

19 August 2020

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BURSA	18-Aug	Day chg	% chg
KLCI	1,577.9	17.11	1.10%
FTSE EMAS	11,295.9	188.1	1.69%
FTSE Smallcap	13,377.4	320.02	2.45%
FTSE MESDAQ	10,438.2	577.9	5.86%
KLSE Mkt Cap (RM'b)	1,613.6	23.0	1.44%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	96.76	47.4%
Local Retail	13.30	42.0%
Foreign	-110.06	10.6%

INDICES	18-Aug	Day chg	% chg
Dow Jones	27,778.1	-66.8	-0.24%
S&P 500	3,389.8	7.8	0.23%
NASDAQ	11,210.8	81.1	0.73%
FTSE-100	6,076.6	-50.8	-0.83%
Nikkei 225	23,051.1	-45.7	-0.20%
SHCOMP	3,451.1	12.3	0.36%
HSI	25,367.4	20.0	0.08%
STI	2,563.1	-8.5	-0.33%
KOSPI	2,348.2	N.A.	N.A.
TWSE	12,872.1	-84.0	-0.65%
JCI	5,295.2	47.5	0.90%
SET	1,330.1	9.2	0.70%

FOREX	18-Aug	17-Aug	% chg
USD/MYR:	4.1823	4.1910	-0.21%
EUR/USD:	1.1901	1.1851	0.42%
GBP/USD:	1.3161	1.3089	0.55%
USD/YEN:	105.55	106.36	-0.76%
USD/SGD:	1.3649	1.3697	-0.35%
USD/HKD:	7.7502	7.7503	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	10,603.2	8,796.0	20.55%
Value (RMm):	6,920.0	4,949.7	39.81%
KLCI Future			
August-20	1,572.5	1,564.5	0.51%
September-20	1,564.0	1,556.0	0.51%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	912.0	912.5	-0.05%
SoyOil (US\$/lb)	31.7	31.3	1.09%
Gold (US\$/troy oz)	2,004.8	1,989.9	0.75%
Nymex crude oil (US\$/bbl)	42.9	42.9	0.00%
Latex (RM/kg)	4.69	4.70	-0.21%
Tin (US\$/mt)	17,583.0	17,306.0	1.60%

Research Highlights

NEWS HIGHLIGHTS

- Sarawak Plantation 2Q net profit jumps on stronger revenue, fair value gain
- Focus Dynamics proposes share split, ICPS rights issue to fund The Arch project
- Bonia to buy land in Bukit Bintang for RM49.4m
- Can-One's creamer manufacturing unit sold at maximum final price of RM1b
- T7 Global secures two supply contract extensions

MACRO BITS

- Coronavirus pandemic now driven by younger adults: WHO
- Deflationary trend continues in July, but at a much slower pace (See *Economic Viewpoint: Malaysia Consumer Price Index*)
- Two-year RM500.0m Prihatin sukuk launched with 2.0% annual profit rate
- Exports down 9.9% in July; trade balance widens to a 9-year high Exports' (See *Economic Viewpoint: Indonesia External Trade*)
- Philippine central bank to pause after 4 successive rate cuts: Reuters poll
- Japan manufacturers' gloom eases slightly but pandemic woes remain
- Australia central bank rules out need for further policy easing for now
- U.S., Colombia to bring USD5.0b in investment to rural areas
- The USD425.0b payment holiday question hanging over Europe's banks
- Rebuilding Europe after pandemic akin to post-war reconstruction: Draghi
- UK COVID lending to businesses nears GBP53.0b

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- MidS: TOMYPAK
- Results Note: BJTOTO, DIALOG, MALAKOF, PMETAL, SUNCON
- Company Update: INARI
- On Our Technical Watch: GPA, CUSCAPI
- Economic Viewpoint: Malaysia CPI, Indonesia External Trade

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	26.08	16.3	34.10	TOPGLOV	26.08	16.3	34.10	HAPSENG	8.44	-4.1	0.34
2	HARTA	17.56	12.9	11.20	HARTA	17.56	12.9	11.20	HLFG	12.80	-3.5	0.11
3	CIMB	3.50	-2.0	10.20	KLCCSS	3.70	1.1	4.66	GENM	2.35	-2.5	8.92
4	GENM	2.35	-2.5	8.92	IHH	5.42	0.9	3.83	MAYBANK	7.63	-2.3	5.32
5	DIALOG	3.66	0.3	8.70	SIME	2.17	0.9	3.58	PETDAG	21.02	-2.2	0.31
6	MAYBANK	7.63	-2.3	5.32	DIGI	4.22	0.5	2.22	CIMB	3.50	-2.0	10.20
7	TM	3.70	1.1	4.66	TENAGA	11.16	0.4	2.81	PCHEM	6.15	-1.9	1.87
8	GENTING	3.89	-0.8	4.04	DIALOG	3.66	0.3	8.70	RHBBANK	4.87	-1.8	2.24
9	IHH	5.42	0.9	3.83	PPB	19.60	0.2	0.54	MAXIS	5.01	-1.8	2.73
10	SIME	2.17	0.9	3.58	KLCCSS	7.93	0.1	0.37	AXIATA	3.10	-1.6	2.61

Notes: # KL Composite Index (FBM KLCI) component stocks

Corporate News

- **Sarawak Plantation 2Q net profit jumps on stronger revenue, fair value gain**

Sarawak Plantation Bhd's net profit for the second quarter ended June 30, 2020 rose to RM19.4m, eight times the RM2.4m it made in the previous year's corresponding quarter, boosted by an increase in fair value of biological assets. Revenue for the quarter jumped 28.8% to RM97.4m from RM75.6m a year earlier. (Source: *The Edge*)

- **Focus Dynamics proposes share split, ICPS rights issue to fund The Arch project**

Focus Dynamics Group Bhd has proposed a one-to-three share split, together with an amended rights issue of two irredeemable convertible preference shares (ICPS) for every six split shares held. Proceeds from the proposed rights issue — estimated to be anywhere between RM25.6m and RM102.2m — will be used to part-fund Focus Dynamics' mixed-development project "The Arch" — located along Jalan Tun Razak near nightlife centre TREC. On the share split, Focus Dynamics said it will see its share capital triple from 2.04b shares to 6.1b. (Source: *The Edge*)

- **Bonia to buy land in Bukit Bintang for RM49.4m**

Bonia Corp Bhd is buying two parcels of land in the Bukit Bintang area for RM49.4m cash. In a bourse filing, the fashion retailer said that its wholly-owned subsidiary Casa Bologna Sdn Bhd (CBSB) has entered into a sale and purchase agreement with the vendor Capital Land Sdn Bhd to acquire two pieces of freehold land for RM2,200 per sq ft. The purchase price for the two pieces of land is equivalent to 46.2% of the company's RM106.8m market capitalisation. (Source: *The Edge*)

- **Can-One's creamer manufacturing unit sold at maximum final price of RM1b**

Can-One Bhd has agreed to sell the entire stake in sweetened creamer and evaporated creamer manufacturer F&B Nutrition Sdn Bhd to Asia Dairy Creations Sdn Bhd for RM1 billion based on the audited financial statements of F&B Nutrition for the financial year ended Dec 31, 2019 (FY19) and in accordance with the terms of the sale and purchase agreement (SPA). (Source: *The Edge*)

- **T7 Global secures two supply contract extensions**

T7 Global Bhd has bagged two contract extensions, one each from Hengyuan Refining Company Bhd and PTS Resources Sdn Bhd. The value of both contracts will be as per order request and pricing stipulated in the contracts, the oil and gas (O&G) service provider said in a filing with Bursa Malaysia. (Source: *The Edge*)



Macro Bits

Global

- [Coronavirus pandemic now driven by younger adults: WHO](#) The World Health Organization (WHO) said on Tuesday it was concerned that the novel coronavirus spread was being driven by people in their 20s, 30s and 40s, many of whom were unaware they were infected, posing a danger to vulnerable groups. *(Reuters)*

Malaysia

- **Deflationary trend continues in July, but at a much slower pace** Headline inflation remained in the negative territory for the fifth straight month in July at -1.3% YoY, matching consensus median expectation (-1.3%) but smaller than house estimate (KIBB: -2.2%). However, its deflationary rate is slower than June's -1.9%. *(See Economic Viewpoint: Malaysia Consumer Price Index)*
- [Two-year RM500.0m Prihatin sukuk launched with 2.0% annual profit rate](#) The Sukuk Prihatin programme, touted as the first ever digital sukuk in Malaysia, was launched today as part of the government's National Economic Recovery Plan. The sukuk has a total target issuance of RM500.0m with a maturity period of two years. *(The Edge Markets)*

Asia Pacific

- **Exports down 9.9% in July; trade balance widens to a 9-year high** Exports' YoY growth turned negative (-9.9%), after a brief rebound in June (2.1%), but far better than market expectation (consensus: -16.7%). *(See Economic Viewpoint: Indonesia External Trade)*
- [Philippine central bank to pause after 4 successive rate cuts: Reuters poll](#) The Philippine central bank is widely expected to pause monetary easing on Thursday after four consecutive rate cuts to save ammunition in case the economy, already in a recession, deteriorates further, a Reuters poll showed. *(Reuters)*
- [Japan manufacturers' gloom eases slightly but pandemic woes remain](#) Japan's manufacturers were their least pessimistic in four months in August, the Reuters Tankan survey of business sentiment showed on Tuesday but signalled a slow recovery from the coronavirus pandemic. *(Reuters)*
- [Australia central bank rules out need for further policy easing for now](#) Australia's central bank does not see a need to further ease policy for now as its package of measures were working "broadly as expected" with an economic recovery underway in most of the country, minutes of its August policy meeting showed on Tuesday. *(Reuters)*

Americas

- [U.S., Colombia to bring USD5.0b in investment to rural areas](#) The United States and Colombia will work together to bring new investment to rural areas of the South American country, officials said, as Colombia's president reiterated support for the U.S. candidate to lead the Inter-American Development Bank. *(Reuters)*

Europe

- [The USD425.0b payment holiday question hanging over Europe's banks](#) More than EUR360.0b (USD425.0b) of loans at Europe's biggest banks have been subject to payment breaks or other coronavirus relief measures but the big question is whether borrowers will be able to resume payments when support ends. *(Reuters)*
- [Rebuilding Europe after pandemic akin to post-war reconstruction: Draghi](#) Rebuilding Europe after the coronavirus pandemic will be akin to the post-World War II reconstruction effort and the bloc must reaffirm its core values despite challenges from global powers, former ECB President Mario Draghi said. *(Reuters)*
- [UK COVID lending to businesses nears GBP53.0b](#) British banks' lending to businesses under government-backed COVID-19 loan schemes neared GBP53.0b as of last weekend, weekly finance ministry figures showed on Tuesday. Lending across the government's three main programmes for small, medium, and large businesses rose to a total GBP52.65b as of Aug. 16, up from GBP51.77b the week before. *(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
HOCK SENG LEE BERHAD	0.905	17.18	8.46	0.23	0.900
DUTCH LADY MILK INDS BHD	38.900	17.94	16.89	24.71	38.600
PANSAR BHD	0.725	20.50	15.37	10.59	0.720
GABUNGAN AQRS BHD	0.720	24.65	16.02	0.80	0.705
AEON CO (M) BHD	0.805	26.00	28.18	51.29	0.785
YTL HOSPITALITY REIT	0.770	26.90	26.29	29.95	0.755
PARAMOUNT CORP BHD	0.755	28.84	25.81	26.40	0.755
IJM CORP BHD	1.330	29.37	26.60	17.57	1.300

*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
MGB BHD	0.740	93.34	97.61	99.92	0.755
UNITED PLANTATIONS BHD	14.500	82.47	88.84	98.86	14.520
SYMPHONY LIFE BHD	0.650	80.71	81.44	76.49	0.705
PRESTARIANG BHD	0.990	77.55	77.61	71.95	1.070
FOCUS DYNAMICS GROUP BHD	2.110	75.40	75.80	79.76	2.140
V.S. INDUSTRY BERHAD	1.620	74.77	74.93	66.18	1.730
GUAN CHONG BHD	3.640	74.09	76.04	82.11	3.680
INNOPRISE PLANTATIONS BHD	0.940	71.62	74.51	91.11	0.965
TA ENTERPRISE BERHAD	0.610	70.47	64.59	40.23	0.620

*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
GPA HOLDINGS -WA	0.100	80.94	82.84	87.51	0.110	3/6/2025
PA RESOURCES-WB	0.055	77.31	76.02	67.09	0.055	17/12/2022
V.S. INDUSTRY-C33	0.225	73.47	71.90	59.53	0.265	29/1/2021
MINHO M BHD-WC	0.130	72.87	73.90	63.24	0.245	2/8/2021
TOMYPAK HOLDING-WA	0.135	71.99	73.05	79.79	0.170	21/6/2021
BORNEO OIL-WD	0.045	71.55	72.65	77.69	0.055	29/5/2027

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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