

18 October 2022

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BURSA	17-Oct	Day chg	% chg
KLCI	1,386.3	3.8	0.27%
FTSE EMAS	9,864.1	5.7	0.06%
FTSE Smallcap	13,653.7	-6.14	-0.04%
FTSE MESDAQ	4,681.8	29.7	0.64%
KLSE Mkt Cap (RM'b)	1,512.7	2.4	0.16%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	43.6	48.3%
Local Retail	9.9	26.9%
Foreign	-53.5	24.8%

INDICES	17-Oct	Day chg	% chg
Dow Jones	30,185.8	551.0	1.86%
S&P 500	3,678.0	94.9	2.65%
NASDAQ	10,675.8	354.41	3.43%
FTSE-100	6,920.2	61.4	0.90%
Nikkei 225	26,775.8	-315.0	-1.16%
SHCOMP	3,084.9	12.955	0.42%
HSI	16,612.9	25.2	0.15%
STI	3,015.8	-23.9	-0.78%
KOSPI	2,219.7	7.2	0.32%
TWSE	12,966.1	-162.1	-1.23%
JCI	6,831.1	16.585	0.24%
SET	1,571.4	N.A.	N.A.

FOREX	17-Oct	14-Oct	% chg
USD/MYR:	4.7168	4.7045	0.26%
EUR/USD:	0.9749	0.9722	0.28%
GBP/USD:	1.1275	1.1172	0.92%
USD/YEN:	148.84	148.67	0.11%
USD/SGD:	1.4260	1.4260	0.00%
USD/HKD:	7.8499	7.8500	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	1,976.2	2,253.1	-12.29%
Value (RMm):	1,488.9	1,761.0	-15.45%
KLCI Future			
October-22	1,386.5	1,383.5	0.22%
November-22	1,386.0	1,382.5	0.25%
CPO Price (RM/tonne)	3,887.0	3,866.0	0.54%
Soybean (US\$/bu)	1,385.3	1,383.8	0.11%
SoyOil (US\$/lb)	64.9	63.6	2.01%
Gold (US\$/troy oz)	1,664.0	1,648.9	0.92%
Nymex crude oil (US\$/bbl)	85.5	85.6	-0.18%
Latex (RM/kg)	4.62	4.61	0.22%
Tin (US\$/mt)	19,643.00	19,993.0	-1.75%

Research Highlights

NEWS HIGHLIGHTS

- MyEG to establish sukuk wakalah programme of up to RM1b
- Chemical products maker Ancom Nylex reports stronger net profit y-o-y amid higher sales volume, selling prices
- Sapura Energy's shareholders approve RM35m deal to sell drilling rigs
- EP Manufacturing to make four-wheel EVs with US-based Saeen; targets 20,000 units annually
- Sunview Group debuts on ACE Market at 59.5 sen, double IPO price of 29 sen

MACRO BITS

- OPEC+ members endorse output cut after U.S. coercion accusation
- IMF's Gopinath: Fed and ECB right to tighten policy - Handelsblatt
- SC plans to allow wholesale funds to gain exposure to alternative assets
- Exports hit 19-month low in September; trade surplus narrowed (See Economic Viewpoint: Indonesia External Trade)
- China's economic recovery continues upward trend - state media cites Premier Li
- Big Chinese banks pledge enhanced support for economy as Xi sounds call for growth
- China c.bank rolls over policy loans to maintain liquidity, keeps rate unchanged
- Singapore exports rise 3.1% year-on-year in September, missing forecasts
- Japan keeps up warnings over rapid yen moves after G20
- New York factory activity stumbles in October
- New UK finance minister Hunt scraps tax cuts, reins in energy support
- UK housing market shows strains from "mini-budget": Rightmove
- UK opens GBP40.0b emergency programme for strained energy firms
- Germany aiming to cushion recession without fuelling inflation - Habeck

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Result Note: LPI
- On Our Technical Watch: WPRTS, PEKAT
- Economic Viewpoint: ID External Trade

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	0.74	7.3	N.A.	TOPGLOV	0.74	7.3	N.A.	MRDIY	1.91	-2.6	2.51
2	HARTA	1.94	3.2	21.00	HARTA	1.94	3.2	21.00	DIALOG	1.72	-2.3	8.97
3	PBBANK	4.20	0.0	12.40	IHH	5.86	2.5	5.69	TM	5.19	-1.9	4.13
4	CIMB	5.30	0.0	10.10	TENAGA	8.19	2.0	2.12	IOICORP	3.69	-0.8	1.27
5	DIALOG	1.72	-2.3	8.97	MAXIS	3.39	0.9	1.46	KLK	20.20	-0.8	0.50
6	INARI	2.34	-0.4	7.55	PPB	15.98	0.9	0.86	PETDAG	20.00	-0.7	0.21
7	MAYBANK	8.52	0.8	7.18	MAYBANK	8.52	0.8	7.18	GENTING	4.29	-0.7	4.04
8	IHH	5.86	2.5	5.69	PETGAS	16.50	0.7	0.40	PCHEM	8.50	-0.6	2.09
9	GENM	2.58	-0.4	5.35	DIGI	3.27	0.6	1.04	INARI	2.34	-0.4	7.55
10	PMETAL	4.17	-0.2	4.59	NESTLE	131.80	0.6	0.04	GENM	2.58	-0.4	5.35

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **MyEG to establish sukuk wakalah programme of up to RM1b**

MyEG Services Bhd has made a lodgement with the Securities Commission Malaysia for the establishment of a sukuk wakalah programme of up to RM1b. “The sukuk wakalah programme is a perpetual programme which allows for the issuance of Sukuk Wakalah from time to time, provided that the aggregate outstanding nominal value of Sukuk Wakalah shall not exceed RM1b at any point in time,” said MyEG in a bourse filing on Monday (Oct 17). The sukuk wakalah programme has been assigned a preliminary rating of AA-IS with a stable outlook by MARC Ratings Bhd. (*The Edge Markets*)

- **Chemical products maker Ancom Nylex reports stronger net profit y-o-y amid higher sales volume, selling prices**

Ancom Nylex Bhd (formerly Ancom Bhd) reported a net profit of RM20.0m for its first quarter ended Aug 31, 2022 (1QFY23) — up 122% from RM9.0m in the previous year’s corresponding quarter — amid stronger chemical sales by both its agricultural and industrial divisions, and higher selling prices. In a statement, the group said the quarter also marked its strongest quarterly core earnings of RM20.0m — up 18.3% from RM16.9m in 4QFY22, when it made a net profit of RM31.9m — following the takeover of its formerly 50%-owned Nylex (M) Bhd for RM179.3m, an acquisition that was completed in January this year. Ancom then changed its name to Ancom Nylex in April. The group’s revenue for 1QFY23 climbed 35.8% year-on-year (y-o-y) to RM549.8m from RM404.7m in 1QFY22. Earnings per share rose to 2.31 sen from 1.23 sen previously. (*The Edge Markets*)

- **Sapura Energy’s shareholders approve RM35m deal to sell drilling rigs**

Practice Note 17 (PN17) company Sapura Energy Bhd’s shareholders greenlighted the proposal on the disposal of three drilling rigs to UK-based NKD Maritime Ltd for US\$8.2m (RM35.1m) at the EGM. The oil and gas service provider said the resolution was duly passed after 489 shareholders who collectively hold 8.6b shares in Sapura Energy (representing 99.96% of voting shares) voted for the disposal. Meanwhile, 123 shareholders collectively holding 3.4m shares (representing 0.04% of voting shares) voted against the proposal. According to Sapura Energy’s circular to its shareholders, the group will utilise RM34.8m disposal proceeds for the repayment of bank borrowings, while the remaining RM350k will be used for the disposal’s estimated expenses. (*The Edge Markets*)

- **EP Manufacturing to make four-wheel EVs with US-based Saeon; targets 20,000 units annually**

Auto parts maker EP Manufacturing Bhd is set to make its debut in four-wheel electric vehicle (EV) manufacturing via a collaboration with US-based EV player Saeon Group Inc. The group said it has inked an agreement with Saeon to establish a strategic alliance to mass-produce electric cars for the Malaysian and Southeast Asian markets, with an initial targeted volume of 20,000 units per annum. “Both parties will also explore an expansion programme to cover export opportunities,” EP Manufacturing said in a statement on Monday (Oct 17), adding that the collaboration may also look into manufacturing heavy industry EVs for the construction sector. (*The Edge Markets*)

- **Sunview Group debuts on ACE Market at 59.5 sen, double IPO price of 29 sen**

Sunview Group Bhd made its debut on the ACE Market of Bursa Malaysia on Monday (Oct 17) at 59.5 sen, a 105.1% premium to its initial public offering (IPO) issue price of 29 sen. The stock pared its gains later to close its maiden trading day at 46 sen, still up 17 sen or 58.62%, valuing the group at RM66.4m. With a total trading volume of 127.6m shares, the stock was also the most actively traded for the day. Sunview is principally involved in engineering, procurement, construction, and commissioning (EPCC) as well as construction and installation services for solar photovoltaic (PV) facilities, solar power generation and supply, as well as associated services and products. (*The Edge Markets*)



Macro Bits

Global

- [OPEC+ members endorse output cut after U.S. coercion accusation](#) OPEC+ member states lined up on Sunday to endorse the steep cut to its output target agreed this month after the White House, stepping up a war of words with Saudi Arabia, accused Riyadh of coercing some other nations into supporting the move. *(Reuters)*
- [IMF's Gopinath: Fed and ECB right to tighten policy - Handelsblatt](#) Inflation in the United States is "very stubborn" and the Federal Reserve should "stay the course" and tighten monetary policy or else lose credibility, said Gita Gopinath, the International Monetary Fund's first deputy managing director. *(Reuters)*

Malaysia

- [SC plans to allow wholesale funds to gain exposure to alternative assets](#) The Securities Commission Malaysia (SC) plans to allow the wholesale fund market to gain exposure to alternative assets, such as digital assets, investment accounts and investment notes. *(The Edge Markets)*

Asia Pacific

- [Exports hit 19-month low in September; trade surplus narrowed](#) Export growth moderated for the third straight month in September (20.3% YoY; Aug: 29.9%), its lowest growth since February 2021 and below the consensus forecast (27.9%). Growth is expected to moderate in the coming months as the base effect dissipates, considering the prospect of a global economic slowdown and prolonged China's zero-COVID policy. *(See Economic Viewpoint: Indonesia External Trade)*
- [China's economic recovery continues upward trend - state media cites Premier Li](#) China's economy has stabilised and continues an upward trend currently, and the country will strengthen the implementation of economic support policies, state media quoted Premier Li Keqiang as saying on Monday. China will also keep economic operations within a reasonable range, state media said. *(Reuters)*
- [Big Chinese banks pledge enhanced support for economy as Xi sounds call for growth](#) China's six largest state-owned banks vowed they will enhance support to the slowing economy, in response to President Xi Jinping's call for a high-quality economic growth at the opening of a critical Communist Party Congress. *(The Edge Markets)*
- [China c.bank rolls over policy loans to maintain liquidity, keeps rate unchanged](#) China's central bank rolled over maturing medium-term policy loans while keeping the interest rate unchanged for a second month on Monday, reinforcing expectations that conditions will continue to stay loose to help the pandemic-hit economy. *(Reuters)*
- [Singapore exports rise 3.1% year-on-year in September, missing forecasts](#) Singapore's September non-oil domestic exports (NODX) grew 3.1% year-on-year, official data showed on Monday, slower than the previous month and missing forecasts due to declines in shipments for the Chinese and Hong Kong markets. *(Reuters)*
- [Japan keeps up warnings over rapid yen moves after G20](#) Japanese authorities kept up their verbal warnings to the market on Monday of a firm response to any overly rapid yen declines, after a 32-year low for the yen last week and meetings of global financial leaders that acknowledged currency volatility. *(Reuters)*

Americas

- [New York factory activity stumbles in October](#) The New York Fed's Empire State business conditions index, a gauge of manufacturing activity in the state, fell 7.6 points to negative 9.1 in October, the regional Fed bank said Monday. This is the third straight negative reading. Economists had expected a reading of negative 5.0, according to a survey by The Wall Street Journal. *(MarketWatch)*

Europe

- [New UK finance minister Hunt scraps tax cuts, reins in energy support](#) New finance minister Jeremy Hunt scrapped Prime Minister Liz Truss's economic plan and scaled back her vast energy subsidy on Monday, launching one of the biggest U-turns in British fiscal policy to stem a dramatic loss of investor confidence. *(Reuters)*
- [UK housing market shows strains from "mini-budget": Rightmove](#) Britain's housing market lost momentum this month after Prime Minister Liz Truss's economic plans upset financial markets and triggered a repricing of the mortgage market, data from property website Rightmove showed on Monday. *(Reuters)*
- [UK opens GBP40.0b emergency programme for strained energy firms](#) The UK is opening applications for as much as GBP40.0b (USD45.1b) of funding to energy traders to stave off a worsening liquidity crisis. The Energy Markets Financing Scheme will help firms facing temporary short-term financing problems and allow commercial banks to provide larger credit lines to approved companies. *(The Edge Markets)*
- [Germany aiming to cushion recession without fuelling inflation -Habeck](#) The German government is aiming to cushion an expected recession with its investment programmes, but without fuelling inflation, Economy Minister Robert Habeck said on Monday. *(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
JHM CONSOLIDATION BHD	0.845	15.28	9.11	0.77	0.835
HUP SENG INDUSTRIES BHD	0.615	19.07	20.06	49.10	0.600
RANHILL UTILITIES BHD	0.355	21.15	12.55	0.98	0.355
MALAYAN FLOUR MILLS BHD	0.515	21.21	14.66	1.80	0.515
V.S. INDUSTRY BERHAD	0.825	21.37	13.17	0.72	0.825
KSL HOLDINGS BHD	0.705	21.54	14.80	3.03	0.700
AEON CREDIT SERVICE M BHD	12.720	21.69	15.27	1.87	12.700
DIALOG GROUP BHD	1.720	23.48	17.55	4.60	1.710
PIE INDUSTRIAL BHD	2.650	23.78	17.93	4.07	2.650
WCT HOLDINGS BHD	0.345	24.11	20.12	11.88	0.340
MALAYSIAN PACIFIC INDUSTRIES	25.400	24.57	19.09	16.60	24.940
MANULIFE HOLDINGS BHD	1.860	25.99	23.18	22.56	1.840
EKOVEST BHD	0.305	26.09	22.24	10.33	0.300
LBS BINA GROUP BHD	0.380	26.83	24.92	22.11	0.380
GLOBETRONICS TECHNOLOGY BHD	1.050	26.86	22.08	10.26	1.020
GUAN CHONG BHD	2.040	27.13	21.15	10.38	2.030
YTL HOSPITALITY REIT	0.870	27.20	23.98	16.54	0.870
SHL CONSOLIDATED BHD	1.700	27.24	18.99	6.17	1.700
NTPM HOLDINGS BHD	0.355	27.61	24.75	21.55	0.350
D&O GREEN TECHNOLOGIES BHD	3.700	27.82	19.00	3.04	3.630
GHL SYSTEMS BERHAD	0.695	28.70	30.99	44.35	0.660
ZHULIAN CORP BHD	1.870	28.79	22.95	6.33	1.870
GENETEC TECHNOLOGY BHD	2.010	28.94	24.98	27.97	1.980
TAMBUN INDAH LAND BHD	0.710	29.46	31.68	43.80	0.690
JF TECHNOLOGY BHD	0.600	29.46	24.98	12.96	0.595

*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
7-ELEVEN MALAYSIA HOLDINGS B	1.700	87.96	93.76	99.92	1.720
RAPID SYNERGY BHD	14.580	87.89	90.48	95.53	14.580
MICROLINK SOLUTIONS BHD	0.705	82.06	87.24	95.86	0.720
SUPERMAX CORP BHD	0.905	74.41	80.46	92.75	0.915
MULPHA INTERNATIONAL BHD	2.290	73.74	78.67	69.30	2.290

*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
DIALOG GROUP BHD-C90	0.015	6.67	6.09	6.47	0.015	10/5/2023
GENTING MALAYSIA BHD-T	0.005	18.41	10.01	0.21	0.005	30/12/2022
GENTING BHD-T	0.030	18.42	11.29	2.35	0.030	6/2/2023
REVENUE GROUP BHD-WA	0.225	19.48	13.78	2.72	0.215	14/1/2024
HANG SENG TECH INDEX-CN	0.025	25.61	24.93	12.86	0.025	27/2/2023
DAGANG NEXCHANGE BHD-CZ	0.015	26.11	16.40	1.62	0.015	31/1/2023
HANG SENG INDEX-LJ	0.420	26.52	25.13	27.79	0.380	30/3/2023
HANG SENG INDEX-JO	0.030	26.80	24.01	12.04	0.030	29/11/2022
HANG SENG INDEX-JG	0.005	26.86	24.05	30.40	0.005	28/10/2022
DAGANG NEXCHANGE BHD-C1	0.025	27.06	18.73	0.57	0.025	15/5/2023
HANG SENG INDEX-JR	0.100	27.06	23.67	10.54	0.090	29/11/2022
HANG SENG INDEX-J9	0.060	27.55	25.87	15.05	0.050	27/2/2023
HANG SENG INDEX-J6	0.025	27.73	28.42	34.40	0.020	27/2/2023
HANG SENG INDEX-LI	0.200	27.79	26.57	29.37	0.175	30/3/2023
HANG SENG INDEX-JN	0.015	28.21	26.83	32.27	0.010	29/11/2022
MY EG SERVICES BHD-V	0.010	28.33	31.51	28.45	0.010	17/1/2023
HANG SENG INDEX-J5	0.080	28.37	27.23	18.91	0.005	30/1/2023
HANG SENG INDEX-LC	0.215	28.50	28.94	27.27	0.190	27/2/2023
VS INDUSTRY BHD-WB	0.090	28.65	29.27	41.62	0.075	14/6/2024
PRESS METAL ALUMINIUM HOLDINGS BHD-C79	0.050	28.87	31.31	34.89	0.045	17/2/2023
ALIBABA GROUP HOLDING LTD-C16	0.015	29.02	22.37	4.28	0.015	2/3/2023
FRONTKEN CORP BHD-WB	0.205	29.05	24.45	12.79	0.200	3/5/2026
HANG SENG INDEX-JW	0.065	29.19	28.74	34.02	0.050	29/12/2022
HANG SENG INDEX-LB	0.105	29.98	31.63	39.71	0.085	27/2/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
WIDAD GROUP BHD-WA	0.110	84.80	89.69	97.75	0.110	5/8/2023
TANCO HOLDINGS BHD-WC	0.155	72.49	71.29	75.57	0.165	25/8/2025
SUPERMAX CORP BHD-C	0.070	70.58	80.52	96.20	0.070	31/1/2023

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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