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## Research Highlights

BURSA	27-Feb	Day chg	% chg
KLCI	1,505.6	10.4	0.70%
FTSE EMAS	10,684.7	14.6	0.14%
FTSE Smallcap	13,324.5	-241.18	-1.78%
FTSE MESDAQ	5,585.1	-94.3	-1.66%
KLSE Mkt Cap (RM'b)	1,547.7	0.7	0.04%

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	175.76	44.66
Local Retail	115.70	28.42
Foreign	-291.46	26.92

INDICES	27-Feb	Day chg	% chg
Dow Jones	25,766.6	-1,191.0	-4.42%
S&P 500	2,978.8	-137.6	-4.42%
NASDAQ	8,566.5	-414.3	-4.61%
FTSE-100	6,796.4	-246.1	-3.49%
Nikkei 225	21,948.2	-478.0	-2.13%
SHCOMP	2,991.3	3.4	0.11%
HSI	26,778.6	82.1	0.31%
STI	3,111.7	-5.8	-0.19%
KOSPI	2,054.9	-21.9	-1.05%
TWSE	11,292.2	-141.5	-1.24%
JCI	5,535.7	-153.2	-2.69%
SET	1,395.1	28.7	2.10%

FOREX	27-Feb	26-Feb	% chg
USD/MYR:	4.2110	4.2255	-0.34%
EUR/USD:	1.0940	1.0887	0.49%
GBP/USD:	1.2870	1.2932	-0.48%
USD/YEN:	110.06	110.39	-0.30%
USD/SGD:	1.3953	1.3978	-0.18%
USD/HKD:	7.7934	7.7922	0.02%

### KEY STATS

KLCI Spot			
Vol (m shares):	3,516.7	3,866.8	-9.05%
Value (RMm):	2,664.9	3,072.0	-13.25%
KLCI Future			
February-20	1,512.0	1,495.5	1.10%
March-20	1,501.0	1,487.0	0.94%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	886.3	881.0	0.60%
SoyOil (USc/lb)	29.2	29.5	-0.88%
Gold (US\$/troy oz)	1,642.5	1,643.1	-0.04%
Nymex crude oil (US\$/bbl)	47.1	48.7	-3.37%
Latex (RM/kg)	4.64	4.64	0.00%
Tin (US\$/mt)	N.A.	16,640.0	N.A.

### NEWS HIGHLIGHTS

- Vitrox 4Q19 profit down 39% on weaker sales
- Higher depreciation, finance costs drag AirAsia X deeper into the red in 4Q, FY19
- Litrak 3Q profit up 15%, declares 15 sen dividend
- Pentamaster 4Q net profit rises nearly 20%, recommends 1.5 sen dividend
- SCIB returns to profit

### MACRO BITS

- World scrambles to curb fast-spreading coronavirus
- U.S.-South Korea military drills postponed as coronavirus spreads faster outside China
- Malaysia to spend RM20.0b to stimulate economy, higher than Singapore's SGD5.6b (RM17.0b) plan
- Malaysian parliament to choose new PM amid turmoil
- Malaysia producer price index up 2.8% in Jan 2020
- China's trade faces challenges as small firms battle coronavirus impact
- Taiwan raises epidemic response level, halts pilgrimage on virus concerns
- Saudi Arabia suspends entry for Umrah pilgrimage, tourism amid coronavirus
- Trump says coronavirus risk in U.S. is low; CDC confirms first case of unknown origin
- Trump says may need to restrict travel from Italy, South Korea
- Britain, on trade collision course with EU, says it could walk away
- No need to reach for policy 'panic button', BoE's Cunliffe says

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

- Strategy: Stimulus Budget
- MidS: AMVERTON, PWROOT, ULICORP
- Results Notes: AIRASIA, AMBANK, ARMADA,CBIP, GENM, GENTING, HSL, KIMLUN, LBS, MAYBANK, MEDIAC, MITRAJAYA, PPB, QL, RHBBANK, SEM, SKP, STAR, TSH, UMW, UZMA
- Company Update: MPI
- On Our Technical Watch: FPGROUP, FOCUS
- Rating Summary
- Economic Viewpoint: COVID 19 – Economic Stimulus Package

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	CIMB	4.86	-1.0	18.50	HAPSENG	9.34	3.8	0.32	CIMB	4.86	-1.0	18.50
2	GENM	2.93	0.0	13.00	MAXIS	5.51	2.6	1.64	PICHEM	5.80	-0.9	11.20
3	PICHEM	5.80	-0.9	11.20	PPB	18.30	2.5	0.54	IOICORP	4.25	-0.7	2.72
4	PBBANK	17.30	0.6	11.20	MAYBANK	8.52	2.3	10.50	SIMEPLT	5.00	-0.4	2.69
5	MAYBANK	8.52	2.3	10.50	HLBANK	15.46	1.8	0.47	GENTING	5.16	-0.4	4.79
6	MISC	7.76	0.8	8.68	SIME	2.02	1.5	3.98	AMBANK	3.77	-0.3	1.96
7	TOPGLOV	5.69	0.2	6.54	AXIATA	4.20	1.2	2.83	PETDAG	21.52	-0.2	0.66
8	RHBBANK	5.61	0.5	5.27	PMETAL	4.80	1.1	1.24	HARTA	6.05	-0.2	4.41
9	DIALOG	3.39	0.9	4.90	TENAGA	12.50	1.0	3.14	GENM	2.93	0.0	13.00
10	GENTING	5.16	-0.4	4.79	DIALOG	3.39	0.9	4.90	HLFG	15.72	0.0	0.44

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Vitrox 4Q19 profit down 39% on weaker sales**

Vitrox Corp Bhd's fourth quarter net profit declined 39.58% to RM17.8m, from RM29.5m the year before, no thanks to lower sales volume and unfavourable product mix. Earnings per share for the quarter ended Dec 31, 2019 fell to 3.78 sen from 6.26 sen previously, the company said in a filing. Revenue fell 14% to RM95.1m, from RM110.6m in the previous year fourth quarter, because of a decline in customer demand by 13% and 20% from Automated Board Inspection (ABI) and Machine Vision System (MVS) respectively. *(The Edge)*

- **Higher depreciation, finance costs drag AirAsia X deeper into the red in 4Q, FY19**

Long-haul, low-cost airline AirAsia X Bhd (AAX) saw its four-quarter net loss widen 8.8% to RM95.8m from RM88.1m, on higher depreciation and finance costs with the adoption of MFRS 16 Lease which came into force on Jan 1, 2019. AAX's filing with Bursa Malaysia today showed that depreciation costs increased by 10 times to RM241.2m in the three months ended Dec 31, 2019 (4QFY19) from RM24.1m a year ago, while finance costs more than doubled to RM100.4m from RM47.9m in 4QFY18. As a result, AAX's loss per share was higher at 2.3 sen for 4QFY19 compared with 2.1 sen for 4QFY18. *(The Edge)*

- **Litrak 3Q profit up 15%, declares 15 sen dividend**

Lingkaran Trans Kota Holdings Bhd (Litrak) grew its net profit in the third quarter ended Dec 31, 2019 (3QFY20) by 15.42% to RM70.6m from RM61.2m, thanks to higher profit from Sprint Group, lower expenses and higher revenue. Also supporting the quarter's bottomline growth was lower finance costs and maintenance expenses. Earnings per share rose to 13.29 sen in the quarter from 11.59 sen previously. The group declared a second single tier tax-exempt interim dividend of 15 sen per share for the quarter, unchanged from 3QFY19. Revenue grew 0.94% to RM132.3m from RM131.1m, thanks to higher traffic volume at the Damansara-Puchong expressway (LDP). *(The Edge)*

- **Pentamaster 4Q net profit rises nearly 20%, recommends 1.5 sen dividend**

Pentamaster Corp Bhd's net profit growth grew nearly 20% to RM22.5m in its fourth quarter ended Dec 31, 2019 (4QFY19), from RM18.8m in the year-ago quarter, on higher sales from its automated test equipment (ATE) operating segment. The higher sales also pushed up quarterly revenue by 12.3% to RM125.9m from RM112.2m previously, the group's stock exchange filing today showed. Pentamaster recommended a final dividend of 1.5 sen per share for the financial year. *(The Edge)*

- **SCIB returns to profit**

Sarawak Consolidated Industries Bhd (SCIB) swung back to profit in the financial year ended Dec 31, 2019 (FY19), ending two successive years of losses. The manufacturing and construction company posted a net profit of RM3.0m for the year compared with a net loss of RM9.8m in FY18, which it attributed to higher construction revenue and recognition of gain from deconsolidation of a subsidiary under creditors' voluntary liquidation. It also incurred lower impairment loss expense compared to last year. Revenue also improved 12.9% year-on-year to RM85.8m from RM75.9m. *(The Edge)*



## Macro Bits

### Global

- [World scrambles to curb fast-spreading coronavirus](#) The coronavirus' rapid spread in Iran, Italy, South Korea and elsewhere left alarmed governments and people across the globe rushing on Thursday to implement emergency measures. *(Reuters)*
- [U.S.-South Korea military drills postponed as coronavirus spreads faster outside China](#) The United States and South Korea postponed joint military drills on Thursday to limit the spread of coronavirus, as the number of infections inside China - the source of the outbreak - was for the first time overtaken by fresh cases elsewhere. *(The Edge Markets)*

### Malaysia

- [Malaysia to spend RM20.0b to stimulate economy, higher than Singapore's SGD5.6b \(RM17.0b\) plan](#) Malaysia today revealed a RM20.0b package of tax reliefs and subsidies to stimulate the economy hit by the coronavirus (Covid-19) outbreak. *(The Edge Markets)*
- [Malaysian parliament to choose new PM amid turmoil](#) Malaysia's parliament will vote on a new candidate for prime minister on Monday and if nobody can win majority support there will be a snap election, interim prime minister Mahathir Mohamad said on Thursday. *(Reuters)*
- [Malaysia producer price index up 2.8% in Jan 2020](#) The producer price index (PPI) for local production rose 2.8% year-on-year in January 2020 to 107.3 from 104.4. Chief Statistician Malaysia Datuk Seri Dr Mohd Uzir Mahidin said 41.9% of the 1,063 items covered in the PPI showed an increase in January 2020 as compared to the same month a year ago. *(The Edge Markets)*

### Asia Pacific

- [China's trade faces challenges as small firms battle coronavirus impact](#) China's foreign trade faces challenges as small- and mid-size firms in its supply chains battle financing difficulties amid trade curbs, lack of raw materials and delayed payments during a coronavirus outbreak, the commerce ministry said on Thursday. *(Reuters)*
- [Taiwan raises epidemic response level, halts pilgrimage on virus concerns](#) Taiwan on Thursday raised its epidemic response level to the highest as it readied a USD2.0b package to cushion the impact of the coronavirus outbreak on its export-reliant economy, and postponed a major religious event scheduled for next month. *(Reuters)*
- [Saudi Arabia suspends entry for Umrah pilgrimage, tourism amid coronavirus](#) Saudi Arabia on Thursday suspended foreigners' entry for the Umrah pilgrimage and tourism from countries where the new coronavirus has spread, as a growing number of cases outside China deepened fears of a pandemic. *(Reuters)*

### Americas

- [Trump says coronavirus risk in U.S. is low; CDC confirms first case of unknown origin](#) President Donald Trump told Americans on Wednesday that the risk from coronavirus remained "very low," and placed Vice President Mike Pence in charge of the U.S. response to the looming global health crisis. *(Reuters)*
- [Trump says may need to restrict travel from Italy, South Korea](#) President Donald Trump said on Wednesday the United States may in the future have to restrict travel to Italy, South Korea and other countries due to outbreaks of the coronavirus but now was not the right time. *(Reuters)*

### Europe

- [Britain, on trade collision course with EU, says it could walk away](#) Britain unveiled a negotiating mandate on Thursday for talks with the European Union that puts it on a collision course with Brussels, saying it was ready to walk away if "good progress" was not made by June. *(Reuters)*
- [No need to reach for policy 'panic button', BoE's Cunliffe says](#) British policymakers have scope to loosen fiscal and monetary policy in the case of an economic downturn, but do not need to reach for the "panic button" yet, Bank of England Deputy Governor Jon Cunliffe said on Thursday. *(Reuters)*

28 February 2020

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
POS MALAYSIA BERHAD	1.260	22.16	14.80	5.52	1.240
FIMA CORP BHD	1.600	24.33	17.40	6.01	1.600
KRONOLOGI ASIA BHD	0.665	25.75	16.68	1.61	0.650
DAGANG NEXCHANGE BHD	0.220	26.12	19.96	3.32	0.215
CYPARK RESOURCES BHD	1.220	26.34	19.90	7.23	1.190
JAYA TIASA HOLDINGS BHD	0.620	27.99	20.76	6.24	0.595
AMFIRST REAL ESTATE INVESTM	0.470	28.10	19.64	2.36	0.470
LAND & GENERAL BHD	0.125	28.25	19.40	2.06	0.125
GUAN CHONG BHD	2.740	28.60	19.13	2.26	2.710
MCT BHD	0.225	28.71	22.61	10.85	0.220
BUMI ARMADA BERHAD	0.335	29.72	24.46	4.56	0.300
ICAPITAL.BIZ BERHAD	2.210	29.83	26.60	26.05	2.190
AIRASIA X BHD	0.105	29.85	27.02	12.42	0.105

\*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
FOCUS DYNAMICS GROUP BHD	0.780	74.70	77.81	84.53	0.790
CARING PHARMACY GROUP BHD	2.580	73.44	77.62	89.53	2.590
ABF MALAYSIA BOND INDEX FUND	1.258	71.75	75.41	83.92	1.320
YINSON HOLDINGS BHD	7.120	71.34	71.30	64.60	7.420

\*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
FGV HOLDINGS-C88	0.095	17.69	19.23	26.93	0.085	7/12/2020
DAGANG NEXCHANGE-WD	0.025	19.25	11.19	0.13	0.020	30/7/2021
SAPURA ENERGY-C81	0.015	20.89	16.05	3.17	0.015	12/10/2020
MY EG SERVICE-C81	0.010	21.53	21.33	5.33	0.010	27/4/2020
DATASONIC GRO-C11	0.120	25.64	19.29	7.76	0.100	30/7/2020
EDEN INC -WB	0.040	25.91	18.51	7.55	0.035	13/8/2021
MALAYAN BANKI-C81	0.025	26.53	22.55	5.03	0.015	30/7/2020
LAY HONG-WA	0.105	26.90	20.98	7.20	0.095	13/10/2021
GENTING BHD-C78	0.035	27.05	20.94	2.81	0.035	30/7/2020
AIRASIA GROUP-C99	0.020	27.22	23.66	5.37	0.020	30/10/2020
PUBLIC BANK B-C42	0.025	28.14	26.72	25.30	0.020	19/6/2020
TELEKOM MALAY-C43	0.205	28.55	18.44	4.31	0.205	31/3/2020
DATASONIC GRO-C12	0.085	29.55	23.53	10.95	0.070	30/7/2020
ISHARES FTSE-C41	0.535	29.65	33.57	39.06	0.505	30/9/2020
DRB-HICOM BHD-C95	0.050	29.82	24.14	3.65	0.045	28/8/2020

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	0.295	74.76	72.63	54.40	0.385	30/11/2020

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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