

08 December 2020

By Raymond Choo Ping Khoon | pkchoo@kenanga.com.my

BURSA	7-Dec	Day chg	% chg
KLCI	1,622.9	1.04	0.06%
FTSE EMAS	11,762.3	21.6	0.18%
FTSE Smallcap	15,385.9	30.55	0.20%
FTSE MESDAQ	10,647.2	22.2	0.21%
KLSE Mkt Cap (RM'b)	1,727.0	0.0	0.00%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-50.9	43.5%
Local Retail	208.5	43.8%
Foreign	-157.6	12.7%

INDICES	7-Dec	Day chg	% chg
Dow Jones	30,069.8	-148.5	-0.49%
S&P 500	3,692.0	-7.2	-0.19%
NASDAQ	12,519.9	55.7	0.45%
FTSE-100	6,555.4	5.2	0.08%
Nikkei 225	26,547.4	-203.8	-0.76%
SHCOMP	3,416.6	-28.0	-0.81%
HSI	26,506.9	-329.1	-1.23%
STI	2,825.5	-14.4	-0.51%
KOSPI	2,745.4	14.0	0.51%
TWSE	14,256.6	124.2	0.88%
JCI	5,930.8	120.3	2.07%
SET	N/A	N/A	N/A

FOREX	7-Dec	4-Dec	% chg
USD/MYR:	4.0715	4.0620	0.23%
EUR/USD:	1.2109	1.2121	-0.10%
GBP/USD:	1.3274	1.3441	-1.24%
USD/YEN:	104.20	104.17	0.03%
USD/SGD:	1.3378	1.3358	0.15%
USD/HKD:	7.7507	7.7507	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	16,494.8	14,216.1	16.03%
Value (RMm):	7,229.1	6,751.0	7.08%
KLCI Future			
December-20	1,622.0	1,624.0	-0.12%
January-21	1,622.5	1,623.5	-0.06%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,158.5	1,163.0	-0.39%
SoyOil (USc/lb)	37.9	38.1	-0.73%
Gold (US\$/troy oz)	1,866.0	1,840.0	1.41%
Nymex crude oil (US\$/bbl)	45.8	46.3	-1.08%
Latex (RM/kg)	5.93	5.90	0.51%
Tin (US\$/mt)	N/A	18,968.5	N/A

Research Highlights

NEWS HIGHLIGHTS

- **Batu Kawan makes formal offer for remaining CCM shares at RM3.10 each**
- **AirAsia 'quietly optimistic' about 2021 with focus on ASEAN**
- **Solarvest, Satria Megajuta secure solar PV contracts**
- **Masteel seeks RM81.5m via rights issue exercise**
- **MTD ACPI Engineering gets offer from controlling shareholder to take company private**

MACRO BITS

- **China says firmly opposes U.S. interference in its domestic affairs**
- **Oil falls on surging virus cases and U.S.-China tensions**
- **Up 0.7% MoM in November to a 30-month high (See *Economic Viewpoint: BNM International Reserves*)**
- **Foreign fund inflow slowed in November (See *Economic Viewpoint: Malaysia Bond Flows*)**
- **Tengku Zafrul: RM14.58b disbursed via PENJANA as at Nov 20**
- **Govt's debt, liability exposures at RM1.257t as at end-September — MoF**
- **Down slightly by USD0.1b to USD133.6b in November (See *Economic Viewpoint: Indonesia Official Reserve Assets*)**
- **China in no rush to tighten policy despite quickening recovery: former stats official**
- **U.S. Congress closes in on COVID-19 aid bill as funding deadline looms**
- **Pandemic's uneven march across U.S. paved way for wider outbreak**
- **EU tells Johnson to decide as time runs out for Brexit deal**
- **Germany, France, 11 other EU countries team up for semiconductor push**
- **Impossible to say if there will be a EU-UK trade deal: senior EU official**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **On Our Technical Watch: ORNA, HEVEA**
- **Economic Viewpoint: BNM International Reserves, ID Official Reserve Assets, MY Bond Flows**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	6.60	-0.8	29.10	PCHEM	7.60	2.8	3.79	PPB	18.42	-2.5	0.35
2	GENM	2.57	0.4	22.00	GENTING	4.30	1.7	19.20	IOICORP	4.40	-1.8	2.07
3	GENTING	4.30	1.7	19.20	HLFG	17.50	1.6	0.44	DIALOG	3.60	-1.4	6.45
4	CIMB	3.94	1.0	16.80	MISC	7.15	1.4	0.90	SIME	2.31	-1.3	4.57
5	DIALOG	3.60	-1.4	6.45	HLBANK	18.30	1.1	0.75	PETGAS	17.20	-1.2	1.06
6	PMETAL	7.88	0.6	6.39	CIMB	3.94	1.0	16.80	NESTLE	135.60	-1.0	0.11
7	HARTA	14.44	-0.4	5.59	IHH	5.50	0.9	2.28	TM	5.26	-0.8	4.99
8	TM	5.26	-0.8	4.99	MAYBANK	8.27	0.9	4.36	TOPGLOV	6.60	-0.8	29.10
9	SIME	2.31	-1.3	4.57	PMETAL	7.88	0.6	6.39	SIMEPLT	5.05	-0.6	2.69
10	AXIATA	3.77	0.0	4.55	RHBBANK	5.59	0.5	2.82	HARTA	14.44	-0.4	5.59

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Batu Kawan makes formal offer for remaining CCM shares at RM3.10 each**

Batu Kawan Bhd made a formal offer to buy all shares in Chemical Company of Malaysia Bhd (CCM) that it does not already own at RM3.10 per share. This is the price the group is paying to acquire a 56.3% stake in CCM for RM293m cash from Permodalan Nasional Bhd (PNB). Upon completion of the acquisition, Batu Kawan's shareholding in CCM will be increased to 59.7% from 3.4%. *(The Edge)*

- **AirAsia 'quietly optimistic' about 2021 with focus on ASEAN**

AirAsia Group Bhd is focusing on expanding its base in Southeast Asia and is in discussions about starting three new airlines in the region, its chief executive officer said in an interview on Bloomberg Television. The CEO expects air travel to return to pre-Covid levels in the next six to 12 months. People want to travel and demand is there, which is the most important thing, he said. Thailand's domestic market, for example, is already back to pre-Covid level and will be ahead of it by the end of December, he said. Fares will remain largely the same. *(The Edge)*

- **Solarvest, Satria Megajuta secure solar PV contracts**

Solar photovoltaic (PV) system specialist Solarvest Holdings Bhd has secured a contract from Southern Cable Group Bhd to install a 2.7 megawatt (MW)-peak rooftop solar PV system on its cable and wires manufacturing facility in Kuala Ketil, Kedah. Solarvest will undertake the full turnkey engineering, procurement, construction and commissioning works to equip the facility with Southern Cable's in-house, locally manufactured and TÜV SÜD certified cables and wires. *(Bernama)*

- **Masteel seeks RM81.5m via rights issue exercise**

Malaysia Steel Works (KL) Bhd (Masteel) is seeking to raise up to RM81.5m by selling rights shares with free detachable warrants. The Proposed rights issue to be undertaken would be on the basis of one rights share for every two existing Masteel shares held, on an entitlement date to be determined at a later date. *(The Star)*

- **MTD ACPI Engineering gets offer from controlling shareholder to take company private**

MTD ACPI Engineering Bhd has received an offer from its controlling shareholder MTD Capital Bhd to take the construction engineering firm private via a selective capital reduction and repayment exercise (SCR). MTD Capital executive chairman indirectly holds the entire equity interest in the group and is deemed to be the ultimate offeror for the proposed SCR, MTD ACPI said in a filing. The proposed SCR involves MTD ACPI undertaking a selective capital reduction and a corresponding capital repayment to all shareholders of the company on an entitlement date to be determined later. *(The Edge)*



Macro Bits

Global

- [China says firmly opposes U.S. interference in its domestic affairs](#) China said on Monday it firmly opposes and strongly condemns U.S. interference in its domestic affairs if a media report that Washington is preparing new sanctions on Chinese officials over a Hong Kong crackdown is true. *(Reuters)*
- [Oil falls on surging virus cases and U.S.-China tensions](#) Oil prices slipped on Monday as the positive impact from COVID-19 vaccines and an OPEC+ deal on oil production cuts was undermined by surging coronavirus cases and heightened tensions between the United States and China. *(Reuters)*

Malaysia

- [Up 0.7% MoM in November to a 30-month high](#) Bank Negara Malaysia (BNM) international reserves rebounded by USD0.7b or 0.7% MoM to a 30-month high of USD105.3b as at 30 November 2020. Sufficient to finance 8.6 months of retained imports and is 1.2 times the total short-term external debt. The rise was attributable to the improvement in financial market condition as reflected by an increase in foreign currency reserves and gold. *(See Economic Viewpoint: BNM International Reserves)*
- [Foreign fund inflow slowed in November](#) Foreign investors remained net buyers of Malaysia's debt securities for the seventh consecutive month in November, although inflows moderated (RM1.9b; Oct: RM8.0b). Total foreign debt holdings continued to edge higher in November (RM219.4b; Oct: RM217.5b), while its share to total outstanding debt remained the same at 13.7% (Oct: 13.7%). *(See Economic Viewpoint: Malaysia Bond Flows)*
- [Tengku Zafrul: RM14.58b disbursed via PENJANA as at Nov 20](#) A total of RM14.58b or 42.0% out of RM35.0b allocated under the National Economic Recovery Plan (PENJANA) has been disbursed as at Nov 20, 2020. Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz said according to the thrust breakdown under the plan, RM7.15b or 54.0% of the total RM13.2b under the first core thrust had been spent and benefitted a total of 1.36m recipients. *(The Edge Markets)*
- [Govt's debt, liability exposures at RM1.257t as at end-September — MoF](#) The government's total debt and liability exposures are estimated to be RM1.257t, or 87.3% of the gross domestic product (GDP), as at the end of September 2020, said Deputy Finance Minister II Mohd Shahar Abdullah. Federal debt as at end-September amounted to RM874.3b or 60.7% of GDP, he said. *(The Edge Markets)*

Asia Pacific

- [Down slightly by USD0.1b to USD133.6b in November](#) Bank Indonesia (BI) official reserve assets fell slightly by 0.1% MoM or USD0.1b to USD133.6b as of end-November 2020. Sufficient to finance 9.9 months of retained imports and are 9.5 times the total short-term external debt. The decline was mainly due to the government's external debt withdrawal and payments as well as lower taxes and oil & gas foreign exchange receipts. *(See Economic Viewpoint: Indonesia Official Reserve Assets)*
- [China in no rush to tighten policy despite quickening recovery: former stats official](#) China is unlikely to tighten its monetary policy soon, even though an economic recovery could gain steam in coming months, Xu Xianchun, a former vice head of the National Bureau of Statistics, told Reuters. *(Reuters)*

Americas

- [U.S. Congress closes in on COVID-19 aid bill as funding deadline looms](#) Members of the U.S. Congress are expected as early as Monday to unveil bipartisan legislation to send a long-awaited infusion of federal aid to American families and businesses reeling from the resurgent coronavirus pandemic. *(Reuters)*
- [Pandemic's uneven march across U.S. paved way for wider outbreak](#) Nine months after the U.S. government declared a state of emergency to fight the coronavirus pandemic, daily deaths and new infections are breaking records, hospital capacity is more stretched than ever, and debate over the economic response has devolved into a battle over who deserves help and who doesn't. *(Reuters)*

Europe

- [EU tells Johnson to decide as time runs out for Brexit deal](#) British and European Union negotiators made a last-ditch effort on Monday to bridge stubborn differences standing in the way of a post-Brexit trade deal, but they had at best 48 hours left to avoid a disorderly parting of ways at the end of this month. *(Reuters)*
- [Germany, France, 11 other EU countries team up for semiconductor push](#) Germany, France, Spain and ten other EU countries have joined forces to invest in processors and semiconductor technologies, key to internet-connected devices and data processing, in a push to catch up with the United States and Asia. *(Reuters)*
- [Impossible to say if there will be a EU-UK trade deal: senior EU official](#) It is still impossible to say if there will be a trade deal between the European Union and Britain before the deadline of Dec 31, a senior EU official said on Monday. *(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
HONG LEONG CAPITAL BHD	6.570	18.55	21.58	44.51	6.350
NOTION VTEC BHD	0.870	26.24	18.18	4.94	0.870
SUPERCOMNET TECHNOLOGIES BHD	1.830	29.98	22.74	7.26	1.800

*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
YONG TAI BHD	0.385	93.56	96.90	99.74	0.455
HIAP TECK VENTURE BHD	0.495	91.46	94.96	99.59	0.545
PETRON MALAYSIA REFINING & M	6.200	90.95	93.60	97.83	6.270
SOLUTION GROUP BHD	1.940	90.54	94.20	99.49	2.000
MUDA HOLDINGS BERHAD	2.780	90.18	93.94	98.77	2.780
EURO HOLDINGS BHD	2.550	89.94	89.96	87.91	2.600
PMB TECHNOLOGY BHD	4.490	89.84	92.59	99.02	4.700
BINTAI KINDEN CORPORATION	1.390	89.28	94.13	99.62	1.470
CHEMICAL CO OF MALAYSIA BHD	3.070	87.74	89.67	92.23	3.080
WAH SEONG CORP BHD	0.740	87.65	92.39	99.18	0.755
ANN JOO RESOURCES BHD	1.140	86.57	88.91	90.76	1.230
MY EG SERVICES BHD	1.900	85.42	90.67	98.14	2.190
KKB ENGINEERING BHD	1.820	84.59	90.46	99.07	1.830
MALAYSIA SMELTING CORP BHD	0.990	83.41	86.22	97.00	1.000
TUNE PROTECT GROUP BHD	0.460	82.21	88.33	98.97	0.460
TA ANN HOLDINGS BERHAD	3.280	81.24	87.53	99.28	3.390
PRESTARIANG BHD	0.730	81.01	88.71	98.49	0.745
HONG LEONG INDUSTRIES BHD	9.200	80.99	84.24	92.26	9.200
BUMI ARMADA BERHAD	0.365	80.76	86.50	97.98	0.385
CSC STEEL HOLDINGS BHD	1.180	80.71	80.76	70.99	1.330
RCE CAPITAL BHD	2.420	80.57	83.39	95.28	2.440
YINSON HOLDINGS BHD	5.830	80.57	87.78	96.87	6.000
CB INDUSTRIAL PRODUCT HLDG	1.200	80.46	84.75	97.16	1.230
SURIA CAPITAL HOLDINGS BHD	1.040	80.24	83.37	82.23	1.060
PADINI HOLDINGS BERHAD	2.860	80.13	83.66	77.86	2.900
KWANTAS CORP BHD	1.610	79.87	83.89	93.07	1.610
TDM BHD	0.355	79.29	83.72	94.44	0.380
APM AUTOMOTIVE HOLDINGS BHD	2.540	79.21	78.87	65.81	2.660
CYPARK RESOURCES BHD	1.420	78.94	76.98	44.60	1.560
HARBOUR-LINK GROUP BHD	0.800	78.92	82.40	93.18	0.820
YONG TAI BHD	0.385	93.56	96.90	99.74	0.455
HIAP TECK VENTURE BHD	0.495	91.46	94.96	99.59	0.545

*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
HK HANG SENG INDEX-DI	0.025	22.82	19.28	17.70	0.015	30/12/2020
TOP GLOVE CORP BHD-C84	0.180	25.64	20.77	5.83	0.180	29/1/2021
TOP GLOVE CORP BHD-C81	0.205	26.02	21.80	8.44	0.200	31/12/2020
HK HANG SENG INDEX-DJ	0.150	29.98	32.35	54.96	0.100	30/12/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
SOLUTION GROUP BHD-WA	1.690	93.88	96.57	99.45	1.750	4/7/2021
HIAP TECK VENTURE BHD-WB	0.180	86.65	90.69	97.13	0.250	23/6/2021
MY EG SERVICES BHD-A	0.170	82.62	88.42	97.97	0.325	26/2/2021
SERBA DINAMIK BHD-C18	0.250	82.35	85.64	95.79	0.275	31/5/2021
MY EG SERVICES BHD-G	0.300	81.16	85.81	95.28	0.350	6/9/2021
MY EG SERVICES BHD-E	0.170	81.16	85.24	95.50	0.255	30/6/2021
SERBA DINAMIK BHD-C17	0.135	81.02	84.66	95.86	0.165	30/11/2021
UWC BHD-CE	0.310	80.39	86.73	98.88	0.310	6/9/2021
CAHYA MATA SARAWAK BHD-C23	0.200	78.51	77.66	63.63	0.215	22/7/2021
BRITISH AMERICAN TOBACCO MALAYSIA BHD-CY	0.080	77.24	86.33	98.61	0.085	15/1/2021
TA WIN HOLDINGS BHD-WA	0.100	76.33	80.16	84.47	0.110	5/8/2022
BRITISH AMERICAN TOBACCO MALAYSIA BHD-C3	0.290	76.15	85.01	98.60	0.305	30/8/2021
MY EG SERVICES BHD-C93	0.125	75.85	83.63	96.56	0.195	15/1/2021
MY EG SERVICES BHD-B	0.085	74.88	86.12	99.07	0.120	30/4/2021

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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KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my