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BURSA	17-May	Day chg	% chg
KLCI	1,424.3	0.84	0.06%
FTSE EMAS	10,441.4	22.1	0.21%
FTSE Smallcap	15,260.4	41.71	0.27%
FTSE MESDAQ	4,996.8	-3.8	-0.08%
KLSE Mkt Cap (RM'b)	1,636.3	3.0	0.18%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	91.0	45.9
Local Retail	-16.6	29.1
Foreign	-74.4	25.0

INDICES	17-May	Day chg	% chg
Dow Jones	33,420.8	408.6	1.24%
S&P 500	4,158.8	48.9	1.19%
NASDAQ	12,500.6	157.52	1.28%
FTSE-100	7,723.2	-27.9	-0.36%
Nikkei 225	30,093.6	250.6	0.84%
SHCOMP	3,284.2	-6.755	-0.21%
HSI	19,560.6	-417.7	-2.09%
STI	3,173.8	-40.2	-1.25%
KOSPI	2,494.7	14.4	0.58%
TWSE	15,925.3	251.4	1.60%
JCI	6,663.1	-13.45	-0.20%
SET	1,522.7	-17.1	-1.11%

FOREX	17-May	16-May	% chg
USD/MYR:	4.5262	4.4990	0.60%
EUR/USD:	1.0830	1.0895	-0.60%
GBP/USD:	1.2448	1.2533	-0.68%
USD/YEN:	136.99	135.82	0.86%
USD/SGD:	1.3432	1.3359	0.55%
USD/HKD:	7.8284	7.8386	-0.13%

KEY STATS

KLCI Spot			
Vol (m shares):	2,596.0	2,570.5	0.99%
Value (RMm):	1,630.7	1,510.0	7.99%
KLCI Future			
May-23	1,422.0	1,422.5	-0.04%
June-23	1,422.5	1,422.0	0.04%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,337.0	1,364.0	-1.98%
SoyOil (USc/lb)	46.6	47.5	-1.94%
Gold (US\$/troy oz)	1,984.9	1,993.0	-0.41%
Nymex crude oil (US\$/bbl)	72.8	70.9	2.78%
Latex (RM/kg)	4.90	4.88	0.41%
Tin (US\$/mt)	25,077.00	24,814.0	1.06%

Research Highlights

NEWS HIGHLIGHTS

- Kobay's 3QFY2023 earnings hit by slowdown in E&E sector
- Perdana Petroleum falls back into the red in 1Q but narrows losses y-o-y
- Volcano reports lower earnings for Jan-March period amid narrowing margin
- OSK Ventures' net profit shrinks by half in 1Q
- Mlabs to diversify into factoring industry

MACRO BITS

- UN forecasts world economic growth of 2.3% in 2023, 2.5% in 2024
- It's the G-7 versus China and Russia in the struggle for global influence
- Malaysia committed to elevate its role in international affairs — PM
- Malaysia and Indonesia optimistic about positive outcomes on deforestation-free regulation discussion with EU
- China's home prices rise at slower pace as demand ebbs
- Singapore's April exports fall 9.8% on-year, steeper than forecast
- Japan emerges from recession on post-COVID consumer rebound
- Fed to keep rates untouched this year; risk of U.S. default high - Reuters poll
- US Fed's Logan says 'smaller, less frequent' hikes may be safer for stability
- Euro zone inflation ticks up in April
- EU seeks to simplify customs system, tighten up on e-commerce
- ECB zeroes in on struggling borrowers and forex as times get tougher

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: SPSETIA
- On Our Radar: SDS
- On Our Technical Watch: CORAZA, KTC

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	MRDIY	1.56	-1.3	10.80	SIMEPLT	4.58	3.9	5.66	GENM	2.66	-1.5	5.60
2	CIMB	4.98	-0.2	9.41	PETDAG	22.60	3.5	0.13	QL	5.67	-1.4	0.52
3	TENAGA	9.75	0.2	6.48	IOICORP	3.96	1.5	3.35	HLFG	17.68	-1.3	0.15
4	PBBANK	3.96	0.3	6.46	DIALOG	2.19	1.4	2.96	PCHEM	6.98	-1.3	2.89
5	INARI	2.19	-0.5	6.02	KLK	22.78	1.2	2.09	MRDIY	1.56	-1.3	10.80
6	SIMEPLT	4.58	3.9	5.66	MISC	7.29	0.7	0.63	TM	5.02	-0.8	1.78
7	GENM	2.66	-1.5	5.60	PETGAS	16.90	0.5	0.19	MAXIS	4.35	-0.7	2.03
8	CELCOMDIGI	4.39	-0.2	4.77	NESTLE	134.80	0.3	0.03	PPB	16.24	-0.5	0.48
9	IHH	5.90	-0.3	4.47	PBBANK	3.96	0.3	6.46	SIME	2.10	-0.5	1.52
10	MAYBANK	8.71	-0.2	4.06	TENAGA	9.75	0.2	6.48	INARI	2.19	-0.5	6.02

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Kobay's 3QFY2023 earnings hit by slowdown in E&E sector**

Kobay Technology Bhd's net profit contracted 47.6% to RM7.9m in the third quarter ended March 31, 2023 (3QFY2023), against RM15.1m in the same period a year earlier (3QFY2022), amid lower contributions from its manufacturing division. The managing director and chief executive officer said in a statement that the group was not spared from the impact of softer demand from the semiconductor and electrical & electronic (E&E) industries. However, he added that prior investments into property development and pharmaceutical & healthcare businesses have provided a diversified earnings base to withstand the slowdown. The company's earnings per share decreased to 2.5 sen from 4.9 sen, said the manufacturing and property group in its Bursa filing. *(The Edge Markets)*

- **Perdana Petroleum falls back into the red in 1Q but narrows losses YoY**

Perdana Petroleum Bhd's net loss narrowed to RM8.3m in the first quarter ended March 31, 2023 (1QFY2023), from RM14m a year ago. Losses per share was reduced to 0.4 sen from 0.6 sen. This was mainly due to lower operating costs, lower depreciation charges of RM12.8m in the current quarter, as well as lower finance costs, according to the offshore support vessel (OSV) operator in a filing with Bursa Malaysia. Revenue rose 2.8% to RM29.6m from RM28.8m, driven by better daily charter rates (DCR) with an upsurge in demand for OSVs due to higher offshore upstream activities. *(The Edge Markets)*

- **Volcano reports lower earnings for Jan-March period amid narrowing margin**

Volcano Bhd saw its net profit from January to March 2023 down 72% year-on-year as the nameplate and plastic injection moulded parts manufacturer incurred higher cost of goods sold despite recording lower revenue. Net profit fell to RM550,000 for the quarter under review, from RM2m a year ago, on the back of a 9.6% lower revenue of RM18.9m compared with the RM20.9m in the same period a year ago, the group's stock exchange filings show. Earnings per share fell to 0.3 sen per share for January-March 2023 period, from 1.2 sen per share a year ago. *(The Edge Markets)*

- **OSK Ventures' net profit shrinks by half in 1Q**

OSK Ventures International Bhd's net profit shrank 52% to RM4.3m in the first quarter ended March 31, 2023 (1QFY2023) versus RM9m in the same quarter a year earlier (1QFY2022). The lower earnings were due to lower fair value gain on its financial assets which fell to RM5.1m compared with RM9.3m. According to its filing on Wednesday (May 17), earnings per share fell to 2.2 sen from 4.6 sen. Revenue for the quarter decreased to RM332,000 against RM36.6m in 1QFY2022. OSK said that despite the surge in consumer spending, concerns on the banking industry, inflation and geopolitical risks led to businesses shoring up capital for rainy days ahead. Nevertheless, its portfolio remained resilient due to strong market positioning and growth amid the digitalisation trend. *(The Edge Markets)*

- **Mlabs to diversify into factoring industry**

Mlabs Systems Bhd, which principally engages in the business of research and development of mobile application solutions, has proposed to diversify its business activities to include factoring and related business activities. This came after Mlabs completed the acquisition of an entire stake in Ikhlas AI Dain Sdn Bhd in December 2021, which aims to diversify the group's earnings base and reduce business concentration risk. Ikhlas has been approved by the Ministry of Finance (MOF) to conduct the business of factoring, development financing, leasing, and building credit since 2011. As an MOF-approved factoring company, Ikhlas is able to collect payment directly from the ministry for invoices factored from government contractors and service providers who are Ikhlas' main clientele. *(The Edge Markets)*

Macro Bits

Global

- [UN forecasts world economic growth of 2.3% in 2023, 2.5% in 2024](#) Global economic growth is projected to be 2.3% in 2023, up 0.4 percentage points from a January forecast, and the prediction for 2024 has dropped 0.2 percentage points to 2.5%, according to a United Nations report released on Tuesday. *(Reuters)*
- [It's the G-7 versus China and Russia in the struggle for global influence](#) The tussle for global influence is about to intensify, as China, Russia, the US and its allies step up efforts to win over governments in a deepening competition for hearts and minds in strategic third countries. *(The Edge Markets)*

Malaysia

- [Malaysia committed to elevate its role in international affairs — PM](#) The Unity Government has made it clear that Malaysia will elevate its role in international affairs particularly with its neighbours in Asean, as well as the Organisation of Islamic Cooperation (OIC) and the international community as a whole, said Prime Minister Datuk Seri Anwar Ibrahim. *(The Edge Markets)*
- [Malaysia and Indonesia optimistic about positive outcomes on deforestation-free regulation discussion with EU](#) Malaysia's Deputy Prime Minister Datuk Seri Fadillah Yusof and Indonesia's Coordinating Minister for Economic Affairs Airlangga Hartarto are optimistic that their joint mission to Brussels end-May to discuss the European Union Deforestation-free Regulation (EUDR) will yield positive outcomes. *(The Edge Markets)*

Asia Pacific

- [China's home prices rise at slower pace as demand ebbs](#) China's new home prices rose for the fourth straight month in April but at a slower pace, heightening fears that pent-up demand after the country's economic reopening is fading. *(Reuters)*
- [Singapore's April exports fall 9.8% on-year, steeper than forecast](#) Singapore's non-oil domestic exports fell 9.8% in April from the same month a year earlier, data on Wednesday (May 17) showed, weighed down by declines in both electronic and non-electronic products. *(The Edge Markets)*
- [Japan emerges from recession on post-COVID consumer rebound](#) Japan's economy emerged from recession and grew faster than expected in the first quarter as a post-COVID consumption rebound offset global headwinds, shoring up hopes for a sustained recovery. *(Reuters)*

Americas

- [Fed to keep rates untouched this year; risk of U.S. default high - Reuters poll](#) The U.S. Federal Reserve will hold its key interest rate steady this year despite an expected recession, according to a Reuters poll of economists, who also said the risk of a U.S. default over the debt ceiling was higher compared to prior stand-offs. *(Reuters)*
- [US Fed's Logan says 'smaller, less frequent' hikes may be safer for stability](#) Changing interest rates in "smaller, less frequent steps" can make it less likely that U.S. Federal Reserve monetary policy causes financial instability, Dallas Fed President Lorie Logan said on Tuesday. "Gradual policy adjustments can be helpful," Logan said at an Atlanta Fed economic conference. *(Reuters)*

Europe

- [Euro zone inflation ticks up in April](#) Euro zone inflation accelerated last month, Eurostat said on Wednesday, confirming preliminary data pointing to increasingly stubborn price growth among the 20 nations sharing the euro. *(Reuters)*
- [EU seeks to simplify customs system, tighten up on e-commerce](#) The European Commission proposed on Wednesday a reform of customs rules for the surge of incoming packages ordered online and to cope with increased environmental and labour standards and sanctions on imported goods. *(Reuters)*
- [ECB zeroes in on struggling borrowers and forex as times get tougher](#) The European Central Bank on Wednesday told banks to step up how they manage struggling borrowers and their own currency trading in an environment of higher interest rates and jittery financial markets. *(Reuters)*

18 May 2023

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
KOBAY TECHNOLOGY BHD	2.260	25.36	19.19	18.51	2.230
HAP SENG CONSOLIDATED	4.430	25.37	19.93	4.60	4.420
AXIS REAL ESTATE INVESTMENT	1.800	25.94	18.58	7.56	1.790
KAREX BHD	0.600	27.81	19.86	1.24	0.585
BURSA MALAYSIA BHD	6.170	28.16	22.86	6.31	6.160
D&O GREEN TECHNOLOGIES BHD	3.900	29.85	24.06	9.28	3.860

*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
HARRISONS HOLDINGS MALAYSIA	10.100	80.90	84.04	93.38	10.100
REDTONE DIGITAL BHD	0.575	78.75	86.15	97.49	0.580
HUME CEMENT INDUSTRIES BHD	1.260	77.61	82.25	90.29	1.260
SIGNATURE INTERNATIONAL BHD	1.450	75.95	84.22	98.49	1.450
RAPID SYNERGY BHD	18.380	75.46	81.79	94.88	18.380
ORIENTAL INTEREST BHD	1.050	75.13	79.93	80.21	1.050
NTPM HOLDINGS BHD	0.505	72.90	75.11	77.80	0.515
AIRASIA X BHD	1.700	72.28	78.24	91.64	1.800
ABF MALAYSIA BOND INDEX FUND	1.200	70.27	75.99	92.72	1.200

*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
COMPUTER FORMS MALAYSIA BHD-WA	0.040	14.56	15.67	4.20	0.035	22/12/2025
PUBLIC BANK BHD-C89	0.035	20.84	17.85	2.23	0.030	29/9/2023
HANG SENG INDEX-LX	0.010	27.90	22.76	17.86	0.010	30/6/2023
HANG SENG INDEX-KX	0.005	27.92	22.12	7.67	0.005	30/5/2023
DAGANG NEXCHANGE BHD-C16	0.020	29.01	24.38	5.34	0.020	29/9/2023
MI TECHNOVATION BHD-C12	0.070	29.46	27.03	32.69	0.060	28/8/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
YTL CORP BHD-C55	0.135	82.40	86.06	93.87	0.135	25/9/2023
BINASAT COMMUNICATIONS BHD-WA	0.075	78.03	86.13	98.16	0.080	17/1/2026

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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