

30 May 2023

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BURSA	29-May	Day chg	% chg
KLCI	1,404.9	1.95	0.14%
FTSE EMAS	10,325.1	28.6	0.28%
FTSE Smallcap	14,896.5	12.90	0.09%
FTSE MESDAQ	4,971.1	-9.8	-0.20%
KLSE Mkt Cap (RM'b)	1,624.4	4.2	0.26%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	56.4	48.0%
Local Retail	-79.1	22.7%
Foreign	22.7	29.3%

INDICES	29-May	Day chg	% chg
Dow Jones	N.A.	N.A.	N.A.
S&P 500	N.A.	N.A.	N.A.
NASDAQ	N.A.	N.A.	N.A.
FTSE-100	N.A.	N.A.	N.A.
Nikkei 225	31,233.5	317.2	1.03%
SHCOMP	3,221.4	8.944	0.28%
HSI	18,551.1	N.A.	N.A.
STI	3,195.2	-12.2	-0.38%
KOSPI	N.A.	N.A.	N.A.
TWSE	16,636.3	131.3	0.80%
JCI	6,681.1	-5.899	-0.09%
SET	1,541.0	10.1	0.66%

FOREX	29-May	26-May	% chg
USD/MYR:	4.6045	4.6003	0.09%
EUR/USD:	1.0715	1.0723	-0.07%
GBP/USD:	1.2345	1.2344	0.01%
USD/YEN:	140.28	140.60	-0.23%
USD/SGD:	1.3531	1.3522	0.07%
USD/HKD:	7.8288	7.8337	-0.06%

KEY STATS

KLCI Spot			
Vol (m shares):	2,727.6	2,441.9	11.70%
Value (RMm):	1,873.7	2,276.3	-17.69%
KLCI Future			
May-23	1,403.5	1,401.5	0.14%
June-23	1,400.5	1,401.0	-0.04%
CPO Price (RM/tonne)	3,546.0	3,559.0	-0.37%
Soybean (US\$/bu)	N.A.	1,337.3	N.A.
SoyOil (US\$/lb)	N.A.	48.9	N.A.
Gold (US\$/troy oz)	N.A.	1,944.3	N.A.
Nymex crude oil (US\$/bbl)	N.A.	72.7	N.A.
Latex (RM/kg)	4.94	4.94	0.10%
Tin (US\$/mt)	N.A.	25,214.0	N.A.

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	INARI	2.47	0.0	17.20	PMETAL	4.90	3.4	2.17	AXIATA	2.77	-4.8	8.26
2	PBBANK	3.89	-0.3	15.90	TM	5.20	2.4	5.27	NESTLE	132.60	-1.4	0.07
3	MRDIY	1.61	0.6	11.90	CELCOMDIGI	4.56	2.2	6.24	GENM	2.55	-1.2	6.68
4	CIMB	4.89	-0.2	9.32	DIALOG	2.11	1.9	2.15	PCHEM	6.87	-1.2	5.38
5	AXIATA	2.77	-4.8	8.26	IOICORP	3.95	1.0	0.97	GENTING	4.25	-0.7	4.33
6	GENM	2.55	-1.2	6.68	KLK	21.86	1.0	0.98	SIME	2.05	-0.5	0.96
7	CELCOMDIGI	4.56	2.2	6.24	PETDAG	22.34	0.9	0.09	HLBANK	19.50	-0.4	1.14
8	MAYBANK	8.60	0.2	6.15	SIMEPLT	4.25	0.7	2.57	RHBBANK	5.44	-0.4	4.02
9	AMBANK	3.51	0.6	5.41	MRDIY	1.61	0.6	11.90	PBBANK	3.89	-0.3	15.90
10	PCHEM	6.87	-1.2	5.38	TENAGA	9.75	0.6	5.32	MAXIS	4.26	-0.2	0.56

Notes: # KL Composite Index (FBMKLCI) component stocks

Research Highlights

NEWS HIGHLIGHTS

- UK energy tax, weaker semiconductor market drag DNeX into the red in 3QFY2023
- GDEX remains in the red as 1Q net loss widens to RM7.2m
- International travel upsurge sees AAX post 1Q net profit of RM328m
- Tiong Nam's 4Q net profit surges over 11 times on fair value gain from warehouse investment

- Southern Cable inks RM44.75m battery systems contract from TM

MACRO BITS

- U.N. warns more than one million may flee Sudan bloodshed
- DOSM: Malaysia's producer price index down 3.0% in April 2023
- Menu Rahmah has helped counter food inflation, says Salahuddin
- Mida: Malaysia attracts RM71.4b in approved investments for 1Q2023
- China considering tax breaks for manufacturers as economy cools — source
- China urges Japan to halt export restrictions on chips
- Thai economy resilient, on path to full recovery – finmin
- US House Rules panel to meet Tuesday on debt ceiling bill
- McCarthy says US debt ceiling deal popular with House Republicans
- Debt deal adds brake on US economy already at risk of recession
- UK government says it is meeting with food bosses over high prices — but denies it will impose caps
- Russia's Lavrov warns West: Black Sea grain deal is in danger of collapse

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: AMBANK, ANNJO, BAT, D&O, HIL, IJM, KLCC, LGMS, MAHSING, MEDIAC, MRCB, OPPSTAR, PADINI, PCHEM, TENAGA
- Company Update: MALAKOF, SEM
- On Our Technical Watch: KGB, MBMR



Corporate News

- **UK energy tax, weaker semiconductor market drag DNeX into the red in 3QFY2023**

Dagang NeXchange Bhd (DNeX) posted a net loss of RM239.8m in its third quarter ended March 31, 2023 (3QFY2023), from a net profit of RM51.6m a year ago, hit by a RM252.4m energy profit levy in the UK for its oil and gas operations under Ping Petroleum Ltd. The non-cash deferred tax expenses raised DNeX's total tax expenses nearly eight-fold to RM278m from RM32m, its filing showed. The weaker performance was compounded by a decline of 27.7% in revenue to RM276.7m, from RM382.6m. *(The Edge Markets)*

- **GDEX remains in the red as 1Q net loss widens to RM7.2m**

GDEX Bhd remained in the red in the first quarter ended March 31, 2023 (1QFY2023), widening its net loss to RM7.2m, from RM1.9m a year ago. This is the fifth consecutive quarterly loss for the group. It first slipped into the red in 1QFY2022 with a net loss of RM1.9m, which was its first loss-making quarter since it was listed on the ACE Market in 2005, before being transferred to the Main Market in 2013. As a result, loss per share was 0.13 sen against 0.03 sen a year ago, the logistics and express carrier provider's filing with Bursa Malaysia showed. *(The Edge Markets)*

- **International travel upsurge sees AAX post 1Q net profit of RM328m**

AirAsia X Bhd (AAX) posted a net profit of RM328m for the first quarter ended March 31, 2023 (1QFY2023), as continued recovery in international travel saw revenue surging by over fourfold to RM548.8m from RM113m a year earlier. For the same period last year, the medium- and long-haul airline operator logged a net profit of RM33.6b, largely thanks to a hefty write-back of a similar amount as it completed its debt restructuring. However, excluding the provision write-back, AAX booked a loss before interest, tax, depreciation and amortisation of RM6.0m for the quarter ended March 31, 2022. In August last year, AAX changed its financial year end from June 30 to Dec 31. *(The Edge Markets)*

- **Tiong Nam's 4Q net profit surges over 11 times on fair value gain from warehouse investment**

Tiong Nam Logistics Holdings Bhd's net profit jumped by over 11 times to RM27.1m for the fourth quarter ended March 31, 2023 (4QFY2023), from RM2.3m a year ago, due to a fair value gain on a warehouse investment property, firm demand for logistics and warehousing services and lower share of associate loss. Earnings per share came in higher at 5.27 sen versus 0.45 sen a year prior, the integrated logistics services provider's bourse filing showed. Quarterly revenue rose 4.6% year-on-year to RM184.9m from RM176.8m, on higher contributions from the group's logistics and warehousing services segment, as well as property development. *(The Edge Markets)*

- **Southern Cable inks RM44.75m battery systems contract from TM**

Cable and wire manufacturer Southern Cable Group Bhd has secured a letter of award (LOA) from Telekom Malaysia (TM) to supply the battery systems for the 5G network infrastructure rollout. The contract was valued at RM44.8m for a period of three years beginning June 1, 2023 until May 31, 2026. In a bourse filing, the group said the LOA was awarded to its wholly-owned subsidiary Southern Cable Sdn Bhd by TM Technology Services Sdn Bhd — a wholly-owned subsidiary of TM — to supply, deliver, install, test and commission the battery systems including its associate engineering services and accessories for TM's regional hubs in peninsular Malaysia, Sabah and Sarawak. *(The Edge Markets)*



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Macro Bits

Global

- [U.N. warns more than one million may flee Sudan bloodshed](#) Estimates that about a million people might flee Sudan by October may be conservative and conflict there risks increasing people trafficking and spreading weapons across a fragile region, the head of the U.N. refugee agency said on Monday. *(Reuters)*

Malaysia

- [DOSM: Malaysia's producer price index down 3.0% in April 2023](#) Malaysia's producer price index (PPI) declined by 3.0% in April 2023, from -2.9% in March 2023, said the Department of Statistics Malaysia (DOSM). The PPI reduction for April was mainly due to a decline in the agriculture, forestry and fishing as well as mining sectors, said the DOSM in a statement on Monday (May 29). *(The Edge Markets)*
- [Menu Rahmah has helped counter food inflation, says Salahuddin](#) The Menu Rahmah initiative has successfully contributed to the reduction of the inflation rate of the food-outside-the-home prices for the first time since August 2021, said Domestic Trade and Cost of Living Minister Datuk Seri Salahuddin Ayub. *(The Edge Markets)*
- [Mida: Malaysia attracts RM71.4b in approved investments for 1Q2023](#) Malaysia attracted approved investments worth RM71.4b in the manufacturing, services and primary sectors for the first quarter (1Q) of 2023, according to the Malaysian Investment Development Authority (Mida). *(The Edge Markets)*

Asia Pacific

- [China considering tax breaks for manufacturers as economy cools — source](#) China is considering new tax incentives for high-end manufacturing companies, according to a person familiar with the matter, as Beijing seeks to bolster the economy and encourage more innovation in technology to counter US competition. *(The Edge Markets)*
- [China urges Japan to halt export restrictions on chips](#) Chinese Commerce Minister Wang Wentao urged Japan to halt semiconductor export controls, calling it a "wrongdoing" that "seriously violated" international economic and trade rules, a statement from his ministry said on Monday. *(Reuters)*
- [Thai economy resilient, on path to full recovery – finmin](#) Thailand's economy is on a solid path to recovery and showing resiliency, helped by good revenue collection and a normalisation of its tourism sector, while inflation should come in below 3.0% this year, its finance minister said on Monday. *(Reuters)*

Americas

- [US House Rules panel to meet Tuesday on debt ceiling bill](#) The U.S. House Rules Committee said it will meet on Tuesday afternoon to discuss the debt ceiling bill, which needs to pass a narrowly divided Congress before June 5, when the U.S. Treasury says it would run short of money to cover all its obligations. *(Reuters)*
- [McCarthy says US debt ceiling deal popular with House Republicans](#) U.S. House Speaker Kevin McCarthy on Sunday said he expects a debt ceiling deal he struck with the White House to attract support from a majority of House Republicans. *(Reuters)*
- [Debt deal adds brake on US economy already at risk of recession](#) The cap on government spending in Washington's deal to raise the federal debt limit adds a fresh headwind to a US economy already burdened by the highest interest rates in decades and reduced access to credit. *(Bloomberg)*

Europe

- [UK government says it is meeting with food bosses over high prices — but denies it will impose caps](#) The U.K. government said it is engaging with the food sector amid attempts to reduce the inflation-driven strain on British households — but dismissed the possibility of mandating price caps on supermarket goods. *(CNBC)*
- [Russia's Lavrov warns West: Black Sea grain deal is in danger of collapse](#) Russia said on Monday that the Black Sea grain deal would no longer be operational unless a U.N. agreement with Moscow to overcome obstacles to Russian grain and fertiliser exports was fulfilled. *(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
CHIN WELL HOLDINGS BHD	1.340	15.39	7.78	0.13	1.300
BERJAYA CORP BHD	0.270	19.51	16.05	12.68	0.240
HAP SENG CONSOLIDATED	4.060	19.67	14.80	6.39	4.010
BERJAYA FOOD BHD	0.605	21.54	20.99	29.80	0.590
DAGANG NEXCHANGE BHD	0.390	22.06	18.51	4.41	0.390
PMB TECHNOLOGY BHD	3.780	23.00	15.01	2.71	3.700
FORMOSA PROSONIC INDS BHD	2.330	24.22	22.15	16.35	2.300
PLS PLANTATIONS BHD	0.790	24.58	19.49	3.13	0.775
CYPARK RESOURCES BHD	0.620	28.09	20.94	12.32	0.610
PA RESOURCES BHD	0.250	28.33	22.97	7.06	0.240
NESTLE (MALAYSIA) BERHAD	132.600	28.63	19.76	1.80	131.500
IGB REAL ESTATE INVESTMENT T	1.600	28.87	22.01	3.60	1.590
SKP RESOURCES BHD	1.020	28.89	29.01	52.34	0.965
BONIA CORP BHD	1.950	29.24	26.95	32.94	1.900

*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
RAPID SYNERGY BHD	20.500	84.21	85.24	81.90	20.500
AIRASIA X BHD	2.060	79.34	83.09	77.30	2.150
RCE CAPITAL BHD	2.030	75.15	78.26	81.13	2.050
SMRT HOLDINGS BHD	0.780	72.28	79.07	96.81	0.785
ELK-DESA RESOURCES	1.220	72.13	74.16	61.07	1.230
HEXTAR GLOBAL BHD	0.760	72.05	77.94	80.81	0.780
REDTONE DIGITAL BHD	0.615	71.62	73.59	82.41	0.635
ORIENTAL INTEREST BHD	1.090	71.10	70.60	54.06	1.150
PETRON MALAYSIA REFINING & M	4.600	70.52	80.19	97.12	4.620

*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	0.035	13.24	10.20	0.08	0.035	22/12/2025
DAGANG NEXCHANGE BHD-C11	0.020	21.45	14.52	3.94	0.020	25/10/2023
NIO INC-C2	0.005	22.07	21.15	17.06	0.005	4/7/2023
FTSE BURSA MALAYSIA KLCI INDEX - KUALA LUMPUR COMPOSITE INDEX-IJ	0.010	23.08	21.47	8.32	0.010	30/8/2023
DAYANG ENTERPRISE HOLDINGS BHD-C22	0.020	27.48	21.39	6.20	0.020	27/6/2023
CLASSIC SCENIC BHD-WA	0.095	28.55	25.94	22.49	0.090	8/8/2026
HANG SENG INDEX-LZ	0.135	29.01	23.99	8.67	0.115	30/6/2023
HANG SENG INDEX-OT	0.090	29.43	24.26	7.85	0.085	30/8/2023
DATASONIC GROUP BHD-WA	0.005	29.55	24.97	3.42	0.005	5/7/2023
DAYANG ENTERPRISE HOLDINGS BHD-C24	0.060	29.55	22.92	4.74	0.055	21/8/2023
JD.COM INC-C13	0.005	29.74	21.11	0.70	0.005	4/7/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
COMPUTER FORMS MALAYSIA BHD-WA	0.035	13.24	10.20	0.08	0.035	22/12/2025
DAGANG NEXCHANGE BHD-C11	0.020	21.45	14.52	3.94	0.020	25/10/2023
NIO INC-C2	0.005	22.07	21.15	17.06	0.005	4/7/2023

Source: Bloomberg

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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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