

17 November 2021

By Goh Yin Foo, CFA, CMT | [gohyf@kenanga.com.my](mailto:gohyf@kenanga.com.my)

BURSA	16-Nov	Day chg	% chg
KLCI	1,522.9	0.55	0.04%
FTSE EMAS	11,263.5	-8.3	-0.07%
FTSE Smallcap	16,760.3	-89.07	-0.53%
FTSE MESDAQ	6,858.2	-116.6	-1.67%
KLSE Mkt Cap (RM'b)	1,718.1	-10.5	-0.61%

**BURSA DAILY TRADING PARTICIPATION**

Participation	Net (RM'm)	Value (%)
Local Institution	-74.2	39.5%
Local Retail	56.8	33.6%
Foreign	17.4	27.0%

INDICES	16-Nov	Day chg	% chg
Dow Jones	36,142.2	54.8	0.15%
S&P 500	4,700.9	18.1	0.39%
NASDAQ	15,973.9	120.0	0.76%
FTSE-100	7,327.0	-24.9	-0.34%
Nikkei 225	29,808.1	31.3	0.11%
SHCOMP	3,521.8	-11.5	-0.33%
HSI	25,713.8	322.9	1.27%
STI	3,238.8	-1.8	-0.05%
KOSPI	2,997.2	-2.3	-0.08%
TWSE	17,693.1	58.7	0.33%
JCI	6,651.2	35.178	0.53%
SET	1,644.0	5.3	0.32%

FOREX	16-Nov	15-Nov	% chg
USD/MYR:	4.1663	4.1615	0.12%
EUR/USD:	1.1362	1.1448	-0.75%
GBP/USD:	1.3444	1.3422	0.16%
USD/YEN:	114.24	113.88	0.32%
USD/SGD:	1.3544	1.3510	0.25%
USD/HKD:	7.7882	7.7902	-0.03%

**KEY STATS**

KLCI Spot			
Vol (m shares):	3,150.8	3,477.4	-9.39%
Value (RMm):	2,255.6	2,330.8	-3.23%
KLCI Future			
November-21	1,522.0	1,522.5	-0.03%
December-21	1,522.5	1,524.0	-0.10%
CPO Price (RM/tonne)	4,788.0	4,766.0	0.46%
Soybean (US\$/bu)	1,251.3	1,257.3	-0.48%
SoyOil (USc/lb)	59.0	58.0	1.74%
Gold (US\$/troy oz)	1,854.1	1,866.6	-0.67%
Nymex crude oil (US\$/bbl)	80.8	80.9	-0.15%
Latex (RM/kg)	5.49	5.54	-0.81%
Tin (US\$/mt)	N.A.	38,813.7	N.A.

# Research Highlights

**NEWS HIGHLIGHTS**

- Sime Darby sets up mobility taskforce to fortify motors division
- JF Tech posts best quarterly net profit and revenue in 1QFY22 on strong demand
- CJ Century to provide total logistics services to Astro
- Straits inks MoU with Baicells Technologies for collaboration in 4G and 5G rollout, digital transformation of O&G industry
- ARB's Q3 net profit surges to RM33.6m, revenue stood at RM77.3m

**MACRO BITS**

- IEA lifts 2022 average crude oil price assumption to USD79.40/bbl
- Biden, Xi stick to their positions but turn down the heat in three-hour talk
- Seven components to be met before transition to endemic phase, says Hishammuddin
- Govt committed to ensure no disruption in food supply chain
- Covid-19 booster dose: Govt to decide on allowing walk-ins — Khairy
- Indonesia's internet economy to reach USD70.0b in 2021
- Thai economy shrinks less than expected in Q3
- Australia's central bank again dismisses calls for 2022 rate hike
- U.S. retail sales accelerate in strong boost to economy
- U.S. manufacturing output races to 2-1/2-year high
- U.S. import prices surge in October on petroleum, food
- Bullard says Fed should tack "hawkish" in next couple of meetings
- Euro zone Q3 GDP rises 2.2% q/q as expected
- UK economy withstands end of jobs support, easing BoE worries

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

- Results Note: DIALOG, POS, PTRANS, ULICORP (MidS)
- On Our Technical Watch: PESTECH, GDEX

#	Top Volume			Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)	
	Stock	Price	%Chg (+/-)									Stock
1	TOPGLOV	2.49	1.6	24.20	HARTA	5.90	2.1	5.74	MAXIS	4.45	-3.3	1.62
2	PBBANK	4.01	-0.3	9.85	TOPGLOV	2.49	1.6	24.20	SIMEPLT	3.89	-3.2	1.74
3	CIMB	5.01	-0.6	9.27	TM	5.60	1.1	2.62	IOICORP	3.77	-3.1	1.21
4	HARTA	5.90	2.1	5.74	IHH	6.48	0.8	2.17	PETDAG	19.64	-3.1	0.09
5	MAYBANK	8.10	-0.1	5.43	AXIATA	3.97	0.3	1.40	PPB	17.20	-2.9	0.44
6	PMETAL	5.31	-0.6	4.49	DIALOG	2.89	0.0	1.98	KLK	20.30	-2.3	0.39
7	PCEM	8.29	-0.2	3.14	GENM	3.17	0.0	2.94	DIGI	4.15	-1.9	0.89
8	SIME	2.21	-1.8	3.08	MRDIY	3.63	0.0	1.42	SIME	2.21	-1.8	3.08
9	GENM	3.17	0.0	2.94	PETGAS	16.38	0.0	0.75	HAPSENG	7.70	-1.3	0.14
10	TM	5.60	1.1	2.62	MAYBANK	8.10	-0.1	5.43	HLFG	17.32	-1.3	0.02

Notes: # KL Composite Index (FBM KLCI) component stocks

## Corporate News

- **Sime Darby sets up mobility taskforce to fortify motors division**

Sime Darby Bhd is setting up a mobility special taskforce for its motors division to explore new trends and opportunities for growth in the automotive sector. In a statement, the conglomerate said that as part of this strategy, it has invested a total of about RM42.0m to date in mobility players. Sime Darby acknowledged the evolution in the industry and is taking dynamic steps to future-proof its motors business. Sime Darby group chief executive officer said it has developed a mobility strategy as part of efforts to revolutionise and transform the motors division to be ready for the future of automotive. "Our thrust into Mobility is our Engine Two to Sime Darby Motors' Engine One, which we are continuing to fortify to its full potential," he said. Engine One refers to the group's existing motors business, which it is continuing to strengthen, while Engine Two relates to its future-focused strategies to capitalize on new mobility trends. *(The Edge Markets)*

- **JF Tech posts best quarterly net profit and revenue in 1QFY22 on strong demand**

JF Technology Bhd's (JF Tech) quarterly net profit hit a fresh record of RM5.04m for the first quarter ended Sept 30, 2021 (1QFY22), a 25.7% increase from RM4.0m in the same quarter last year, on the sustained strong demand from its customers stemming from the Covid-19 pandemic. This is the first time JF Tech's quarterly net profit hit the RM5.0m mark, translating to a respectable profit margin of 44.5% for the quarter under review. Earnings per share (EPS) rose to 0.55 sen from 0.43 sen as a result. The group, which manufactures high-performance test contacting solutions for global integrated circuit makers, said its quarterly revenue increased by 23.8% to RM11.3m in 1QFY22, from RM9.1m in 1QFY21. "Revenue from Malaysia and China rose 56.7% and 26.7% y-o-y (year-on-year) to RM4.6m and RM3.6m respectively in 1QFY22. The group's gross profit margin remained high at 78.4%," said JF Tech in a bourse filing. Its 1QFY22's profit before tax soared 48.3% to RM6.0m versus RM4.0m a year ago, attributed to a lower operating cost to revenue ratio, in addition to stronger sales. On a quarterly basis, its net profit in 1QFY22 jumped 44.7% from RM3.5m in 4QFY21. Revenue, meanwhile, expanded 11.0% from RM10.2m in the immediate preceding quarter. *(The Edge Markets)*

- **CJ Century to provide total logistics services to Astro**

CJ Century Logistics Holdings Bhd said it has signed a warehousing, fulfilment and logistics services agreement with Astro Malaysia Holdings Bhd's unit MEASAT Broadcast Network Systems Sdn Bhd. The logistics solutions provider said the partnership will commence on Dec 1 for an initial period of three years with an option to extend for two more years upon conclusion of the initial term. CJ Century chief executive officer said the award comes at a very opportune time and marks the beginning of a new milestone for the company, particularly after the recent disposal of its loss-making courier services unit. "We believe that Astro's strategic and long-term view on their supply chain priorities fits very well with what CJ Century does best. "Having partnered with some of the nation's largest and most successful companies over many years gives us the confidence that we can assist Astro in fulfilling their logistics needs in the years to come," he said in a statement. *(The Edge Markets)*



- **Straits inks MoU with Baicells Technologies for collaboration in 4G and 5G rollout, digital transformation of O&G industry**

Straits Energy Resources Bhd (formerly known as Straits Inter Logistics Bhd) has entered into a memorandum of understanding (MoU) with Baicells Technologies Co Ltd to collaborate and drive the growing wireless network communication business opportunities of the 4G and 5G rollout and the digital transformation of the oil and gas (O&G) industry, through the Internet of Things (IoT). Baicells Technologies is an international company, providing technical innovative 4G long-term evolution (LTE) and 5G new radio (NR) access solutions that connect more than 50 countries across the globe, said Straits in a statement. It said Baicells Technologies' vision of "connect the unconnected" has led to the establishment of offices across five of the seven continents and the development of 300 patents since its inception in 2014. Baicells Technologies currently boasts over 700 private LTE networks across the world, with a large percentage of those trusted networks operating within North America. Straits managing director said the group looks forward to a successful partnership with Baicells Technologies to explore and tap the huge business potential in the 4G and 5G rollout space, as well as the IoT in Malaysia and regionally. "The digital economy and technology will be the backbone of the nation's economy and Straits is mobilising resources rapidly to ride on this vast digital arena, both in the 4G and 5G technology rollout and also in the digital transformation of the O&G industry. (*The Edge Markets*)

- **ARB's Q3 net profit surges to RM33.6m, revenue stood at RM77.3m**

ARB Bhd posted a net profit of RM33.6m for the third quarter (Q3) ended 30 September 2021 (FY21), an increase of 4 times from the RM8.4m achieved in the same quarter last year. Revenue stood at RM77.3m, 32.6% higher than the RM58.3m registered in the corresponding period last year. In a filing with Bursa Malaysia, the main market-listed information technology (IT) software and platform provider said the sharp improvement in net profit was mainly due to the revenue growth in its enterprise resource planning (ERP) division. The RM21.2m in negative goodwill resulting from the acquisition of a subsidiary also contributed to the positive results. (*NST Business*)

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## Macro Bits

### Global

- [IEA lifts 2022 average crude oil price assumption to USD79.40/bbl](#) The International Energy Agency (IEA) on Tuesday upped its average Brent crude oil price assumption for 2022 to USD79.40 a barrel, but predicted a rally may ease off as prices that hit a three-year high last month push up global production. (*The Edge Markets*)
- [Biden, Xi stick to their positions but turn down the heat in three-hour talk](#) The closely scrutinized conversation between the leaders of the world's biggest economies was described by both sides as frank and direct as the two sides tried to lower the temperature and avoid conflict. (*The Edge Markets*)

### Malaysia

- [Seven components to be met before transition to endemic phase, says Hishammuddin](#) He said this comprised having one standard operating procedure (SOP) with nine guidelines; a Heightened Alert System — HAS; National Testing Strategy; and TRIIS (Test, Report, Isolate, Inform, Seek). (*The Edge Markets*)
- [Govt committed to ensure no disruption in food supply chain](#) The government is committed to ensuring there is no disruption in the chain of food supply, as it could lead to rising prices of food, said Domestic Trade and Consumer Affairs Minister Datuk Seri Alexander Nanta Linggi. (*The Edge Markets*)
- [Covid-19 booster dose: Govt to decide on allowing walk-ins — Khairy](#) The government will decide whether to allow walk-ins for Covid-19 booster shots in a meeting on Tuesday, said Health Minister Khairy Jamaluddin. He said this came after 40.0% of people who had been given appointments for the booster dose did not show up for the job. (*The Edge Markets*)

### Asia Pacific

- [Indonesia's internet economy to reach USD70.0b in 2021](#) Indonesia's digital economy is projected to grow almost 50.0% this year on the back of exceptionally fast development in the e-commerce segment, a trend that will continue at least until 2025, according to an industry report. (*The Jakarta Post*)
- [Thai economy shrinks less than expected in Q3](#) Thailand's economy contracted less than expected in the third quarter as businesses started a slow recovery from the coronavirus-driven slump in activity, while the reopening of the tourism sector raised hopes of a steady revival. (*The Star*)
- [Australia's central bank again dismisses calls for 2022 rate hike](#) Australia's top central banker has again pushed back against market wagers for a rise in interest rates next year, arguing that home-grown inflation was likely to lag well behind the spikes seen in some other developed nations. (*Reuters*)

### Americas

- [U.S. retail sales accelerate in strong boost to economy](#) U.S. retail sales surged in October, likely as Americans started their holiday shopping early to avoid empty shelves amid shortages of some goods because of the ongoing pandemic, giving the economy a lift at the start of the fourth quarter. (*Reuters*)
- [U.S. manufacturing output races to 2-1/2-year high](#) Production at U.S. factories rebounded more than expected in October as the drag from Hurricane Ida faded and motor vehicle output picked up, but manufacturing continues to be constrained by shortages of raw materials and labor. (*Reuters*)
- [U.S. import prices surge in October on petroleum, food](#) U.S. import prices surged in October as the costs of petroleum products and food increased, adding to signs that inflation could remain high for a while. (*Reuters*)
- [Bullard says Fed should tack "hawkish" in next couple of meetings](#) The U.S. Federal Reserve should "tack in a more hawkish direction" over its next couple of meetings to prepare in case inflation does not begin to ease, St. Louis Federal Reserve bank president James Bullard said on Tuesday. (*Reuters*)

### Europe

- [Euro zone Q3 GDP rises 2.2% q/q as expected](#) Euro zone gross domestic product (GDP) rose 2.2% quarter-on-quarter in the July-September period, the European Union's statistics office Eurostat said on Tuesday, confirming its previous flash estimate from the end of October. (*Reuters*)
- [UK economy withstands end of jobs support, easing BoE worries](#) Britain's job market withstood the end of the government's furlough scheme last month, according to data which could ease lingering concerns at the Bank of England about the risks of raising interest rates from their pandemic low. (*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
SYMPHONY LIFE BHD	0.455	24.03	18.26	26.95	0.430
C.I. HOLDINGS BERHAD	3.200	24.87	18.30	6.29	3.110
APEX HEALTHCARE BHD	2.670	25.90	20.39	5.48	2.650
BURSA MALAYSIA BHD	6.800	26.75	23.16	26.31	6.760

\*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
CAB CAKARAN CORP BHD	0.550	80.42	85.16	94.20	0.560
RCE CAPITAL BHD	3.880	76.74	77.54	70.03	3.980
SIGNATURE INTERNATIONAL BHD	1.310	73.01	70.61	43.23	1.380
MILUX CORP BHD	1.390	72.96	75.81	94.77	1.450
TANCO HOLDINGS BHD	0.275	72.64	77.78	93.21	0.280

\*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	HIGH 30D	EXPIRY DATE
REVENUE GROUP BHD-WA	0.830	17.39	10.94	1.09	0.810	14/1/2024
ATA IMS BHD-CL	0.010	18.25	16.31	8.21	0.010	31/3/2022
PDZ HOLDINGS BHD-WB	0.020	24.45	18.52	2.16	0.015	29/1/2023
SUPERMAX CORP-WA	0.030	24.90	27.96	40.65	0.025	29/4/2022
HANG SENG IND-MC	0.035	24.96	16.10	0.84	0.035	29/11/2021
DIALOG GROUP-C70	0.005	25.13	28.84	19.64	0.005	14/2/2022
TOP GLOVE COR-WA	0.025	29.45	33.77	46.26	0.020	30/8/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
INSAS BHD-WC	0.515	73.96	77.76	78.91	0.530	28/2/2026

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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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)

