

Ending 1Q22 on a positive note

Market Review

Malaysia: The FBM KLCI (+1.0%) extended its gains, recapturing the 1,600 psychological level as the key index recorded +2.2% QoQ improvement in 1Q22. The lower liners were also upbeat, while the broader market closed mostly higher, led by the healthcare sector (+3.2%) as glove manufacturers rallied.

Global markets: Wall Street staged a mild recovery as the Dow (+0.4%) rose on the strong jobs data as unemployment rate in March 2022 fell to 3.6%; the lowest since February 2020. The European stock markets also advanced, but Asia stock markets closed mixed.

The Day Ahead

The FBM KLCI surpassed the 1,600 mark on Friday as investors cheered the progress towards endemic on the first day of border reopening. We opine that the reopening of international border, coupled with the declining daily Covid-19 confirmed cases will continue to bode well for the recovery of business activities. On the commodities market, crude oil price settled lower below the USD110 per barrel mark after a truce in Middle East conflict eased potential supply concern and members of the International Energy Agency (IEA) agreed to join the US oil reserves release. Meanwhile, CPO price hovered around RM5,500 zone.

Sector focus: We expect a pullback in the energy and plantation sectors amid the weaker oil and CPO prices. Meanwhile, the recovery-themed sector such as consumer and banking should continue the uptrend move. Also, we noticed buying support within the glove manufacturers and investors may look into them for longer term investing mode.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI extended gains and soared above the daily EMA9 and the 1,600 psychological level. Technical indicators remained mixed as the Histogram has extended a negative bar, while the RSI hovered above the 50 level. Next resistance is now pegged at 1,620, while the support is located at 1,580.

Research Team

research@msec.com.my
(603) 2201 2100

Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	34,818.27	0.40
S&P 500	4,545.86	0.34
NASDAQ	14,261.50	0.29
FBM KLCI	1602.41	0.95
FBM Small Cap	16,380.98	0.54
FBM ACE	5,685.88	1.19
Construction	162.34	0.70
Consumer	584.18	0.53
Energy	720.74	0.46
Financial Services	16,908.86	0.78
Healthcare	2,187.29	3.20
Ind Products	206.35	0.44
Plantation	7,948.76	-0.05
Property	717.44	0.17
REITs	787.36	-0.11
Technology	77.42	0.04
Telco & Media	643.65	-0.65
Transport	852.53	-0.13
Utilities	858.36	0.79
Trading Vol (m)	3,127.91	9.36
Trading Val (RM m)	2,158.79	-8.63
Advance/ Decline	14%	
FKLI	1599.50	1.07
FCPO (RM)	5,566.00	-2.44
Brent oil (USD)	104.39	-0.76
Gold (USD)	1925.68	-0.61
USD	4.2122	-0.19
GBP	5.5287	-0.18
EURO	4.6567	0.30
SGD	3.1047	0.06

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
-463.6	-72.8	536.4

Source: Bloomberg, Bursa Market Place

Company Brief

Sapura Energy Bhd has secured a temporary deferment from lenders for outstanding interest and coupon payments for its RM10.30bn multi-currency financing (MCF) facilities. The deferment is provided throughout the three-month restraining order given to Sapura Energy by the court, which the group has secured on March 10, to sort out its restructuring plan. (The Edge)

AirAsia X Bhd group chief executive officer (CEO) Nadda Buranasiri has resigned from the position on 1st April 2022 due to his resignation as CEO of Thai AirAsia X Co Ltd. The 59-year-old Thai citizen was appointed Thai AirAsia X CEO in 2014. Subsequently, he was appointed as group CEO of AirAsia X on 1st November 2018. (The Edge)

Trading of securities in **Axiata Group Bhd** and **Digi.Com Bhd** has been suspended with immediate effect from 9.00am on 1st April 2022, pending the release of an expected material announcement. This comes after the High Court (commercial division) on Tuesday granted an injunction that could prevent Axiata's Malaysian operations, Celcom Mobile Sdn Bhd's 5.3m shares in Tune Talk Sdn Bhd from being included in the proposed sale of Axiata's entire shareholding in Celcom Axiata Bhd to Digi.Com as part of the proposed merger between the telcos. (The Edge)

TWL Holdings Bhd has inked a Memorandum of Agreement (MoA) to form a joint venture (JV) company for the development and distribution of medical, pharmaceutical and other healthcare-related products in Malaysia and Southeast Asia. It entered the MoA on 30th March 2022 with Tatra Investment LLC, a United Arab Emirates-based company which is principally involved in the investment and business of manufacturing, marketing as well as sale of products. While TWL is principally involved in construction and property development, it had recently established a medical products arm to capitalise on opportunities arising from the Covid-19 pandemic. (The Edge)

Two former directors of **Cepatwawasan Group Bhd** were given three months from 1st April 2022 to repay the company RM13.0m used to illegally pay Opti Temasek Sdn Bhd, an action in breach of the financial assistance provisions of Bursa Malaysia's listing requirements. Failure to do so would see Tengku Datuk Kamal Sir Sultan Abu Bakar and Lt Col Tengku Datuk Kamarul Zaman Sir Sultan Abu Bakar face a 5 year jail term. (The Edge)

Affin Bank Bhd is implementing a reward scheme for senior key management of the group and its units, which entails the payment of part of their discretionary performance bonus from the financial year ended 31st December 2021 onwards via shares in the banking group. The Affin shares will be purchased from the open market on Bursa Malaysia Securities Bhd and will be held in an omnibus share trading account and vested accordingly to the key senior management upon the meeting of the terms and conditions of the bonus. (The Edge)

Computer Forms (Malaysia) Bhd has clarified that it is not aware of plans by its major shareholder Datuk Seri Dr Pang Chow to print currency notes. The board of directors of Computer Forms wishes to clarify that it has not been informed of any information pertaining to the vision quoted by Pang for the company to print currency notes, as reported in the New Straits Times and Focus Malaysia media. (The Edge)

UEM Edgenta Bhd's unit Operon Middle East (Operon) has inked a business exploration agreement with Byte Blanket FZE and Disrupt-X DMCC to identify potential technological collaborations in supporting sustainable smart cities and introduce digital solutions in the Middle East market. The collaboration is part of the group's continued foray into the integrated facility management market in the region, as it focuses on its regional expansion strategy, while developing tech-enabled integrated solutions aligned with its Edgenta of the Future 2025 vision. (The Edge)

Resintech Bhd has proposed a bonus issue of 50.3m new shares on the basis of 1 bonus share for every 3 existing shares held. In addition, it has proposed a bonus issue of up to 100.6m free warrants on the basis of 1 warrant for every 2 existing shares to reward shareholders. (The Edge)

Majuperak Holdings Bhd has submitted an application to Bursa Malaysia Securities Sdn Bhd for an extension of time of 12 months up to 11th April 2023 to submit its regularisation plan to the relevant authorities. It is currently due to submit the plan on 12th April 2022. It was classified as an affected issuer after it had triggered paragraph 8.03A(2)(b) of Bursa Malaysia's main market listing requirements, whereby in FY19, the company showed recorded a yearly revenue of RM6.3m on a consolidated basis, which is less than 5.0% of its share capital of RM179.6m. (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	OKA	7-Mar	0.815	0.850	0.875	0.920	0.770	0.765	0.835	2.5%	On-going
2	RGTECH	28-Mar	0.470	0.490	0.510	0.550	0.435	0.430	0.475	1.1%	On-going
3	HEXTAR	30-Mar	1.600	1.710	1.770	1.870	1.480	1.470	1.770	10.6%	On-going
4	EPMB	2-Apr	1.230	1.360	1.400	1.500	1.140	1.130	1.230	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	6.910	-0.6%	On-going
2	ECONBHD	1-Apr	0.290	0.350	0.435	-	0.235	0.190	0.290	0.0%	On-going
3	OCK	1-Apr	0.425	0.460	0.505	-	0.405	0.375	0.430	1.2%	On-going
4	JAKS	1-Apr	0.325	0.375	0.430	-	0.310	0.275	0.335	3.1%	On-going
5	KGB	1-Apr	1.360	1.600	1.780	-	1.290	1.150	1.370	0.7%	On-going
6	ELKDESA	1-Apr	1.320	1.450	1.510	-	1.270	1.230	1.320	0.0%	On-going
7	HARTA	1-Apr	4.860	5.530	6.220	-	4.530	4.150	5.080	4.5%	On-going
8	BPPLAS	1-Apr	1.490	1.640	1.760	-	1.340	1.220	1.450	-2.7%	On-going
9	KMLOONG	1-Apr	1.920	2.050	2.210	-	1.850	1.740	1.900	-1.0%	On-going
10	PANTECH	1-Apr	0.695	0.750	0.800	-	0.660	0.620	0.690	-0.7%	On-going
Average Return										0.4%	

Technical Focus Tracker Summary	
Total recommendations	213
Total winners	132
Total losers	80
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	314.6%
Accuracy (2021)	66.4%
Portfolio performance (2022)	46.8%
Accuracy (2022)	67.9%
FBM KLCI (Since 31/12/2021)	2.2%
FBM Small Cap (Since 31/12/2021)	3.9%
Malaysia GDP Growth (2021)	3.1%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
MAGNI (7087)	2nd Interim	RM0.02	18/3/2022	4/4/2022	RM1.92	RM1.92	1.0	0.0
SINARAN (5172)	Bonus	1:2	21/3/2022	5/4/2022	RM0.09	RM0.11	-	29.4
TELADAN (0230)	Interim	RM0.01	21/3/2022	5/4/2022	RM0.61	RM0.67	1.1	9.0
MASTER (7029)	Interim	RM0.04	21/3/2022	5/4/2022	RM1.63	RM1.68	2.4	3.1
KOSSAN (7153)	4th Interim	RM0.12	17/2/2022	5/4/2022	RM1.69	RM2.05	5.9	21.3
IBRACO (5084)	Interim	RM0.02	25/2/2022	5/4/2022	RM0.58	RM0.59	3.4	1.7
MHCARE (03005)	Interim	RM0.01	30/3/2022	5/4/2022	RM0.70	RM0.70	0.9	0.0
LSH (03047)	Final	RM0.01	29/11/2021	5/4/2022	RM0.40	RM0.50	1.3	25.0
MFCB (3069)	Final	RM0.04	23/3/2022	6/4/2022	RM3.52	RM3.71	0.9	5.4
POLYDM (03031)	Interim	RM0.01	23/2/2022	7/4/2022	RM0.25	RM0.26	2.6	4.0
DNEX (4456)	Interim	RM0.01	24/2/2022	7/4/2022	RM1.14	RM1.04	0.6	-8.8
FPI (9172)	Interim	RM0.20	24/2/2022	7/4/2022	RM3.78	RM3.78	5.3	0.0
SUPERLN (7235)	2nd Interim	RM0.01	16/3/2022	8/4/2022	RM0.71	RM0.74	1.0	4.3
ULICORP (7133)	1st Interim	RM0.01	22/3/2022	8/4/2022	RM1.28	RM1.41	0.7	10.2
ECOWLD (8206)	Bonus-Options	1:5	17/1/2022	8/4/2022	RM0.87	RM0.99	-	14.2
AGES (7145)	Stock Split	15:1	29/3/2022	11/4/2022	RM0.03	RM0.03	-	0.0
SENHENG (5305)	Interim	RM0.01	28/2/2022	11/4/2022	RM0.86	RM0.82	1.6	-4.1
CETECH (03024)	Interim	RM0.00	28/3/2022	11/4/2022	RM1.15	RM1.15	0.1	0.0
SCGM (7247)	3rd Interim	RM0.01	29/3/2022	12/4/2022	RM2.18	RM2.09	0.7	-4.1
YINSON (7293)	Bonus	1:1	30/3/2022	12/4/2022	RM4.55	RM4.90	-	7.7
APM (5015)	Final	RM0.07	25/2/2022	12/4/2022	RM1.95	RM2.07	3.4	6.2
UMW (4588)	Final	RM0.06	25/2/2022	12/4/2022	RM3.10	RM3.34	1.7	7.7
CEPAT (8982)	Final & Special Cash	RM0.03	28/3/2022	13/4/2022	RM1.03	RM0.97	3.1	-5.8
DPIH (0205)	2nd Interim	RM0.00	30/3/2022	13/4/2022	RM0.36	RM0.35	0.4	-1.4
HHGROUP (0175)	Bonus	3:2	13/1/2022	14/4/2022	RM0.83	RM0.72	-	-13.3
ANCOM (4758)	Stock Dividend	1:20	22/3/2022	14/4/2022	RM3.67	RM3.66	-	-0.3
BAUTO (5248)	3rd Interim	RM0.02	10/3/2022	14/4/2022	RM1.74	RM1.74	1.3	0.0
CARLSBG (2836)	Final	RM0.46	16/3/2022	14/4/2022	RM19.44	RM21.62	2.1	11.2
LATITUD (7006)	Interim	RM0.01	24/2/2022	14/4/2022	RM1.59	RM1.52	0.7	-4.4
WONG (7050)	Final	RM0.01	23/2/2022	14/4/2022	RM0.68	RM0.60	1.7	-11.9
VS (6963)	2nd Interim	RM0.00	25/3/2022	14/4/2022	RM1.00	RM1.03	0.4	3.0
DPHARMA (7148)	2nd Interim	RM0.02	15/2/2022	14/4/2022	RM1.60	RM1.54	1.2	-3.8
POHUAT (7088)	Final	RM0.02	30/12/2021	14/4/2022	RM1.36	RM1.44	1.4	5.9
LUXCHEM (5143)	Interim	RM0.01	17/2/2022	14/4/2022	RM0.74	RM0.72	1.4	-2.7
ASTRO (6399)	4th Interim	RM0.02	31/3/2022	14/4/2022	RM1.10	RM1.02	1.5	-7.3
MHC (5026)	Regular & Special Cash	RM0.04	30/3/2022	15/4/2022	RM1.20	RM1.19	3.4	-0.8
NESTLE (4707)	Interim	RM1.02	22/2/2022	18/4/2022	RM136.40	RM135.90	0.8	-0.4
VSTEC (5162)	2nd Interim & Special Cash	RM0.04	22/2/2022	20/4/2022	RM1.20	RM1.20	3.5	0.0
EDGENTA (1368)	Interim	RM0.03	24/2/2022	20/4/2022	RM1.58	RM1.60	1.9	1.3
WTHORSE (5009)	Final	RM0.03	23/2/2022	20/4/2022	RM0.65	RM0.68	4.4	4.6
WONG (7050)	Bonus-Options	1:2	1/4/2022	21/4/2022	RM0.60	RM0.60	-	0.0
OKA (7140)	Interim	RM0.02	28/2/2022	21/4/2022	RM0.82	RM0.84	2.6	1.8
VIS (0120)	Interim	RM0.02	3/3/2022	22/4/2022	RM0.68	RM0.85	1.8	24.3
CHINWEL (5007)	Interim	RM0.05	23/2/2022	22/4/2022	RM1.65	RM1.60	3.4	-3.0
OSK (5053)	Final	RM0.04	28/2/2022	25/4/2022	RM0.89	RM0.96	4.2	7.3
SIME (4197)	Interim	RM0.04	16/2/2022	25/4/2022	RM2.26	RM2.40	1.7	6.2
WILLOW (0008)	Regular Cash	RM0.02	24/2/2022	26/4/2022	RM0.38	RM0.40	3.8	6.7
MRCB (1651)	Final	RM0.01	28/2/2022	27/4/2022	RM0.36	RM0.37	2.7	4.2
SIMEPLT (5285)	Final	RM0.12	18/2/2022	27/4/2022	RM4.90	RM4.95	2.5	1.0
PTRANS (0186)	Interim	RM0.01	22/2/2022	28/4/2022	RM0.63	RM0.60	1.3	-4.0
ANNJOO (6556)	2nd Interim	RM0.06	28/2/2022	28/4/2022	RM1.90	RM1.76	3.4	-7.4
UTDPLT (2089)	Final & Special Cash	RM0.85	28/2/2022	28/4/2022	RM15.22	RM15.00	5.7	-1.4
MEDIA (4502)	Final	RM0.02	23/2/2022	29/4/2022	RM0.52	RM0.64	2.4	23.3
ORNA (5065)	Final	RM0.02	24/2/2022	5/5/2022	RM1.29	RM1.20	1.7	-7.0
FM (7210)	1st Interim	RM0.01	22/2/2022	5/5/2022	RM0.78	RM0.68	1.5	-12.3
MSNIAGA (5011)	Interim	RM0.05	1/4/2022	6/5/2022	RM1.50	RM1.50	3.3	0.0
OSKVI (0053)	Final	RM0.02	22/3/2022	6/5/2022	RM0.45	RM0.51	4.0	12.2
MALAKOF (5264)	Final	RM0.02	28/3/2022	6/5/2022	RM0.61	RM0.61	3.3	0.0
TEXCHEM (8702)	Final	RM0.10	18/3/2022	11/5/2022	RM1.59	RM1.92	5.2	20.8
PPB (4065)	Final	RM0.25	28/2/2022	13/5/2022	RM17.94	RM17.04	1.5	-5.0
DUFU (7233)	Final	RM0.05	25/3/2022	27/5/2022	RM3.07	RM2.86	1.7	-6.8
TONGHER (5010)	Final	RM0.15	25/2/2022	31/5/2022	RM3.18	RM3.10	4.8	-2.5
AHEALTH (7090)	Final & Special Cash	RM0.09	23/2/2022	1/6/2022	RM2.56	RM2.86	3.1	11.7
GENP (2291)	Final	RM0.04	1/4/2022	2/6/2022	RM8.40	RM8.40	0.5	0.0
KPS (5843)	Final	RM0.03	29/3/2022	9/6/2022	RM0.71	RM0.73	3.4	2.1
GASMSIA (5209)	Final	RM0.07	17/3/2022	30/6/2022	RM2.67	RM2.74	2.5	2.6

Denotes >5% Dividend Yield

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