

26 September 2022

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BURSA	23-Sep	Day chg	% chg
KLCI	1,425.0	-14.18	-0.99%
FTSE EMAS	10,197.4	-96.2	-0.93%
FTSE Smallcap	14,208.4	-42.86	-0.30%
FTSE MESDAQ	4,766.6	-52.0	-1.08%
KLSE Mkt Cap (RM'b)	1,560.2	-15.1	-0.96%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	147.9	45.1%
Local Retail	70.1	25.6%
Foreign	-218.0	29.3%

INDICES	23-Sep	Day chg	% chg
Dow Jones	29,590.4	-486.3	-1.62%
S&P 500	3,693.2	-64.8	-1.72%
NASDAQ	10,867.9	-198.87	-1.80%
FTSE-100	7,018.6	-140.9	-1.97%
Nikkei 225	N.A.	N.A.	N.A.
SHCOMP	3,088.4	-20.541	-0.66%
HSI	17,933.3	-214.7	-1.18%
STI	3,227.1	-36.0	-1.10%
KOSPI	2,290.0	-42.3	-1.81%
TWSE	14,118.4	-166.3	-1.16%
JCI	7,178.6	-40.323	-0.56%
SET	1,631.7	-13.6	-0.83%

FOREX	23-Sep	22-Sep	% chg
USD/MYR:	4.5787	4.5677	0.24%
EUR/USD:	0.9687	0.9877	-1.92%
GBP/USD:	1.0859	1.1350	-4.33%
USD/YEN:	143.31	142.51	0.56%
USD/SGD:	1.4309	1.4170	0.98%
USD/HKD:	7.8494	7.8495	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	1,843.7	2,167.3	-14.93%
Value (RMm):	1,574.5	1,679.1	-6.23%
KLCI Future			
September-22	1,421.0	1,433.5	-0.87%
October-22	1,424.0	1,434.0	-0.70%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,425.8	1,457.0	-2.14%
SoyOil (US\$/lb)	63.7	66.5	-4.18%
Gold (US\$/troy oz)	1,645.3	1,671.4	-1.56%
Nymex crude oil (US\$/bbl)	78.7	83.5	-5.69%
Latex (RM/kg)	4.69	4.74	-1.05%
Tin (US\$/mt)	20,261.00	21,715.0	-6.70%

Research Highlights

NEWS HIGHLIGHTS

- Ecofirst to acquire remaining stake in firm that owns KL land earmarked for development
- Salcon secures RM210m contract from PAAB
- APB Resources bags RM12m contract for construction of pressure vessels, heat exchangers
- Seremban Engineering bags RM72m sub-contract work
- Konsortium Transnasional bags RM41m works contract for PR1MA Pahang project

MACRO BITS

- Moscow pledges 'full protection' to any areas annexed by Russia
- U.S. sending 'dangerous signals' on Taiwan, China tells Blinken
- Securing growth recovery amid rising external headwinds (See *Economic Viewpoint: Malaysia 4Q22 & 2023 Economic Outlook*)
- Rising food and rent prices pushed inflation to a 16-month high in August (See *Economic Viewpoint: Malaysia Consumer Price Index*)
- MGS/GII yields may trend rangebound following Fed rate hike (See *Economic Viewpoint: Bond Market Weekly Outlook*)
- Sell-off may continue as investors continue to seek safe-haven, but technical suggests otherwise (See *Economic Viewpoint: Ringgit Weekly Outlook*)
- Budget 2023 to focus on post-pandemic economic recovery, says Mustapa
- Stimulus packages, reopening of economic sector reduce impact of Covid-19, says PM
- South Korea finance minister says more foreign-exchange stabilizing measures are on the way
- Macau plans November return for mainland Chinese tour groups
- Fed can avoid 'deep pain' in inflation fight, Bostic says
- Britain sends investors fleeing with historic tax cuts and borrowing

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Banking
- Company Update: SIME
- Weekly Technical Review
- Regional News Update
- Economic Viewpoint: Bond Market Weekly Outlook, MY 4Q22 & 2023 Economic Outlook, MY CPI, Ringgit Weekly Outlook

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	0.65	3.2	88.20	TOPGLOV	0.65	3.2	88.20	IHH	5.80	-3.3	10.00
2	PBBANK	4.34	-1.1	21.80	HARTA	1.53	2.0	14.10	AXIATA	2.67	-2.6	1.12
3	CIMB	5.39	0.2	21.00	RHBBANK	5.67	0.5	6.63	MRDIY	1.98	-2.5	5.95
4	HARTA	1.53	2.0	14.10	CIMB	5.39	0.2	21.00	MAXIS	3.60	-2.2	1.19
5	PICHEM	8.35	-1.8	11.40	HLBANK	20.68	0.1	2.02	IOICORP	3.81	-2.1	3.00
6	IHH	5.80	-3.3	10.00	MAYBANK	8.69	-0.2	6.23	PETGAS	16.42	-1.8	0.38
7	PMETAL	4.01	-0.3	8.37	PMETAL	4.01	-0.3	8.37	PICHEM	8.35	-1.8	11.40
8	RHBBANK	5.67	0.5	6.63	NESTLE	127.70	-0.6	0.05	GENM	2.81	-1.8	4.67
9	MAYBANK	8.69	-0.2	6.23	PETDAG	21.06	-0.7	0.19	TM	5.70	-1.7	4.60
10	MRDIY	1.98	-2.5	5.95	TENAGA	8.70	-0.9	2.26	KLK	21.64	-1.6	0.35

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Ecofirst to acquire remaining stake in firm that owns KL land earmarked for development**

Property developer EcoFirst Consolidated Bhd has proposed to acquire the remaining 49% stake in a subsidiary that owns 4.2 acres of land in Sungai Besi for RM78.4m. The stake in the firm, BCM Holdings Sdn Bhd, is held by a major shareholder of EcoFirst with a 14% equity interest. In a filing with Bursa Malaysia, EcoFirst said approval has been obtained from the Kuala Lumpur City Hall for the change of zoning from industrial to commercial, for the land located in the Chan Sow Lin industrial estate. (*The Edge Markets*)

- **Salcon secures RM210m contract from PAAB**

Salcon Bhd announced on Friday (Sept 23) that its wholly owned subsidiary Salcon Engineering Bhd has been awarded Package 3 for the design and construction of a residual conveyance and disposal system for the Langat 2 water treatment plant by Pengurusan Aset Air Bhd (PAAB). According to a statement, the scope of the project includes the design and construction of a pipe conveyor of approximately 2,000m long from the water treatment plant to the residual storage shelter near Bukit Enggang Balancing Reservoir. The project forms part of the proposed development of Langat 2 water treatment plant and water reticulation system in Selangor and Kuala Lumpur. The project is valued at RM210m, and will commence on Oct 4 upon possession of the site. (*The Edge Markets*)

- **APB Resources bags RM12m contract for construction of pressure vessels, heat exchangers**

APB Resources Bhd has bagged a purchase orders contract worth RM11.8m that entails mechanical engineering, and procurement and construction of pressure vessels and heat exchangers. In a Bursa Malaysia filing on Friday (Sept 23), APB said its wholly owned subsidiary Amalgamated Metal Corporation (M) Sdn Bhd has received and accepted the orders from Desmet Ballestra (M) Sdn Bhd. "The work and services to be performed under the contract are within the business scope of the fabrication division of the group and the risks are the normal operational risks associated with the said business," it said. (*The Edge Markets*)

- **Seremban Engineering bags RM72m sub-contract work**

Seremban Engineering Bhd has bagged a subcontract work worth RM72m from MIE Industrial Sdn Bhd, to supply, fabricate, and install steel structures for a factory project in Seremban. It should be noted that MIE Industrial is the largest shareholder of Seremban Engineering, holding a 69.7% stake in the company as at Oct 1, 2021, according to the group's 2021 annual report. The contract was for the construction of structural steel works for the SDIEM Complex 2 Factory Project (Zone A). The SDIEM Complex 2 refers to the Samsung SDI Energy Malaysia Sdn Bhd's factory complex, which is currently being expanded for the manufacturing of battery cells for electric vehicles. (*The Edge Markets*)

- **Konsortium Transnasional bags RM41m works contract for PR1MA Pahang project**

Konsortium Transnasional Bhd (KTB) has bagged a RM41m contract for earthworks and building, internal and major infrastructure works for a Perumahan Rakyat 1Malaysia (PR1MA) Pahang mixed development in Lipis, Pahang. According to its bourse filing on Friday, KTB's wholly owned subsidiary Transnational Builder Sdn Bhd received a Letter of Award from Living Stones Development Sdn Bhd for a two-year contract to work on the project, which comprises 162 single-storey semi-detached houses, 103 single-storey terrace houses, and 11 two-storey shophouses on 34 acres of government land. The contract will commence on Dec 1 and is expected to have a positive contribution to the group from the financial year Dec 31, 2023 onwards. (*The Edge Markets*)

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Macro Bits

Global

- **[Moscow pledges 'full protection' to any areas annexed by Russia](#)** Russia has sought to defend its seven-month old war, with Foreign Minister Sergei Lavrov telling the United Nations that regions of Ukraine where widely-criticised referendums are being held would get Russia's "full protection" if annexed by Moscow. *(Reuters)*
- **[U.S. sending 'dangerous signals' on Taiwan, China tells Blinken](#)** China has accused the United States of sending "very wrong, dangerous signals" on Taiwan after the U.S. secretary of state told his Chinese counterpart on Friday that the maintenance of peace and stability over Taiwan was vitally important. *(Reuters)*

Malaysia

- **Securing growth recovery amid rising external headwinds** Domestic growth to sustain as the nation transitions to endemicity, with the complete removal of pandemic restrictions, but rising inflation threat, tighter monetary policy, and global economic uncertainty may limit potential growth bias. *(See Economic Viewpoint: Malaysia 4Q22 & 2023 Economic Outlook)*
- **Rising food and rent prices pushed inflation to a 16-month high in August** The headline inflation jumped to a 16-month high of 4.7% YoY in August, matching consensus, but lower than house forecast (KIBB: 4.9%; Consensus: 4.7%; Jul: 4.4%). The continued increase in the inflation rate was mainly driven by higher food prices and increasing restaurant and hotel costs, partly due to the influx of tourists into Malaysia. On top of that, the rise was also attributable by the continuing rise in rental rates. However, on a MoM basis, CPI moderated by 0.2% MoM (Jul: 0.4%). We maintained our 2022 headline inflation at 3.3% (2021: 2.5%) due to unfavourable external factors. *(See Economic Viewpoint: Malaysia Consumer Price Index)*
- **MGS/GII yields may trend rangebound following Fed rate hike** Domestic yields may trend rangebound this week, as markets digest the latest Fed rate hike and as Malaysia's inflation rate for August came within expectations (4.7%). In the long-term, we expect yields to remain elevated and maintain our end-2022 target for the 10Y MGS at 4.35%. *(See Economic Viewpoint: Bond Market Weekly Outlook)*
- **Sell-off may continue as investors continue to seek safe-haven, but technical suggests otherwise** The ringgit is expected to weaken further and trade around the 4.57-4.59 level against the USD as the DXY may continue to remain elevated around the 113.0 level due to potential hawkish remarks by a slew of Fed speakers throughout the week. However, a more hawkish tone by ECB's Lagarde and another strong yuan fixing by the People's Bank of China may help to limit ringgit's losses. *(See Economic Viewpoint: Ringgit Weekly Outlook)*
- **[Budget 2023 to focus on post-pandemic economic recovery, says Mustapa](#)** The government will focus on efforts to revive the country's economy in the Budget 2023, which is to be tabled this Oct 7, said Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed. *(The Edge Markets)*
- **[Stimulus packages, reopening of economic sector reduce impact of Covid-19, says PM](#)** Various measures taken by the government in implementing the stimulus packages and reopening the economic sector in phases have reduced the significant impact of the Covid-19 pandemic crisis, and supported economic growth recovery, said Prime Minister Datuk Seri Ismail Sabri Yaakob. *(The Edge Markets)*

Asia Pacific

- **[South Korea finance minister says more foreign-exchange stabilizing measures are on the way](#)** South Korea's finance minister said the government would prepare more measures to stabilise the foreign exchange market, while downplaying the need for a currency swap arrangement with the United States. *(Reuters)*
- **[Macau plans November return for mainland Chinese tour groups](#)** Macau aims to open to mainland Chinese tour groups in November for the first time in almost three years, the city's chief executive, Ho Iat Seng, said on Saturday. *(Reuters)*

Americas

- **[Fed can avoid 'deep pain' in inflation fight, Bostic says](#)** Atlanta Federal Reserve President Raphael Bostic said on Sunday he still believes the U.S. central bank can tame inflation without substantial job losses given the economy's continued momentum. *(Reuters)*

Europe

- **[Britain sends investors fleeing with historic tax cuts and borrowing](#)** Britain's new finance minister Kwasi Kwarteng unleashed historic tax cuts and huge increases in borrowing on Friday in an economic agenda that floored financial markets, sending sterling and British government bonds into freefall. *(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
HAP SENG CONSOLIDATED	6.130	17.40	10.63	1.09	6.130
UEM EDGENTA BHD	1.100	19.30	11.71	0.51	1.090
GHL SYSTEMS BERHAD	0.825	22.61	19.67	18.89	0.810
TH PLANTATIONS BHD	0.425	22.96	19.54	23.95	0.420
KUMPULAN FIMA BHD	2.050	24.21	20.46	29.91	2.010
IHH HEALTHCARE BHD	5.800	25.56	20.44	5.42	5.740
DUTCH LADY MILK INDS BHD	31.200	25.73	23.67	27.37	31.100
SUPERMAX CORP BHD	0.670	26.07	20.68	4.58	0.660
MANULIFE HOLDINGS BHD	1.970	27.37	22.35	11.33	1.970
PIE INDUSTRIAL BHD	2.820	27.89	19.43	3.24	2.810
HUP SENG INDUSTRIES BHD	0.695	28.82	24.00	11.90	0.695
NESTLE (MALAYSIA) BERHAD	127.700	29.21	24.10	11.54	127.200
LBS BINA GROUP BHD	0.400	29.30	22.71	8.04	0.400

*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
BERJAYA LAND BHD	0.270	86.72	87.78	85.64	0.275
RAPID SYNERGY BHD	13.860	82.65	88.54	98.29	13.860
IMASPRO CORP BHD	4.990	78.02	82.48	69.81	5.000
COMPUTER FORMS (MALAYSIA) BH	1.360	77.79	84.62	96.11	1.370
MULPHA INTERNATIONAL BHD	2.280	75.45	85.51	98.77	2.290
SUPERCOMNET TECHNOLOGIES BHD	1.630	71.19	74.35	91.59	1.660

*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
VS INDUSTRY BHD-WB	0.115	18.93	11.62	1.08	0.100	14/6/2024
PUBLIC BANK BHD-C82	0.065	21.13	16.36	4.46	0.065	29/5/2023
HANG SENG INDEX-LB	0.190	24.42	21.85	12.62	0.190	27/2/2023
HANG SENG INDEX-JG	0.005	24.69	18.22	3.41	0.005	28/10/2022
GENTING MALAYSIA BHD-R	0.060	24.84	24.09	18.01	0.060	30/12/2022
HANG SENG INDEX-LC	0.420	25.09	23.23	15.75	0.395	27/2/2023
HANG SENG INDEX-JB	0.005	26.20	22.88	29.19	0.005	29/9/2022
HANG SENG INDEX-J9	0.140	26.42	23.16	10.44	0.135	27/2/2023
HANG SENG INDEX-JW	0.185	26.53	21.23	8.49	0.180	29/12/2022
HANG SENG INDEX-JH	0.025	26.65	21.83	5.28	0.020	28/10/2022
HANG SENG INDEX-JC	0.005	26.86	22.52	7.97	0.005	29/9/2022
HANG SENG INDEX-J5	0.205	26.86	23.71	10.73	0.005	30/1/2023
HANG SENG INDEX-JO	0.175	27.51	22.36	9.14	0.170	29/11/2022
HANG SENG INDEX-JN	0.080	27.74	23.18	8.59	0.080	29/11/2022
HANG SENG INDEX-JM	0.040	28.12	22.94	10.07	0.040	29/11/2022
WIDAD GROUP BHD-WA	0.055	28.31	19.70	2.24	0.045	5/8/2023
HANG SENG INDEX-JR	0.385	28.74	22.09	7.80	0.375	29/11/2022
HANG SENG INDEX-JV	0.060	29.03	24.20	9.03	0.055	29/12/2022
GENTING MALAYSIA BHD-T	0.025	29.17	22.50	13.40	0.025	30/12/2022
HANG SENG INDEX-JU	0.020	29.31	25.11	16.58	0.015	29/12/2022

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
CLASSIC SCENIC BHD-WA	0.585	81.14	81.01	73.52	0.590	8/8/2026
HANG SENG INDEX-EL	0.215	74.43	81.09	96.21	0.220	28/10/2022
RESINTECH BHD-WB	0.140	70.27	73.37	77.86	0.150	24/8/2027

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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