

11 August 2022

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BURSA	10-Aug	Day chg	% chg
KLCI	1,492.3	-5.35	-0.36%
FTSE EMAS	10,561.7	-59.9	-0.56%
FTSE Smallcap	14,244.0	-108.06	-0.75%
FTSE MESDAQ	4,831.6	-55.1	-1.13%
KLSE Mkt Cap (RM'b)	1,612.9	-8.1	-0.50%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-78.91	46.70%
Local Retail	82.67	25.75%
Foreign	-3.76	27.55%

INDICES	10-Aug	Day chg	% chg
Dow Jones	33,309.5	535.1	1.63%
S&P 500	4,210.2	87.8	2.13%
NASDAQ	12,854.8	360.87	2.89%
FTSE-100	7,507.1	19.0	0.25%
Nikkei 225	27,819.3	-180.6	-0.65%
SHCOMP	3,230.0	-17.412	-0.54%
HSI	19,610.8	-392.6	-1.96%
STI	3,286.3	N.A.	N.A.
KOSPI	2,480.9	-22.6	-0.90%
TWSE	14,939.0	-111.3	-0.74%
JCI	7,086.2	-16.644	-0.23%
SET	1,617.2	-1.6	-0.10%

FOREX	10-Aug	9-Aug	% chg
USD/MYR:	4.4557	4.4548	0.02%
EUR/USD:	1.0242	1.0225	0.17%
GBP/USD:	1.2096	1.2107	-0.09%
USD/YEN:	134.98	134.89	0.07%
USD/SGD:	1.3773	1.3784	-0.08%
USD/HKD:	7.8475	7.8498	-0.03%

KEY STATS

KLCI Spot			
Vol (m shares):	2,165.4	2,523.6	-14.19%
Value (RMm):	1,677.2	1,259.2	33.19%
KLCI Future			
August-22	1,494.5	1,499.5	-0.33%
September-22	1,482.5	1,487.5	-0.34%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,509.0	1,512.3	-0.21%
SoyOil (USc/lb)	66.3	64.8	2.25%
Gold (US\$/troy oz)	1,803.3	1,801.5	0.10%
Nymex crude oil (US\$/bbl)	91.9	90.5	1.58%
Latex (RM/kg)	5.27	5.29	-0.47%
Tin (US\$/mt)	24,706.00	24,551.0	0.63%

Research Highlights

NEWS HIGHLIGHTS

- Hup Seng's 2Q net profit falls 15% to RM3m on higher raw material costs
- Ranhill Utilities gets four-year PPA extension for LSS4@MENtARI project
- KPower unit gets green light from Terengganu state govt for mixed housing project
- Bintai Kinden partners with PT Raintech Indo Energi to market O&G equipment in Indonesia
- Agmo Holdings IPO's public portion oversubscribed by 120 times

MACRO BITS

- Dollar tumbles after cooler-than-expected U.S. inflation data
- China withdraws promise not to send troops to Taiwan if it takes control of island
- China military says tasks in Taiwan strait completed, troops to stay battle-ready
- Malaysia's economy likely grew at fastest pace in a year in 2Q22
- Malaysia's labour market saw jobs increase 3.2% year-on-year in 2Q
- RON97 petrol down 10 sen, RON95 and diesel unchanged
- Policy rate raised by 25bps to 0.75%, signals gradual rate hikes going forward (See *Economic Viewpoint: BoT 4th MPC Decision*)
- Malaysia urges ASEAN states to engage Myanmar junta's rivals
- China's factory inflation hits 17-month low, consumer prices speed up
- Thai banks urged to freeze rates even if c.bank hikes policy rate-FinMin
- Biden says inflation may be easing but people are 'still hurting'
- U.S. consumer price growth unchanged for July
- Ukraine sees big increase in agriculture exports in July

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Plantation
- Company Update: BPLANT, MISC, SWIFT
- On Our Technical Watch: SIGN, SLVEST
- Economic Viewpoint: BoT MPC Decision
- Thematic Report: Sarawak & Sabah Field Trip

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	0.93	-5.6	110.18	MAXIS	3.80	1.6	1.96	HARTA	2.45	-12.5	32.00
2	HARTA	2.45	-12.5	32.00	SIMEPLT	4.52	1.6	2.80	TOPGLOV	0.93	-5.6	110.18
3	PBBANK	4.63	-0.6	13.60	KLK	22.50	1.1	1.42	INARI	2.82	-4.4	11.80
4	MRDIY	2.13	-1.4	12.30	MISC	7.13	1.0	0.69	SIME	2.30	-1.7	9.56
5	CIMB	5.30	0.2	11.90	NESTLE	135.30	0.5	0.05	AXIATA	2.90	-1.7	3.89
6	INARI	2.82	-4.4	11.80	TM	5.59	0.4	3.34	MRDIY	2.13	-1.4	12.30
7	SIME	2.30	-1.7	9.56	GENM	2.94	0.3	2.98	DIALOG	2.21	-1.3	3.27
8	PCHEM	8.72	0.2	8.31	IHH	6.42	0.3	2.46	PETGAS	17.08	-1.3	0.38
9	MAYBANK	8.90	0.1	8.17	PCHEM	8.72	0.2	8.31	HLBANK	20.70	-0.9	0.66
10	PMETAL	4.70	0.2	8.15	PMETAL	4.70	0.2	8.15	PBBANK	4.63	-0.6	13.60

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Hup Seng's 2Q net profit falls 15% to RM3m on higher raw material costs**

A continuous escalation in input costs has slowed Hup Seng Industries Bhd's margin growth, leading the group to report a lower net profit of RM3m for the second quarter ended June 30, 2022 (2QFY22). This was a 15.1% decline from the RM3.6m reported for 2QFY21, according to the biscuit maker's filing with Bursa Malaysia on Wednesday (Aug 10). Earnings per share (EPS) fell to 0.4 sen from 0.5 sen a year earlier. Quarterly revenue, meanwhile, rose 11% to RM73.8m in 2QFY22 from RM66.5m in 2QFY21, mainly due to higher selling prices. "Export market grew 6% or RM900,000 compared to the previous corresponding period, mainly from Maldives and Thailand. Domestic market increased by about 13% or RM6.4m from all channels," said the group. *(The Edge Markets)*

- **Ranhill Utilities gets four-year PPA extension for LSS4@MENtARI project**

Ranhill Utilities Bhd has obtained a four-year extension of a power purchase agreement (PPA) to develop a 50 MW large scale solar plant under large scale solar phase 4@MENtARI (LSS4@MENtARI) in Perak. In a bourse filing, the water supply company via its wholly-owned unit Ranhill Solar I Sdn Bhd (RSI) said it had received a notification letter from the Energy Commission on the four-year extension agreement. Ranhill said its unit also received an extension of the project's financial closing date from June 30, 2022 to Sept 30, 2022 while the scheduled commercial operation date was extended to Dec 31, 2023. *(The Edge Markets)*

- **KPower unit gets green light from Terengganu state govt for mixed housing project**

KPower Bhd's wholly owned unit KPower Development Sdn Bhd (KDSB) has received approval from the Terengganu state government to develop affordable and mixed housing development on 18.959 hectares of land in Kuala Nerus district, Terengganu. KDSB is principally involved in property development. In a Bursa Malaysia filing on Wednesday, KPower said 4.85% of the gross development value will be attributable to the state's affordable housing fund, which is under the purview of the housing department of Terengganu's state secretary. The property development is expected to contribute positively to KPower's net assets, consolidated earnings, and earnings per share for the financial year ending June 30, 2023 (FY23) to FY25. *(The Edge Markets)*

- **Bintai Kinden partners with PT Raintech Indo Energi to market O&G equipment in Indonesia**

Multidisciplinary building and industrial service engineering outfit Bintai Kinden Corp Bhd has signed a collaboration agreement with PT Raintech Indo Energi (PTRIE) for PTRIE to market and promote flanges, fittings, pipes, and other oil and gas (O&G) equipment in Indonesia on behalf of its unit Bintai Energy Sdn Bhd. In a bourse filing on Wednesday (Aug 10), Bintai Kinden said Bintai Energy will collaborate with PTRIE to promote business opportunities, and provide the necessary technical and competitive price support for the products to be represented by PTRIE. PTRIE will be responsible for the promotion of the products within Indonesia, and to advise Bintai Energy on market-related information on these products. *(The Edge Markets)*

- **Agmo Holdings IPO's public portion oversubscribed by 120 times**

The public portion of Agmo Holdings Bhd's initial public offering (IPO) has been oversubscribed by 120.2 times as investors applied for shares to a value of more than RM500m. The home-grown digital solutions and application development specialist, which is scheduled to list on Bursa Malaysia's ACE Market on Aug 18, said it received 14,277 applications seeking 2b new shares worth RM512m for the 16.3m new shares made available to the Malaysian public under its IPO. This represents an oversubscription of 120.2 times. *(The Edge Markets)*



Macro Bits

Global

- [Dollar tumbles after cooler-than-expected U.S. inflation data](#) The dollar fell more than 1.0% on Wednesday following a cooler-than-expected inflation report for July that raised expectations of a less aggressive rate hike cycle than previously anticipated from the U.S. Federal Reserve. *(Reuters)*
- [China withdraws promise not to send troops to Taiwan if it takes control of island](#) China has withdrawn a promise not to send troops or administrators to Taiwan if it takes control of the island, an official document showed on Wednesday, signalling a decision by President Xi Jinping to grant less autonomy than previously offered. *(Reuters)*
- [China military says tasks in Taiwan strait completed, troops to stay battle-ready](#) China's military said on Wednesday it has "successfully completed" various tasks around Taiwan after around a week of drills. *(Reuters)*

Malaysia

- [Malaysia's economy likely grew at fastest pace in a year in 2Q22](#) Malaysia's economy grew at the fastest pace in a year last quarter, thanks to a strong rebound in private consumption and buoyant exports, but a global economic slowdown poses significant risk to the outlook, a Reuters poll found. The Aug 3-9 poll of 18 economists predicted that Southeast Asia's third-largest economy expanded 6.7% in the April-June quarter, compared to the same period a year earlier. *(The Edge Markets)*
- [Malaysia's labour market saw jobs increase 3.2% year-on-year in 2Q](#) Malaysia's labour market saw an increase of 3.2% in jobs, or 267,000 more jobs, in the second quarter of 2022 (2Q22) to record 8.619m during the period, from 8.352m a year ago. *(The Edge Markets)*
- [RON97 petrol down 10 sen, RON95 and diesel unchanged](#) The retail price of RON97 petrol will drop by 10 sen from RM4.50 to RM4.40 per litre while RON95 and diesel will remain unchanged for the week from Aug 11 to 17. The Ministry of Finance in a statement on Wednesday said to protect consumers from global oil price hikes, RON95 and diesel would remain at RM2.05 and RM2.15 per litre respectively although the real market prices of the two products have increased beyond the current ceiling prices. *(The Edge Markets)*

Asia Pacific

- [Policy rate raised by 25bps to 0.75%, signals gradual rate hikes going forward](#) The Bank of Thailand (BoT) raised the one-day repurchase rate to 0.75%, its first hike since December 2018, in line with house and market expectations. The committee stated that Thailand's economic recovery had strengthened and growth would likely return to pre-pandemic levels by the end of 2022, whilst headline inflation is expected to "remain at a high level for some time". As such, the MPC assessed that the accommodative monetary policy stance taken due to the COVID-19 pandemic had become less needed. Expect a 25bps rate hike at each of the two remaining MPC meetings this year, bringing the year-end rate to 1.25%. *(See Economic Viewpoint: BoT 4th MPC Decision)*
- [Malaysia urges ASEAN states to engage Myanmar junta's rivals](#) Malaysia wants a clear endgame in Myanmar' faltering peace process and is advocating direct engagement by ASEAN states with the junta's opponents, and bringing other countries into the fold, its foreign minister said on Wednesday. *(Reuters)*
- [China's factory inflation hits 17-month low, consumer prices speed up](#) China's factory-gate inflation eased in July to a 17-month low, defying global cost pressures as slower domestic construction weighed on raw material demand, although consumer price increases hit a two-year high as pork supplies tightened. *(Reuters)*
- [Thai banks urged to freeze rates even if c.bank hikes policy rate-FinMin](#) Thailand's commercial banks should not rush to raise their interest rates even though the central bank will tighten monetary policy, the finance minister said on Wednesday. *(Reuters)*

Americas

- [Biden says inflation may be easing but people are 'still hurting'](#) U.S. President Joe Biden on Wednesday said that inflation is showing signs of moderating but that more work is needed to make consumers' lives easier. *(Reuters)*
- [U.S. consumer price growth unchanged for July](#) U.S. consumer prices did not rise in July due to a sharp drop in the cost of gasoline, delivering the first notable sign of relief for Americans who have watched inflation climb over the past two years. *(Reuters)*

Europe

- [Ukraine sees big increase in agriculture exports in July](#) Ukraine's grain, oilseed, vegetable oil exports rose 22.7% in July versus June to 2.66m tonnes thanks to higher wheat and barley shipments, the agriculture ministry said on Wednesday. *(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
IDEAL CAPITAL BHD	1.660	89.10	92.82	98.53	1.690
ABF MALAYSIA BOND INDEX FUND	1.178	72.85	81.77	94.06	1.178

*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
MALAYSIA SMELTING CORP BHD-CG	0.005	16.60	19.75	30.69	0.005	10/2/2023
SUPERMAX CORP BHD-Y	0.010	20.70	19.27	13.22	0.010	16/1/2023
IOI CORP BHD-C43	0.035	22.33	27.31	61.71	0.035	17/1/2023
HANG SENG INDEX-Q2	0.005	25.57	14.71	0.26	0.005	30/8/2022
HARTALEGA HOLDINGS BHD-C96	0.055	26.06	21.04	4.24	0.055	13/1/2023
MY EG SERVICES BHD-E	0.065	26.32	27.21	27.42	0.060	28/2/2023
TENCENT HOLDINGS LTD-C20	0.015	27.37	23.14	17.32	0.015	4/10/2022
MY EG SERVICES BHD-C	0.050	27.62	25.35	11.30	0.045	30/12/2022
HIBISCUS PETROLEUM BHD-C32	0.020	28.52	26.80	17.86	0.020	20/2/2023
HANG SENG INDEX-JF	0.035	29.28	21.90	7.34	0.035	28/10/2022
HANG SENG INDEX-JH	0.245	29.31	23.39	10.99	0.230	28/10/2022
HANG SENG INDEX-JA	0.080	29.51	24.94	16.33	0.075	29/9/2022
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-GI	0.060	29.74	21.09	7.84	0.050	30/8/2022
MY EG SERVICES BHD-X	0.020	29.91	21.30	1.92	0.020	31/10/2022
NASDAQ 100 STOCK INDEX-H2	0.120	29.96	26.44	46.10	0.105	19/9/2022

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	0.520	86.00	89.16	94.73	0.540	31/12/2099
CLASSIC SCENIC BHD-WA	0.395	82.32	87.91	97.46	0.405	8/8/2026
HARN LEN CORP BHD-WB	1.050	72.19	72.95	63.45	1.090	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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