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## Research Highlights

BURSA	29-Nov	Day chg	% chg
KLCI	1,561.7	-22.03	-1.39%
FTSE EMAS	11,092.9	-130.1	-1.16%
FTSE Smallcap	13,354.6	-85.49	-0.64%
FTSE MESDAQ	4,754.3	-55.2	-1.15%
KLSE Mkt Cap (RM'b)	1,592.9	-16.9	-1.05%

### NEWS HIGHLIGHTS

- Duopharma Biotech's 3Q earnings jump 21.0% on higher product demand
- Mulpha International suffers big losses, dragged down by RM315.0m impairment in 3Q
- Lion Industries posts fourth straight quarterly loss of RM110.6m
- Mudajaya back in the black after 13 straight quarterly losses
- Auditor raises red flag on Ikhmas Jaya's financial health

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	282.47	49.25
Local Retail	56.53	24.09
Foreign	-339.00	26.66

### MACRO BITS

- China wants U.S. tariffs rolled back in phase one trade deal: Global Times
- OPEC November oil output slips before Aramco IPO, policy meeting
- M3 slowed in October, loan growth hits 16-year low (See *Economic Viewpoint: Malaysia Money & Credit*)
- Chinese investments in Malaysia halve, US inflow soars
- Mida in talks to attract RM38b worth of projects to Malaysia
- ASEAN urged to boost private sector financing for sustainable infrastructure
- India's economic growth slows, pressure on Modi to speed up reforms
- China's factory activity unexpectedly returns to growth in November
- South Korea November exports plunge as China-U.S. deal still in dark
- Canada economy slowed in third quarter
- Mexico's president urges quick U.S. ratification of trade deal
- Euro zone inflation rises quicker than expected in November
- German retail sales drop in October

INDICES	29-Nov	Day chg	% chg
Dow Jones	28,051.4	-112.6	-0.40%
S&P 500	3,141.0	-12.7	-0.40%
NASDAQ	8,665.5	-39.7	-0.46%
FTSE-100	7,346.5	-83.3	-1.12%
Nikkei 225	23,293.9	-143.9	-0.61%
SHCOMP	2,872.0	-31.2	-1.08%
HSI	26,346.5	-607.5	-2.25%
STI	3,193.9	-21.6	-0.67%
KOSPI	2,088.0	-39.9	-1.87%
TWSE	11,489.6	-157.9	-1.36%
JCI	6,011.8	-11.2	-0.19%
SET	1,590.6	-16.7	-1.04%

FOREX	29-Nov	27-Nov	% chg
USD/MYR:	4.1778	4.1713	0.16%
EUR/USD:	1.1018	1.1005	0.12%
GBP/USD:	1.2925	1.2884	0.32%
USD/YEN:	109.49	109.12	0.34%
USD/SGD:	1.3677	1.3662	0.11%
USD/HKD:	7.8288	7.8277	0.01%

### KEY STATS

KLCI Spot			
Vol (m shares):	2,598.6	2,129.2	22.05%
Value (RMm):	2,352.9	1,440.6	63.33%
KLCI Future			
December 19	1,565.5	1,588.5	-1.45%
January 20	1,565.5	1,588.5	-1.45%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	876.8	882.0	-0.60%
SoyOil (USc/lb)	30.6	30.5	0.26%
Gold (US\$/troy oz)	1,465.6	1,453.4	0.84%
Nymex crude oil (US\$/bbl)	55.2	58.1	-5.06%
Latex (RM/kg)	4.47	4.46	0.34%
Tin (US\$/mt)	16,504.0	16,396.0	0.66%

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

- Results Note: AMBANK, BIMB, BSTEAD, IHH, QL, SIMEPLT, SKPRES
- Company Update: AFFIN
- Weekly Technical Review
- Regional News Update
- Economic Viewpoint: Malaysia Money & Credit

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TENAGA	13.16	-4.1	11.10	GENM	3.14	1.0	9.39	TENAGA	13.16	-4.1	11.10
2	GENM	3.14	1.0	9.39	AIRPORT	8.30	0.9	2.80	PETGAS	15.50	-3.5	1.11
3	CIMB	5.18	-1.0	8.36	KLK	23.34	0.2	0.89	MAXIS	5.18	-3.2	3.00
4	SIME	2.25	-2.2	8.10	MAYBANK	8.53	0.1	6.02	AXIATA	4.13	-3.1	7.39
5	AXIATA	4.13	-3.1	7.39	IHH	5.37	-0.2	4.65	HLFG	16.30	-2.7	0.26
6	MAYBANK	8.53	0.1	6.02	PPB	18.20	-0.2	0.52	AMBANK	3.99	-2.7	3.58
7	DIALOG	3.35	-1.2	5.98	GENTING	5.83	-0.3	4.49	PETDAG	22.90	-2.6	0.55
8	PCHEM	7.06	-0.6	4.93	HARTA	5.25	-0.4	2.39	HLBANK	16.90	-2.2	1.19
9	PBBANK	19.62	-0.6	4.89	HAPSENG	9.90	-0.4	0.80	SIME	2.25	-2.2	8.10
10	IHH	5.37	-0.2	4.65	NESTLE	143.30	-0.5	0.09	IOICORP	4.35	-2.0	3.40

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Duopharma Biotech's 3Q earnings jump 21.0% on higher product demand**

Duopharma Biotech Bhd has reported a 21.0% jump in net profit to RM14.9m for its third quarter ended Sept 30, 2019, from RM12.3m a year ago. The pharmaceutical company said in an exchange filing revenue rose 13.5% to RM142.9m, from RM125.8m in the year-ago third quarter. Duopharma Biotech's group managing director Leonard Ariff Abdul Shatar said the improved results reflected increased demand for the group's pharmaceutical products from the private and public health sectors, despite the economic challenges internationally and domestically. *(The Edge)*

- **Mulpha International suffers big losses, dragged down by RM315.0m impairment in 3Q**

The whopping RM315.4m impairment on its investment in an Australia-listed associate, AVEO, widened Mulpha International Bhd's net loss substantially to RM299.3m in the third quarter ended Sept 30, 2019 (3QFY19) from RM6.7m in the previous corresponding quarter. The hefty impairment offset the improved performance in the hospitality and property divisions, said the company in a filing with Bursa Malaysia. The company's loss per share swelled to 93.69 sen for 3QFY19 from 2.08 sen for 3QFY18. Quarterly revenue, however, grew 24.9% to RM210.5m from RM168.6m last year due to better performance in the hospitality and property divisions. *(The Edge)*

- **Lion Industries posts fourth straight quarterly loss of RM110.6m**

Lion Industries Bhd reported a net loss of RM110.6m for the first quarter ended Sept 30, 2019 (1QFY20) versus a net profit of RM19.0m a year ago, including a lower margin of its steel division, and higher loss from associated companies and joint ventures. This marks its fourth consecutive quarterly loss. As a result, it registered a loss per share of 16.25 sen from 2.79 sen for 1QFY19, Lion Industries said in a filing with Bursa Malaysia. Revenue fell 29.0% to RM656.4m from RM926.3m last year due to lower revenue registered by its steel division. *(The Edge)*

- **Mudajaya back in the black after 13 straight quarterly losses**

After logging 13 consecutive quarters of losses, Mudajaya Group Bhd has returned to the black with a net profit of RM812,000 in its third quarter ended Sept 30, 2019 (3QFY19). This was despite its revenue contracting 25.6% on year to RM110.2m during the quarter under review from RM148.2m in 3QFY18, due to the completion of its 49 megawatt (mW) solar photovoltaic energy plant at Sungai Siput, Perak in November 2018, and the slow progress of the Light Rail Transit Line 3 (LRT3) project. As a result, the group's net loss for the cumulative nine-month period narrowed to RM73.0m from RM161.0m in the corresponding period a year ago. Revenue more than halved to RM296.3m from RM636.9m before. *(The Edge)*

- **Auditor raises red flag on Ikhmas Jaya's financial health**

Ikhmas Jaya Group Bhd's independent auditor Messrs KPMG PLT has highlighted material uncertainty on the group's ability to continue as a going concern after reviewing its interim financial statements. Ikhmas Jaya said its external auditor has included a statement of material uncertainty in its independent auditors' reported dated Nov 29, in respect of the company's interim financial statements for the financial period ended Sept 30, 2019. "The group has prepared its interim financial statements on a going concern basis, notwithstanding that the group incurred a net loss of RM95.7m for the nine-month period ended Sept 30, 2019. *(The Edge)*

## Macro Bits

### Global

- [China wants U.S. tariffs rolled back in phase one trade deal: Global Times](#) Beijing's top priority in any phase one trade deal with the United States is the removal of existing tariffs on Chinese goods, China's Global Times newspaper said on Sunday, amid continued uncertainty on whether the two sides can strike a deal. *(Reuters)*
- [OPEC November oil output slips before Aramco IPO, policy meeting](#) OPEC oil output has fallen in November as Angolan production has slipped due to maintenance and Saudi Arabia has kept a lid on supply to support the market before the initial public offering (IPO) of state-owned Saudi Aramco, a Reuters survey found. *(Reuters)*

### Malaysia

- **M3 slowed in October, loan growth hits 16-year low.** M3 growth moderated to a 34-month low (3.4%; Sep: 3.9%) due to slower growth in public and private spending. *(See Economic Viewpoint: Malaysia Money & Credit)*
- [Chinese investments in Malaysia halve, US inflow soars](#) Chinese investments into Malaysia halved to USD1.7b in the first nine months of the year from a year ago, though US investments soared seven times to USD5.9b — reflecting a diversion of funds due to the Beijing-Washington trade clashes. *(The Edge Markets)*
- [Mida in talks to attract RM38b worth of projects to Malaysia](#) The Malaysian Investment Development Authority (Mida) says it is in active talks to attract 682 projects with proposed investments of RM37.6b to Malaysia. *(The Edge Markets)*

### Asia Pacific

- [ASEAN urged to boost private sector financing for sustainable infrastructure](#) ASEAN member states must take steps to promote greater private sector participation in sustainable infrastructure financing in order to help forge an ASEAN economic future that is underpinned by sustainable development for decades to come. *(The Edge Markets)*
- [India's economic growth slows, pressure on Modi to speed up reforms](#) India's annual economic growth slowed to 4.5% in the July-September quarter, its weakest pace since 2013, putting pressure on Prime Minister Narendra Modi to speed up reforms as five rate cuts by the central bank have failed to boost investments. *(Reuters)*
- [China's factory activity unexpectedly returns to growth in November](#) Factory activity in China unexpectedly returned to growth in November for the first time in seven months, as domestic demand picked up on Beijing's accelerated stimulus measures to steady growth. *(Reuters)*
- [South Korea November exports plunge as China-U.S. deal still in dark](#) South Korean exports in November fell for the 12th month in a row and far more than expected, denting hopes for the global manufacturing sector stabilizing as a much-awaited China-U.S. trade deal is still in darkness. *(Reuters)*

### Americas

- [Canada economy slowed in third quarter](#) Economic growth in Canada decelerated markedly in the third quarter after posting the fastest expansion among Group of Seven countries in the previous three-month period, slowed down by a decline in exports and a drawdown of inventories. *(The Wall Street Journal)*
- [Mexico's president urges quick U.S. ratification of trade deal](#) Mexican President Andrés Manuel López Obrador has urged U.S. House Democrats to ratify the U.S.-Mexico-Canada trade agreement, a key engine for Mexico's faltering economy, saying his country has met its commitments regarding labor issues. *(The Wall Street Journal)*

### Europe

- [Euro zone inflation rises quicker than expected in November](#) Euro zone inflation accelerated faster than expected in November on a rise in food and services prices, likely comforting European Central Bank policymakers even if some factors pushing up prices may be only temporary. *(Reuters)*
- [German retail sales drop in October](#) German retail sales fell in October, data showed on Friday, suggesting that private consumption in Europe's largest economy took a pause for breath before the Christmas shopping season. *(Reuters)*



02 December 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
CHIN WELL HOLDINGS BHD	1.400	18.99	15.47	9.81	1.360
ANN JOO RESOURCES BHD	0.970	22.98	17.44	4.19	0.965
DUTCH LADY MILK INDS BHD	55.800	23.02	17.83	6.03	55.800
SUNWAY CONSTRUCTION GROUP BH	1.820	27.23	18.63	3.21	1.820
SUPERMAX CORP BHD	1.360	27.33	22.58	16.55	1.340
BLD PLANTATION BHD	5.410	28.24	23.73	6.78	5.410
GEORGE KENT (MALAYSIA) BHD	0.965	28.58	19.33	1.08	0.960
ELSOFT RESEARCH BHD	0.820	29.00	23.02	10.10	0.810
TA ENTERPRISE BERHAD	0.580	29.33	23.16	9.52	0.580

\*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
TROPICANA CORP BHD	0.930	88.57	95.26	99.91	0.930
TH PLANTATIONS BHD	0.530	79.64	82.17	84.08	0.575
SARAWAK OIL PALMS BERHAD	3.210	74.43	73.92	71.12	3.310
TA ANN HOLDINGS BERHAD	2.990	72.77	72.55	67.52	3.060
CARING PHARMACY GROUP BHD	2.510	72.75	75.81	97.45	2.520
ALLIANZ MALAYSIA BHD	14.580	72.36	79.19	89.70	14.900
JAYA TIASA HOLDINGS BHD	0.695	71.91	73.92	78.63	0.725
RIMBUNAN SAWIT BHD	0.210	71.87	73.45	76.42	0.220
POWER ROOT BHD	2.420	70.50	73.25	72.43	2.450
NTPM HOLDINGS BHD	0.545	70.27	73.32	79.38	0.575

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

Source: Bloomberg

## List of Oversold Warrants (14-Day RSI<70-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
LBI CAPITAL BHD-WB	0.095	22.02	16.40	3.18	0.095	24/6/2024
SUPERMAX CORP-C69	0.025	22.99	19.54	10.68	0.020	28/2/2020
LEONG HUP INT-CK	0.015	27.05	17.60	1.08	0.015	28/2/2020
DRB-HICOM BHD-C89	0.040	27.37	22.23	6.74	0.040	30/6/2020
GFM SERVICES BHD-WC	0.070	28.07	20.94	7.90	0.065	28/1/2022
DRB-HICOM BHD-C88	0.055	29.73	21.30	2.24	0.055	8/5/2020
LAMBO GROUP BHD-WB	0.005	29.93	21.45	1.69	0.005	29/4/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
ECO WORLD INTERNATIONAL-WA	0.170	80.82	85.17	94.15	0.175	4/4/2022

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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