

By **Teh Kian Yeong** / tehy@kenanga.com.my; **Tan Jia Hui** / jhtan@kenanga.com.my

BURSA	12-Jan	Day chg	% chg
KLCI	1,563.2	-1.09	-0.07%
FTSE EMAS	11,302.1	14.5	0.13%
FTSE Smallcap	15,990.7	129.74	0.82%
FTSE MESDAQ	6,582.6	-34.0	-0.51%
KLSE Mkt Cap (RM'b)	1,712.2	1.4	0.08%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-80.0	44.26%
Local Retail	3.6	30.87%
Foreign	76.4	24.87%

INDICES	12-Jan	Day chg	% chg
Dow Jones	36,290.3	38.3	0.11%
S&P 500	4,726.4	13.3	0.28%
NASDAQ	15,188.4	34.9	0.23%
FTSE-100	7,551.7	60.4	0.81%
Nikkei 225	28,765.7	543.2	1.92%
SHCOMP	3,597.4	30.0	0.84%
HSI	24,402.2	663.1	2.79%
STI	3,255.0	8.6	0.27%
KOSPI	2,972.5	45.1	1.54%
TWSE	18,375.4	87.2	0.48%
JCI	6,647.1	-0.905	-0.01%
SET	1,678.5	11.4	0.68%

FOREX	12-Jan	11-Jan	% chg
USD/MYR:	4.1853	4.1905	-0.12%
EUR/USD:	1.1357	1.1330	0.24%
GBP/USD:	1.3627	1.3605	0.16%
USD/YEN:	115.46	115.44	0.02%
USD/SGD:	1.3514	1.3535	-0.16%
USD/HKD:	7.7944	7.7967	-0.03%

KEY STATS

KLCI Spot			
Vol (m shares):	3,366.2	4,153.9	-18.96%
Value (RMm):	1,908.8	2,838.1	-32.74%
KLCI Future			
January-22	1,563.0	1,567.0	-0.26%
February-22	1,564.0	1,567.5	-0.22%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,399.3	1,386.5	0.92%
SoyOil (USc/lb)	59.5	59.0	0.80%
Gold (US\$/troy oz)	1,827.3	1,818.5	0.48%
Nymex crude oil (US\$/bbl)	82.6	81.2	1.75%
Latex (RM/kg)	5.65	5.66	-0.18%
Tin (US\$/mt)	N.A.	40,798.0	N.A.

Research Highlights

NEWS HIGHLIGHTS

- **KPJ Healthcare announces RM3b sukuk programme**
- **HIL Industries gets nod to undertake JVs for residential developments worth RM471m GDV in Klang Valley**
- **Netscon bags RM90.4m ECRL subcontracts**
- **Vsolar bags RM96m contract to supply parts for light rail vehicle overhaul job**
- **Senheng New Retail IPO's retail portion oversubscribed by 10.4 times**

MACRO BITS

- **China's Omicron outbreak is even worse news for global supply chains**
- **IMF's Georgieva: Rate hikes to combat inflation could deepen global economic divergence**
- **IATA: Air travel recovery continued in Nov 2021, but Omicron restrictions set to affect period ahead**
- **Dollar retreats as U.S. inflation surge comes in line with expectations**
- **Malaysia announces two flagship initiatives to catalyse digital economy, investment opportunities**
- **Fitch Solutions: Consumer spending in Malaysia to post good growth over 2022**
- **Ringgit bond yields rise to highest since 2019**
- **Asian bonds see a surge in foreign inflows in Dec 2021**
- **Asian bonds seen staying resilient in the face of hawkish Fed**
- **Indonesia rolls out booster shots, amid fears of Omicron spread**
- **China's factory gate inflation slows further after cooling measures**
- **China new bank loans hit record USD3.13t in 2021, despite drop in Dec**
- **US consumer inflation soars to new 40-year high**
- **Bank of England tells banks to quantify climate risks properly**
- **German trade body warns of huge supply chain disruption over Omicron**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **On Our Technical Watch: GDEX, MYNEWS**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	INARI	3.68	1.1	19.30	DIALOG	2.82	1.8	5.09	SIMEPLT	3.96	-1.7	1.84
2	PBBANK	4.25	0.5	16.50	PMETAL	6.09	1.2	8.14	CIMB	5.56	-1.1	7.66
3	TOPGLOV	2.41	-0.8	12.60	PCHEM	9.00	1.1	7.76	MAYBANK	8.41	-1.1	5.23
4	PMETAL	6.09	1.2	8.14	INARI	3.68	1.1	19.30	HLBANK	19.70	-1.0	1.46
5	PCHEM	9.00	1.1	7.76	PPB	16.66	1.0	0.23	HLFG	18.70	-1.0	0.16
6	CIMB	5.56	-1.1	7.66	HARTA	5.89	0.9	4.07	RHBBANK	5.73	-0.9	4.39
7	MAYBANK	8.41	-1.1	5.23	TM	5.30	0.6	2.02	TOPGLOV	2.41	-0.8	12.60
8	DIALOG	2.82	1.8	5.09	DIGI	4.08	0.5	1.22	GENM	2.90	-0.7	4.73
9	TENAGA	9.07	-0.3	4.97	PBBANK	4.25	0.5	16.50	AXIATA	3.83	-0.5	2.23
10	GENM	2.90	-0.7	4.73	PETDAG	19.74	0.4	0.22	IOICORP	3.96	-0.5	1.51

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

Corporate News

- **KPJ Healthcare announces RM3b sukuk programme**

KPJ Healthcare Bhd is establishing an RM3b sukuk wakalah programme to finance its expansion, as well as for working capital requirements and general corporate purposes. The healthcare group said its wholly-owned subsidiary, Point Zone (M) Sdn Bhd, completed the lodgment of the Islamic medium term notes programme with Securities Commission Malaysia on Wednesday. The programme will allow the group to issue sukuk wakalah and sustainability sukuk wakalah from time to time which are in compliance with the sustainable and responsible investment sukuk framework under the LOLA guidelines, ASEAN Green Bond and Social Bond standards, and the sustainability bond standards issued by the ASEAN Capital Markets Forum. *(The Edge Market)*

- **HIL Industries gets nod to undertake JVs for residential developments worth RM471m GDV in Klang Valley**

HIL Industries Bhd received its shareholders' approval at the extraordinary general meeting on Wednesday (Jan 12) to undertake residential development joint ventures (JVs) on five parcels of land in Sungai Buloh, Klang and Jugra in Selangor. With the approval, HIL Industries will partner Unik Sejati Sdn Bhd, Pembinaan Kesentosaan Sdn Bhd and Amverton Carey Golf & Island Resort Sdn Bhd to develop residential developments with an estimated gross development value (GDV) of RM471.1m on 40.9 hectares land in Selangor. *(The Edge Market)*

- **Netscon bags RM90.4m ECRL subcontracts**

Building and infrastructure construction services provider Nestcon Bhd has bagged two subcontracts worth a combined RM90.4m for the construction and completion of subgrade works under the East Coast Rail Link project in Kota Bahru, Kelantan. The jobs, involving Package S1-1, Section 1 (Project S1-1) and Project S1-2, were awarded to its wholly-owned Nestcon Infra Sdn Bhd by China Communications Construction (ECRL) Sdn Bhd, Nestcon's filing with Bursa Malaysia showed. The respective subcontract sums for the two work portions are RM45m and RM45.4m. *(The Edge Market)*

- **Vsolar bags RM96m contract to supply parts for light rail vehicle overhaul job**

Vsolar Group said it has accepted an RM96.3m job to procure and supply parts to RA Integration Links Sdn Bhd (RAIL) to complete an overhaul of 50 sets of six-car light rail vehicle on the Ampang light rail transit line. The group is looking to mobilise its expertise in supply chain management to assist RAIL obtain all necessary equipment and tools to complete the project, Vsolar said in a statement. *(The Edge Market)*

- **Senheng New Retail IPO's retail portion oversubscribed by 10.4 times**

Senheng New Retail Bhd, which is slated to list on Bursa Malaysia on Jan 25, said its initial public offering (IPO) shares offered to the Malaysian public were oversubscribed by 10.4 times. In a statement on Wednesday (Jan 12), the consumer electrical and electronics retailer said it received 16,548 applications seeking 343.2m for the 30m shares offered. Of this, the Bumiputera portion was oversubscribed by 5.2 times, with 6,869 applications seeking 93.3m shares received. *(The Edge Market)*



13 January 2022

Macro Bits

Global

- [China's Omicron outbreak is even worse news for global supply chains](#) An Omicron outbreak in China is sending jitters through supply chains as manufacturers and shippers brace for disruption inside the world's-biggest trading nation if it can't contain the fast-spreading variant. *(The Edge Markets)*
- [IMF's Georgieva: Rate hikes to combat inflation could deepen global economic divergence](#) Interest rate hikes aimed at combating inflation could exacerbate the "dangerous" and "deepening" divergence in economic developments between advanced and developing economies, IMF Managing Director Kristalina Georgieva said on Wednesday. *(Reuters)*
- [IATA: Air travel recovery continued in Nov 2021, but Omicron restrictions set to affect period ahead](#) The recovery in air travel continued in November 2021, but Omicron restrictions are likely to affect the period ahead, said the International Air Transport Association (IATA). *(The Edge Markets)*
- [Dollar retreats as U.S. inflation surge comes in line with expectations](#) The dollar fell to a fresh two-month low against a basket of currencies on Wednesday after data showed U.S. consumer prices rose solidly in December, but in line with economists' expectations. *(Reuters)*

Malaysia

- [Malaysia announces two flagship initiatives to catalyse digital economy, investment opportunities](#) Malaysia is introducing two flagship initiatives which will drive and catalyse the digital economy, as well as investment opportunities in Malaysia and the region. *(The Edge Markets)*
- [Fitch Solutions: Consumer spending in Malaysia to post good growth over 2022](#) Consumer spending in Malaysia will post good growth in 2022, with real household spending projected to grow 5.1% year-on-year (y-o-y), according to a UK-based research firm. *(The Edge Markets)*
- [Ringgit bond yields rise to highest since 2019](#) Malaysia's 10-year bond yields climbed to the highest in over two years, tracking a recent increase in their US peers on bets for a faster pace of policy tightening. *(The Edge Markets)*

Asia Pacific

- [Asian bonds see a surge in foreign inflows in Dec 2021](#) Emerging Asian bonds ex-China attracted the biggest monthly foreign inflow in over four months in December, shrugging off worries over the Federal Reserve's tightening of its monetary policy as businesses showed higher productivity. *(Reuters)*
- [Asian bonds seen staying resilient in the face of hawkish Fed](#) Bond markets in Asia are likely to stay resilient even as the U.S. Federal Reserve begins to unwind stimulus and hike interest rates this year, economists said. *(Reuters)*
- [Indonesia rolls out booster shots, amid fears of Omicron spread](#) Indonesia kicked off its COVID-19 booster programme for the general public on Wednesday, as the world's fourth-most-populous nation hit an almost three-month high in cases amid the rise of the Omicron variant. *(Reuters)*
- [China's factory gate inflation slows further after cooling measures](#) China's factory-gate prices rose more slowly than expected in December after government measures to contain high raw material prices, official data showed on Wednesday, leaving room for easing monetary policy. *(Reuters)*
- [China new bank loans hit record USD3.13t in 2021, despite drop in Dec](#) New bank lending in China fell more than expected in December from the previous month, but lending for the full year of 2021 set a record as the central bank slowly ramps up policy support to cushion the slowing economy. *(Reuters)*

Americas

- [US consumer inflation soars to new 40-year high](#) US consumer prices increased solidly in December as rental accommodation and used cars maintained their strong gains, culminating in the largest annual rise in inflation in nearly four decades, which bolstered expectations that the Federal Reserve will start raising interest rates as early as March. *(The Edge Markets)*

Europe

- [Bank of England tells banks to quantify climate risks properly](#) Banks in Britain should be "ambitious" in properly quantifying risks from climate change or face intervention by regulators if they fall short, the Bank of England (BoE) said on Wednesday. *(Reuters)*
- [German trade body warns of huge supply chain disruption over Omicron](#) Germany's BGA trade association warned on Wednesday of massive supply chain disruptions due to the rapid spread of the highly infectious Omicron variant of the coronavirus, but said a long-term collapse of the supply chains was unlikely. *(Reuters)*

13 January 2022

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PENTAMASTER CORP BHD	4.870	21.90	13.85	1.53	4.850
MUHIBBAH ENGINEERING (M) BHD	0.630	27.18	25.37	22.67	0.610
UNISEM (M) BERHAD	3.700	27.26	21.65	10.21	3.600

*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	HIGH 30D
HOCK SENG LEE BERHAD	1.340	89.73	89.89	82.25	1.370
ECOFIRST CONSOLIDATED BHD	0.490	81.07	86.87	97.00	0.510
AEON CREDIT SERVICE M BHD	15.460	80.02	87.44	91.75	15.520
CHIN WELL HOLDINGS BHD	1.490	76.73	79.23	68.29	1.530
CSC STEEL HOLDINGS BHD	1.340	76.27	84.05	95.62	1.350
DIALOG GROUP BHD	2.820	74.25	85.17	98.14	2.820
COASTAL CONTRACTS BHD	1.760	73.69	73.95	52.72	1.920
COMPLETE LOGISTIC SERVICES	2.630	72.07	79.85	97.44	2.640
PANTECH GROUP HOLDINGS BHD	0.610	71.29	79.60	95.51	0.615
HONG LEONG BANK BERHAD	19.700	71.23	74.52	72.77	20.040
KIM LOONG RESOURCES BHD	1.720	70.95	74.24	67.81	1.720
DAYANG ENTERPRISE HLDGS BHD	0.935	70.77	80.92	95.96	0.940
MALAYSIAN RESOURCES CORP BHD	0.380	70.55	79.22	96.19	0.380
EVERGREEN FIBREBOARD BHD	0.565	70.14	71.95	70.14	0.580
EKOVEST BHD	0.435	70.10	76.03	89.04	0.445

*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	0.025	18.89	13.52	1.66	0.025	30/8/2022
GREATECH TECHNOLOGY BHD-CJ	0.065	24.48	18.75	3.63	0.060	28/3/2022
INARI AMERTRON BHD-C90	0.065	25.76	19.96	17.09	0.060	18/3/2022
BSL CORP BHD-WA	0.230	26.79	42.15	64.05	0.140	11/11/2024
HANG SENG INDEX-IV	0.010	28.62	32.42	57.29	0.005	28/1/2022
GENTING BHD-C1L	0.065	28.67	31.33	47.86	0.060	5/9/2022
INARI AMERTRON BHD-C95	0.075	29.30	29.12	32.66	0.065	30/6/2022
HANG SENG INDEX-IV	0.010	28.62	32.42	57.29	0.005	28/1/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
ECOFIRST CONSOLIDATED BHD-WD	0.175	86.09	94.31	99.96	0.185	22/7/2026
SERSOL BHD-WA	0.280	75.03	83.75	95.24	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.***

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

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