

By Goh Yin Foo | gohyf@kenanga.com.my

Research Highlights

| BURSA | 28-Jul | Day chg | % chg |
|---------------------|----------|---------|-------|
| KLCI | 1,491.2 | 20.49 | 1.39% |
| FTSE EMAS | 10,578.7 | 148.7 | 1.43% |
| FTSE Smallcap | 14,216.5 | 147.19 | 1.05% |
| FTSE MESDAQ | 4,832.5 | 53.3 | 1.12% |
| KLSE Mkt Cap (RM'b) | 1,615.6 | 22.4 | 1.41% |

BURSA DAILY TRADING PARTICIPATION

| Participation | Net (RM'm) | Value (%) |
|-------------------|------------|-----------|
| Local Institution | -62.8 | 53.2% |
| Local Retail | -9.7 | 25.9% |
| Foreign | 72.5 | 20.9% |

| INDICES | 28-Jul | Day chg | % chg |
|------------|----------|---------|--------|
| Dow Jones | 32,529.6 | 332.0 | 1.03% |
| S&P 500 | 4,072.4 | 48.8 | 1.21% |
| NASDAQ | 12,162.6 | 130.17 | 1.08% |
| FTSE-100 | 7,345.3 | -3.0 | -0.04% |
| Nikkei 225 | 27,815.5 | 99.7 | 0.36% |
| SHCOMP | 3,282.6 | 6.821 | 0.21% |
| HSI | 20,622.7 | -47.4 | -0.23% |
| STI | 3,220.7 | 15.5 | 0.48% |
| KOSPI | 2,435.3 | 19.7 | 0.82% |
| TWSE | 14,891.9 | -29.7 | -0.20% |
| JCI | 6,956.8 | 58.601 | 0.85% |
| SET | N.A. | N.A. | N.A. |

| FOREX | 28-Jul | 27-Jul | % chg |
|----------|--------|--------|--------|
| USD/MYR: | 4.4532 | 4.4580 | -0.11% |
| EUR/USD: | 1.0134 | 1.0154 | -0.20% |
| GBP/USD: | 1.2118 | 1.2059 | 0.49% |
| USD/YEN: | 135.58 | 136.72 | -0.83% |
| USD/SGD: | 1.3833 | 1.3873 | -0.29% |
| USD/HKD: | 7.8498 | 7.8497 | 0.00% |

KEY STATS

| KLCI Spot | | | |
|----------------------------|-----------|----------|--------|
| Vol (m shares): | 2,827.5 | 2,187.3 | 29.27% |
| Value (RMm): | 1,812.9 | 1,361.9 | 33.12% |
| KLCI Future | | | |
| July-22 | 1,487.5 | 1,465.0 | 1.54% |
| August-22 | 1,487.5 | 1,465.0 | 1.54% |
| CPO Price (RM/tonne) | | | |
| Soybean (US\$/bu) | 1,609.3 | 1,578.8 | 1.93% |
| SoyOil (USc/lb) | 64.0 | 59.9 | 6.93% |
| Gold (US\$/troy oz) | 1,750.3 | 1,719.1 | 1.81% |
| Nymex crude oil (US\$/bbl) | 96.4 | 97.3 | -0.86% |
| Latex (RM/kg) | 5.31 | 5.30 | 0.19% |
| Tin (US\$/mt) | 24,465.50 | 24,529.0 | -0.26% |

NEWS HIGHLIGHTS

- MI Technovation 2Q earnings down 28.0% on higher costs, lower revenue
- Samchem 2Q earnings down 5.0%
- ACE Market-listed SDS Group seeks transfer to Main Market
- G Capital inks PPA with Muda Holdings unit for 25-year, 5.5MWp solar PPA
- Bintai Kinden JV secures subcontracts worth RM4.4m

MACRO BITS

- Oil extends gains as risk appetite improves, U.S. inventories fall
- Don't 'play with fire' over Taiwan, China's Xi warns in call with Biden
- Malaysia says Indonesia agrees to lift freeze on sending migrant workers
- Several key economic indicators' positive trajectory shows Malaysia's economic performance still intact — DOSM
- China targets USD148.2b in financing for cash-strapped developers - FT
- Hong Kong central bank raises rates, warns of higher interbank rates
- Philippine c.bank to use "full force" of measures to tackle inflation risks
- Australia cuts growth outlook as inflation bites
- Australian retail sales slow in June as prices jump
- U.S. GDP contracts again in second quarter, fanning recession fears
- U.S. jobless claims retreat after hitting highest level in eight months
- US is not in recession or pre-recession-White House
- Eurozone economic sentiment plummeted in July
- German inflation rises unexpectedly after fall in Russian gas supply

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: BURSA, MAXIS, NESTLE, PAVREIT, UNISEM, WESTPORTS
- On Our Technical Watch: PWROOT, SKPRES
- 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 | 0.97 | -2.5 | 54.00 | DIALOG | 2.25 | 5.6 | 6.70 | TOPGLOV | 0.97 | -2.5 | 54.00 |
| 2 | INARI | 2.87 | 3.2 | 18.90 | PMETAL | 4.83 | 5.5 | 10.60 | HARTA | 2.70 | -2.2 | 8.07 |
| 3 | PBBANK | 4.64 | 0.9 | 11.90 | AXIATA | 2.85 | 5.2 | 5.49 | HLBANK | 21.00 | -0.4 | 2.12 |
| 4 | CIMB | 5.28 | 1.2 | 11.60 | MAXIS | 3.62 | 4.3 | 3.57 | NESTLE | 134.80 | 0.2 | 0.03 |
| 5 | PMETAL | 4.83 | 5.5 | 10.60 | INARI | 2.87 | 3.2 | 18.90 | PPB | 16.24 | 0.3 | 0.44 |
| 6 | HARTA | 2.70 | -2.2 | 8.07 | PCHEM | 8.91 | 3.1 | 6.85 | IOICORP | 4.04 | 0.3 | 1.21 |
| 7 | SIME | 2.35 | 0.4 | 7.92 | DIGI | 3.60 | 2.6 | 3.35 | IHH | 6.39 | 0.3 | 6.39 |
| 8 | MAYBANK | 8.85 | 0.6 | 7.91 | GENTING | 4.81 | 2.3 | 6.20 | TENAGA | 8.06 | 0.4 | 2.36 |
| 9 | PCHEM | 8.91 | 3.1 | 6.85 | TM | 5.70 | 2.3 | 2.93 | SIME | 2.35 | 0.4 | 7.92 |
| 10 | DIALOG | 2.25 | 5.6 | 6.70 | GENM | 2.94 | 1.7 | 4.51 | PETDAG | 22.90 | 0.4 | 0.19 |

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **MI Technovation 2Q earnings down 28.0% on higher costs, lower revenue**

MI Technovation Bhd's net profit for the second quarter fell 28.5% to RM18.7m, from RM26.1m a year ago, due to expansion expenses, and higher material and logistics costs. Revenue for the quarter ended June 30, 2022 fell 20.0% to RM93.6m from RM117.3m, the group said. MI Technovation said the revenue was dragged by its semiconductor equipment business, mainly due to a slowdown in the smartphone and mobile device industry which is facing weakening demand from end users amid inflationary pressures. *(The Edge Market)*

- **Samchem 2Q earnings down 5.0%**

Samchem Holdings Bhd's net profit for the second quarter ended June 30, 2022 (2QFY22) decreased by 5.4% to RM18.2m, down from RM19.2m a year ago, due to narrower margin as a result of challenging business environment. Its earnings per share fell to 3.35 sen in 2QFY22 versus 3.54 sen a year earlier. Samchem's quarterly revenue fell marginally by 1.3% to RM366.7m, as compared to RM371.6m a year before, dragged by lower sales volume, according to the integrated chemicals and lubricants distributor. Nevertheless, the group has proposed a second interim dividend of one sen per share. *(The Edge Market)*

- **ACE Market-listed SDS Group seeks transfer to Main Market**

Bakery products manufacturer SDS Group Bhd, which made a debut on Bursa Malaysia's ACE Market in October 2019, has proposed to transfer its listing to the Main Market. The transfer to the Main Market will enhance the group's prestige and reputation and will accord it greater recognition and acceptance among investors, in particular institutional investors, SDS said. "In addition, the proposed transfer will also promote the group's corporate image leading to greater recognition and confidence to customers, suppliers, business partners, bankers, employees and shareholders," it added. *(The Edge Market)*

- **G Capital inks PPA with Muda Holdings unit for 25-year, 5.5MWp solar PPA**

G Capital Bhd's 70%-unit Solarcity Malaysia Sdn Bhd has inked a solar power purchase agreement (PPA) with Muda Holdings Bhd's wholly-owned subsidiary Federal Packages Sdn Bhd for sale of solar energy to Federal Packages from a 5.5 megawatt-peak (MWp) solar asset in Pulau Pinang. Under the agreement, Solarcity will design, construct, instal, own, operate and maintain the additional solar photovoltaic generation system, which will be located on Federal Packages' premises. The PPA spans 25 years from the commercial operation date, G Capital said. "The plant is expected to achieve commercial operation by [the] first quarter of 2023," G Capital added. *(The Edge Market)*

- **Bintai Kinden JV secures subcontracts worth RM4.4m**

Bintai Kinden Corp Bhd's joint-venture (JV) company has secured a series of additional subcontracts from Petro Flanges & Fittings Sdn Bhd (PFF) to supply high-grade carbon steel/stainless steel piping, valves and piping accessories, with a value of approximately RM4.4m, to companies in the oil and gas (O&G) industry. The company said its 51.0%-owned Bintai Energy Sdn Bhd had been awarded the subcontract by PFF, which owns the remaining 49.0% stake in Bintai Energy. *(The Edge Market)*

29 July 2022

Macro Bits

Global

- [Oil extends gains as risk appetite improves, U.S. inventories fall](#) Oil rose more than USD1.0 a barrel on Thursday, extending gains from the previous session, buoyed by improved risk appetite among investors as lower crude inventories and a rebound in gasoline demand in the United States supported prices. *(Reuters)*
- [Don't 'play with fire' over Taiwan, China's Xi warns in call with Biden](#) Chinese leader Xi Jinping warned against playing with fire over Taiwan in a call with U.S. President Joe Biden on Thursday, highlighting Beijing's concerns about a possible visit to the Chinese-claimed island by U.S. House Speaker Nancy Pelosi. *(Reuters)*

Malaysia

- [Malaysia says Indonesia agrees to lift freeze on sending migrant workers](#) Malaysia's human resources minister on Thursday said Indonesia had agreed to lift a freeze on sending its migrant workers to the country effective August 1, after the neighbours ironed out concerns surrounding workers' rights. The entry of migrant workers will help Malaysia - the world's second-largest palm oil producer and a key link in the global supply chain - ease a shortage of some 1.2m workers. *(Reuters)*
- [Several key economic indicators' positive trajectory shows Malaysia's economic performance still intact — DOSM](#) Malaysia's overall economic performance is still intact, reflected by the positive trajectory registered by several key economic indicators in May 2022 compared with the previous year, the Department of Statistic Malaysia (DOSM) said. *(The Edge Markets)*

Asia Pacific

- [China targets USD148.2b in financing for cash-strapped developers - FT](#) China will help property developers by issuing CNY1.0t (USD148.2b) in loans for stalled developments, the Financial Times said on Thursday, as it tries to revive the debt-stricken sector and relieve pressure on the economy. *(Reuters)*
- [Hong Kong central bank raises rates, warns of higher interbank rates](#) The Hong Kong Monetary Authority (HKMA) on Thursday (July 28) raised its base rate charged through the overnight discount window by 75 basis points to 2.75%, hours after the US Federal Reserve (Fed) delivered a rate hike of the same margin. *(The Edge Markets)*
- [Philippine c.bank to use "full force" of measures to tackle inflation risks](#) Philippine's central bank is ready use the "full force" of monetary policy measures to combat inflation and support the peso currency after the U.S. Federal Reserve hiked rates by 75 basis points, its governor said on Thursday. *(Reuters)*
- [Australia cuts growth outlook as inflation bites](#) Australia's recently-elected Labor government took a scalpel to the country's economic growth forecasts on Thursday, warning soaring inflation and higher interest rates represented a once-in-a-generation challenge. *(Reuters)*
- [Australian retail sales slow in June as prices jump](#) Australian retail sales edged higher in June but missed market forecasts for the first time in several months, a sign soaring inflation and rising interest rates may be finally curbing consumer demand. *(Reuters)*

Americas

- [U.S. GDP contracts again in second quarter, fanning recession fears](#) The U.S. economy contracted again in the second quarter amid aggressive monetary policy tightening from the Federal Reserve to combat high inflation, which could fan financial market fears that the economy was already in recession. *(Nikkei Asia)*
- [U.S. jobless claims retreat after hitting highest level in eight months](#) Initial jobless claims fell by 5,000 to 256,000 in the week ended July 23, the Labor Department said Thursday. Jobless claims have been creeping higher since hitting a low of 166,000 in March. Fed Chairman Jerome Powell said Wednesday the labor market was strong and a bulwark against recession. *(MarketWatch)*
- [US is not in recession or pre-recession-White House](#) The United States is not currently in a recession or in a "pre-recession," the White House said on Wednesday as the Federal Reserve Board raised interest rates to try to fight inflation. White House press secretary Karine Jean-Pierre declined to comment on Fed monetary policy after the Fed raised rates by three quarters of a percentage point. *(Reuters)*

Europe

- [Eurozone economic sentiment plummeted in July](#) Confidence among the eurozone's consumers and businesses fell sharply in July due to high inflation and the prospect of a cut in gas supplies from Russia. The European Commission said Thursday that its economic sentiment indicator--an aggregate measure of business and consumer confidence--fell to 99.0 in July from 103.5 in June. *(MarketWatch)*
- [German inflation rises unexpectedly after fall in Russian gas supply](#) German inflation edged up unexpectedly in July after a further reduction in gas flows from Russia prompted concerns of even higher energy bills, data showed on Thursday. *(Reuters)*

29 July 2022

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

| NAME* | LAST PRICE | RSI 14D | RSI 9D | RSI 3D | LOW 30D |
|--------------------|------------|---------|--------|--------|---------|
| WAH SEONG CORP BHD | 0.510 | 27.66 | 32.03 | 60.86 | 0.500 |

*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 |
| ATLAN HOLDINGS BERHAD | 2.980 | 77.08 | 84.92 | 90.99 | 2.990 |
| IDEAL CAPITAL BHD | 1.450 | 75.61 | 81.16 | 93.22 | 1.450 |
| PIE INDUSTRIAL BHD | 3.500 | 73.16 | 82.45 | 98.62 | 3.520 |
| GENETEC TECHNOLOGY BHD | 2.410 | 71.44 | 81.89 | 97.88 | 2.450 |
| MIECO CHIPBOARD BERHAD | 0.585 | 70.86 | 82.61 | 89.86 | 0.590 |
| SUPERCOMNET TECHNOLOGIES BHD | 1.230 | 70.28 | 81.45 | 98.12 | 1.240 |
| JF TECHNOLOGY BHD | 0.820 | 70.15 | 79.72 | 92.17 | 0.850 |

*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 |
|------------------------------|------------|---------|--------|--------|---------|-------------|
| MY EG SERVICES BHD-V | 0.015 | 8.11 | 7.69 | 4.07 | 0.015 | 17/1/2023 |
| AXIATA GROUP BHD-C77 | 0.015 | 21.57 | 26.98 | 46.81 | 0.010 | 30/11/2022 |
| HENGYUAN REFINING CO BHD-C31 | 0.015 | 26.14 | 35.02 | 69.91 | 0.005 | 10/2/2023 |
| MY EG SERVICES BHD-C | 0.060 | 29.41 | 28.70 | 11.71 | 0.060 | 30/12/2022 |
| HANG SENG INDEX-Q2 | 0.030 | 29.48 | 19.81 | 1.49 | 0.030 | 30/8/2022 |
| SUPERMAX CORP BHD-Z | 0.025 | 29.56 | 24.51 | 10.37 | 0.025 | 24/11/2022 |
| HIBISCUS PETROLEUM BHD-C32 | 0.030 | 29.90 | 29.43 | 49.64 | 0.025 | 20/2/2023 |

Source: Bloomberg

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

| NAME | LAST PRICE | RSI 14D | RSI 9D | RSI 3D | HIGH 30D | EXPIRY DATE |
|--------------------------|------------|---------|--------|--------|----------|-------------|
| YINSON HOLDINGS BHD-CW25 | 0.440 | 71.87 | 80.45 | 96.30 | 0.445 | 21/6/2025 |
| JF TECHNOLOGY BHD-CW26 | 0.325 | 70.10 | 75.93 | 86.13 | 0.360 | 23/1/2026 |

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