

21 December 2020

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BURSA	18-Dec	Day chg	% chg
KLCI	1,652.5	-21.86	-1.31%
FTSE EMAS	11,890.5	-141.2	-1.17%
FTSE Smallcap	15,330.0	-46.84	-0.30%
FTSE MESDAQ	10,447.7	-155.6	-1.47%
KLSE Mkt Cap (RM'b)	1,750.7	-13.5	-0.77%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	67.7	39.0%
Local Retail	142.8	34.9%
Foreign	-210.5	26.1%

INDICES	18-Dec	Day chg	% chg
Dow Jones	30,179.1	-124.3	-0.41%
S&P 500	3,709.4	-13.1	-0.35%
NASDAQ	12,755.6	-9.1	-0.07%
FTSE-100	6,529.2	-21.9	-0.33%
Nikkei 225	26,763.4	-43.3	-0.16%
SHCOMP	3,394.9	-10.0	-0.29%
HSI	26,498.6	-179.8	-0.67%
STI	2,849.0	-9.0	-0.32%
KOSPI	2,772.2	1.8	0.06%
TWSE	14,250.0	-9.0	-0.06%
JCI	6,104.3	-9.1	-0.15%
SET	1,482.4	-1.5	-0.10%

FOREX	18-Dec	17-Dec	% chg
USD/MYR:	4.0398	4.0338	0.15%
EUR/USD:	1.2257	1.2228	0.24%
GBP/USD:	1.3523	1.3599	-0.56%
USD/YEN:	103.30	103.09	0.20%
USD/SGD:	1.3275	1.3258	0.13%
USD/HKD:	7.7522	7.7525	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	8,062.4	9,236.2	-12.71%
Value (RMm):	4,386.4	4,333.7	1.22%
KLCI Future			
December-20	1,653.5	1,678.0	-1.46%
January-21	1,655.5	1,681.0	-1.52%
CPO Price (RM/tonne)	3,444.0	3,378.0	1.95%
Soybean (US\$/bu)	1,220.0	1,201.3	1.56%
SoyOil (US\$/lb)	39.7	39.5	0.43%
Gold (US\$/troy oz)	1,888.9	1,890.4	-0.08%
Nymex crude oil (US\$/bbl)	49.1	48.4	1.53%
Latex (RM/kg)	5.85	5.81	0.69%
Tin (US\$/mt)	20,149.5	20,049.0	0.50%

Research Highlights

NEWS HIGHLIGHTS

- Mi Technovation to acquire 99% stake in Taiwanese firm for RM217m
- PLS Plantation buys land in Raub to expand durian cultivation
- Pecca expects to conclude an M&A deal in first quarter of 2021
- Mestron partners Samdo Smart Solar to undertake EPCC for solar power systems on telco towers
- BSL Corp sues Panasonic Malaysia over disputed import duty payment

MACRO BITS

- China hails progress as EU investment deal in final stage
- Global COVID-19 cases surpass 75.0m
- A continued rally expected on vaccine rollout optimism (See Economic Viewpoint: Ringgit Weekly Outlook)
- Foreign-local tug of war hangs over Malaysia debt
- Govt to seal vaccine purchase with AstraZeneca on Monday
- IMF projects Malaysia's GDP to grow by 7.0% in 2021
- Indonesian president inaugurates USD3.0b 'strategic' port
- Thailand to vaccinate half of its population in 2021
- China says 1.0m Covid-19 vaccines already given; plans further shots
- Foreign investment pours into China despite trade war, pandemic
- BoJ launches policy review after Covid dashes inflation hopes
- Congress poised to vote on COVID aid package after Fed compromise
- Britain digs heels in as deadline looms on post-Brexit trade talks

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Weekly Technical Review
- Regional News Update
- Economics Viewpoint: Weekly Ringgit Outlook, weak ringgit strong ringgit

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	6.64	-0.9	36.90	PETDAG	21.24	6.5	0.65	PBBANK	20.64	-4.0	12.20
2	CIMB	4.38	-0.5	23.80	HLFG	18.56	2.9	0.28	MISC	6.43	-3.6	13.20
3	SUPERMX	6.84	-0.9	17.90	NESTLE	140.90	2.4	0.09	KLK	24.08	-2.9	0.72
4	GENTING	4.65	-2.7	16.60	TM	5.41	1.1	9.00	RHBBANK	5.39	-2.9	8.56
5	DIALOG	3.38	-0.9	16.60	HAPSENG	8.43	0.7	0.45	MAYBANK	8.46	-2.8	9.75
6	GENM	2.74	-1.4	14.80	PCHEM	7.58	0.3	2.65	GENTING	4.65	-2.7	16.60
7	MISC	6.43	-3.6	13.20	PMETAL	8.05	0.3	4.47	AXIATA	3.87	-2.0	5.18
8	PBBANK	20.64	-4.0	12.20	HARTA	12.36	-0.2	3.39	SIME	2.28	-1.7	5.43
9	MAYBANK	8.46	-2.8	9.75	TENAGA	10.78	-0.2	4.86	MAXIS	5.01	-1.6	3.99
10	TM	5.41	1.1	9.00	IHH	5.75	-0.4	3.54	SIMEPLT	5.08	-1.6	4.73

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Mi Technovation to acquire 99% stake in Taiwanese firm for RM217m**

Mi Technovation Bhd proposed the acquisition of a 99% stake in the Taiwanese firm Accurus Scientific Co Ltd for RM217.0m. This follows the group's signing a memorandum of understanding with Accurus and its shareholders in early October for the purpose of due diligence and negotiations related to its proposed acquisition of all or part of the equity interest in Accurus. In a filing, Mi Technovation said the purchase of the 99% stake will be satisfied via the issuance of 74.3m new shares at RM3.65 per share. *(The Edge)*

- **PLS Plantation buys land in Raub to expand durian cultivation**

PLS Plantation Bhd has bought 14.81 acres of land in Raub, Pahang for RM11.5m to expand its durian cultivation business. "With the prospects of the durian industry, the board is optimistic that the proposed acquisition will enable the group to build on the existing durian business operations, to ensure a steady supply of fresh and processed durian fruits and to increase the production and processing capacity," the group said. This is expected to enhance the future earnings streams and profitability of PLS, the group said in a bourse filing. *(The Edge)*

- **Pecca expects to conclude an M&A deal in first quarter of 2021**

Car leather upholstery maker Pecca Group Bhd, which is actively looking for merger and acquisition (M&A) opportunities, expects to conclude a deal in the first quarter of 2021. "We are actively looking for a couple of M&A that were put on hold due to the movement control order (MCO). We have initiated discussions and we are looking at some time in the first half of 2021 to conclude the project we are looking at," the group's chief financial officer told a briefing after its annual general meeting. According to the CFO, the deal is related to its core business, which involves automotive leather upholstery components. *(The Edge)*

- **Mestron partners Samdo Smart Solar to undertake EPCC for solar power systems on telco towers**

Steel pole maker Mestron Holdings Bhd is teaming up with Samdo Smart Solar (M) Sdn Bhd to jointly undertake engineering, procurement, construction and commissioning (EPCC) services for six solar power systems for telecommunication towers in Malaysia. Mestron's wholly-owned Mestron Engineering Sdn Bhd (MESB) inked a joint venture agreement with Samdo for the partnership. Samdo, according to Mestron in its stock exchange filing, is the appointed service provider of a local telecommunication service provider to provide the EPCC services for the towers that are spread out in Peninsular and East Malaysia. *(The Edge)*

- **BSL Corp sues Panasonic Malaysia over disputed import duty payment**

BSL Corp Bhd, which is disputing some RM11.1m worth of import duties and sales tax that the Royal Malaysian Customs is demanding, has now turned around to sue Panasonic Manufacturing Malaysia Bhd over the matter. BSL's wholly-owned Crestronics (M) Sdn Bhd filed the originating summons against Panasonic Malaysia. "The filing of the originating summons against Panasonic Malaysia for a total amount of RM9,431,694.60 being import duties and sales tax arises from the economic transactions between Crestronics and Panasonic Malaysia during the period from December 2011 to July 2014, which led to the majority of the total claim of import duties and sales tax from Customs on Crestronics. *(The Edge)*



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Macro Bits

Global

- **[China hails progress as EU investment deal in final stage](#)** China said talks with the European Union on a bilateral investment deal are in the final stages, citing progress between negotiators as they push for an agreement before a year-end deadline. *(The Edge Markets)*
- **[Global COVID-19 cases surpass 75.0m](#)** Global coronavirus infections surpassed the 75.0m mark on Saturday as several nations around the world begin vaccinating against the virus. Britain this month became the first Western country to start immunizing with the COVID-19 vaccine developed by Pfizer and its German partner BioNtech. *(Reuters)*

Malaysia

- **[A continued rally expected on vaccine rollout optimism](#)** MYR surged to a 29-month high last week driven by vaccine rollout optimism, US stimulus hopes and dovish US Fed. Continued rebound in Brent crude oil price which hit a level last seen prior to the start of the COVID-19 pandemic also boosted the local note. *(See Economic Viewpoint: Ringgit Weekly Outlook)*
- **[Foreign-local tug of war hangs over Malaysia debt](#)** Malaysia's yield curve is trading near the steepest in almost four years amid wider fiscal deficit concerns. As demand from pension funds is expected to decline in 2021, any shift in the curve will hinge on appetite from global funds amid signs of a vaccine-aided growth recovery. *(The Edge Markets)*
- **[Govt to seal vaccine purchase with AstraZeneca on Monday](#)** The government will be concluding an agreement with AstraZeneca of United Kingdom on Monday to purchase Covid-19 vaccines to meet the immunisation needs of 20.0% of the people in the country. *(Bernama)*
- **[IMF projects Malaysia's GDP to grow by 7.0% in 2021](#)** The International Monetary Fund (IMF) is projecting Malaysia's economy to rebound by 7.0% in 2021, supported by both domestic and external demand, but said recovery will be uneven across sectors. *(The Edge Markets)*

Asia Pacific

- **[Indonesian president inaugurates USD3.0b 'strategic' port](#)** Indonesian President Joko Widodo inaugurated the Patimban seaport in West Java on Sunday, saying the new gateway would have a "strategic" role in boosting the nation's pandemic-hit economy. The IDR43.2t (USD3.07b) port in the town of Subang, 140 km east of the capital Jakarta, is one of the government's priority infrastructure projects. *(Reuters)*
- **[Thailand to vaccinate half of its population in 2021](#)** Thailand aims to vaccinate up to half of its population against Covid-19 next year and as many as 70.0% by 2022, which would be enough to achieve "herd immunity" against the disease, the director of its National Vaccine Institute told the Financial Times. *(Financial Times)*
- **[China says 1.0m Covid-19 vaccines already given; plans further shots](#)** China said it has already administered more than 1.0m coronavirus vaccines since July and plans a phased rollout going forward that will initially target workers at higher risk of infection, as the country seeks to be at the vanguard of the global Covid-19 immunization effort. *(The Edge Markets)*
- **[Foreign investment pours into China despite trade war, pandemic](#)** For all the talk of an economic decoupling between China and the US and its allies, foreign companies continue to pour money into the Asian nation. New foreign investment is on track to set another record in 2020, hitting 94.0% of last year's total by the end of November, according to Commerce Ministry data released this week. *(The Edge Markets)*
- **[BoJ launches policy review after Covid dashes inflation hopes](#)** The Bank of Japan has launched an overall review of its monetary policy for the first time since 2016 after the Covid-19 shock crushed hopes of achieving its 2.0% inflation target. *(Financial Times)*

Americas

- **[Congress poised to vote on COVID aid package after Fed compromise](#)** The U.S. Congress appeared poised to vote on Sunday on a USD900.0b coronavirus aid package after senators struck a late-night compromise to clear one of the final hurdles, a dispute over Federal Reserve pandemic lending authorities. *(Reuters)*

Europe

- **[Britain digs heels in as deadline looms on post-Brexit trade talks](#)** Britain reiterated on Saturday that it would prefer to leave the European Union with no trade deal rather than compromise its independence while there was no word from Brussels on whether progress had been made after a crucial day of talks. *(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	6.400	19.30	21.61	11.92	6.350
JCY INTERNATIONAL BHD	0.530	26.78	19.79	4.25	0.520
KAWAN FOOD BHD	1.970	27.33	23.13	9.65	1.950
SCGM BHD	2.430	27.47	21.89	16.38	2.380
HARTALEGA HOLDINGS BHD	12.360	27.79	25.37	29.85	11.800
APOLLO FOOD HOLDINGS BHD	3.790	29.37	24.84	25.12	3.720

*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
MICROLINK SOLUTIONS BHD	2.150	87.31	92.65	99.02	2.190
CHEMICAL CO OF MALAYSIA BHD	3.080	86.44	86.71	72.63	3.090
KPOWER BHD	6.080	81.69	84.28	85.98	6.180
KIMLUN CORP BHD	0.925	80.75	85.58	95.49	0.955
PANSAR BHD	0.785	80.41	84.19	62.23	0.805
KWANTAS CORP BHD	1.610	79.87	83.89	93.07	1.620
CCK CONSOLIDATED HOLDINGS BH	0.635	79.44	82.29	87.40	0.650
WAH SEONG CORP BHD	0.810	78.82	78.42	68.75	0.840
UNISEM (M) BERHAD	6.800	78.28	84.06	96.28	6.850
ANN JOO RESOURCES BHD	1.170	77.48	77.15	83.21	1.230
MALAYSIA SMELTING CORP BHD	1.060	76.80	74.52	51.86	1.120
SARAWAK CONSOLIDATED INDUSTR	5.700	76.74	81.42	96.69	5.700
PRESTARIANG BHD	0.780	76.47	81.01	93.63	0.795
WCT HOLDINGS BHD	0.545	76.28	77.94	76.80	0.570
MEDIA PRIMA BHD	0.275	73.70	72.87	56.74	0.300
SUNWAY BHD	1.580	72.70	75.98	61.19	1.620
PMB TECHNOLOGY BHD	4.300	72.15	69.89	72.22	4.700
BOILERMECH HOLDINGS BERHAD	1.060	72.13	69.80	48.48	1.130
PLENITUDE BHD	1.050	72.12	78.74	87.17	1.060
BERJAYA SPORTS TOTO BHD	2.260	72.09	77.18	83.30	2.270
KUMPULAN FIMA BHD	1.720	71.83	73.27	74.71	1.720
MUDA HOLDINGS BERHAD	2.680	71.63	68.76	42.11	3.020
AMWAY MALAYSIA HOLDINGS BHD	5.830	71.60	72.57	70.15	5.910
TALIWORKS CORP BHD	0.880	71.18	77.59	92.04	0.910
ALLIANZ MALAYSIA BHD	14.680	71.02	71.58	52.74	15.380
COUNTRY HEIGHTS HOLDINGS BHD	1.300	70.96	79.26	94.42	1.300
MIECO CHIPBOARD BERHAD	0.840	70.84	69.52	61.83	0.880
UOA REAL ESTATE INVESTMENT	1.270	70.34	75.24	75.17	1.270
LION INDUSTRIES CORP BHD	0.450	70.27	68.63	49.21	0.510

*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
HARTALEGA HOLDINGS BHD-C48	0.025	21.02	14.90	2.56	0.015	31/12/2020
HK HANG SENG INDEX-DI	0.005	21.35	17.05	6.76	0.005	30/12/2020
DIALOG GROUP BHD-C61	0.030	24.04	23.89	25.49	0.030	31/3/2021
HK HANG SENG INDEX-DJ	0.065	27.90	28.21	33.98	0.050	30/12/2020
KOSSAN RUBBER INDUSTRIES-C7	0.445	29.09	27.90	33.36	0.370	26/4/2021

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
PRESTARIANG BHD-WA	0.590	87.95	90.04	97.49	0.600	24/11/2025
SEACERA GROUP BHD-WC	0.020	82.75	94.80	100.00	0.075	21/1/2021
BERJAYA ASSETS BHD-WB	0.050	75.07	82.09	96.35	0.065	9/6/2023
MY EG SERVICES BHD-K	0.120	70.86	65.70	51.36	0.220	31/5/2021
TFP SOLUTIONS BHD-WB	0.170	70.30	73.43	80.27	0.175	21/9/2025

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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