

Teh Kian Yeong | tehy@kenanga.com.my

Research Highlights

BURSA	19-Jun	Day chg	% chg
KLCI	1,507.3	2.35	0.16%
FTSE EMAS	10,600.6	18.7	0.18%
FTSE Smallcap	12,183.5	154.67	1.29%
FTSE MESDAQ	6,052.9	147.5	2.50%
KLSE Mkt Cap (RM'b)	1,514.7	-13.0	-0.85%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	95.07	40.47%
Local Retail	60.34	29.46%
Foreign	-155.41	30.07%

INDICES	19-Jun	Day chg	% chg
Dow Jones	25,871.5	-208.6	-0.80%
S&P 500	3,097.7	-17.6	-0.56%
NASDAQ	9,946.1	3.1	0.03%
FTSE-100	6,292.6	68.5	1.10%
Nikkei 225	22,478.8	123.3	0.55%
SHCOMP	2,967.6	28.3	0.96%
HSI	24,643.9	179.0	0.73%
STI	2,634.8	-30.8	-1.16%
KOSPI	2,141.3	7.8	0.37%
TWSE	11,549.9	1.5	0.01%
JCI	4,942.3	17.0	0.35%
SET	1,370.8	-2.2	-0.16%

FOREX	19-Jun	18-Jun	% chg
USD/MYR:	4.2675	4.2782	-0.25%
EUR/USD:	1.1178	1.1255	-0.68%
GBP/USD:	1.2350	1.2500	-1.20%
USD/YEN:	106.87	107.00	-0.12%
USD/SGD:	1.3974	1.3919	0.40%
USD/HKD:	7.7504	7.7501	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	6,327.8	5,121.9	23.54%
Value (RMm):	4,922.6	3,871.9	27.14%
KLCI Future			
June-20	1,503.5	1,508.5	-0.33%
July-20	1,501.5	1,506.5	-0.33%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	876.5	873.0	0.40%
SoyOil (USc/lb)	28.7	28.3	1.59%
Gold (US\$/troy oz)	1,753.0	1,731.1	1.27%
Nymex crude oil (US\$/bbl)	39.8	38.8	2.34%
Latex (RM/kg)	4.86	4.84	0.52%
Tin (US\$/mt)	17,010.0	17,015.0	-0.03%

NEWS HIGHLIGHTS

- Ranhill seeks secondary listing in Singapore
- DNeX, MARii to develop information system for used vehicles
- OCR-led JV to participate in Pahang portion of ECRL
- Permaisuri remains in the red, posts 3Q net loss of RM2.2m
- Key Alliance gets first stage approval to sell PCR Covid-19 test kits

MACRO BITS

- EU leaders agree to extend economic sanctions against Russia
- Positive prospect on the back of oil market rebalancing and travel bubble talks (See *Economic Viewpoint: Ringgit Outlook*)
- Reopening of borders will see transportation sector revival
- Ministry to help production houses with loans from Penjana
- Singapore prepared to work with Malaysia in lifting border restrictions
- Thai central bank cuts interest rates for credit cards, personal loans
- Indonesian bonds have what it takes to beat Southeast Asian peers
- India plans to import Malaysian palm oil to meet high domestic demand, says minister
- U.S. current account deficit edges down; COVID-19 curbs
- Economists trim Canada's April GDP estimates after grim data
- British Finance Minister Sunak plans emergency cut in value-added

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Result Notes: BSTEAD, TCHONG, UEMS
- Weekly Technical Review
- Regional News Update
- Economic Viewpoint: Ringgit Outlook

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	15.40	4.8	36.90	PETDAG	22.16	5.2	1.04	TM	3.91	-6.9	17.60
2	GENM	2.74	2.2	28.00	HARTA	12.08	5.0	13.30	5235SS	7.72	-3.5	0.74
3	TM	3.91	-6.9	17.60	TOPGLOV	15.40	4.8	36.90	GENTING	4.34	-2.7	13.20
4	CIMB	3.68	-0.5	15.80	HAPSENG	9.00	4.7	0.67	SIME	2.14	-2.3	11.90
5	DIALOG	3.56	-0.8	15.60	MAXIS	5.45	2.3	4.72	DIGI	4.29	-1.8	5.40
6	MAYBANK	7.66	-0.7	13.70	GENM	2.74	2.2	28.00	PCHEM	6.27	-1.7	7.61
7	HARTA	12.08	5.0	13.30	SIMEPLT	5.05	2.0	12.50	PBBANK	16.58	-1.3	6.67
8	GENTING	4.34	-2.7	13.20	IOICORP	4.40	0.9	7.93	RHBBANK	4.80	-1.2	5.36
9	SIMEPLT	5.05	2.0	12.50	PPB	17.30	0.6	2.01	HLBANK	14.42	-1.1	1.48
10	SIME	2.14	-2.3	11.90	KLK	22.22	0.1	1.62	PETGAS	17.12	-1.0	2.29

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Ranhill seeks secondary listing in Singapore**

Water and power group Ranhill Utilities Bhd has proposed a secondary listing on the Main Board of the Singapore Exchange. "The purpose of the proposed secondary listing is for Ranhill to access additional platform for future fundraising to finance the company's regional expansion," the group said in a filing with Bursa Malaysia. The group, formerly known as Ranhill Holdings Bhd, has appointed CIMB Investment Bank Bhd to proceed with the submission for the secondary listing. *(The Edge)*

- **DNeX, MARii to develop information system for used vehicles**

Dagang NeXchange Bhd's (DNeX) wholly-owned subsidiary, Dagang Net Technologies Sdn Bhd has signed a strategic collaboration agreement with the Malaysia Automotive Robotics and IoT Institute (MARii) to jointly develop and operate a web-based information system for used vehicles. In a statement, DNeX said the Used Automotive Information System (Sistem Maklumat Automotif Terpakai — SMAT) would enable users to search, retrieve and authenticate used vehicle data such as make of vehicle and model, country of origin, chassis number, engine and fuel type as well as the date of original registration, simply by keying in a specific identity reference number. *(The Edge)*

- **OCR-led JV to participate in Pahang portion of ECRL**

OCR Group Bhd's 40%-owned associate company Landasan Surimas Sdn Bhd has entered into a joint venture agreement with Perbadanan Kemajuan Negeri Pahang (PKNP) to set up Taraf Raya for the East Coast Rail Link (ECRL) project. Landasan Surimas will hold a 70% stake in the joint venture while the remaining 30% will be held by PKNP. *(Bernama)*

- **Permaju remains in the red, posts 3Q net loss of RM2.2m**

Permaju Industries Bhd continued to bleed red ink for its third financial quarter ended March 31, 2020 (3QFY20) with a net loss of RM2.2m on revenue of RM14.3m, dragged by lower sales in its automotive division. There were no comparative numbers from the previous year's corresponding period due to a change in its financial year end from Dec 31 to June 30. *(The Edge)*

- **Key Alliance gets first stage approval to sell PCR Covid-19 test kits**

Key Alliance Group Bhd has obtained first stage approval to be legally allowed to market, distribute and sell the Care Gene Covid-19 Polymerase Chain Reaction (PCR) test kits manufactured by Well Bio Inc, Korea. In a statement, Key Alliance said it had received official notification from Conformity Assessment Bodies (CAB) Malaysia that its wholly-owned subsidiary Key Alliance Sdn Bhd (KASB) has passed the initial audit and been issued the Good Distribution Practice for Medical Devices (GDPMD) Certificate of Conformity. *(The Edge)*



Macro Bits

Global

- [EU leaders agree to extend economic sanctions against Russia](#) European Union leaders agreed on Friday to extend until the end of January next year their economic sanctions against Russia over its 2014 annexation of Crimea and the turmoil in eastern Ukraine. *(Reuters)*

Malaysia

- **Positive prospect on the back of oil market rebalancing and travel bubble talks** MYR eased against the USD last week, despite the recovery in oil prices. The weakness was mainly due to the favourable market sentiment around the greenback and a sharp spike in Malaysia's unemployment rate. The positive tone surrounding the oil market is expected to uplift the commodity-linked currency from last week's loss. In addition, the news on possible bilateral travel bubble between Malaysia and six other 'green' countries will help to provide further support for the local note. (See Economic Viewpoint: Ringgit Outlook)
- [Reopening of borders will see transportation sector revival](#) The reopening of the border among countries in the region will be able to revive the land and air transport sector that was affected by the Covid-19 pandemic. *(Bernama)*
- [Ministry to help production houses with loans from Penjana](#) The Communications and Multimedia Ministry will be focusing on assisting local production houses to produce more movies and dramas in the next six months, through soft loans totalling RM100.0m under the National Economic Recovery Plan (Penjana). *(The Edge Markets)*

Asia Pacific

- [Singapore prepared to work with Malaysia in lifting border restrictions](#) Singapore is prepared to work with Malaysia in addressing the needs of cross-border travellers, amid the Covid-19 situation. The travellers include short-term business and official travellers, as well as Singaporeans and Malaysians who were previously commuting between the two countries. *(Bernama)*
- [Thai central bank cuts interest rates for credit cards, personal loans](#) Thailand's central bank on Friday introduced additional debt relief measures, including interest rate cuts by 2-4 percentage points for credit cards and personal loans, to help debtors during the coronavirus outbreak. *(Reuters)*
- [Indonesian bonds have what it takes to beat Southeast Asian peers](#) Factors likely to support the debt of Southeast Asia's largest economy include a pro-active central bank, and the apparent underweight positioning of global funds following the coronavirus sell-off. *(Bloomberg)*
- [India plans to import Malaysian palm oil to meet high domestic demand, says minister](#) India intends to import palm oil from Malaysia as it seeks to fulfil 25.0m tonnes of vegetable oil and fats for local domestic use, said Plantation Industries and Commodities Minister Datuk Dr Mohd Khairuddin Aman Razali. *(The Edge Markets)*

Americas

- [U.S. current account deficit edges down; COVID-19 curbs trade](#) The U.S. current account deficit dipped to a near two-year low in the first quarter as the COVID-19 pandemic restricted the flow of goods and services, while companies continued to repatriate profits back home. *(Reuters)*
- [Economists trim Canada's April GDP estimates after grim data](#) Economists cut their estimates for Canada's April GDP numbers on Friday, after a plunge in retail sales capped out a grim week of data reflecting the deep impact of the COVID-19 pandemic on the Canadian economy. *(Reuters)*

Europe

- [British Finance Minister Sunak plans emergency cut in value-added tax](#) British Finance Minister Rishi Sunak is ready to cut the value-added tax (VAT) as part of the government's latest efforts to tackle economic fallout from the coronavirus outbreak, the Sunday Times newspaper reported. *(Reuters)*



22 June 2020

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PANASONIC MANUFACTURING MALA	29.220	26.95	11.97	0.24	29.020
CARLSBERG BREWERY MALAYSIA B	22.900	29.72	23.03	11.79	22.900

*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
SERN KOU RESOURCES BHD	1.250	87.94	90.06	90.31	1.250
PANSAR BHD	0.910	83.94	80.87	69.77	0.915
JHM CONSOLIDATION BHD	1.370	79.20	85.05	96.52	1.430
MINETECH RESOURCES BHD	0.330	77.43	85.39	99.08	0.335
SAM ENGINEERING & EQUIPMENT	7.070	73.05	78.05	91.25	7.140
BATU KAWAN BHD	14.400	70.71	71.58	63.26	14.520

*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
HANG SENG IND-9J	0.005	29.71	26.28	24.33	0.005	29/6/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
LEONG HUP INT-CT	0.090	83.08	88.70	99.25	0.090	29/1/2021
APPASIA BERHAD-WA	0.175	77.05	82.26	94.40	0.190	23/12/2024
PANSAR BHD-WA	0.355	72.94	72.14	65.84	0.365	6/6/2023
LUSTER INDUSTRIES-WA	0.050	71.88	71.33	49.46	0.065	3/6/2022
MQ TECHNOLOGY-WA	0.015	71.79	78.95	95.83	0.020	21/11/2021

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.**

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

KENANGA INVESTMENT BANK BERHAD (15678-H)

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