

## Back above 1,500

### Market Review

**Malaysia:** The FBM KLCI (+0.7%) remained upbeat to close higher for the fourth straight session, driven by gains in more than half of the key index components. The lower liners also marched higher, while the telecommunications & media sector (-0.1%) was the sole underperformer amongst the sectorial peers.

**Global markets:** Wall Street staged a mild pullback as the Dow (-0.1%) fell after the ISM Manufacturing PMI edged lower to 52.8 in July of 2022; the weakest reading since June 2020. The European stock markets also retreated after erasing all their intraday gains, but the Asia stock markets ended mostly positive.

### The Day Ahead

The FBM KLCI stayed on an upbeat note along with most of the regional peers as the key index crossed above the psychological 1,500 level. Whilst profit taking activities may occur, digesting the recent gains, we continue to expect a relatively positive market undertone moving forward as investors could be shrugging off the concerns over aggressive interest rate hikes in the US. Commodities wise, the crude oil tumbled, trading around the USD100 per barrel mark amid renewed demand concerns, while the CPO price declined but still hovering above RM4,000.

**Sector focus:** As the focus is shifting towards the earnings season, companies with solid performance might be under the limelight. Investors may look out for sectors such as technology stocks on the back of stronger USD and guidance from the US tech giants, while the banking and consumer sectors could be setting for a decent earnings recovery amid the pent-up demand during 2Q. Besides, the plantation sector could benefit from recent price hike.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI breached above the key 1,500 level, marking its fourth consecutive session of gains. Technical indicators remained positive as the MACD Histogram extended a positive bar, while the RSI is trending positively above 50. Next resistance is pegged at 1,530, while the support is set along 1,410-1,460.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	32,798.40	-0.14
S&P 500	4,118.63	-0.28
NASDAQ	12,368.98	-0.18
FBM KLCI	1502.07	0.66
FBM Small Cap	14,490.39	1.28
FBM ACE	4,908.74	1.25
Construction	159.03	0.24
Consumer	577.76	0.61
Energy	676.01	0.71
Financial Services	16,663.81	0.11
Healthcare	1720.86	0.94
Ind Products	186.03	0.90
Plantation	7,119.18	1.73
Property	639.23	0.10
REITs	811.17	0.02
Technology	66.70	0.42
Telco & Media	579.15	-0.11
Transport	809.70	0.86
Utilities	851.04	0.26
Trading Vol (m)	2,384.87	-14.58
Trading Val (RM m)	1498.34	-24.33
Advance/Decline	57%	
FKLI	1498.00	-0.03
FCPO (RM)	4,025.00	-0.86
Brent oil (USD)	100.03	-3.79
Gold (USD)	1,772.17	0.35
USD	4.453	-0.05
GBP	5.4461	-0.20
EURO	4.5704	0.05
SGD	3.2336	0.01

Trading participation 5-day trend and value (m):  
29th July 2022

Institution	Retail	Foreign
-70.6	-82.5	153.0

Source: Bloomberg, Bursa Market Place

## Company Brief

**Seremban Engineering Bhd** (SEB) has secured 2 projects worth a total of RM14.0m from Technip Energies (M) Sdn Bhd. The projects require it to supply and deliver melamine silo and pressure vessels at a melamine plant located at Gurun, Kedah. Works under the first project had commenced on 3rd June 2022, and would complete on 24th March 2023, while work on the second project commenced yesterday and should complete on 29th August 2023. (The Star)

**Willowglen MSC Bhd**'s wholly-owned subsidiary, Willowglen (M) Sdn Bhd has secured a contract worth RM19.3m TRX City Sdn Bhd. The contract is for the design, supply, delivery, installation, configuration, testing and commissioning of TRX Integrated Management System. The commencement date of the contract is on 16th August 2022 and will be completed by 15th November 2023. (The Star)

**YTL Hospitality REIT**'s 4QFY22 net property income (NPI) rose 3.7% YoY to RM56.8m, due to improved performance from its hotel segment. Revenue for the quarter gained 19.0% YoY to RM89.4m. A distribution of 2.07 sen per unit, payable on 30th August 2022 was declared. (The Edge)

The Federal Land Development Authority (FELDA) bought a further 3.2m shares in **FGV Holdings Bhd** from the open market between 26th July 2022 to 28th July 2022. The latest acquisition raised the statutory body's direct shareholding to 68.6%. FELDA has an indirect stake of 12.4% in FGV, bringing its combined shareholdings to 81.0% as at 29th July 2022. (The Edge)

**Ingenieur Gudang Bhd** (formerly known as Dynaciate Group Bhd) has proposed to acquire leasehold industrial land measuring 9.3-ac in Puncak Alam, Kuala Selangor from Yuwang Development Sdn Bhd and Global Bloom Sdn Bhd for RM30.5m. The group intends to build storage space suitable for courier and logistics businesses. (The Edge)

**Ivory Properties Group Bhd**, whose external auditors have expressed a disclaimer of opinion on the company's audited financial statements for FY22, is now an affected listed issuer under Practice Note 17 (PN17). The group is taking the necessary steps to formulate a regularisation plan to regularise its financial condition and it endeavours to submit to the relevant authorities by the end of July 2023. (The Edge)

**CIMB Group Holdings Bhd** subsidiaries CIMB Bank Bhd and CIMB Islamic Bank Bhd, have partnered with the Northern Corridor Implementation Authority (NCIA), are offering the NCIA-CIMB Entrepreneur Scheme (NCES) that provides up to RM5.0m in rebates on interest and profit from CIMB's SME loans and financing to eligible micro, small and medium entrepreneurs (MSMEs) in the northern states, intended to further stimulate the growth of local businesses. (The Edge)

Former **Bursa Malaysia Bhd** chairman Datuk Shireen Ann Zaharah Muhiudeen, 59, who helmed the local bourse from March 2019 to April 2020, has been appointed as an independent director of **Media Prima Bhd**. (The Edge)

**AirAsia X Bhd** has appointed Tunku Datuk Mahmood Fawzy Tunku Muhiyiddin, 63, as its new chairman, a month after Tan Sri Rafidah Aziz stepped down from the position which she held since its 2013 listing. Mahmood Fawzy, 63, is redesignated from his independent and non-executive director position. (The Edge)

**AwanBiru Technology Bhd** (Awantec) has established a board oversight committee to oversee and provide guidance to the group's management team pending the appointment of a new chief executive officer (CEO). (The Edge)

**Agmo Holdings Bhd**, which is slated to list on the ACE Market of Bursa Malaysia on 18th August 2022, aims to raise RM22.1m from its initial public offering (IPO). The majority of the proceeds will go towards research and development, sales, marketing and business development. The company also earmarked a sum for regional expansion in Singapore. (The Edge)

Integrated circuit (IC) design services and turnkey solutions provider **Oppstar Bhd** is seeking a listing on the ACE Market of Bursa Malaysia. Oppstar plans to use the capital raised from the IPO for its business expansion, the establishment of new offices, research and development expenditure and working capital. The board intends to recommend and distribute a dividend of at least 25.0% of its audited profit after tax. (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	CHINHIN	20-Jul	3.380	3.600	3.830	4.000	3.110	3.100	5.110	51.2%	On-going
2	HARBOUR	25-Jul	1.070	1.150	1.240	1.430	1.010	1.000	1.110	3.7%	On-going
3	YBS	1-Aug	0.565	0.595	0.630	0.670	0.485	0.480	0.580	2.7%	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	3.880	19.0%	On-going
2	DUFU	1-Jul	2.840	3.100	3.280	-	2.750	2.600	3.150	10.9%	On-going
3	DAYANG	1-Jul	0.965	1.100	1.140	-	0.940	0.880	0.975	1.0%	On-going
4	GASMSIA	1-Jul	3.010	3.220	3.300	-	2.970	2.850	3.320	10.3%	On-going
5	PTRANS	1-Jul	0.770	0.860	0.905	-	0.725	0.680	0.845	9.7%	On-going
6	SYSCORP	1-Jul	0.410	0.445	0.470	-	0.375	0.340	0.420	2.4%	On-going
7	PWROOT	1-Jul	1.700	1.830	1.920	-	1.630	1.550	1.790	5.3%	On-going
8	GCB	1-Jul	2.510	2.710	2.800	-	2.460	2.380	2.450	-2.4%	On-going
9	QL	1-Jul	5.210	5.710	5.920	-	5.230	5.050	5.200	-0.2%	On-going
10	AMBANK	1-Jul	3.720	3.980	4.110	-	3.620	3.450	3.830	3.0%	On-going
Average Return										5.9%	

Technical Focus Tracker Summary	
Total recommendations	244
Total winners	149
Total losers	97
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	314.6%
Accuracy (2021)	66.4%
Portfolio performance (2022)	69.1%
Accuracy (2022)	61.0%
FBM KLCI (Since 31/12/2021)	-4.2%
FBM Small Cap (Since 31/12/2021)	-8.1%
Malaysia GDP Growth (1Q22)	5.0%