

16 June 2022

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BURSA	15-Jun	Day chg	% chg
KLCI	1,459.1	-22.23	-1.50%
FTSE EMAS	10,431.8	-139.8	-1.32%
FTSE Smallcap	14,651.1	-233.41	-1.57%
FTSE MESDAQ	4,888.7	-50.9	-1.03%
KLSE Mkt Cap (RM'b)	1,591.5	-21.3	-1.32%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	82.40	44.19%
Local Retail	63.89	22.61%
Foreign	-146.28	33.20%

INDICES	15-Jun	Day chg	% chg
Dow Jones	30,668.5	303.7	1.00%
S&P 500	3,790.0	54.5	1.46%
NASDAQ	11,099.2	270.8	2.50%
FTSE-100	7,273.4	85.9	1.20%
Nikkei 225	26,326.2	-303.7	-1.14%
SHCOMP	3,305.4	16.5	0.50%
HSI	21,308.2	240.2	1.14%
STI	3,105.9	-3.0	-0.10%
KOSPI	2,447.4	-45.6	-1.83%
TWSE	15,999.3	-48.1	-0.30%
JCI	7,007.1	-42.832	-0.61%
SET	1,593.5	-9.5	-0.59%

FOREX	15-Jun	14-Jun	% chg
USD/MYR:	4.4135	4.4205	-0.16%
EUR/USD:	1.0482	1.0435	0.45%
GBP/USD:	1.2092	1.2086	0.05%
USD/YEN:	134.40	134.23	0.13%
USD/SGD:	1.3902	1.3917	-0.11%
USD/HKD:	7.8500	7.8500	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	2,425.7	2,723.6	-10.93%
Value (RMm):	1,821.4	2,114.0	-13.84%
KLCI Future			
June-22	1,455.0	1,473.5	-1.26%
July-22	1,456.0	1,473.5	-1.19%
CPO Price (RM/tonne)	5,576.0	5,735.0	-2.77%
Soybean (US\$/bu)	1,693.8	1,698.5	-0.28%
SoyOil (USc/lb)	75.8	76.3	-0.63%
Gold (US\$/troy oz)	1,819.6	1,813.5	0.34%
Nymex crude oil (US\$/bbl)	115.3	118.9	-3.04%
Latex (RM/kg)	6.35	6.39	-0.70%
Tin (US\$/mt)	32,699.00	31,375.7	4.22%

Research Highlights

NEWS HIGHLIGHTS

- Hong Seng identifies Negeri Sembilan as suitable location for Malaysia Green Valley
- Datasonic bags RM10m contract from Perkeso for data analytics hub services
- Citaglobal Bhd plans Citaglobal Engineering buy for RM140m, five-to-one share consolidation
- GFM bags RM367.2m five-year facilities management contract for Istana Negara
- Bintai Kinden bags subcontract jobs to supply piping materials to O&G related companies

MACRO BITS

- IEA sees world oil supply struggling to meet demand in 2023
- Malaysia eases ban on exports of live premium chicken, says ministry
- Exports slowed in May; trade surplus narrowed on palm oil export ban (See *Economic Viewpoint: Indonesia External Trade*)
- China keeps medium-term policy rate unchanged for fifth straight month
- China's factories perk up, but weak consumption points to slow economic recovery
- China May property sales fall at slower pace as policies buoy demand
- Thai Government at odds with Central Bank over raising rates
- Japan govt hopes BOJ takes 'necessary' action on yen, inflation
- Hikes rate by 75 bps, sees key rate topping 3.0% in 2022 with more hikes in 2023 before rate cuts in 2024 (See *Economic Viewpoint: US FOMC Meeting*)
- U.S. retail sales post first decline in five months as inflation bites
- U.S. import prices increase solidly in May
- U.S. mortgage interest rates jump to highest level since 2008
- ECB to devise new tool to help indebted euro zone members
- Euro zone trade deficit almost doubles in April

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Company Update: PESTECH
- On Our Technical Watch: GCB, SEDANIA
- Economic Viewpoint: ID External Trade, US FOMC

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	1.01	-1.9	48.60	HLBANK	20.64	0.2	0.79	HARTA	2.98	-6.0	13.80
2	PBBANK	4.48	-0.7	15.60	MAYBANK	8.63	-0.6	6.41	SIMEPLT	4.60	-4.0	4.60
3	PMETAL	4.84	-2.8	13.90	CIMB	4.96	-0.6	9.37	AXIATA	2.76	-3.5	6.82
4	HARTA	2.98	-6.0	13.80	PBBANK	4.48	-0.7	15.60	TM	4.98	-3.3	3.38
5	INARI	2.61	-1.9	13.00	IOICORP	4.08	-0.7	3.95	PETDAG	20.40	-3.1	0.29
6	PCHEM	9.53	-1.4	10.30	HLFG	18.62	-0.8	0.15	MRDIY	3.03	-2.9	5.54
7	DIALOG	2.12	-1.4	9.95	MAXIS	3.25	-0.9	3.06	KLK	24.00	-2.8	1.71
8	GENM	2.84	-2.4	9.62	DIGI	3.22	-0.9	4.86	PMETAL	4.84	-2.8	13.90
9	CIMB	4.96	-0.6	9.37	MISC	7.08	-1.0	2.54	GENM	2.84	-2.4	9.62
10	GENTING	4.67	-1.7	8.69	RHBBANK	5.76	-1.2	6.19	SIME	2.13	-2.3	8.39

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Hong Seng identifies Negeri Sembilan as suitable location for Malaysia Green Valley**

Hong Seng Consolidated Bhd on Wednesday announced that it has issued a letter of intent (LoI) to Invest NS to explore the possibilities towards forming a strategic partnership for the development of five parcels of leasehold land in Seremban, Negeri Sembilan measuring approximately 284.75 acres into Malaysia Green Valley (MGV). Invest NS is a solution centre set up by the Negeri Sembilan state government to assist investors in setting up new operations and expanding their existing operations in the state. In a statement, Hong Seng said MGV is envisioned to be a green industrial park designed for research and development, and manufacture cost effective and sustainable renewable energy products and the related supply chain businesses. *(The Edge Markets)*

- **Datasonic bags RM10m contract from Perkeso for data analytics hub services**

Security-based ICT solutions provider Datasonic Group Bhd on Wednesday (June 15) announced it had secured a RM9.7m contract from Pertubuhan Keselamatan Sosial (Perkeso) to provide services for the development of a data analytics hub for the Employment Insurance System (EIS). In a bourse filing, Datasonic said its wholly-owned subsidiary Datasonic Technologies Sdn Bhd (DTSB) had received and accepted a letter of award (LoA) dated June 10 from Perkeso. Under the terms of the LoA, DTSB is required to furnish a performance bond for the amount of RM96.6k to Perkeso, with the validity period commencing from July 1, 2022 to June 30, 2028. *(The Edge Markets)*

- **Citaglobal Bhd plans Citaglobal Engineering buy for RM140m, five-to-one share consolidation**

Citaglobal Bhd (formerly known as WZ Satu Bhd) on Wednesday announced that it has entered into a share purchase agreement with TIZA Global Sdn Bhd (formerly known as Citaglobal Sdn Bhd) for the proposed acquisition of the entire equity interest in Citaglobal Engineering Services Sdn Bhd (CESSB). The proposed acquisition is for an indicative purchase consideration of RM140m via the issuance of 736.8m new shares in Citaglobal at an issue price of 19 sen per share. In a statement, Citaglobal said the proposed acquisition comes with an aggregate net profit guarantee of RM60m for three full financial years of 2022, 2023 and 2024. In conjunction with the proposed acquisition, Citaglobal is proposing to undertake the proposed share consolidation to consolidate every five shares into one share, on an entitlement date to be determined and announced later after the completion of the proposed acquisition. *(The Edge Markets)*

- **GFM bags RM367.2m five-year facilities management contract for Istana Negara**

Integrated facilities and services management GFM Services Bhd has secured a letter of acceptance from the Public Works Department (JKR) to provide facilities management services for Istana Negara, Kuala Lumpur. In a statement on Wednesday (June 15), the group said the RM367.2m contract will span a period of five years from June 15, 2022 until June 14, 2027. "This contract win provides us with improved earnings visibility and further replenishes our current orderbook to RM1.4b. At the same time, it enables us to gain traction in securing more jobs from the public sector. *(The Edge Markets)*

- **Bintai Kinden bags subcontract jobs to supply piping materials to O&G related companies**

Bintai Kinden Corporation Bhd has bagged a series of subcontract projects from Petro Flanges & Fittings Sdn Bhd (PFF). In a statement on Wednesday (June 15), Bintai Kinden said the contracts were awarded to its sub-subsidiary Bintai Energy Sdn Bhd to supply piping materials to established oil and gas (O&G) related companies in Malaysia. It said under the contract, Bintai Energy will supply high-grade carbon steel or stainless steel pipes, valves and piping accessories to established O&G related companies for maintenance and upgrading works. Bintai Energy is a 51:49 joint venture between Bintai Kinden's unit Kejuruteraan Bintai Kindenko Sdn Bhd and PFF. *(The Edge Markets)*

Macro Bits

Global

- [IEA sees world oil supply struggling to meet demand in 2023](#) Global oil supply will struggle to meet rising demand next year, meaning consumers will continue to face tight fuel markets, the International Energy Agency (IEA) said in its first assessment of 2023. (*The Edge Markets*)

Malaysia

- [Malaysia eases ban on exports of live premium chicken, says ministry](#) Malaysia partly eased a ban on chicken exports, allowing poultry importers to resume bringing live premium chickens. Exports of live coloured birds including kampung and black chicken, as well as all chicken-based products and parent stock day-old chicks are permitted, the Agriculture and Food Industries Ministry said in a statement on Wednesday (June 15). (*The Edge Markets*)

Asia Pacific

- [Exports slowed in May; trade surplus narrowed on palm oil export ban](#) Export growth moderated sharply in May (27.0% YoY; Apr: 47.8%), lower than market expectations (consensus: 38.7%). Exports forecast retained at 28.6% (2021: 41.9%) amid higher commodity prices. (*See Economic Viewpoint: Indonesia External Trade*)
- [China keeps medium-term policy rate unchanged for fifth straight month](#) China's central bank kept its medium-term policy rate unchanged for the fifth straight month as expected on Wednesday (June 15), with analysts saying the US Federal Reserve's (Fed) aggressive rate increases were forcing Beijing's hand. (*The Edge Markets*)
- [China's factories perk up, but weak consumption points to slow economic recovery](#) China's economy showed signs of recovery in May after slumping in the prior month as industrial production rose unexpectedly, but consumption was still weak and underlined the challenge for policymakers amid the persistent drag from strict Covid curbs. (*The Edge Markets*)
- [China May property sales fall at slower pace as policies buoy demand](#) China's May property sales fell at a slower pace for the first time in three months, suggesting improved buyer sentiment in the sector after several easing measures taken by cities across the country to boost demand hit by COVID-19 curbs. (*The Edge Markets*)
- [Thai Government at odds with Central Bank over raising rates](#) Thailand's government leaders are publicly making a case for keeping interest rates lower for longer, a call that's putting them at odds with the nation's monetary policy makers who are keen to raise borrowing costs sooner to keep inflation from overheating. (*The Edge Markets*)
- [Japan govt hopes BOJ takes 'necessary' action on yen, inflation](#) Japan's government hopes the central bank will take "necessary measures appropriately" in light of the yen's recent sharp falls and rising cost of living, Chief Cabinet Secretary Hirokazu Matsuno said on Wednesday (June 15). (*The Edge Markets*)

Americas

- [Hikes rate by 75 bps, sees key rate topping 3.0% in 2022 with more hikes in 2023 before rate cuts in 2024](#) Ending weeks of speculation, the Federal Reserve raised its key policy rate by 75 basis points (bps), the biggest hike since 1994, bringing the federal funds target rate range to 1.50%-1.75% (prev: 0.75%-1.00%). (*See Economic Viewpoint: US FOMC Meeting*)
- [U.S. retail sales post first decline in five months as inflation bites](#) U.S. retail sales unexpectedly fell in May as motor vehicle purchases declined amid rampant shortages, and record high gasoline prices pulled spending away from other goods. (*Reuters*)
- [U.S. import prices increase solidly in May](#) U.S. import prices increased solidly in May amid higher prices for petroleum products, but there were tentative signs of some moderation in underlying imported inflation pressures. (*Reuters*)
- [U.S. mortgage interest rates jump to highest level since 2008](#) The average interest rate on the most popular U.S. home loan climbed to its highest level since the 2008 financial crisis and purchase applications were down more than 15.0% from last year, Mortgage Bankers Association (MBA) data showed on Wednesday. (*Reuters*)

Europe

- [ECB to devise new tool to help indebted euro zone members](#) The European Central Bank will skew reinvestments of maturing debt to help more indebted members and will devise a new instrument to stop fragmentation, seeking to temper a market rout that has fanned fears a new debt crisis. (*Reuters*)
- [Euro zone trade deficit almost doubles in April](#) The euro zone's trade deficit almost doubled in April from the previous month after an already record expansion in March, and industrial production increased over the same period on the month, official data showed on Wednesday. (*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
RANHILL UTILITIES BHD	0.400	9.32	4.94	0.41	0.395
HARTALEGA HOLDINGS BHD	2.980	12.88	8.53	1.36	2.950
HUP SENG INDUSTRIES BHD	0.765	17.62	11.32	2.33	0.765
BOILERMECH HOLDINGS BERHAD	0.820	18.26	13.03	3.92	0.815
JF TECHNOLOGY BHD	0.685	18.69	14.62	4.11	0.680
ANN JOO RESOURCES BHD	1.190	19.34	13.75	2.46	1.160
IRIS CORP BHD	0.135	19.45	12.87	2.21	0.130
FORMOSA PROSONIC INDS BHD	2.850	21.10	12.84	0.61	2.810
CB INDUSTRIAL PRODUCT HLDG	1.280	21.33	12.54	0.46	1.260
HUME CEMENT INDUSTRIES BHD	1.010	21.46	13.94	4.43	1.000
MALAYSIA SMELTING CORP BHD	2.500	21.48	17.29	9.94	2.480
MUDA HOLDINGS BERHAD	1.990	21.62	17.35	8.05	1.990
MALAYSIAN BULK CARRIERS BHD	0.385	21.68	15.40	3.65	0.385
SARAWAK PLANTATION BHD	2.300	21.78	16.38	11.69	2.280
COMFORT GLOVE BHD	0.590	21.82	16.87	11.17	0.570
PHARMANIAGA BERHAD	0.615	22.22	17.92	7.44	0.600
KESM INDUSTRIES BHD	7.020	23.57	19.14	7.42	7.000
GENTING PLANTATIONS BHD	6.920	24.93	20.36	17.27	6.900
CRESCENDO CORPORATION BHD	1.090	25.15	17.83	3.05	1.000
JAYA TIASA HOLDINGS BHD	0.675	25.89	22.89	25.62	0.650
HIAP TECK VENTURE BHD	0.305	25.94	22.78	15.76	0.295
GUOCOLAND MALAYSIA BHD	0.645	26.14	18.28	8.96	0.605
TA ANN HOLDINGS BERHAD	4.480	26.39	19.53	4.26	4.390
EVERGREEN FIBREBOARD BHD	0.510	26.68	19.48	3.91	0.495
LUXCHEM CORP BHD	0.605	26.75	21.74	6.98	0.600
KRETAM HOLDINGS BHD	0.520	26.76	21.72	19.25	0.505
ELSOFT RESEARCH BHD	0.680	27.17	25.86	24.11	0.675
POS MALAYSIA BERHAD	0.575	27.27	18.37	1.72	0.560
EKOVEST BHD	0.385	27.40	20.23	3.68	0.380
JCY INTERNATIONAL BHD	0.190	27.43	26.26	22.18	0.190
SCICOM (MSC) BHD	1.060	27.51	21.69	5.99	1.030
SUPERMAX CORP BHD	0.910	27.56	21.76	6.44	0.890
KUB MALAYSIA BHD	0.540	27.60	20.83	5.21	0.535
FGV HOLDINGS BHD	1.590	27.81	23.78	15.90	1.580
MEDIA PRIMA BHD	0.450	28.01	22.37	6.13	0.435
SARAWAK OIL PALMS BERHAD	4.790	28.50	22.23	20.47	4.630
INNOPRISE PLANTATIONS BHD	1.560	28.86	23.36	16.87	1.510
RIMBUNAN SAWIT BHD	0.205	28.91	23.03	9.77	0.195
AMANAHRAYA REIT	0.640	29.28	24.06	5.90	0.635
TDM BHD	0.240	29.30	25.40	18.53	0.240
SOUTHERN STEEL BERHAD	0.665	29.31	25.65	16.00	0.660
DRB-HICOM BHD	1.150	29.31	27.94	38.10	1.110
DAGANG NEXCHANGE BHD	0.875	29.48	21.39	6.68	0.860
BAHVEST RESOURCES BHD	0.325	29.96	26.95	23.60	0.315

*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
BREM HOLDING BHD	1.190	87.46	97.04	100.00	1.200
CHIN TECK PLANTATIONS BHD	9.930	80.29	80.51	63.83	10.000
COCOLAND HOLDINGS BHD	1.470	78.17	86.09	98.94	1.470

*Only for stocks with market cap >RM300m

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
STRAITS ENERGY RESOURCES BHD-WA	0.015	7.71	3.04	0.01	0.010	10/8/2022
DAGANG NEXCHANGE BHD-CX	0.065	10.84	7.01	0.63	0.060	24/11/2022
CAHYA MATA SARAWAK BHD-C32	0.005	13.00	5.20	0.00	0.005	28/6/2022
TOP GLOVE CORP BHD-P	0.035	15.24	10.83	6.97	0.035	30/11/2022
ECO WORLD DEVELOPMENT GROUP BHD-WB	0.095	19.00	19.83	4.26	0.095	12/4/2029
TA WIN HOLDINGS BHD-WB	0.030	19.77	11.01	0.15	0.025	19/8/2024
COUNTRY HEIGHTS HOLDINGS BHD-WB	0.080	20.17	12.72	0.61	0.080	20/12/2023
WIDAD GROUP BHD-WA	0.065	21.11	15.18	1.13	0.055	5/8/2023
TSH RESOURCES BHD-CV	0.015	22.42	15.68	3.95	0.015	18/11/2022
DAGANG NEXCHANGE BHD-CN	0.085	22.64	13.12	1.08	0.085	30/8/2022
MALAYSIA SMELTING CORP BHD-CC	0.010	24.18	18.98	13.86	0.010	11/11/2022
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-FI	0.025	24.66	23.29	9.27	0.020	30/8/2022
DAGANG NEXCHANGE BHD-CS	0.010	24.74	22.31	7.84	0.010	30/9/2022
DAGANG NEXCHANGE BHD-CM	0.055	24.98	15.40	0.48	0.050	30/8/2022
VERTICE BHD-WA	0.025	25.57	22.93	35.02	0.015	31/3/2024
ENGTEX GROUP BHD-WB	0.165	26.69	21.06	7.10	0.150	4/9/2026
DATASONIC GROUP BHD-WA	0.110	26.74	18.39	2.84	0.105	5/7/2023
DYNACIATE GROUP BHD-WA	0.025	27.17	23.24	23.63	0.020	26/12/2023
MALAYSIA STEEL WORKS KL BHD-WB	0.085	27.19	19.42	3.31	0.080	21/10/2026
HANG SENG INDEX-QQ	0.005	27.31	23.47	8.01	0.005	29/6/2022
TAFI INDUSTRIES BHD-WA	0.110	27.80	27.73	40.11	0.090	15/2/2027
MY EG SERVICES BHD-U	0.080	28.24	26.24	11.99	0.080	30/12/2022
HENGYUAN REFINING CO BHD-C28	0.035	28.85	25.93	14.56	0.035	30/11/2022
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-FD	0.010	29.19	23.22	14.97	0.010	30/6/2022
HOMERITZ CORP BHD-WB	0.045	29.27	23.86	10.88	0.035	3/7/2022
DAGANG NEXCHANGE BHD-CV	0.085	29.33	19.16	1.05	0.085	18/11/2022
VIZIONE HOLDINGS BHD-WD	0.005	29.42	16.60	0.11	0.005	24/8/2023

Source: Bloomberg

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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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