6.220	-	4.530	4.150	4.280	-11.9%	Closed on 9-May
8	BPPLAS	1-Apr	1.490	1.640	1.760	-	1.340	1.220	1.520	2.0%	Closed on 9-May
9	KMLOONG	1-Apr	1.920	2.050	2.210	-	1.850	1.740	1.950	1.6%	Closed on 9-May
10	PANTECH	1-Apr	0.695	0.750	0.800	-	0.660	0.620	0.695	0.0%	Closed on 9-May
Average Return										-4.5%	

Technical Focus Tracker Summary	
Total recommendations	236
Total winners	140
Total losers	95
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	314.6%
Accuracy (2021)	66.4%
Portfolio performance (2022)	5.5%
Accuracy (2022)	52.9%
FBM KLCI (Since 31/12/2021)	-8.3%
FBM Small Cap (Since 31/12/2021)	-10.0%
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 (%)
SAMCHEM (5147)	Interim	RM0.01	10/6/2022	27/6/2022	RM0.84	RM0.78	1.3	-7.1
RESINTC (7232)	2nd Interim	RM0.01	31/5/2022	27/6/2022	RM0.92	RM0.78	1.6	-15.3
YOCB (5159)	Interim	RM0.03	26/5/2022	27/6/2022	RM1.02	RM1.03	2.9	1.0
BTECH (0011)	Final	RM0.01	8/6/2022	27/6/2022	RM0.31	RM0.31	2.6	0.0
MGB (7595)	Final	RM0.00	11/4/2022	27/6/2022	RM0.70	RM0.60	0.8	-14.3
FBMKLCI-EA (0820EA)	Income	RM0.03	2/6/2022	27/6/2022	RM1.63	RM1.52	2.0	-6.5
MANULFE (1058)	Final	RM0.07	25/2/2022	28/6/2022	RM2.48	RM2.40	2.9	-3.2
SALCON (8567)	Stock Dividend	1:40	28/4/2022	29/6/2022	RM0.21	RM0.18	-	-14.6
WCT (9679)	Final	RM0.01	24/2/2022	29/6/2022	RM0.50	RM0.45	1.1	-11.0
UCHITEC (7100)	Final	RM0.11	23/2/2022	29/6/2022	RM3.07	RM3.03	3.6	-1.3
SPTOTO (1562)	3rd Interim	RM0.02	23/5/2022	29/6/2022	RM1.91	RM1.83	1.1	-4.2
TGUAN (7034)	Interim	RM0.01	26/5/2022	29/6/2022	RM2.33	RM2.27	0.6	-2.6
IJM (3336)	2nd Interim	RM0.04	27/5/2022	29/6/2022	RM1.80	RM1.72	2.3	-4.4
FLBHD (5197)	Interim	RM0.03	20/5/2022	29/6/2022	RM1.52	RM1.34	2.2	-11.8
HEIM (3255)	Final	RM0.66	12/4/2022	29/6/2022	RM24.34	RM24.28	2.7	-0.2
LBS (5789)	Interim	RM0.01	15/4/2022	29/6/2022	RM0.48	RM0.42	2.0	-13.5
YSPSAH (7178)	Final & Special Cash	RM0.08	21/3/2022	29/6/2022	RM1.89	RM1.99	4.0	5.3
SOP (5126)	Final	RM0.06	29/4/2022	29/6/2022	RM6.91	RM4.23	1.4	-38.8
NHFATT (7060)	Final	RM0.06	25/4/2022	29/6/2022	RM2.35	RM2.25	2.7	-4.3

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Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
KPJ (5878)	Interim	RM0.00	26/5/2022	29/6/2022	RM0.92	RM0.83	0.3	-9.8
MARCO (3514)	Regular Cash	RM0.01	28/4/2022	29/6/2022	RM0.17	RM0.16	3.1	-3.0
VITROX (0097)	Final	RM0.03	24/3/2022	29/6/2022	RM8.02	RM7.10	0.5	-11.5
KIMLUN (5171)	Final	RM0.01	25/2/2022	29/6/2022	RM0.80	RM0.71	1.4	-10.7
DRBHCOR (1619)	Final	RM0.02	7/4/2022	29/6/2022	RM1.46	RM1.20	1.7	-17.8
ORIENT (4006)	Final	RM0.10	14/4/2022	29/6/2022	RM6.60	RM6.99	1.4	5.9
TRC (5054)	Final	RM0.01	29/4/2022	29/6/2022	RM0.36	RM0.34	3.6	-5.6
LSTEEL (9881)	Interim	RM0.02	30/5/2022	29/6/2022	RM0.58	RM0.56	2.7	-3.4
MUDA (3883)	Regular Cash	RM0.05	28/4/2022	29/6/2022	RM2.34	RM1.90	2.6	-18.8
HIL (8443)	Final	RM0.02	18/4/2022	29/6/2022	RM0.95	RM0.92	2.2	-3.2
WTK (4243)	Final	RM0.02	23/2/2022	30/6/2022	RM0.54	RM0.46	3.3	-14.0
LIHEN (7089)	Bonus	1:2	27/1/2022	30/6/2022	RM2.63	RM2.79	-	6.0
GPHAROS (5649)	Final	RM0.01	27/4/2022	30/6/2022	RM0.34	RM0.28	3.2	-17.6
PICORP (7201)	Final	RM0.00	11/4/2022	30/6/2022	RM0.11	RM0.09	3.3	-14.3
UPA (7757)	Final	RM0.08	28/4/2022	30/6/2022	RM2.16	RM2.12	3.8	-1.9
KSSC (5192)	Bonus	1:8	17/6/2022	30/6/2022	RM0.70	RM0.73	-	4.3
GASMSIA (5209)	Final	RM0.07	17/3/2022	30/6/2022	RM2.67	RM3.06	2.2	14.6
SERSOL (0055)	Bonus	7:8	17/6/2022	1/7/2022	RM0.39	RM0.39	-	0.0
LYSAGHT (9199)	Final	RM0.01	23/2/2022	1/7/2022	RM1.87	RM1.71	0.6	-8.6
RHONEMA (5278)	Final	RM0.01	12/4/2022	1/7/2022	RM0.75	RM0.69	1.4	-7.4
GTRONIC (7022)	Interim & Special Cash	RM0.02	16/6/2022	4/7/2022	RM1.19	RM1.21	1.7	1.7
CETECH (03024)	2nd Interim	RM0.00	21/6/2022	4/7/2022	RM1.15	RM1.15	0.1	0.0
TJSETIA (5297)	Final	RM0.01	22/4/2022	5/7/2022	RM0.39	RM0.33	1.5	-15.4
JCBNEXT (0058)	Final	RM0.04	28/4/2022	5/7/2022	RM1.35	RM1.30	2.7	-3.7
ASTRO (6399)	Final	RM0.01	23/5/2022	6/7/2022	RM0.98	RM0.92	0.8	-6.1
ASTRO (6399)	1st Interim	RM0.01	21/6/2022	6/7/2022	RM0.94	RM0.92	1.4	-2.1
TDM (2054)	Final	RM0.00	25/4/2022	6/7/2022	RM0.31	RM0.23	1.6	-26.2
AEONCR (5139)	Final & Special Cash	RM0.20	5/4/2022	6/7/2022	RM15.30	RM13.26	1.5	-13.3
ECOWLD (8206)	1st Interim	RM0.02	16/6/2022	6/7/2022	RM0.68	RM0.66	3.0	-2.2
PENTA (7160)	Final	RM0.02	24/2/2022	7/7/2022	RM3.57	RM3.63	0.6	1.7
SURIA (6521)	Final	RM0.03	5/5/2022	7/7/2022	RM1.16	RM1.11	2.3	-4.3
MAGNI (7087)	3rd Interim	RM0.03	23/6/2022	7/7/2022	RM1.90	RM1.93	1.3	1.6
SCIENTX (4731)	Interim	RM0.04	13/6/2022	7/7/2022	RM3.47	RM3.47	1.2	0.0
ESAFE (0190)	Interim	RM0.01	24/6/2022	7/7/2022	RM0.22	RM0.22	3.6	0.0
TIEWNAH (7374)	Final	RM0.03	25/4/2022	7/7/2022	RM1.00	RM0.99	2.8	-0.5
RVIEW (2542)	Interim & Special Cash	RM0.20	24/6/2022	7/7/2022	RM3.60	RM3.60	5.6	0.0
FM (7210)	2nd Interim	RM0.01	26/5/2022	7/7/2022	RM0.58	RM0.52	1.9	-9.6
VS (6963)	3rd Interim	RM0.00	24/6/2022	8/7/2022	RM1.02	RM1.02	0.4	0.0
BKAWAN (1899)	Interim	RM0.20	24/5/2022	8/7/2022	RM27.50	RM22.86	0.9	-16.9
KLK (2445)	Interim	RM0.20	24/5/2022	8/7/2022	RM25.90	RM22.38	0.9	-13.6
ALCOM (2674)	Final	RM0.03	21/2/2022	12/7/2022	RM1.04	RM0.80	3.1	-23.1
GOPENG (2135)	Final	RM0.02	5/4/2022	12/7/2022	RM0.49	RM0.43	3.5	-11.3
UNIMECH (7091)	Final	RM0.03	28/2/2022	13/7/2022	RM1.39	RM1.45	2.1	4.3
DKSH (5908)	Final	RM0.11	15/4/2022	13/7/2022	RM4.70	RM4.31	2.6	-8.3
HEVEA (5095)	Final	RM0.01	28/3/2022	14/7/2022	RM0.49	RM0.43	2.3	-11.3
BAUTO (5248)	4th Interim & Special Cash	RM0.05	13/6/2022	14/7/2022	RM1.78	RM1.72	2.6	-3.4
PLABS (0171)	Interim	RM0.01	20/6/2022	14/7/2022	RM0.20	RM0.20	3.0	0.0
JAYCORP (7152)	Interim	RM0.02	16/6/2022	14/7/2022	RM0.68	RM0.69	2.9	2.2
SCGBHD (0225)	Final	RM0.00	24/2/2022	14/7/2022	RM0.38	RM0.33	0.6	-12.0
PBA (5041)	Final	RM0.01	28/4/2022	14/7/2022	RM0.82	RM0.79	1.3	-3.7
LEONFB (5232)	Final	RM0.02	7/4/2022	14/7/2022	RM0.81	RM0.56	3.6	-31.5
BIPORT (5032)	Interim	RM0.05	27/5/2022	14/7/2022	RM5.25	RM5.39	0.9	2.7
CANONE (5105)	Final	RM0.04	27/4/2022	18/7/2022	RM3.15	RM3.34	1.2	6.0
CHOOBEE (5797)	Final & Special Cash	RM0.08	28/4/2022	19/7/2022	RM2.14	RM1.93	3.9	-9.8
HARISON (5008)	Final	RM0.30	11/4/2022	21/7/2022	RM4.88	RM5.70	5.3	16.8
FIMACOR (3107)	2nd Interim & Special Cash	RM0.10	24/5/2022	21/7/2022	RM2.08	RM2.05	4.9	-1.4
SAM (9822)	Regular Cash	RM0.04	24/5/2022	21/7/2022	RM4.48	RM3.63	1.0	-19.0
ASB (1481)	Regular Cash	RM0.00	11/4/2022	27/7/2022	RM0.10	RM0.10	1.5	5.3
TEGUAN (7439)	Final	RM0.03	30/5/2022	27/7/2022	RM1.57	RM1.28	2.3	-18.5
DKLS (7528)	Final	RM0.03	24/2/2022	28/7/2022	RM1.75	RM2.15	1.4	22.9
METROD (6149)	Regular Cash	RM0.06	28/2/2022	28/7/2022	RM1.30	RM1.35	4.4	3.8
EVERGRN (5101)	Final	RM0.02	15/6/2022	29/7/2022	RM0.51	RM0.48	3.1	-5.9
PTRANS (0186)	2nd Interim	RM0.01	23/5/2022	3/8/2022	RM0.74	RM0.73	1.0	-0.7
YINSON (7293)	Final	RM0.02	29/3/2022	3/8/2022	RM1.95	RM1.99	1.0	2.0
KFIMA (6491)	Interim & Special Cash	RM0.15	30/5/2022	4/8/2022	RM2.39	RM2.54	5.9	6.3
PRESTAR (9873)	Final	RM0.02	23/2/2022	5/8/2022	RM0.68	RM0.49	4.1	-27.4
GFM (0039)	Interim	RM0.00	20/6/2022	11/8/2022	RM0.18	RM0.19	0.9	5.6
KMLOONG (5027)	Final	RM0.05	29/3/2022	11/8/2022	RM1.96	RM1.60	3.1	-18.4
CRESNDO (6718)	Final	RM0.02	30/3/2022	11/8/2022	RM1.20	RM1.05	1.9	-12.5
LBS (5789)	Final	RM0.01	15/4/2022	29/8/2022	RM0.48	RM0.42	2.4	-13.5
FAVCO (7229)	Final	RM0.08	25/2/2022	5/9/2022	RM1.96	RM1.71	4.7	-12.9
EWEN (7249)	Final	RM0.01	25/2/2022	7/9/2022	RM0.27	RM0.31	1.6	14.8
PA (7225)	Interim	RM0.01	20/6/2022	8/9/2022	RM0.27	RM0.28	1.8	3.8
PANAMY (3719)	Final	RM0.68	31/5/2022	8/9/2022	RM28.02	RM26.40	2.6	-5.8
MAHSING (8583)	Regular Cash	RM0.03	28/4/2022	15/9/2022	RM0.68	RM0.59	4.5	-13.2

 Denotes >5% Dividend Yield