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| BURSA | 6-Jan | Day chg | % chg |
|---------------------|----------|---------|--------|
| KLCI | 1,533.4 | -14.59 | -0.94% |
| FTSE EMAS | 11,158.9 | -90.9 | -0.81% |
| FTSE Smallcap | 15,935.3 | -93.65 | -0.58% |
| FTSE MESDAQ | 6,582.0 | -102.0 | -1.53% |
| KLSE Mkt Cap (RM'b) | 1,706.5 | 8.8 | 0.52% |

BURSA DAILY TRADING PARTICIPATION

| Participation | Net (RM'm) | Value (%) |
|-------------------|------------|-----------|
| Local Institution | 83.2 | 45.2% |
| Local Retail | 37.6 | 32.8% |
| Foreign | -120.8 | 22.0% |

| INDICES | 6-Jan | Day chg | % chg |
|------------|----------|---------|--------|
| Dow Jones | 36,236.5 | -170.6 | -0.47% |
| S&P 500 | 4,696.1 | -4.5 | -0.10% |
| NASDAQ | 15,080.9 | -19.3 | -0.13% |
| FTSE-100 | 7,450.4 | -66.5 | -0.88% |
| Nikkei 225 | 28,487.9 | -844.3 | -2.88% |
| SHCOMP | 3,586.1 | -9.1 | -0.25% |
| HSI | 23,072.9 | 165.6 | 0.72% |
| STI | 3,184.3 | 20.9 | 0.66% |
| KOSPI | 2,920.5 | -33.4 | -1.13% |
| TWSE | 18,367.9 | -132.0 | -0.71% |
| JCI | 6,653.4 | -8.948 | -0.13% |
| SET | 1,653.0 | -23.8 | -1.42% |

| FOREX | 6-Jan | 5-Jan | % chg |
|----------|--------|--------|--------|
| USD/MYR: | 4.2140 | 4.1943 | 0.47% |
| EUR/USD: | 1.1312 | 1.1308 | 0.04% |
| GBP/USD: | 1.3529 | 1.3533 | -0.03% |
| USD/YEN: | 115.87 | 115.77 | 0.09% |
| USD/SGD: | 1.3599 | 1.3564 | 0.26% |
| USD/HKD: | 7.8009 | 7.7938 | 0.09% |

KEY STATS

| KLCI Spot | | | |
|----------------------------|---------|----------|---------|
| Vol (m shares): | 2,866.1 | 4,496.1 | -36.25% |
| Value (RMm): | 1,903.1 | 1,961.6 | -2.98% |
| KLCI Future | | | |
| January-22 | 1,530.5 | 1,544.5 | -0.91% |
| February-22 | 1,532.5 | 1,545.0 | -0.81% |
| CPO Price (RM/tonne) | | | |
| Soybean (US\$/bu) | 1,387.3 | 1,394.8 | -0.54% |
| SoyOil (USc/lb) | 58.9 | 59.4 | -0.81% |
| Gold (US\$/troy oz) | 1,789.2 | 1,825.1 | -1.97% |
| Nymex crude oil (US\$/bbl) | 79.5 | 77.9 | 2.07% |
| Latex (RM/kg) | 5.60 | 5.57 | 0.54% |
| Tin (US\$/mt) | N/A | 39,821.0 | N/A |

Research Highlights

NEWS HIGHLIGHTS

- **FGV issues first tranche of RM500m sukuk programme**
- **Sam Engineering proposes three-for-one bonus issue**
- **Daibochi to trade under new name Scientex Packaging (Ayer Keroh) Bhd from Jan 7**
- **Lion Industries buys leasehold agriculture land in Sepang for RM23m**
- **Samaiden partners with Sinowaja to tap into East Malaysia's renewable energy space**

MACRO BITS

- **World food prices hit 10-year high in 2021**
- **Global bond rout intensifies as Fed prompts bets on faster hikes**
- **E-money transactions in Nov 2021 highest in five years**
- **Covid-19: New infections up again to 3,543 cases on Jan 6**
- **Malaysia's daily Covid-19 cases could exceed 30,000 by end-March due to Omicron variant**
- **Thailand raises Covid-19 alert level due to Omicron spread**
- **Singapore's unemployment rates continue declining in November**
- **China's yuan eases on hawkish Fed, warning of depreciation pressure**
- **US yield spike props up Japan rates, puts BOJ policy to test**
- **Australia suffers record Covid-19 cases, straining businesses and supply chains**
- **U.S. trade deficit widens sharply on record high goods imports**
- **U.S. weekly jobless claims increase moderately despite soaring COVID-19 cases**
- **Omicron pushes UK services PMI to 10-month low**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **On Our Technical Watch: SSTEEL, ABLEGLOB**
- **Rating Summary**

| # | Top Volume | | | | Top Gainer | | | | Top Loser | | | |
|----|------------|-------|------------|---------|------------|-------|------------|---------|-----------|-------|------------|---------|
| | Stock | Price | %Chg (+/-) | Vol (m) | Stock | Price | %Chg (+/-) | Vol (m) | Stock | Price | %Chg (+/-) | Vol (m) |
| 1 | TOPGLOV | 2.44 | 0.0 | 26.60 | MRDIY | 3.70 | 1.4 | 2.96 | PPB | 16.38 | -3.4 | 0.42 |
| 2 | PBBANK | 4.12 | -1.2 | 13.60 | MISC | 6.98 | 0.1 | 1.49 | MAXIS | 4.41 | -2.7 | 1.76 |
| 3 | INARI | 3.92 | -1.5 | 9.86 | SIMEPLT | 3.79 | 0.0 | 2.04 | IOICORP | 3.75 | -2.6 | 1.68 |
| 4 | CIMB | 5.43 | -0.7 | 7.60 | TOPGLOV | 2.44 | 0.0 | 26.60 | DIGI | 3.97 | -2.5 | 2.09 |
| 5 | SIME | 2.27 | -0.9 | 7.21 | HLBANK | 19.10 | -0.1 | 0.60 | PETDAG | 18.90 | -1.6 | 0.15 |
| 6 | TENAGA | 9.04 | -1.0 | 6.17 | HARTA | 5.74 | -0.2 | 3.46 | INARI | 3.92 | -1.5 | 9.86 |
| 7 | IHH | 6.76 | -1.5 | 5.97 | GENTING | 4.70 | -0.2 | 2.90 | IHH | 6.76 | -1.5 | 5.97 |
| 8 | PMETAL | 5.70 | -0.4 | 5.77 | GENM | 2.89 | -0.3 | 2.62 | TM | 5.41 | -1.5 | 1.77 |
| 9 | PCHEM | 8.73 | -0.6 | 4.74 | PMETAL | 5.70 | -0.4 | 5.77 | PBBANK | 4.12 | -1.2 | 13.60 |
| 10 | MAYBANK | 8.30 | -0.6 | 4.65 | DIALOG | 2.67 | -0.4 | 4.41 | PETGAS | 16.68 | -1.1 | 0.55 |

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

Corporate News

- **FGV issues first tranche of RM500m sukuk programme**

FGV Holdings Bhd said it has issued the first tranche of its RM500m sukuk murabahah programme. It was issued on Dec 31 last year, the palm oil giant said in a bourse filing, without specifying the value of the tranche. FGV said the proceeds raised from the sukuk issuance have been utilised by the group to refinance its existing financing or borrowing. "For avoidance of doubt, the utilisation of the proceeds of the sukuk murabahah programme shall at all times be for shariah-compliant purposes. (*The Edge Markets*)

- **Sam Engineering proposes three-for-one bonus issue**

Sam Engineering & Equipment (M) Bhd has proposed a bonus issue of 406.1m shares on the basis of three new shares for every share held. In a filing with Bursa Malaysia, the company said the bonus issue serves to improve the marketability and trading liquidity of its shares on lower trading prices which would attract a broader range of investors. Sam Engineering said based on the lowest daily volume-weighted average market price of its shares during the past three-month period of RM20.19, the theoretical ex-bonus price would be RM5.05. (*The Edge Markets*)

- **Daibochi to trade under new name Scientex Packaging (Ayer Keroh) Bhd from Jan 7**

Plastic packaging producer Daibochi Bhd will be changing its name to Scientex Packaging (Ayer Keroh) Bhd effective Friday (Jan 7), according to Bursa Malaysia Securities Bhd. The local stock operator said the company's securities will be traded and quoted under the new name with its new stock short name "SCIPACK". The Company's Stock Code remains unchanged, Bursa said. In November last year, stretch film producer Scientex Bhd had completed its unconditional voluntary takeover offer of Daibochi Bhd but failed to accumulate the 90% stake required for it to privatise the latter, despite having extended the offer by two weeks. (*The Edge Markets*)

- **Lion Industries buys leasehold agriculture land in Sepang for RM23m**

Lion Industries Bhd has proposed to acquire a sub-divided leasehold agriculture land in Sepang for RM23m or RM6.60 per sq ft in a related-party transaction. The group on Thursday (Jan 6) entered into an agreement with Granprop Sdn Bhd and Premier Land Resources Sdn Bhd for the acquisition of the 80-acre (3.48 sq ft) land. Premier Land is the master land title holder of 1,287 acres of land that includes the 80-acre sub-divided piece. Premier Land had in December 2020 entered into an agreement to sell the 1,287 acres of land to Grandprop Sdn Bhd for RM27.9m or RM8 per sq ft. (*The Edge Markets*)

- **Samaiden partners with Sinowaja to tap into East Malaysia's renewable energy space**

Samaiden Group Bhd, the renewable energy (RE) and environment solutions provider, has teamed up with a Sarawak-based firm to provide solutions for the RE market in East Malaysia. Samaiden said that under the three-year deal with Sinowaja (Malaysia) Sdn Bhd, the two parties will initially focus on projects related to solar photovoltaic (PV), as well as smart or microgrid systems. (*The Edge Markets*)



Macro Bits

Global

- [World food prices hit 10-year high in 2021](#) World food prices jumped 28.0% in 2021 to their highest level in a decade and hopes for a return to more stable market conditions this year are slim, the U.N.'s food agency said on Thursday. The Food and Agriculture Organization's food price index, which tracks the most globally traded food commodities, averaged 125.7 points in 2021, the highest since 131.9 in 2011. *(Reuters)*
- [Global bond rout intensifies as Fed prompts bets on faster hikes](#) The Treasury selloff that started the year is rippling across the globe as investors scramble to price in the risk that the Federal Reserve raises interest rates faster than currently anticipated to contain inflation. Yields on US 10-year notes climbed to 1.73% on Thursday, just shy of the 2021 high of 1.77%. The jump sparked a sell-off in bonds and equities across Asia and Europe. *(Bloomberg)*

Malaysia

- [E-money transactions in Nov 2021 highest in five years](#) Malaysia saw 233.6m electronic money transactions worth RM5.0m in November last year, according to data provided by Bank Negara Malaysia. This is the highest monthly figure since 2016. *(The Edge Markets)*
- [Covid-19: New infections up again to 3,543 cases on Jan 6](#) Daily Covid-19 cases rose again on Thursday (Jan 6) to 3,543, compared to 3,270 cases on Wednesday, taking the cumulative total infections to 2,776,699 as of noon on Thursday. *(The Edge Markets)*
- [Malaysia's daily Covid-19 cases could exceed 30,000 by end-March due to Omicron variant](#) Health Minister Khairy Jamaluddin said the number of Covid-19 cases in Malaysia could rise to more than 30,000 per day by the end of March as the Omicron variant spreads. *(The Edge Markets)*

Asia Pacific

- [Thailand raises Covid-19 alert level due to Omicron spread](#) Thailand on Thursday raised its Covid-19 alert level following rising infections driven by the spread of the Omicron variant of the coronavirus, a senior health official said. The change, from level three to four, sets a pretext for possible measures that could follow, such as closing high-risk areas and placing restrictions on domestic travel or public gatherings. *(The Edge Markets)*
- [Singapore's unemployment rates continue declining in November](#) Singapore's unemployment rates continued to decline in November, according to Manpower Ministry statistics on Thursday (Jan 6). The overall unemployment rate declined to 2.5%, from 2.6% the month before. *(The Business Times)*
- [China's yuan eases on hawkish Fed, warning of depreciation pressure](#) China's yuan eased against the dollar on Thursday (Jan 6), dragged lower by investor worries over capital outflow risks and depreciation pressure after the US Federal Reserve (Fed) indicated it would tighten monetary policy at a faster pace than markets had expected. *(The Edge Markets)*
- [US yield spike props up Japan rates, puts BOJ policy to test](#) A surge in US Treasury yields drove up Japanese long-term interest rates to a nine-month high on Thursday (Jan 6), testing the central bank's resolve to cap borrowing costs around zero. *(The Edge Markets)*
- [Australia suffers record Covid-19 cases, straining businesses and supply chains](#) Fuelled by the highly transmissible Omicron variant, Australia's daily coronavirus infections soared to a fresh peak on Thursday, overwhelming hospitals, while isolation rules caused labour shortages, putting a strain on businesses and supply chains. *(The Edge Markets)*

Americas

- [U.S. trade deficit widens sharply on record high goods imports](#) The U.S. trade deficit widened sharply in November as goods imports surged to a record high, suggesting that trade likely remained a drag on economic growth in the fourth quarter. The Commerce Department said on Thursday that the trade gap jumped 19.4% to USD80.2b in November. *(Reuters)*
- [U.S. weekly jobless claims increase moderately despite soaring COVID-19 cases](#) The number of Americans filing new claims for unemployment benefits unexpectedly rose last week as soaring COVID-19 infections disrupted activity at businesses and schools. Initial claims for state unemployment benefits increased 7,000 to a seasonally adjusted 207,000 for the week ended Jan. 1. *(Reuters)*

Europe

- [Omicron pushes UK services PMI to 10-month low](#) Britain's services sector suffered its biggest loss of momentum last month since the country was last in lockdown, as the spread of the Omicron variant of coronavirus hammered hospitality and travel, a survey showed on Thursday. *(Reuters)*

07 January 2022

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

| NAME* | LAST PRICE | RSI 14D | RSI 9D | RSI 3D | HIGH 30D |
|----------------------------|------------|---------|--------|--------|----------|
| HOCK SENG LEE BERHAD | 1.350 | 89.24 | 89.18 | 74.67 | 1.360 |
| BREM HOLDING BHD | 1.160 | 84.64 | 84.45 | 98.73 | 1.160 |
| COASTAL CONTRACTS BHD | 1.770 | 84.17 | 90.78 | 99.15 | 1.800 |
| CHIN WELL HOLDINGS BHD | 1.460 | 81.17 | 87.30 | 94.49 | 1.490 |
| UOA REAL ESTATE INVESTMENT | 1.150 | 77.74 | 85.84 | 99.33 | 1.160 |
| KIM LOONG RESOURCES BHD | 1.700 | 77.67 | 87.63 | 99.53 | 1.720 |
| ANCOM BHD | 3.260 | 75.03 | 79.54 | 81.91 | 3.420 |
| MIECO CHIPBOARD BERHAD | 0.585 | 72.41 | 74.33 | 76.40 | 0.590 |
| AEON CREDIT SERVICE M BHD | 14.920 | 71.96 | 81.26 | 97.24 | 14.680 |
| AJIYA BHD | 1.130 | 71.69 | 73.25 | 69.30 | 1.190 |
| WELLCALL HOLDINGS BHD | 1.290 | 71.65 | 72.89 | 65.86 | 1.380 |
| CSC STEEL HOLDINGS BHD | 1.300 | 71.27 | 80.42 | 95.78 | 1.300 |

*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 |
|----------------------------------|------------|---------|--------|--------|---------|-------------|
| BSL CORP BHD-WA | 0.200 | 10.80 | 10.83 | 3.37 | 0.140 | 11/11/2024 |
| HANG SENG INDEX-IU | 0.005 | 23.11 | 14.37 | 2.56 | 0.005 | 28/1/2022 |
| MALAYAN BANKING BHD-C81 | 0.075 | 25.00 | 23.25 | 6.71 | 0.075 | 28/3/2022 |
| DAGANG NEXCHANGE BHD-CB | 0.020 | 28.37 | 28.50 | 48.04 | 0.015 | 31/1/2022 |
| GEELY AUTOMOBILE HOLDINGS LTD-C6 | 0.015 | 28.85 | 25.37 | 33.95 | 0.010 | 4/4/2022 |
| HANG SENG INDEX-QK | 0.235 | 29.35 | 31.09 | 26.60 | 0.240 | 30/5/2022 |
| BYD CO LTD-C4 | 0.050 | 29.74 | 22.74 | 7.21 | 0.045 | 28/1/2022 |
| MEITUAN-C5 | 0.020 | 29.87 | 25.65 | 13.17 | 0.020 | 2/3/2022 |

Source: Bloomberg

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

| NAME | LAST PRICE | RSI 14D | RSI 9D | RSI 3D | HIGH 30D | EXPIRY DATE |
|----------------------|------------|---------|--------|--------|----------|-------------|
| ACME HOLDINGS BHD-WA | 0.115 | 75.64 | 83.83 | 93.28 | 0.130 | 21/11/2024 |

Source: Bloomberg

07 January 2022

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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