

12 August 2020

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BURSA	11-Aug	Day chg	% chg
KLCI	1,564.7	-6.92	-0.44%
FTSE EMAS	11,266.6	-18.0	-0.16%
FTSE Smallcap	13,622.7	7.04	0.05%
FTSE MESDAQ	10,640.2	25.1	0.24%
KLSE Mkt Cap (RM'b)	1,610.9	-6.2	-0.38%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-5.8	44.6%
Local Retail	109.0	44.6%
Foreign	-103.2	10.8%

INDICES	11-Aug	Day chg	% chg
Dow Jones	27,686.9	-104.5	-0.38%
S&P 500	3,333.7	-26.8	-0.80%
NASDAQ	10,782.8	-185.5	-1.69%
FTSE-100	6,154.3	103.8	1.71%
Nikkei 225	22,750.2	N.A.	N.A.
SHCOMP	3,340.3	-39.0	-1.15%
HSI	24,890.7	513.3	2.11%
STI	2,544.2	N.A.	N.A.
KOSPI	2,418.7	32.3	1.35%
TWSE	12,780.2	-113.8	-0.88%
JCI	5,190.2	32.3	0.63%
SET	1,336.8	14.8	1.12%

FOREX	11-Aug	10-Aug	% chg
USD/MYR:	4.1940	4.1967	-0.06%
EUR/USD:	1.1791	1.1746	0.38%
GBP/USD:	1.3091	1.3024	0.51%
USD/YEN:	106.12	106.16	-0.04%
USD/SGD:	1.3714	1.3743	-0.21%
USD/HKD:	7.7501	7.7502	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	27,796.8	19,762.5	40.65%
Value (RMm):	7,803.3	7,550.0	3.35%
KLCI Future			
August-20	1,566.5	1,570.0	-0.22%
September-20	1,559.0	1,563.0	-0.26%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	870.5	870.0	0.06%
SoyOil (US\$/lb)	30.5	30.6	-0.59%
Gold (US\$/troy oz)	1,938.9	2,030.3	-4.50%
Nymex crude oil (US\$/bbl)	41.6	41.9	-0.79%
Latex (RM/kg)	4.68	4.70	-0.32%
Tin (US\$/mt)	17,711.0	17,730.0	-0.11%

Research Highlights

NEWS HIGHLIGHTS

- Time Dotcom inks agreement with Thai associate to develop data centres in Thailand
- Revenue Group acquires 40% stake in AI firm Wannatalk for RM5m
- Kanger courted by UAE firm to jointly set up glove outfit in Malaysia
- After PPE fabric market, Titijaya eyes gloves in next medical move
- Cleanroom glove maker CE Technology announces RM50m capacity expansion

MACRO BITS

- Russia becomes first country to approve a COVID-19 vaccine, says Putin
- Chinese firms that fail U.S. accounting standards to be delisted as of 2022: Mnuchin
- Hong Kong goods for export to U.S. to be labelled made in China
- RM7.0b Supplementary Supply Bill goes for second reading in Dewan Rakyat
- Declining unemployment rate proves govt initiatives showing positive results, says Tengku Zafrul
- Rate of decline slows in June on improvement in purchasing activities (See *Economic Viewpoint: Indonesia Retail Sales*)
- Singapore warns of slow recovery as virus slams Asia's exporters
- China July new bank loans fall to CNY992.7b, below forecast
- Japan's service sector sentiment improves in July
- OECD sees South Korea growth to outperform all others this year
- Trump's COVID orders too little, too late to help U.S. economy, experts say
- U.S. job openings rise in June, likely exaggerate labour market health
- EU's top credit rating can survive EUR750.0b stimulus, say agencies
- UK job losses hit decade-high, worse seen ahead

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: PPB Wilmar
- Company Update: AIRASIA, IJM
- On Our Technical Watch: COASTAL, DELEUM
- Economic Viewpoint: Indonesia Retail Sales

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	27.30	0.4	12.70	PETDAG	20.72	1.6	0.42	PMETAL	4.79	-4.0	0.73
2	GENM	2.26	1.4	10.10	GENM	2.26	1.4	10.10	PETGAS	16.00	-2.3	0.67
3	HARTA	18.30	-0.3	9.07	KLCCSS	3.82	1.3	2.74	SIMEPLT	5.11	-2.3	1.90
4	GENTING	3.72	0.5	6.57	PBBANK	16.92	0.7	1.13	AXIATA	3.12	-2.2	2.94
5	CIMB	3.44	-0.3	6.04	KLCCSS	7.95	0.6	0.09	SIME	2.12	-1.9	2.09
6	DIALOG	3.65	-0.3	4.93	GENTING	3.72	0.5	6.57	MAXIS	5.09	-1.7	1.46
7	MAYBANK	7.49	-0.4	3.94	TOPGLOV	27.30	0.4	12.70	DIGI	4.14	-1.7	2.49
8	AXIATA	3.12	-2.2	2.94	HLBANK	14.92	0.0	0.40	IOICORP	4.42	-1.6	1.08
9	TM	3.82	1.3	2.74	HLFG	12.50	0.0	0.09	HAPSENG	8.18	-1.5	0.16
10	DIGI	4.14	-1.7	2.49	KLK	22.62	0.0	0.09	RHBBANK	4.86	-1.2	2.12

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Time Dotcom inks agreement with Thai associate to develop data centres in Thailand**

Time Dotcom Bhd has inked a definitive agreement with 49%-owned Thai-listed associate Symphony Communication Public Co Ltd to develop a data centre business in Thailand. This follows approval from Symphony's shareholders for Symphony to invest in a 49:51 joint venture with Time for the business, which was first proposed on June 5. Under the deal, Symphony will acquire 270,039 shares or 49% in Time's indirect wholly-owned unit AIMS Data Centre (Thailand) Ltd (ADCTH) for RM3.7m. Meanwhile Symphony has agreed to novate its rights and obligations relating to the office lease and the construction and the development of the data centre to ADCTH. (Source: *The Edge*)

- **Revenue Group acquires 40% stake in AI firm Wannatalk for RM5m**

Cashless payment solutions provider Revenue Group Bhd is acquiring artificial intelligence (AI) company Wannatalk Malaysia Sdn Bhd in a move to enhance its electronic payment (e-payment) solutions and technologies for banks, financial institutions, merchants and card issuers. In a statement on Aug 10, Revenue Group said Wannatalk is principally engaged in the provision and development of facial recognition-centred products and services, AI-powered smart content repository, AI-powered big data mining and fraud detection software and AI-powered chatbot and messaging platform. (Source: *The Edge*)

- **Kanger courted by UAE firm to jointly set up glove outfit in Malaysia**

Kanger International Bhd said it has been approached by Dubai-based Constellation Holdings Ltd to jointly set up medical examination gloves operations in Malaysia. In a bourse filing, the ACE Market-listed company said it received a formal expression of interest (EOI) letter from Constellation, which is the procurement agent for personal protective equipment and medical equipment for the United Arab Emirates's (UAE) Ministry of Health & Prevention. (Source: *The Edge*)

- **After PPE fabric market, Titijaya eyes gloves in next medical move**

Titijaya Land Bhd said it is in the midst of proposing a diversification into healthcare products, including glove supply, in response to a query by Bursa Securities on the sharp jump in its share price recently. Titijaya said in a response to the unusual market activity (UMA) query today that it is also "in the midst of discussion with a local producer for the aforesaid supply". The company's share price has climbed 140% over the past five days, as trading volume surged to 70 times its 200-day average of 1.8m shares. (Source: *The Edge*)

- **Cleanroom glove maker CE Technology announces RM50m capacity expansion**

Taiping-based cleanroom glove manufacturer CE Technology Bhd is embarking on a capacity expansion at a cost of RM50.0m. In a statement today, the LEAP Market company said it would be adding three additional double-former glove-dipping lines to boost its raw nitrile glove capacity to 70.5m pieces per month. In addition, CE Technology will increase its cleanroom post-processing capacity to 83.0m pieces of gloves per month via the addition of two new facilities. (Source: *The Edge*)



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Macro Bits

Global

- [Russia becomes first country to approve a COVID-19 vaccine, says Putin](#) President Vladimir Putin said on Tuesday that Russia had become the first country in the world to grant regulatory approval to a COVID-19 vaccine after less than two months of human testing. *(Reuters)*
- [Chinese firms that fail U.S. accounting standards to be delisted as of 2022: Mnuchin](#) U.S. Treasury Secretary Steven Mnuchin on Monday said companies from China and other countries that do not comply with accounting standards will be delisted from U.S. stock exchanges as of the end of 2021. *(Reuters)*
- [Hong Kong goods for export to U.S. to be labelled made in China](#) Goods made in Hong Kong for export to the United States will need to be labelled as made in China after Sept. 25, according to a U.S. government notice posted on Tuesday. *(Reuters)*

Malaysia

- [RM7.0b Supplementary Supply Bill goes for second reading in Dewan Rakyat](#) The Supplementary Supply Bill 2020 to accommodate additional expenditure of RM7.0b for the year is being read for the second time in Dewan Rakyat today. Deputy Finance Minister I Datuk Abdul Rahim Bakri said the additional allocation includes RM5.16b to be allocated to various ministries. *(The Edge Markets)*
- [Declining unemployment rate proves govt initiatives showing positive results, says Tengku Zafrul](#) The declining unemployment rate proves that the government initiatives under the Prihatin Rakyat Economic Stimulus Package and National Economic Recovery Plan (Penjana), which were aimed at stimulating country's economy, have begun to show positive results, Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz said. *(Malay Mail)*

Asia Pacific

- [Rate of decline slows in June on improvement in purchasing activities](#) Retail sales fell for a seventh straight month, but growth contraction eased to -17.1% YoY in June (May: -20.6%), reflecting an improvement in consumption as the government eased lockdown measures amid surging COVID-19 cases. *(See Economic Viewpoint: Indonesia Retail Sales)*
- [Singapore warns of slow recovery as virus slams Asia's exporters](#) Singapore's record recession was deeper than first thought in the second quarter, data showed on Tuesday, signalling a lengthy path to recovery as the coronavirus pandemic dealt a major blow to Asia's trade-reliant economies. *(Reuters)*
- [China July new bank loans fall to CNY992.7b, below forecast](#) Chinese banks extended CNY992.7b (USD142.82b) in new yuan loans in July, down from June and falling short of analysts' expectations. Analysts polled by Reuters had predicted new yuan loans would fall to CNY1.20t in July. *(Reuters)*
- [Japan's service sector sentiment improves in July](#) Japan's service sector sentiment index rose in July, a Cabinet Office survey showed on Tuesday, showing some improvement in business confidence although concerns persist over the impact of the COVID-19 pandemic. *(Reuters)*
- [OECD sees South Korea growth to outperform all others this year](#) South Korea will take the smallest hit to growth of any advanced economy this year after it was able to limit the spread of the coronavirus without imposing severe lockdowns, the OECD said on Tuesday. *(Reuters)*

Americas

- [Trump's COVID orders too little, too late to help U.S. economy, experts say](#) U.S. President Donald Trump's weekend attempt to sidestep stalled congressional negotiations over the next coronavirus aid package will do little to boost the economy, experts said. Mark Zandi, the chief economist at Moody's Analytics, calculated the orders could provide just over USD400.0b in total relief. *(Reuters)*
- [U.S. job openings rise in June, likely exaggerate labour market health](#) U.S. job openings increased in June but the surge in vacancies was accompanied by a rise in workers quitting their positions at hotels, restaurants and bars, likely because of fears of exposure to COVID-19 and problems securing child care. *(Reuters)*

Europe

- [EU's top credit rating can survive EUR750.0b stimulus, say agencies](#) The EU's plan to issue EUR750.0b of bonds to fund its Covid-19 recovery poses no immediate threat to the bloc's credit rating, according to the biggest agencies, despite big divisions between member states on how to pay the money back. *(Financial Times)*
- [UK job losses hit decade-high, worse seen ahead](#) The number of people in work in Britain has suffered the biggest drop since 2009 and signs are growing that the coronavirus will take a heavier toll on the labour market as the government winds down its huge job-protection scheme. *(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
DUTCH LADY MILK INDS BHD	38.900	13.66	9.31	2.80	38.800
PANSAR BHD	0.785	22.30	15.06	2.55	0.780
AEON CO (M) BHD	0.815	23.46	23.50	39.48	0.800
YTL HOSPITALITY REIT	0.800	25.72	24.29	52.26	0.755
ASTRO MALAYSIA HOLDINGS BHD	0.740	26.16	22.18	9.10	0.735
HONG LEONG FINANCIAL GROUP	12.500	26.65	17.48	3.68	12.400
AEON CREDIT SERVICE M BHD	8.730	26.87	15.48	0.44	8.730
MALAYAN CEMENT BHD	1.890	28.19	24.56	19.41	1.860
LPI CAPITAL BERHAD	12.920	28.43	18.02	1.07	12.880
AMANAHRAYA REIT	0.620	29.30	24.91	20.50	0.610

*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
KANGER INTERNATIONAL BHD	0.290	89.14	91.90	97.44	0.305
SYMPHONY LIFE BHD	0.660	89.09	92.89	98.65	0.705
PRESTARIANG BHD	0.980	84.50	87.55	89.18	1.070
GEORGE KENT (MALAYSIA) BHD	0.875	84.46	90.85	98.64	1.000
TITIJAYA LAND BHD	0.685	84.23	84.04	78.35	0.760
PAN MALAYSIA HOLDINGS BHD	0.360	81.43	85.77	96.71	0.375
XOX BHD	0.310	81.12	81.61	89.90	0.320
FOCUS DYNAMICS GROUP BHD	1.910	79.33	80.89	81.02	1.970
DESTINI BHD	0.320	79.22	83.17	93.97	0.340
V.S. INDUSTRY BERHAD	1.540	78.59	81.94	85.52	1.730
BOILERMECH HOLDINGS BERHAD	0.670	76.03	80.45	91.51	0.690
TA ENTERPRISE BERHAD	0.610	75.87	74.03	43.07	0.620
ELK-DESA RESOURCES	1.460	74.91	80.71	88.98	1.480
BORNEO OIL BHD	0.075	74.85	75.39	65.40	0.095
PERDANA PETROLEUM BHD	0.220	74.56	82.55	97.11	0.230
HO WAH GENTING BHD	1.110	73.36	72.26	58.01	1.520
UNISEM (M) BERHAD	3.280	73.34	73.43	65.50	3.560
POH HUAT RESOURCES HLDGS BHD	1.400	70.55	72.45	68.89	1.440
BUMI ARMADA BERHAD	0.275	70.11	77.79	95.26	0.280

*Only for stocks with market cap >RM300m

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
APPASIA BERHAD-WA	0.710	95.09	97.24	99.64	0.730	23/12/2024
PA RESOURCES-WB	0.055	92.53	96.78	99.98	0.055	17/12/2022
GPA HOLDINGS -WA	0.095	87.74	91.48	98.15	0.100	3/6/2025
XOX BHD-WB	0.220	83.13	84.74	88.86	0.240	3/3/2023
BORNEO OIL-WD	0.045	83.10	88.42	98.24	0.055	29/5/2027
HO WAH GENTING-WD	0.845	81.52	81.57	71.40	1.200	15/3/2021
SAPURA ENERGY BHD-WA	0.085	81.33	86.85	98.33	0.115	23/1/2026
EA HOLDINGS-WD	0.020	79.43	84.83	98.68	0.025	25/10/2022
LAMBO GROUP BHD-WB	0.035	78.05	84.24	97.80	0.040	29/4/2024
INIX TECHNOLOGIES BHD -WA	0.450	77.76	77.29	70.22	0.580	16/11/2020

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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