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BURSA	12-Jul	Day chg	% chg
KLCI	1,398.1	6.6	0.47%
FTSE EMAS	10,300.4	43.8	0.43%
FTSE Smallcap	15,288.0	94.92	0.62%
FTSE MESDAQ	5,221.3	1.7	0.03%
KLSE Mkt Cap (RM'b)	1,618.0	8.3	0.52%

**BURSA DAILY TRADING PARTICIPATION**

Participation	Net (RM'm)	Value (%)
Local Institution	-39.8	40.8%
Local Retail	-44.4	30.7%
Foreign	84.2	28.5%

INDICES	12-Jul	Day chg	% chg
Dow Jones	34,347.4	86.0	0.25%
S&P 500	4,472.2	32.9	0.74%
NASDAQ	13,919.0	158.26	1.15%
FTSE-100	7,416.1	133.6	1.83%
Nikkei 225	31,943.9	-259.6	-0.81%
SHCOMP	3,196.1	-25.233	-0.78%
HSI	18,861.0	201.1	1.08%
STI	3,175.4	11.5	0.36%
KOSPI	2,574.7	12.2	0.48%
TWSE	16,962.0	63.1	0.37%
JCI	6,808.2	11.285	0.17%
SET	1,491.1	-5.8	-0.39%

FOREX	12-Jul	11-Jul	% chg
USD/MYR:	4.6518	4.6590	-0.15%
EUR/USD:	1.1022	1.1006	0.15%
GBP/USD:	1.2917	1.2913	0.03%
USD/YEN:	139.55	140.38	-0.59%
USD/SGD:	1.3381	1.3416	-0.26%
USD/HKD:	7.8273	7.8279	-0.01%

**KEY STATS**

KLCI Spot			
Vol (m shares):	2,815.7	2,831.6	-0.56%
Value (RMm):	1,727.6	1,864.6	-7.35%
KLCI Future			
July-23	1,402.0	1,392.0	0.72%
August-23	1,401.0	1,392.5	0.61%
CPO Price (RM/tonne)	3,932.0	3,895.0	0.95%
Soybean (US\$/bu)	1,444.3	1,471.5	-1.85%
SoyOil (USc/lb)	61.8	62.1	-0.56%
Gold (US\$/troy oz)	1,961.7	1,937.1	1.27%
Nymex crude oil (US\$/bbl)	75.8	74.8	1.23%
Latex (RM/kg)	4.92	4.94	-0.30%
Tin (US\$/mt)	29,379.00	28,316.0	3.75%

# Research Highlights

**NEWS HIGHLIGHTS**

- Hap Seng to offload hotel operating unit for RM51.0m in related party deal
- Microlink bags RM29.0m contract from National Audit Department
- T7 Global commences gas production at TSeven Elise Mopu off Bintulu
- Office solutions provider AHB buys local EV firm
- Sapura Resources to dispose of aviation business to Royal Jet

**MACRO BITS**

- Global public debt hits record USD92.0t - UN report
- Countries agree to put off digital services tax through 2024
- Sales growth expanded 6.6% in May on higher sales of motor vehicles
- Surprisingly strong rebound in May amid a broad-based rebound in all major indices
- Manufacturing sector's sales value up 3.3% y-o-y in May to RM146.8b — DOSM
- Govt striving to improve Malaysia's ranking in Global Food Security Index — ministry secretary
- Japan households' inflation expectations rise, keep pressure on BOJ
- Japan's wholesale inflation slows for 6th straight month
- US consumer prices post modest gains; economy shifts into disinflation mode
- Bank of Canada hikes rates and strikes hawkish tone on sticky inflation
- UK economy shows strains and gains, complicating Bank of England's job

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

- Sector Update: Telecommunications
- Company Update: PHARMA
- Economic Viewpoint: MY Distributive Trade, MY Industrial Production

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	CIMB	5.22	0.2	10.30	PCHEM	6.34	3.3	4.74	KLK	22.74	-0.9	1.19
2	PBBANK	3.87	0.0	7.95	PMETAL	4.89	1.9	3.28	SIMEPLT	4.37	-0.2	1.77
3	GENM	2.48	0.8	6.14	CELCOMDIGI	4.24	1.4	1.55	TENAGA	9.03	-0.2	4.26
4	AXIATA	2.56	0.4	5.63	SIME	2.13	1.4	3.76	DIALOG	2.23	0.0	1.70
5	PCHEM	6.34	3.3	4.74	IHH	5.95	1.2	1.55	NESTLE	131.20	0.0	0.06
6	MAYBANK	8.75	0.1	4.73	MISC	7.17	1.1	1.48	PBBANK	3.87	0.0	7.95
7	TENAGA	9.03	-0.2	4.26	MAXIS	4.04	1.0	1.92	PETDAG	22.40	0.0	0.15
8	MRDIY	1.50	0.7	3.84	PPB	16.04	0.9	0.30	MAYBANK	8.75	0.1	4.73
9	SIME	2.13	1.4	3.76	GENM	2.48	0.8	6.14	PETGAS	16.96	0.1	0.35
10	PMETAL	4.89	1.9	3.28	IOICORP	3.91	0.8	1.77	RHBBANK	5.45	0.2	2.51

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Hap Seng to offload hotel operating unit for RM51.0m in related party deal**

Hap Seng Consolidated Bhd is disposing of hotel operator Richmore Development Sdn Bhd to Gek Poh (Holdings) Sdn Bhd for RM51.0m cash in a related party transaction. Via the deal, the diversified group is to see RM212.5m in liabilities deconsolidated from the group's books as Gek Poh replaces it as the new guarantor for Richmore's bank borrowings, said Hap Seng. A share sale agreement was inked between the group's indirect wholly-owned subsidiaries HS Hospitality Sdn Bhd, Hap Seng Land Development Sdn Bhd and Gek Poh for the disposal. (*The Edge Markets*)

- **Microlink bags RM29.0m contract from National Audit Department**

Technology solutions provider Microlink Solutions Bhd announced that it had, on Tuesday (July 11), accepted a letter of award (LOA) worth RM29.0m from the National Audit Department to design, develop and deliver a data warehouse, audit analytics application, audit dashboard as well as hardware and other supporting infrastructure. The company said that the contract is subject to a formal agreement being entered into by the National Audit Department and Microlink. The project is expected to commence beginning August 2023 and will run for three years, concluding in July 2026. (*The Edge Markets*)

- **T7 Global commences gas production at TSeven Elise Mopu off Bintulu**

T7 Global Bhd's unit Tanjung Offshore Services Sdn Bhd (TOS) has commenced gas production by the TSeven Elise mobile offshore production unit (Mopu) for the Bayan field. The company said the revenue contribution by TSeven MOPU will provide a fixed and recurring income base for T7 Global Group over the next 10 years. The Mopu is specifically designed for the Bayan Redevelopment Project Gas Phase 2 and located in sub-block 4Q-21 of the Balingian Province, approximately 80km north-west of Bintulu Malaysia LNG (MLNG), and operating at a water depth of around 30 metres. (*The Edge Markets*)

- **Office solutions provider AHB buys local EV firm**

AHB Holdings Bhd has inked a term sheet to acquire a 51.0% stake in local electric vehicle (EV) company, CAF Motors Sdn Bhd, for RM 10.0m. CAF Motors has the exclusive rights in marketing, selling as well as distributing the CAF electric van namely CE1. AHB said that after the forthcoming due diligence and execution of shares sales agreement to acquire CAF from CAF Global Tech Sdn Bhd, it will be fully responsible for the sales, distribution and after-sales service of CAF branded EV products. (*The Star*)

- **Sapura Resources to dispose of aviation business to Royal Jet**

Sapura Resources Bhd has entered into a non-binding conditional Heads of Agreement with Royal Jet LLC on June 23 to dispose of ordinary shares in its two wholly-owned subsidiaries. The disposal involved 37.5m ordinary shares representing the entire issued share capital in Sapura Aero Sdn Bhd and 42.5m ordinary shares in DNEST Aviation Sdn Bhd, it said. (*New Straits Times*)



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## Macro Bits

### Global

- [Global public debt hits record USD92.0t - UN report](#) Global public debt surged to a record USD92.0t in 2022 as governments borrowed to counter crises, such as the COVID-19 pandemic, with the burden being felt acutely by developing countries, a United Nations report said. *(Reuters)*
- [Countries agree to put off digital services tax through 2024](#) With the exception of Canada, countries with digital services taxes have agreed to hold off applying them for at least another year as a global multinationals tax deal to replace them was pushed back, the Organisation for Economic Cooperation and Development (OECD) said on Wednesday (July 12). *(The Edge Markets)*

### Malaysia

- [Sales growth expanded 6.6% in May on higher sales of motor vehicles](#) Distributive trade sales expanded slightly in May (6.6% YoY; Apr: 6.3%). Sales value (RM138.0b; Apr: RM136.0b): increased to a two-month high as MoM growth rebounded (1.5%; Apr: -1.8%), following a weak momentum in the previous month. 2023 distributive trade sales growth forecast maintain at 4.1% (2022: 19.6%) amid a cautious growth outlook and the impending global economic slowdown. *(See Economic Viewpoint: Malaysia Distributive Trade)*
- [Surprisingly strong rebound in May amid a broad-based rebound in all major indices](#) Industrial Production Index (IPI) growth rebounded significantly in May (4.7% YoY; Apr: -3.3%) beating house and market expectations (KIBB: 1.8%; Consensus: 0.0%). The positive turnaround was attributable to a broad-based recovery in all three indices, led by the manufacturing index, which reached its highest level in eight months. MoM (7.3%; Apr: -10.8%): rebounded to a two-month high following April's surprisingly deep downturn. 2023 manufacturing index growth forecast retained at 2.4% (2022: 8.2%). *(See Economic Viewpoint: Malaysia Industrial Production Index)*
- [Manufacturing sector's sales value up 3.3% y-o-y in May to RM146.8b — DOSM](#) The manufacturing sector's sales value returned to positive, recording a 3.3% growth year-on-year (y-o-y) to RM146.8b in May this year, bolstered by strong growth in, among others, transport equipment and other manufacturers, non-metallic mineral products and electric and electronics products, according to the Department of Statistics Malaysia (DOSM). *(The Edge Markets)*
- [Govt striving to improve Malaysia's ranking in Global Food Security Index — ministry secretary](#) The Ministry of Agriculture and Food Security (MAFS) is intensifying efforts to improve the country's 41st ranking in the Global Food Security Index (GFSI) 2022. *(The Edge Markets)*

### Asia Pacific

- [Japan households' inflation expectations rise, keep pressure on BOJ](#) Japanese households' inflation expectations rose in the three months to June, a central bank survey showed on Wednesday, adding to growing signs that conditions for phasing out massive monetary stimulus may be falling in place. *(Reuters)*
- [Japan's wholesale inflation slows for 6th straight month](#) Japan's wholesale inflation slowed for a sixth straight month in June due to sliding fuel and commodity prices, data showed on Wednesday, a sign the cost-push pressure that drove up consumer prices is steadily easing. *(Reuters)*

### Americas

- [US consumer prices post modest gains; economy shifts into disinflation mode](#) U.S. consumer prices rose modestly in June and registered their smallest annual increase in more than two years as inflation subsided further, but probably not fast enough to discourage the Federal Reserve from resuming raising interest rates this month. *(Reuters)*
- [Bank of Canada hikes rates and strikes hawkish tone on sticky inflation](#) The Bank of Canada (BoC) on Wednesday hiked its key overnight rate by a quarter of a percentage point to a 22-year high of 5.0%, saying it feared that efforts to return inflation to its 2% target could stall amid excess consumer spending. *(Reuters)*

### Europe

- [UK economy shows strains and gains, complicating Bank of England's job](#) Britain's economy is showing some signs of strain from the Bank of England's 13 back-to-back interest rate increases, but the jobs market is still generating inflationary heat and consumers have not reined in their spending sharply. *(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
FARM FRESH BHD	1.050	14.51	10.98	12.49	0.990
SPRITZER BHD	1.440	21.86	16.56	11.01	1.440
DUTCH LADY MILK INDS BHD	21.300	28.13	34.36	68.00	20.220
SKP RESOURCES BHD	0.900	28.66	22.77	6.59	0.875

\*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
SARAWAK CONSOLIDATED INDUSTR	0.495	82.12	81.62	86.92	0.500
EWEIN BHD	1.200	81.11	81.70	80.49	1.240
GLOBETRONICS TECHNOLOGY BHD	1.460	77.53	82.45	94.54	1.470
MSM MALAYSIA HOLDINGS BHD	1.170	75.11	79.95	92.58	1.190
LBS BINA GROUP BHD	0.455	72.83	78.46	93.62	0.460
EG INDUSTRIES BHD	1.460	72.08	77.48	79.94	1.490
UCHI TECHNOLOGIES BHD	3.610	71.60	74.34	84.37	3.640
DELEUM BERHAD	0.955	71.03	80.22	94.36	0.965
NAIM HOLDINGS BERHAD	0.840	70.97	68.89	45.61	0.945
I-BHD	0.250	70.78	77.35	91.04	0.250

\*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
MY EG SERVICES BHD-K	0.070	22.69	17.26	2.06	0.070	28/11/2023
S&P 500 INDEX-C29	0.265	26.32	25.00	15.17	0.265	18/12/2023
ASTRO MALAYSIA HOLDINGS BHD-C45	0.010	28.07	21.44	7.18	0.005	10/11/2023
COMPUTER FORMS MALAYSIA BHD-WA	0.040	29.37	35.63	7.07	0.035	22/12/2025
HANG SENG INDEX-OO	0.005	29.81	25.09	9.56	0.005	28/7/2023

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
WCE HOLDINGS BHD-WF	0.485	94.69	97.86	99.98	0.495	18/11/2029
LOTUS KFM BHD-WB	0.160	87.88	92.30	99.23	0.160	25/11/2024
UEM SUNRISE BHD-C83	0.140	81.53	86.13	93.77	0.140	28/11/2023
SAMAIDEN GROUP BHD-WA	0.320	80.77	84.35	89.09	0.345	21/6/2026
UEM SUNRISE BHD-C82	0.105	77.41	81.19	88.96	0.125	29/9/2023
PESTECH INTERNATIONAL BHD-WA	0.120	77.19	84.68	96.92	0.125	15/12/2028
MALAYSIA BUILDING SOCIETY BHD-C58	0.125	75.94	79.27	88.32	0.125	29/1/2024
YTL CORP BHD-C58	0.275	70.86	74.89	86.61	0.275	29/2/2024
YTL CORP BHD-C57	0.305	70.51	74.58	86.06	0.305	29/12/2023

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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