

04 August 2022

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BURSA	3-Aug	Day chg	% chg
KLCI	1,490.6	-4.48	-0.30%
FTSE EMAS	10,572.2	-10.3	-0.10%
FTSE Smallcap	14,270.0	39.45	0.28%
FTSE MESDAQ	4,790.5	-6.1	-0.13%
KLSE Mkt Cap (RM'b)	1,616.3	-13.3	-0.82%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-80.22	45.86%
Local Retail	5.21	25.67%
Foreign	75.02	28.47%

INDICES	3-Aug	Day chg	% chg
Dow Jones	32,812.5	416.3	1.29%
S&P 500	4,155.2	64.0	1.56%
NASDAQ	12,668.2	319.4	2.59%
FTSE-100	7,445.7	36.6	0.49%
Nikkei 225	27,741.9	147.2	0.53%
SHCOMP	3,163.7	-22.592	-0.71%
HSI	19,767.1	77.9	0.40%
STI	3,252.1	12.9	0.40%
KOSPI	2,461.5	21.8	0.89%
TWSE	14,777.0	29.8	0.20%
JCI	7,046.6	58.478	0.84%
SET	1,594.7	5.6	0.35%

FOREX	3-Aug	2-Aug	% chg
USD/MYR:	4.4557	4.4552	0.01%
EUR/USD:	1.0188	1.0227	-0.38%
GBP/USD:	1.2182	1.2204	-0.18%
USD/YEN:	133.36	130.99	1.81%
USD/SGD:	1.3808	1.3797	0.08%
USD/HKD:	7.8500	7.8499	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	1,908.2	2,855.4	-33.17%
Value (RMm):	1,354.2	1,597.0	-15.20%
KLCI Future			
August-22	1,489.0	1,501.0	-0.80%
September-22	1,479.0	1,488.0	-0.60%
CPO Price (RM/tonne)	3,883.0	3,871.0	0.31%
Soybean (US\$/bu)	1,403.8	1,415.8	-0.85%
SoyOil (USc/lb)	61.1	61.6	-0.67%
Gold (US\$/troy oz)	1,766.1	1,779.7	-0.76%
Nymex crude oil (US\$/bbl)	90.7	94.4	-3.98%
Latex (RM/kg)	5.31	5.29	0.38%
Tin (US\$/mt)	24,455.00	24,437.0	0.07%

Research Highlights

NEWS HIGHLIGHTS

- Globaltec's unit gets additional exploration time for Muralim gas field
- SCIB inks partnership with Indonesian firms on 4G telecom tower project
- ILB Group's minority shareholder sues to block RM16m acquisition said to be stock dilutive
- Joe Holding to buy two pieces of machinery worth RM14.5m from Fintec Global
- Frozen seafood processor PT Resources signs underwriting agreement with Mercury Securities for ACE Market IPO

MACRO BITS

- OPEC+ approves tiny oil output rise in rebuff to Biden
- Global refining capacity expected to rise by three million bpd by end-2023, says IEA
- Emerging market portfolios post longest streak of monthly outflows on record
- Ratification of CPTPP will benefit Malaysian economy
- Thai business group sticks by GDP outlook despite inflation risk
- Japan's services sector nearly stagnates in July
- S.Korea's home prices to fall up to 2.8% with 100 bp rate hike
- China July services activity expands at quickest pace in 15 months
- U.S. factory orders rise solidly in June, beat expectations
- U.S. service sector unexpectedly picks up in July; price growth slows
- Euro zone business activity contracted in July as customers stayed home

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: F&N
- Company Update: SAMAI DEN
- On Our Technical Watch: FPGROUP, TEXCHEM

#	Top Volume			Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)	
	Stock	Price	%Chg (+/-)									Stock
1	TOPGLOV	0.97	-1.0	43.10	HARTA	2.80	1.5	3.35	SIME	2.36	-2.1	7.04
2	PBBANK	4.61	-1.1	13.10	MRDIY	2.32	1.3	3.75	PBBANK	4.61	-1.1	13.10
3	CIMB	5.23	-0.4	10.90	INARI	2.86	1.1	9.78	TOPGLOV	0.97	-1.0	43.10
4	INARI	2.86	1.1	9.78	PETGAS	17.06	0.8	0.49	MISC	7.13	-0.8	1.04
5	SIME	2.36	-2.1	7.04	PICHEM	8.90	0.6	5.77	RHBBANK	5.85	-0.7	5.04
6	PMETAL	4.95	0.0	5.94	PETDAG	22.80	0.4	0.19	TENAGA	8.25	-0.6	2.20
7	PICHEM	8.90	0.6	5.77	GENM	2.92	0.3	4.03	MAYBANK	8.83	-0.6	5.47
8	MAYBANK	8.83	-0.6	5.47	SIMEPLT	4.36	0.2	1.96	MAXIS	3.63	-0.6	1.82
9	RHBBANK	5.85	-0.7	5.04	AXIATA	2.83	0.0	2.69	HLBANK	20.80	-0.5	1.32
10	IHH	6.42	0.0	4.67	DIALOG	2.22	0.0	2.83	CIMB	5.23	-0.4	10.90

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

Corporate News

- **Globaltec's unit gets additional exploration time for Muralim gas field**

Globaltec Formation Bhd's 52%-owned Australia-listed subsidiary NuEnergy Gas Ltd has obtained approval for additional exploration time at the Muralim gas field. In a filing with the Australia Securities Exchange on Wednesday, NuEnergy said it has received approval from the Indonesian Ministry of Energy and Mineral Resources for additional exploration time until July 18, 2023. The additional time will be utilised to complete de-watering activities on the MU-005 (Twin) well to determine gas productivity for future development, to be followed by the submission of an Exploration Status Decision proposal and a Plan of Development proposal. *(The Edge Markets)*

- **SCIB inks partnership with Indonesian firms on 4G telecom tower project**

Sarawak Consolidated Industries Bhd (SCIB) has inked a memorandum of understanding with PT Semesta Noor Berkarya (SNB) and PT Envy Manajemen Konsultansi (EMK) to explore the formation of a partnership in relation to the construction of 4G telecommunications towers for Indonesia's outermost regions. In a statement on Wednesday (Aug 3), the group said SNB will build and install the 4G telecommunications towers, and undertake site survey and acquisition as well as other supporting infrastructure work. SNB, an Indonesian state-owned enterprise, is an engineering, procurement and construction specialist with expertise in handling large-scale domestic projects. EMK, which is involved in business advisory, consultation, project management and other corporate management activities, will provide project management services through operational and technical supervision, SCIB said. *(The Edge Markets)*

- **ILB Group's minority shareholder sues to block RM16m acquisition said to be stock dilutive**

BT Investment Capital Ltd, a minority shareholder of Main Market-listed ILB Group Bhd, formerly known as Integrated Logistics Bhd, has filed a lawsuit against the logistics services company and the company's board members in an attempt to block an acquisition that could dilute shares owned by existing shareholders. In the originating summons filed on behalf of BT Investment Capital on Aug 2, it named the nine defendants as ILB, its chairman, chief executive officer, executive director, non-executive directors, as well as Impian Nuri Sdn Bhd. *(The Edge Markets)*

- **Joe Holding to buy two pieces of machinery worth RM14.5m from Fintec Global**

Joe Holding Bhd on Wednesday (Aug 3) proposed the acquisition of two pieces of machinery from Fintec Global Bhd's wholly-owned subsidiary Fintec Glove Sdn Bhd for a total contract price of RM14.5m. In a bourse filing, Joe Holding said its wholly-owned subsidiary Joe Glove Sdn Bhd has entered into the sale and purchase agreement with Fintec Glove to purchase two NBR/NR (nitrile butadiene rubber/natural rubber) powder free double former dipping lines. Joe Glove, established on Jan 18, 2021, is principally involved in glove manufacturing. *(The Edge Markets)*

- **Frozen seafood processor PT Resources signs underwriting agreement with Mercury Securities for ACE Market IPO**

PT Resources Holdings Bhd has inked an underwriting agreement with Mercury Securities Sdn Bhd, in conjunction with its upcoming initial public offering (IPO) on the ACE Market of Bursa Malaysia Securities Bhd. The frozen seafood processor said the IPO involves the public issue of 40.1m new shares and that it aims to launch its prospectus in the third quarter of the year. PT Resources Managing Director said the high and resilient demand for seafood, which is an essential component of a healthy diet, puts the group in a strong position to pursue sustainable growth, not just locally, but also internationally. *(The Edge Markets)*

Macro Bits

Global

- [OPEC+ approves tiny oil output rise in rebuff to Biden](#) OPEC+ is set to raise its oil output goal by 100,000 barrels per day, an amount analysts said was an insult to U.S. President Joe Biden after his trip to Saudi Arabia to ask the producer group's leader to pump more to help the United States and the global economy. The increase of 100,000 bpd will be one of the smallest since OPEC quotas were introduced in 1982, OPEC data shows. *(Reuters)*
- [Global refining capacity expected to rise by three million bpd by end-2023, says IEA](#) Global refining capacity is expected to increase by nearly three million barrels per day (bpd) by the end of next year when at least nine refinery projects are expected to start up in the Middle East and Asia. *(The Edge Markets)*
- [Emerging market portfolios post longest streak of monthly outflows on record](#) Emerging markets posted a fifth straight month of portfolio outflows in July, setting the longest such streak in records going back to 2005, as global recession risk, inflation and a strong dollar drew away cash, data from the Institute of International Finance (IIF) showed on Wednesday. Non-residents pulled USD9.8b out of emerging market portfolios in July, the data show, compared with an outflow of USD3.8b in June and a USD35.1b inflow in July 2021. *(Reuters)*

Malaysia

- [Ratification of CPTPP will benefit Malaysian economy](#) The Chemical Industries Council of Malaysia (CICM) lauded the Ministry of International Trade and Industry's (Miti) efforts in ratifying the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The council urged the government to expedite the ratification as it will benefit the Malaysian economy, especially after the findings of the cost and benefit analysis (CBA) that was issued by Miti last month. *(Malay Mail)*

Asia Pacific

- [Thai business group sticks by GDP outlook despite inflation risk](#) Thailand's economy is still expected to grow 2.75% to 3.5% this year, helped by increased exports, more tourists, and government support, but faces rising inflationary pressures, a leading joint business group said on Wednesday. Exports are expected to increase 6.0% to 8.0% this year, up from a previous forecast rise of 5.0% to 7.0%, according to the group. *(Reuters)*
- [Japan's services sector nearly stagnates in July](#) Japan's services sector activity almost completely stagnated in July as rising inflation and growing economic uncertainty weighed on sentiment, while firms also said a boost from the lifting of COVID-19 pandemic curbs had faded. The final Jibun Bank Japan Services purchasing managers' index (PMI) slumped to a seasonally adjusted 50.3, marking the lowest reading since March. *(Reuters)*
- [S.Korea's home prices to fall up to 2.8% with 100 bp rate hike](#) South Korea's residential property prices are likely to drop by up to 2.8% in two years with a full percentage point hike in policy interest rate, according to a research paper by the central bank on Wednesday. While other variables including the size of new apartment supplies and mortgage rules could affect property prices, the Bank of Korea research focused on analyzing the impact on prices from changes in policy rate solely. *(Reuters)*
- [China July services activity expands at quickest pace in 15 months](#) China's services activity grew at the fastest rate in 15 months in July as easing COVID curbs boosted consumer confidence, but foreign demand fell and companies cut staff for the seventh month in a row, a private-sector survey showed on Wednesday. The Caixin services purchasing managers' index (PMI) rose to 55.5 in July, the fastest growth since April 2021, rising further from the robust reading of 54.5 in June. *(Reuters)*

Americas

- [U.S. factory orders rise solidly in June, beat expectations](#) New orders for U.S.-manufactured goods increased solidly in June and business spending on equipment was stronger than initially thought, pointing to underlying strength in manufacturing despite rising interest rates. The Commerce Department said on Wednesday that factory orders rose 2.0% in June after advancing 1.8% in May. *(Reuters)*
- [U.S. service sector unexpectedly picks up in July; price growth slows](#) The U.S. services industry unexpectedly picked up in July amid strong order growth, while supply bottlenecks and price pressures eased, supporting views that the economy was not in recession despite output slumping in the first half of the year. *(Reuters)*

Europe

- [Euro zone business activity contracted in July as customers stayed home](#) Business activity in the euro zone contracted slightly in July for the first time since early last year as consumers reined in spending amid a cost-of-living crisis, according to a survey which suggested the outlook for the economy was gloomy. S&P Global's final composite Purchasing Managers' Index (PMI), seen as a good gauge of economic health, fell to a 17-month low of 49.9 in July from June's 52.0. *(Reuters)*

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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
IDEAL CAPITAL BHD	1.490	77.42	81.32	84.21	1.510
SAM ENGINEERING & EQUIPMENT	4.630	76.79	83.11	88.91	4.680
PMB TECHNOLOGY BHD	3.250	74.05	83.91	97.15	3.340
ELSOFT RESEARCH BHD	0.695	73.87	85.33	98.84	0.695
UNISEM (M) BERHAD	2.990	72.80	79.18	78.61	3.100
HARN LEN CORP BHD	1.680	71.94	76.18	93.20	1.720

*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-E	0.015	18.90	9.91	0.83	0.015	30/8/2022
MR DIY GROUP M BHD-C4	0.020	20.65	20.44	20.10	0.020	20/10/2022
CAHYA MATA SARAWAK BHD-C38	0.025	22.22	22.03	19.49	0.025	10/1/2023
HANG SENG INDEX-Q2	0.005	25.57	14.71	0.26	0.005	30/8/2022
BURSA MALAYSIA BHD-C60	0.050	26.20	27.40	24.35	0.045	17/10/2022
MALAYSIA AIRPORTS HOLDINGS BHD-C38	0.010	26.42	21.71	14.51	0.010	15/8/2022
HANG SENG INDEX-JA	0.090	27.97	21.19	4.34	0.085	29/9/2022
TENCENT HOLDINGS LTD-C20	0.025	28.12	23.70	26.86	0.020	4/10/2022
S&P 500 INDEX-C11	0.530	28.33	21.92	13.28	0.515	19/9/2022
YTL POWER INTERNATIONAL BHD-C19	0.020	29.44	33.31	22.37	0.015	30/11/2022
HANG SENG INDEX-JB	0.190	29.66	22.13	4.81	0.185	29/9/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
TELADAN SETIA GROUP BHD-WA	0.380	78.62	81.57	81.37	0.410	31/12/2099
HARN LEN CORP BHD-WB	0.980	70.13	71.18	74.45	1.030	19/9/2026

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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Published and printed by:

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