

Starting 2H22 brighter

Market Review

Malaysia: The FBM KLCI (+0.4%) was driven by gains in more than half of the key index components as the key index snapped five straight weekly decline to climb 0.9% WoW. The lower liners ended mixed, while the broader market closed mostly lower with the healthcare sector (-2.1%) underperformed.

Global markets: Wall Street edged higher after recouping all its intraday losses as the Dow (+1.1%) advanced as the decline in 10-year treasury yields below 3.0% sparked greater interests within the equities markets. The European stock markets ended mixed, while Asia stock markets closed mostly negative.

The Day Ahead

The FBM KLCI outperformed the regional peers as investors picked up beaten-down shares, led by the banking and telecommunication & media heavyweights. While late-day rebound lifted Wall Street, we expect volatility to persist on the local bourse as inflationary pressure and recession fears still dominating the market. Investors are likely to stay cautious prior to the Malaysia's interest rate decision and the US FOMC meeting (later this month). Meanwhile, the Brent oil price rose, trading above USD111 per barrel due to supply outages in Libya and expected shutdowns in Norway.

Sector focus: We remain optimistic on the recovery-themed stocks in the 2H22 such as banking, consumer and tourism. Besides, the energy sector may gain traction on the back of persistent tight supply in the market. Also, investors may scoop up the technology shares tracking rebound in Nasdaq.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI rebounded on the first trading day of 2H22 amid lower trading volume, closing along EMA9. Technical indicators remained mixed as the MACD Histogram extended a positive bar, while the RSI hovered below 50. Resistance is pegged along 1,460-1,480, while the support is located at 1,420, followed by 1,400.

Research Team

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

Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	31097.26	105
S&P 500	3,825.33	106
NASDAQ	11,27.84	0.90
FBM KLCI	1449.74	0.38
FBM Small Cap	14,177.26	-0.41
FBM ACE	4,784.52	0.70
Construction	153.54	-109
Consumer	557.48	-0.04
Energy	684.48	-130
Financial Services	16,056.81	0.45
Healthcare	1640.99	-2.10
Ind Products	18169	-0.01
Plantation	6,924.72	0.35
Property	634.13	-0.41
REITs	798.11	-0.34
Technology	6191	-101
Telco & Media	558.21	0.30
Transport	805.69	-0.37
Utilities	823.21	-0.29
Trading Vol (m)	1493.90	-34.05
Trading Val (RM m)	1,55.01	-4144
Advance/ Decline	66%	
FKLI	1446.00	0.45
FCPO (RM)	4,708.00	-4.11
Brent oil (USD)	111.63	0.04
Gold (USD)	1811.43	0.23
USD	4.4073	0.02
GBP	5.3387	0.27
EURO	4.6094	-0.28
SGD	3.1632	0.22

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
182.8	137.5	-320.3

Source: Bloomberg, Bursa Market Place

Company Brief

Gamuda Bhd has clinched a RM1.97bn project from Pengurusan Air Selangor to design and build the proposed Sg Rasau Water treatment plant as the main contractor. The contract win takes the engineering and construction company's construction order book value to RM14.40bn, a new record high for the group. The Rasau Water Supply Scheme is expected to produce a clean water supply of up to 700 m litres a day to the Klang region by the first stage of completion in 2025. (The Star)

Dagang Nexchange Bhd's (DNeX) subsidiary Ping Petroleum UK PLC has taken delivery of the Sevan Hummingbird floating production, storage and offloading (FPSO) vessel from marine energy transportation company, Teekay Corp. The group anticipates full operational deployment of the FPSO on the Avalon field development project in the North Sea by 2025. Commissioned in 2008, the Sevan Hummingbird FPSO is a 60 metre-diameter facility with a storage capacity of 270,000 barrels of oil and is capable of producing up to 30,000 barrels of oil per day, supporting up to 47 offshore personnel. (The Star)

OCB Bhd wants to diversify into property development and reduce its reliance on the existing business under its consumer foods, bedding products and building materials divisions. OCB intends to embark on other viable property development ventures in the future, including through strategic businesses or investments, joint ventures, collaborative arrangements, business agreements, and mergers and acquisitions. (The Edge)

Berjaya Corp Bhd (BCorp) has appointed its founder Tan Sri Vincent Tan's daughter Chryseis Tan Sheik Ling, and the daughter of Sultan of Johor, Her Highness Tunku Tun Aminah Sultan Ibrahim Ismail, as its non-independent and non-executive director effective 1st July 2022. Separately, BCorp announced the departure of two of its independent directors, namely Datin Seri Sunita Mei-Lin Rajakumar and Datuk Hisham Othman. Hisham has been appointed as the CEO and executive director of **Berjaya Land Bhd** effective 1st July 2022. (The Edge)

AmFIRST Real Estate Investment Trust (AmFIRST REIT) is disposing of Menara AmFIRST in Petaling Jaya for RM62.0m. The 22-storey building will be disposed of to a private limited company, Forever Backup Sdn Bhd. Following the disposal, the REIT will incur net loss on disposal of RM4.9m. (The Edge)

Mudajaya Group Bhd has bagged a RM104.0m earthworks contract for a 1,200MW combined cycle gas power plant project in Gurun, Kedah. The project is targeted to be completed by August 2023. (The Edge)

AirAsia X Bhd (AAX) is in the midst of regularizing its financial position via a proposed debt and corporate restructuring and fundraising, after slipping into Practice Note 17 status in 2021. Thereafter, it will implement a revised business plan to turn around its financial performance. It has about four months to submit the regularization plan to the relevant authorities for approval. (The Edge)

G Capital Bhd's 70.0%-owned unit Solarcity Malaysia Sdn Bhd had completed the installation and commenced operation of a 7.0MW peak (MWp) solar photovoltaic electric power generation system for a power purchase agreement with **Evergreen Fibreboard Bhd**. Solarcity and Evergreen have accepted 1st July 2022 to be the

commercial operation date for the plant at Parit Raja Industrial Estate in Batu Pahat, Johor. (The Edge)

MY EG Services Bhd (MYEG), via its Zetrix blockchain, Xinghuo Blockchain Infrastructure and Facility (Xinghuo BIF) have jointly announced the introduction of Blockchain-based Identifiers (BIDs)/Verifiable Credentials (VCs) and Blockchain-based E-signing services to international markets. Xinghuo BIF is a China initiated international blockchain infrastructure supported by all levels of the Chinese government while Zetrix blockchain runs the International Supernode of Xinghuo BIF to connect entities outside China to the Xinghuo BIF. (The Edge)

Yinson Holdings Bhd's 49:51 joint venture with PetroVietnam Technical Services Corporation (PTSC), PTSC Asia Pacific Pte Ltd (PTSC AP), has received a 12-month extension for a bareboat charter contract for PTSC Lam Son valued at US\$18.1m (RM79.8m). (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	PAVREIT	20-Jun	1.310	1.380	1.410	1.440	1.250	1.240	1.320	0.8%	On-going
2	AMBANK	29-Jun	3.780	3.870	4.000	4.200	3.640	3.630	3.810	0.8%	On-going
3	KFIMA	4-Jul	2.660	2.770	2.860	3.000	2.450	2.440	2.660	0.0%	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	3.370	3.4%	On-going
2	DUFU	1-Jul	2.840	3.100	3.280	-	2.750	2.600	2.820	-0.7%	On-going
3	DAYANG	1-Jul	0.965	1.100	1.140	-	0.940	0.880	0.950	-1.6%	On-going
4	GASMSIA	1-Jul	3.010	3.220	3.300	-	2.970	2.850	3.010	0.0%	On-going
5	PTRANS	1-Jul	0.770	0.860	0.905	-	0.725	0.680	0.785	1.9%	On-going
6	SYSCORP	1-Jul	0.410	0.445	0.470	-	0.375	0.340	0.375	-8.5%	On-going
7	PWROOT	1-Jul	1.700	1.830	1.920	-	1.630	1.550	1.660	-2.4%	On-going
8	GCB	1-Jul	2.510	2.710	2.800	-	2.460	2.380	2.510	0.0%	On-going
9	QL	1-Jul	5.210	5.710	5.920	-	5.230	5.050	5.230	0.4%	On-going
10	AMBANK	1-Jul	3.720	3.980	4.110	-	3.620	3.450	3.810	2.4%	On-going
Average Return										-0.5%	

Technical Focus Tracker Summary	
Total recommendations	238
Total winners	142
Total losers	95
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	314.6%
Accuracy (2021)	66.4%
Portfolio performance (2022)	6.4%
Accuracy (2022)	54.7%
FBM KLCI (Since 31/12/2021)	-7.5%
FBM Small Cap (Since 31/12/2021)	-10.0%
Malaysia GDP Growth (1Q22)	5.0%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
GTRONIC (7022)	Interim & Special Cash	RM0.02	16/6/2022	4/7/2022	RM1.19	RM1.18	1.7	-0.8
CETECH (03024)	2nd Interim	RM0.00	21/6/2022	4/7/2022	RM1.15	RM1.15	0.1	0.0
TJSETIA (5297)	Final	RM0.01	22/4/2022	5/7/2022	RM0.39	RM0.32	1.6	-19.2
JCBNEXT (0058)	Final	RM0.04	28/4/2022	5/7/2022	RM1.35	RM1.30	2.7	-3.7
ASTRO (6399)	Final	RM0.01	23/5/2022	6/7/2022	RM0.98	RM0.91	0.8	-7.1
ASTRO (6399)	1st Interim	RM0.01	21/6/2022	6/7/2022	RM0.94	RM0.91	1.4	-3.2
TDM (2054)	Final	RM0.00	25/4/2022	6/7/2022	RM0.31	RM0.23	1.6	-26.2
AEONCR (5139)	Special Cash	RM0.20	5/4/2022	6/7/2022	RM15.30	RM13.90	1.4	-9.2
ECOWLD (8206)	1st Interim	RM0.02	16/6/2022	6/7/2022	RM0.68	RM0.68	3.0	0.0
PENTA (7160)	Final	RM0.02	24/2/2022	7/7/2022	RM3.57	RM3.57	0.6	0.0
SURIA (6521)	Final	RM0.03	5/5/2022	7/7/2022	RM1.16	RM1.15	2.2	-0.9
MAGNI (7087)	3rd Interim	RM0.03	23/6/2022	7/7/2022	RM1.90	RM1.90	1.3	0.0
SCIENTX (4731)	Interim	RM0.04	13/6/2022	7/7/2022	RM3.47	RM3.56	1.1	2.6
ESAFE (0190)	Interim	RM0.01	24/6/2022	7/7/2022	RM0.22	RM0.21	3.8	-4.5
TENWAH (7374)	Final	RM0.03	25/4/2022	7/7/2022	RM1.00	RM0.96	2.9	-3.5
RVIEW (2542)	Interim & Special Cash	RM0.20	24/6/2022	7/7/2022	RM3.60	RM3.70	5.4	2.8
FM (7210)	2nd Interim	RM0.01	26/5/2022	7/7/2022	RM0.58	RM0.54	1.9	-6.1
VS (6963)	3rd Interim	RM0.00	24/6/2022	8/7/2022	RM1.02	RM1.00	0.4	-2.5
BKAWAN (1899)	Interim	RM0.20	24/5/2022	8/7/2022	RM27.50	RM22.88	0.9	-16.8
KLK (2445)	Interim	RM0.20	24/5/2022	8/7/2022	RM25.90	RM22.10	0.9	-14.7
POHUAT (7088)	1st Interim	RM0.02	28/6/2022	12/7/2022	RM1.37	RM1.39	1.4	1.5
ALCOM (2674)	Final	RM0.03	21/2/2022	12/7/2022	RM1.04	RM0.82	3.0	-21.2
GOPENG (2135)	Final	RM0.02	5/4/2022	12/7/2022	RM0.49	RM0.45	3.3	-7.2
UNIMECH (7091)	Final	RM0.03	28/2/2022	13/7/2022	RM1.39	RM1.45	2.1	4.3
DKSH (5908)	Final	RM0.11	15/4/2022	13/7/2022	RM4.70	RM4.31	2.6	-8.3
HEVEA (5095)	Final	RM0.01	28/3/2022	14/7/2022	RM0.49	RM0.45	2.2	-8.2
BAUTO (5248)	4th Interim & Special Cash	RM0.05	13/6/2022	14/7/2022	RM1.78	RM1.71	2.6	-3.9
PLABS (0171)	Interim	RM0.01	20/6/2022	14/7/2022	RM0.20	RM0.20	3.1	-2.5
SCGM (7247)	4th Interim	RM0.01	29/6/2022	14/7/2022	RM2.29	RM2.29	0.6	0.0
JAYCORP (7152)	Interim	RM0.02	16/6/2022	14/7/2022	RM0.68	RM0.70	2.9	3.0
SCGBHD (0225)	Final	RM0.00	24/2/2022	14/7/2022	RM0.38	RM0.34	0.6	-9.3
PBA (5041)	Final	RM0.01	28/4/2022	14/7/2022	RM0.82	RM0.79	1.3	-4.3
LEONFB (5232)	Final	RM0.02	7/4/2022	14/7/2022	RM0.81	RM0.62	3.2	-23.5
BIPORT (5032)	Interim	RM0.05	27/5/2022	14/7/2022	RM5.25	RM5.38	0.9	2.5
CAMRES (7128)	Interim	RM0.01	31/5/2022	15/7/2022	RM0.35	RM0.28	3.6	-18.8
SOP (5126)	Bonus	1:2	7/3/2022	15/7/2022	RM5.97	RM4.09	-	-31.4
CANONE (5105)	Final	RM0.04	27/4/2022	18/7/2022	RM3.15	RM3.41	1.2	8.3
ALLIANZ (1163)	Interim	RM0.16	21/6/2022	18/7/2022	RM12.70	RM12.90	1.2	1.6
CHOOBEE (5797)	Final & Special Cash	RM0.08	28/4/2022	19/7/2022	RM2.14	RM1.94	3.9	-9.3
HARISON (5008)	Final	RM0.30	11/4/2022	21/7/2022	RM4.88	RM6.03	5.0	23.6
FIMACOR (3107)	2nd Interim & Special Cash	RM0.10	24/5/2022	21/7/2022	RM2.08	RM2.08	4.8	0.0
SAM (9822)	Regular Cash	RM0.04	24/5/2022	21/7/2022	RM4.48	RM3.00	1.2	-33.0
MYCRON (5087)	Interim	RM0.03	29/6/2022	21/7/2022	RM0.44	RM0.48	6.3	9.2
UMCCA (2593)	2nd Interim & Special Cash	RM0.10	28/6/2022	26/7/2022	RM5.49	RM5.46	1.8	-0.5
ASB (1481)	Regular Cash	RM0.00	11/4/2022	27/7/2022	RM0.10	RM0.10	1.5	5.3
TEGUAN (7439)	Final	RM0.03	30/5/2022	27/7/2022	RM1.57	RM1.18	2.5	-24.8
DKLS (7528)	Final	RM0.03	24/2/2022	28/7/2022	RM1.75	RM2.20	1.4	25.7
METROD (6149)	Regular Cash	RM0.06	28/2/2022	28/7/2022	RM1.30	RM1.35	4.4	3.8
EVERGRN (5101)	Final	RM0.02	15/6/2022	29/7/2022	RM0.51	RM0.49	3.1	-4.9
PTRANS (0186)	2nd Interim	RM0.01	23/5/2022	3/8/2022	RM0.74	RM0.79	1.0	6.8
YINSON (7293)	Final	RM0.02	29/3/2022	3/8/2022	RM1.95	RM1.96	1.0	0.5
KFIMA (6491)	Interim & Special Cash	RM0.15	30/5/2022	4/8/2022	RM2.39	RM2.66	5.6	11.3
PRESTAR (9873)	Final	RM0.02	23/2/2022	5/8/2022	RM0.68	RM0.52	3.9	-23.7
GFM (0039)	Interim	RM0.00	20/6/2022	11/8/2022	RM0.18	RM0.20	0.9	8.3
KMLOONG (5027)	Final	RM0.05	29/3/2022	11/8/2022	RM1.96	RM1.67	3.0	-14.8
CRESNDO (6718)	Final	RM0.02	30/3/2022	11/8/2022	RM1.20	RM1.12	1.8	-6.7
PANTECH (5125)	Final	RM0.02	27/4/2022	29/8/2022	RM0.75	RM0.62	2.4	-17.4
LBS (5789)	Final	RM0.01	15/4/2022	29/8/2022	RM0.47	RM0.42	2.4	-10.8
FAVCO (7229)	Final	RM0.08	25/2/2022	5/9/2022	RM1.96	RM1.72	4.7	-12.4
EWEIN (7249)	Final	RM0.01	25/2/2022	7/9/2022	RM0.27	RM0.31	1.6	14.8
PA (7225)	Interim	RM0.01	20/6/2022	8/9/2022	RM0.27	RM0.28	1.8	5.7
PANAMY (3719)	Final	RM0.68	31/5/2022	8/9/2022	RM28.02	RM26.66	2.6	-4.9
MAHSING (8583)	Regular Cash	RM0.03	28/4/2022	15/9/2022	RM0.68	RM0.59	4.5	-13.2

 Denotes >5% Dividend Yield