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Research Highlights

BURSA	7-Jan	Day chg	% chg
KLCI	1,543.1	9.75	0.64%
FTSE EMAS	11,217.4	58.5	0.52%
FTSE Smallcap	16,013.4	78.08	0.49%
FTSE MESDAQ	6,692.0	110.1	1.67%
KLSE Mkt Cap (RM'b)	1,702.0	-4.5	-0.26%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	44.24	45.14
Local Retail	-24.00	34.43
Foreign	-20.23	20.43

INDICES	7-Jan	Day chg	% chg
Dow Jones	36,231.7	-4.8	-0.01%
S&P 500	4,677.0	-19.0	-0.41%
NASDAQ	14,935.9	-145.0	-0.96%
FTSE-100	7,485.3	34.9	0.47%
Nikkei 225	28,478.6	-9.3	-0.03%
SHCOMP	3,579.5	-6.5	-0.18%
HSI	23,493.4	420.5	1.82%
STI	3,205.3	21.0	0.66%
KOSPI	2,954.9	34.4	1.18%
TWSE	18,169.8	-198.2	-1.08%
JCI	6,701.3	47.965	0.72%
SET	1,657.6	4.6	0.28%

FOREX	7-Jan	6-Jan	% chg
USD/MYR:	4.2075	4.2140	-0.15%
EUR/USD:	1.1360	1.1312	0.42%
GBP/USD:	1.3588	1.3529	0.44%
USD/YEN:	115.56	115.87	-0.27%
USD/SGD:	1.3557	1.3599	-0.31%
USD/HKD:	7.7974	7.8009	-0.04%

KEY STATS

KLCI Spot			
Vol (m shares):	4,140.9	2,866.1	44.48%
Value (RMm):	1,903.9	1,903.1	0.04%
KLCI Future			
Jan-22	1,541.5	1,530.5	0.72%
Feb-22	1,541.5	1,532.5	0.59%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,410.3	1,387.3	1.66%
SoyOil (USc/lb)	58.8	58.9	-0.19%
Gold (US\$/troy oz)	1,797.4	1,789.2	0.46%
Nymex crude oil (US\$/bbl)	78.9	79.5	-0.70%
Latex (RM/kg)	5.72	5.63	1.60%
Tin (US\$/mt)	40,256.00	39,615.0	1.62%

NEWS HIGHLIGHTS

- **MSM Malaysia inks RM290 mil deal with the Coca-Cola Company to supply refined sugar for two years**
- **Solution Group says it is seeking approval for Cansino booster to be used for other primary vaccination recipients**
- **Minotech partners local private company to import Samyang Food products**
- **Grand Hoover bags three construction jobs worth RM374 mil from Widad Group**
- **Sarawak Cable proposes RM125m debt restructuring plan**

MACRO BITS

- **Japan and U.S. vow more defence cooperation to counter Chinese threat**
- **U.S. tamps down expectations for talks with Russia amid Ukraine crisis**
- **Dollar suffers biggest drop in six weeks after U.S. jobs report**
- **On continued uptrend in December on FX revaluation gains and gold buying activity (See *Economic Viewpoint: BNM International Reserves*)**
- **MGS/GII yields to rise in tandem with higher UST yields (See *Economic Viewpoint: Bond Market Weekly Outlook*)**
- **To linger around the 4.21-level over Fed hawkish revelation (See *Economic Viewpoint: Ringgit Weekly Outlook*)**
- **Covid-19: New cases drop to 2,888 on Jan 9, says Health D-G**
- **Covid-19: Malaysia cannot afford to implement lockdown, says Khairy**
- **China's Tianjin begins city-wide testing after at least two local Omicron cases detected**
- **Restrictions imposed in several states in India as Covid-19 cases rise**
- **U.S. labor market eyes maximum employment despite underwhelming December payrolls**
- **Omicron surge pushes U.S. COVID hospitalizations toward record high**
- **ECB may need to act if energy price rises more persistent: Schnabel**
- **Omicron dents euro zone's economic rebound; inflation at record high**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Weekly Technical Review**
- **Regional News Update**
- **Economic Viewpoint: Bond Market Weekly Outlook, BNM International Reserves, 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	2.47	1.2	14.30	SIMEPLT	3.94	4.0	1.85	TM	5.34	-1.3	2.20
2	PBBANK	4.16	1.0	10.70	IOICORP	3.88	3.5	1.82	GENTING	4.65	-1.1	4.35
3	INARI	3.90	-0.5	10.00	HARTA	5.85	1.9	5.13	AXIATA	3.84	-0.5	3.83
4	CIMB	5.46	0.6	9.17	HLFG	17.62	1.6	0.11	INARI	3.90	-0.5	10.00
5	PMETAL	5.75	0.9	6.95	MRDIY	3.75	1.4	1.64	NESTLE	132.00	-0.5	0.11
6	GENM	2.89	0.0	6.58	TOPGLOV	2.47	1.2	14.30	IHH	6.74	-0.3	3.29
7	HARTA	5.85	1.9	5.13	KLK	21.96	1.2	0.48	GENM	2.89	0.0	6.58
8	GENTING	4.65	-1.1	4.35	DIALOG	2.70	1.1	3.48	PPB	16.38	0.0	0.22
9	MAYBANK	8.32	0.2	4.30	PBBANK	4.16	1.0	10.70	PETDAG	18.90	0.0	0.26
10	AXIATA	3.84	-0.5	3.83	MAXIS	4.45	0.9	1.15	HLBANK	19.12	0.1	0.81

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **MSM Malaysia inks RM290 mil deal with the Coca-Cola Company to supply refined sugar for two years**

MSM Malaysia Holdings Bhd has secured a contract worth an estimated RM290 million to supply refined sugar to The Coca-Cola Company (Coca-Cola) for both domestic and international production. In a statement on Friday (Jan 7), the sugar refiner said the contract, won by its wholly-owned subsidiary MSM Prai Bhd, will entail supplying the ingredient to Coca-Cola Bottlers (Malaysia) Sdn Bhd. (*The Edge Market*)

- **Solution Group says it is seeking approval for Cansino booster to be used for other primary vaccination recipients**

Solution Group Bhd, which has secured conditional approval from the Malaysian government for the Covid-19 vaccine Convidecia (Cansino) to be used as a booster shot for those who received the same vaccine previously, is now working to get Cansino to be approved as a booster for other primary vaccination recipients. "We are also working to obtain approval from the NPRA for [the] Convidecia vaccine to be used as a booster vaccine for other primary vaccines such as [Sinovac] CoronoVac," said Solution Group deputy managing director Datuk Mohd Nazlee Kamal in a statement. (*The Edge Markets*)

- **Minetech partners local private company to import Samyang Food products**

Engineering services company Minetech Resources Bhd is teaming up with a local private company to import and trade processed food products from South Korean food manufacturer Samyang Food Co Ltd. In a bourse filing, Minetech said its wholly owned Diman KS Chin Sdn Bhd (DKSCSB) had on Friday (Jan 7) inked a teaming agreement with Vitamin 2U Sdn Bhd (V2SB) for the trading business. (*The Edge Markets*)

- **Grand Hoover bags three construction jobs worth RM374 mil from Widad Group**

Grand Hoover Bhd (GHB) has bagged three construction contracts worth a total of RM373.83 million from Widad Group Bhd's unit, Widad Builders Sdn Bhd, in Kelantan and Kedah. The contracts were awarded to Grand Hoover's wholly-owned Pembinaan ATT Sdn Bhd (formerly known as Hoover Property Development Sdn Bhd), according to Grand Hoover's filing. The first job is a sub-contract worth RM188.8 million for the Kota Bharu-Kuala Krai highway construction project. The second is a RM110.02 million sub-contract to upgrade the Bukit Selambau water treatment plant in Kedah; the third is a RM75.01 million job to upgrade the Sungai Limau water treatment plant, also in Kedah. (*The Edge Markets*)

- **Sarawak Cable proposes RM125m debt restructuring plan**

Sarawak Cable Bhd (SCable) has proposed to settle its debts totalling RM124.59 million owing to AmBank (M) Bhd, Bank Muamalat Malaysia Bhd and Hong Leong Islamic Bank Bhd (HLISB) by restructuring the payment/repayment terms under the existing facilities. In a filing with Bursa Malaysia on Friday (Jan 7), the cable and wire manufacturer said it is proposing to issue redeemable convertible debt (RCD) worth RM19.16 million with an interest rate of 5% per year to AmBank and redeemable convertible Islamic debt (RCD-i) RM29.98 million with a profit rate of 5% per year to Bank Muamalat, to settle approximately RM49.14 million of the debt owed to the two lenders. (*The Edge Markets*)



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Macro Bits

Global

- [Japan and U.S. vow more defence cooperation to counter Chinese threat](#) The United States and Japan on Friday voiced strong concern about China's growing might in unambiguous terms and pledged to work together against attempts to destabilise the region. *(Reuters)*
- [U.S. tamps down expectations for talks with Russia amid Ukraine crisis](#) U.S. Secretary of State Antony Blinken said on Sunday he does not expect breakthroughs in U.S.-Russia security talks this week but hopes to find some common ground amid a crisis in Ukraine. *(Reuters)*
- [Dollar suffers biggest drop in six weeks after U.S. jobs report](#) The dollar was on track for its biggest daily percentage drop in six weeks on Friday on the heels of the December U.S. jobs report that missed expectations, but it was still seen as strong enough to keep the Federal Reserve's tightening path intact. *(Reuters)*

Malaysia

- [On continued uptrend in December on FX revaluation gains and gold buying activity](#) Bank Negara Malaysia (BNM) international reserves rose marginally by USD0.2b or 0.2% MoM (Nov: 0.5%) to USD116.9b as of 31 December 2021. Sufficient to finance 7.7 months of retained imports and is 1.2 times total short-term external debt. This was attributable to an increase in foreign currency reserves, gold and other reserve assets. BNM may only start to tighten its monetary policy in the 2H22. *(See Economic Viewpoint: BNM International Reserves)*
- [MGS/GII yields to rise in tandem with higher UST yields](#) Domestic yields trended higher last week, as Omicron concerns remain subdued and driven by rising US Treasury yields. This follows the release of the US FOMC minutes, which indicated a hawkish Fed and potentially more aggressive monetary policy tightening on the horizon. MGS and GII yields will likely continue to rise this week, tracking an expected uptrend in US Treasury yields. Yields may also be driven higher by a stable COVID-19 situation, as domestic cases return to below the 3,000 level. *(See Economic Viewpoint: Bond Market Weekly Outlook)*
- [To linger around the 4.21-level over Fed hawkish revelation](#) Even though the USD index fell to below the 96.0 mark last Friday amid a disappointing US December jobs report, the USDMYR pair may turn muted this week and is expected to trade around the 4.21 level due to lingering Omicron worries. However, the local note may face another round of sell-off if the US inflation rate spikes again, increasing the likelihood that the Fed would kick off its policy normalisation sooner. *(See Economic Viewpoint: Ringgit Weekly Outlook)*
- [Covid-19: New cases drop to 2,888 on Jan 9, says Health D-G](#) New Covid-19 cases in Malaysia fell to 2,888 on Sunday (Jan 9) compared with 3,251 cases on Saturday, said Health director-general Tan Sri Dr Noor Hisham Abdullah. *(The Edge Markets)*
- [Covid-19: Malaysia cannot afford to implement lockdown, says Khairy](#) Malaysia cannot afford, in the economic and welfare aspects, to implement a lockdown to curb the spread of Covid-19, Health Minister Khairy Jamaluddin said on Sunday (Jan 9). *(The Edge Markets)*

Asia Pacific

- [China's Tianjin begins city-wide testing after at least two local Omicron cases detected](#) The northern coastal city of Tianjin began testing its population of around 14.0m on Sunday after at least two local cases of the highly-transmissible Omicron variant were detected, state media reported. *(Reuters)*
- [Restrictions imposed in several states in India as Covid-19 cases rise](#) India reported 159,632 new COVID-19 cases on Sunday, as the Omicron variant of the coronavirus continues to spread rapidly in the country, nudging several state governments to impose fresh restrictions. *(Reuters)*

Americas

- [U.S. labor market eyes maximum employment despite underwhelming December payrolls](#) U.S. employment rose far less than expected in December amid worker shortages, and job gains could remain moderate in the near term as spiraling COVID-19 cases disrupt economic activity. *(Reuters)*
- [Omicron surge pushes U.S. COVID hospitalizations toward record high](#) COVID-19 hospitalizations in the United States are poised to hit a new high as early as Friday, according to a Reuters tally, surpassing the record set in January of last year as the highly contagious Omicron variant fuels a surge in infections. *(Reuters)*

Europe

- [ECB may need to act if energy price rises more persistent: Schnabel](#) Rising energy prices may force the European Central Bank to stop "looking through" high inflation and act to temper price growth, particularly if the green transition proves inflationary, ECB board member Isabel Schnabel said on Saturday. *(Reuters)*
- [Omicron dents euro zone's economic rebound; inflation at record high](#) Euro zone economic sentiment dropped more than expected last month while inflation hit another record high, indicating the economy is under renewed stress as surging coronavirus infections force governments to tighten restrictions. *(Reuters)*

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
HOCK SENG LEE BERHAD	1.340	89.73	89.89	82.25	1.370
COASTAL CONTRACTS BHD	1.790	80.49	84.41	81.10	1.920
CHIN WELL HOLDINGS BHD	1.480	78.41	82.57	78.56	1.490
AEON CREDIT SERVICE M BHD	14.920	76.37	85.36	98.42	15.120
BREM HOLDING BHD	1.150	75.68	64.11	16.64	1.160
KIM LOONG RESOURCES BHD	1.710	74.02	81.25	79.66	1.720
DAGANG NEXCHANGE BHD	0.870	73.62	83.70	97.89	0.870
EVERGREEN FIBREBOARD BHD	0.560	73.23	77.22	90.63	0.570
SAM ENGINEERING & EQUIPMENT	24.900	72.96	80.75	94.98	25.000
CUSCAPI BHD	0.355	72.39	76.09	81.00	0.395
ELSOFT RESEARCH BHD	1.170	71.55	79.28	95.49	1.200

*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
MI TECHNOVATION BHD-CX	0.005	16.09	7.48	0.02	0.005	28/3/2022
HANG SENG INDEX-IU	0.005	23.11	14.37	2.56	0.005	28/1/2022
BSL CORP BHD-WA	0.235	26.61	43.45	84.30	0.140	11/11/2024
STRAITS ENERGY RESOURCES BHD-WA	0.055	28.59	30.47	38.35	0.050	10/8/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
DAGANG NEXCHANGE BHD-CN	0.120	77.19	81.90	94.77	0.120	30/8/2022
ACME HOLDINGS BHD-WA	0.110	72.65	79.73	85.73	0.130	21/11/2024
SERSOL BHD-WA	0.265	70.73	79.45	90.14	0.290	18/4/2023

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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