

25 November 2019

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Research Highlights

BURSA	22-Nov	Day chg	% chg
KLCI	1,596.8	4.65	0.29%
FTSE EMAS	11,328.5	19.7	0.17%
FTSE Smallcap	13,704.7	-34.43	-0.25%
FTSE MESDAQ	4,891.1	8.3	0.17%
KLSE Mkt Cap (RM'b)	1,623.0	3.0	0.18%

NEWS HIGHLIGHTS

- UEM Sunrise disposes of Melbourne property for RM355.0m (Comment Included in Kenanga Today)
- YNH Property 3Q net profit up 69.0% on lower operating and income expenses
- Pelikan 3Q net profit more than doubles thanks to better cost management
- Cuscapi inks MoUs to provide F&B, retail and mall management solutions in Laos and Pakistan
- Pasdec's RM380.0m manufacturing contract from Nissan South Africa terminated

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	16.74	40.50
Local Retail	24.75	24.14
Foreign	-41.49	35.36

INDICES	22-Nov	Day chg	% chg
Dow Jones	27,875.6	109.3	0.39%
S&P 500	3,110.3	6.8	0.22%
NASDAQ	8,519.9	13.7	0.16%
FTSE-100	7,326.8	88.3	1.22%
Nikkei 225	23,112.9	74.3	0.32%
SHCOMP	2,885.3	-18.3	-0.63%
HSI	26,595.1	128.2	0.48%
STI	3,225.7	33.4	1.05%
KOSPI	2,102.0	5.4	0.26%
TWSE	11,566.8	8.5	0.07%
JCI	6,100.2	-17.1	-0.28%
SET	1,597.7	5.9	0.37%

MACRO BITS

- Still hope for U.S.-China deal this year: U.S. official
- Hong Kong democrats score landslide victory in local elections amid political crisis
- BNM international reserves remain at USD103.2b as at Nov 15
- Windfall tax on palm oil should be suspended indefinitely — MPOA
- ECRL to unveil proposed Kota Bharu-Dungun realignment on Monday
- China attacks U.S. at G20 as the world's biggest source of instability
- In bid to repair ties, Japan and South Korea agree to summit next month
- China's October pork imports double on year
- Trump vague about whether he will veto bills that back Hong Kong protesters
- Eighteen Democrats, three Republicans in U.S. presidential race
- UK's Johnson promises Brexit for Christmas in manifesto
- Germany's finance minister is not expecting a recession

FOREX	22-Nov	21-Nov	% chg
USD/MYR:	4.1710	4.1698	0.03%
EUR/USD:	1.1021	1.1082	-0.55%
GBP/USD:	1.2834	1.2942	-0.83%
USD/YEN:	108.66	108.62	0.04%
USD/SGD:	1.3642	1.3614	0.21%
USD/HKD:	7.8255	7.8208	0.06%

KEY STATS

KLCI Spot			
Vol (m shares):	2,557.2	2,926.7	-12.62%
Value (RMm):	1,995.4	2,154.8	-7.40%
KLCI Future			
November-19	1,598.0	1,590.5	0.47%
December-19	1,599.0	1,591.0	0.50%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	897.0	901.0	-0.44%
SoyOil (USc/lb)	31.1	30.9	0.58%
Gold (US\$/troy oz)	1,463.6	1,463.6	0.00%
Nymex crude oil (US\$/bbl)	57.8	58.6	-1.38%
Latex (RM/kg)	4.50	4.51	-0.22%
Tin (US\$/mt)	16,328.0	16,376.0	-0.29%

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- IPO Note: SLVEST
- MidS: AMVERTON
- Results Note: ARMADA, CBIP, CIMB, DAYANG, PETDAG
- Weekly Technical Review
- Regional News Update

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	PCEM	7.11	1.4	14.30	PETDAG	24.10	2.2	0.40	HLBANK	16.74	-0.6	3.40
2	GENM	3.21	-0.3	9.25	PETGAS	16.40	1.6	3.16	NESTLE	144.80	-0.6	0.10
3	TENAGA	13.58	0.7	6.44	PCEM	7.11	1.4	14.30	PMETAL	4.70	-0.4	0.61
4	MAYBANK	8.64	0.0	5.06	AXIATA	4.36	1.4	1.99	HLFG	16.56	-0.4	0.17
5	CIMB	5.37	-0.2	4.87	AIRPORT	8.29	1.0	0.97	GENM	3.21	-0.3	9.25
6	RHBBANK	5.70	0.0	4.64	TENAGA	13.58	0.7	6.44	MISC	8.31	-0.2	2.35
7	IHH	5.44	-0.2	3.82	SIMEPLT	5.14	0.6	3.44	CIMB	5.37	-0.2	4.87
8	DIALOG	3.43	0.0	3.62	MAXIS	5.31	0.6	1.98	IHH	5.44	-0.2	3.82
9	PBBANK	19.86	0.2	3.44	HARTA	5.35	0.6	2.20	AMBANK	4.06	0.0	1.48
10	SIMEPLT	5.14	0.6	3.44	KLK	23.80	0.4	1.50	DIGI	4.60	0.0	3.41

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **UEM Sunrise disposes of Melbourne property for RM355.0m**

UEM Sunrise Bhd is disposing of one of its properties in Melbourne for AUD125.0m (RM354.6m). It comprises a serviced apartment block that forms part of the Aurora Melbourne Central, together with 10 car park lots and part of the ground floor retail area measuring a gross floor area of 14,900 square metres (sqm). In a filing with Bursa Malaysia, UEM Sunrise said its wholly-owned subsidiary UEM Sunrise (La Trobe Street) Pty Ltd has today entered into a contract of sale with Scape Australia Management Pty Ltd. (*The Edge*)

Comment: UEM Sunrise would be raking in lump sum cash proceeds of AUD125.0m or RM354.6m for the en-bloc sale of 252 units of serviced apartments. The selling price is slightly higher than the previously entered sales contract value with Ascendas Australia Hotel Trust for the same property at a cash consideration of AUD120.0m (which was mutually terminated on 13 September 2019). The disposal, which is expected to be completed in 2Q2020, is expected to translate to a net disposal gain of AUD18.3m (RM51.9m or 1.1 sen per share). Maintain our OUTPERFORM call with TP of RM0.85. (By:Koh Huat Soon)

- **YNH Property 3Q net profit up 69.0% on lower operating and income expenses**

YNH Property Bhd's third quarter net profit jumped 69.0% to RM11.6m from RM6.9m a year ago on higher revenue and lower tax, marketing and operating expenses. Earnings per share for the quarter ended Sept 30, 2019 rose to 2.2 sen from 1.3 sen. Revenue was up 8.1% to RM106.1m compared with RM98.2m previously, according to the property developer's filing with the stock exchange. For the cumulative nine months, the group's net profit surged 60.8% to RM24.4m or 4.62 sen per share from RM15.2m or 2.87 sen per share last year. Nine-month revenue, however, dipped 6.15% to RM258.9m from RM275.9m. (*The Edge*)

- **Pelikan 3Q net profit more than doubles thanks to better cost management**

Pelikan International Corp Bhd's net profit leaped 189% to RM4.9m for the third quarter ended Sept 30, 2019 (3QFY19) from RM1.7m in the previous corresponding quarter, despite lower revenue. The stationery maker attributed the improved earnings to measures taken on cost control and ceased loss-making subsidiaries. The company's earnings per share grew to 0.83 sen per share in 3QFY19 to 0.31 sen per share a year ago. Revenue, however, fell 5.5% to RM303.3m versus RM321.0m for 3QFY18 due to the weaker euro against ringgit and lower sales in the Colombia market as well as in Spain after it ceased operations in Spain, the company said in a filing with Bursa Malaysia. (*The Edge*)

- **Cuscapi inks MoUs to provide F&B, retail and mall management solutions in Laos and Pakistan**

Point-of-sale systems provider Cuscapi Bhd is exploring opportunities to expand its footprint in Laos and Pakistan by offering its new C360 engage point of sales and restaurant management solutions, as well as retail and mall management solutions. In separate filings with Bursa Malaysia, the company said it has signed memorandums of understanding (MoUs) with Onliner (Laos) Co Ltd and Insource Pakistan. Both MoUs are valid for an initial period of one year and may be renewed by mutual agreement between the parties. (*The Edge*)

- **Pasdec's RM380.0m manufacturing contract from Nissan South Africa terminated**

Pasdec Holdings Bhd said a RM380.0m vehicles electrical wiring harness contract awarded to its subsidiary in Botswana by Nissan South Africa (Pty) Ltd has been terminated. This was due to a "failure to meet targets relating to part price, tooling price, quality, delivery conditions and production capacities" as agreed between the two sides, Pasdec said in a bourse filing today. The subsidiary, Pasdec Automotive Technologies (Botswana) (Pty) Ltd, which is held via Padedec's 70% unit in South Africa, Pasdec Automotive Technologies (Pty) Ltd, had bagged the contract in October last year. The seven-year contract had commenced in June this year. (*The Edge*)

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Macro Bits

Global

- [Still hope for U.S.-China deal this year: U.S. official](#) United States national security adviser Robert O'Brien said on Saturday that an initial trade agreement with China is still possible by the end of the year, but warned Washington would not turn a blind eye to what happens in Hong Kong. *(Reuters)*
- [Hong Kong democrats score landslide victory in local elections amid political crisis](#) Pro-democracy candidates in Hong Kong romped to a landslide and symbolic majority in district council elections after residents turned out in record numbers on Sunday to vote following six months of anti-government protests in the embattled city. *(Reuters)*

Malaysia

- [BNM international reserves remain at USD103.2b as at Nov 15](#) Bank Negara Malaysia's (BNM) international reserves remained unchanged at USD103.2b as at Nov 15, 2019 from Oct 31, 2019. *(The Edge Markets)*
- [Windfall tax on palm oil should be suspended indefinitely — MPOA](#) The windfall tax imposed on palm oil exporters should be suspended indefinitely even when crude palm oil (CPO) prices have surpassed RM2,500 per tonne, the Malaysia Palm Oil Association (MPOA) said. *(The Edge Markets)*
- [ECRL to unveil proposed Kota Bharu-Dungun realignment on Monday](#) The East Coast Rail Link (ECRL) project will be unveiling its proposed realignment from Kota Bharu to Dungun during its Public Inspection exercise on Nov 25, 2019, according to Malaysia Rail Link Sdn Bhd (MRL) in a statement today. *(The Edge Markets)*

Asia Pacific

- [China attacks U.S. at G20 as the world's biggest source of instability](#) The United States is the world's biggest source of instability and its politicians are going around the world baselessly smearing China, the Chinese government's top diplomat said on Saturday in a stinging attack at a G20 meeting in Japan. *(Reuters)*
- [In bid to repair ties, Japan and South Korea agree to summit next month](#) Japan and South Korea agreed on Saturday to hold formal talks next month, taking a step toward improving relations strained by decades of bitterness over their wartime past and now exacerbated by a simmering trade dispute. *(Reuters)*
- [China's October pork imports double on year](#) China's pork imports in October doubled from a year earlier, as wholesalers stocked up on supplies after disease decimated the huge hog herd, customs data showed on Saturday. *(Reuters)*

Americas

- [Trump vague about whether he will veto bills that back Hong Kong protesters](#) U.S. President Donald Trump was vague on Friday about whether he would sign or veto legislation to back protesters in Hong Kong as he tries to strike a trade deal with China, and boasted that he alone had prevented Beijing from crushing the demonstrations with a million soldiers. *(Reuters)*
- [Eighteen Democrats, three Republicans in U.S. presidential race](#) The historically large field of Democratic presidential candidates vying to take on Republican President Donald Trump in next November's U.S. election was back up to 18 on Sunday after former New York Mayor Michael Bloomberg joined the race. *(Reuters)*

Europe

- [UK's Johnson promises Brexit for Christmas in manifesto](#) British Prime Minister Boris Johnson will promise to bring his deal to leave the European Union back to parliament before Christmas when he launches his Conservative Party's manifesto on Sunday. *(Reuters)*
- [Germany's finance minister is not expecting a recession](#) The German economy is not facing a recession, the country's finance minister Olaf Scholz said on Friday, days after data showed Europe's largest economy had expanded slightly in the three months to September. *(Reuters)*



25 November 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
STAR MEDIA GROUP BHD	0.430	21.05	21.96	26.04	0.430
MEDIA PRIMA BHD	0.280	23.49	24.95	36.60	0.275
HONG LEONG INDUSTRIES BHD	9.770	23.99	15.18	1.75	9.730
EXCEL FORCE MSC BHD	0.525	24.87	19.80	18.83	0.520
CHIN WELL HOLDINGS BHD	1.530	25.05	19.24	8.11	1.530
MBM RESOURCES BERHAD	3.730	25.12	18.19	18.44	3.690
KNM GROUP BHD	0.375	26.70	15.45	0.80	0.365
PERUSAHAAN SADUR TIMAH MALAY	4.240	27.07	23.78	50.19	4.220
SYARIKAT TAKAFUL MALAYSIA KE	5.880	28.51	16.51	0.18	5.850
BLD PLANTATION BHD	5.440	28.70	24.36	8.05	5.440

*Only for stocks with market cap >RM300m

Source: Bloomberg

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
SARAWAK OIL PALMS BERHAD	3.310	90.07	94.20	99.64	3.310
THONG GUAN INDUSTRIES BHD	3.460	87.95	92.92	99.44	3.580
MKH BHD	1.530	86.81	90.75	98.18	1.530
TROPICANA CORP BHD	0.905	83.90	91.93	99.51	0.905
TA ANN HOLDINGS BERHAD	2.970	82.20	86.12	94.39	3.050
TH PLANTATIONS BHD	0.460	81.72	87.42	97.40	0.475
KOTRA INDUSTRIES BHD	2.160	81.46	84.92	95.63	2.160
CB INDUSTRIAL PRODUCT HLDG	0.960	78.58	82.50	86.09	0.980
RCE CAPITAL BHD	1.770	77.47	78.14	68.38	1.810
TDM BHD	0.220	77.27	83.91	97.60	0.220
GUAN CHONG BHD	2.840	75.90	80.33	84.75	2.980
RIMBUNAN SAWIT BHD	0.195	74.46	78.45	88.59	0.195
INNOPRISE PLANTATIONS BHD	0.835	73.82	81.80	95.47	0.835
DAIBOCHI BHD	2.280	72.53	77.12	91.17	2.290
FGV HOLDINGS BHD	1.290	72.23	75.26	86.30	1.320
NOTION VTEC BHD	0.970	71.61	71.88	65.09	1.020
CARING PHARMACY GROUP BHD	2.500	71.26	72.58	81.17	2.510
KIM LOONG RESOURCES BHD	1.340	71.26	74.03	80.67	1.350
COASTAL CONTRACTS BHD	1.290	71.19	72.43	72.62	1.290
CSC STEEL HOLDINGS BHD	1.050	71.07	76.26	87.80	1.060
WAH SEONG CORP BHD	1.260	71.06	67.58	53.07	1.330
SARAWAK PLANTATION BHD	1.720	70.57	76.81	96.07	1.720

*Only for stocks with market cap >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
BRITISH AMERI-CT	0.080	15.93	23.00	57.92	0.065	28/8/2020
POS MALAYSIA-C40	0.035	19.59	19.91	29.97	0.030	13/4/2020
HIBISCUS PETR-C8	0.060	28.49	23.76	10.97	0.060	31/3/2020
GREEN PACKET BHD-WB	0.280	29.26	17.59	2.52	0.270	24/11/2023
PETRONAS CHEM-C34	0.015	29.36	21.25	2.48	0.015	30/6/2020
KNM GROUP-WB	0.110	29.97	20.21	1.46	0.110	21/4/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
SCIENTEX BHD-CG	0.260	84.25	88.57	97.70	0.320	29/5/2020
FGV HOLDINGS-C76	0.110	76.36	79.65	89.41	0.110	28/2/2020
MCLEAN TECHNOLOGIES-WB	0.100	70.83	75.60	77.33	0.110	7/10/2020
NOTION VTEC-WC	0.655	70.70	69.51	58.69	0.690	14/3/2023

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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