

24 May 2023

By Teh Kian Yeong | [tehy@kenanga.com.my](mailto:tehy@kenanga.com.my)

BURSA	23-May	Day chg	% chg
KLCI	1,411.5	-7.46	-0.53%
FTSE EMAS	10,370.7	-45.2	-0.43%
FTSE Smallcap	15,092.3	-64.50	-0.43%
FTSE MESDAQ	4,917.8	-37.7	-0.76%
KLSE Mkt Cap (RM'b)	1,629.8	-7.1	-0.43%

**BURSA DAILY TRADING PARTICIPATION**

Participation	Net (RM'm)	Value (%)
Local Institution	29.1	46.0%
Local Retail	23.5	27.3%
Foreign	-52.6	26.8%

INDICES	23-May	Day chg	% chg
Dow Jones	33,055.5	-231.1	-0.69%
S&P 500	4,145.6	-47.1	-1.12%
NASDAQ	12,560.3	-160.53	-1.26%
FTSE-100	7,763.0	-8.0	-0.10%
Nikkei 225	30,957.8	-129.0	-0.42%
SHCOMP	3,246.2	-50.231	-1.52%
HSI	19,431.3	-246.9	-1.25%
STI	3,218.1	7.0	0.22%
KOSPI	2,567.6	10.5	0.41%
TWSE	16,188.0	7.1	0.04%
JCI	6,736.7	7.037	0.10%
SET	1,534.8	5.6	0.37%

FOREX	23-May	22-May	% chg
USD/MYR:	4.5725	4.5492	0.51%
EUR/USD:	1.0778	1.0822	-0.41%
GBP/USD:	1.2385	1.2450	-0.52%
USD/YEN:	138.51	137.97	0.39%
USD/SGD:	1.3476	1.3450	0.19%
USD/HKD:	7.8352	7.8250	0.13%

**KEY STATS**

KLCI Spot			
Vol (m shares):	2,459.0	2,791.0	-11.90%
Value (RMm):	1,656.1	1,798.7	-7.93%
KLCI Future			
May-23	1,409.0	1,418.0	-0.63%
June-23	1,410.0	1,418.0	-0.56%
CPO Price (RM/tonne)	3,378.0	3,428.0	-1.46%
Soybean (US\$/bu)	1,322.5	1,341.3	-1.40%
SoyOil (USc/lb)	47.9	48.8	-1.89%
Gold (US\$/troy oz)	1,974.5	1,977.2	-0.14%
Nymex crude oil (US\$/bbl)	72.9	72.0	1.28%
Latex (RM/kg)	4.92	4.92	0.10%
Tin (US\$/mt)	24,454.99	25,115.0	-2.63%

## Research Highlights

### NEWS HIGHLIGHTS

- MISC unit to receive USD233.6m as early settlement for FSU hire fees
- Hextar Technologies slips into the red in 4Q to chart lower FY2023 profit
- Pecca Group seeks collaboration with local MRO firm to provide cabin interior, seat cover products
- Sand Nisko Capital and Evergreen More scrap plans to jointly develop project in Melaka
- Aldrich Resources to diversify into mining, money lending businesses

### MACRO BITS

- IMF mission starts review of Ukraine's new loan program
- Malaysia to strengthen semiconductor ecosystem, eyes 15.0% market share by 2030
- Malaysia, UAE to launch negotiations on comprehensive trade pact
- Attractive investment policies, strategies needed to fuel energy transition — Nik Nazmi
- Electricity tariff will reflect stabilising coal, gas prices — Nik Nazmi
- Singapore's April core inflation rises 5.0%, beating forecast
- Japan's factory activity expands for first time in 7 months – PMI
- South Korea consumer sentiment hits 1-year high, inflation expectations weaken
- Ex-Fed chief Bernanke says labour costs becoming more prominent in inflation
- Biden, McCarthy meeting ends with no deal on debt ceiling
- IMF says Britain no longer faces recession this year
- Euro zone business growth solid in May but shows signs of easing

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

- Results Note: KERJAYA, MGRC, NOVA, SPTOTO, STAR, ULICORP
- Company Update: TGUAN
- On Our Technical Watch: MBL, YEWLEE

#	Top Volume			Top Gainer				Top Loser				
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	PBBANK	3.91	-1.0	12.80	MRDIY	1.60	0.6	7.64	INARI	2.15	-2.7	4.19
2	CIMB	5.01	-0.8	11.20	DIALOG	2.13	0.5	4.38	AMBANK	3.50	-1.7	1.83
3	MAYBANK	8.61	0.4	8.26	GENTING	4.43	0.5	3.71	HLFG	17.50	-1.7	0.29
4	MRDIY	1.60	0.6	7.64	MAYBANK	8.61	0.4	8.26	PMETAL	4.72	-1.3	6.45
5	PMETAL	4.72	-1.3	6.45	PETGAS	17.02	0.2	0.24	PBBANK	3.91	-1.0	12.80
6	SIMEPLT	4.48	-0.9	4.54	RHBBANK	5.51	0.2	3.56	IHH	5.90	-1.0	3.91
7	DIALOG	2.13	0.5	4.38	PPB	16.10	0.0	0.28	PICHEM	6.89	-1.0	3.77
8	SIME	2.13	-0.5	4.29	QL	5.64	-0.2	1.71	IOICORP	3.96	-1.0	1.17
9	INARI	2.15	-2.7	4.19	TM	4.99	-0.2	1.90	HLBANK	19.80	-0.9	0.54
10	MISC	7.33	-0.7	4.12	NESTLE	134.70	-0.2	0.02	SIMEPLT	4.48	-0.9	4.54

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **MISC unit to receive USD233.6m as early settlement for FSU hire fees**

MISC Bhd's wholly owned subsidiary Gas Asia Terminal (L) Pte Ltd (GATL) has entered into an agreement with Regas Terminal (Sg Udang) Sdn Bhd (RGTSU) for a one-off prepayment of USD233.6m as early settlement of the capex hire fees payable for the remaining charter period of its two floating storage units at LNG Regas Terminal Sungai Udang in Melaka. MISC said the amount will be paid fully in cash, and the FSUs will continue to be employed by RGTSU until August 2032 as agreed upon. (*The Edge Markets*)

- **Hextar Technologies slips into the red in 4Q to chart lower FY2023 profit**

Hextar Technologies Solutions Bhd, formerly known as Complete Logistics Services Bhd, posted a net loss of RM884.0k in the fourth quarter ended March 31, 2023 (4QFY2023) against a net profit of RM1.1m in the same quarter last year (4QFY2022). The company attributed the loss to lower rental income from a tenancy agreement expiration for one of its warehouses and an impairment loss on trade receivables of RM1.2m. This was despite an offset one-off gain on the disposal of subsidiaries of RM11.2m in FY2022. Loss per share amounted to 0.70 sen versus earnings per share of 0.80 sen in 4QFY2022. (*The Edge Markets*)

- **Pecca Group seeks collaboration with local MRO firm to provide cabin interior, seat cover products**

Automotive upholstery supplier Pecca Group Bhd plans to work with privately-held Global Component Asia Sdn Bhd (GCA) to provide cabin interior solution and seat cover products and services in Southeast Asia, including Malaysia and Australasia. Pecca said its wholly-owned subsidiary Pecca Aviation Services Sdn Bhd (PASSB) has entered into a memorandum of understanding (MoU) with GCA to explore opportunities for collaboration in this area. (*The Edge Markets*)

- **Sand Nisko Capital and Evergreen More scrap plans to jointly develop project in Melaka**

Rubberwood furniture maker Sand Nisko Capital Bhd (SNC) no longer plans to co-develop a mixed development in Alor Gajah, Melaka with privately-held Evergreen More Sdn Bhd (EMSB). SNC said pursuant to discussions on the terms for the joint development, the two parties, however, were not able to agree on the appointment of the relevant contractors and sub-contractors and also their plans in the execution of the proposed development. (*The Edge Markets*)

- **Aldrich Resources to diversify into mining, money lending businesses**

Technology and business solution provider Aldrich Resources Bhd has proposed to diversify its existing business to include exploration of minerals, mining and mining-related businesses, as well as money lending business. The group is presently involved in the business of providing computerised maintenance management systems and fintech solutions, as well as corporate secretarial and share registration services. Aldrich said it acknowledges the declining revenue and profitability of the group's businesses in recent years and expects the proposed diversification to help expand its revenue base and improve its financial performance. (*The Edge Markets*)



24 May 2023

## Macro Bits

### Global

- [IMF mission starts review of Ukraine's new loan program](#) An International Monetary Fund mission started work on Tuesday on the first review of a USD15.6b loan program that it approved in March, the Ukrainian finance ministry said. *(Reuters)*

### Malaysia

- [Malaysia to strengthen semiconductor ecosystem, eyes 15.0% market share by 2030](#) The government plans to further strengthen Malaysia's semiconductor ecosystem in the hope of achieving a 15.0% market share in semiconductor assembly, test and packaging activities by 2030, compared with 13.0% currently. *(The Edge Markets)*
- [Malaysia, UAE to launch negotiations on comprehensive trade pact](#) Malaysia and the United Arab Emirates (UAE) have agreed to launch negotiations to establish a Comprehensive Economic Partnership Agreement (Cepa). *(The Edge Markets)*
- [Attractive investment policies, strategies needed to fuel energy transition — Nik Nazmi](#) Attractive investment policies and strategies are needed to push the energy transition, including to facilitate renewable energy (RE) adoption in sectors like manufacturing and transportation, said Minister of Natural Resources, Environment and Climate Change Nik Nazmi Nik Ahmad. *(The Edge Markets)*
- [Electricity tariff will reflect stabilising coal, gas prices — Nik Nazmi](#) Malaysian electricity users could take a cue from the stabilising coal and gas prices in the first half of 2023 (1H2023) to gauge the trend for electricity tariffs in 2H2023, said Natural Resources, Environment and Climate Change Minister Nik Nazmi Nik Ahmad. *(The Edge Markets)*

### Asia Pacific

- [Singapore's April core inflation rises 5.0%, beating forecast](#) Singapore's key consumer price gauge rose 5.0% in April, higher than forecast, official data showed on Tuesday. Core inflation - which excludes private road transport and accommodation costs - rose 5.0% year-on-year in April whereas a Reuters poll of economists had forecast a 4.7% increase. *(Reuters)*
- [Japan's factory activity expands for first time in 7 months – PMI](#) Japan's manufacturing activity expanded for the first time in seven months in May, while the service-sector hit record growth, a survey showed on Tuesday, as the post-COVID recovery shored up business conditions. *(Reuters)*
- [South Korea consumer sentiment hits 1-year high, inflation expectations weaken](#) Consumer sentiment in South Korea improved in May to the highest level in a year, with their inflation expectations weakening, a central bank survey showed on Tuesday. *(Reuters)*

### Americas

- [Ex-Fed chief Bernanke says labour costs becoming more prominent in inflation](#) A tight U.S. job market and rising wages are beginning to have more of an impact on inflation and could embed faster rising prices if the demand for workers is not brought into better balance with the labour force, new research from an ex-Federal Reserve chief and a former top International Monetary Fund economist has concluded. *(Reuters)*
- [Biden, McCarthy meeting ends with no deal on debt ceiling](#) President Joe Biden and House Speaker Kevin McCarthy could not reach an agreement Monday on how to raise the U.S. government's USD31.4t debt ceiling with just 10 days before a possible default that could sink the U.S. economy, but vowed to keep talking. *(Reuters)*

### Europe

- [IMF says Britain no longer faces recession this year](#) The International Monetary Fund no longer expects a recession in Britain this year, it said on Tuesday, praising steps taken by the government to stabilise the economy and fight inflation and warning against pre-election tax cuts. *(Reuters)*
- [Euro zone business growth solid in May but shows signs of easing](#) Euro zone business growth remained resilient but slowed slightly more than thought this month as the bloc's dominant services industry lost a little of its shine and the downturn in the manufacturing sector deepened, a survey showed on Tuesday. *(Reuters)*



24 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	1.960	13.17	7.26	1.59	1.950
BERJAYA FOOD BHD	0.630	17.94	15.36	14.71	0.605
BERJAYA CORP BHD	0.285	19.74	10.84	0.47	0.285
PMB TECHNOLOGY BHD	3.790	23.43	15.44	2.90	3.700
SKP RESOURCES BHD	1.010	23.54	20.62	26.09	0.965
GENETEC TECHNOLOGY BHD	2.370	23.69	17.35	4.11	2.370
MALAYSIAN PACIFIC INDUSTRIES	25.280	23.89	18.12	7.04	25.160
HAP SENG CONSOLIDATED	4.300	25.82	23.21	33.52	4.190
BONIA CORP BHD	1.940	26.54	22.22	12.83	1.910
D&O GREEN TECHNOLOGIES BHD	3.780	27.84	23.52	14.25	3.760
MALAYSIAN BULK CARRIERS BHD	0.305	28.40	22.04	5.47	0.290
O.S.K. HOLDINGS BHD	0.955	28.98	23.40	7.36	0.955
DAGANG NEXCHANGE BHD	0.435	29.30	28.80	28.28	0.415

\*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
RAPID SYNERGY BHD	20.460	93.42	97.22	99.88	20.460
ORIENTAL INTEREST BHD	1.120	84.96	90.49	97.85	1.150
HUME CEMENT INDUSTRIES BHD	1.360	79.70	83.27	88.14	1.440
AIRASIA X BHD	1.900	77.52	82.94	86.06	1.940
REDTONE DIGITAL BHD	0.605	76.32	79.48	84.37	0.605
ELK-DESA RESOURCES	1.210	75.85	84.22	99.11	1.210
HARRISONS HOLDINGS MALAYSIA	10.000	74.01	72.82	54.96	10.100
DKSH HOLDINGS MALAYSIA BHD	5.460	73.56	77.07	83.21	5.790
WESTPORTS HOLDINGS BHD	3.820	70.41	79.35	97.43	3.820

\*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	0.040	14.56	15.67	4.20	0.035	22/12/2025
SP SETIA BHD GROUP-C62	0.020	20.00	21.77	28.70	0.020	31/10/2023
MALAYAN FLOUR MILLS BHD-WC	0.065	26.86	25.81	15.86	0.060	23/1/2024
HANG SENG INDEX-KX	0.005	27.92	22.12	7.67	0.005	30/5/2023
CAHYA MATA SARAWAK BHD-C42	0.020	28.00	33.47	65.05	0.015	30/11/2023
CIMB GROUP HOLDINGS BHD-D	0.060	28.07	27.33	28.13	0.060	29/9/2023
ASTRO MALAYSIA HOLDINGS BHD-C45	0.030	28.11	22.00	20.37	0.025	10/11/2023
S&P 500 INDEX-C25	0.280	28.26	23.11	6.70	0.255	19/6/2023
HANG SENG INDEX-LY	0.045	28.81	25.00	18.04	0.040	30/6/2023
HANG SENG INDEX-LQ	0.025	29.10	25.40	17.65	0.020	30/5/2023
PUBLIC BANK BHD-C90	0.015	29.12	23.45	4.75	0.015	29/9/2023

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	0.170	84.85	87.82	93.88	0.175	25/9/2023
YTL CORP BHD-C54	0.140	84.55	86.11	91.58	0.145	21/8/2023

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.***

---

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

---

Published by:

**KENANGA INVESTMENT BANK BERHAD (15678-H)**

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

Telephone: (603) 2172 0880 Website: [www.kenanga.com.my](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)