

## Consolidation beckons

### Market Review

**Malaysia:** The FBM KLCI (-0.1%) snapped a 6-day winning streak as profit taking activities emerged within selected plantation heavyweights. The lower liners also ticked lower, while the healthcare sector (+1.0%) outperformed the mostly negative sectorial peers.

**Global markets:** Wall Street rebounded as the Dow (+0.5%) was powered by gains in technology mega caps on the back of optimistic forecasts from Meta Platforms and strong results from Alphabet. Elsewhere, both the European and Asia stockmarkets ended mixed.

### The Day Ahead

The FBM KLCI took a step back following a string of positive performance as of late. We reckon that the profit taking activities would be healthy for recent gains to be digested, whilst allowing the key index to come off from the overbought territory. Still, we reckon that any potential downside will be well cushioned by the improved market sentiment. The lower liners are already undergoing a consolidation spell ahead of the quarterly reporting month. Looking ahead, investors will be keeping a close watch on China's manufacturing data as well as initial estimates of Eurozone's 2Q23 GDP data. Commodities wise, the Brent crude oil is approaching USD85/bbl, while the CPO hovered above RM4,000/MT.

**Sector focus:** We expect the energy sector to remain buoyant on the back of the higher crude oil prices amid the prospects of tightening supplies. The technology sector may mirror the strong performance on Nasdaq last Friday. We also see the return of foreign funds may continue to lend support to banking heavyweights.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI staged a mild pullback to retain its position above daily SMA200. Technical indicators, however, remained positive as the MACD Histogram extended upward, while the RSI hovered slightly in the overbought territory. Next resistances are located along 1,460-1,480, while the support is pegged around 1,420-1,440.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	35,459.29	0.50
S&P 500	4,582.23	0.99
NASDAQ	14,316.66	1.90
FBM KLCI	1,450.35	-0.06
FBM Small Cap	1,585.17	-0.12
FBM ACE	5,321.33	-0.19
Construction	171.74	-0.55
Consumer	559.11	-0.07
Energy	832.70	-0.48
Financial Services	1,179.81	0.09
Healthcare	1,731.09	1.09
Ind Products	167.51	0.25
Plantation	7,150.11	-0.77
Property	767.97	-0.09
REITs	777.36	0.35
Technology	63.92	-0.62
Telco & Media	587.97	-0.15
Transport	915.10	-0.18
Utilities	1,021.85	-0.06
Trading Vol (m)	3,033.24	(18.71)
Trading Val (RM m)	1928.33	(2109)
Advance/Decline	15%	
FKLI	1,454.00	(0.24)
FCPO (RM)	4,006.00	(0.50)
Brent oil (USD)	84.99	0.89
Gold (USD)	1,959.49	0.69
USD	4.5550	(0.69)
GBP	5.8389	0.55
EURO	4.9985	0.81
SGD	3.4195	(0.04)

Trading participation 5-day trend and value (m)

Institution	Foreign
- 404.1	637.8

Source: Bloomberg, Bursa Market Place

## Company Brief

**Capital A Bhd's** consolidated airlines comprising the Malaysia, Thailand, Indonesian and Philippines divisions of AirAsia registered a load factor of 88.0% in 2Q23. The number of passengers nearly doubled to 14.2m over 2Q22. The consolidated airlines have recovered 73.0% and 74.0% of the capacity and passengers carried in the first half of 2019, respectively. (The Star)

**Bina Puri Holdings Bhd's** joint venture company has secured a sub-contract worth RM72.9m under a Public Works Department project in Mukah. The group unit Bina Puri Builder Sdn Bhd had jointly registered a venture named Chun Yang Bina Puri (JV) Sdn Bhd with Chun Yang Construction Sdn Bhd. The sub-contract period is 24 months starting from 17th July 2023. (The Edge)

**S P Setia Bhd** announced that Setia Bayuemas which is its township development in Klang launched Laelia double-storey terraced homes, a residential project which carries a gross development value (GDV) of RM71.8m on 30th July 2023. (The Edge)

**ManagePay Systems Bhd** (MPay) is looking to raise up to RM13.8m through a private placement of shares to invest in complementary businesses and/or assets, expand its white label e-money and e-payment ecosystem and for working capital. The proposed placement entails the issuance of up to 98.2m new shares at an issue price to be fixed at a later date. (The Edge)

**Ivory Properties Group Bhd's** external auditor Messrs UHY has flagged a material uncertainty that may cast significant doubt on the Penang-based property developer's ability to continue as a going concern. UHY had expressed a disclaimer of opinion on the group's audited financial statements for the financial year ended 31st March 2023. UHY noted that the group incurred a net loss of RM125.7m for FY23 and its current liabilities exceeded its current assets by RM135.6m as at end-March 2023. It also noted that the group had cash and bank balances of RM1.9m. (The Edge)

**DXN Holdings Bhd's** 1QFY24 net profit improved marginally by 0.6% YoY to RM77.6m, on the back of higher revenue. Revenue for the quarter rose 17.7% YoY to RM424.0m. A first interim dividend of 0.8 sen per share, payable on 30th August 2023 was declared. (The Edge)

**Chin Teck Plantations Bhd's** 3QFY23 net profit fell 62.2% YoY to RM11.4m, on lower prices and lower foreign exchange gains. Revenue for the quarter declined 43.5% YoY to RM47.0m. (The Edge)

**Gadang Holdings Bhd's** 4QFY23 net loss widen to -RM27.7m, from a net loss of -RM4.0m recorded in the previous corresponding quarter, due to one-off impairment loss on goodwill in the Singapore and Indonesia subsidiaries, lower contribution from construction activities impacted by the lingering challenges caused by the Covid-19 pandemic, as well as accounting provisions on potential liabilities arising from liquidated ascertained damages and impairments. Revenue for the quarter fell 17.5% YoY to RM114.0m. (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	PWF	20-Jul	0.760	0.765	0.800	0.850	0.700	0.695	0.740	-2.6%	On-going
2	SDS	26-Jul	0.665	0.705	0.735	0.795	0.620	0.615	0.640	-3.8%	On-going

3Q23 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	ADVCON	4-Jul	0.355	0.395	0.425	0.320	0.295	0.280	0.345	-2.8%	On-going
2	CARIMIN	4-Jul	0.735	0.775	0.835	0.705	0.660	0.640	0.860	17.0%	On-going
3	ECOWLD	4-Jul	0.815	0.900	0.950	0.790	0.750	0.735	0.930	14.1%	On-going
4	MCEMENT	4-Jul	3.080	3.320	3.500	2.880	2.700	2.640	3.230	4.9%	On-going
5	OSK	4-Jul	1.050	1.150	1.200	1.040	0.995	0.970	1.110	5.7%	On-going
6	RCECAP	4-Jul	2.350	2.500	2.600	2.220	2.120	2.070	2.270	-3.4%	On-going
7	SCICOM	4-Jul	1.170	1.360	1.450	1.110	1.070	1.040	1.170	0.0%	On-going
8	SFPTECH	4-Jul	0.960	1.150	1.260	0.940	0.895	0.870	1.150	19.8%	On-going
9	TEOSENG	4-Jul	0.920	1.000	1.050	0.880	0.820	0.800	1.050	14.1%	On-going
10	UCHITEC	4-Jul	3.530	3.700	3.850	3.420	3.320	3.240	3.470	-1.7%	On-going
11	WASCO	4-Jul	0.890	0.985	1.100	0.860	0.810	0.785	0.990	11.2%	On-going
12	WCEHB	4-Jul	0.635	0.730	0.820	0.610	0.545	0.535	0.700	10.2%	On-going
13	YTLPOWR	4-Jul	1.310	1.450	1.600	1.250	1.150	1.120	1.360	3.8%	On-going
Average Return										7.2%	

Technical Focus Tracker Summary	
Total recommendations	344
Total winners	212
Total losers	132
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)	5.5%
Accuracy (2023)	61.1%
FBM KLCI (Since 30/12/2022)	-3.0%
FBM Small Cap (Since 30/12/2022)	4.4%
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 (%)
KRONO (0176)	Bonus	1:5	17/7/2023	31/7/2023	RM0.59	RM0.57	-	-4.2
KRONO (0176)	Bonus-Options	1:5	17/7/2023	31/7/2023	RM0.59	RM0.57	-	-4.2
MARCO (3514)	Interim	RM0.02	12/7/2023	31/7/2023	RM0.19	RM0.23	8.9	21.6
PGF (8117)	Final	RM0.01	28/4/2023	31/7/2023	RM1.47	RM1.35	0.7	-8.2
KHJB (0210)	Final	RM0.01	13/4/2023	1/8/2023	RM0.22	RM0.22	2.8	-2.3
PTRANS (0186)	Interim	RM0.01	22/5/2023	2/8/2023	RM1.08	RM1.08	0.7	0.0
YINSON (7293)	Final	RM0.01	23/3/2023	2/8/2023	RM2.42	RM2.57	0.4	6.2
SEG (9792)	Interim	RM0.01	20/7/2023	2/8/2023	RM0.66	RM0.69	1.9	4.5
BETA (0263)	Interim	RM0.01	20/7/2023	2/8/2023	RM0.48	RM0.50	2.0	4.2
GAMUDA (5398)	Interim	RM0.06	22/6/2023	3/8/2023	RM4.25	RM4.50	1.3	5.9
KFIMA (6491)	Interim & Special Cash	RM0.12	19/5/2023	3/8/2023	RM2.11	RM2.11	5.7	0.0
RVIEW (2542)	Interim & Special Cash	RM0.20	21/7/2023	3/8/2023	RM3.46	RM3.61	5.5	4.3
ACO (0218)	Interim	RM0.00	21/7/2023	4/8/2023	RM0.23	RM0.22	0.9	-2.2
KIPREIT (5280)	Distribution	RM0.02	24/7/2023	7/8/2023	RM0.90	RM0.90	1.9	0.0
UOAREIT (5110)	Distribution	RM0.04	24/7/2023	7/8/2023	RM1.13	RM1.12	3.5	-0.9
AXREIT (5106)	Distribution	RM0.02	26/7/2023	8/8/2023	RM1.83	RM1.82	1.1	-0.5
IGBREIT (5227)	Regular Cash	RM0.02	26/7/2023	8/8/2023	RM1.65	RM1.67	1.4	1.2
IGBCR (5299)	Distribution	RM0.02	26/7/2023	8/8/2023	RM0.51	RM0.51	3.4	0.0
ZHULIAN (5131)	Interim	RM0.03	12/7/2023	8/8/2023	RM1.85	RM1.88	1.6	1.6
CVIEW (5049)	Interim	RM0.03	25/7/2023	8/8/2023	RM1.05	RM1.07	2.8	1.9
LITRAK (6645)	Return of Capital	RM0.51	26/7/2023	9/8/2023	RM0.51	RM0.51	99.3	1.0
LUXCHEM (5143)	Interim	RM0.01	27/7/2023	9/8/2023	RM0.49	RM0.49	1.2	0.0
BAT (4162)	Interim	RM0.16	24/7/2023	9/8/2023	RM10.30	RM10.10	1.6	-1.9
UOADEV (5200)	Interim	RM0.20	18/7/2023	9/8/2023	RM1.61	RM1.87	10.7	16.1
SNS (0259)	Interim	RM0.00	27/6/2023	10/8/2023	RM0.25	RM0.24	1.1	-4.1
ANCOMMY (4758)	Interim	RM0.01	14/7/2023	10/8/2023	RM1.00	RM1.03	1.0	3.0
KMLOONG (5027)	Final	RM0.05	29/3/2023	10/8/2023	RM1.76	RM1.84	2.7	4.5
CRESNDO (6718)	Final	RM0.02	30/3/2023	10/8/2023	RM1.18	RM1.39	1.4	17.8
WPRTS (5246)	Interim	RM0.08	27/7/2023	10/8/2023	RM3.49	RM3.51	2.3	0.6
PAVREIT (5212)	Distribution	RM0.01	27/7/2023	10/8/2023	RM1.22	RM1.23	0.6	0.8
UNISEM (5005)	Interim	RM0.02	27/7/2023	11/8/2023	RM3.22	RM3.17	0.6	-1.6
CHINTEK (1929)	Interim & Special Cash	RM0.10	28/7/2023	14/8/2023	RM7.90	RM7.90	1.3	0.0
FAVCO (7229)	Final	RM0.04	21/2/2023	15/8/2023	RM1.77	RM1.83	2.2	3.4
SUPERLN (7235)	Interim	RM0.01	30/6/2023	18/8/2023	RM0.65	RM0.64	1.2	-1.5
TAMBUN (5191)	Final	RM0.06	13/4/2023	21/8/2023	RM0.85	RM0.94	6.0	10.0
CTOS (5301)	Interim	RM0.01	27/7/2023	23/8/2023	RM1.38	RM1.37	0.4	-0.7
EUPE (6815)	Interim	RM0.02	27/7/2023	28/8/2023	RM0.85	RM0.83	1.8	-2.4
PANTECH (5125)	Final	RM0.02	27/4/2023	29/8/2023	RM0.77	RM0.78	1.9	2.0
AJI (2658)	Regular Cash	RM0.09	27/6/2023	29/8/2023	RM14.90	RM16.78	0.5	12.6
LBS (5789)	Final	RM0.01	18/4/2023	29/8/2023	RM0.42	RM0.48	2.6	14.8
BOILERM (0168)	Final	RM0.02	25/5/2023	29/8/2023	RM0.67	RM0.78	2.2	16.4
PANSAR (8419)	Interim	RM0.00	14/7/2023	29/8/2023	RM0.57	RM0.58	0.6	2.7
NESTLE (4707)	Interim	RM0.70	27/7/2023	5/9/2023	RM132.00	RM132.00	0.5	0.0
DOMINAN (7169)	Final	RM0.01	31/5/2023	7/9/2023	RM0.77	RM0.76	1.3	-1.3
PANAMY (3719)	Final	RM1.07	30/5/2023	7/9/2023	RM21.90	RM20.02	5.3	-8.6
MAHSING (8583)	Final	RM0.03	27/4/2023	8/9/2023	RM0.61	RM0.68	4.4	10.7
QL (7084)	Final	RM0.04	26/7/2023	8/9/2023	RM5.35	RM5.42	0.6	1.3
AYS (5021)	Final	RM0.01	20/6/2023	20/9/2023	RM0.37	RM0.41	2.5	9.5
UNITRAD (0247)	Final	RM0.00	26/7/2023	20/9/2023	RM0.29	RM0.29	1.1	-1.7
FFB (5306)	Final	RM0.01	28/7/2023	27/9/2023	RM1.15	RM1.15	0.9	0.0
PANTECH (5125)	Interim	RM0.02	26/7/2023	27/9/2023	RM0.79	RM0.78	1.9	-0.6
SKPRES (7155)	Final	RM0.05	27/7/2023	29/9/2023	RM0.97	RM0.97	4.6	0.5
BLDPLNT (5069)	Final	RM0.03	26/7/2023	2/10/2023	RM10.54	RM10.54	0.3	0.0
SAB (5134)	Final	RM0.05	26/5/2023	3/10/2023	RM3.52	RM3.45	1.4	-2.0
ASIAFL (7129)	Final	RM0.04	29/5/2023	3/10/2023	RM1.71	RM1.86	1.9	8.8
L&G (3174)	Final	RM0.01	31/5/2023	4/10/2023	RM0.11	RM0.12	5.2	9.5
SHL (6017)	Final	RM0.12	6/7/2023	10/10/2023	RM2.00	RM2.09	5.7	4.5
LAYHONG (9385)	Final	RM0.00	26/6/2023	18/10/2023	RM0.29	RM0.29	1.0	1.8

Denotes >5% Dividend Yield

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