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Research Highlights

BURSA	22-Nov	Day chg	% chg
KLCI	1,441.3	-6.67	-0.46%
FTSE EMAS	10,247.2	-27.6	-0.27%
FTSE Smallcap	14,378.8	-12.14	-0.08%
FTSE MESDAQ	4,972.4	19.9	0.40%
KLSE Mkt Cap (RM'b)	1,573.0	-5.2	-0.33%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	65.0	45.6%
Local Retail	91.0	32.4%
Foreign	-156.0	21.9%

INDICES	22-Nov	Day chg	% chg
Dow Jones	34,098.1	397.8	1.18%
S&P 500	4,003.6	53.6	1.36%
NASDAQ	11,174.4	149.9	1.36%
FTSE-100	7,452.8	76.0	1.03%
Nikkei 225	28,115.7	171.0	0.61%
SHCOMP	3,088.9	3.899	0.13%
HSI	17,424.4	-231.5	-1.31%
STI	3,259.6	8.9	0.28%
KOSPI	2,405.3	-14.2	-0.59%
TWSE	14,542.2	92.8	0.64%
JCI	7,030.6	-32.659	-0.46%
SET	1,615.3	-3.5	-0.22%

FOREX	22-Nov	21-Nov	% chg
USD/MYR:	4.5792	4.5810	-0.04%
EUR/USD:	1.0280	1.0240	0.39%
GBP/USD:	1.1865	1.1819	0.39%
USD/YEN:	141.33	141.65	-0.23%
USD/SGD:	1.3794	1.3819	-0.18%
USD/HKD:	7.8140	7.8083	0.07%

KEY STATS

KLCI Spot			
Vol (m shares):	4,573.8	4,292.2	6.56%
Value (RMm):	2,115.8	2,501.5	-15.42%
KLCI Future			
November-22	1,445.0	1,443.5	0.10%
December-22	1,446.0	1,444.5	0.10%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,429.8	1,436.8	-0.49%
SoyOil (USc/lb)	71.4	70.7	1.00%
Gold (US\$/troy oz)	1,739.9	1,739.6	0.02%
Nymex crude oil (US\$/bbl)	81.0	79.7	1.53%
Latex (RM/kg)	4.68	4.65	0.65%
Tin (US\$/mt)	N.A.	21,243.0	N.A.

NEWS HIGHLIGHTS

- Rising interest rates, weaker ringgit push Guan Chong's Q3 earnings lower
- Hibiscus posts 225.8% higher net profit in Q1
- DKSH posts net profit of RM17.7m in 3Q
- E&O swings into the black in 2Q, plans more Penang launches
- Muhibbah Engineering slips into the red in 3Q on lower construction and crane revenue, higher shipping cost

MACRO BITS

- Oil rises 1.0% as OPEC+ focus on supply cuts outweighs recession concerns
- Dollar slips as investors tiptoe back into riskier currencies
- BNM international reserves up 2.2% to USD107.5b as at Nov 15
- 2023 Selangor Budget to turn tide of economic recession, says MB
- Ismail Sabri: 'Caretaker' govt to have special Parliament session to table budget on civil servants' salary
- Beijing shuts parks, Shanghai tightens entry as China COVID cases rise
- China's financial hub Shanghai to tighten COVID rules for people entering the city
- China's key money rate hits near 2-year low, but softening seen fleeting
- RBNZ set to deliver biggest rate hike ever as it eyes three month break
- Fed's Mester says she supports smaller rate hike in December
- Fed's Daly: Currently expect fed funds rate to top out around 5.0%
- ECB set to raise deposit rate 50 bps as euro zone enters recession -economists
- Bank of England projects more than 30.0b pounds of annual QE losses

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: BPLANT, PWROOT, SIMEPLT, STAR, SUNCON, SUPERMX, TCHONG, TM, ULICORP
- Company Update: PAVREIT
- On Our Technical Watch: HSPLANT, AXIATA

#	Top Volume	Price	%Chg (+/-)	Vol (m)	Top Gainer	Price	%Chg (+/-)	Vol (m)	Top Loser	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	0.91	-3.7	60.70	SIMEPLT	4.33	0.7	5.44	MAXIS	3.73	-4.4	1.64
2	GENM	2.57	0.4	45.90	PCHEM	8.70	0.7	4.23	TOPGLOV	0.91	-3.7	60.70
3	GENTING	4.26	0.0	29.40	KLK	21.30	0.6	0.26	PETDAG	21.44	-3.3	0.36
4	PBBANK	4.29	-0.9	18.70	PMETAL	4.72	0.4	6.05	DIALOG	2.04	-2.9	3.07
5	HARTA	1.80	-1.6	11.50	GENM	2.57	0.4	45.90	INARI	2.53	-1.9	6.14
6	MAYBANK	8.54	0.0	9.17	TENAGA	8.44	0.4	1.26	AXIATA	2.80	-1.8	2.86
7	CIMB	5.51	0.0	7.89	DIGI	3.79	0.3	1.75	PPB	16.22	-1.7	0.21
8	SIME	2.20	-1.4	6.45	RHBBANK	5.47	0.2	4.97	HARTA	1.80	-1.6	11.50
9	INARI	2.53	-1.9	6.14	CIMB	5.51	0.0	7.89	SIME	2.20	-1.4	6.45
10	PMETAL	4.72	0.4	6.05	GENTING	4.26	0.0	29.40	NESTLE	130.40	-1.1	0.06

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Rising interest rates, weaker ringgit push Guan Chong's Q3 earnings lower**

Guan Chong Bhd's net profit fell 10.7% in the third quarter (Q3) ended September 30, 2022 from RM34.5m in the previous year's corresponding quarter. The company said this was due to the impacts of rising interest rates and weakening ringgit during the quarter. "The higher energy costs at the company's industrial chocolate plant in Germany, SCHOKINAG-Schokolade-Industrie GmbH (SCHOKINAG), also affected the group's overall profitability as a result of the Ukraine-Russia tensions," Guan Chong said. However, the company said its revenue rose 10.3% to RM1.1b versus RM998.1m last year. *(New Straits Times)*

- **Hibiscus posts 225.8% higher net profit in Q1**

Hibiscus Petroleum Bhd's net profit surged 225.8% year-on-year (YoY) to RM135.3m in the first quarter (Q1) ended September 30, 2022 (FY23) from RM41.5m a year ago. This was driven by relatively high oil, condensate and gas prices, Hibiscus said. Group revenue for the quarter rose 145.2% to RM604.8m versus RM246.7m a year ago. The company said a total of one million barrels (MMbbl) of oil and condensate and over 510 thousand barrel of oil equivalent (boe) of gas were sold in Q1FY23. *(New Straits Times)*

- **DKSH posts net profit of RM17.7m in 3Q**

Touting improved revenue and profit in its latest earnings quarter, DKSH Holdings (Malaysia) Bhd says it has successfully navigated the pandemic so far with consumer demand staying relatively stable despite inflationary pressures. The group said Malaysia is well-positioned to benefit from favourable long-term market, industry and consolidation trends in Asia Pacific. In the third quarter ended Sept 30, 2022, DKSH posted a net profit of RM17.7m, which was 53.7% higher than in the same quarter last year. Earnings per share rose to 11.2 sen from 7.29 sen in the comparative quarter. *(The Star)*

- **E&O swings into the black in 2Q, plans more Penang launches**

Eastern & Oriental Bhd (E&O) intends to launch more projects in Penang in the near future, spurred by strong response to the group's "The Meg" development. The property developer said the high take up rate achieved of more than 80% for The Meg since it started previewing in January 2022, reflected the strategic location of Andaman Island. For its second quarter ended Sept 30, 2022, E&O reported a net profit of RM16.0k, compared with a net loss of RM14.0m in the previous corresponding period. Revenue in the second quarter rose to RM95.0m compared with RM33.9m a year earlier. *(The Star)*

- **Muhibbah Engineering slips into the red in 3Q on lower construction and crane revenue, higher shipping cost**

Muhibbah Engineering (M) Bhd (MEB) slipped into the red in the third quarter ended Sept 30, 2022 (3QFY2022), posting a net loss of RM1.3m compared to a net profit of RM1.3m a year earlier, mainly due to lower construction revenue as most of its major projects were in the completion stage, while new projects were in the early stage. It said crane production was also affected by the quarantine of some of its operational staff due to Covid-19 during the first half of 2022. As at Nov 14, the group's total outstanding order book for its construction and crane divisions stood at RM1.1b. *(The Edge Markets)*

Macro Bits

Global

- [Oil rises 1.0% as OPEC+ focus on supply cuts outweighs recession concerns](#) Oil prices rose about 1.0% on Tuesday after top exporter Saudi Arabia said OPEC+ was sticking with output cuts and could take further steps to balance the market. *(Reuters)*
- [Dollar slips as investors tiptoe back into riskier currencies](#) The dollar retreated across the board on Tuesday, ceding some of the ground gained in the previous session, as investors looked past worries about China's COVID flare-ups, boosting demand for more risky currencies. *(Reuters)*

Malaysia

- [BNM international reserves up 2.2% to USD107.5b as at Nov 15](#) The international reserves of Bank Negara Malaysia (BNM) amounted to USD107.5b (RM492.7b) as at Nov 15, up 2.2% from USD105.2b as at Oct 31. In a statement on Tuesday (Nov 22), BNM said the reserves position is sufficient to finance 5.2 months of imports of goods and services, and is 1.0 time of the total short-term external debt. *(The Edge Markets)*
- [2023 Selangor Budget to turn tide of economic recession, says MB](#) The 2023 Selangor Budget will focus on strategies to deal with the wave of economic recession that is expected to occur next year, said Menteri Besar Datuk Seri Amirudin Shari. He said the Selangor Legislative Assembly session will start on Wednesday (Nov 23) and the 2023 State Budget will be presented on Friday (Nov 25), which will also emphasise aspects that can benefit the youth, women and economic activities. *(The Edge Markets)*
- [Ismail Sabri: 'Caretaker' govt to have special Parliament session to table budget on civil servants' salary](#) Caretaker Prime Minister Datuk Seri Ismail Sabri Yaakob said the current government or "caretaker government" under his leadership and the "caretaker Cabinet" will continue to function. "Therefore, the rakyat must not be confused, as if there is no government because the former government still remains as the "caretaker government". *(The Edge Markets)*

Asia Pacific

- [Beijing shuts parks, Shanghai tightens entry as China COVID cases rise](#) Beijing shut parks and museums on Tuesday and Shanghai tightened rules for people entering the city as Chinese authorities grapple with a spike in COVID-19 cases that has deepened concern about the economy and dimmed hopes for a quick reopening. *(Reuters)*
- [China's financial hub Shanghai to tighten COVID rules for people entering the city](#) China's financial hub Shanghai said on Tuesday it will tighten rules for people entering the city from Nov. 24 to combat the recent COVID-19 outbreak in the country. *(Reuters)*
- [China's key money rate hits near 2-year low, but softening seen fleeting](#) Liquidity conditions in China's interbank money markets eased further on Tuesday, as cash supply far outpaced demand, despite a huge withdrawal of funds by the central bank. *(Reuters)*
- [RBNZ set to deliver biggest rate hike ever as it eyes three month break](#) New Zealand's central bank is expected to deliver its biggest ever rate point hike this week as it continues efforts to temper inflation ahead of a three-month break. *(Reuters)*

Americas

- [Fed's Mester says she supports smaller rate hike in December](#) The Federal Reserve can downshift to smaller interest rate hike increments from next month as it fine-tunes its policy actions to help bring down high inflation while keeping the economy humming, Cleveland Fed President Loretta Mester said on Monday. *(Reuters)*
- [Fed's Daly: Currently expect fed funds rate to top out around 5.0%](#) Federal Reserve Bank of San Francisco leader Mary Daly said on Monday she is still expecting the U.S. central bank to hike rates more and will likely lift its interest rate target to around 5.0%. *(Reuters)*

Europe

- [ECB set to raise deposit rate 50 bps as euro zone enters recession -economists](#) The European Central Bank will press on with policy tightening, adding 50 basis points to its deposit rate next month as it worries rapid price growth is becoming entrenched, despite the bloc almost certainly entering recession, a Reuters poll found. *(Reuters)*
- [Bank of England projects more than 30.0b pounds of annual QE losses](#) Britain's government may need to pay the Bank of England more than 30.0b pounds (USD36.0b) next year and also in 2024 to cover losses on its quantitative easing (QE) programme, a report released by the central bank on Tuesday showed. *(Reuters)*

23 November 2022

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
BERJAYA LAND BHD	0.220	26.77	19.51	2.83	0.205
JHM CONSOLIDATION BHD	0.720	27.06	25.23	12.20	0.700
DUFU TECHNOLOGY CORP BHD	1.630	28.41	29.61	37.28	1.530
TALIWORKS CORP BHD	0.880	28.59	21.69	5.96	0.875
SAMCHEM HOLDINGS BHD	0.655	28.84	25.55	19.44	0.645
BP PLASTICS HOLDING BHD	1.270	29.20	22.01	6.72	1.250
SERN KOU RESOURCES BHD	0.695	29.22	27.37	40.94	0.680

*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
RCE CAPITAL BHD	1.870	85.86	91.74	99.44	1.940
MALAYAN FLOUR MILLS BHD	0.660	81.80	88.61	97.63	0.660
RAPID SYNERGY BHD	15.900	80.28	79.40	66.40	16.000
MICROLINK SOLUTIONS BHD	0.995	77.14	73.49	67.05	1.030
ADVANCE SYNERGY BHD	0.180	77.03	80.47	90.87	0.200
KAREX BHD	0.540	76.33	76.51	62.28	0.575
AJIYA BHD	1.600	75.02	77.45	83.31	1.630
ELK-DESA RESOURCES	1.490	73.51	76.55	68.89	1.570
BERJAYA FOOD BHD	1.080	71.95	75.75	84.69	1.090
Y.S.P.SOUTHEAST ASIA HOLDING	2.340	71.49	73.47	78.40	2.340

*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
DAGANG NEXCHANGE BHD-C5	0.010	12.73	13.28	17.84	0.005	28/2/2023
REVENUE GROUP BHD-WA	0.100	20.62	22.50	48.96	0.080	14/1/2024
GENTING MALAYSIA BHD-S	0.015	25.00	25.93	30.28	0.010	10/3/2023
DAGANG NEXCHANGE BHD-C3	0.010	25.05	20.42	8.43	0.010	27/1/2023
DAGANG NEXCHANGE BHD-C4	0.025	25.88	23.08	18.73	0.015	31/7/2023
DIALOG GROUP BHD-C85	0.005	27.26	24.77	11.23	0.005	16/12/2022
AWANBIRU TECHNOLOGY BHD-WA	0.200	27.39	16.44	0.90	0.180	24/11/2025
DAGANG NEXCHANGE BHD-C1	0.010	28.61	24.55	11.19	0.005	15/5/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
MALAYSIA STEEL WORKS KL BHD-WB	0.160	81.30	84.22	86.68	0.175	21/10/2026
JENTAYU SUSTAINABLES BHD-WB	0.270	75.06	79.00	89.33	0.290	20/2/2032
MELEWAR INDUSTRIAL GROUP BHD-WB	0.120	71.57	75.93	79.12	0.140	18/8/2023

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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