

12 November 2020

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Research Highlights

BURSA	11-Nov	Day chg	% chg
KLCI	1,570.1	-4.99	-0.32%
FTSE EMAS	11,290.9	-20.1	-0.18%
FTSE Smallcap	13,950.2	75.21	0.54%
FTSE MESDAQ	11,291.8	245.4	2.22%
KLSE Mkt Cap (RM'b)	1,644.4	-3.8	-0.23%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-37.8	45.1%
Local Retail	45.3	38.0%
Foreign	-7.5	16.9%

INDICES	11-Nov	Day chg	% chg
Dow Jones	29,397.6	-23.3	-0.08%
S&P 500	3,572.7	27.1	0.77%
NASDAQ	11,786.4	232.6	2.01%
FTSE-100	6,382.1	85.3	1.35%
Nikkei 225	25,349.6	444.0	1.78%
SHCOMP	3,342.2	-17.9	-0.53%
HSI	26,227.0	-74.5	-0.28%
STI	2,713.3	8.3	0.31%
KOSPI	2,485.9	33.0	1.35%
TWSE	13,262.2	180.5	1.38%
JCI	5,509.5	46.8	0.86%
SET	1,345.3	4.1	0.31%

FOREX	11-Nov	10-Nov	% chg
USD/MYR:	4.1325	4.1198	0.31%
EUR/USD:	1.1785	1.1780	0.04%
GBP/USD:	1.3258	1.3242	0.12%
USD/YEN:	105.46	105.47	-0.01%
USD/SGD:	1.3487	1.3498	-0.08%
USD/HKD:	7.7537	7.7537	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	14,482.9	12,312.4	17.63%
Value (RMm):	5,952.6	8,446.0	-29.52%
KLCI Future			
November-20	1,560.0	1,585.0	-1.58%
December-20	1,559.5	1,584.0	-1.55%
CPO Price (RM/tonne)	3,267.0	3,170.0	3.06%
Soybean (US\$/bu)	1,152.8	1,146.0	0.59%
SoyOil (USc/lb)	37.0	36.0	2.72%
Gold (US\$/troy oz)	1,863.8	1,876.4	-0.67%
Nymex crude oil (US\$/bbl)	41.4	41.4	0.15%
Latex (RM/kg)	6.13	6.16	-0.49%
Tin (US\$/mt)	N/A	18,278.5	N/A

NEWS HIGHLIGHTS

- RHB commits RM5.0b to support green financing by 2025
- MAHB's October passenger traffic down 78.1% year-on-year
- Focus Dynamics, Brahim's to set up digital kitchen
- Tropicana wants to buy Bentong land for RM402.5m
- Green Packet 3Q net loss narrows

MACRO BITS

- How the Covid crisis calls for a makeover at the Fed and ECB
- China urges U.S. to stop increasing ties with Taiwan
- 'Easy' UK-Canada trade deal should be secured by end of year: Trudeau
- Malaysia will rely on local borrowings to finance record USD78.0b budget
- Long-awaited RCEP trade deal set to be signed this Sunday, says Azmin Ali
- Malaysia records 822 new Covid-19 cases, three new clusters detected in Sabah
- Fall at a slower pace in September on broad-based improvement (See *Economic Viewpoint: Indonesia Retail Sales*)
- Asian leaders to sign China-backed trade deal amid U.S. election uncertainty
- Thailand asks central bank to manage currency to aid exports
- Hong Kong, Singapore to allow travel to each other without quarantines from November 22
- No more fiscal firehose? That might be okay by the Fed
- Democrats secure control of House of Representatives with reduced majority: AP
- Lagarde says next stimulus to rely on emergency QE, loans
- Ireland sees EU-UK trade talks going past mid-November deadline

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: MQREIT
- On Our Technical Watch: ELKDESA, EDGENTA
- Economic Viewpoint: ID 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	7.86	0.8	61.10	PBBANK	17.68	2.8	10.30	MISC	6.89	-4.4	1.71
2	GENTING	3.54	-1.7	27.80	HLBANK	16.60	2.6	1.81	SIME	2.36	-4.1	4.38
3	CIMB	3.30	-2.4	25.30	KLCCSS	4.93	1.7	N/A	IHH	5.45	-3.5	2.16
4	GENM	2.33	-2.1	24.90	TENAGA	11.34	1.3	9.89	PCHEM	6.55	-3.0	2.75
5	HARTA	15.50	-1.3	14.70	HLFG	15.28	1.2	0.39	SIMEPLT	5.01	-2.7	2.51
6	MAYBANK	7.69	0.4	11.10	KLK	23.00	0.9	2.50	CIMB	3.30	-2.4	25.30
7	TM	4.33	0.7	10.90	TOPGLOV	7.86	0.8	61.10	DIALOG	3.71	-2.1	9.29
8	PBBANK	17.68	2.8	10.30	DIGI	4.23	0.7	1.18	GENM	2.33	-2.1	24.90
9	TENAGA	11.34	1.3	9.89	TM	4.33	0.7	10.90	HAPSENG	8.03	-1.8	0.24
10	DIALOG	3.71	-2.1	9.29	MAYBANK	7.69	0.4	11.10	GENTING	3.54	-1.7	27.80

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **RHB commits RM5.0b to support green financing by 2025**

RHB Banking Group has committed RM5.0b in support of green financing by 2025, through its core business activities of lending, capital markets advisory and fundraising, together with investment. In a statement, RHB said the commitment is in line with its sustainability framework, which outlines its approach towards embedding sustainable practices into its business and operations. (*The Edge*)

- **MAHB's October passenger traffic down 78.1% year-on-year**

Malaysia Airports Holdings Bhd's (MAHB) network of airports recorded 2.6m passengers in October 2020, a decline of 78.1% from October 2019 and a decrease of 25.7% from 3.5m in September. "Malaysia's traffic performance in October was largely affected by the resurgence of COVID-19 cases, resulting in the re-imposition of Conditional Movement Control Order (CMCO) to control the pandemic. (*The Edge*)

- **Focus Dynamics, Brahim's to set up digital kitchen**

Focus Dynamics Group Bhd has teamed up with Brahim's Holdings Bhd to set up digital kitchen. Focus Dynamics said in a statement the venture would accelerate the launch of its cloud kitchen and modernise Brahim's food catering business in light of the recent reintroduction of the Conditional Movement Control Order (CMCO). "This collaboration provides a solid foundation to potentially cater up to 60,000 meals per day, through various silos of operations, all prepared and packaged at the central kitchen, and delivered to consumers' doorsteps via direct delivery or through the Shadow Kitchen Network," said Focus Dynamics executive director. (*New Straits Times*)

- **Tropicana wants to buy Bentong land for RM402.5m**

Tropicana Corp Bhd has proposed to acquire two contiguous pieces of land of 308 acres in Bentong, Pahang from YTL Land & Development Bhd for RM402.5m in cash. The company will, through its wholly owned subsidiaries, buy the pieces of land from the vendors - Satria Sewira Sdn Bhd (102 acres for RM178.2m) and Emerald Hectares Sdn Bhd (206 acres for RM224.3m). Satria Sewira is a unit of YTL Land while Emerald Hectares is a subsidiary of YTL Land. (*The Star*)

- **Green Packet 3Q net loss narrows**

Green Packet Bhd, which reported a third quarter net loss of RM6.8m versus a net profit of RM5.6m a year earlier, said the telecommunications company's quarterly net loss had however narrowed substantially in quarterly terms, mainly due to the RM14.3m received from the settlement of exchangeable medium term notes (EMTN) via the transfer of Webe Digital Sdn Bhd shares held by Green Packet to Mobikom Sdn Bhd. According to the group's bourse filing, Green Packet's net loss in the third quarter ended Sept 30, 2020 (3QFY20) is lower compared to RM12.0m in 2QFY20. The narrower 3QFY20 net loss was also due to "fair value gain from a quoted investment of RM10.0m as compared to a fair value gain of RM9.0m in the previous preceding quarter", Green Packet said. (*The Edge*)



Macro Bits

Global

- [How the Covid crisis calls for a makeover at the Fed and ECB](#) In his first year in office U.S. President-elect Joe Biden has an opportunity to remake the leadership of the Federal Reserve: the current terms of Chairman Jerome Powell and both his two vice chairs expire by 2022. But what the Fed and other central banks need most in a post-Covid world is not new leadership, but a fresh understanding of what they were put on this Earth to do. (*Bloomberg*)
- [China urges U.S. to stop increasing ties with Taiwan](#) China urged the United States on Wednesday to stop boosting ties with Taiwan, after Washington and Taipei announced they would hold economic talks this month that Taiwan's government described as a "major milestone" in relations. (*Reuters*)
- ['Easy' UK-Canada trade deal should be secured by end of year: Trudeau](#) Canada's Prime Minister Justin Trudeau said on Wednesday a trade agreement with Britain should be secured by the end of the year, although there was an issue that Britain might not have "bandwidth" to move forward with talks. (*Reuters*)

Malaysia

- [Malaysia will rely on local borrowings to finance record USD78.0b budget](#) Malaysia will rely on local borrowings to finance next year's record 322.5b ringgit (USD78.0b) spending plan, Finance Minister Tengku Zafrul Abdul Aziz said. (*The Edge Markets*)
- [Long-awaited RCEP trade deal set to be signed this Sunday, says Azmin Ali](#) The Regional Comprehensive Economic Partnership (RCEP) participating countries (RPCs) have concluded negotiations on the world's largest free trade agreement (FTA), paving the way for the signing of the long-awaited trade deal on Nov 15. (*The Edge Markets*)
- [Malaysia records 822 new Covid-19 cases, three new clusters detected in Sabah](#) Malaysia's new Covid-19 cases dropped to 822 today, from 869 yesterday, bringing total cases to 42,872, the Health Ministry said. (*The Edge Markets*)

Asia Pacific

- [Fall at a slower pace in September on broad-based improvement](#) Retail sales fell for the tenth straight month in September but at a slower pace (-8.7% YoY; Aug: -9.2%). Mainly attributable to a broad-based slowdown led by apparel (-59.7%; Aug: -64.9%), followed by other goods (-51.8%; Aug: -56.7%) and cultural & recreation (-39.5%; -38.2%). Nonetheless, it was partially supported by a second successive month of growth rebound in food, drinks, and tobacco (3.1%; Aug: 2.7%). (*See Economic Viewpoint: Indonesia Retail Sales*)
- [Asian leaders to sign China-backed trade deal amid U.S. election uncertainty](#) Southeast Asian leaders start meetings on Thursday that are expected to lead to an ambitious China-backed trade deal at a time the still uncertain election result in the United States leaves questions over its engagement in the region. (*Reuters*)
- [Thailand asks central bank to manage currency to aid exports](#) Thailand's government wants the central bank to temper a rally in the nation's currency, which is threatening efforts to boost exports to balance a slump in tourism revenue, according to Finance Minister Arkhom Termpittayapaisith. (*Bloomberg*)
- [Hong Kong, Singapore to allow travel to each other without quarantines from November 22](#) A travel bubble between Hong Kong and Singapore will begin on Nov. 22, the two cities announced on Wednesday, as they moved to re-establish overseas travel links and lift the hurdle of quarantine for visiting foreigners. (*Reuters*)

Americas

- [No more fiscal firehose? That might be okay by the Fed](#) A surge in novel coronavirus cases threatens to slow U.S. economic growth once more in coming months, Federal Reserve policymakers said on Tuesday, and to get through it the economy will again need government aid. (*Reuters*)
- [Democrats secure control of House of Representatives with reduced majority: AP](#) The Democratic Party secured control of the U.S. House of Representatives but with a slimmer majority after winning at least 218 seats, the Associated Press bit.ly/32AoEhl reported. Democrats secured the majority after AP declared three winners late on Tuesday; incumbents Kim Schrier in Washington, Tom O'Halleran in Arizona and Jimmy Gomez in California. (*Reuters*)

Europe

- [Lagarde says next stimulus to rely on emergency QE, loans](#) European Central Bank President Christine Lagarde said policy makers will focus on emergency bond purchases and long-term loans for their next wave of stimulus, effectively ruling out interest-rate cuts as a way to aid the economy. (*Bloomberg*)
- [Ireland sees EU-UK trade talks going past mid-November deadline](#) An EU-UK trade pact is unlikely to come together this week and negotiations might go into the next, an Irish minister said on Wednesday, confirming a Reuters report that the sides were now set to miss their mid-November deadline for a new Brexit deal. (*Reuters*)
- [French unemployment surges to two-year high of 9.0% in third quarter](#) France's unemployment rate rose to its highest level in two years in the third quarter, the INSEE statistics office said on Tuesday, as the euro zone's second-biggest economy grapples with the fallout from the COVID-19 crisis. (*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
SUNWAY BHD	1.230	26.74	24.60	25.45	1.230

*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	HIGH 30D
K-STAR SPORTS LTD	0.900	93.45	94.08	88.24	0.980
VIVOCOM INTERNATIONAL HOLDIN	1.390	89.07	91.56	94.95	1.450
MIECO CHIPBOARD BERHAD	0.620	85.04	89.54	93.69	0.640
RCE CAPITAL BHD	2.100	84.42	92.14	99.70	2.200
EURO HOLDINGS BHD	2.260	83.67	89.48	97.79	2.290
AT SYSTEMATIZATION BHD	0.270	83.62	85.89	87.96	0.285
CHIN TECK PLANTATIONS BHD	6.800	83.13	89.97	98.78	6.820
HEVEABOARD BHD	0.740	82.10	84.84	86.03	0.755
HONG LEONG BANK BERHAD	16.600	81.98	86.76	96.20	16.600
MALAYSIA SMELTING CORP BHD	0.770	81.68	87.37	96.16	0.785
LATITUDE TREE HOLDINGS BHD	4.010	79.94	81.28	77.99	4.100
PMB TECHNOLOGY BHD	3.300	78.25	79.71	70.73	3.380
CHEMICAL CO OF MALAYSIA BHD	2.270	76.73	76.69	62.21	2.340
KELINGTON GROUP BHD	1.470	76.08	83.08	97.60	1.610
MUHIBBAH ENGINEERING (M) BHD	0.855	75.97	82.93	91.49	0.865
O.S.K. HOLDINGS BHD	0.795	75.34	84.82	98.92	0.795
FORMOSA PROSONIC INDS BHD	1.790	75.29	80.67	94.17	1.790
INNOPRISE PLANTATIONS BHD	1.140	75.09	80.80	84.35	1.160
KRETAM HOLDINGS BHD	0.595	74.96	81.37	95.51	0.605
HIAP TECK VENTURE BHD	0.245	74.84	82.82	98.38	0.250
BOILERMECH HOLDINGS BERHAD	0.805	74.72	78.27	91.75	0.820
EVERGREEN FIBREBOARD BHD	0.385	74.38	79.06	85.54	0.385
UNISEM (M) BERHAD	5.700	73.92	69.77	38.67	6.250
KESM INDUSTRIES BHD	10.200	72.96	78.90	96.23	10.280
TASCO BHD	2.470	72.76	73.93	79.37	2.620
RAPID SYNERGY BHD	6.450	72.39	71.22	55.11	6.540
CAN-ONE BHD	2.650	72.13	82.03	98.95	2.670
LII HEN INDUSTRIES BHD	4.600	72.01	73.00	78.15	4.600
YTL HOSPITALITY REIT	0.770	71.44	82.18	97.86	0.780
CARLSBERG BREWERY MALAYSIA B	22.500	71.42	79.02	92.10	23.000
CSC STEEL HOLDINGS BHD	0.865	71.28	81.00	98.18	0.880
TA ANN HOLDINGS BERHAD	2.910	70.08	78.70	97.15	2.930

*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
TOP GLOVE CORP BHD-C90	0.095	24.39	18.12	6.76	0.095	26/2/2021
HK HANG SENG INDEX-DI	0.105	25.11	19.86	11.27	0.090	30/12/2020
HK HANG SENG INDEX-DE	0.010	25.39	20.83	7.70	0.010	27/11/2020
TOP GLOVE CORP BHD-C85	0.190	28.44	22.24	16.53	0.170	29/1/2021

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
K-STAR SPORTS LTD-WA	0.565	95.95	97.07	94.15	0.590	10/4/2021
VIVOCOM INTERNATIONAL HOLDINGS BHD-WE	0.880	89.52	89.32	89.91	0.925	22/8/2023
AT SYSTEMATIZATION BHD-WC	0.250	85.95	87.70	89.11	0.270	17/5/2025
LBI CAPITAL BHD-WB	0.275	78.31	82.00	96.43	0.275	24/6/2024
PA RESOURCES BHD-WB	0.070	71.80	79.62	98.22	0.075	17/12/2022
BRITISH AMERICAN TOBACCO MALAYSIA BHD-C2	0.130	70.65	77.77	83.32	0.195	31/3/2021
FINTEC GLOBAL BHD-WA	0.055	70.62	81.42	99.25	0.055	19/4/2024
EA HOLDINGS BHD-WE	0.020	70.18	82.04	99.66	0.020	22/4/2023

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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