

06 June 2023

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BURSA	2-Jun	Day chg	% chg
KLCI	1,381.3	-1.75	-0.13%
FTSE EMAS	10,207.2	3.9	0.04%
FTSE Smallcap	14,935.7	138.78	0.94%
FTSE MESDAQ	5,070.3	120.5	2.43%
KLSE Mkt Cap (RM'b)	1,604.3	1.2	0.07%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	83.1	40.9%
Local Retail	-9.6	29.3%
Foreign	-73.5	29.7%

INDICES	5-Jun	Day chg	% chg
Dow Jones	33,562.9	-199.9	-0.59%
S&P 500	4,273.8	-8.6	-0.20%
NASDAQ	13,229.4	-11.34	-0.09%
FTSE-100	7,600.0	-7.3	-0.10%
Nikkei 225	32,217.4	693.2	2.20%
SHCOMP	3,232.4	2.372	0.07%
HSI	19,108.5	158.6	0.84%
STI	3,189.0	N.A.	N.A.
KOSPI	2,615.4	14.0	0.54%
TWSE	16,714.4	7.5	0.05%
JCI	6,633.4	N.A.	N.A.
SET	N.A.	N.A.	N.A.

FOREX	5-Jun	2-Jun	% chg
USD/MYR:	N.A.	4.5765	N.A.
EUR/USD:	1.0693	1.0708	-0.14%
GBP/USD:	1.2392	1.2453	-0.49%
USD/YEN:	140.28	139.92	0.26%
USD/SGD:	1.3519	1.3503	0.12%
USD/HKD:	7.8377	7.8376	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	3,604.2	2,942.4	22.49%
Value (RMm):	1,937.3	1,828.1	5.97%
KLCI Future			
June-23	1,381.5	1,385.0	-0.25%
July-23	1,382.5	1,385.5	-0.22%
CPO Price (RM/tonne)	3,379.0	3,285.0	2.86%
Soybean (US\$/bu)	1,350.0	1,352.5	-0.18%
SoyOil (USc/lb)	49.2	49.5	-0.57%
Gold (US\$/troy oz)	1,974.3	1,969.6	0.24%
Nymex crude oil (US\$/bbl)	72.2	71.7	0.57%
Latex (RM/kg)	4.95	4.95	-0.10%
Tin (US\$/mt)	25,896.00	25,890.0	0.02%

Research Highlights

NEWS HIGHLIGHTS

- Citaglobal claims alleged outstanding payment from IJM Corp for expressway project work
- Careplus exploring sale, manufacturing of EVs with GoAuto
- Crest Builder wins RM18.4m arbitration award in payment dispute
- Rex Industry to decommission Penang factory by end-July
- SMTrack and three other listed companies mutually agree not to extend HoA in 5G venture

MACRO BITS

- IMF's Georgieva sees no significant slowdown in lending – CNBC
- Anwar: Govt to unveil three policies to help country better face global challenges
- Malaysian banks face margin compression following competition for deposit, says S&P
- Inflation rate eased back to BI target range for the first time since May 2022 (See *Economic Viewpoint: Indonesia Consumer Price Index*)
- China's fiscal condition healthy, but local govts see high debt risks – Xinhua
- China's services activity picks up in May on improved demand-Caixin PMI
- China's targeted stimulus steps raise doubts about rate cuts
- Biden signs debt limit bill, avoiding U.S. default
- US employers boost hiring in May, but labor market losing steam
- US equity funds draw first weekly inflow in 10 weeks
- Euro zone producer prices down for seventh month in April
- Euro zone business growth slowed in May as factories struggled-PMI
- ECB's Lagarde sees no peak in core inflation despite 'moderation'

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Banking
- Company Update: YTLPOWER
- Weekly Technical Review
- Economic Viewpoint: ID CPI

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	PBBANK	3.78	-1.3	26.30	MRDIY	1.59	2.6	6.24	QL	5.28	-3.1	1.81
2	CIMB	4.81	-1.0	13.60	INARI	2.54	2.4	6.55	MAXIS	4.10	-2.4	3.42
3	MAYBANK	8.58	-0.2	7.85	CELCOMDIGI	4.48	2.3	3.46	NESTLE	131.80	-1.9	0.05
4	INARI	2.54	2.4	6.55	SIME	2.07	1.5	4.81	HLBANK	18.96	-1.7	0.99
5	MRDIY	1.59	2.6	6.24	DIALOG	2.12	1.4	4.30	PBBANK	3.78	-1.3	26.30
6	GENTING	4.19	1.0	6.11	PETDAG	21.40	1.4	0.45	CIMB	4.81	-1.0	13.60
7	IHH	5.70	-0.7	4.95	GENM	2.54	1.2	4.23	PPB	15.74	-1.0	1.40
8	SIME	2.07	1.5	4.81	IOICORP	3.75	1.1	2.60	IHH	5.70	-0.7	4.95
9	PICHEM	6.55	0.9	4.49	PMETAL	4.75	1.1	3.82	AMBANK	3.62	-0.6	3.06
10	DIALOG	2.12	1.4	4.30	GENTING	4.19	1.0	6.11	TENAGA	9.42	-0.4	3.44

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Citaglobal claims alleged outstanding payment from IJM Corp for expressway project work**

Citaglobal Bhd's wholly-owned unit has served a notice of adjudication against IJM Construction Sdn Bhd, claiming RM20.8m allegedly owed for work done in constructing part of the West Coast Expressway. Citaglobal said Citaglobal Land Sdn Bhd (formerly known as WZS KenKeong Sdn Bhd) had performed the work under a subcontract awarded in October 2015 to build part of WCE's Section Nine mainline works from Kampung Lekir Interchange to Changkat Cermin Interchange. IJM Construction, wholly-owned by IJM Corp Bhd, has allegedly refused, failed and/or neglected to pay the outstanding sum despite Citaglobal Land completing its contractual obligations, said Citaglobal in a stock exchange filing on Friday (June 2). *(The Edge Markets)*

- **Careplus exploring sale, manufacturing of EVs with GoAuto**

Glovesmaker Careplus Group Bhd said it has signed a term sheet with GoAuto Group Sdn Bhd to explore the business of selling and manufacturing electric vehicles (EV) as joint venture partners. The two companies intend to collaborate to build an EV manufacturing and assembly hub on a 74-acre piece of land in Chembong, Negeri Sembilan owned by Careplus, the latter said. Careplus is also exploring the purchase of 30% in a unit of GoAuto by issuing 25m new Careplus shares, in order to import the Neta brand EV — said to be the cheapest EV in Malaysian market at below RM100,000 currently — via exclusive distribution here. *(The Edge Markets)*

- **Crest Builder wins RM18.4m arbitration award in payment dispute**

Crest Builder Holdings Bhd said an arbitration tribunal has awarded its subsidiary RM18.4m in relation to its RM31.1m counterclaim against Saujana Triangle Sdn Bhd in a payment dispute. The money was awarded to Crest Builder Sdn Bhd (CBSB) for certified sums, costs of idling and dayworks and retention sum, said Crest Builder in a bourse filing. It added that the tribunal rejected the RM94.7m sought by Saujana against CBSB in the main claim. *(The Edge Markets)*

- **Rex Industry to decommission Penang factory by end-July**

Rex Industry Bhd has announced that it expects to recognise a provision for retrenchment costs amounting to RM2m and other decommissioning expenses following the decommissioning of its production facility in Bukit Minyak Industrial Park, Seberang Perai Tengah, Penang. The canned food and beverage manufacturer told Bursa in a filing that the company estimates the decommissioning exercise to commence at the end of July 2023 and is expected to be completed by the first quarter of the financial year ending June 30, 2024. The decision to decommission the 7.7-acre facility is part of the company's business rationalisation plan, which aims to reduce overall business operating costs and improve its financial position. *(The Edge Markets)*



- **SMTrack and three other listed companies mutually agree not to extend HoA in 5G venture**

SMTrack Bhd, together with three listed companies have mutually agreed not to extend the heads of agreement (HoA) pertaining to their 5G venture, following the expiry of the HoA last week (May 24). These three companies are Jiankun International Bhd, Sersol Bhd and MQ Technology Bhd. Notably, the consortium had initially started out with six companies back in January 2022. Back then, SMTrack who was heading the consortium, together with Jiankun, Sersol, MQ Tech as well as Country Heights Holdings Bhd and Techna-X Bhd signed the HoA with 5G Infra Tech Solution Sdn Bhd. (*The Edge Markets*)

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Macro Bits

Global

- [IMF's Georgieva sees no significant slowdown in lending – CNBC](#) The International Monetary Fund has yet to see enough banks pulling back on lending that would cause the U.S. Federal Reserve to alter course with its rate-hiking cycle, CNBC reported on Sunday, citing IMF's Managing Director Kristalina Georgieva. *(Reuters)*

Malaysia

- [Anwar: Govt to unveil three policies to help country better face global challenges](#) The government is launching several policies to help the country better face the world's challenges, said Prime Minister Datuk Seri Anwar Ibrahim. He said the policies would include the National Industrial Plan, to be launched in August, the Mid-Term Review of the 12th Malaysia Plan (12MP) at the end of September and the second Madani Budget in October. *(The Edge Markets)*
- [Malaysian banks face margin compression following competition for deposit, says S&P](#) Competition for deposits in Malaysia will trim lending margins for the country's banks this year, according to S&P Global Ratings. Nonetheless, the credit agency said most of the sector's other metrics look to be stable or improving. *(The Edge Markets)*

Asia Pacific

- [Inflation rate eased back to BI target range for the first time since May 2022](#) Headline inflation moderated to 4.00% YoY (Apr: 4.33%), lower than the consensus of 4.23% and within Bank Indonesia's (BI) inflation target band of 2.0% - 4.0% for the first time since May 2022. 2023 inflation forecast retained at 4.0% (2022: 4.21%). *(See Economic Viewpoint: Indonesia Consumer Price Index)*
- [China's fiscal condition healthy, but local govts see high debt risks – Xinhua](#) China's fiscal status overall is sound and safe, but some local governments are facing high debt risks and large pressure of debt repayment, state media Xinhua news agency reported on Monday, citing a finance ministry official. *(Reuters)*
- [China's services activity picks up in May on improved demand- Caixin PMI](#) China's services activity picked up in May, a private-sector survey showed on Monday, as a rise in new orders shored up a consumption-led economic recovery in the second quarter. *(Reuters)*
- [China's targeted stimulus steps raise doubts about rate cuts](#) China is taking targeted steps to help specific sectors of the economy, like property and manufacturing, suggesting broader stimulus measures like interest rate cuts could be off the table for now. *(The Edge Markets)*

Americas

- [Biden signs debt limit bill, avoiding U.S. default](#) President Joe Biden on Saturday signed a bill that suspends the U.S. government's USD31.4t debt ceiling, averting what would have been a first-ever default with just two days to spare. *(Reuters)*
- [US employers boost hiring in May, but labor market losing steam](#) US job growth accelerated in May, but a surge in the unemployment rate to a seven-month high of 3.7% suggested that labor market conditions were easing, which could give the Federal Reserve cover to skip an interest rate hike this month. *(Reuters)*
- [US equity funds draw first weekly inflow in 10 weeks](#) U.S. equity funds received their first weekly inflow in ten weeks in the week to May 31 on optimism that lawmakers would agree to raise the nation's debt limit to avert a default. *(Reuters)*

Europe

- [Euro zone producer prices down for seventh month in April](#) Euro zone producer prices fell for a seventh consecutive month in April, data showed on Monday, almost entirely due to declining energy prices. *(Reuters)*
- [Euro zone business growth slowed in May as factories struggled-PMI](#) Euro zone business activity was shored up last month by the bloc's dominant services industry offsetting a deepening decline in the manufacturing sector, according to a survey which also showed overall price pressures had abated. *(Reuters)*
- [ECB's Lagarde sees no peak in core inflation despite 'moderation'](#) European Central Bank President Christine Lagarde on Monday acknowledged "signs of moderation" in core inflation in the euro zone but reaffirmed it was too early to call a peak in that key gauge of price growth. *(Reuters)*



06 June 2023

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PERUSAHAAN SADUR TIMAH MALAY	4.000	9.91	4.98	1.14	3.970
PMB TECHNOLOGY BHD	3.630	16.35	8.37	0.27	3.530
CHIN WELL HOLDINGS BHD	1.320	16.57	10.83	6.50	1.300
HAP SENG CONSOLIDATED	3.480	16.92	15.01	20.75	3.350
PLS PLANTATIONS BHD	0.750	17.88	11.41	0.54	0.745
HONG LEONG BANK BERHAD	18.960	21.81	15.69	4.64	18.820
BONIA CORP BHD	1.810	22.01	17.68	12.25	1.780
HUP SENG INDUSTRIES BHD	0.660	22.17	12.01	0.21	0.655
FGV HOLDINGS BHD	1.300	23.55	14.71	1.28	1.300
FARM FRESH BHD	1.340	23.82	18.92	11.85	1.290
HONG LEONG INDUSTRIES BHD	8.830	25.47	16.51	1.72	8.810
DUTCH LADY MILK INDS BHD	25.100	26.72	21.04	7.63	25.040
GUOCOLAND MALAYSIA BHD	0.600	26.83	23.97	24.35	0.570
BERJAYA FOOD BHD	0.625	27.39	29.97	66.17	0.590
KOBAY TECHNOLOGY BHD	1.980	28.89	30.98	46.17	1.900
GUAN CHONG BHD	2.320	28.99	21.95	7.94	2.280
FORMOSA PROSONIC INDS BHD	2.350	29.48	29.82	38.31	2.300

*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
ELK-DESA RESOURCES	1.260	82.39	87.25	94.52	1.260
PETRON MALAYSIA REFINING & M	4.770	79.67	86.10	93.56	4.770
RAPID SYNERGY BHD	20.380	77.86	75.74	45.60	20.500
ALLIANZ MALAYSIA BHD	14.600	76.97	82.83	93.03	14.720
REDTONE DIGITAL BHD	0.655	72.67	73.76	74.98	0.670
ORIENTAL INTEREST BHD	1.090	71.10	70.60	54.06	1.150
RCE CAPITAL BHD	2.070	70.40	70.60	66.11	2.130

*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
GENTING MALAYSIA BHD-E	0.040	16.67	14.03	1.69	0.040	29/9/2023
NASDAQ 100 STOCK INDEX-H7	0.115	17.95	18.48	18.80	0.115	18/9/2023
COMPUTER FORMS MALAYSIA BHD-WA	0.040	20.94	35.53	59.57	0.035	22/12/2025
HANG SENG INDEX-LY	0.015	26.50	21.87	8.98	0.010	30/6/2023
GENTING BHD-M	0.055	27.45	22.56	27.69	0.050	29/9/2023
HANG SENG INDEX-L4	0.025	28.21	22.75	3.24	0.020	28/7/2023
DATASONIC GROUP BHD-WA	0.005	29.55	24.97	3.42	0.005	5/7/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
VSOLAR GROUP BHD-WB	0.110	99.75	99.99	100.00	0.255	7/7/2023
JOE HOLDING BHD-WB	0.010	72.08	89.35	100.00	0.010	20/5/2024
MAG HOLDINGS BHD-WC	0.045	71.02	78.08	96.19	0.050	8/11/2024
TRIVE PROPERTY GROUP BHD-WC	0.025	70.62	76.63	90.30	0.055	17/2/2024

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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