

17 November 2023

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BURSA	16-Nov	Day chg	% chg
KLCI	1,464.7	-2.16	-0.15%
FTSE EMAS	10,828.3	-3.8	-0.03%
FTSE Smallcap	16,356.0	-24.90	-0.15%
FTSE MESDAQ	5,118.8	-2.4	-0.05%
KLSE Mkt Cap (RM'b)	1,714.9	-0.1	-0.01%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-22.9	41.2%
Local Retail	-20.8	28.4%
Foreign	43.7	30.4%

INDICES	16-Nov	Day chg	% chg
Dow Jones	34,945.5	-45.7	-0.13%
S&P 500	4,508.2	5.4	0.12%
NASDAQ	14,113.7	9.8	0.07%
FTSE-100	7,411.0	-75.9	-1.01%
Nikkei 225	33,424.4	-95.3	-0.28%
SHCOMP	3,050.9	-21.9	-0.71%
HSI	17,832.8	-246.2	-1.36%
STI	3,133.1	0.9	0.03%
KOSPI	2,488.2	1.5	0.06%
TWSE	17,171.2	42.4	0.25%
JCI	6,958.0	-0.2	0.00%
SET	1,415.3	0.2	0.01%

FOREX	16-Nov	15-Nov	% chg
USD/MYR:	4.6880	4.6725	0.33%
EUR/USD:	1.0845	1.0857	-0.11%
GBP/USD:	1.2406	1.2462	-0.45%
USD/YEN:	151.21	150.46	0.50%
USD/SGD:	1.3487	1.3483	0.03%
USD/HKD:	7.8026	7.8068	-0.05%

KEY STATS

KLCI Spot			
Vol (m shares):	3,484.7	3,943.0	-11.62%
Value (RMm):	2,067.6	2,207.8	-6.35%
KLCI Future			
November-23	1,465.0	1,468.5	-0.24%
December-23	1,465.5	1,468.5	-0.20%
CPO Price (RM/tonne)	3,998.0	4,018.0	-0.50%
Soybean (US\$/bu)	1,360.3	1,385.0	-1.79%
SoyOil (USc/lb)	50.8	52.4	-3.01%
Gold (US\$/troy oz)	1,987.3	1,964.3	1.17%
Nymex crude oil (US\$/bbl)	72.9	76.7	-4.90%
Latex (RM/kg)	5.45	5.46	-0.18%
Tin (US\$/mt)	24,959.00	25,088.0	-0.51%

Research Highlights

NEWS HIGHLIGHTS

- Pecca posts fifth consecutive quarter of record profit
- Formosa Prosonic's 3Q sees disposal gain, extended sales rebound
- Apex Equity to sell Menara Apex to New Era University College's parent company for RM55.0m
- DPS inks JV for agro, solar projects in Melaka
- Siab proposes private placement, rights issue, acquisition of Taghill

MACRO BITS

- Xi-Biden talks clear 'low bar for success' but bigger hurdles loom for US-China relations
- U.S, IPEF partners agree on clean energy, anti-graft pillars
- Putrajaya will provide further clarity on capital gains tax exemption ahead of implementation, says Treasury sec gen
- Economic corridors vital bridges to boost economic activities — Hanifah Hajar
- Govt in intensive discussion over proposal to raise local rice ceiling price — Mat Sabu
- Malaysia's air passenger traffic reached 77.5% of pre-pandemic levels in first nine months of 2023 — Loke
- Policy rate stays steady at 6.50% amidst likely controlled inflation outlook (See *Economic Viewpoint: Bangko Sentral ng Pilipinas Rate Decision*)
- China's Oct new home prices fall for fourth straight month
- Japan's export growth slows as China, global downturn risks loom
- U.S. industrial output drops 0.6% in October, pulled down by United Auto Workers strike
- U.S homebuilder sentiment declines to lowest level this year
- Summers says 'transitory factors' behind inflation are now easing
- ECB urges global rules for debt erased in Credit Suisse rescue
- UK looking at making corporate tax incentive permanent, BT boss says

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: ARMADA, KESM, SUNREIT
- Company Update: MPI, SLP
- Rating Summary
- Economic Viewpoint: BSP Rate Decision, Ringgit Weekly Outlook

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	SIME	2.40	0.0	15.50	GENM	2.56	1.2	4.47	CELCOMDIGI	4.27	-1.4	1.49
2	PBBANK	4.24	0.2	11.10	HLBANK	19.32	0.4	0.40	QL	5.65	-0.9	1.93
3	CIMB	5.78	-0.3	9.79	PBBANK	4.24	0.2	11.10	PMETAL	4.87	-0.8	3.02
4	MAYBANK	9.14	0.0	9.22	GENTING	4.39	0.2	4.49	SIMEPLT	4.38	-0.7	1.14
5	MRDIY	1.61	-0.6	9.13	PPB	14.86	0.1	0.52	MRDIY	1.61	-0.6	9.13
6	GENTING	4.39	0.2	4.49	HLFG	17.10	0.1	0.68	WPRTS	3.48	-0.6	1.49
7	GENM	2.56	1.2	4.47	AMBANK	3.93	0.0	4.01	MAXIS	4.08	-0.5	1.56
8	IHH	5.98	0.0	4.42	AXIATA	2.45	0.0	4.08	NESTLE	123.20	-0.4	0.20
9	AXIATA	2.45	0.0	4.08	DIALOG	2.20	0.0	4.07	TM	5.20	-0.4	2.31
10	DIALOG	2.20	0.0	4.07	IHH	5.98	0.0	4.42	PETGAS	17.14	-0.4	0.36

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Pecca posts fifth consecutive quarter of record profit**

Pecca Group Bhd has reported a 55.8% surge in net profit for its first financial quarter ended Sep 30, 2023 (1QFY2024) at RM13.0m, from RM8.4m a year earlier, thanks to higher sales of upholstery car seat covers and improved operational efficiency. This the automotive upholstery maker's highest-ever quarterly net profit. Pecca has posted record profit and revenue for the past three financial years, and 1QFY2024 is also the fifth consecutive quarter of record profit. Earnings per share expanded to 1.73 sen in 1QFY2024, from 1.11 sen in the previous year's corresponding period. *(The Edge Markets)*

- **Formosa Prosonic's 3Q sees disposal gain, extended sales rebound**

Formosa Prosonic Industries Bhd's net profit rose 10.5% to RM48.9m in the third quarter ended Sept 30, 2023 (3QFY2023) from RM44.2m a year before, thanks to a gain on disposal of property plant and equipment amounting to RM7.3m. As a result, its earnings per share increased to 19.16 sen in 3QFY2023 from 17.32 sen a year ago, said the electronic manufacturer. On operations, Formosa's gross profit fell 4.6% to RM47.8m from RM50.1m. This was on the back of a 21.9% drop in revenue to RM234.5m from RM300.1m previously, due to lower sales volume. *(The Edge Markets)*

- **Apex Equity to sell Menara Apex to New Era University College's parent company for RM55.0m**

Apex Equity Holdings Bhd is disposing off the 11-storey Menara Apex in Kajang, together with the land, for RM55.0m to Era Edu Sdn Bhd, which operates the New Era University College education arm. Taking into account related expenses and taxes, Apex Equity estimates net proceeds of RM50.0m, with an actual gain on disposal of RM39.0m. The proceeds would be utilised for working capital, it added. *(The Edge Markets)*

- **DPS inks JV for agro, solar projects in Melaka**

Main Market-listed DPS Resources Bhd (DPS) has entered into a joint venture agreement (JVA) with Mutiara Mahajuta Sdn Bhd (MMSB) to undertake agro, agro-tourism and potentially solar farm projects in Melaka. The JVA involves a piece of land measuring 190.09 acres in the Mukim of Bukit Apit II, Alor Gajah, which has been granted by the landowners to MMSB. DPS said MMSB has entered into collaborative agreements with the individual landowners to develop the land across two phases over a 30-year period, with an option for a 15-year extension. *(The Edge Markets)*

- **Siab proposes private placement, rights issue, acquisition of Taghill**

Siab Holdings Bhd has proposed a private placement, a rights issue with warrants, and the acquisition of 100.0% of Taghill Projects Sdn Bhd. The company said the private placement would involve 100.0m new ordinary shares representing 20.4% of the existing issued shares to independent investors to be identified, and at an issue price to be determined later. The company said that the issue price will be based on the five-day volume weighted average price of Siab shares immediately preceding the price fixing date, with a discount of not more than 20.0%, but subject to a minimum issue price of 12 sen per share. *(The Edge Markets)*



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Macro Bits

Global

- [Xi-Biden talks clear 'low bar for success' but bigger hurdles loom for US-China relations](#) The Xi Jinping-Joe Biden summit in California cleared the "low bar for success", but the two countries are unlikely to budge on many disputes in future, according to diplomatic observers. (*South China Morning Post*)
- [U.S. IPEF partners agree on clean energy, anti-graft pillars](#) Countries in the U.S.-led Indo-Pacific Economic Framework have agreed on two more "pillars" of the initiative, covering cooperation on clean energy and anti-corruption measures, U.S. Commerce Secretary Gina Raimondo said on Thursday. (*Reuters*)

Malaysia

- [Putrajaya will provide further clarity on capital gains tax exemption ahead of implementation, says Treasury sec gen](#) The government will provide further clarity on whether deals involving unlisted shares by private equities (PE) and unit trust funds will be subjected to the 10.0% capital gains tax (CGT) from March next year, said Treasury secretary general Datuk Johan Mahmood Merican. (*The Edge Markets*)
- [Economic corridors vital bridges to boost economic activities — Hanifah Hajar](#) Economic corridors such as the Northern Corridor Economic Region (NCER) serve as important bridges connecting urban and rural areas, fostering economic activity and facilitating rural development and equitable resources in each region. (*The Edge Markets*)
- [Govt in intensive discussion over proposal to raise local rice ceiling price — Mat Sabu](#) The government is engaged in intensive discussion on the proposal to raise the ceiling price of local white rice, Agriculture and Food Security Minister Datuk Seri Mohamad Sabu said on Thursday. (*The Edge Markets*)
- [Malaysia's air passenger traffic reached 77.5% of pre-pandemic levels in first nine months of 2023 — Loke](#) Malaysia's air passenger traffic in the first nine months of 2023 has reached 77.5% of pre-pandemic levels, according to Transport Minister Anthony Loke. (*The Edge Markets*)

Asia Pacific

- [Policy rate stays steady at 6.50% amidst likely controlled inflation outlook](#) The Monetary Board of Bangko Sentral ng Pilipinas (BSP) decision to keep its Target Reverse Repurchase (RRP) rate at 6.50% was within expectations. While it has already reached the end of its tightening cycle, but another 25 bps hike is possible. (*See Economic Viewpoint: Bangko Sentral ng Pilipinas Rate Decision*)
- [China's Oct new home prices fall for fourth straight month](#) China's new home prices fell for the fourth month in October, official data showed on Thursday, as government support measures did little to lift the gloom hanging over the country's consumers and its debt-laden property sector. (*The Edge Markets*)
- [Japan's export growth slows as China, global downturn risks loom](#) Japanese exports grew for a second straight month in October but at a sharply slower pace due to slumping China-bound shipments of chips and steel, as weakening external demand takes its toll on the trade-reliant economy. (*Reuters*)

Americas

- [U.S. industrial output drops 0.6% in October, pulled down by United Auto Workers strike](#) Industrial production fell 0.6% in October, the Federal Reserve reported Thursday. The drop was larger than the 0.4% decline forecast by economists surveyed by the Wall Street Journal. (*MarketWatch*)
- [U.S. homebuilder sentiment declines to lowest level this year](#) US homebuilder sentiment fell to the lowest level this year in November as high mortgage rates kept a lid on housing demand. (*Bloomberg*)
- [Summers says 'transitory factors' behind inflation are now easing](#) Former Treasury secretary Lawrence Summers said that "transitory factors" have been one element in a faster slowdown in US inflation than he anticipated. (*The Edge Markets*)

Europe

- [ECB urges global rules for debt erased in Credit Suisse rescue](#) The European Union's top bank regulator urged global rules for a type of hybrid debt issued by lenders, after the market for the securities was rattled this year when such bonds were wiped out in the rescue of Credit Suisse. (*Bloomberg*)
- [UK looking at making corporate tax incentive permanent, BT boss says](#) Britain's finance ministry is considering making permanent a time-limited tax incentive that is designed to spur corporate investment, according to the boss of telecoms giant, who said any such move would be a "game-changer". (*Reuters*)



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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D
IBRACO BHD	1.100	90.10	93.77	96.22	1.200
SARAWAK CONSOLIDATED INDUSTR	0.615	87.83	92.39	99.65	0.620
PBA HOLDINGS BHD	1.220	87.80	89.78	86.06	1.330
TMC LIFE SCIENCES BHD	0.670	82.49	88.27	95.55	0.670
HUP SENG INDUSTRIES BHD	0.825	82.48	85.51	90.29	0.850
IDEAL CAPITAL BHD	2.300	81.39	88.41	99.62	2.300
SURIA CAPITAL HOLDINGS BHD	1.800	81.26	83.96	91.18	1.810
SALCON BHD	0.335	81.14	80.81	63.86	0.360
BAHVEST RESOURCES BHD	0.440	80.36	85.48	96.57	0.445
HARN LEN CORP BHD	0.830	80.33	88.43	99.00	0.840
ALLIANZ MALAYSIA BHD	16.800	76.43	79.91	71.04	16.860
ORIENTAL FOOD INDUST HLDGS	1.730	75.68	74.42	57.41	1.780
CAB CAKARAN CORP BHD	0.685	75.31	84.01	98.58	0.685
SAMCHEM HOLDINGS BHD	0.555	75.06	80.95	91.12	0.580
MBM RESOURCES BERHAD	4.190	74.77	79.79	84.35	4.290
KAREX BHD	0.670	74.37	79.79	86.02	0.675
SUPERMAX CORP BHD	0.905	72.90	78.39	88.66	0.920
MEGA FIRST CORP BHD	3.590	72.63	76.72	83.86	3.610

*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
DAGANG NEXCHANGE BHD-C18	0.005	19.96	13.66	0.99	0.005	29/1/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
JENTAYU SUSTAINABLES BHD-WB	0.565	87.50	93.01	99.21	0.565	20/2/2032
SUNZEN BIOTECH BHD-WC	0.085	83.64	90.75	99.68	0.085	13/9/2027
CAB CAKARAN CORP BHD-WB	0.285	75.66	81.17	92.61	0.285	31/5/2028
SALCON BHD-WB	0.070	75.29	73.55	56.74	0.090	19/7/2025
GENTING BHD-U	0.090	74.65	82.12	93.12	0.095	30/4/2024
PDZ HOLDINGS BHD-WC	0.020	73.52	85.99	99.90	0.025	26/10/2024
HARN LEN CORP BHD-WB	0.645	71.74	78.90	97.99	0.650	19/9/2026
ARTRONIQ BHD-WA	0.240	70.73	78.78	97.85	0.245	20/7/2026
YTL POWER INTERNATIONAL BHD-C33	0.470	70.21	73.35	83.32	0.475	29/2/2024

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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