

18 August 2022

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

BURSA	17-Aug	Day chg	% chg
KLCI	1,518.2	-0.62	-0.04%
FTSE EMAS	10,743.8	-5.7	-0.05%
FTSE Smallcap	14,486.6	0.65	0.00%
FTSE MESDAQ	4,949.3	-19.0	-0.38%
KLSE Mkt Cap (RM'b)	1,640.0	-0.6	-0.04%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-188.8	51.3%
Local Retail	68.4	29.5%
Foreign	120.4	19.2%

INDICES	17-Aug	Day chg	% chg
Dow Jones	33,980.3	-171.7	-0.50%
S&P 500	4,274.0	-31.2	-0.72%
NASDAQ	12,938.1	-164.43	-1.25%
FTSE-100	7,515.8	-20.3	-0.27%
Nikkei 225	29,222.8	353.9	1.23%
SHCOMP	3,292.5	14.641	0.45%
HSI	19,922.5	91.9	0.46%
STI	3,262.8	9.0	0.28%
KOSPI	2,516.5	-17.1	-0.67%
TWSE	15,465.5	44.9	0.29%
JCI	N.A.	N.A.	N.A.
SET	1,639.7	9.8	0.60%

FOREX	17-Aug	16-Aug	% chg
USD/MYR:	4.4672	4.4670	0.00%
EUR/USD:	1.0175	1.0133	0.41%
GBP/USD:	1.2102	1.2023	0.66%
USD/YEN:	134.96	134.21	0.56%
USD/SGD:	1.3818	1.3800	0.13%
USD/HKD:	7.8414	7.8423	-0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	2,723.4	2,692.7	1.14%
Value (RMm):	1,907.4	2,215.5	-13.91%
KLCI Future			
August-22	1,520.0	1,518.5	0.10%
September-22	1,503.5	1,505.0	-0.10%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,475.3	1,454.3	1.44%
SoyOil (USc/lb)	66.1	66.5	-0.68%
Gold (US\$/troy oz)	1,766.5	1,779.4	-0.72%
Nymex crude oil (US\$/bbl)	88.1	86.5	1.83%
Latex (RM/kg)	5.11	5.11	-0.10%
Tin (US\$/mt)	24,855.00	24,812.5	0.17%

Research Highlights

NEWS HIGHLIGHTS

- PMB Technology unit to dispose of KL land for RM37m to repay loan, raise working capital
- Teladan Setia's 2Q profit nearly doubles to RM14m, declares 0.6 sen dividend
- MHB delivers second straight profitable quarter
- MTA inks MOU with Infomina to promote takaful industry's fintech and digital innovation
- Main Market-bound AME REIT eyes industrial property buys in central and northern Peninsular Malaysia

MACRO BITS

- OPEC chief sees high risk of oil squeeze amid bullish demand
- Domestic food price inflation remains high globally, says World Bank
- MEF urges govt to delay enforcing Employment Act amendments, estimated to cost RM111.0b per year
- CPTPP enables wider sourcing channels for raw materials at competitive prices, says MPA
- Chicken export to be considered only if domestic supply not affected, says Annuar
- China will step up policy support for economy, premier says
- China's fiscal revenue growth slows slightly amid sluggish economic recovery
- Thailand's investment pledges slump in H1 as foreign projects wane
- Japan posts longest run of trade gaps in 7 years as import costs soar
- NZ central bank hikes rates by 50 bps, signals aggressive tightening pace
- Australia wage growth picks up in Q2, lags forecasts and inflation
- Fed minutes show more rate hikes in the pipeline, but pace could slow
- Gasoline price drop weighs on U.S. retail sales; consumer spending resilient
- Euro zone Q2 growth revised down slightly, employment rises
- UK inflation hits double digits for first time since 1982

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: AMBANK, KLCI, SIME, SWIFT
- On Our Technical Watch: PEKAT, RANHILL

#	Top Volume	Price	%Chg (+/-)	Vol (m)	Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)
1	HARTA	1.74	-1.7	150.4	TOPGLOV	0.86	3.0	71.60	DIGI	3.79	-1.8	3.26
2	TOPGLOV	0.86	3.0	71.60	KLK	23.00	2.4	2.33	HARTA	1.74	-1.7	150.4
3	PBBANK	4.65	0.0	14.30	TM	5.90	1.7	6.01	INARI	2.90	-1.7	4.50
4	MRDIY	2.16	1.4	11.20	DIALOG	2.42	1.7	6.34	PETGAS	17.02	-1.6	0.45
5	SIME	2.32	0.9	10.50	MRDIY	2.16	1.4	11.20	PMETAL	4.75	-1.3	5.30
6	MAYBANK	8.97	0.0	8.61	SIME	2.32	0.9	10.50	RHBBANK	5.86	-1.0	2.73
7	CIMB	5.45	0.0	7.67	AXIATA	3.10	0.7	5.25	MAXIS	3.95	-0.8	2.27
8	DIALOG	2.42	1.7	6.34	IOICORP	4.24	0.5	2.79	GENTING	4.73	-0.6	2.48
9	TM	5.90	1.7	6.01	NESTLE	136.40	0.4	0.07	HLFG	19.50	-0.6	0.17
10	PCHEM	8.72	-0.3	5.39	GENM	3.02	0.3	4.02	MISC	7.22	-0.6	2.34

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **PMB Technology unit to dispose of KL land for RM37m to repay loan, raise working capital**

PMB Technology Bhd's subsidiary PMB Land (Sg Besi) Sdn Bhd has proposed to sell land in Kuala Lumpur for RM37m and use the proceeds to repay a loan and for working capital. The disposal of the freehold land, measuring 6,658 square metres, is part of the company's plans to streamline its operations by focusing on its core business of aluminium smelting and channelling the proceeds towards its daily operating activities, it said in a filing with Bursa Malaysia. *(The Edge Markets)*

- **Teladan Setia's 2Q profit nearly doubles to RM14m, declares 0.6 sen dividend**

Teladan Setia Group Bhd's net profit for the second quarter ended June 30, 2022 (2QFY22) jumped 85.85% to RM14.2m from RM7.7m in the same quarter last year on higher revenue. Quarterly revenue soared 86.6% to RM75.6m from RM40.5m, mainly due to better sales from Taman Desa Bertam Phases 2, 3A and 3B as well as Bali Residences. The Melaka-based property developer declared a single-tier interim dividend of 0.6 sen per share, to be paid on Sept 19. *(The Edge Markets)*

- **MHB delivers second straight profitable quarter**

Malaysia Marine and Heavy Engineering Holdings Bhd (MHB) delivered its second straight profitable quarter in the period ended June 30, 2022 (2QFY22), due to the absence of cost provision associated with the Covid-19 pandemic, coupled with the recovery of dry-docking activities at its yard, thanks to the reopening of Malaysia's international borders. The group reported a RM22m net profit for 2QFY22, versus a RM34.4m net loss a year ago, while revenue grew 32.5% year-on-year to RM400.6m from RM302.5m, its filing with Bursa Malaysia showed. *(The Edge Markets)*

- **MTA inks MOU with Infomina to promote takaful industry's fintech and digital innovation**

The Malaysian Takaful Association (MTA) has inked a memorandum of understanding (MOU) with Infomina Bhd to conduct an evaluation on the viability of a productivity application named Videspace that functions as a team communication and collaboration tool. The chief executive officer said the MTA had built roadmaps to implement the financial sector blueprint for the takaful industry, as well as the value-based intermediation for takaful (VBIT). He said to roll out the programmes under the initiatives would require effective communication. "In total, we have 60 initiatives under the two roadmaps up until 2025. Therefore, effective collaboration and communication is a must to help us coordinate at the association level. *(The Edge Markets)*

- **Main Market-bound AME REIT eyes industrial property buys in central and northern Peninsular Malaysia**

AME Real Estate Investment Trust (REIT), which is en route to list on Bursa Malaysia's Main Market on Sept 20, plans to acquire industrial properties from third-party vendors in the central and northern regions of Peninsular Malaysia. It said the mandate to acquire assets beyond Johor provides AME REIT the flexibility and opportunity to expand the reach of its property trust to generate stable cash flows and potential long-term income and capital growth. On top of that, the group said that it will be leveraging the future property development projects of its sponsor AME Elite Consortium Bhd, which has existing projects in Johor while also seeking to develop industrial parks in central and northern Peninsular Malaysia. *(The Edge Markets)*



Macro Bits

Global

- [OPEC chief sees high risk of oil squeeze amid bullish demand](#) Global oil markets face a high risk of a supply squeeze this year as demand remains resilient and spare production capacity dwindles, the new head of the Organization of Petroleum Exporting Countries (OPEC) said. *(The Edge Markets)*
- [Domestic food price inflation remains high globally, says World Bank](#) According to the World Bank's April 2022 Commodity Markets Outlook, the war in Ukraine had altered global patterns of trade, production, and consumption of commodities in ways that will keep prices at historically high levels through the end of 2024 exacerbating food insecurity and inflation. *(The Edge Markets)*

Malaysia

- [MEF urges govt to delay enforcing Employment Act amendments, estimated to cost RM111.0b per year](#) The Malaysian Employers Federation (MEF) has urged the government to delay implementing the amendments to the Employment Act 1995 from Sept 1, which it estimates will cost employers nationwide an extra RM110.99b per year. *(The Edge Markets)*
- [CPTPP enables wider sourcing channels for raw materials at competitive prices, says MPA](#) The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will enable wider sourcing channels for raw materials at competitive prices for the country's petrochemical players. *(The Edge Markets)*
- [Chicken export to be considered only if domestic supply not affected, says Annuar](#) The approval to export chicken will only be considered if the domestic chicken supply is not affected, so as to ensure the price of chicken can be controlled, said Tan Sri Annuar Musa. *(The Edge Markets)*

Asia Pacific

- [China will step up policy support for economy, premier says](#) China will step up support for the economy, Premier Li Keqiang has said, urging economically important provinces to take the lead in implementing growth policies, state media reported a day after data showed growth unexpectedly slowed last month. *(Reuters)*
- [China's fiscal revenue growth slows slightly amid sluggish economic recovery](#) China's fiscal revenue growth slowed slightly in the January-July period compared to the first six months of the year, finance ministry data showed on Wednesday, as the economy was squeezed by the country's zero-COVID policy and a property crisis. *(Reuters)*
- [Thailand's investment pledges slump in H1 as foreign projects wane](#) Investment applications in Thailand dropped by 42.0% in the first half of 2022 compared to the same period last year, official data showed on Wednesday, led by a sharp fall in foreign projects as the global economy slowed. *(Reuters)*
- [Japan posts longest run of trade gaps in 7 years as import costs soar](#) Japan's imports jumped to a record amount in July, boosted by global fuel inflation and a weak yen, outweighing exports and deepening the trade deficit, in a sign of a further worsening in the terms of trade for the export-oriented economy. *(Reuters)*
- [NZ central bank hikes rates by 50 bps, signals aggressive tightening pace](#) New Zealand's central bank on Wednesday (Aug 17) delivered its seventh straight interest rate hike, and signalled a more hawkish tightening path over the coming months to restrain stubbornly high inflation. *(The Edge Markets)*
- [Australia wage growth picks up in Q2, lags forecasts and inflation](#) Australian wage growth rose at the fastest pace in almost eight years last quarter as red-hot demand for labour drove unemployment to generational lows, yet pay gains still missed forecasts and lagged badly behind inflation. *(Reuters)*

Americas

- [Fed minutes show more rate hikes in the pipeline, but pace could slow](#) Federal Reserve officials saw "little evidence" late last month that U.S. inflation pressures were easing, and steered themselves to force the economy to slow down to control an ongoing surge in prices, according to the minutes of their July 26-27 policy meeting. *(Reuters)*
- [Gasoline price drop weighs on U.S. retail sales; consumer spending resilient](#) U.S. retail sales were unexpectedly unchanged in July as falling gasoline prices weighed on receipts at service stations, but consumer spending appeared to be holding up, further assuaging fears the economy was in recession. *(Reuters)*

Europe

- [Euro zone Q2 growth revised down slightly, employment rises](#) Euro zone economic growth was slightly less robust in the second quarter than forecast but still strong, and employment rose again, revised data from the European statistics office showed on Wednesday. *(Reuters)*
- [UK inflation hits double digits for first time since 1982](#) Consumer price inflation in Britain jumped to 10.1% in July, the highest since February 1982, making it the first major rich economy to see price growth hit double digits as surging food costs intensified a squeeze on household budgets. *(Reuters)*



18 August 2022

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
HARTALEGA HOLDINGS BHD	1.740	17.18	10.19	0.96	1.610

*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
TROPICANA CORP BHD	1.130	86.56	92.19	99.35	1.130
IDEAL CAPITAL BHD	1.830	84.41	84.63	79.73	1.830
APEX HEALTHCARE BHD	3.230	80.89	89.13	98.91	3.250
BERJAYA LAND BHD	0.230	80.84	93.86	100.00	0.230
CARLSBERG BREWERY MALAYSIA B	24.000	78.81	86.76	97.74	24.300
RANHILL UTILITIES BHD	0.460	76.73	83.43	93.00	0.470
ABF MALAYSIA BOND INDEX FUND	1.179	73.41	82.38	94.86	1.179
ALLIANZ MALAYSIA BHD	13.180	73.09	81.89	98.79	13.180
KAWAN FOOD BHD	2.080	71.85	75.77	92.49	2.090
SUPERCOMNET TECHNOLOGIES BHD	1.370	71.73	73.82	67.18	1.450
THONG GUAN INDUSTRIES BHD	2.560	71.52	77.98	95.43	2.600
CAN-ONE BHD	3.790	71.01	76.42	81.42	3.890
HONG LEONG CAPITAL BHD	6.340	70.58	76.64	95.79	6.350
HONG LEONG CAPITAL BHD	6.340	70.58	76.64	95.79	6.350
HARN LEN CORP BHD	1.760	70.46	71.27	61.32	1.790

*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
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-GQ	0.070	16.78	19.27	14.69	0.065	31/1/2023
S&P 500 INDEX-C11	0.210	19.04	10.51	0.34	0.195	19/9/2022
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-GI	0.015	21.74	11.50	0.34	0.010	30/8/2022
NASDAQ 100 STOCK INDEX-H2	0.060	24.24	17.77	6.45	0.055	19/9/2022
SUPERMAX CORP BHD-B	0.030	24.34	20.38	3.41	0.030	17/3/2023
GENTING BHD-W	0.050	25.08	25.33	14.44	0.050	30/12/2022
HANG SENG INDEX-Q2	0.005	25.57	14.71	0.26	0.005	30/8/2022
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-GK	0.270	27.68	21.94	9.07	0.250	31/10/2022
DIALOG GROUP BHD-C84	0.025	27.78	36.53	76.30	0.020	10/1/2023
HANG SENG INDEX-JA	0.055	27.79	22.20	8.02	0.045	29/9/2022
TENCENT HOLDINGS LTD-C20	0.015	28.75	25.86	16.70	0.015	4/10/2022

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	0.570	88.28	91.69	98.73	0.590	31/12/2099
CLASSIC SCENIC BHD-WA	0.440	83.74	87.81	93.82	0.445	8/8/2026
TENAGA NASIONAL BHD-E	0.090	82.56	89.76	99.17	0.105	30/12/2022
AWANBIRU TECHNOLOGY BHD-WA	0.305	79.57	85.95	97.87	0.315	24/11/2025
YINSON HOLDINGS BHD-WA	0.510	72.12	74.60	64.54	0.530	21/6/2025

Source: Bloomberg

This section is intentionally left blank

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