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Research Highlights

BURSA	23-Nov	Day chg	% chg
KLCI	1,522.9	-3.99	-0.26%
FTSE EMAS	11,213.4	-31.9	-0.28%
FTSE Smallcap	16,460.2	-99.49	-0.60%
FTSE MESDAQ	6,716.3	-77.3	-1.14%
KLSE Mkt Cap (RM'b)	1,708.4	-5.8	-0.34%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-13.51	42.34
Local Retail	14.43	30.87
Foreign	-0.91	26.79

INDICES	23-Nov	Day chg	% chg
Dow Jones	35,813.8	194.6	0.55%
S&P 500	4,690.7	7.8	0.17%
NASDAQ	15,775.1	-79.6	-0.50%
FTSE-100	7,266.7	11.2	0.15%
Nikkei 225	N.A.	N.A.	N.A.
SHCOMP	3,589.1	7.0	0.20%
HSI	24,651.6	-299.8	-1.20%
STI	3,227.5	-9.5	-0.30%
KOSPI	2,997.3	-15.9	-0.53%
TWSE	17,666.1	-137.4	-0.77%
JCI	6,677.9	-45.51	-0.68%
SET	1,646.4	-3.1	-0.19%

FOREX	23-Nov	22-Nov	% chg
USD/MYR:	4.1985	4.1865	0.29%
EUR/USD:	1.1254	1.1286	-0.28%
GBP/USD:	1.3360	1.3439	-0.59%
USD/YEN:	114.84	114.16	0.60%
USD/SGD:	1.3662	1.3618	0.32%
USD/HKD:	7.7932	7.7918	0.02%

KEY STATS

KLCI Spot			
Vol (m shares):	2,697.5	2,451.3	10.04%
Value (RMm):	2,353.5	1,993.3	18.07%
KLCI Future			
Nov-21	1,522.0	1,524.0	-0.13%
Dec-21	1,521.5	1,524.0	-0.16%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,273.0	1,274.3	-0.10%
SoyOil (USc/lb)	60.1	59.4	1.23%
Gold (US\$/troy oz)	1,783.8	1,806.3	-1.25%
Nymex crude oil (US\$/bbl)	78.5	76.8	2.28%
Latex (RM/kg)	5.63	5.57	1.08%
Tin (US\$/mt)	N.A.	39,902.0	N.A.

NEWS HIGHLIGHTS

- Axiata unit edotco is in talks to buy Touch Matrix (*Comment included in Kenanga Today*)
- Batu Kawan 4QFY21 net profit more than triples, lifting annual profit to record high of RM1.2b
- Oriental Holdings 3Q net profit up almost five-fold to RM69m amid lower revenue from auto, plastics biz
- Leong Hup posts net loss of RM53m in 3Q as lockdowns affected all demand channels
- AAX's 1Q net loss widens from preceding quarter to RM149m

MACRO BITS

- India and U.S. officials to look for ways to resolve trade issues
- U.S., Turkey agree on terms to end digital services tax, trade retaliation
- Government launches Green Electricity Tariff for renewable energy subscription
- Selangor to receive RM1.756b allocation for 2022
- BNM, People's Bank of China renew RM110.0b bilateral currency swap arrangement
- Thailand had over 20,000 foreign visitors in October after gradual reopening
- Singapore Oct core inflation up 1.5%, biggest jump in nearly three years
- Indonesia's 2021 palm oil exports, output to fall for second year
- China outbound tourism set to jump more than 25.0% this year
- U.S. to release 50.0m barrels of oil from emergency reserve
- U.S. business activity softens as capacity constraints linger
- Eurozone business activity picks up despite surging inflation
- UK business survey 'gives green light' for rate rise

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- MidS: PWROOT
- Results Note: KLK, SPSETIA, TAKAFUL, TCHONG, TSH
- On Our Technical Watch: MUHIBAH, MMSV

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	2.26	0.9	20.50	IHH	6.70	1.2	11.10	SIMEPLT	3.89	-3.0	2.58
2	CIMB	5.19	0.6	13.90	HARTA	5.11	1.0	5.37	KLK	20.26	-2.6	0.44
3	PBBANK	4.07	0.0	13.20	TOPGLOV	2.26	0.9	20.50	IOICORP	3.76	-2.6	1.48
4	IHH	6.70	1.2	11.10	CIMB	5.19	0.6	13.90	DIGI	4.18	-1.9	1.96
5	PCHEM	8.31	0.1	9.48	TM	5.60	0.4	2.22	MRDIY	3.56	-1.4	0.77
6	DIALOG	2.70	0.0	5.98	NESTLE	133.70	0.2	0.05	MISC	6.82	-1.2	1.95
7	MAYBANK	8.16	0.1	5.92	MAYBANK	8.16	0.1	5.92	SIME	2.20	-0.9	3.15
8	PMETAL	5.70	-0.7	5.86	PCHEM	8.31	0.1	9.48	HAPSENG	7.64	-0.8	0.82
9	HARTA	5.11	1.0	5.37	DIALOG	2.70	0.0	5.98	AXIATA	3.94	-0.8	2.66
10	TENAGA	9.50	0.0	3.30	GENM	3.07	0.0	2.69	PMETAL	5.70	-0.7	5.86

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Axiata unit edotco is in talks to buy Touch Matrix**

edotco Group Sdn Bhd, a unit of Malaysia's biggest mobile-phone carrier, is in exclusive talks to buy telecommunications infrastructure provider Touch Matrix Sdn Bhd, people with knowledge of the matter said. Touch Matrix's owners are seeking as much as 1.8 billion ringgit (US\$430 million) for the builder and lessor of wireless towers, said one of the people, asking not to be identified as the process is private. edotco is a unit of Axiata Group Bhd. Deliberations are still ongoing and the owners of Touch Matrix could decide to keep the business, the people said. *(The Edge Markets)*

Comment: While this is just a rumor, it doesn't come as a surprise as edotco has previously indicated that they would use organic and inorganic means to achieve their goal of being Top 5 globally and Top 3 in Asia in terms of tower count by 2024. As of end-2Q21, edotco had 23,845 towers regionally, with 4,715 in Malaysia. According to their website, Touch Matrix owns and operates telecommunication infrastructures in Pahang. We gathered that they have c.460 towers. We aren't able to identify Touch Matrix's EBITDA and net profit. It is rumored that its owners are seeking as much as RM1.8b, which is more than edotco's cash and equivalents of RM1.2b at the end of 2Q21. That said, edotco could fund the acquisition with debt and/or funding support from Axiata Group. However, given that OCK Group Berhad, with c.530 towers, has a market cap of <RM500m, RM1.8b may be a hefty price for Touch Matrix. Overall, given the available information, we are neutral on any potential deal. Maintain our MARKET PERFORM call with TP of RM4.20 on Axiata Group. (By: Jim Lim Khai Xiang)

- **Batu Kawan 4QFY21 net profit more than triples, lifting annual profit to record high of RM1.2b**

Batu Kawan Bhd posted a 262% spike in its net profit to RM308.0m for the fourth financial quarter ended Sept 30, 2021 (4QFY21), from RM85.2m in the previous year's corresponding quarter, helped by higher crude palm oil (CPO) and palm kernel (PK) prices. Quarterly revenue grew 50% to RM6.2b, from RM4.1b. Its performance for the quarter under review was supported by a surplus of RM4.3m on sales of land and government acquisitions, offset by foreign currency exchange translation loss of RM2.2m on intercompany loans denominated in foreign currencies, and a RM61.9m impairment on an estate in Liberia. *(The Edge Markets)*

- **Oriental Holdings 3Q net profit up almost five-fold to RM69m amid lower revenue from auto, plastics biz**



Conglomerate Oriental Holdings Bhd posted 358% growth in net profit for its third quarter ended Sept 30, 2021 (3QFY21) to RM68.7mm from RM15m a year ago despite lower revenue, its bourse filing on Tuesday showed. Earnings per share correspondingly grew by 357.44% to 11.07 sen from 2.42 sen. Quarterly revenue, however, declined 25.32% to RM708.1m from RM948.2m a year prior. *(The Edge Markets)*

- **Leong Hup posts net loss of RM53m in 3Q as lockdowns affected all demand channels**

Leong Hup International Bhd (LHI) reported a net loss of RM53.4m or loss per share of 1.46 sen in the third quarter ended Sept 30, 2021 (3QFY21) from a net profit of RM22.5m or earnings per share (EPS) of 0.62 sen in the previous year as broad-based lockdowns negatively affected all demand channels after economic activities were significantly scaled back during the quarter. In a Bursa Malaysia filing on Tuesday (Nov 23), the group said its quarterly revenue surged 14.98% to RM1.8b against RM1.6b due to higher revenues reported from its Indonesia and Malaysia segments. *(The Edge Markets)*

- **AAX's 1Q net loss widens from preceding quarter to RM149m**

AirAsia X Bhd (AAX) posted a bigger net loss of RM149.1m for its first quarter ended Sept 30, 2021 (1QFY22), compared with RM24.6b in the immediate preceding quarter. The net loss in the preceding quarter was contributed by a provision for the amount payable to creditors, with the low-cost carrier in default under the terms of the contract. Revenue for the quarter under review stood at RM99.3m, versus RM72.3m in the preceding quarter, AAX's bourse filing showed. *(The Edge Markets)*

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Macro Bits

Global

- [India and U.S. officials to look for ways to resolve trade issues](#) India and the United States agreed to look for ways to resolve differences on issues such as market access and digital trade at the start of a two-day visit by U.S. Trade Representative Katherine Tai, officials said. *(Reuters)*
- [U.S., Turkey agree on terms to end digital services tax, trade retaliation](#) The United States and Turkey have agreed to terms for withdrawal of Turkey's digital services tax that largely targeted highly profitable U.S. technology giants and will transition to a new global taxation agreement in 2023. The agreement will allow for the termination of U.S. retaliatory trade measures imposed against Turkey. *(Reuters)*

Malaysia

- [Government launches Green Electricity Tariff for renewable energy subscription](#) The government has launched the Green Electricity Tariff (GET) to allow subscribers to use electricity generated from renewable energy sources to reduce their carbon footprint. *(The Edge Markets)*
- [Selangor to receive RM1.756b allocation for 2022](#) Selangor will receive an allocation of RM1.756b for 2022 to fund ongoing and new projects under the 12th Malaysia Plan (12MP), said Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed. He said RM1.684b of the allocation would be for ongoing projects and the remaining RM72.0m for new projects. *(The Edge Markets)*
- [BNM, People's Bank of China renew RM110.0b bilateral currency swap arrangement](#) Bank Negara Malaysia (BNM) and the People's Bank of China (PBoC) have renewed their bilateral currency swap arrangement for another five years under an unchanged RM110.0b scheme to reinforce the ongoing cooperation between the two central banks, BNM said on Tuesday. *(The Edge Markets)*

Asia Pacific

- [Thailand had over 20,000 foreign visitors in October after gradual reopening](#) Thailand welcomed 20,272 foreign tourists in October, up from 1,201 foreign arrivals in the same period a year earlier, tourism ministry data showed on Tuesday, due to a pilot tourism programme on the islands of Phuket and Samui. *(The Edge Markets)*
- [Singapore Oct core inflation up 1.5%, biggest jump in nearly three years](#) Singapore's key price gauge rose by the fastest pace in nearly three years in October, mainly driven by higher services and food inflation. The core inflation rate rose to 1.5% in October on a year-on-year basis, compared with 1.2% in the prior month. *(The Edge Markets)*
- [Indonesia's 2021 palm oil exports, output to fall for second year](#) Indonesia's palm oil exports and production in 2021 are both likely to fall for a second straight year, the vice chairman of the country's palm oil association (GAPKI) said on Tuesday. *(The Edge Markets)*
- [China outbound tourism set to jump more than 25.0% this year](#) Chinese outbound tourism numbers are set to jump by more than 25.0% this year from 2020 but remain "basically at a standstill" compared to pre-pandemic levels, state broadcaster CCTV reported on Monday, citing official projections. The dramatic drop in travellers from China has left a USD255.0b annual spending hole in the global tourism market. *(Reuters)*

Americas

- [U.S. to release 50.0m barrels of oil from emergency reserve](#) The United States will release 50.0m barrels of crude from the U.S. Strategic Petroleum Reserve to help cool oil prices, that will start hitting the market in mid- to late-December, the White House said on Tuesday. *(Reuters)*
- [U.S. business activity softens as capacity constraints linger](#) Growth in U.S. business activity softened this month as service providers and manufacturers remained constrained by higher inflation, supply shortages and hiring difficulties. The IHS Markit flash composite purchasing managers index slipped to 56.5 in November from 57.6 a month earlier. *(Bloomberg)*

Europe

- [Eurozone business activity picks up despite surging inflation](#) Business activity in the eurozone picked up this month despite surging inflation driven by supply chain disruptions, rising energy costs and higher wages, which together with a rebound in Covid-19 cases damped sentiment. *(Financial Times)*
- [UK business survey 'gives green light' for rate rise](#) British businesses reported the fastest growth in new orders since June this month alongside record cost pressures, according to a closely watched business survey that could pave the way for a Bank of England rate rise in December. *(Reuters)*

24 November 2021

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
BURSA MALAYSIA BHD	6.420	18.29	13.23	5.98	6.420
GLOBETRONICS TECHNOLOGY BHD	1.760	19.62	12.44	1.36	1.760
MALAYAN FLOUR MILLS BHD	0.635	21.51	14.58	5.13	0.635
TITIJAYA LAND BHD	0.280	22.92	14.20	0.55	0.270
N2N CONNECT BHD	0.655	23.39	16.27	0.96	0.650
SYMPHONY LIFE BHD	0.445	23.87	19.46	17.69	0.430
BERJAYA SPORTS TOTO BHD	1.920	25.72	17.60	2.87	1.920
IGB REAL ESTATE INVESTMENT T	1.640	26.81	17.33	0.52	1.640
BAHVEST RESOURCES BHD	0.470	27.37	17.71	1.08	0.465
YTL HOSPITALITY REIT	0.920	27.53	16.74	0.84	0.900
BERJAYA LAND BHD	0.225	28.73	25.56	18.59	0.225
MUDA HOLDINGS BERHAD	2.680	29.31	19.16	1.46	2.620

*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	LOW 30D
MALAYSIA SMELTING CORP BHD	3.230	72.63	77.67	93.82	3.250
MILUX CORP BHD	1.540	70.56	69.93	57.61	1.670
SIGNATURE INTERNATIONAL BHD	1.320	70.15	68.20	69.12	1.380

*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
ATA IMS BHD-CL	0.005	17.62	15.36	5.46	0.005	31/3/2022
ATA IMS BHD-CK	0.010	20.14	14.84	3.18	0.005	13/6/2022
GLOBALTEC FORMATION BHD-WA	0.005	24.97	18.63	2.72	0.005	17/12/2021
BIOALPHA HOLDINGS BHD-WA	0.005	26.15	23.06	12.52	0.005	5/1/2022
GENTING BHD-1K	0.050	28.24	20.83	3.63	0.050	29/4/2022
CTOS DIGITAL BHD-CJ	0.070	28.57	26.12	11.43	0.065	26/7/2022
JHM CONSOLIDATION BHD-CC	0.035	28.61	21.57	3.83	0.035	24/2/2022
ANN JOO RESOURCES BHD-CR	0.040	28.98	24.95	16.87	0.035	28/3/2022
MISC BHD-C33	0.010	28.99	22.94	8.63	0.010	30/11/2021
HANG SENG INDEX-IL	0.005	29.20	22.79	6.76	0.005	29/11/2021
BAHVEST RESOURCES BHD-WA	0.260	29.71	21.27	3.81	0.260	20/8/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
TOP GLOVE CORP BHD-HE	0.200	81.07	88.91	99.84	0.200	30/11/2021
INARI AMERTRON BHD-C93	0.135	74.69	76.71	78.46	0.145	29/4/2022
TOP GLOVE CORP BHD-HG	0.180	73.71	77.47	90.10	0.180	31/3/2022
MY EG SERVICES BHD-2E	0.120	72.22	67.02	41.70	0.140	30/8/2022
TOP GLOVE CORP BHD-HH	0.240	72.10	75.16	90.72	0.240	29/7/2022

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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