

## Glimpse of hope

### Market Review

**Malaysia:** The FBM KLCI (+0.3%) staged a mild rebound, driven by gains in more than half of the key index constituents yesterday. The lower liners also advanced, while the construction sector (+1.1%) took the top spot amongst mostly positive the sectorial peers.

**Global markets:** Wall Street turned upbeat as the Dow (+1.6%) rallied, driven by the better-than-expected corporate earnings from technology giants such as Meta Platforms, Amazon and Intel, while treasury yield retreated. Both the European and Asia stockmarkets finished mostly higher.

### The Day Ahead

The FBM KLCI rebounded mildly with bargain hunting activities seen within the selected banking and telco sectors, while GENM headed higher after the land sale in Miami. We believe the follow-through buying interest could be seen today following the strong surge on Wall Street after the upbeat earnings from the technology giants such despite the GDP growing at 1.1% (below expectations). Commodities wise, the Brent crude oil price rebounded mildly above USD78, but the FCPO is hovering below the RM3,500 zone. Meanwhile, the gold price hovered below USD2,000 as it was briefly traded above the psychological level.

**Sector focus:** We should anticipate a broad-based rebound on the market coupled with the return of buying interest within the technology stocks following a good set of results from Wall Street. Also, with the investors brushing off the recessionary fears at least for the near term after a mild growth was observed in the US GDP, investors may take on some exposure within the banking sector.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI rebounded after a sharp drop, while the technical readings on the key index is still slightly negative. The MACD Histogram is still negative while the RSI is hovering below 50. With that, we believe the upside move maybe capped along 1,430-1,435. Support is pegged around 1,400-1,405.

**Research Team**  
[research@msec.com.my](mailto:research@msec.com.my)  
(603) 2201 2100

### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,826.16	1.57
S&P 500	4,135.35	1.96
NASDAQ	12,422.24	2.43
FBM KLCI	1,418.05	0.27
FBM Small Cap	15,529.25	0.51
FBM ACE	5,352.40	0.03
Construction	161.96	1.10
Consumer	576.71	0.06
Energy	847.34	0.46
Financial Services	15,560.03	0.44
Healthcare	1,745.43	-1.26
Ind Products	170.86	-0.36
Plantation	6,855.67	-0.42
Property	702.69	0.49
REITs	802.45	0.40
Technology	60.87	-0.59
Telco & Media	638.70	0.18
Transport	918.78	0.47
Utilities	961.83	-0.56
Trading Vol (m)	2,499.50	(2.22)
Trading Val (RM m)	1,460.81	(2.20)
Advance/ Decline		
FKLI	1,418.00	0.21
FCPO (RM)	3,455.00	0.41
Brent oil (USD)	78.37	0.88
Gold (USD)	1,987.78	(0.04)
USD	4.4633	(0.13)
GBP	5.5543	0.07
EURO	4.9265	(0.10)
SGD	3.34	(0.02)

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
175.0	128.7	-304.6

Source: Bloomberg, Bursa Market Place

## Company Brief

**Genting Malaysia Bhd** expects to realise a gain on disposal of USD966.0m (RM4.29bn) from the sale of 4 parcels of land measuring about 15.5-ac in Miami for USD1.23bn (RM5.43bn) cash. Genting Malaysia acquired the land in 2011, which incurred a cost of investment of USD259.0m. Cash proceeds from the proposed disposal will be utilised for general corporate and investment purposes, including the funding of future investments as and when they arise. (The Star)

Singapore-listed Parkson Retail Asia Ltd (PRA), a 67.96%-owned subsidiary of **Parkson Holdings Bhd** has reported that its wholly-owned unit Parkson Vietnam Co Ltd is filing for voluntary bankruptcy on 28th April 2023, after 18 years in operation. Parkson Vietnam has historically been operating at a loss, with such losses being compounded in recent years due to the challenging business environment due to the Covid-19 pandemic. (The Edge)

**Classita Holdings Bhd**'s former directors have decided not to continue with their legal bid to challenge the legitimacy of an extraordinary general meeting (EGM) held in June 2022. The EGM had resulted in the removal of these ex-directors – Loh Ming Choon, Jessie Wong Siaw Puie, Sin Hock Min, Mohamad Hanafiah Zakaria and Koo Chen Yeng, the daughter of Classita substantial shareholder Datuk Seri Tee Yam @ Koo Tee Yam. At a case management session in the Court of Appeal on 27th April 2023, the appeal by the ex-directors was struck off at their request. (The Edge)

**Sunview Group Bhd**'s indirect wholly-owned unit, Vafe System Sdn Bhd, inked an agreement to acquire a 20.0% stake in Winstar Aluminium Manufacturing Sdn Bhd from Chua Nyok Chong for RM12.0m. Chua currently owns 50.5% of Winstar, which is engaged in the manufacturing, fabricating, processing and selling of aluminium, metal and alloy. Post-acquisition, Sunview will have access to its own aluminium alloy solar mounting system through Winstar. (The Edge)

**Unisem (M) Bhd**'s 1QFY23 net profit plunged 80.6% YoY to RM9.9m, due to decline in revenue contribution across its business markets. Revenue for the quarter fell 16.6% YoY to RM354.1m. A first interim dividend of 2.0 sen per share, payable on 26th May 2023 was declared. (The Edge)

**ViTrox Corp Bhd**'s 1QFY23 net profit declined 34.0% YoY to RM33.0m, mainly due to the absence of reversal of provision of taxation as pioneer status extension for its wholly-owned unit ViE Technologies Sdn Bhd. Revenue for the quarter fell 28.0% YoY to RM133.3m. (The Edge)

**Lotte Chemical Titan Holding Bhd**'s 1QFY23 net loss stood at -RM224.8m vs. a net profit of RM104.0m recorded in the previous corresponding quarter, impacted by lower average selling prices and sales volume. Revenue for the quarter declined 28.6% YoY to RM1.97bn. (The Edge)

**United Plantations Bhd**'s 1QFY23 net profit jumped 87.8% YoY to RM112.1m, helped by a turnaround in its refinery segment's earnings. Revenue for the quarter, however, slipped 28.5% YoY to RM459.1m. (The Edge)

**Kossan Rubber Industries Bhd**'s 1QFY23 net loss stood at -RM24.3m vs. a net profit of RM90.1m recorded in the previous corresponding quarter, due to losses from its gloves division. Revenue for the quarter declined 42.5% YoY to RM394.7m. (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	EG	5-Apr	1.300	1.400	1.460	1.600	1.160	1.150	1.270	-2.3%	On-going
2	REDTONE	26-Apr	0.520	0.550	0.580	0.625	0.500	0.495	0.515	-1.0%	On-going

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	4-Apr	0.460	0.500	0.525	0.425	0.405	0.395	0.435	-5.4%	On-going
2	EFRAME	4-Apr	0.935	1.100	1.150	0.925	0.880	0.860	0.960	2.7%	On-going
3	HEXTAR	4-Apr	1.210	1.350	1.450	1.100	1.040	1.020	1.160	-4.1%	On-going
4	INFOM	4-Apr	1.530	1.620	1.720	1.420	1.320	1.300	1.430	-6.5%	On-going
5	KPJ	4-Apr	1.120	1.210	1.260	1.070	1.030	1.000	1.100	-1.8%	On-going
6	LAYHONG	4-Apr	0.310	0.335	0.365	0.280	0.265	0.250	0.280	-9.7%	On-going
7	PANTECH	4-Apr	0.810	0.865	0.900	0.750	0.720	0.695	0.765	-5.6%	On-going
8	PENTA	4-Apr	4.930	5.250	5.500	4.580	4.380	4.300	4.920	-0.2%	On-going
9	RANHILL	4-Apr	0.490	0.550	0.580	0.450	0.425	0.405	0.635	29.6%	On-going
10	T7GLOBAL	4-Apr	0.415	0.460	0.475	0.385	0.365	0.345	0.415	0.0%	On-going
11	TIMECOM	4-Apr	5.510	5.800	6.000	5.250	5.060	5.000	5.550	0.7%	On-going
12	UNISEM	4-Apr	3.200	3.180	3.300	2.970	2.760	2.700	2.920	-8.8%	On-going
Average Return										-0.8%	

Technical Focus Tracker Summary	
Total recommendations	321
Total winners	195
Total losers	126
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)	0.1%
Accuracy (2023)	51.6%
FBM KLCI (Since 30/12/2022)	-5.2%
FBM Small Cap (Since 30/12/2022)	4.0%
Malaysia GDP Growth (2022)	8.7%