

## All eyes onto Bank Negara OPR decision

### Market Review

**Malaysia:** The FBM KLCI (+0.7%) started off the week on a lively note, driven by gains in more than two-thirds of the key index components yesterday. The lower liner, however, languished in red amid the subdued trading activities, while the healthcare sector (+1.4%) outperformed the mixed broader market.

**Global markets:** Wall Street turned lower as the Dow (-1.1%) slipped following the selloffs in the banking sector took a tumble on growing concern over decreasing deposits and fears over rising risk of recession. The European stockmarkets were also downbeat, but Asia stockmarkets closed mostly upbeat.

### The Day Ahead

The FBM KLCI staged a rebound after recovering from the morning session's losses as buying momentum kicked in after investors digested the sales of First Republic Bank. Nevertheless, sentiment is likely to remain cautious amid the persisted worries over the ongoing turmoil in the US banking sector and ahead of the US Fed's interest rate decision. Commodities wise, the Brent crude oil plunged towards USD75 per barrel as fears over economic slowdown which has weighed on prices. The CPO price hovered above RM3,400, while the gold price climbed above USD2,000.

**Sector focus:** With the gold prices crossed above USD2,000, investors may look out for short term trading within gold counters. On the other hand, fears over global uncertainties may add to selling momentum within the energy and technology sectors. Defensive sectors such as telco and utilities, as well as travelling related sectors might be in favour.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI advanced to close above its daily EMA20 but remained below its daily EMA60. Technical indicators remained negative as the MACD Histogram extended a negative bar, while the RSI hovered below 50. Resistance is set along 1,440-1,450, while the support is located around 1,400-1,410.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,684.53	-1.08
S&P 500	4,119.58	-1.16
NASDAQ	12,080.51	-1.08
FBM KLCI	1,426.11	0.72
FBM Small Cap	15,484.51	-0.07
FBM ACE	5,316.62	-0.96
Construction	162.35	0.33
Consumer	579.88	0.46
Energy	845.82	-0.18
Financial Services	16,602.72	0.54
Healthcare	1,763.84	1.41
Ind Products	172.44	0.58
Plantation	6,792.94	-0.36
Property	701.14	0.29
REITs	802.70	-0.28
Technology	615.1	0.15
Telco & Media	633.81	-0.09
Transport	914.03	-0.22
Utilities	952.96	-0.01
Trading Vol (m)	2,905.24	9.89
Trading Val (RM m)	1527.59	2.86
Advance/Decline	1	
FKLI	1,421.50	(0.28)
FCPO (RM)	3,401.00	(0.58)
Brent oil (USD)	75.32	(5.03)
Gold (USD)	2,016.68	(0.02)
USD	4.4640	(0.04)
GBP	5.5634	(0.10)
EURO	4.8904	0.26
SGD	3.3412	(0.13)

Trading participation 5-day trend and value ('m)		
Institution	Retail	Foreign
211.9	-23.8	-189.0

Source: Bloomberg, Bursa Market Place

## Company Brief

**Axiata Group Bhd**, Dialog Axiata Plc and Bharti Airtel Limited (Airtel) have signed a binding term sheet to combine their operations in Sri Lanka. The pact would combine the operations of Bharti Airtel Lanka (Private) Limited, Airtel's wholly-owned subsidiary, with Dialog, a subsidiary of Axiata Group. The statement said the proposed transaction would be subject to the signing of definitive agreements and necessary closing conditions, including applicable regulatory and shareholder approvals. (The Star)

**Mulpha International Bhd** indirect unit, Mulpha Norwest Quarter Development Pty Ltd has secured a AUD160.0m (RM478.0m) green syndicated construction facility in Australia. The purpose of the facility is to finance the construction of Stage 1 of Norwest Quarter, a mixed residential apartment development in Norwest, Australia. (The Edge)

**Globetronics Technology Bhd**'s 1QFY23 net profit fell 65.1% YoY to RM3.3m, due to lower volume loadings or production units from the group's customers, followed by higher tax expense of RM1.9m and forex losses Revenue for the quarter decreased 22.7% YoY to RM33.1m. (The Edge)

**Nestlé (Malaysia) Bhd** has appointed Kedah princess Tan Sri Tunku Puteri Intan Safinaz Almarhum Sultan Abdul Halim Mu'adzam Shah as its new independent non-executive director, with immediate effect. The appointment came after the retirement of former independent non-executive director Datin Seri Azlin Arshad late last month, as the 49-year-old did not wish to offer herself for re-election in the annual general meeting. (The Edge)

**Pasdec Holdings Bhd** has appointed Liew Chai Sen as its new chief executive officer, who first joined the group in March 2019 as a special officer to the group managing director. Pasdec also announced the redesignation of its former group managing director Tew Kim Kiat to executive director, and the appointment of Shakerah Enayetali as chief operating officer. (The Edge)

**CIMB Group Holdings Bhd** has appointed Datin Azlina Mahmud as its independent and non-executive director. Azlina, 56, was an executive director of global corporate bank JP Morgan Chase Bank Bhd from 2010 to 2021. Prior to that, she was chief officer and executive director and vice-president of global credit risk management at JPMorgan Chase. (The Edge)

**Zelan Bhd** has been categorised as a Practice Note 17 (PN17) company after its external auditors Nexia SSY PLT expressed a disclaimer of opinion on its audited financial statements for FY22. The construction engineering company has 12 months to regularise its financial condition, failing which trading in its securities could be suspended and it could be delisted from Bursa Malaysia. The company is taking the necessary steps to address its PN17 status and is in the midst of formulating a plan to regularise its financial condition. (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	REDTONE	26-Apr	0.520	0.550	0.580	0.625	0.500	0.495	0.515	-1.0%	On-going
2	CAPITALA	2-May	0.770	0.805	0.830	0.880	0.720	0.715	0.770	0.0%	On-going
3	SCICOM	3-May	1.120	1.170	1.200	1.220	1.050	1.040	1.120	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	4-Apr	0.460	0.500	0.525	0.425	0.405	0.395	0.430	-6.5%	On-going
2	EFRAME	4-Apr	0.935	1.100	1.150	0.925	0.880	0.860	0.945	1.1%	On-going
3	HEXTAR	4-Apr	1.210	1.350	1.450	1.100	1.040	1.020	1.180	-2.5%	On-going
4	INFOM	4-Apr	1.530	1.620	1.720	1.420	1.320	1.300	1.470	-3.9%	On-going
5	KPJ	4-Apr	1.120	1.210	1.260	1.070	1.030	1.000	1.110	-0.9%	On-going
6	LAYHONG	4-Apr	0.310	0.335	0.365	0.280	0.265	0.250	0.290	-6.5%	On-going
7	PANTECH	4-Apr	0.810	0.865	0.900	0.750	0.720	0.695	0.800	-1.2%	On-going
8	PENTA	4-Apr	4.930	5.250	5.500	4.580	4.380	4.300	4.800	-2.6%	On-going
9	RANHILL	4-Apr	0.490	0.550	0.580	0.450	0.425	0.405	0.575	17.3%	On-going
10	T7GLOBAL	4-Apr	0.415	0.460	0.475	0.385	0.365	0.345	0.420	1.2%	On-going
11	TIMECOM	4-Apr	5.510	5.800	6.000	5.250	5.060	5.000	5.690	3.3%	On-going
12	UNISEM	4-Apr	3.200	3.180	3.300	2.970	2.760	2.700	2.930	-8.4%	On-going
Average Return										-0.8%	

Technical Focus Tracker Summary	
Total recommendations	323
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)	0.0%
Accuracy (2023)	48.5%
FBM KLCI (Since 30/12/2022)	-4.6%
FBM Small Cap (Since 30/12/2022)	3.8%
Malaysia GDP Growth (2022)	8.7%

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