

02 March 2021

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BURSA	1-Mar	Day chg	% chg
KLCI	1,567.1	-10.61	-0.67%
FTSE EMAS	11,562.2	-52.0	-0.45%
FTSE Smallcap	16,361.3	-16.01	-0.10%
FTSE MESDAQ	10,705.4	-168.2	-1.55%
KLSE Mkt Cap (RM'b)	1,721.0	-8.7	-0.50%

**BURSA DAILY TRADING PARTICIPATION**

Participation	Net (RM'm)	Value (%)
Local Institution	-171.4	45.1%
Local Retail	121.1	40.8%
Foreign	50.30	14.0%

INDICES	1-Mar	Day chg	% chg
Dow Jones	31,535.5	603.1	1.95%
S&P 500	3,901.8	90.7	2.38%
NASDAQ	13,588.8	396.5	3.01%
FTSE-100	6,588.5	105.1	1.62%
Nikkei 225	29,663.5	697.5	2.41%
SHCOMP	3,551.4	42.3	1.21%
HSI	29,452.6	472.4	1.63%
STI	2,973.0	24.0	0.81%
KOSPI	N.A.	N.A.	N.A.
TWSE	N.A.	N.A.	N.A.
JCI	6,338.5	96.7	1.55%
SET	1,500.9	N.A.	N.A.

FOREX	1-Mar	26-Feb	% chg
USD/MYR:	4.0555	4.0498	0.14%
EUR/USD:	1.2044	1.2075	-0.26%
GBP/USD:	1.3955	1.3933	0.16%
USD/YEN:	106.70	106.57	0.12%
USD/SGD:	1.3319	1.3326	-0.05%
USD/HKD:	7.7571	7.7566	0.01%

**KEY STATS**

KLCI Spot			
Vol (m shares):	10,689.8	9,816.7	8.89%
Value (RMm):	6,093.1	7,004.9	-13.02%
KLCI Future			
March-21	1,565.0	1,566.0	-0.06%
April-21	1,562.0	1,566.0	-0.26%
CPO Price (RM/tonne)	3,549.0	3,742.0	-5.16%
Soybean (US\$/bu)	1,391.3	1,405.3	-1.00%
SoyOil (USc/lb)	48.2	49.9	-3.40%
Gold (US\$/troy oz)	1,723.0	1,728.8	-0.34%
Nymex crude oil (US\$/bbl)	60.6	61.5	-1.40%
Latex (RM/kg)	6.80	6.85	-0.73%
Tin (US\$/mt)	N.A.	26,539.0	N.A.

## Research Highlights

### NEWS HIGHLIGHTS

- Singapore-listed Avara takes substantial stake in Straits Inter Logistics
- HeiTech Padu wins RM34m contract from Immigration Department
- Sime Darby Plantation forms rights assessment commission, appoints third-party assessor
- UEM Edgenta looks towards building resilience abroad
- Celcom commits RM1b capex for FY21

### MACRO BITS

- Pent-up demand driving global factory revival
- Global bonds rally as Fed rate hike bets ease
- Dollar gains on reflation trade, Aussie recovers
- Oil rises on vaccine optimism, U.S. stimulus
- Further eased in February due to the full impact of MCO 2.0 (See Economic Viewpoint: Malaysia Manufacturing PMI)
- Govt expects economy to improve this year, in line with global recovery
- Restricted movement still needed even though economy has reopened — PM
- Reopening of more economic sectors under MCO 2.0 reduces national losses to RM300.0m a day — Tengku Zafrul
- Inflation slows in February on weak demand (See Economic Viewpoint: Indonesia Consumer Price Index)
- ASEAN manufacturing sector deteriorated after four months in February — IHS Markit
- U.S. Senate Democrats drop minimum wage plan for USD1.9t COVID-19 relief bill
- Construction spending hits record high in January
- EU to propose vaccine certificates in time for summer holidays
- UK factory output grows at slowest since May, consumer lending slides

### IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Market Strategy: 4QCY20 Results Review
- Results Note: AMBANK
- On Our Technical Watch: JAG, HPMT
- Economic Viewpoint: MY Manufacturing PMI, Indonesia CPI

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	4.90	-6.5	65.80	GENTING	4.86	5.4	14.70	SUPERMX	4.36	-9.9	48.90
2	SUPERMX	4.36	-9.9	48.90	IHH	5.29	4.1	9.21	TOPGLOV	4.90	-6.5	65.80
3	PBBANK	4.20	1.0	29.90	TENAGA	10.32	2.2	7.91	HARTA	9.38	-6.2	10.10
4	CIMB	4.22	-2.5	21.10	GENM	2.95	2.1	17.30	HAPSENG	8.14	-4.4	0.35
5	GENM	2.95	2.1	17.30	PCHEM	7.51	1.1	3.48	DIGI	3.56	-3.8	8.26
6	GENTING	4.86	5.4	14.70	PBBANK	4.20	1.0	29.90	RHBBANK	5.28	-2.6	5.48
7	TM	6.05	-1.5	10.10	SIME	2.29	0.9	3.53	CIMB	4.22	-2.5	21.10
8	HARTA	9.38	-6.2	10.10	PMETAL	9.75	0.6	2.39	AXIATA	3.47	-2.3	2.10
9	MAYBANK	8.06	0.4	9.98	MAYBANK	8.06	0.4	9.98	MISC	6.63	-2.2	1.06
10	IHH	5.29	4.1	9.21	SIMEPLT	4.91	0.2	2.36	PETDAG	19.58	-2.1	0.48

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Singapore-listed Avarga takes substantial stake in Straits Inter Logistics**

Singapore-listed Avarga Ltd has emerged as a substantial shareholder in oil trader and bunker operator Straits Inter Logistics Bhd (Straits). Avarga's wholly-owned subsidiary Avarga Investment Pte Ltd today acquired 78.1m shares, representing 10% equity interest in the Bursa Malaysia-listed company via an off-market transaction at 17.5 sen per share, Straits announced. *(The Edge)*

- **HeiTech Padu wins RM34m contract from Immigration Department**

Heitech Padu Bhd has won a RM33.9m contract to provide maintenance services for the Malaysian Immigration System (myIMMs). The technology services provider said it signed the three-year contract with the Immigration Department. The contract period started on Feb 18. "The contract is expected to have positive effects on future earnings and earnings per share of HeiTech. *(The Edge)*

- **Sime Darby Plantation forms rights assessment commission, appoints third-party assessor**

Sime Darby Plantation Bhd (SDP) has established an Expert Stakeholder Human Rights Assessment Commission, and appointed Impactt Ltd as a third-party assessor to conduct a comprehensive evaluation of the group's labour practices across its Malaysian operations. SDP said Impactt is an ethical trade consultancy with specific expertise in detecting and remediating forced labour issues in company supply chains, in line with the International Labour Organization (ILO)'s 11 indicators of forced labour. *(The Edge)*

- **UEM Edgenta looks towards building resilience abroad**

Asset management and infrastructure solutions company UEM Edgenta Bhd is looking to build resilience in its international markets, where it believes its healthcare support services business could have a "bigger play". In 2020, 60% of the new contracts it secured came from abroad, while new domestic contracts made up the remaining 40%. *(The Edge)*

- **Celcom commits RM1b capex for FY21**

Celcom Axiata Bhd is committing RM1b in capital expenditure (capex) for its financial year ending Dec 31, 2021 (FY21), which will go towards expanding its network capacity, reducing network traffic congestion and improving 4G coverage nationwide. Celcom chief executive officer said the network operator saw a spike in traffic last year, as users consumed more data amid the Covid-19 pandemic. *(The Edge)*



## Macro Bits

### Global

- [Pent-up demand driving global factory revival](#) Demand for manufactured goods drove extended growth in factories across Europe and Asia in February, but a slowdown in China underscored the challenges countries face as they seek a sustainable recovery from the COVID-19 pandemic blow. *(Reuters)*
- [Global bonds rally as Fed rate hike bets ease](#) Major sovereign bonds rallied on Monday as markets showed further signs of stabilisation after their worst monthly performance in years. *(Reuters)*
- [Dollar gains on reflation trade, Aussie recovers](#) The dollar index rose to a three-week high on Monday as investors bet on faster growth and inflation in the United States, while the Australian dollar gained after Australia's central bank increased its bond purchases in a bid to stem rapidly rising yields. *(Reuters)*
- [Oil rises on vaccine optimism, U.S. stimulus](#) Oil prices rose on Monday, supported by optimism about COVID-19 vaccinations, a U.S. stimulus package and growing factory activity in Europe despite coronavirus restrictions. *(Reuters)*

### Malaysia

- [Further eased in February due to the full impact of MCO 2.0](#) Manufacturing PMI continued to lose momentum and weakened to 47.7 (Jan: 48.9), a nine-month low. The manufacturing sector continued to remain under stress due to lack of consumer demand amid the full impact of Movement Control Order (MCO) 2.0 and renewed lockdown measures in most countries. *(See Economic Viewpoint: Malaysia Manufacturing PMI)*
- [Govt expects economy to improve this year, in line with global recovery](#) The government expects the Malaysian economic position to improve this year, in line with the global recovery, said Prime Minister Tan Sri Muhyiddin Yassin. *(The Edge Markets)*
- [Restricted movement still needed even though economy has reopened — PM](#) Restricted movement measures are still needed even though economic activities have reopened, including international border control, interstate movement as well as restrictions on social and business activities where social distancing is not practicable, said Prime Minister Tan Sri Muhyiddin Yassin. *(The Edge Markets)*
- [Reopening of more economic sectors under MCO 2.0 reduces national losses to RM300.0m a day — Tengku Zafrul](#) The reopening of more economic sectors under the second phase of the movement control order (MCO 2.0) has succeeded in reducing the country's losses to RM300.0m a day compared to RM2.4 billion a day during the MCO 1.0. *(The Edge Markets)*

### Asia Pacific

- [Inflation slows in February on weak demand](#) Headline inflation moderated to a six-month low in February (1.38%; Jan: 1.55%), matching consensus and remained below Bank Indonesia's (BI) inflation target band of 2.0%-4.0% for nine months. MoM: momentum slowed (0.10%; Jan: 0.26%), a four-month low, reflecting the impact of extended partial lockdown measures on economic activities. Core inflation: moderated for the eleventh straight month to 1.53% (Jan: 1.56%). *(See Economic Viewpoint: Indonesia Consumer Price Index)*
- [ASEAN manufacturing sector deteriorated after four months in February — IHS Markit](#) The ASEAN manufacturing sector deteriorated for the first time in four months during February, following two months of growth, with renewed falls in both factory production and new work weighing on the performance of the sector. *(The Edge Markets)*

### Americas

- [U.S. Senate Democrats drop minimum wage plan for USD1.9t COVID-19 relief bill](#) U.S. Democrats, anxious for Congress to pass President Joe Biden's USD1.9t coronavirus relief bill within the next two weeks, have resolved a potential sticking point for getting the sweeping legislation through the narrowly divided Senate. *(Reuters)*
- [Construction spending hits record high in January](#) U.S. construction spending surged to a record high in January, boosted by strong private and public outlays. The Commerce Department said on Monday that construction spending increased 1.7% to USD1.5t, the highest level since the government started tracking the series in 2002. *(Reuters)*

### Europe

- [EU to propose vaccine certificates in time for summer holidays](#) The European Commission will propose this month an EU-wide digital certificate providing proof of a COVID-19 vaccination that could allow Europeans to travel more freely over the summer. *(Reuters)*
- [UK factory output grows at slowest since May, consumer lending slides](#) British manufacturers reported their slowest output growth since May last month, hit by Brexit and COVID-19-related delays, and consumers cut back heavily on borrowing in January as they returned to lockdown. *(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
SCGM BHD	1.690	18.62	12.07	2.91	1.690
THONG GUAN INDUSTRIES BHD	2.040	18.77	10.38	0.22	2.020
KAREX BHD	0.645	19.10	11.92	2.77	0.640
COMFORT GLOVE BHD	2.000	21.56	15.10	7.15	1.950
HARTALEGA HOLDINGS BHD	9.380	22.70	13.37	0.47	9.210
SUPERMAX CORP BHD	4.360	22.74	14.19	1.23	4.300
APEX HEALTHCARE BHD	3.150	22.88	14.97	1.28	3.150
CAREPLUS GROUP BHD	1.610	24.27	15.73	4.09	1.580
ABF MALAYSIA BOND INDEX FUND	1.210	24.87	17.87	1.79	1.210
AT SYSTEMATIZATION BHD	0.125	25.91	20.52	8.87	0.120
POS MALAYSIA BERHAD	0.865	26.95	22.52	23.06	0.850
JCY INTERNATIONAL BHD	0.380	28.27	20.50	1.50	0.375
NTPM HOLDINGS BHD	0.595	29.23	24.54	9.52	0.590
RUBBEREX CORP M BHD	1.170	29.60	24.14	15.00	1.150
PHARMANIAGA BERHAD	4.330	29.75	28.13	37.59	4.060
KOTRA INDUSTRIES BHD	2.660	29.90	26.75	8.54	2.660

\*Only for stocks with market cap &gt;RM300m

Source: Bloomberg

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D
MSM MALAYSIA HOLDINGS BHD	1.280	93.27	95.74	98.87	1.280
DATAPREP HOLDINGS BHD	1.440	90.19	91.22	95.72	1.440
D&O GREEN TECHNOLOGIES BHD	4.500	79.90	82.52	91.35	4.520
KOMARKCORP BHD	0.645	77.71	85.61	97.70	0.780
MEDIA PRIMA BHD	0.570	75.89	75.73	73.30	0.615
KUMPULAN PERANGSANG SELANGOR	1.010	75.87	84.61	95.18	1.030
SERN KOU RESOURCES BHD	2.110	74.27	77.89	79.60	2.150
TROPICANA CORP BHD	0.935	73.28	73.85	63.08	0.950
PANSAR BHD	0.840	73.24	75.59	72.11	0.865
DAGANG NEXCHANGE BHD	0.720	73.19	71.70	62.52	0.840
DAYANG ENTERPRISE HLDGS BHD	1.570	72.10	74.07	75.67	1.600
ANCOM BHD	1.370	71.94	72.95	78.86	1.380
UCHI TECHNOLOGIES BHD	3.300	71.75	75.32	85.43	3.390

\*Only for stocks with market cap &gt;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
JF TECHNOLOGY BHD-WA	0.545	19.06	19.88	18.24	0.540	23/1/2026
HARTALEGA HOL-C59	0.025	20.37	12.13	0.26	0.020	26/7/2021
TOP GLOVE COR-C83	0.155	21.14	12.47	0.66	0.155	31/5/2021
SUPERMAX CORP-C98	0.220	21.17	13.26	1.36	0.215	31/5/2021
TOMYPAK HOLDING-WA	0.025	23.23	17.49	4.49	0.015	21/6/2021
SUPERMAX CORP-CI	0.015	23.79	16.10	1.68	0.010	26/7/2021
SUPERMAX CORP-CS	0.060	27.11	16.40	1.09	0.060	30/7/2021
AT SYSTEMATIZATION BHD-WC	0.100	27.13	22.28	9.18	0.100	17/5/2025
COMFORT GLOVE-CC	0.015	27.36	21.51	3.91	0.010	16/8/2021
GPA HOLDINGS -WA	0.030	27.82	24.21	4.89	0.030	3/6/2025
GDEX BHD-CT	0.025	29.56	24.91	8.98	0.015	7/5/2021
TOP GLOVE COR-C92	0.015	29.86	26.99	26.41	0.015	31/5/2021
PANSAR BHD-WA	0.160	30.00	21.88	2.02	0.145	6/6/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
GFM SERVICES BHD-WC	0.200	90.18	93.09	98.12	0.200	28/1/2022
SIGNATURE INTERNATIONAL-WA	0.115	88.27	92.68	99.07	0.145	21/4/2021
TA WIN HOLD-WA	0.210	83.44	85.25	70.47	0.235	5/8/2022
AWC BERHAD -WA	0.195	82.16	90.63	99.84	0.210	25/12/2023
D&O GREEN TEC-CG	0.370	81.01	83.55	91.70	0.375	27/10/2021
D&O GREEN TEC-CB	1.110	80.62	83.13	91.78	1.120	8/11/2021
D&O GREEN TEC-CC	0.455	80.04	82.85	92.07	0.455	8/11/2021
D&O GREEN TEC-CE	0.325	79.30	81.22	90.44	0.335	30/11/2021
BUMI ARMADA B-C60	0.125	79.28	82.19	94.16	0.135	30/11/2021
STRAITS INTER LOGISTIC-WA	0.120	78.88	85.31	95.89	0.125	10/8/2022
TOP GLOVE COR-HD	0.125	76.92	76.84	77.69	0.125	30/11/2021
DAGANG NEXCHANGE-WD	0.365	74.52	73.67	64.68	0.480	30/7/2021
MESB BHD-WA	0.255	73.06	78.12	86.91	0.260	30/12/2022
EDEN INC -WB	0.040	72.39	80.62	92.82	0.050	13/8/2021
MALAYSIAN PAC-CL	0.585	72.27	72.52	83.00	0.650	17/12/2021
PA RESOURCES-WB	0.405	70.93	66.67	39.01	0.475	17/12/2022
MMC CORP BHD-C24	0.070	70.24	71.65	83.50	0.130	30/7/2021
GENTING MALAY-C88	0.130	70.03	74.91	83.15	0.150	28/7/2021

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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