

20 March 2024

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## Research Highlights

BURSA	19-Mar	Day chg	% chg
KLCI	1,545.0	-8.68	-0.56%
FTSE EMAS	11,518.6	-38.8	-0.34%
FTSE Smallcap	16,952.2	6.50	0.04%
FTSE MESDAQ	4,751.1	34.0	0.72%
KLSE Mkt Cap (RM'b)	1,807.3	-3.2	-0.18%

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	524.3	45.1%
Local Retail	-21.5	18.6%
Foreign	-502.8	36.3%

INDICES	19-Mar	Day chg	% chg
Dow Jones	39,110.8	320.3	0.83%
S&P 500	5,178.5	29.1	0.56%
NASDAQ	16,166.8	63.3	0.39%
FTSE-100	7,738.3	15.8	0.20%
Nikkei 225	40,003.6	263.2	0.66%
SHCOMP	3,062.8	-22.2	-0.72%
HSI	16,529.5	-207.6	-1.24%
STI	3,173.6	1.6	0.05%
KOSPI	2,656.2	-29.7	-1.10%
TWSE	19,857.2	-22.6	-0.11%
JCI	7,336.7	34.3	0.47%
SET	1,382.5	-3.5	-0.25%

FOREX	19-Mar	18-Mar	% chg
USD/MYR:	4.7370	4.7180	0.40%
EUR/USD:	1.0844	1.0900	-0.51%
GBP/USD:	1.2682	1.2737	-0.43%
USD/YEN:	150.53	149.13	0.94%
USD/SGD:	1.3424	1.3378	0.34%
USD/HKD:	7.8221	7.8198	0.03%

### KEY STATS

KLCI Spot			
Vol (m shares):	4,055.4	4,242.3	-4.40%
Value (RMm):	3,085.2	2,789.7	10.59%
KLCI Future			
March-24	1,546.5	1,552.0	-0.35%
April-24	1,547.0	1,552.0	-0.32%
CPO Price (RM/tonne)	4,201.0	4,236.0	-0.83%
Soybean (US\$/bu)	1,185.5	1,187.8	-0.19%
SoyOil (USc/lb)	48.7	49.3	-1.20%
Gold (US\$/troy oz)	2,159.7	2,164.3	-0.21%
Nymex crude oil (US\$/bbl)	83.5	82.7	0.91%
Latex (RM/kg)	7.55	7.53	0.27%
Tin (US\$/mt)	27,206.0	28,463.0	-4.42%

### NEWS HIGHLIGHTS

- KJTS wins RM6.6m contract from Takaful Malaysia
- Poh Kong expects economic growth
- Bonia to acquire 30% stake in ITSH for RM7.5m
- Eita Resources bags RM48m job from TNB to build Perak substation
- Asdion to buy 51% stake in Indoexpress

### MACRO BITS

- US-Europe trade ties 'shaken not stirred' by global turmoil
- IMF is lending near record USD202.0b to counter debt and wars
- New indicators to measure cost of living standards being developed — Anwar
- Amir Hamzah: Govt always takes cautious approach when reforming tax system
- No plans to peg the ringgit, says second finance minister
- Malaysia's ambassador to Indonesia encourages investment in East Kalimantan
- Delivers its first hike since 2007 and scraps the yield curve control (See *Economic Viewpoint: Bank of Japan Monetary Policy Decision*)
- Australia's central bank holds rates as expected, waters down tightening bias
- The Fed has a lot of questions to answer about its balance sheet
- US housing starts rise by most since May after steep decline
- ECB needs to wait for June, Vice President Guindos says
- Euro-Area labor-cost growth slowed at end of 2023

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

- Sector Update: Automotive, Automotive (2QCY24 Strategy)
- Company Update: CLMT, UZMA
- Economic Viewpoint: Bank of Japan Monetary Policy Decision

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	YTLPOWR	3.89	-0.8	54.20	MISC	7.60	1.9	2.11	CELCOMDIGI	4.25	-3.0	3.03
2	YTL	2.72	-1.1	49.10	PETDAG	21.74	1.4	0.46	PMETAL	4.61	-2.5	7.49
3	CIMB	6.61	-0.6	28.80	AXIATA	2.81	1.1	4.67	PETGAS	17.54	-1.4	1.07
4	PBBANK	4.28	-0.2	26.60	AMBANK	4.12	0.7	9.48	GENTING	4.92	-1.2	10.10
5	MAYBANK	9.65	-1.0	15.60	PPB	15.60	0.7	0.95	YTL	2.72	-1.1	49.10
6	RHBBANK	5.67	0.0	15.30	HLBANK	19.44	0.4	1.08	GENM	2.87	-1.0	10.10
7	MRDIY	1.49	0.0	14.90	NESTLE	119.50	0.1	0.14	MAYBANK	9.65	-1.0	15.60
8	SIME	2.64	-0.4	10.90	IOICORP	3.98	0.0	3.49	TENAGA	11.50	-0.9	5.52
9	GENM	2.87	-1.0	10.10	MRDIY	1.49	0.0	14.90	MAXIS	3.49	-0.9	1.81
10	GENTING	4.92	-1.2	10.10	RHBBANK	5.67	0.0	15.30	IHH	6.04	-0.8	6.26

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **KJTS wins RM6.6m contract from Takaful Malaysia**

KJTS Group Bhd's wholly-owned subsidiary, KJ Technical Services Sdn Bhd (KJTSSB) has secured a contract totalling RM6.6m from Syarikat Takaful Malaysia Keluarga Bhd (STMKB). In a filing with Bursa Malaysia, KJTS said the contract is for the replacement works of the chiller system and subsequently the provision of operation and maintenance (O&M) services at Menara Takaful in Kuala Lumpur. Under the terms of the contract, STMKB shall pay KJTSSB a total of RM3m for the retrofit works via eight monthly instalments, and RM3.6m, which shall be paid at the rate of RM30,000 per month for the O&M Services. *(The Star)*

- **Poh Kong expects economic growth**

Poh Kong Holdings Bhd will closely monitor the current uncertainties on its operations and continue to uphold its financial obligations and evaluate its performance. In a filing with Bursa Malaysia, the jeweller said the local economy is expected to strengthen this year and grow, as other sectors expand on the back of better global trade. "Stronger and more dynamic trade activities will certainly translate into a greater demand for gold and gold products. An optimistic outlook must at the same time take cognisance of market corrections and global uncertainties," it said. *(The Star)*

- **Bonia to acquire 30% stake in ITSH for RM7.5m**

Bonia Corp Bhd is proposing to subscribe to 6.2m shares, or a 30% stake in IT SEA Holdings Sdn Bhd (ITSH) for RM7.5m. In a filing with Bursa Malaysia, Bonia said the proposed subscription, if materialised, will complement and increase Bonia's range of product offerings to provide a wider assortment of products. This, the company said, will allow it to cater for the constant change and demands of the consumers in the fashion retail industry. "This will add brand names such as "A Bathing Ape", "Aape", and the "I.T." multi-label brands to Bonia Group's existing suite of brand names. *(The Star)*

- **Eita Resources bags RM48m job from TNB to build Perak substation**

Eita Resources Bhd said its 60%-owned unit has won a RM48.0m contract from Tenaga Nasional Bhd to supply a new outdoor transmission substation in Ayer Puteh, Perak. The scope of work includes the erection, testing and commissioning of the 132kV conventional substation, as well as civil, transmission lines and remote ends relay retrofits, said Eita. The two-year contract is effective from March 8, added the group in a stock exchange filing on Tuesday. For its first quarter ended Dec 31, 2023, Eita's net profit nearly quadrupled to RM7.5m from RM1.9m a year ago, while revenue increased 57% to RM114.6m from RM73.0m. *(The Edge Markets)*

- **Asdion to buy 51% stake in Indoexpress**

Asdion Bhd has proposed to acquire a 51% stake in PT Indoexpress Logistics (Indoexpress) for RM6m. In a filing with Bursa Malaysia, Asdion said its 99% owned sub-sub-subsidiary, PT Trans Infra Nusantara (PTTIN) has entered into a conditional share sale agreement (CSSA) with PTGDS for the acquisition of 51,600 ordinary shares, or 51% stake in Indoexpress. Upon completion of the acquisition, Indoexpress shall become a 51% owned sub-subsidiary of Asdion. Indoexpress is principally involved in the business of total logistics services in Indonesia. *(The Star)*



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## Macro Bits

### Global

- [US-Europe trade ties 'shaken not stirred' by global turmoil](#) The transatlantic economy — an USD8.7t flow of trade, investment and labor between the US and Europe — is withstanding a period of re-globalization with all the stiffness of James Bond's martinis. *(Bloomberg)*
- [IMF is lending near record USD202.0b to counter debt and wars](#) The International Monetary Fund (IMF) is lending near a record amount to almost 100 countries, evidence of its growing role as a backstop against the financial and political dangers of the post-pandemic world. *(The Straits Times)*

### Malaysia

- [New indicators to measure cost of living standards being developed — Anwar](#) The National Action Council on Cost of Living (NACCOL) agreed on Tuesday to allow the Department of Statistics Malaysia (DOSM) to develop new indicators to measure the cost of living standards down to the district level. *(The Edge Markets)*
- [Amir Hamzah: Govt always takes cautious approach when reforming tax system](#) The government has always taken a cautious approach to reforming the national tax system, said Finance Minister II Datuk Seri Amir Hamzah Azizan. *(The Edge Markets)*
- [No plans to peg the ringgit, says second finance minister](#) The government has no plans to peg the ringgit at this time, said Finance Minister II Datuk Seri Amir Hamzah Azizan. He said looking at the pegging of the ringgit around 1998, the economic condition at that time was different compared to the current condition. *(The Edge Markets)*
- [Malaysia's ambassador to Indonesia encourages investment in East Kalimantan](#) Malaysian companies should take advantage of investment prospects in East Kalimantan province, particularly in Samarinda and Balikpapan, close to the upcoming new Indonesian capital city of Nusantara (IKN), said Malaysian Ambassador to Indonesia Datuk Syed Md Hasrin Tengku Hussin. *(The Edge Markets)*

### Asia Pacific

- [Delivers its first hike since 2007 and scraps the yield curve control](#) A pivotal moment in history. The Bank of Japan (BoJ) became the last central bank in the world to abandon the negative interest rate policy, alongside terminating its yield curve control measures. However, it maintained its bond-buying operations, provided no future guidance on further policy normalisation and pledged to maintain accommodative financial conditions. The BoJ's next move will depend on the impact of wage growth on consumers' spending. *(See Economic Viewpoint: Bank of Japan Monetary Policy Decision)*
- [Australia's central bank holds rates as expected, waters down tightening bias](#) Australia's central bank held interest rates steady on Tuesday and watered down its tightening bias, signalling greater confidence that inflation is moving back to its target as the economy slows. *(Reuters)*

### Americas

- [The Fed has a lot of questions to answer about its balance sheet](#) The Federal Reserve will begin in-depth discussions about its balance sheet this week, including when and how to slow the pace at which the central bank drains excess cash from the financial system. *(Bloomberg)*
- [US housing starts rise by most since May after steep decline](#) New US home construction bounced back sharply last month, indicating builders are benefiting from slightly more favorable mortgage rates and a dearth of existing houses for sale. *(Bloomberg)*

### Europe

- [ECB needs to wait for June, Vice President Guindos says](#) "We haven't yet discussed anything about future rate moves. We need to gather more information," European Central Bank Vice President Luis de Guindos said in an interview with Greek newspaper Naftemporiki. *(Bloomberg)*
- [Euro-Area labor-cost growth slowed at end of 2023](#) Euro-area labor-cost increases slowed at the end of last year, an outcome that is likely to provide encouragement for European Central Bank policymakers who are studying the strength of wages as a key input for their decision on when to cut interest rates. *(Bloomberg)*



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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
MICROLINK SOLUTIONS BHD	0.370	15.77	15.39	14.95	0.330
PERUSAHAAN SADUR TIMAH MALAY	2.830	23.15	17.25	6.32	2.810
TAN CHONG MOTOR HOLDINGS BHD	0.880	26.48	24.25	21.74	0.880
JHM CONSOLIDATION BHD	0.575	27.01	25.30	24.93	0.570
KRONOLOGI ASIA BHD	0.340	27.90	22.42	6.50	0.340
TALIWORKS CORP BHD	0.745	29.81	28.72	43.12	0.740

\*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
DUTCH LADY MILK INDS BHD	26.920	89.13	94.25	99.49	27.420
APOLLO FOOD HOLDINGS BHD	7.000	87.10	92.43	98.31	7.080
SUNWAY BHD	3.320	84.57	89.48	98.94	3.340
MEGA FIRST CORP BHD	4.390	81.98	87.60	96.95	4.470
HARRISONS HOLDINGS MALAYSIA	9.190	80.97	86.54	97.11	9.240
GUOCOLAND MALAYSIA BHD	0.790	79.98	86.05	97.65	0.800
TANCO HOLDINGS BHD	0.870	79.34	84.93	94.82	0.880
GE-SHEN CORP BHD	3.790	75.75	74.41	69.25	4.030
SKP RESOURCES BHD	0.885	75.23	81.06	80.81	0.905
ABF MALAYSIA BOND INDEX FUND	1.238	74.13	79.90	97.71	1.238
ECONPILE HOLDINGS BHD	0.480	74.03	79.22	94.69	0.480
KOBAY TECHNOLOGY BHD	1.590	73.29	76.93	71.34	1.690
KIMLUN CORP BHD	0.930	73.18	80.29	97.12	0.950
NEW HOONG FATT HOLDINGS BHD	3.880	72.55	78.41	95.66	3.980
SARAWAK OIL PALMS BERHAD	3.200	71.55	71.69	64.82	3.260
DELEUM BERHAD	1.400	70.94	72.63	80.41	1.440
MALAYSIA SMELTING CORP BHD	2.300	70.73	71.56	58.29	2.390
POH HUAT RESOURCES HLDGS BHD	1.480	70.15	72.15	71.29	1.490

\*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
BAHVEST RESOURCES BHD-WA	0.040	26.22	21.08	10.10	0.030	20/8/2024
HANG SENG INDEX-TL	0.085	29.40	30.89	18.58	0.075	29/4/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
SUNWAY BHD-WB	1.930	89.40	93.57	99.52	1.950	3/10/2024
SUNWAY BHD-C20	0.275	86.66	92.26	99.57	0.290	30/8/2024
SUNWAY BHD-C19	0.465	86.19	90.03	97.85	0.465	30/9/2024
MMAG HOLDINGS BHD-WC	0.125	82.73	86.03	94.84	0.130	31/12/2099
INTA BINA GROUP BHD-WA	0.150	82.02	88.45	98.85	0.150	18/7/2026
SP SETIA BHD GROUP-C72	0.105	80.82	88.01	96.91	0.115	29/3/2024
EVERSENDAI CORP BHD-WA	0.130	80.39	82.70	84.18	0.175	18/10/2025
TANCO HOLDINGS BHD-WC	0.520	79.31	81.61	88.86	0.525	25/8/2025
ANEKA JARINGAN HOLDINGS BHD-WA	0.100	78.04	81.05	79.42	0.115	20/6/2025
SP SETIA BHD GROUP-C74	0.035	75.83	86.03	99.25	0.035	19/7/2024
KELINGTON GROUP BHD-WB	1.270	73.92	77.12	87.57	1.270	24/7/2026

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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