

26 February 2020

By Vincent Tee / vincent.tee@kenanga.com.my; Ahmad Ramzani Ramli / ahmadramzani@kenanga.com.my

BURSA	25-Feb	Day chg	% chg
KLCI	1,500.9	10.82	0.73%
FTSE EMAS	10,735.5	89.4	0.84%
FTSE Smallcap	13,714.0	123.93	0.91%
FTSE MESDAQ	5,695.7	47.5	0.84%
KLSE Mkt Cap (RM'b)	1,555.8	12.6	0.82%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	170.28	47.97
Local Retail	32.52	26.70
Foreign	-202.80	25.33

INDICES	25-Feb	Day chg	% chg
Dow Jones	27,081.4	-879.4	-3.15%
S&P 500	3,128.2	-97.7	-3.03%
NASDAQ	8,965.6	-255.7	-2.77%
FTSE-100	7,017.9	-139.0	-1.94%
Nikkei 225	22,605.4	N.A.	N.A.
SHCOMP	3,013.1	-18.2	-0.60%
HSI	26,893.2	72.3	0.27%
STI	3,158.2	16.0	0.51%
KOSPI	2,103.6	24.6	1.18%
TWSE	11,540.2	5.4	0.05%
JCI	5,787.1	-19.9	-0.34%
SET	1,439.1	3.5	0.25%

FOREX	25-Feb	24-Feb	% chg
USD/MYR:	4.2338	4.2265	0.17%
EUR/USD:	1.0838	1.0816	0.20%
GBP/USD:	1.2971	1.2898	0.57%
USD/YEN:	110.49	111.29	-0.72%
USD/SGD:	1.3987	1.4026	-0.28%
USD/HKD:	7.7915	7.7938	-0.03%

KEY STATS

KLCI Spot			
Vol (m shares):	3,125.3	4,033.5	-22.52%
Value (RMm):	2,757.4	3,905.8	-29.40%
KLCI Future			
February-20	1,500.5	1,491.5	0.60%
March-20	1,494.5	1,480.0	0.98%
CPO Price (RM/tonne)	2,438.0	2,543.0	-4.13%
Soybean (US\$/bu)	879.0	874.3	0.54%
SoyOil (US\$/lb)	29.6	29.9	-0.84%
Gold (US\$/troy oz)	1,650.0	1,676.6	-1.59%
Nymex crude oil (US\$/bbl)	49.9	51.4	-2.97%
Latex (RM/kg)	4.62	4.63	-0.11%
Tin (US\$/mt)	16,707.0	16,537.0	1.03%

Research Highlights

NEWS HIGHLIGHTS

- Inari Amertron 2Q net profit slumps 32%, declares one sen dividend
- Boustead Plantations sinks deeper into the red following impairment costs on estates
- Ekovest founder's son Lim Chen Herng resigns as exec director
- MSM incurs RM300.0m net loss in FY19
- Kronologi Asia reports stronger FY19, sees opportunities amid external headwinds

MACRO BITS

- South Korea to launch mass coronavirus testing, U.S. pledges USD1.0b for vaccine
- After raucous welcome in India, Trump clinches USD3.0b military equipment sale
- Malaysia's Mahathir proposes 'unity government' to strengthen grip
- Dr M to announce date for economic stimulus package – Lim
- Country's retail sector can record double-digit growth — MRCA
- China's main manufacturing hubs reboot after virus shutdown
- Taiwan passes USD2.0b package to soften coronavirus hit to economy
- Trump administration seeks USD2.5b in funds to fight coronavirus
- U.S. CDC says Americans should avoid travel to South Korea over coronavirus
- EU ready for "hard" talks with Brexit Britain, warns on Irish border
- Falling exports bring German economy to standstill in fourth quarter

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- MidS: SAB
- Results Notes: DLADY, IJM, IJMLNT, IOIPG, MMCCORP, NESTLE, PETDAG, POSM, SUNSURI, SUNWAY, SUPERMX, TAKAFUL, VELESTO
- On Our Technical Watch: OMESTI, KAB

# Top Volume				Top Gainer				Top Loser			
Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1 TOPGLOV	5.62	3.3	24.50	TOPGLOV	5.62	3.3	24.50	HLFG	15.80	-1.6	0.35
2 SIME	2.00	0.5	13.70	AIRPORT	6.77	2.9	1.61	PMETAL	4.81	-1.4	2.56
3 CIMB	4.90	0.8	13.30	HARTA	6.05	2.4	10.60	HAPSENG	9.18	-1.3	0.76
4 GENM	2.96	0.3	13.20	AXIATA	4.21	1.7	4.83	IOICORP	4.25	-1.2	3.87
5 PCHEM	6.40	0.6	11.00	IHH	5.69	1.6	4.68	PETDAG	21.40	-0.9	0.51
6 HARTA	6.05	2.4	10.60	TENAGA	12.30	1.3	6.87	GENTING	5.23	-0.8	8.12
7 MAYBANK	8.28	1.0	9.92	SIMEPLT	4.96	1.2	2.08	PETGAS	16.40	-0.6	0.94
8 DIALOG	3.35	0.9	8.85	MAXIS	5.45	1.1	2.25	NESTLE	142.00	-0.3	0.07
9 GENTING	5.23	-0.8	8.12	RHBBANK	5.56	1.1	5.70	PPB	17.90	-0.2	0.79
10 TENAGA	12.30	1.3	6.87	MISC	7.50	1.1	6.64	AMBBANK	3.76	0.0	4.35

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Inari Amertron 2Q net profit slumps 32%, declares one sen dividend**

Inari Amertron Bhd's net profit slumped nearly 32% to RM37.5m in the second quarter ended Dec 31, 2019 (2QFY20) from RM55.1m year ago, on change in product mix, higher depreciation costs and a less favourable foreign exchange rate. The quarterly earnings came in lower than expected. Earnings per share for the quarter shrunk to 1.18 sen from 1.73 sen previously, the semiconductor group said in a filing with the stock exchange. Revenue fell 11.56% to RM265.0m, from RM 375.9m in the previous corresponding quarter, due to reduced sales volumes in optoelectronic products. *(The Edge)*

- **Boustead Plantations sinks deeper into the red following impairment costs on estates**

Boustead Plantations Bhd slipped deeper into the red in the financial year ended Dec 31, 2019 (FY19), weighed down by RM175.9m in impairment losses at its Tawai estates in Sabah and Lapan Kabu Estate in Kelantan. In a bourse filing, the group said net loss expanded to RM144.0m from RM51.8m in FY18. Loss per share jumped to 6.43 sen from 2.31 sen. Revenue also dipped to RM577.2m, from RM584.0m. The group's dividend payout for the year stands at one sen per share, compared with seven sen in FY18. *(The Edge)*

- **Ekovest founder's son Lim Chen Herng resigns as exec director**

Lim Chen Herng, son of Tan Sri Lim Kang Hoo, has resigned as executive director of Ekovest Bhd, citing other work commitment. In a bourse filing, Ekovest said the resignation of Chen Herng, 33, is effective immediately. According to the group's Annual Report 2019, Chen Herng was appointed to the board of directors of Ekovest on Feb 27, 2014 as an alternate director to Kang Hoo. He was redesignated to the role of executive director on April 10, 2018. He has been with the family business since 2008, with management exposure into the property development, construction, finance and oil and gas industry. Currently, he is an executive director of Knusford Bhd and an alternate director at Iskandar Waterfront City Bhd. *(The Edge)*

- **MSM incurs RM300.0m net loss in FY19**

Sugar refiner MSM Malaysia Holdings Bhd posted a net loss of RM299.7m for the financial year ended Dec 31, 2019 (FY19), versus a net profit of RM35.7m in the preceding year. Revenue contracted 9.4% to RM2.0b, from RM2.2b in FY18, which the group said was due to the reduction in overall volume sold and lower average selling price. In its stock exchange filing, MSM said FY19 loss was partly contributed by a higher finance cost due to a loan modification and the provision of RM140.5m for the impairment of plant and machinery. *(The Edge)*

- **Kronologi Asia reports stronger FY19, sees opportunities amid external headwinds**

Kronologi Asia Bhd, an ACE Market-listed on-site and off-site enterprise data management (EDM) and data storage solutions firm, is leveraging opportunities it sees amid challenges like the prolonged Hong Kong protests and US-China trade tensions, as well as the more recent Covid-19 outbreak. Such incidents have led to higher video surveillance requirements and heavier streaming of video broadcasts, which bode well for the group's business, according to its chief executive officer Edmond Tay Nam Hiong. *(The Edge)*



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Macro Bits

Global

- [South Korea to launch mass coronavirus testing, U.S. pledges USD1.0b for vaccine](#) South Korea aims to test more than 200,000 members of a church at the center of a surge in coronavirus cases, as countries stepped up efforts to stop a pandemic of the virus that emerged in China and is now spreading in Europe and the Middle East. *(Reuters)*
- [After raucous welcome in India, Trump clinches USD3.0b military equipment sale](#) U.S. President Donald Trump said on Tuesday that India will buy USD3.0b worth of military equipment, including attack helicopters, as the two countries deepen defense and commercial ties in an attempt to balance the weight of China in the region. *(Reuters)*

Malaysia

- [Malaysia's Mahathir proposes 'unity government' to strengthen grip](#) Malaysia's Mahathir Mohammed is trying to form a national unity government under his personal authority, drawing together rival parties, political sources said on Tuesday, following his shock resignation as prime minister. *(Reuters)*
- [Dr M to announce date for economic stimulus package – Lim](#) Tun Dr Mahathir Mohamad will go ahead to announce the highly anticipated economic stimulus package but on a date to be decided by him in his capacity as the interim prime minister, says former finance minister Lim Guan Eng. *(The Edge Markets)*
- [Country's retail sector can record double-digit growth — MRCA](#) Malaysia's retail sector has the potential to record double-digit growth by capitalising on the safety of the country to attract more tourists, said Malaysia Retail Chain Association (MRCA) president Datuk Seri Garry Chua. *(The Edge Markets)*

Asia Pacific

- [China's main manufacturing hubs reboot after virus shutdown](#) As many parts of China ease coronavirus travel curbs, main manufacturing hubs in the east and south are seeing hundreds of thousands of migrant workers returning to work and more traffic on the roads during rush hours. *(Reuters)*
- [Taiwan passes USD2.0b package to soften coronavirus hit to economy](#) Taiwan's parliament approved a TWD60.0b (USD2.0b) package on Tuesday to help cushion the impact of the coronavirus outbreak on its export-reliant economy. *(Reuters)*

Americas

- [Trump administration seeks USD2.5b in funds to fight coronavirus](#) The Trump administration is asking Congress for USD2.5b to fight the fast-spreading coronavirus, including more than USD1.0b for vaccines, the White House said on Monday. *(Reuters)*
- [U.S. CDC says Americans should avoid travel to South Korea over coronavirus](#) Americans should avoid all nonessential travel to South Korea due to the coronavirus outbreak, the U.S. Centers for Disease Control and Prevention said on Monday. *(Reuters)*

Europe

- [EU ready for "hard" talks with Brexit Britain, warns on Irish border](#) The European Union is ready for talks on future ties with Brexit Britain ranging from trade to security but the process will be "very hard" and could fail if London does not secure the Irish border as earlier agreed, ministers said on Tuesday.
- [Falling exports bring German economy to standstill in fourth quarter](#) Shrinking exports held back German economic activity in the fourth quarter of last year, detailed data showed on Tuesday, confirming that Europe's largest economy was stagnating even before the coronavirus outbreak began. *(Reuters)*



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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
FIMA CORP BHD	1.610	25.65	18.92	7.85	1.600
HAP SENG CONSOLIDATED	9.180	26.67	23.43	7.46	9.050
MANULIFE HOLDINGS BHD	2.310	26.81	14.85	0.55	2.310
GD EXPRESS CARRIER BHD	0.225	27.27	19.63	2.50	0.220
FAVELLE FAVCO BHD	2.620	29.08	22.41	4.45	2.620
ICAPITAL.BIZ BERHAD	2.210	29.83	26.60	26.05	2.190

*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
OMESTI BHD	0.680	72.50	74.88	78.32	0.715
DUFU TECHNOLOGY CORP BHD	4.820	72.14	71.92	70.11	5.000
YINSON HOLDINGS BHD	7.100	70.74	70.42	59.00	7.420
FOCUS DYNAMICS GROUP BHD	0.740	70.09	71.52	68.70	0.780

*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
FGV HOLDINGS-C28	0.100	18.60	20.91	38.51	0.085	7/12/2020
GENTING BHD-C77	0.005	22.49	15.57	0.58	0.005	27/4/2020
PUBLIC BANK B-C42	0.025	28.14	26.72	25.30	0.025	19/6/2020
EWEIN BHD-WB	0.125	29.40	24.12	7.00	0.120	24/9/2022
GENTING BHD-C78	0.040	29.44	24.74	5.78	0.035	30/7/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
MI TECHNOVATI-CG	0.350	93.13	95.77	99.65	0.355	30/11/2020

Source: Bloomberg



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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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Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my

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