

29 November 2021

By Goh Yin Foo | gohyf@kenanga.com.my; Pritika Modhgil | pratika@kenanga.com.my

Research Highlights

BURSA	26-Nov	Day chg	% chg
KLCI	1,512.2	-5.38	-0.35%
FTSE EMAS	11,079.1	-80.4	-0.72%
FTSE Smallcap	15,900.0	-351.06	-2.16%
FTSE MESDAQ	6,463.3	-189.0	-2.84%
KLSE Mkt Cap (RM'b)	1,686.1	-14.8	-0.87%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	50.49	38.83
Local Retail	-7.72	35.46
Foreign	-42.77	25.71

INDICES	26-Nov	Day chg	% chg
Dow Jones	34,899.3	N.A.	N.A.
S&P 500	4,594.6	N.A.	N.A.
NASDAQ	15,491.7	N.A.	N.A.
FTSE-100	7,044.0	-266.3	-3.64%
Nikkei 225	28,751.6	-747.7	-2.53%
SHCOMP	3,564.1	-20.1	-0.56%
HSI	24,080.5	-659.6	-2.67%
STI	3,166.3	-55.3	-1.72%
KOSPI	2,936.4	-43.8	-1.47%
TWSE	17,369.4	-284.8	-1.61%
JCI	6,561.6	-137.793	-2.06%
SET	1,610.6	-37.9	-2.30%

FOREX	26-Nov	25-Nov	% chg
USD/MYR:	4.2385	4.2297	0.21%
EUR/USD:	1.1317	1.1222	0.85%
GBP/USD:	1.3337	1.3318	0.14%
USD/YEN:	113.38	115.35	-1.71%
USD/SGD:	1.3718	1.3678	0.29%
USD/HKD:	7.7984	7.7976	0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	4,900.7	3,812.1	28.56%
Value (RMm):	3,484.5	2,415.7	44.24%
KLCI Future			
Nov-21	1,508.0	1,514.5	-0.43%
Dec-21	1,506.5	1,514.5	-0.53%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,252.8	N.A.	N.A.
SoyOil (US\$/lb)	58.9	N.A.	N.A.
Gold (US\$/troy oz)	1,785.5	N.A.	N.A.
Nymex crude oil (US\$/bbl)	68.2	N.A.	N.A.
Latex (RM/kg)	5.88	5.85	0.51%
Tin (US\$/mt)	39,607.00	40,784.0	-2.89%

NEWS HIGHLIGHTS

- Sarawak Oil Palms net profit soars 70% to RM125m in 3Q
- Hengyuan sinks into red in 3Q with net loss of RM54m
- Careplus 3Q net profit drops 80% to RM8.4m on lower utilisation rate of production capacity, declining ASP
- Rubberex 3Q net profit falls 36% to RM25m on lower ASP, production efficiencies and labour limitations
- Computer Forms net profit jumps to RM62m in 2Q

MACRO BITS

- Taiwan scrambles to see off Chinese air force as Xi meets top brass
- Benchmark 10-year yield falls below 1.5% as variant spurs hunt for safe havens
- MGS/GII yields to decline amid concerns over the Omicron variant (See *Economic Viewpoint: Bond Market Weekly Outlook*)
- May continue to slide as Omicron variant fears spur flight-to-safety (See *Economic Viewpoint: Ringgit Weekly Outlook*)
- Jumped to 2.9% in October on higher electricity bills (See *Economic Viewpoint: Malaysia Consumer Price Index*)
- Malaysia's export value expected to hit RM1.2t in 2021, says Azmin
- China study warns of 'colossal' COVID outbreak if it opens up like U.S., France
- China's industrial profits growth accelerates in Oct
- Fed's Bostic says he remains open to faster taper and one or two rate hikes in 2022
- U.S. trade chief to keep pushing on vaccine IP, WTO reform after meeting delay
- German retail suffers at start of crucial Christmas season
- UK inflation expectations fall for first time in 6 months - Citi/YouGov

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: ABMB, AMBANK, AXIATA, HSL, JHM, KPJ, MALAKOF, MRCB, PADINI, PESTECH, PETDAG, PMETAL, SKPRES, UOADEV
- Company Update: WCT
- Weekly Technical Review
- Regional News Update
- Economic Viewpoint: Bond Market Weekly Outlook, MY CPI, Ringgit Weekly Outlook

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	2.64	17.3	75.20	TOPGLOV	2.64	17.3	75.20	GENTING	4.72	-4.5	18.30
2	PBBANK	4.00	-0.5	22.70	HARTA	5.65	10.1	19.30	SIMEPLT	3.73	-3.4	2.84
3	HARTA	5.65	10.1	19.30	SIME	2.23	0.9	3.92	DIALOG	2.56	-3.0	8.72
4	GENTING	4.72	-4.5	18.30	PETGAS	16.36	0.4	1.34	GENM	2.93	-2.7	13.20
5	CIMB	5.10	-1.4	14.50	NESTLE	134.00	0.2	0.12	AXIATA	3.90	-2.5	4.08
6	GENM	2.93	-2.7	13.20	HLFG	17.30	0.0	0.18	MISC	6.62	-2.2	2.12
7	DIALOG	2.56	-3.0	8.72	PETDAG	19.90	0.0	0.28	IHH	6.56	-1.7	5.08
8	MAYBANK	8.10	-0.1	7.88	TENAGA	9.38	0.0	4.43	KLK	20.56	-1.6	0.72
9	PMETAL	5.57	-1.2	7.83	HLBANK	18.30	-0.1	0.91	MAXIS	4.52	-1.5	1.44
10	MRDIY	3.52	-1.1	5.10	PCHEM	8.43	-0.1	3.72	PPB	17.02	-1.4	1.16

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Sarawak Oil Palms net profit soars 70% to RM125m in 3Q**

Sarawak Oil Palms Bhd's (SOPB) net profit for the third quarter (3Q) ended Sept 30, 2021 soared 70% to RM125.5m against RM73.8m in the same quarter a year ago. Revenue for the period jumped 64% to RM1.3b compared with RM794.9m previously due to higher average prices of palm oil products, it said in a filing with Bursa Malaysia on Friday. For the nine months ended Sept 30, 2021, the group's revenue expanded to RM3.0b against RM1.9b reported in the corresponding period in 2020. *(The Edge Markets)*

- **Hengyuan sinks into red in 3Q with net loss of RM54m**

Hengyuan Refining Company Bhd (Hengyuan) reported a net loss of RM54.0m for its third quarter ended September 30, 2021 (3QFY21), from a net profit of RM154.9m a year ago, mainly due to foreign exchange losses caused by the strengthening of the US dollar and under accrual of tax in the prior year, according to its filing on Friday. The O&G refinery group posted a loss per share of 18.01 sen compared to earnings per share last year of 51.64 sen. Quarterly revenue doubled to RM3.3b from RM1.6b for the same period last year, the group's filing revealed. *(The Edge Markets)*

- **Careplus 3Q net profit drops 80% to RM8.4m on lower utilisation rate of production capacity, declining ASP**

Careplus Group Bhd's net profit declined 80.46% to RM8.4m in the third quarter ended Sept 30, 2021 (3QFY21), from RM42.9m a year earlier, due to lower utilisation rate of its production capacity following the Movement Control Order (MCO) restrictions. Earnings per share fell to 1.54 sen from eight sen in 3QFY20, the glove maker's Bursa Malaysia filing showed. *(The Edge Markets)*

- **Rubberex 3Q net profit falls 36% to RM25m on lower ASP, production efficiencies and labour limitations**

Rubberex Corp (M) Bhd registered a net profit of RM25.2m for its third quarter ended Sept 30, 2021 (3QFY21), 36.2% lower than last year's RM39.5m, due to lower average selling price (ASP), lower production efficiencies due to slower order uptakes by customers and labour restrictions due to Covid-19. Earnings per share fell to 2.98 sen from 4.71 sen, Rubberex's bourse filing on Friday (Nov 26) showed. *(The Edge Markets)*

- **Computer Forms net profit jumps to RM62m in 2Q**

Computer Forms (Malaysia) Bhd's (CFM) net profit jumped to RM62m in the second quarter ended Sept 30, 2021 (2QFY21), from a loss of RM10,000 in the corresponding quarter a year ago. Its revenue was recorded at RM6.7m from RM7.1m previously, due to stronger sales from the commercial printing segment. "The profit in the current quarter was primarily due to the gain from disposal of land amounting to RM63.1m," it said in a filing with Bursa Malaysia on Friday (Nov 26). *(The Edge Markets)*



Macro Bits

Global

- [Taiwan scrambles to see off Chinese air force as Xi meets top brass](#) Taiwan's air force scrambled again on Sunday to warn away 27 Chinese aircraft that entered its air defence zone, Taiwan's defence ministry said, the latest increase in tensions across the Taiwan Strait as China's president met his top generals. *(Reuters)*
- [Benchmark 10-year yield falls below 1.5% as variant spurs hunt for safe havens](#) U.S. Treasury debt yields on Friday posted their sharpest drop since the pandemic began as investors rushed toward safe-haven assets following the emergence of a new coronavirus variant in South Africa. *(Reuters)*

Malaysia

- **MGS/GII yields to decline amid concerns over the Omicron variant** Domestic yields will likely continue to fall this week, in reaction to the sharp downturn in global yields and on an increase in safe-haven demand for bonds, as markets digest the emergence of the Omicron variant. With that said, concerns surrounding the Omicron variant will likely impact foreign demand for local bonds, on top of ongoing pressures from the Fed taper decision and elevated global inflation. We expect bond flows to soften in the near term. *(See Economic Viewpoint: Bond Market Weekly Outlook)*
- **May continue to slide as Omicron variant fears spur flight-to-safety** MYR may continue to weaken around the 4.25 level against the greenback this week as renewed COVID-19 concerns triggered global risk-off mood. The weakness in the ringgit for this week will be mainly driven by a potential rise in the DXY due to the expected improvement in the US labour market and rising safe-haven demand. To highlight, the direction of the crude oil prices will be influenced by the OPEC+ oil production plan. *(See Economic Viewpoint: Ringgit Weekly Outlook)*
- **Jumped to 2.9% in October on higher electricity bills** YoY in October, slightly below house forecast and a tad above expectation (KIBB: 3.0%; Consensus: 2.8%; Sep: 2.2%). The higher growth in the inflation rate mainly reflected a jump in energy inflation due to the discontinuation of PEMULIH's electricity discount for both domestic and SME customers in September. On a monthly basis, CPI increased to a nine-month high of 0.7% (Sep: 0.2%), while core inflation edged up marginally at 0.7% YoY (Sep: 0.6%). 2021 headline inflation forecast maintained at 2.5% (2020: -1.2%) as rising household spending and spiking global commodity prices are seen to continue to keep inflation up. *(See Economic Viewpoint: Malaysia Consumer Price Index)*
- [Malaysia's export value expected to hit RM1.2t in 2021, says Azmin](#) The country's export value is projected to reach RM1.2t this year, Senior Minister cum International Trade and Industry Minister Datuk Seri Mohamed Azmin Ali said. *(The Edge Markets)*

Asia Pacific

- [China study warns of 'colossal' COVID outbreak if it opens up like U.S., France](#) China could face more than 630,000 COVID-19 infections a day if it dropped its zero-tolerance policies by lifting travel curbs, according to a study by Peking University mathematicians. *(Reuters)*
- [China's industrial profits growth accelerates in Oct](#) Profits at China's industrial firms grew at a faster pace in October, the statistics bureau said on Saturday, providing a buffer for a faltering economy battered by soaring raw material prices. *(Reuters)*

Americas

- [Fed's Bostic says he remains open to faster taper and one or two rate hikes in 2022](#) Atlanta Federal Reserve President Raphael Bostic said on Friday he is hopeful that the momentum of the U.S. economy will carry it through the next wave of the coronavirus pandemic, and said he remains open to accelerating the pace of the central bank's bond taper. *(Reuters)*
- [U.S. trade chief to keep pushing on vaccine IP, WTO reform after meeting delay](#) U.S. Trade Representative Katherine Tai said the United States would continue to push for World Trade Organization members to agree on an intellectual property framework for COVID-19 vaccines after a major WTO ministerial meeting set for next week was postponed on Friday. *(Reuters)*

Europe

- [German retail suffers at start of crucial Christmas season](#) A surge in coronavirus cases in Germany has led to a disappointing start to the Christmas season for retailers in Europe's biggest economy, the sector body said on Sunday. *(Reuters)*
- [UK inflation expectations fall for first time in 6 months -Citi/YouGov](#) Expectations among the British public for inflation over the next year fell for the first time in six months in November and were steady looking further ahead, according to a survey by Citi and polling firm YouGov. *(Reuters)*

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
TITIJAYA LAND BHD	0.250	16.14	8.47	0.14	0.240
N2N CONNECT BHD	0.595	17.64	12.78	5.53	0.580
MALAYSIAN BULK CARRIERS BHD	0.515	20.34	15.59	5.89	0.505
GLOBETRONICS TECHNOLOGY BHD	1.630	21.30	18.03	17.80	1.620
LAND & GENERAL BHD	0.110	21.75	9.20	0.02	0.105
MALAYAN FLOUR MILLS BHD	0.620	22.34	17.25	12.03	0.610
SYMPHONY LIFE BHD	0.440	22.38	17.09	6.96	0.425
APM AUTOMOTIVE HOLDINGS BHD	2.040	23.11	14.24	0.96	2.020
CSC STEEL HOLDINGS BHD	1.200	24.13	16.13	2.74	1.170
BERJAYA SPORTS TOTO BHD	1.910	24.36	16.11	1.89	1.900
JHM CONSOLIDATION BHD	1.670	24.45	15.68	1.44	1.640
MEGA FIRST CORP BHD	3.400	24.87	17.65	3.34	3.400
COASTAL CONTRACTS BHD	0.860	25.37	13.69	0.37	0.855
KRONOLOGI ASIA BHD	0.545	25.52	17.84	3.28	0.545
YTL HOSPITALITY REIT	0.905	25.53	16.92	8.99	0.900
BURSA MALAYSIA BHD	6.480	25.89	25.68	38.40	6.350
CARLSBERG BREWERY MALAYSIA B	20.080	25.93	21.48	9.33	20.020
MUDA HOLDINGS BERHAD	2.640	26.00	17.88	9.63	2.620
MALAYSIAN RESOURCES CORP BHD	0.350	26.01	18.87	3.66	0.350
BAHVEST RESOURCES BHD	0.450	26.16	19.09	10.66	0.450
MSM MALAYSIA HOLDINGS BHD	1.220	26.36	21.99	11.05	1.170

*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
MALAYAN CEMENT BHD-CG	0.045	14.95	10.30	0.98	0.035	27/5/2022
GENTING BHD-K	0.030	20.36	12.49	0.74	0.030	29/4/2022
PDZ HOLDINGS BHD-WC	0.010	20.40	23.60	31.17	0.010	26/10/2024
GENTING BHD-E	0.075	22.26	15.08	1.63	0.075	14/1/2022
JHM CONSOLIDATION BHD-CC	0.025	22.54	14.56	0.99	0.020	24/2/2022
GENTING BHD-F	0.005	22.61	15.46	1.52	0.005	31/12/2021
ENGTEX GROUP BHD-WB	0.160	23.32	16.68	3.76	0.150	4/9/2026
MI TECHNOVATION BHD-CZ	0.060	23.87	19.36	9.53	0.060	30/8/2022
MALAYSIA STEEL WORKS KL BHD-WB	0.095	24.16	16.45	1.36	0.095	21/10/2026
GENTING MALAYSIA BHD-A	0.020	24.52	15.33	0.92	0.010	31/12/2021
HARTALEGA HOLDINGS BHD-C81	0.050	24.81	21.20	2.06	0.045	28/6/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
MY EG SERVICES BHD-2E	0.130	72.20	68.13	54.31	0.140	30/8/2022

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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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 E-mail: research@kenanga.com.my