

07 August 2020

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BURSA	6-Aug	Day chg	% chg
KLCI	1,588.6	20.44	1.30%
FTSE EMAS	11,476.6	135.4	1.19%
FTSE Smallcap	13,967.1	81.52	0.59%
FTSE MESDAQ	10,523.2	391.1	3.86%
KLSE Mkt Cap (RM'b)	1,639.4	20.9	1.29%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-118.4	43.9%
Local Retail	208.7	47.6%
Foreign	-90.2	8.5%

INDICES	6-Aug	Day chg	% chg
Dow Jones	27,387.0	185.5	0.68%
S&P 500	3,349.2	21.4	0.64%
NASDAQ	11,108.1	109.7	1.00%
FTSE-100	6,026.9	-77.8	-1.27%
Nikkei 225	22,418.2	-96.7	-0.43%
SHCOMP	3,386.5	8.9	0.26%
HSI	24,930.6	-172.0	-0.69%
STI	2,559.1	26.4	1.04%
KOSPI	2,342.6	30.8	1.33%
TWSE	12,913.5	111.2	0.87%
JCI	5,178.3	51.2	1.00%
SET	1,333.2	-4.1	-0.31%

FOREX	6-Aug	5-Aug	% chg
USD/MYR:	4.1895	4.1908	-0.03%
EUR/USD:	1.1843	1.1834	0.08%
GBP/USD:	1.3173	1.3121	0.40%
USD/YEN:	105.54	105.82	-0.26%
USD/SGD:	1.3710	1.3698	0.09%
USD/HKD:	7.7502	7.7502	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	16,689.8	15,575.0	7.16%
Value (RMm):	8,561.2	8,266.7	3.56%
KLCI Future			
August-20	1,584.0	1,568.5	0.99%
September-20	1,577.5	1,561.5	1.02%
CPO Price (RM/tonne)	2,720.0	2,680.0	1.49%
Soybean (US\$/bu)	874.8	876.3	-0.17%
SoyOil (US\$/lb)	31.2	31.0	0.52%
Gold (US\$/troy oz)	2,058.4	2,037.1	1.05%
Nymex crude oil (US\$/bbl)	42.0	42.2	-0.57%
Latex (RM/kg)	4.61	4.60	0.22%
Tin (US\$/mt)	17,839.5	17,886.0	-0.26%

Research Highlights

NEWS HIGHLIGHTS

- Gas Malaysia's unit sets up RM1b IMTN, ICP programme
- Advanceon inks MoU to instal solar power system at Mydin outlet in Bandar Seremban Utama
- JAG Bhd inks agreement to participate in Manjung solar power plant bid
- Key Alliance plans rights issue with warrants to fund medical venture
- Oversea receives takeover offer from Anzo MD at 30 sen per share

MACRO BITS

- World food price index rises in July, extending rebound
- Emerging FX to firm a bit more, but recovery stymied by COVID-19
- Govt plans to raise statutory debt limit to 60% of GDP
- Businesses confident of surviving Covid-19 despite negative outlook this year, says ACCCICM
- Deflation eased in July to its smallest in 4 months on reduced water bill subsidy (See *Economic Viewpoint: Thailand Consumer Price Index*)
- Philippines suffers first recession in 29 years, braces for grim year on virus woes
- Spotlight on Indonesia's slow stimulus as economy shrinks
- Tourism-reliant Thailand shelves 'travel bubble' plan as Asia virus cases rise
- U.S. household debt falls amid COVID-19 spending cutbacks
- Fed policymakers say pickup in infections slowing U.S. economic recovery
- Bank of England says banks able to support coronavirus-hit Britain

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: GENTING-GENS, HSL
- Company Update: SERBADK
- On Our Technical Watch: MASTER, DAIBOICI
- Rating Summary
- Economic Viewpoint: TH CPI

#	Top Volume	Price	%Chg (+/-)	Vol (m)	Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)
1	DIALOG	3.71	2.2	10.70	PCHEM	5.92	3.3	3.63	TM	3.89	-0.3	2.72
2	CIMB	3.45	0.6	9.05	IHH	5.40	3.1	4.87	GENM	2.22	0.0	5.54
3	TOPGLOV	28.40	1.7	7.69	KLCCSS	4.52	3.0	0.98	GENTING	3.70	0.0	4.76
4	PMETAL	5.05	2.9	7.40	PMETAL	5.05	2.9	7.40	HARTA	19.80	0.0	6.59
5	HARTA	19.80	0.0	6.59	HAPSENG	8.40	2.7	0.17	HLFG	12.62	0.0	0.16
6	GENM	2.22	0.0	5.54	NESTLE	143.10	2.7	0.05	PPB	18.90	0.1	0.36
7	IHH	5.40	3.1	4.87	HLBANK	14.78	2.5	0.23	MISC	7.84	0.1	1.65
8	GENTING	3.70	0.0	4.76	RHBBANK	4.95	2.3	0.76	KLCCSS	7.80	0.3	1.63
9	AXIATA	3.17	1.0	3.88	DIALOG	3.71	2.2	10.70	TENAGA	11.00	0.6	1.68
10	PCHEM	5.92	3.3	3.63	MAXIS	5.25	1.9	0.99	CIMB	3.45	0.6	9.05

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Gas Malaysia's unit sets up RM1b IMTN, ICP programme**

Gas Malaysia Bhd's unit Gas Malaysia Distribution Sdn Bhd (GMD) has established Islamic medium term note (IMTN) and Islamic Commercial Paper (ICP) programmes. In a bourse filing, the utility company said both programmes have a nominal value of RM1b each and have a combined issuance limit of up to RM1b under the the shariah principle of Muharabah. The IMTN and ICP Programmes will have a tenure of 15 years and seven years respectively from the date of first issuance. They are unsecured and will not be listed on Bursa Malaysia or any other stock exchange. *(The Edge)*

- **Advancecon inks MoU to instal solar power system at Mydin outlet in Bandar Seremban Utama**

Advancecon Holdings Bhd's solar power unit has inked an agreement with hypermarket operator Mydin Mohamed Holdings Bhd to develop a rooftop solar power system to be installed at the latter's outlet in Bandar Seremban Utama, Negeri Sembilan. The memorandum of understanding (MoU), according to Advancecon's bourse filing, Advancecon's wholly-owned Advancecon Solar Sdn Bhd shall develop a 2,344.32kWp solar photovoltaic system for the said outlet throughout the terms of a supply agreement with renewable energy (SARE) among Mydin, Advancecon Solar and Tenaga Nasional Bhd, with ownership, operation and maintenance of the system to be transferred to Mydin after the expiration of the SARE terms. *(The Edge)*

- **JAG Bhd inks agreement to participate in Manjung solar power plant bid**

Waste management service provider JAG Bhd has inked a lease agreement to participate in the bidding process for the LSS@MEiTARI programme (Large Scale Solar) for a proposed capacity of up to 29MWac. In a statement, JAG said its unit JAG Renewable Energy Sdn Bhd (JRESB) had entered into an agreement with Perak-based construction and property development firm RH Silver Sdn Bhd (RHSSB) to lease 112 acres (45.32ha) of land in Manjung to bid for the project. *(The Edge)*

- **Key Alliance plans rights issue with warrants to fund medical venture**

Key Alliance Group Bhd (KAG) plans to raise some RM5m through a renounceable rights issue with warrants to fund the diversified firm's foray into the medical equipment business. The group has proposed a renounceable rights issue of up to 982.2m shares in KAG, on the basis of one rights share for every one ordinary share held by entitled shareholders, it said in a filing with Bursa Malaysia. *(The Edge)*

- **Oversea receives takeover offer from Anzo MD at 30 sen per share**

Oversea Enterprise Bhd (OEB), which owns and operates the Chinese restaurant chain under the name Oversea, received a takeover offer from the managing director and substantial shareholder of Anzo Holdings Bhd. He is also a director of M3 Technologies (Asia) Bhd. In an announcement, the company said he is offering 30 sen per share. He intends to maintain Oversea's listing on the ACE market of Bursa Malaysia. The offer of 30 sen is a 4.8% discount to the 31.5 sen closing price or volume weighted average market price (VWAM) prior to the notice. However, it is a 24% premium to the three-month closing price or VWAM of Oversea shares. *(The Edge)*



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Macro Bits

Global

- [World food price index rises in July, extending rebound](#) World food prices rose in July led by vegetable oils, dairy products and sugar, extending a rebound from the previous month following sharp falls triggered by the coronavirus pandemic, the United Nations food agency said on Thursday. *(Reuters)*
- [Emerging FX to firm a bit more, but recovery stymied by COVID-19](#) Emerging market currencies are expected to rise a bit further in coming months as a sliding U.S. dollar offsets domestic worries about large economic imbalances stemming from the coronavirus pandemic, a Reuters poll showed. *(Reuters)*

Malaysia

- [Govt plans to raise statutory debt limit to 60% of GDP](#) The Finance Ministry is seeking to raise the country's statutory debt limit to 60% of the Gross Domestic Product (GDP) from 55% at present. Finance Minister Tengku Datuk Seri Zafrul Aziz said the ministry today tabled for first reading the Temporary Measures For Government Financing (Coronavirus Disease 2019) Bill 2020 which aimed at revising the self-imposed debt ceiling, among others. *(Bernama)*
- [Businesses confident of surviving Covid-19 despite negative outlook this year, says ACCCIM](#) The local Chinese business community remains gloomy on this year's economic outlook, but over two-thirds of them feel they can survive the challenges brought about by the Covid-19 pandemic. *(The Edge Markets)*

Asia Pacific

- [Deflation eased in July to its smallest in 4 months on reduced water bill subsidy](#) In July, consumer prices posted the smallest decline in 4 months (-1.0% YoY; consensus: -1.5%; Jun: -1.6%) The ease in deflationary environment was broad based, led by smaller decline in prices of non-core goods (-4.5%; Jul: -5.6%). Inflationary pressure increased in most advanced and developing economies. 2020 CPI forecast maintained at -1.0 - 0.0% (YTD: -1.1%; 2019: 0.7%). *(See Economic Viewpoint: Thailand Consumer Price Index)*
- [Philippines suffers first recession in 29 years, braces for grim year on virus woes](#) The Philippine economy fell into recession for the first time in 29 years with a record slump in the second quarter, as strict lockdown measures ravaged economic activity and prompted the government to sharply cut its GDP forecast for 2020. *(Reuters)*
- [Spotlight on Indonesia's slow stimulus as economy shrinks](#) Indonesia's efforts to support its economy through the coronavirus crisis were being hampered by the slow disbursement of a USD50.0b stimulus plan, economists said. Five months after its launch, only 22.4% of the stimulus had been spent. *(Reuters)*
- [Tourism-reliant Thailand shelves 'travel bubble' plan as Asia virus cases rise](#) Thailand has delayed plans for a "travel bubble" agreement with select countries as new daily coronavirus cases rise in parts of Asia, putting pressure on its vital tourism industry and complicating efforts to revive its battered economy. *(Reuters)*

Americas

- [U.S. household debt falls amid COVID-19 spending cutbacks](#) U.S. households cut their debt for the first time in six years in the second quarter, led by a record drop in credit card balances as consumers cut back on non-essential spending during coronavirus lockdowns and paid down what they owed, a New York Federal Reserve survey showed on Thursday. *(Reuters)*
- [Fed policymakers say pickup in infections slowing U.S. economic recovery](#) A resurgence in coronavirus cases is slowing the economic recovery and the pandemic will continue to weigh on the U.S. economy and American life for longer than initially expected, three Federal Reserve policymakers said on Wednesday. *(Reuters)*

Europe

- [Negative rates in the toolbox, no plans to use them for now: BoE's Bailey](#) Bank of England Governor Andrew Bailey said negative rates were part of the central bank's stimulus options but they were not about to be used to steer Britain's economy through the coronavirus crisis. Bailey also said the central bank's projection that unemployment would hit 7.5% - almost double its current rate - was a "very bad story" but it was expected to fall back over time and inflation was likely to rise back to the BoE's target. *(Reuters)*

07 August 2020

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
DUTCH LADY MILK INDS BHD	39.400	16.09	12.07	6.28	39.000
YTL HOSPITALITY REIT	0.775	18.42	12.61	12.88	0.755
FAVELLE FAVCO BHD	2.030	21.31	11.71	0.80	2.030
UOA DEVELOPMENT BHD	1.460	21.57	13.32	0.41	1.450
AEON CO (M) BHD	0.825	22.83	21.96	35.05	0.810
AMANAHRAYA REIT	0.620	25.15	17.59	2.82	0.610
CAPITALAND MALAYSIA MALL TRU	0.670	25.81	26.83	39.79	0.650
HUP SENG INDUSTRIES BHD	0.910	27.14	19.93	2.38	0.910
WCT HOLDINGS BHD	0.415	27.22	21.34	7.23	0.410
HUME INDUSTRIES BHD	0.970	27.72	21.58	18.44	0.960
HONG LEONG FINANCIAL GROUP	12.620	28.26	19.24	5.24	12.600
GENTING MALAYSIA BHD	2.220	28.53	21.41	17.93	2.200
MALAYAN CEMENT BHD	1.950	29.18	25.16	12.01	1.930

*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
NOTION VTEC BHD	1.870	93.13	96.08	99.39	1.870
ES CERAMICS TECHNOLOGY BHD	1.820	90.56	93.69	98.73	1.820
POH KONG HOLDINGS BHD	1.390	89.09	90.61	94.52	1.390
HEXZA CORP BHD	1.970	88.47	93.35	97.93	1.970
RUBBEREX CORP M BHD	6.890	87.48	92.68	99.15	7.210
MUI PROPERTIES BERHAD	0.420	86.34	88.44	93.70	0.500
CAREPLUS GROUP BHD	5.120	86.25	86.39	73.31	5.830
TEK SENG HOLDINGS BHD	1.330	85.85	88.33	94.11	1.440
OCEANCASH PACIFIC BHD	1.460	85.67	89.53	94.07	1.460
SUPERMAX CORP BHD	23.780	85.42	87.84	96.50	23.820
MALAYAN FLOUR MILLS BHD	0.715	84.86	89.83	98.04	0.730
TITIJAYA LAND BHD	0.320	84.65	91.99	99.81	0.355
TOMYPAK HOLDINGS	0.835	84.51	88.88	98.30	0.845
HO WAH GENTING BHD	0.900	84.37	89.37	98.47	0.900
SAMCHEM HOLDINGS BHD	1.320	84.23	87.49	93.16	1.320
JCY INTERNATIONAL BHD	0.775	83.66	87.57	97.62	0.870
KOSSAN RUBBER INDUSTRIES	19.180	83.36	85.29	92.14	19.500
AEMULUS HOLDINGS BHD	0.675	83.33	85.34	86.41	0.705
KAREX BHD	1.090	83.18	84.41	80.08	1.230
BIOALPHA HOLDINGS BHD	0.350	83.04	84.79	89.87	0.395
SYMPHONY LIFE BHD	0.550	82.64	87.22	95.61	0.560
IRIS CORP BHD	0.435	82.62	86.85	96.59	0.450
MAH SING GROUP BHD	0.845	82.54	85.30	93.20	0.910
FOCUS DYNAMICS GROUP BHD	1.730	82.44	87.12	98.86	1.740
ASIA POLY HOLDINGS BHD	0.565	82.16	82.38	78.37	0.600
LUXCHEM CORP BHD	1.270	82.01	87.64	97.44	1.270

*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
GAMUDA BHD-WE	0.070	24.04	15.99	1.71	0.070	6/3/2021

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
JAG BHD-WB	0.020	97.63	99.81	100.00	0.025	15/11/2020
HLT GLOBAL BHD-WA	2.230	94.18	97.14	99.81	2.230	27/12/2022
GUNUNG CAPITAL BHD-WB	0.600	92.93	95.70	99.24	0.635	4/10/2020
NOTION VTEC-WC	1.450	92.06	95.52	99.36	1.450	14/3/2023
NICHE CAPITAL EMAS HOLD-WB	0.200	90.98	93.67	98.62	0.240	22/1/2024
HO WAH GENTING-WD	0.630	87.13	90.80	98.39	0.660	15/3/2021
D'NONCE TECHNOLOGY-WA	0.190	86.18	91.41	99.20	0.250	25/11/2020
MAH SING GROU-C21	0.055	85.50	89.98	97.62	0.070	28/8/2020
SUPERMAX CORP-C97	1.050	84.88	87.32	97.44	1.050	26/2/2021
SINMAH CAPITAL BERHAD-WC	0.120	84.28	91.10	99.22	0.150	29/8/2023
ASIA POLY HOLDINGS-WB	0.460	83.63	84.21	79.47	0.490	12/12/2022
V.S. INDUSTRY-C32	0.340	82.60	86.90	92.77	0.360	26/2/2021
TOMYPAK HOLDING-WA	0.135	81.97	87.78	98.73	0.135	21/6/2021
V.S. INDUSTRY-C31	0.215	81.53	86.77	97.89	0.220	29/1/2021
V.S. INDUSTRY-C30	0.255	81.24	87.03	98.78	0.265	22/3/2021
SUPERMAX CORP-C96	1.740	81.17	82.79	95.31	1.750	31/12/2020
SOLUTION GROUP BHD-WA	0.060	81.16	87.95	98.94	0.060	4/7/2021
SUPERMAX CORP-C93	1.260	80.70	85.27	97.05	1.270	26/2/2021

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.***

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