

10 September 2020

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Research Highlights

BURSA	9-Sep	Day chg	% chg
KLCI	1,496.7	-22.6	-1.49%
FTSE EMAS	10,725.9	-196.2	-1.80%
FTSE Smallcap	13,177.6	-142.18	-1.07%
FTSE MESDAQ	10,250.1	-140.7	-1.35%
KLSE Mkt Cap (RM'b)	1,546.7	-27.4	-1.74%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-248.78	50.28%
Local Retail	190.05	36.21%
Foreign	58.74	13.51%

INDICES	9-Sep	Day chg	% chg
Dow Jones	27,940.5	439.6	1.60%
S&P 500	3,399.0	67.1	2.01%
NASDAQ	11,141.6	293.9	2.71%
FTSE-100	6,012.8	82.5	1.39%
Nikkei 225	23,032.5	-241.6	-1.04%
SHCOMP	3,254.6	-61.8	-1.86%
HSI	24,468.9	-155.4	-0.63%
STI	2,499.3	-5.4	-0.22%
KOSPI	2,375.8	-26.1	-1.09%
TWSE	12,608.6	-55.0	-0.43%
JCI	5,149.4	-94.7	-1.81%
SET	1,293.4	-0.4	-0.03%

FOREX	9-Sep	8-Sep	% chg
USD/MYR:	4.1708	4.1678	0.07%
EUR/USD:	1.1755	1.1801	-0.39%
GBP/USD:	1.2928	1.3058	-1.00%
USD/YEN:	106.13	106.31	-0.17%
USD/SGD:	1.3698	1.3691	0.05%
USD/HKD:	7.7504	7.7504	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	7,696.7	9,035.6	-14.82%
Value (RMm):	4,890.1	4,570.4	7.00%
KLCI Future			
Sept-20	1,492.0	1,506.5	-0.96%
Oct-20	1,490.0	1,502.5	-0.83%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	978.8	973.0	0.59%
SoyOil (US\$/lb)	33.2	33.4	-0.57%
Gold (US\$/troy oz)	1,946.8	1,935.1	0.60%
Nymex crude oil (US\$/bbl)	38.1	36.8	3.51%
Latex (RM/kg)	4.76	4.79	-0.63%
Tin (US\$/mt)	18,015.0	18,028.0	-0.07%

NEWS HIGHLIGHTS

- AirAsia forms new engineering services arm to serve airlines in the region
- Magni-Tech sells industrial land in Pulau Pinang for RM22.0m
- Hibiscus plans RM2.0b private placement to fund acquisitions
- Ho Wah Genting mulls partnership with China's biotech firm to produce COVID-19 vaccine
- Pansar eyes diversification via RM151.0m acquisition of Sarawak builder

MACRO BITS

- IMF says coronavirus crisis 'far from over', more support needed
- WHO says vaccine safety top priority, as AstraZeneca pauses study
- Nation's economy improving — MoF
- Moratorium worth RM81.9b granted as of Aug 28 — MoF
- Fall at a slower pace in July, signs of improvement ahead (See *Economic Viewpoint: Indonesia Retail Sales*)
- Indonesia's capital to reimpose restrictions over coronavirus
- China factory prices fall at slowest rate in five months as recovery continues
- Japan's Suga vows to put growth ahead of fiscal reform, signals status quo of Abenomics
- U.S. firms in China increasingly fear bilateral tensions will last for years: survey
- U.S. airline unions to meet with top Democrats on aid as demand languishes
- EU 'very concerned' by UK plan to break divorce treaty
- UK promises 'unfettered access' legal guarantee for Northern Ireland by year end

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- On Our Technical Watch: CSCENIC, LEESK
- 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	7.15	-6.4	135.61	KLCCSS	7.92	1.8	0.61	TOPGLOV	7.15	-6.4	135.61
2	CIMB	3.20	-0.9	14.20	DIGI	4.07	0.7	4.43	IHH	5.35	-5.8	1.02
3	HARTA	13.00	-4.4	12.80	KLCCSS	16.10	0.6	2.74	HARTA	13.00	-4.4	12.80
4	SIME	2.30	0.0	10.00	SIMEPLT	5.12	0.6	0.99	AXIATA	3.11	-3.4	3.74
5	DIALOG	3.64	-0.3	9.38	SIME	2.30	0.0	10.00	MAXIS	5.04	-2.3	0.90
6	GENM	2.32	-0.4	7.71	HLBANK	14.78	-0.1	0.50	PETDAG	21.18	-2.3	0.12
7	GENTING	3.57	-0.3	5.75	PMETAL	5.20	-0.2	1.53	MISC	7.52	-1.6	2.72
8	MAYBANK	7.45	-0.7	4.80	DIALOG	3.64	-0.3	9.38	IOICORP	4.43	-1.3	1.10
9	DIGI	4.07	0.7	4.43	GENTING	3.57	-0.3	5.75	KLK	22.32	-1.2	0.30
10	TM	4.15	-0.7	3.95	GENM	2.32	-0.4	7.71	TENAGA	11.18	-1.2	3.00

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **AirAsia forms new engineering services arm to serve airlines in the region**

AirAsia Group Bhd has established a new wholly-owned unit which aims to be Asia's leading provider of engineering services for AirAsia's group of airlines and other commercial airlines. The unit, Asia Digital Engineering Sdn Bhd (ADE), will be an avenue to earn additional income, which will contribute to the overall increase in revenue for AirAsia, the low-cost carrier said in a filing with Bursa Malaysia. *(The Edge)*

- **Magni-Tech sells industrial land in Pulau Pinang for RM22.0m**

Magni-Tech Industries Bhd said that it is disposing of a piece of freehold industrial land with a factory on site in Seberang Perai, Pulau Pinang for RM22.0m cash. The 7.75-acre land with structures was acquired in 1990 for RM8.0m, and carried a net book value of RM6.2m as at end-April this year, according to a filing by the company. The deal will add 3.6 sen to Magni-Tech's earnings per share, considering the pro forma gain of approximately RM15.1m. *(The Edge)*

- **Hibiscus plans RM2.0b private placement to fund acquisitions**

Hibiscus Petroleum Bhd is raising up to RM2.0b via a private placement as part of its accelerated plans to acquire good-value and high-quality producing assets. This is in view of the improved oil and gas (O&G) sector as the global economy starts to recover from the crippling effects of the COVID-19, the group said in a bourse filing. "The COVID-19 pandemic and low oil price environment initially slowed down mergers and acquisitions activity globally in the first half of the calendar year 2020. However, with the ramp up of economic activity globally, the outlook for the O&G sector is also improving. *(The Edge)*

- **Ho Wah Genting mulls partnership with China's biotech firm to produce COVID-19 vaccine**

Ho Wah Genting Bhd, which has jumped on the COVID-19 bandwagon, is considering appointing Xinkexian (Beijing) Biotechnology Co, Ltd (XKX) as its non-exclusive manufacturer to produce COVID-19 vaccines. In a filing with Bursa Malaysia, Ho Wah said its wholly-owned subsidiary HWGB Biotech Sdn Bhd has entered into a Memorandum of Understanding (MoU) with XKX for a possible partnership. *(The Edge)*

- **Pansar eyes diversification via RM151.0m acquisition of Sarawak builder**

Engineering solutions provider Pansar Bhd plans to diversify its business to include construction and civil engineering through the acquisition of Sarawak-based builder Perbena Emas Sdn Bhd for RM151.0m cash. Pansar said the proposed acquisition will enhance shareholder value and serves as a strategic entry into the construction industry in Sabah and Sarawak. Perbena has an existing order book of RM645.0m and is in advanced stages of tendering for more than RM2.0b worth of new projects. *(The Edge)*

Macro Bits

Global

- [IMF says coronavirus crisis 'far from over', more support needed](#) The International Monetary Fund on Wednesday warned that the coronavirus crisis was “far from over” and underscored the need for multilateral cooperation to ensure adequate supplies once a vaccine is developed. *(Reuters)*
- [WHO says vaccine safety top priority, as AstraZeneca pauses study](#) Safety of a prospective COVID-19 vaccine comes “first and foremost”, the World Health Organization’s chief scientist said on Wednesday, as a trial of a leading candidate from AstraZeneca (AZN.L) was paused due to concerns over side effects. *(Reuters)*

Malaysia

- [Nation's economy improving — MoF](#) The early economic indicators for July have shown that the nation’s economy is improving, said Deputy Finance Minister II Mohd Shahar Abdullah. *(The Edge Markets)*
- [Moratorium worth RM81.9b granted as of Aug 28 — MoF](#) The value of the loan moratorium on loan repayments to financial institutions which came into effect on April 1 is estimated at RM81.9b as of Aug 28, 2020, says Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz. *(The Edge Markets)*

Asia Pacific

- [Fall at a slower pace in July, signs of improvement ahead](#) Retail sales fell for the eighth straight month, but growth contraction eased to -12.3% YoY in July (Jun: -17.1%) led by other goods (-60.3%; Jun: -69.1%), followed by apparel (-66.5%; Jun: -73.7%) and cultural & recreation (-38.7%; May: -44.6%). *(See Economic Viewpoint: Indonesia Retail Sales)*
- [Indonesia's capital to reimpose restrictions over coronavirus](#) Indonesia’s capital, Jakarta, will reinstate wide-scale social restrictions “as soon as possible” because a rise in coronavirus infections threatens to strain its health system, its governor said on Wednesday. *(Reuters)*
- [China factory prices fall at slowest rate in five months as recovery continues](#) China’s factory gate prices fell at their slowest annual pace in five months in August as the world’s second-largest economy and its industries continued to recover from a slump caused by the coronavirus pandemic earlier this year. *(The Edge Markets)*
- [Japan's Suga vows to put growth ahead of fiscal reform, signals status quo of Abenomics](#) Yoshihide Suga, on course to become Japan’s next prime minister, said he would maintain incumbent premier Shinzo Abe’s policy prioritising economic growth over efforts to fix the country’s tattered finances. *(The Edge Markets)*

Americas

- [U.S. firms in China increasingly fear bilateral tensions will last for years: survey](#) U.S. companies in China are increasingly fretful that trade tensions between the world’s two biggest economies will drag out over years and nearly a third said their ability to retain staff had been affected, a survey showed. *(Reuters)*
- [U.S. airline unions to meet with top Democrats on aid as demand languishes](#) U.S. airline union leaders are due to meet with senior congressional Democrats on Wednesday to discuss a second round of aid to protect tens of thousands of jobs, officials said, while airlines continue to wrestle with a drastic downturn in demand due to the coronavirus pandemic. *(Reuters)*

Europe

- [EU 'very concerned' by UK plan to break divorce treaty](#) Britain plunged Brexit trade talks into crisis on Wednesday by explicitly acknowledging it could break international law by ignoring some parts of its European Union divorce treaty, prompting a rapid rebuke from the EU’s chief executive. *(Reuters)*
- [UK promises 'unfettered access' legal guarantee for Northern Ireland by year end](#) Britain said on Wednesday a legal guarantee to provide Northern Ireland businesses with unfettered access to its internal market would be in place by the end of its Brexit transition period at the end of the year. *(Reuters)*



10 September 2020

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
CARLSBERG BREWERY MALAYSIA B	19.600	15.47	9.61	5.06	19.400
HUME INDUSTRIES BHD	0.735	18.48	14.28	4.68	0.730
TROPICANA CORP BHD	0.815	18.78	13.93	10.69	0.815
HOCK SENG LEE BERHAD	0.815	20.34	18.29	16.13	0.800
BINTULU PORT HOLDINGS BHD	3.760	21.00	11.59	0.43	3.760
KUMPULAN FIMA BHD	1.460	23.46	14.68	1.43	1.460
CAHYA MATA SARAWAK BHD	1.380	24.22	16.86	3.69	1.370
PETRON MALAYSIA REFINING & M	3.290	24.73	16.28	0.79	3.290
PANASONIC MANUFACTURING MALA	29.180	25.34	18.44	4.54	28.720
MSM MALAYSIA HOLDINGS BHD	0.515	25.48	16.96	1.45	0.505
OCK GROUP BHD	0.450	27.39	21.66	4.00	0.450
MALAYAN UNITED INDUSTRIES BH	0.120	28.04	19.96	3.81	0.120
DATASONIC GROUP BHD	1.170	29.06	20.43	1.61	1.160
BURSA MALAYSIA BHD	8.430	29.20	17.27	0.81	8.400
HARTALEGA HOLDINGS BHD	13.000	29.53	21.07	4.47	12.780
ECO WORLD DEVELOPMENT GROUP	0.400	29.83	18.63	0.53	0.400
KECK SENG (MALAYSIA) BHD	3.560	29.92	22.02	7.75	3.530

*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
GLOBAL ORIENTAL BHD	0.680	84.56	82.93	66.24	0.735
KWANTAS CORP BHD	1.310	78.95	77.21	58.55	1.460
MMAG HOLDINGS BHD	0.645	78.33	83.21	95.75	0.655
BLD PLANTATION BHD	7.300	76.17	83.33	97.24	7.300
SERN KOU RESOURCES BHD	2.030	71.12	71.21	58.63	2.150
PLS PLANTATIONS BHD	0.840	70.49	75.36	90.79	0.840
KUMPULAN PERANGSANG SELANGOR	0.715	70.12	71.51	77.45	0.750

*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
BURSA MALAYSI-C35	0.175	14.79	9.59	0.51	0.170	26/2/2021
SUPERMAX CORP-1D	0.160	25.48	22.33	3.86	0.160	26/2/2021
DATASONIC GROUP BHD-WA	0.405	25.80	16.90	3.93	0.395	5/7/2023
TOP GLOVE COR-C88	0.155	26.91	23.05	3.74	0.150	26/2/2021
TOP GLOVE COR-C84	0.340	27.83	19.85	1.62	0.340	29/1/2021
BURSA MALAYSI-C33	0.125	27.88	15.49	0.49	0.105	31/12/2020
TOP GLOVE COR-C87	0.165	28.86	23.52	4.84	0.155	26/2/2021
GENTING BHD-C84	0.030	29.41	26.31	19.40	0.030	24/12/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
MMAG HOLDINGS BHD -WB	0.530	82.28	86.70	95.65	0.560	27/11/2022
HOMERITZ CORP BHD-WB	0.220	72.52	73.74	58.42	0.260	3/7/2022

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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