

19 November 2021

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BURSA	18-Nov	Day chg	% chg
KLCI	1,523.8	-1.34	-0.09%
FTSE EMAS	11,231.5	-19.9	-0.18%
FTSE Smallcap	16,472.1	-112.69	-0.68%
FTSE MESDAQ	6,816.9	12.7	0.19%
KLSE Mkt Cap (RM'b)	1,711.6	-6.5	-0.38%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-75.6	42.9%
Local Retail	23.0	32.8%
Foreign	52.6	24.3%

INDICES	18-Nov	Day chg	% chg
Dow Jones	35,871.0	-60.1	-0.17%
S&P 500	4,704.5	15.9	0.34%
NASDAQ	15,993.7	72.1	0.45%
FTSE-100	7,256.0	-35.2	-0.48%
Nikkei 225	29,598.7	-89.7	-0.30%
SHCOMP	3,520.7	-16.7	-0.47%
HSI	25,319.7	-330.4	-1.29%
STI	3,237.0	4.3	0.13%
KOSPI	2,947.4	-15.0	-0.51%
TWSE	17,841.4	77.3	0.44%
JCI	6,636.5	-39.335	-0.59%
SET	1,651.0	6.4	0.39%

FOREX	18-Nov	17-Nov	% chg
USD/MYR:	4.1812	4.1803	0.02%
EUR/USD:	1.1337	1.1308	0.26%
GBP/USD:	1.3491	1.3440	0.38%
USD/YEN:	114.18	114.80	-0.54%
USD/SGD:	1.3582	1.3589	-0.05%
USD/HKD:	7.7883	7.7888	-0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	2,809.5	3,146.5	-10.71%
Value (RMm):	2,115.5	2,458.3	-13.94%
KLCI Future			
September-21	1,520.5	1,521.5	-0.07%
October-21	1,521.5	1,522.0	-0.03%
CPO Price (RM/tonne)	4,998.0	4,899.0	2.02%
Soybean (US\$/bu)	1,265.3	1,277.0	-0.92%
SoyOil (USc/lb)	59.2	59.2	0.03%
Gold (US\$/troy oz)	1,861.4	1,870.2	-0.47%
Nymex crude oil (US\$/bbl)	79.0	78.4	0.83%
Latex (RM/kg)	5.43	5.43	0.00%
Tin (US\$/mt)	N.A.	39,200.0	N.A.

Research Highlights

NEWS HIGHLIGHTS

- Mega First 3QFY21 profit slips 0.7% on higher material, freight costs
- Datasonic's unit receives letter of extension for passport contracts from Home Ministry
- UOA REIT's 3Q net rental income almost doubles to RM23.6m
- Kejuruteraan Asastera clinches three solar projects worth RM56m in Thailand
- Tashin 3QFY21 profit rises 800% on higher steel prices, declares two sen dividend

MACRO BITS

- IMF warns inflation could 'become more sticky' in some parts of world
- Shipping rate surge threatens global economy recovery, UNCTAD says
- U.S., China, others take aim at OPEC with potential reserves release
- Budget 2022: Sabah, Sarawak get 60.0% of rural development allocation plus extra RM500.0m — Tengku Zafrul
- Additional RM100.0m to be allocated for improving govt financial management — Tengku Zafrul
- BNM to conduct RM3.5b Malaysian Government Securities switch auction
- Holds policy rate steady at 3.50% to support economic recovery (See Economic Viewpoint: Bank Indonesia Rate Decision)
- Philippine central bank stands pat, but flags inflation risks
- Thai central bank chief says economic engines not as strong as before
- Japan's stimulus package spending to hit record USD488.0b - Nikkei
- U.S. economy regaining speed as unemployment claims fall; manufacturing surges
- NY Fed's Williams says inflation increases becoming broader based
- Canada adds jobs in October, third straight monthly gains -ADP
- ECB's Lane still expects euro zone inflation to ease next year

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: BJTOTO, DRBHICOM, MISC, SIMEPLT, STAR, SUNCON, TGUAN
- On Our Technical Watch: DNEK, FLEXI
- Rating Summary
- Economic Viewpoint: BI Rate Decision

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	2.40	-4.4	20.50	SIMEPLT	3.96	2.3	2.55	TOPGLOV	2.40	-4.4	20.50
2	PBBANK	4.05	0.0	13.50	PMETAL	5.55	2.0	7.82	HARTA	5.33	-2.2	5.36
3	SIME	2.21	0.5	8.26	HAPSENG	7.75	1.2	0.16	TM	5.62	-1.4	2.72
4	PMETAL	5.55	2.0	7.82	MISC	6.96	1.0	0.74	HLFG	17.26	-1.4	0.15
5	CIMB	5.08	0.2	7.47	IOICORP	3.81	0.8	1.05	GENTING	5.08	-1.2	3.41
6	DIALOG	2.87	-0.4	5.82	KLK	20.60	0.8	0.48	MAXIS	4.47	-1.1	1.09
7	HARTA	5.33	-2.2	5.36	MRDIY	3.64	0.6	2.12	GENM	3.13	-1.0	3.79
8	PICHEM	8.31	0.0	4.90	PETDAG	19.98	0.5	0.13	AXIATA	3.83	-0.5	1.46
9	MAYBANK	8.04	-0.4	4.65	SIME	2.21	0.5	8.26	MAYBANK	8.04	-0.4	4.65
10	GENM	3.13	-1.0	3.79	HLBANK	18.24	0.4	0.99	DIALOG	2.87	-0.4	5.82

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Mega First 3QFY21 profit slips 0.7% on higher material, freight costs**

Mega First Corp Bhd's net profit for the third quarter ended Sept 30, 2021 (3QFY21) slipped 0.7% to RM88.9m from RM89.5m in 3QFY20, as higher material, fuel and freight costs ate into the performance of its resources division. Meanwhile, the renewable energy division contribution also fell due to a longer annual scheduled maintenance period. However, its packaging division's contribution doubled on contribution from a new subsidiary, albeit offset by rising material costs. Earnings per share came in at 9.4 sen, from 10.0 sen in 3QFY20. Quarterly revenue came in 10.1% higher at RM232.5m from RM211.2m, again as packaging division revenue more than doubled in the period, while contributions from the other two segments fell. On the resources segment, Mega First said it was impacted by weaker export demand, higher unit overhead costs due to lower plant utilisation and significantly higher fuel, freight and packaging costs. "As a result of competition, the division was unable to fully pass on these cost increases," it said. (*The Edge Markets*)

- **Datasonic's unit receives letter of extension for passport contracts from Home Ministry**

Datasonic Group Bhd's wholly owned subsidiary, Datasonic Technologies Sdn Bhd (DTSB), has received a letter of extension for three contracts related to the supply of Malaysian passports from the Home Ministry. In a filing with Bursa Malaysia, the group said the contracts comprise the supply of the Malaysian passport chips, Malaysian passport documents, and Polycarbonate Biodata Pages to the Immigration Department. "The contract extension is for a period of 24 months from Dec 1," it said. (*The Edge Markets*)

- **UOA REIT's 3Q net rental income almost doubles to RM23.6m**

UOA Real Estate Investment Trust's net rental income almost doubled to RM23.6m for the third quarter ended Sept 30, 2021, from RM12.9m a year earlier. Total income rose 83.1% to RM23.8m from RM13.0m, the commercial REIT's bourse filing showed. Earnings per unit rose 10.6% to 2.4 sen, from 2.2 sen in the same quarter last year. Property operating expenses totalled RM6.3m, an increase of RM712,865 or 12.8% compared with RM5.5m previously, mainly due to lower operating expenses incurred for some of the properties under the portfolio, said UOA REIT. For the nine-month period ended Sept 30, the REIT's total income rose 62.7% to RM88.7m from RM54.5m in the previous corresponding period, while net rental income almost doubled to RM68.3m from RM38.5m. (*The Edge Markets*)

- **Kejuruteraan Asastera clinches three solar projects worth RM56m in Thailand**

Electrical and mechanical engineering services provider Kejuruteraan Asastera Bhd (KAB) has secured three new solar projects in Thailand with an estimated total value of RM55.7m. The group, via its indirect subsidiaries KAB Gree Solar Thai Co Ltd (KABGST) and Energy Optimisation (Thailand) Co Ltd (EOT), has secured three projects for grid-connected photovoltaic solar systems with an aggregate capacity of 4,537 kilowatt-peak in Thailand through six power purchase agreements (PPAs) with Aapico Ayutthaya Group of Companies, Great Glove (Thailand) Co Ltd and Volcano Tec (Thailand) Co Ltd. According to KAB's bourse filing, the projects will reduce carbon dioxide emissions by 95,018 tonnes,



with total savings and reduction in emissions computed over 25 years (the average lifespan of solar panels). (*The Edge Markets*)

- **Tashin 3QFY21 profit rises 800% on higher steel prices, declares two sen dividend**

Tashin Holdings Bhd's net profit for the quarter ended Sept 30, 2021 (3QFY21) rose 803% year-on-year (y-o-y) and 52.9% quarter-on-quarter to RM20.8m, thanks to continued rise in steel prices and profit margins. The results for the flat steel manufacturing group came in much better than RM2.3m in 3QFY20, despite a 23% decline in sales volume as sales were affected in Klang Valley due to the Movement Control Order. The group subsequently declared a dividend of RM7.0m or two sen per share, payable on Dec 16. It declared no dividend for the same quarter last year. (*The Edge Markets*)

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Macro Bits

Global

- [IMF warns inflation could 'become more sticky' in some parts of world](#) Inflation could "become more sticky" in some parts of the world if supply chain disruptions continue or inflation expectations become de-anchored, the International Monetary Fund said on Thursday. *(The Edge Markets)*
- [Shipping rate surge threatens global economy recovery, UNCTAD says](#) A surge in container shipping rates poses a threat to the global economic recovery, with small countries dependent on deliveries by sea expected to be hardest hit by a spike in import prices, UN agency UNCTAD said on Thursday. *(The Edge Markets)*
- [U.S., China, others take aim at OPEC with potential reserves release](#) Governments from some of the world's biggest economies said on Thursday they were looking into releasing oil from their strategic reserves, following a rare request from the United States for a coordinated move to cool global energy prices and ahead of a meeting of major oil producing countries. *(Reuters)*

Malaysia

- [Budget 2022: Sabah, Sarawak get 60.0% of rural development allocation plus extra RM500.0m — Tengku Zafrul](#) Commenting further on the extra allotment of RM500.0m for the two States, the Finance Minister said the money will be used for road works, tourism infrastructure, repair of rural social amenities, upgrade of health facilities, and micro credit for small and medium enterprises (SMEs) there, among others. *(The Edge Markets)*
- [Additional RM100.0m to be allocated for improving govt financial management — Tengku Zafrul](#) The government will provide an additional allocation of RM100.0m for efforts towards improving governance, efficiency and transparency in the management of its finances and budget. *(The Edge Markets)*
- [BNM to conduct RM3.5b Malaysian Government Securities switch auction](#) In a rarely-announced move, Bank Negara Malaysia (BNM) will, on behalf of the Malaysian government, conduct a Malaysian Government Securities (MGS) switch auction involving an indicative amount of RM3.5b worth of MGS under a scheme which aims to create more liquidity in the bond market and enable the government to restructure its debt. *(The Edge Markets)*

Asia Pacific

- [Holds policy rate steady at 3.50% to support economic recovery](#) Bank Indonesia (BI) kept the benchmark 7-day reverse repo rate unchanged at 3.50% for the ninth consecutive time, out of its eleven Board of Governor meetings this year. The decision, on November 18, was in line with house and market expectation. *(See Economic Viewpoint: Bank Indonesia Rate Decision)*
- [Philippine central bank stands pat, but flags inflation risks](#) The Philippine central bank kept its policy rate at a record low on Thursday (Nov 18), maintaining support for the pandemic-hit economy even as it warned of risks to inflation next year. *(The Edge Markets)*
- [Thai central bank chief says economic engines not as strong as before](#) Thailand's economic engines may not be as strong as before and the country's important tourism sector may take longer to normalise, its central bank governor said on Thursday (Nov 18). *(Business Times)*
- [Japan's stimulus package spending to hit record USD488.0b - Nikkei](#) Japan's new stimulus package will include record spending of about USD488.0b due to huge payouts to cushion the economic blow from the COVID-19 pandemic, the Nikkei newspaper reported on Thursday. *(Reuters)*

Americas

- [U.S. economy regaining speed as unemployment claims fall; manufacturing surges](#) The number of Americans filing new claims for unemployment benefits fell close to pre-pandemic levels last week as the labor market recovery continues, though a shortage of workers remains an obstacle to faster job growth. *(Reuters)*
- [NY Fed's Williams says inflation increases becoming broader based](#) Inflation in the United States is becoming more broad based and expectations for future price increases are rising, a trend policymakers will be watching closely, New York Federal Reserve Bank President John Williams said on Thursday. *(Reuters)*
- [Canada adds jobs in October, third straight monthly gains -ADP](#) Canada added 39,400 jobs in October, a third consecutive monthly gain, driven by a pick-up in hiring in trade, transportation and utilities, and construction, a report from payroll services provider ADP showed on Thursday. *(Reuters)*

Europe

- [ECB's Lane still expects euro zone inflation to ease next year](#) Euro zone inflation will ease next year and there is no sign that investors or consumers expect runaway prices in the medium term, the European Central Bank's chief economist said on Thursday. *(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
BURSA MALAYSIA BHD	6.620	21.60	16.30	4.73	6.620
MALAYAN FLOUR MILLS BHD	0.670	25.09	17.07	2.71	0.665
SYMPHONY LIFE BHD	0.450	25.12	21.31	25.43	0.430
MALAYSIAN BULK CARRIERS BHD	0.585	25.71	20.33	12.85	0.580
TITIJAYA LAND BHD	0.290	26.07	17.30	1.03	0.290
BERJAYA LAND BHD	0.230	27.60	22.08	9.86	0.230
GLOBETRONICS TECHNOLOGY BHD	1.900	28.22	20.97	5.27	1.880
CARLSBERG BREWERY MALAYSIA B	20.600	29.14	24.83	14.89	20.600
ANN JOO RESOURCES BHD	2.010	29.24	22.54	8.98	1.980
PADINI HOLDINGS BERHAD	2.870	29.52	20.33	1.76	2.840

*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
MILUX CORP BHD	1.410	73.98	77.32	96.31	1.450

*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	HIGH 30D	EXPIRY DATE
HARTELEGA HOL-C77	0.025	18.30	17.09	8.18	0.025	25/4/2022
REVENUE GROUP BHD-WA	0.815	18.87	14.31	17.90	0.800	14/1/2024
ATA IMS BHD-CK	0.020	21.65	16.50	4.85	0.020	13/6/2022
SUPERMAX CORP-WA	0.025	23.54	25.52	28.52	0.025	29/4/2022
BIOALPHA HOLDINGS-WA	0.005	26.15	23.06	12.52	0.005	5/1/2022
HANG SENG IND-MC	0.045	27.71	22.02	28.77	0.030	29/11/2021
SKP RESOURCES BHD-WB	0.175	27.96	17.53	1.01	0.170	25/4/2026
MALAYAN FLOUR MILLS BHD-WC	0.240	28.96	20.51	3.76	0.235	23/1/2024
GLOBALTEC FORMATION-WA	0.015	29.37	24.89	9.93	0.010	17/12/2021
GENTING BHD-WA	0.020	29.62	24.31	8.67	0.020	31/12/2021

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
INARI AMERTRO-C91	0.180	79.10	84.06	94.76	0.180	28/6/2022
INARI AMERTRO-C93	0.135	77.80	81.78	95.53	0.135	29/4/2022

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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