

10 October 2019

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## Research Highlights

BURSA	9-Oct	Day chg	% chg
KLCI	1,551.2	-7.56	-0.48%
FTSE EMAS	11,011.0	-63.3	-0.57%
FTSE Smallcap	13,164.9	-19.47	-0.15%
FTSE MESDAQ	4,589.0	-26.0	-0.56%
KLSE Mkt Cap (RM'b)	1,579.2	-5.6	-0.35%

### NEWS HIGHLIGHTS

- Destini gets umbrella contract from Petronas Carigali
- Advancecon bags subcontract job worth RM49.4m in Sarawak
- ABM Fujiya inks MoU with Chinese firm for battery manufacturing plant
- CAM Resources calls off renewable energy plant project
- Asia Poly subsidiary gets SEDA electricity feed-in approval

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	89.42	53.08
Local Retail	23.24	24.45
Foreign	-112.66	22.47

INDICES	9-Oct	Day chg	% chg
Dow Jones	26,346.0	182.0	0.70%
S&P 500	2,919.4	26.3	0.91%
NASDAQ	7,903.7	80.0	1.02%
FTSE-100	7,166.5	23.4	0.33%
Nikkei 225	21,456.4	-131.4	-0.61%
SHCOMP	2,924.9	11.3	0.39%
HSI	25,682.8	-210.6	-0.81%
STI	3,089.9	-20.9	-0.67%
KOSPI	N.A.	N.A.	N.A.
TWSE	10,890.0	-127.4	-1.16%
JCI	6,029.2	-10.4	-0.17%
SET	1,616.2	4.0	0.25%

### MACRO BITS

- China open to small trade deal if Trump eases tariff threats
- Turkey begins offensive in Syria after U.S. stands aside
- U.S.-China trade war may cut global growth by half a point next year: Le Maire
- Malaysia may unveil expansionary budget to cushion slowdown
- Iskandar Malaysia secures investments of RM172.2b in 1H2019
- Putrajaya issues RM81b bonds in 1H2019
- Thai central bank says needed to keep policy space for future risks: minutes
- Indonesia still strong despite global economic slowdown: minister
- Indonesia's competitiveness ranking drops 5 spots as Singapore tops list: WEF
- U.S. August wholesale inventories revised down; sales flat
- Powell repeats U.S. economy is in a 'good place' despite risks
- Euro zone puts pressure on Dutch, Germans to spend more
- EU says Brexit deal 'very difficult' if not entirely impossible

FOREX	9-Oct	8-Oct	% chg
USD/MYR:	4.1965	4.1920	0.11%
EUR/USD:	1.0981	1.0987	-0.05%
GBP/USD:	1.2227	1.2220	0.06%
USD/YEN:	107.37	106.95	0.39%
USD/SGD:	1.3801	1.3815	-0.10%
USD/HKD:	7.8448	7.8442	0.01%

### KEY STATS

KLCI Spot			
Vol (m shares):	1,902.3	2,411.4	-21.11%
Value (RMm):	1,678.3	1,717.3	-2.27%
KLCI Future			
October 19	1,557.5	1,557.0	0.03%
November 19	1,557.0	1,557.0	0.00%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	923.8	920.5	0.35%
SoyOil (USc/lb)	29.9	30.1	-0.40%
Gold (US\$/troy oz)	1,512.8	1,503.9	0.59%
Nymex crude oil (US\$/bbl)	52.6	52.6	-0.08%
Latex (RM/kg)	4.25	4.23	0.47%
Tin (US\$/mt)	16,416.5	16,382.0	0.21%

### IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- On Our Technical Watch: MFCB, ABMB
- Revised Report: ANNJO (8/10/2019)

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	SIME	2.29	1.8	10.90	MISC	7.98	1.8	10.50	TOPGLOV	4.37	-2.2	7.45
2	MISC	7.98	1.8	10.50	SIME	2.29	1.8	10.90	AIRPORT	8.53	-1.8	4.36
3	CIMB	4.85	-1.0	8.34	PETGAS	16.48	1.1	0.23	AMBANK	3.88	-1.5	1.79
4	TOPGLOV	4.37	-2.2	7.45	PETDAG	23.30	0.5	0.35	SIMEPLT	4.65	-1.1	0.88
5	GENM	3.06	-0.7	5.03	PCHEM	7.20	0.4	4.11	CIMB	4.85	-1.0	8.34
6	AXIATA	4.26	0.0	4.87	AXIATA	4.26	0.0	4.87	IOICORP	4.23	-0.9	1.25
7	MAYBANK	8.38	-0.8	4.47	HLBANK	16.10	0.0	1.67	PBBANK	19.12	-0.9	2.44
8	AIRPORT	8.53	-1.8	4.36	HLFG	16.00	0.0	0.13	PPB	17.80	-0.9	0.96
9	PCHEM	7.20	0.4	4.11	IHH	5.67	0.0	0.79	PMETAL	4.72	-0.8	0.40
10	RHBBANK	5.62	0.0	3.00	MAXIS	5.44	0.0	0.78	MAYBANK	8.38	-0.8	4.47

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Destini gets umbrella contract from Petronas Carigali**

Destini Bhd's unit has bagged an umbrella contract from Petronas Carigali Sdn Bhd to provide integrated well services for intervention, workover and abandonment for petroleum arrangement contractors (PACs). In a filing with the stock exchange, Destini said the contract — awarded to its wholly-owned Destini Oil Services Sdn Bhd (DOS) on Sept 20 — had commenced on the same date and would expire on Sept 19, 2024, unless extended or terminated. Under the umbrella contract, Petronas Carigali is not committed to guarantee any minimum quantity of works to be performed by Destini. Any instruction for works shall be made on a call-out basis through the issuance of work orders. *(The Edge)*

- **Advancecon bags subcontract job worth RM49.4m in Sarawak**

Advancecon Holdings Bhd has bagged a RM49.4m subcontract job for road infrastructure projects in Sarawak under the Upper Rajang Development Agency (URDA). In a filing to Bursa Malaysia, the firm said its wholly-owned unit Advancecon Infra Sdn Bhd received and accepted the letter of award from Advancecon (Sarawak) Sdn Bhd (ASSB), an associated company of Advancecon on Oct 8. Advancecon said the subcontract job is under the URDA package 2, which consists of phase 1 - section 2, mainly for road infrastructure projects in Pelagus/Baleh, proposed new road from Baleh Bridge/Rh. Belaja, Ng. Benin/Sk. Ng. Pelagus to Pelagus Resort. *(The Edge)*

- **ABM Fujiya inks MoU with Chinese firm for battery manufacturing plant**

Homegrown automotive battery manufacturer ABM Fujiya Bhd is partnering with China's Jujiang Power Technology Co Ltd (Jeje) to explore and evaluate the possibility of setting up a new battery manufacturing plant in Malaysia worth RM500.0m. In a filing with Bursa Malaysia, ABM Fujiya said its wholly-owned unit Amalgamated Batteries Manufacturing (Sarawak) Sdn Bhd has inked a Memorandum of Understanding (MoU) with Jeje for the purpose. The MoU creates no contractual relationship between ABM Fujiya and Jeje, but is aimed at providing a framework of cooperation and for any future term arrangement between the parties over batteries. *(The Edge)*

- **CAM Resources calls off renewable energy plant project**

Aluminium and stainless steel kitchenware maker CAM Resources Bhd said it is not proceeding with its planned seven megaWatt (mW) per hour renewable electrical energy power plant in Taiping, Perak. The company said in an exchange filing that its board of directors, after due consideration and further reassessment on the project's feasibility, decided to not go ahead with the project and will surrender the approved feed-in tariff (FIT) quota for the project to the Sustainable Energy Development Authority (SEDA). CAM Resources said the cancellation was mainly to do with costs and its lack of expertise. *(The Edge)*

- **Asia Poly subsidiary gets SEDA electricity feed-in approval**

Asia Poly Holdings Bhd's indirect 51.0%-owned subsidiary Asia Poly Bio Gas Sdn Bhd has received the Sustainable Energy Development Authority's (SEDA) feed-in approval to supply electricity in Malaysia under a 21-year contract. In a statement to Bursa Malaysia, Asia Poly Holdings said Asia Poly Bio Gas' renewable energy installation in Jeli, Kelantan, has an installed electricity generation capacity of 0.5 megawatt (MW). Asia Poly Holdings said Asia Poly Bio Gas received SEDA's feed-in approval certificate on Monday (Oct 7). The renewable energy installation will generate electricity using inputs including agriculture waste. *(The Edge)*



## Macro Bits

### Global

- [China open to small trade deal if Trump eases tariff threats](#) China is still open to reaching a partial trade deal with the U.S., an official with direct knowledge of the talks said, signaling that Beijing is focused on limiting the damage to the world's second-largest economy. (*Bloomberg*)
- [Turkey begins offensive in Syria after U.S. stands aside](#) Turkey has begun its military offensive into northeastern Syria to force back Kurdish militants controlling the border area, days after President Donald Trump said the U.S. wouldn't stand in the way. (*Bloomberg*)
- [U.S.-China trade war may cut global growth by half a point next year: Le Maire](#) The trade war between the United States and China could cut global growth by 0.5 points next year, French Finance Minister Bruno Le Maire said on Wednesday. (*Reuters*)

### Malaysia

- [Malaysia may unveil expansionary budget to cushion slowdown](#) The Malaysian government is likely to raise spending in the federal budget due this week in a pre-emptive move aimed at countering the impact of the trade war and the global slowdown that could threaten the country's exports. (*Nikkei Asian Review*)
- [Iskandar Malaysia secures investments of RM172.2b in 1H2019](#) Iskandar Malaysia, the southern economic corridor, remains on the radar of investors with investments of RM172.2b of the overall total having been realised as of the first half of 2019 (1H2019). (*The Edge Markets*)
- [Putrajaya issues RM81b bonds in 1H2019](#) Putrajaya has raised RM81.3b through government bonds in the first six months of this year. (*The Edge Markets*)

### Asia Pacific

- [Thai central bank says needed to keep policy space for future risks: minutes](#) Thailand's central bank saw a need to preserve monetary policy space to address possible future risks, when it kept its benchmark rate on hold last month, meeting minutes showed on Wednesday. (*Reuters*)
- [Indonesia still strong despite global economic slowdown: minister](#) Domestic consumption is keeping the Indonesian economy strong despite a global economic slowdown, Coordinating Minister for Economic Affairs Darmin Nasution has said. "We depend more on domestic demand than on export. (*Antara News*)
- [Indonesia's competitiveness ranking drops 5 spots as Singapore tops list: WEF](#) Indonesia's ranking in the World Economic Forum's global competitiveness index dropped five places in 2019 to 50th out of 141 economies, while Singapore takes over the United States as the world's most competitive country. (*The Jakarta Post*)

### Americas

- [U.S. August wholesale inventories revised down; sales flat](#) U.S. wholesale inventories increased less than initially estimated in August, suggesting inventory investment could remain a drag on economic growth in the third quarter. (*Reuters*)
- [Powell repeats U.S. economy is in a 'good place' despite risks](#) Federal Reserve Chairman Jerome Powell reiterated that the economy is well positioned despite some risks and that it's the central bank's task to keep it that way. (*Bloomberg*)

### Europe

- [Euro zone puts pressure on Dutch, Germans to spend more](#) Germany and the Netherlands, which run budget surpluses, should invest more to help boost economic growth at home and throughout the euro zone, top euro zone officials said on Wednesday, echoing a call from the European Central Bank last month. (*Reuters*)
- [EU says Brexit deal 'very difficult' if not entirely impossible](#) The European Union made clear on Wednesday it was not shutting the door to any Brexit deal and made itself available for last-minute negotiations but also stressed that London would need to move considerably to secure an agreement. (*Reuters*)

10 October 2019

## List of Oversold Stocks (14-Day RSI<30-mark)

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
AMFIRST REAL ESTATE INVESTM	0.475	13.20	5.84	0.02	0.475
AMWAY MALAYSIA HOLDINGS BHD	5.610	13.35	5.13	0.03	5.600
PUBLIC BANK BERHAD	19.120	13.81	11.74	8.26	19.120
PPB GROUP BERHAD	17.800	19.22	16.30	14.67	17.700
AMANAHRAYA REIT	0.765	22.58	23.60	38.23	0.755
KUALA LUMPUR KEPONG BHD	21.300	23.06	19.26	17.53	20.900
TOP GLOVE CORP BHD	4.370	24.78	17.14	5.89	4.330
UOA REAL ESTATE INVESTMENT	1.220	26.51	23.56	12.02	1.200
BOUSTEAD PLANTATIONS BHD	0.635	26.65	19.11	3.18	0.630
LUXCHEM CORP BHD	0.475	26.71	16.89	0.12	0.470
LAND & GENERAL BHD	0.140	26.78	17.69	0.87	0.140
STAR MEDIA GROUP BHD	0.520	26.86	25.50	9.99	0.520
BRITISH AMERICAN TOBACCO BHD	17.620	26.89	21.52	1.44	17.500
TUNE PROTECT GROUP BHD	0.550	27.03	24.47	22.21	0.545
SP SETIA BHD	1.320	27.93	26.10	15.21	1.310
AIRASIA X BHD	0.155	28.80	26.34	10.02	0.155
KUMPULAN FIMA BHD	1.560	28.89	26.71	18.37	1.560
MEDIA PRIMA BHD	0.450	29.12	22.29	3.73	0.450
APM AUTOMOTIVE HOLDINGS BHD	2.250	29.17	23.70	4.18	2.250
BOUSTEAD HOLDINGS BHD	0.970	29.43	21.04	6.56	0.945
KUMPULAN PERANGSANG SELANGOR	0.650	29.45	32.24	37.56	0.645
DUTALAND BHD	0.410	29.81	20.44	0.37	0.405
GENTING BHD	5.630	29.95	27.68	17.49	5.630
FORMOSA PROSONIC INDS BHD	1.570	29.98	23.46	3.62	1.570

\*Only for stocks with market cap &gt;RM300m

Source: Bloomberg

## List of Overbought Stocks (14-Day RSI>70-mark)

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PETRA ENERGY BHD	1.350	84.26	88.26	97.42	1.380
GUAN CHONG BHD	4.570	76.36	77.94	66.57	4.720
UZMA BHD	0.980	75.68	79.70	97.08	1.020
KECK SENG (MALAYSIA) BHD	4.760	74.82	81.80	93.86	4.780
MALAYSIAN PACIFIC INDUSTRIES	9.850	74.13	82.05	97.91	9.980
UNISEM (M) BERHAD	2.630	73.49	76.15	71.11	2.930
JHM CONSOLIDATION BHD	1.350	73.26	78.91	92.74	1.370
REDTONE INTERNATIONAL BHD	0.555	73.10	74.34	65.23	0.585
DAYANG ENTERPRISE HLDGS BHD	1.760	72.94	77.49	78.64	1.790
MEGA FIRST CORP BHD	4.290	72.28	75.17	86.21	4.320
JAKS RESOURCES BHD	0.855	71.59	80.44	97.25	0.860
NTPM HOLDINGS BHD	0.480	70.82	74.31	89.59	0.490
KARAMBUNAI CORP BHD	0.105	70.75	73.91	70.52	0.110

\*Only for stocks with market cap &gt;RM300m

Source: Bloomberg

## List of Oversold Warrants (14-Day RSI<30-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
AIRASIA GROUP-C91	0.040	14.29	10.81	0.66	0.040	16/3/2020
AXIATA GROUP-C39	0.050	18.57	13.70	3.00	0.050	31/1/2020
PRINSIPTEK -WA	0.005	19.04	10.89	0.16	0.005	16/11/2019
GENTING BHD-C75	0.060	19.68	17.25	4.58	0.060	15/5/2020
AIRASIA BHD-C89	0.055	24.46	17.50	2.38	0.055	31/1/2020
AIRASIA GROUP-C87	0.025	25.50	26.87	47.60	0.020	31/1/2020
YINSON HOLDIN-C1	0.145	28.08	28.69	32.98	0.140	31/1/2020
HANG SENG IND-7C	0.010	28.69	22.72	1.56	0.010	28/11/2019

Source: Bloomberg

## List of Overbought Warrants (14-Day RSI>70-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
PROLEXUS BHD-WA	0.250	81.46	83.70	81.10	0.270	14/6/2021
GREEN PACKET BHD-WB	0.290	73.67	72.18	77.31	0.295	24/11/2023
BUMI ARMADA B-C53	0.140	72.82	75.35	83.57	0.140	27/4/2020

Source: Bloomberg

**Stock Ratings are defined as follows:****Stock Recommendations**

OUTPERFORM	: A particular stock's Expected Total Return is MORE than 10%
MARKET PERFORM	: A particular stock's Expected Total Return is WITHIN the range of -5% to 10%
UNDERPERFORM	: A particular stock's Expected Total Return is LESS than -5%

**Sector Recommendations\*\*\***

OVERWEIGHT	: A particular sector's Expected Total Return is MORE than 10%
NEUTRAL	: A particular sector's Expected Total Return is WITHIN the range of -5% to 10%
UNDERWEIGHT	: A particular sector's Expected Total Return is LESS than -5%

**\*\*\*Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.**

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