

13 March 2023

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BURSA	10-Mar	Day chg	% chg
KLCI	1,433.1	-16.45	-1.13%
FTSE EMAS	10,450.0	-122.5	-1.16%
FTSE Smallcap	15,588.4	-206.40	-1.31%
FTSE MESDAQ	5,327.8	-118.8	-2.18%
KLSE Mkt Cap (RM'b)	1,730.0	78.4	4.75%

#### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	105.9	46.3%
Local Retail	34.7	30.3%
Foreign	-140.6	23.4%

INDICES	10-Mar	Day chg	% chg
Dow Jones	31,909.6	-345.2	-1.07%
S&P 500	3,861.6	-56.7	-1.45%
NASDAQ	11,138.9	-199.46	-1.76%
FTSE-100	7,748.4	-131.6	-1.67%
Nikkei 225	28,144.0	-479.2	-1.67%
SHCOMP	3,230.1	-46.017	-1.40%
HSI	19,319.9	-605.8	-3.04%
STI	3,177.4	-37.1	-1.15%
KOSPI	2,394.6	-24.5	-1.01%
TWSE	15,526.2	-244.5	-1.55%
JCI	6,765.3	-34.493	-0.51%
SET	1,599.7	-14.6	-0.90%

FOREX	10-Mar	9-Mar	% chg
USD/MYR:	4.5200	4.5190	0.02%
EUR/USD:	1.0643	1.0581	0.59%
GBP/USD:	1.2030	1.1925	0.88%
USD/YEN:	135.03	136.15	-0.82%
USD/SGD:	1.3500	1.3533	-0.24%
USD/HKD:	7.8466	7.8498	-0.04%

#### KEY STATS

KLCI Spot			
Vol (m shares):	2,732.3	2,667.2	2.44%
Value (RMm):	2,119.6	1,944.9	8.98%
KLCI Future			
March-23	1,414.0	1,432.5	-1.29%
April-23	1,414.0	1,432.5	-1.29%
CPO Price (RM/tonne)	4,093.0	4,205.0	-2.66%
Soybean (US\$/bu)	1,513.0	1,520.0	-0.46%
SoyOil (USc/lb)	56.6	57.1	-0.79%
Gold (US\$/troy oz)	1,867.2	1,834.6	1.78%
Nymex crude oil (US\$/bbl)	76.7	75.7	1.27%
Latex (RM/kg)	5.48	5.52	-0.82%
Tin (US\$/mt)	22,732.00	23,148.0	-1.80%

## Research Highlights

#### NEWS HIGHLIGHTS

- ACE Market-bound Opstar posts RM4.5m net profit in 3Q
- Pecca to acquire 80% stake in Indonesian firm for RM1.9m
- Agreement to facilitate Insas' reverse takeover of SYF Resources turns unconditional
- Kumpulan Perangsang inks MOU with consortium on solar energy
- Nexgram to acquire property management rights in Langkawi for RM22.5m

#### MACRO BITS

- United States, EU agree to start talks on critical minerals amid trade tensions
- Oil prices rise after buoyant U.S. payrolls
- Proposed Fiscal Responsibility Act will send strong signal on good governance of public finances, says Rafizi
- Malaysia on right track to transition to renewable energy, says Nik Nazmi
- No surprise in policy rates, but highlight rising inflation expectations (See *Economic Viewpoint: Bank of Japan Monetary Policy Decision*)
- China's February credit grows faster than expected, supporting recovery
- South Korea Jan. current account logs record monthly deficit
- India's industrial output grows 5.2% year/year in January
- U.S. deficit grows to USD262.0b in February as tax refunds surge
- Strong US job growth persists; wage inflation shows signs of slowdown
- Canada Feb job gains surprisingly strong, upping pressure for higher rates
- EU inflation pushes egg prices up by an average 30.0% in January
- Return to school unexpectedly boosts UK economy in January
- UK's Sunak says upcoming budget to cut debt, not taxes

#### IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Aviation, Plantation
- Weekly Technical Review
- Regional News Update
- Economic Viewpoint: Bank of Japan Monetary Policy Decision

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	PBBANK	4.01	-1.47	6.77	PICHEM	7.09	1.29	2.84	MAYBANK	8.45	-2.87	5.4
2	MAYBANK	8.45	-2.87	5.4	IHH	5.94	1.19	2.27	CELCOMDIGI	4.09	-1.92	0.60
3	GENM	2.64	-0.75	4.63	KLK	20.84	0.68	0.31	MRDIY	1.67	-1.76	1.18
4	PICHEM	7.09	1.29	2.84	HLFG	18.26	0.44	0.02	AXIATA	3.05	-1.61	0.38
5	CIMB	5.36	-1.29	2.63	PMETAL	4.98	0.4	1.08	PBBANK	4.01	-1.47	6.77
6	IHH	5.94	1.19	2.27	IOICORP	3.81	0.26	0.96	CIMB	5.36	-1.29	2.63
7	GENTING	4.58	-0.65	2.09	NESTLE	134.8	0.22	0.01	DIALOG	2.35	-1.26	1.44
8	SIME	2.14	-0.93	1.51	AMBANK	3.87	0	0.47	INARI	2.4	-1.23	1.04
9	DIALOG	2.35	-1.26	1.44	PETDAG	20.66	-0.1	0.03	TM	4.9	-1.21	0.29
10	RHBBANK	5.62	-0.53	1.34	PPB	16.48	-0.12	0.21	SIME	2.14	-0.93	1.51

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **ACE Market-bound Opstar posts RM4.5m net profit in 3Q**

Opstar Bhd, en route to list on the ACE Market of Bursa Malaysia on March 15, posted a net profit of RM4.5m or earnings per share of 0.7 sen for its third financial quarter ended Dec 31, 2022 (3QFY2023). The integrated circuit (IC) design service provider made a revenue of RM14.6m during the quarter under review, its Bursa Malaysia filing showed. There are no comparative figures for the preceding corresponding quarter, as this is the first interim financial statement announced by the company in compliance with Bursa's listing requirements. *(The Edge Markets)*

- **Pecca to acquire 80% stake in Indonesian firm for RM1.9m**

Pecca Group Bhd, through its wholly-owned subsidiary Pecca Leather Sdn Bhd, has entered into a shares transfer agreement on March 8 for the acquisition of an 80% equity interest in PT Gemilang Maju Kencana (GMK). The price tag of the acquisition is Indonesian rupiah 6.4 billion or approximately RM1.9m, which will be fully satisfied by cash via internal funding. GMK, similar to Pecca, is also involved in the business of upholstery leather wrapping and seat covers for the automotive industry in Indonesia. The company is currently jointly-owned by West Java-based carton box trading firm PT Multi Berjaya Asindo (61%), Selangor-based car interior accessories maker CSC Automotive Sdn Bhd (22%), Tan Kim Cheang (16%) and Hery Pramana (1%). *(The Edge Markets)*

- **Agreement to facilitate Insas' reverse takeover of SYF Resources turns unconditional**

Insas Bhd said its share sale and purchase agreement (SSPA) with furniture maker SYF Resources Bhd has become unconditional. The agreement was signed to facilitate Insas' proposal to list its stockbroking arm M&A Securities Sdn Bhd through a reverse takeover (RTO) of SYF Resources. "On behalf of the board of Insas, M&A is pleased to announce that all the conditions precedent in the SSPA have been fulfilled, and the SSPA has become unconditional," Insas said in a bourse filing on Friday (March 10). The RTO would involve SYF acquiring 100% of M&A Securities for RM222m, to be satisfied through the issuance of 1b SYF shares to Insas at 22 sen each. *(The Edge Markets)*

- **Kumpulan Perangsang inks MOU with consortium on solar energy**

Kumpulan Perangsang Selangor Bhd (KPS) has entered into a memorandum of understanding (MOU) to explore the possibility of procuring solar energy from a consortium comprising Worldwide Holdings Bhd and two other firms. The parties will look into signing a long-term corporate green power agreement between KPS and its participating subsidiaries as the off-taker and the consortium via a special purpose vehicle (SPV) as the provider. The consortium — which also includes Dynac Sdn Bhd and Majulia Sdn Bhd — will submit a solar power application to the Energy Commission of Malaysia by March 20, said KPS in a Bursa Malaysia filing. *(The Edge Markets)*



- **Nexgram to acquire property management rights in Langkawi for RM22.5m**

A day after Nexgram Holdings Bhd aborted its deal to buy Wings By Croske Resort Langkawi Sdn Bhd (WINGS) for RM90m, the ACE Market-listed firm now says it wants to acquire the management rights of a piece of land in Langkawi, Kedah, from the resort operator for RM22.5m instead. In a filing with Bursa on Friday (March 10), Nexgram said its wholly-owned unit Medic Asset Group Sdn Bhd (MAGSB) has entered into a conditional sale and purchase agreement with WINGS to acquire the entire management rights of a 16,900 sq m piece of land together with the 218-room Century One Helang Hotel Langkawi. The acquisition will be satisfied via the issuance of 250,000 redeemable convertible preference shares (RCPS) at an issue price of RM90 per RCPS in MAGSB to the vendor, namely WINGS. (*The Edge Markets*)

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## Macro Bits

### Global

- [United States, EU agree to start talks on critical minerals amid trade tensions](#) Amid trade frictions between the United States and the European Union, President Joe Biden and European Commission President Ursula von der Leyen agreed on Friday that the two sides would launch talks on critical minerals used for electric vehicles. *(Reuters)*
- [Oil prices rise after buoyant U.S. payrolls](#) Oil prices climbed more than 1.0% on Friday after better-than-expected U.S. employment data, though both benchmarks fell more than 3.0% on the week on U.S. interest rate hike jitters. *(Reuters)*

### Malaysia

- [Proposed Fiscal Responsibility Act will send strong signal on good governance of public finances, says Rafizi](#) The proposed Fiscal Responsibility Act (FRA) will send a strong signal to the market and put in place a good governance framework for public finances, said Economy Minister Rafizi Ramli. *(The Edge Markets)*
- [Malaysia on right track to transition to renewable energy, says Nik Nazmi](#) Malaysia is on the right track to transition its energy towards renewable energy, especially in the power sector, said Natural Resources, Environment and Climate Change Minister Nik Nazmi Nik Ahmad. *(The Edge Markets)*

### Asia Pacific

- [No surprise in policy rates, but highlight rising inflation expectations](#) The Bank of Japan (BoJ) maintained the short-term policy rate at -0.1%, long-term interest rate target band at 0.5%, and reaffirmed its commitment to take additional easing measures if required. Incoming BoJ governor, Kazuo Ueda may take a wait-and-see approach on negative rates until demand-driven inflation materialised. *(See Economic Viewpoint: Bank of Japan Monetary Policy Decision)*
- [China's February credit grows faster than expected, supporting recovery](#) China reported unexpectedly strong credit growth for February, with money supply expanding at the fastest pace in nearly 7 years, as Beijing looks to support a nascent economic recovery amid rising global risks. *(Reuters)*
- [South Korea Jan. current account logs record monthly deficit](#) South Korea's current account logged a record deficit in January, central bank data showed on Friday, as exports of goods slumped and overseas travel increased. *(Reuters)*
- [India's industrial output grows 5.2% year/year in January](#) India's industrial output rose a bigger than expected 5.2% in January compared with the same month last year as strong domestic urban demand boosted electricity generation and manufacturing, despite weakening exports. *(Reuters)*

### Americas

- [U.S. deficit grows to USD262.0b in February as tax refunds surge](#) The U.S. government posted a USD262.0b budget deficit in February, up 21.0% from a year earlier, as outlays grew and revenues fell, due largely to higher tax refunds issued as the Internal Revenue Service worked through a substantial backlog of unprocessed returns. *(Reuters)*
- [Strong US job growth persists; wage inflation shows signs of slowdown](#) The U.S. economy added jobs at a brisk clip in February, but monthly wage growth slowed and the unemployment rate rose, pointing to some labour market loosening and prompting financial markets to dial back expectations that the Federal Reserve would raise interest rates by half a percentage point this month. *(Reuters)*
- [Canada Feb job gains surprisingly strong, upping pressure for higher rates](#) The Canadian economy beat expectations by adding 21,800 jobs in February, putting pressure on the central bank to consider another rate hike after saying it wanted end its year-long tightening campaign, data showed on Friday. *(Reuters)*

### Europe

- [EU inflation pushes egg prices up by an average 30.0% in January](#) Consumers across the European Union paid on average 30.0% more for eggs in January than a year before, Eurostat data showed on Friday, with the humble kitchen staple posting amongst the biggest price increases across all food products. *(Reuters)*
- [Return to school unexpectedly boosts UK economy in January](#) Children returning to school after an illness-ravaged December provided an unexpected, one-off boost to Britain's economy in January, when growth in output exceeded forecasts, data showed on Friday. *(Reuters)*
- [UK's Sunak says upcoming budget to cut debt, not taxes](#) British Prime Minister Rishi Sunak said on Friday that his government would prioritise reducing the country's debt over cutting taxes in next week's budget, which would also focus on other goals such as reducing inflation. *(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
COMPUTER FORMS (MALAYSIA) BHD	1.440	15.55	8.92	0.59	1.330
I-BHD	0.240	21.25	13.83	0.83	0.235
DUTCH LADY MILK INDS BHD	26.800	22.43	21.40	26.75	26.000
HAP SENG CONSOLIDATED	5.620	23.03	17.26	6.43	5.650
CAN-ONE BHD	2.990	24.57	19.11	9.04	2.970
JAKS RESOURCES BHD	0.225	26.07	17.30	1.17	0.215
ADVANCE SYNERGY BHD	0.125	28.25	21.59	14.84	0.130
AEON CREDIT SERVICE M BHD	11.460	28.41	26.24	27.60	11.440
TA ANN HOLDINGS BERHAD	3.210	29.38	24.75	7.99	3.240
CARLSBERG BREWERY MALAYSIA B	21.780	29.61	22.88	6.05	21.640

\*Only for stocks with market cap &gt;RM300m

Source: Bloomberg

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D
AIRASIA X BHD	1.180	85.13	89.38	98.72	1.230
PIE INDUSTRIAL BHD	3.440	80.28	80.93	68.38	3.560
EG INDUSTRIES BHD	1.300	77.51	73.31	49.00	1.400
HARRISONS HOLDINGS MALAYSIA	7.750	76.52	78.81	65.20	8.120
MULPHA INTERNATIONAL BHD	2.350	74.85	87.92	99.93	2.300
PARAMOUNT CORP BHD	0.910	73.14	71.19	42.47	0.925
IDEAL CAPITAL BHD	2.180	71.01	68.88	55.18	2.260
FGV HOLDINGS BHD	1.490	70.97	73.29	72.75	1.510

\*Only for stocks with market cap &gt;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
COMPUTER FORMS MALAYSIA BHD-WA	0.490	16.29	9.96	2.99	0.695	12/22/2025
HENGYUAN REFINING CO BHD-C44	0.110	16.54	19.13	22.23	0.115	10/25/2023
CLASSIC SCENIC BHD-WA	0.355	20.00	16.25	17.92	0.365	8/8/2026
PUBLIC BANK BHD-C87	0.015	20.54	14.65	0.87	0.020	6/30/2023
HANG SENG INDEX-L4	0.230	24.73	24.39	8.34	0.185	7/28/2023
PUBLIC BANK BHD-C86	0.005	24.89	20.67	9.00	0.005	4/28/2023
DOW JONES INDUSTRIAL AVERAGE - DJI-H4	0.005	25.70	24.51	39.01	0.005	3/20/2023
HANG SENG INDEX-LI	0.120	28.35	22.95	6.94	0.085	3/30/2023
YINSON HOLDINGS BHD-WA	0.570	29.22	18.03	1.14	0.575	6/21/2025
MALAYAN BANKING BHD-C97	0.025	29.52	26.98	13.62	0.020	4/28/2023
HANG SENG INDEX-LX	0.150	29.86	24.12	6.38	0.115	6/30/2023
HENGYUAN REFINING CO BHD-C41	0.005	29.90	31.58	46.55	0.005	6/2/2023
HANG SENG INDEX-L3	0.085	29.90	25.88	7.21	0.070	7/28/2023
HANG SENG INDEX-LN	0.225	29.92	25.18	8.14	0.165	4/27/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
PERTAMA DIGITAL BHD-CA	0.155	79.51	80.99	77.50	0.170	12/8/2023
YTL POWER INTERNATIONAL BHD-C22	0.110	76.11	83.51	98.53	0.115	5/17/2023
HANG SENG INDEX-NA	1.040	70.40	74.29	92.67	1.210	7/28/2023

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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