

By Goh Yin Foo / [gohyf@kenanga.com.my](mailto:gohyf@kenanga.com.my)

BURSA	7-Sep	Day chg	% chg
KLCI	1,583.5	1.89	0.12%
FTSE EMAS	11,600.4	19.5	0.17%
FTSE Smallcap	16,384.3	110.54	0.68%
FTSE MESDAQ	7,360.3	84.7	1.16%
KLSE Mkt Cap (RM'b)	1,756.9	3.4	0.20%

**BURSA DAILY TRADING PARTICIPATION**

Participation	Net (RM'm)	Value (%)
Local Institution	-185.4	48.41%
Local Retail	49.5	35.87%
Foreign	135.9	15.72%

INDICES	7-Sep	Day chg	% chg
Dow Jones	35,100.0	N.A.	N.A.
S&P 500	4,520.0	N.A.	N.A.
NASDAQ	15,374.3	N.A.	N.A.
FTSE-100	7,149.4	-37.8	-0.53%
Nikkei 225	29,916.1	256.3	0.86%
SHCOMP	3,676.6	54.7	1.51%
HSI	26,353.6	190.0	0.73%
STI	3,108.5	7.5	0.24%
KOSPI	3,187.4	-15.9	-0.50%
TWSE	17,428.9	-66.4	-0.38%
JCI	6,112.4	-14.538	-0.24%
SET	1,636.5	-11.9	-0.72%

FOREX	7-Sep	6-Sep	% chg
USD/MYR:	4.1553	4.1477	0.18%
EUR/USD:	1.1875	1.1865	0.08%
GBP/USD:	1.3793	1.3836	-0.31%
USD/YEN:	109.94	109.87	0.06%
USD/SGD:	1.3446	1.3427	0.14%
USD/HKD:	7.7734	7.7741	-0.01%

**KEY STATS**

KLCI Spot			
Vol (m shares):	4,748.3	4,435.1	7.06%
Value (RMm):	2,888.2	2,894.0	-0.20%
KLCI Future			
September-21	1,570.5	1,566.5	0.26%
October-21	1,568.0	1,563.5	0.29%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,277.0	N.A.	N.A.
SoyOil (USc/lb)	57.8	N.A.	N.A.
Gold (US\$/troy oz)	1,796.3	N.A.	N.A.
Nymex crude oil (US\$/bbl)	68.4	N.A.	N.A.
Latex (RM/kg)	5.03	5.03	0.00%
Tin (US\$/mt)	32,483.00	33,320.0	-2.51%

## Research Highlights

### NEWS HIGHLIGHTS

- TNB to develop 300 MW hydroelectric power plant in Gua Musang, Kelantan (*Comment included in Kenanga Today*)
- UWC wraps up FY21 with 5% rise in 4Q profit, 58% jump in annual earnings
- JAKS Resources 2Q net profit surges on share of profit from Vietnam power ops
- NCT Alliance 2Q net profit surges to RM9.5m on higher revenue
- RGT to acquire 70% stake in EMS firm for RM14m

### MACRO BITS

- U.S., Japan, S.Korea prepare for possible meeting on N.Korea-report
- Turkey sees positive momentum in talks to repair ties with UAE
- Almost hit a 7-year high of USD116.3b in August on new IMF SDRs allocation (*See Economic Viewpoint: BNM International Reserves*)
- PM Ismail Sabri to deliver keynote address at National Recovery Summit
- More economic sectors expected to open as Klang Valley gears up for Phase 2 of NRP
- Bank Negara seen holding key rate as vaccine rollout fuels recovery hopes — poll
- China's economy gets welcome boost from surprisingly strong Aug exports
- Japan's tepid July household spending adds to economic recovery doubts
- Factbox: Key economic policy stances of Japan's next PM candidates
- U.S. Congress stuck between a rock and a hard place on raising debt limit
- Biden to outline plan to curb coronavirus Delta variant as cases grow
- UK PM Johnson raises taxes to tackle health and social care crisis
- BoE's Saunders says interest rates may rise next year
- BoE's Saunders says more QE could dislodge price expectations

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

- On Our Radar: IPMUDA
- On Our Technical Watch: HIL, FPGROUP
- Economic Viewpoint: BNM International Reserves

#	Top Volume			Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)
	Stock	Price	%Chg (+/-)								
1	GENM	3.16	2.6	PMETAL	5.80	5.3	16.10	HAPSENG	8.68	-1.9	0.12
2	TOPGLOV	3.67	-1.3	GENM	3.16	2.6	19.80	IOICORP	3.93	-1.8	1.75
3	PMETAL	5.80	5.3	MRDIY	3.93	2.3	9.27	TOPGLOV	3.67	-1.3	19.00
4	IHH	6.30	-0.8	GENTING	5.15	1.2	8.04	HLFG	18.28	-1.2	0.16
5	PBBANK	4.10	0.2	DIGI	4.45	1.1	1.14	SIMEPLT	3.90	-1.0	1.71
6	MRDIY	3.93	2.3	KLK	21.00	1.0	0.32	CIMB	4.91	-1.0	4.93
7	GENTING	5.15	1.2	PETDAG	19.96	0.8	0.06	IHH	6.30	-0.8	11.00
8	MAYBANK	8.27	-0.7	AXIATA	4.05	0.8	2.12	MAYBANK	8.27	-0.7	7.45
9	DIALOG	2.71	0.7	DIALOG	2.71	0.7	5.37	PCEM	8.05	-0.6	2.37
10	CIMB	4.91	-1.0	NESTLE	134.70	0.6	0.02	MAXIS	4.62	-0.2	0.80

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **TNB to develop 300 MW hydroelectric power plant in Gua Musang, Kelantan**

Tenaga Nasional Bhd (TNB) through its wholly-owned subsidiary TNB Power Generation Sdn Bhd (TNB Genco) has received a letter of notification from the Ministry of Energy and Natural Resources to develop a hydroelectric power plant with a capacity of 300MW at Gua Musang, Kelantan. In a Bursa Malaysia filing, the national utility provider said the project will also enhance energy security for the nation and bring about positive socio-economic impact to local communities, the state of Kelantan and Malaysia. The construction works of the project are estimated to take five years and shall be completed by June 1, 2027. *(The Edge)*

*Comment: This hydroelectric project, with an estimated capex of RM5.0b, is part of TENAGA's quest to improve its RE portfolio thereby increase its installed capacity from 3,406MW to 8,300MW or 31% in 2025 and increase further to 40% in 2035 under its power generation plan. Nonetheless, near-term earnings contributions from the RE portfolio are still not significant with the expected COD for this hydroelectric plant in Jun 2027. TENAGA remains an OP with TP of RM11.76. (By: Teh Kian Yeong)*

- **UWC wraps up FY21 with 5% rise in 4Q profit, 58% jump in annual earnings**

UWC Bhd wraps up its financial year ended July 31, 2021 (FY21) with a 4.8% increase in quarterly net profit to RM19.6m from RM18.7m in the same quarter a year ago, with full year net profit up 58.5% to RM91.5m. In a bourse filing, the semiconductor test equipment maker said the quarterly earnings growth was mainly due to developments in both the semiconductor industry and life science industry, which contributed to 66% and 26% of its total revenue, respectively. The improved performance reflected the group's adoption of technological advancements towards Industry 4.0 through automation, digitalisation, quality improvement and cost efficiency initiatives, it said. *(The Edge)*

- **JAKS Resources 2Q net profit surges on share of profit from Vietnam power ops**

JAKS Resources Bhd posted a 13-fold increase in net profit to RM28.8m for the second quarter ended June 30, 2021 (2QFY21), from RM2.2m a year ago, supported by its RM37.5m share of profit from its 30%-owned power plant joint venture in Vietnam. Earnings per share swelled to RM1.64 from 33 sen, the group's filing with Bursa Malaysia showed. Revenue fell 44.6% to RM41.6m, from RM75m in the same quarter last year, due to the lower revenue recognised from the construction division. *(The Edge)*

- **NCT Alliance 2Q net profit surges to RM9.5m on higher revenue**

Net profit of NCT Alliance Bhd (formerly known as Grand-Flo Bhd) for the second quarter ended June 30, 2021 (2QFY21) surged to RM9.5m, from a net loss of RM0.42m a year earlier, on the back of a higher revenue of RM49.2m versus RM18.9m previously. Earnings per share (EPS) rose to 1.8 sen from loss per share of 0.14 sen. In a bourse filing, NCT Alliance said its net profit for the cumulative six months jumped to RM9.6m from a net loss of RM0.37m earlier, on the back of a total revenue of RM64.7m versus RM42.3m. *(The Edge)*

- **RGT to acquire 70% stake in EMS firm for RM14m**

RGT Bhd has announced that it has entered into an agreement to acquire a 70% equity stake in Top Degree (M) Sdn Bhd (TDSB) for a purchase consideration of RM14m. According to a Bursa filing, the group had on Sept 7, 2021 entered into a conditional share sale agreement (SSA) for the acquisition of the 2.7m ordinary shares in TDSB. TDSB will become a 70% subsidiary company of RGT upon the completion of the proposed acquisition. *(The Edge)*

## Macro Bits

### Global

- [U.S., Japan, S.Korea prepare for possible meeting on N.Korea-report](#) The United States, South Korea and Japan are preparing for a possible meeting of officials handling North Korea next week in Tokyo, Kyodo news agency reported on Tuesday. *(Reuters)*
- [Turkey sees positive momentum in talks to repair ties with UAE](#) Foreign Minister Mevlut Cavusoglu said on Tuesday there was a positive momentum in Turkey's discussions with the United Arab Emirates to end a years-long rift and that ties could come back on track if the momentum was maintained. *(Reuters)*

### Malaysia

- [Almost hit a 7-year high of USD116.3b in August on new IMF SDRs allocation](#) Bank Negara Malaysia (BNM) international reserves rose by USD5.2b or 4.7% MoM to an 81-month high of USD116.3b as of 30 August 2021. This was underpinned by a big increase in Special Drawing Rights (SDRs), as well as foreign currency reserves and other reserve assets. BNM is expected to stand pat on policy rate (1.75%) for the rest of 2021. As more states have shifted to Phase 2 and Phase 3 of the National Recovery Plan (NRP), we reckon that the BNM will keep the overnight policy rate unchanged at the upcoming meeting on Sep 9. *(See Economic Viewpoint: BNM International Reserves)*
- [PM Ismail Sabri to deliver keynote address at National Recovery Summit](#) Prime Minister Datuk Seri Ismail Sabri Yaakob will be delivering the opening keynote address at the National Recovery Summit to be held virtually this Thursday. *(The Edge Markets)*
- [More economic sectors expected to open as Klang Valley gears up for Phase 2 of NRP](#) With over 97% of Klang Valley's adult population fully vaccinated as of Monday (Sept 6), more economic sectors are expected to open in the near future as the region gears up for Phase 2 of the National Recovery Plan (NRP). *(The Edge Markets)*
- [Bank Negara seen holding key rate as vaccine rollout fuels recovery hopes — poll](#) Malaysia's central bank is likely to leave its key interest rate unchanged this week, a Reuters poll showed on Tuesday, as the country gradually reopens its economy amid a ramped-up Covid-19 vaccination drive. *(The Edge Markets)*

### Asia Pacific

- [China's economy gets welcome boost from surprisingly strong Aug exports](#) China's exports unexpectedly grew at a faster pace in August thanks to solid global demand, helping take some of the pressure off the world's second-biggest economy as it navigates its way through headwinds from several fronts. *(Reuters)*
- [Japan's tepid July household spending adds to economic recovery doubts](#) Japan's household spending grew less than expected in July as a resurgence in COVID-19 cases hindered consumer activity, throwing broader economic recovery prospects into doubt. *(Reuters)*
- [Factbox: Key economic policy stances of Japan's next PM candidates](#) Japanese Prime Minister Yoshihide Suga, his support ratings in tatters ahead of a general election, said last week he would step down, setting the stage for his replacement as premier and heightening uncertainty on the outlook for economic policy. *(Reuters)*

### Americas

- [U.S. Congress stuck between a rock and a hard place on raising debt limit](#) Democrats and Republicans will start what could become a monumental game of chicken this month over raising the limit on U.S. government borrowing, as Congress attempts to avert an historic debt default. *(Reuters)*
- [Biden to outline plan to curb coronavirus Delta variant as cases grow](#) President Joe Biden on Thursday will present a six-pronged strategy aimed at fighting the spread of the highly contagious coronavirus Delta variant and increasing U.S. COVID-19 vaccinations, a White House official said on Tuesday. *(Reuters)*

### Europe

- [UK PM Johnson raises taxes to tackle health and social care crisis](#) British Prime Minister Boris Johnson set out plans on Tuesday to raise taxes on workers, employers and some investors to try to fix a health and social care funding crisis, angering some in his governing party by breaking an election promise. *(Reuters)*
- [BoE's Saunders says interest rates may rise next year](#) The Bank of England may need to raise interest rates next year if growth continues and inflation becomes stickier, Bank of England policymaker Michael Saunders said on Tuesday. *(Reuters)*
- [BoE's Saunders says more QE could dislodge price expectations](#) Bank of England policymaker Michael Saunders, who voted last month for an early end to the central bank's asset purchases, said on Tuesday he feared continuing the programme could cause medium-term inflation expectations to rise. *(Reuters)*

08 September 2021

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
RUBBEREX CORP M BHD	0.715	20.72	10.15	0.24	0.715
CAREPLUS GROUP BHD	1.530	29.68	19.59	1.94	1.530

\*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
CAN-ONE BHD	3.900	90.03	95.30	99.63	4.100
PMB TECHNOLOGY BHD	6.930	84.55	87.97	95.52	7.000
KNM GROUP BHD	0.315	83.88	87.39	94.56	0.325
DKSH HOLDINGS MALAYSIA BHD	4.530	82.80	82.80	64.38	4.850
ASIA FILE CORP BHD	2.730	81.24	87.12	98.22	2.840
TROPICANA CORP BHD	0.990	81.09	85.57	88.76	0.990
THREE-A RESOURCES BHD	0.940	80.05	84.07	87.31	0.965
FORMOSA PROSONIC INDS BHD	4.050	80.04	80.34	62.12	4.240
HONG LEONG CAPITAL BHD	6.470	79.28	84.53	84.39	6.580
HONG LEONG CAPITAL BHD	6.470	79.28	84.53	84.39	6.580
SARAWAK PLANTATION BHD	2.630	78.44	81.78	89.76	2.630
INNOPRISE PLANTATIONS BHD	1.290	77.88	80.02	65.86	1.330
RCE CAPITAL BHD	3.090	77.80	85.05	94.81	3.120
DESTINI BHD	0.275	76.74	82.03	88.74	0.280
PESTECH INTERNATIONAL BHD	1.080	76.37	83.51	94.62	1.090
PINTARAS JAYA BHD	2.880	75.23	81.80	93.81	2.880
MULPHA INTERNATIONAL BHD	2.450	74.12	78.81	79.95	2.530
TA ANN HOLDINGS BERHAD	3.040	74.09	77.87	87.51	3.050
O.S.K. HOLDINGS BHD	0.905	73.58	81.51	94.03	0.910
FIAMMA HOLDINGS BERHAD	0.680	73.19	77.38	81.61	0.730
WCT HOLDINGS BHD	0.585	72.39	80.60	96.06	0.590
WAH SEONG CORP BHD	0.705	72.17	81.92	93.51	0.710
GENETEC TECHNOLOGY BHD	31.760	72.04	72.22	79.90	32.480
MUHIBBAH ENGINEERING (M) BHD	0.985	72.03	80.52	96.21	0.990
KELINGTON GROUP BHD	1.400	71.98	78.26	88.35	1.430
MALAYSIAN RESOURCES CORP BHD	0.430	71.97	80.23	95.90	0.430
TAMBUN INDAH LAND BHD	0.735	71.53	74.01	82.61	0.750
APOLLO FOOD HOLDINGS BHD	4.080	70.98	74.32	81.13	4.100
MEDIA PRIMA BHD	0.585	70.92	73.90	65.06	0.625
LATITUDE TREE HOLDINGS BHD	1.800	70.59	78.53	94.76	1.820
AMANAHRAYA REIT	0.695	70.57	77.16	94.31	0.700
LEON FUAT BHD	1.140	70.41	75.59	80.46	1.150

\*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
TOP GLOVE CORP BHD-V	0.045	28.46	24.36	5.50	0.045	31/1/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
CN ASIA CORP BHD-WA	0.650	91.41	94.60	98.31	0.675	7/6/2024
PRESS METAL ALUMINIUM HOLDINGS BHD-C57	0.240	79.49	82.33	90.08	0.245	11/2/2022
CTOS DIGITAL BHD-CA	0.155	78.05	83.01	93.45	0.165	30/6/2022
PRESS METAL ALUMINIUM HOLDINGS BHD-C55	0.045	75.39	80.72	90.41	0.045	20/1/2022
PRESS METAL ALUMINIUM HOLDINGS BHD-C52	0.165	72.62	79.36	89.92	0.170	30/9/2021
NI HSIN GROUP BHD-WB	0.105	72.33	75.00	69.16	0.115	13/5/2022
MALAYSIAN RESOURCES CORP BHD-WB	0.100	72.03	81.40	99.05	0.100	29/10/2027
KELINGTON GROUP BHD-WB	0.405	71.23	73.93	87.00	0.430	24/7/2026
GENTING BHD-C99	0.080	71.09	79.57	90.79	0.080	14/10/2021
NETX HOLDINGS BHD-WC	0.045	70.98	76.08	89.61	0.045	26/10/2023

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.***

---

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

---

Published and printed by:

**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](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)