

By **Teh Kian Yeong** / tehy@kenanga.com.my

Research Highlights

BURSA	10-Jan	Day chg	% chg
KLCI	1,550.2	7.06	0.46%
FTSE EMAS	11,230.7	13.3	0.12%
FTSE Smallcap	15,918.8	-94.56	-0.59%
FTSE MESDAQ	6,753.9	61.9	0.92%
KLSE Mkt Cap (RM'b)	1702.5	0.5	0.03%

NEWS HIGHLIGHTS

- Allianz declares higher dividend of 63 sen
- Land & General buys land in Puchong Jaya for RM68m
- HSS Engineers wins 5G contracts from Digital Nasional
- Nova MSC bags RM14.4m contract in Nigeria
- ACE Market-bound Coraza IPO's Malaysian public portion oversubscribed by 132.5 times

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-42.2	46.2%
Local Retail	5.4	34.9%
Foreign	36.8	18.9%

MACRO BITS

- IMF says emerging economies must prepare for Fed policy tightening
- Cyprus discovers Covid-19 variant that combines Omicron and Delta — report
- Unemployment rate stays at 4.3% in November, participation rate hit all time high (See *Economic Viewpoint: Malaysia Labour Market*)
- Expanded to a 6-month high in November on broad-based YoY increase (See *Economic Viewpoint: Malaysia Industrial Production*)
- Inflows returned in December, registering a 4-month high (See *Economic Viewpoint: Malaysia Bond Flows*)
- Malaysia's manufacturing sales value grows 18.8% to RM142.4b in November 2021
- China's Tianjin tightens control over travel after Omicron cases
- Thai c.bank sees lower H1 economic growth due to Omicron outbreak
- China says will quicken bond issuance, spur investment - state media
- Omicron becomes latest speed bump for shorthanded U.S. factories
- Euro zone investor morale rises slightly as mood stabilises
- UK manufacturers positive about 2022 despite Brexit and inflation

INDICES	10-Jan	Day chg	% chg
Dow Jones	36,068.9	-162.8	-0.45%
S&P 500	4,670.3	-6.7	-0.14%
NASDAQ	14,942.8	6.9	0.05%
FTSE-100	7,445.3	-40.0	-0.53%
Nikkei 225	N.A.	N.A.	N.A.
SHCOMP	3,593.5	14.0	0.39%
HSI	23,746.5	253.2	1.08%
STI	3,227.1	21.8	0.68%
KOSPI	2,926.7	-28.2	-0.95%
TWSE	18,239.4	69.6	0.38%
JCI	6,691.1	-10.192	-0.15%
SET	1,657.1	-0.6	-0.03%

FOREX	10-Jan	7-Jan	% chg
USD/MYR:	4.2005	4.2075	-0.17%
EUR/USD:	1.1330	1.1360	-0.26%
GBP/USD:	1.3588	1.3588	0.00%
USD/YEN:	115.57	115.56	0.01%
USD/SGD:	1.3546	1.3557	-0.08%
USD/HKD:	7.7963	7.7974	-0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	6,667.1	4,140.9	61.01%
Value (RMm):	2,378.4	1,903.9	24.92%
KLCI Future			
Jan-22	1,546.0	1,541.5	0.29%
Feb-22	1,546.0	1,541.5	0.29%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,384.8	1,410.3	-1.81%
SoyOil (USc/lb)	58.2	58.8	-1.07%
Gold (US\$/troy oz)	1,798.8	1,797.4	0.08%
Nymex crude oil (US\$/bbl)	78.2	78.9	-0.85%
Latex (RM/kg)	5.70	5.72	-0.35%
Tin (US\$/mt)	N.A.	40,256.0	N.A.

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Plantation
- Company Update: CTOS, MUHIBAH
- On Our Technical Watch: SERSOL, SCGBHD
- Economic Viewpoint: MY Industrial Production, MY Bond Flows, MY Labour Market

#	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 (FBMKLCI) component stocks

Corporate News

- **Allianz declares higher dividend of 63 sen**

Allianz Malaysia Bhd shareholders have much to cheer as the group has proposed an interim dividend of 63 sen per share for the financial year ended Dec 31, 2021 (FY21). The insurer has also declared an interim dividend of 75.6 sen per irredeemable convertible preference share (ICPS). Previously, the group paid a dividend of 58 sen per share and 69.6 sen per ICPS for FY20. (*The Edge Markets*)

- **Land & General buys land in Puchong Jaya for RM68m**

Land & General Bhd (L&G) is buying a 3.6-acre leasehold land within the main commercial centre of Bandar Puchong Jaya for RM68m. The land, belonging to Hartanah Idaman (M) Sdn Bhd, is located within walking distance of the IOI Puchong Jaya LRT station and IOI Shopping Mall, the property developer said in a filing with Bursa Malaysia. The land has strong earnings potential owing to the type of units to be developed in the area, L&G said, adding that the anticipated selling prices for the units should be attractive to new homebuyers. (*The Edge Markets*)

- **HSS Engineers wins 5G contracts from Digital Nasional**

HSS Engineers Bhd's (HEB) unit HSS Integrated Sdn Bhd (HSSI) has clinched contracts from Digital Nasional Bhd (DNB) to provide consultancy services for the implementation of Malaysia's 5G infrastructure and network. In a statement today, the engineering and project management consultant company said this marked its diversification into the telecommunications sector. DNB is mandated by the government to be the single neutral party for the deployment of 5G infrastructure and network nationwide. The scope of HSSI's consultancy services encompasses commercial contract management for term sheets and access agreements, RFx and negotiation for site leasing CRate card and special conditions, as well as site management partner for post site acquisition activities. (*NST Business*)

- **Nova MSC bags RM14.4m contract in Nigeria**

NOVA MSC Bhd's unit, novaCITYNETS International Ltd, has signed a contract for the provision of FORNAZ ePlanCheck software to ENL-Nova Ltd's electronic physical planning process system project (EPPPS) for the Nigeria Lagos state government. The group said in a statement that the agreement will be for 10 years from 2022 to 2031. The agreement will be based on a pay-per-use revenue model, which depends on ENL-Nova's revenue collection from EPPPS and the end-users adoption of the EPPPS. (*The Star*)

- **ACE Market-bound Coraza IPO's Malaysian public portion oversubscribed by 132.5 times**

Integrated engineering supporting services provider Coraza Integrated Technology Bhd said the Malaysian public portion of its initial public offering (IPO) was oversubscribed by 132.5 times. The company, which is set to list on Bursa Malaysia's ACE Market on Jan 20, 2022, said it received 26,781 applications seeking 2.9b new shares for the 21.4m new shares made available for the Malaysian public under the IPO. A total of 12,482 applications for 1b new shares were received under the Bumiputera category, representing an oversubscription rate of 93.7 times, while a total of 14,299 applications for 1.9b new shares were received under the public portion, representing an oversubscription rate of 171.4 times. (*The Edge Markets*)



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Macro Bits

Global

- [IMF says emerging economies must prepare for Fed policy tightening](#) Emerging economies must prepare for U.S. interest rate hikes, the International Monetary Fund said, warning that faster than expected Federal Reserve moves could rattle financial markets and trigger capital outflows and currency depreciation abroad. *(Reuters)*
- [Cyprus discovers Covid-19 variant that combines Omicron and Delta — report](#) A strain of the coronavirus that combines the Delta and Omicron variants has been discovered by a researcher in Cyprus. *(The Edge Markets)*

Malaysia

- **Unemployment rate stays at 4.3% in November, participation rate hit all time high** The unemployment rate was unchanged for the second straight month in November (Oct: 4.3%). Unemployed persons (-1.5% MoM; Oct: -3.4%): fell for the fourth straight month, reflecting a continued recovery in the labour market and bringing the number of unemployed persons to below 700.0k mark (694.40k; Oct: 705.0k), lowest since Mar 2020. Labour force participation rate expanded for the fourth straight month (69.0%; Oct: 68.8%), a record high. This is mainly due to people returning to seek jobs as reflected in the lower number of those outside the labour force, which fell for the fourth straight month (-0.3% MoM; Oct: -0.6%) to 7.34m, lowest since Mar 2020. 2021 unemployment rate is expected to settle within our projection (4.6%; 2020: 4.5%) and is expected to improve in 2022 to 3.9%. *(See Economic Viewpoint: Malaysia Labour Market)*
- **Expanded to a 6-month high in November on broad-based YoY increase** Industrial Production Index (IPI) continued to expand in November (9.4%; Oct: 5.5%), reaching its highest level in 6 months, whilst beating both house and market expectations (KIBB: 7.0%; consensus: 7.3%). Attributable to a broad-based expansion of the manufacturing, mining, and electricity indexes. However, the strong performance is also partly due to a low base from November 2020. 2021 manufacturing index growth will likely register above our 8.5% forecast (2020: -2.7%) and is expected to sustain its momentum in 2022. *(See Economic Viewpoint: Malaysia Industrial Production)*
- **Inflows returned in December, registering a 4-month high** Foreign investors turned net buyers of Malaysia's debt securities in December (RM6.1b; Nov: -RM3.6b), after a month of net selling. Total foreign debt holdings increased to RM256.6b (Nov: RM250.4b), while its share to total outstanding debt rose to 14.8% (Nov: 14.4%), a 7-month high. Demand was likely driven by the return of global risk-on sentiment as Omicron fears began to subside, following reports that it was less severe than other COVID-19 variants. Furthermore, domestic bonds retained high yield differentials against many developed market bonds, keeping them attractive despite monetary policy tightening by major central banks. *(See Economic Viewpoint: Malaysia Bond Flows)*
- [Malaysia's manufacturing sales value grows 18.8% to RM142.4b in November 2021](#) Malaysia's manufacturing sales in November 2021 stood at RM142.4b, growing 18.8% compared with the same month in 2020, the Department of Statistics Malaysia (DOSM) said. *(The Edge Markets)*

Asia Pacific

- [China's Tianjin tightens control over travel after Omicron cases](#) The northern Chinese city of Tianjin tightened exit controls and is requiring residents to obtain approval from employers or community authorities before leaving town in an effort to block the spread of the highly transmissible Omicron variant. *(Reuters)*
- [Thai c.bank sees lower H1 economic growth due to Omicron outbreak](#) Thailand's central bank said on Monday the country's economy could see lower growth in the first half of 2022 than a baseline scenario due to uncertainties caused by the Omicron variant of the coronavirus. *(Reuters)*
- [China says will quicken bond issuance, spur investment - state media](#) China will speed up issuance of local government special bonds to help boost effective investment, state media quoted the cabinet as saying on Monday, in a bid to support a slowing economy. *(Reuters)*

Americas

- [Omicron becomes latest speed bump for shorthanded U.S. factories](#) When Michael Tamasi got to his office Monday after the holiday shutdown, he found nine workers at his small factory were absent — either because they had COVID-19 or had been exposed and were trying to get tested. *(Reuters)*

Europe

- [Euro zone investor morale rises slightly as mood stabilises](#) Investor morale in the euro zone rose in January as economic momentum is not expected to slow down despite new virus variants and rising coronavirus infections, a survey showed on Monday. *(Reuters)*
- [UK manufacturers positive about 2022 despite Brexit and inflation](#) British manufacturers are optimistic that business conditions and productivity will improve this year despite most saying they have been hurt by Brexit and rising costs, according to an industry survey published on Monday. *(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
PENTAMASTER CORP BHD	5.100	28.16	19.82	3.31	5.050

*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
HOCK SENG LEE BERHAD	1.340	89.73	89.89	82.25	1.370
COASTAL CONTRACTS BHD	1.840	81.69	85.73	85.18	1.920
AEON CREDIT SERVICE M BHD	15.380	80.44	88.85	99.22	15.380
CHIN WELL HOLDINGS BHD	1.500	80.25	84.71	85.95	1.530
BREM HOLDING BHD	1.160	78.17	71.76	62.90	1.160
LUSTER INDUSTRIES BERHAD	0.145	75.76	86.76	99.81	0.145
DAGANG NEXCHANGE BHD	0.885	75.73	85.66	98.53	0.890
EVERGREEN FIBREBOARD BHD	0.575	75.45	79.81	93.25	0.580
KIM LOONG RESOURCES BHD	1.720	75.36	82.83	85.96	1.720
CUSCAPI BHD	0.360	73.30	77.17	83.04	0.395
WELLCALL HOLDINGS BHD	1.350	72.03	73.56	79.97	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
MI TECHNOVATION BHD-CZ	0.035	22.27	17.28	3.02	0.030	30/8/2022
BSL CORP BHD-WA	0.240	27.61	45.12	85.72	0.140	11/11/2024
BYD CO LTD-C4	0.035	28.53	21.48	6.26	0.030	28/1/2022
GREATECH TECHNOLOGY BHD-CJ	0.085	29.50	24.40	6.60	0.085	28/3/2022
HANG SENG INDEX-I1	0.030	29.89	29.69	33.10	0.025	25/2/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
AE MULTI HOLDINGS BHD-WB	0.020	83.29	93.06	99.97	0.020	15/8/2024
DAGANG NEXCHANGE BHD-CN	0.125	79.04	84.01	96.26	0.125	30/8/2022
SAUDEE GROUP BHD-WB	0.035	76.21	85.02	99.04	0.035	16/6/2024
TOP GLOVE CORP BHD-G	0.050	75.75	72.97	78.59	0.055	29/8/2022
ECOFIRST CONSOLIDATED BHD-WD	0.140	74.39	86.70	99.82	0.150	22/7/2026
HARTALEGA HOLDINGS BHD-C87	0.085	72.41	73.65	85.23	0.085	22/8/2022
SERSOL BHD-WA	0.265	70.73	79.45	90.14	0.290	18/4/2023
NETX HOLDINGS BHD-WC	0.045	70.20	78.11	97.02	0.045	26/10/2023

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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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