

02 July 2024

By Kylie Chan | kyliechan@kenanga.com.my Nigel Ng | nigel@kenanga.com.my

BURSA	1-Jul	Day chg	% chg
KLCI	1,598.2	8.11	0.51%
FTSE EMAS	12,282.5	66.1	0.54%
FTSE Smallcap	19,454.1	164.31	0.85%
FTSE MESDAQ	5,859.0	85.7	1.48%
KLSE Mkt Cap (RM'b)	1,948.0	11.6	0.60%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	73.8	44.8%
Local Retail	-75.0	25.8%
Foreign	1.2	29.5%

INDICES	1-Jul	Day chg	% chg
Dow Jones	39,169.5	50.7	0.13%
S&P 500	5,475.1	14.6	0.27%
NASDAQ	17,879.3	146.7	0.83%
FTSE-100	8,166.8	2.6	0.03%
Nikkei 225	39,631.1	48.0	0.12%
SHCOMP	2,994.7	27.3	0.92%
HSI	17,718.6	N.A.	N.A.
STI	3,338.6	5.8	0.17%
KOSPI	2,804.3	6.5	0.23%
TWSE	23,058.6	26.3	0.11%
JCI	7,139.6	76.0	1.08%
SET	1,299.4	-1.6	-0.12%

FOREX	1-Jul	28-Jun	% chg
USD/MYR:	4.7137	4.7175	-0.08%
EUR/USD:	1.0749	1.0713	0.34%
GBP/USD:	1.2672	1.2645	0.21%
USD/YEN:	161.13	160.88	0.16%
USD/SGD:	1.3556	1.3560	-0.03%
USD/HKD:	7.8123	7.8082	0.05%

KEY STATS

KLCI Spot			
Vol (m shares):	3,660.7	4,299.0	-14.85%
Value (RMm):	2,765.6	3,079.7	-10.20%
KLCI Future			
June-24	1,602.0	1,596.5	0.34%
July-24	1,604.0	1,596.5	0.47%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,146.0	1,150.5	-0.39%
SoyOil (USc/lb)	46.0	44.1	4.33%
Gold (US\$/troy oz)	2,338.9	2,339.6	-0.03%
Nymex crude oil (US\$/bbl)	83.4	81.5	2.26%
Latex (RM/kg)	7.00	7.04	-0.50%
Tin (US\$/mt)	32,650.0	32,478.0	0.53%

Research Highlights

NEWS HIGHLIGHTS

- ViTrox to begin construction of training and industrial research center after RM46 mil contract award to SIB
- Southern Score secures RM315 mil contract for residential apartment blocks
- Kinergy Advancement collaborates with JCorp to provide sustainable energy solutions for data centres
- Airasia X launches first Africa route, targets 156,000 annual travellers
- Toyo Ventures defers commencement of EPCC works for Vietnam thermal power plant

MACRO BITS

- Global factory activity has mixed performance in June, PMIs show
- Global sea transport leaps most since 2010 after Red Sea attacks
- Reverted to below threshold level in June amid muted demand (See Economic Viewpoint: Malaysia Manufacturing PMI)
- Anwar urges strategic shift for tourism sector
- Four multinational firms with investments totalling MYR7.0b ceased operations in 1H2024 — Zafrul
- Padu expected to cost over MYR85.0m over three years — Rafizi
- Data centre boom, chip industry expansion expected to boost local steel demand
- Malaysia to begin exporting fresh durians to China by 3Q2024, says agriculture minister
- Price pressure eases in June as food prices moderate further. (See Economic Viewpoint: Indonesia Consumer Price Index)
- Asia's factory activity expands in June on solid global demand
- Fed officials latch onto 'scenarios' as new way to communicate
- US manufacturing mired in weakness; prices paid gauge hits six-month low
- ECB may cut twice more this year barring surprises, Simkus says
- Euro zone factory activity decline deepens in June, PMI shows

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Oil & Gas
- Company Update: TM
- Actionable Technical Watch: THPLANT
- Economic Viewpoint: Asia FX Monthly Outlook, ID CPI, MY Manufacturing PMI,

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	CIMB	6.83	0.4	19.50	YTL	3.62	4.9	13.90	MRDIY	1.89	-2.6	9.81
2	YTL	3.62	4.9	13.90	SUNWAY	3.71	2.8	13.80	KLK	20.48	-0.8	0.48
3	SUNWAY	3.71	2.8	13.80	AXIATA	2.66	1.9	6.62	GENTING	4.68	-0.6	3.29
4	YTLPOWR	4.90	1.7	12.80	YTLPOWR	4.90	1.7	12.80	PCEM	6.27	-0.6	2.26
5	MRDIY	1.89	-2.6	9.81	TENAGA	14.00	1.6	8.81	QL	6.48	-0.6	2.68
6	TM	6.78	0.3	9.23	MAXIS	3.58	1.4	2.82	SIME	2.61	-0.4	7.02
7	PBBANK	4.03	0.3	9.01	PPB	14.42	0.8	0.21	PETGAS	17.76	-0.3	0.14
8	TENAGA	14.00	1.6	8.81	HLBANK	19.36	0.8	0.43	RHBBANK	5.50	-0.2	7.74
9	RHBBANK	5.50	-0.2	7.74	IOICORP	3.73	0.8	1.47	HLFG	17.26	-0.1	0.06
10	SIME	2.61	-0.4	7.02	NESTLE	122.40	0.7	0.17	PETDAG	17.42	-0.1	0.15

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **ViTrox to begin construction of training and industrial research center after RM46m contract award to SIB**

ViTrox Corp Bhd will begin construction of the first block of its planned five-block ViTrox Institute of Technology (VIT) on July 8 after it had appointed South Island Building Sdn Bhd (SIB) as the contractor for the project in a deal worth RM46m. The proposed construction is expected to be completed within 18 months, which is by Jan 7, 2026. (*The Edge Markets*)

- **Southern Score secures RM315m contract for residential apartment blocks**

Southern Score Builders Bhd has bagged a letter of award to serve as a turnkey contractor for the proposed development of three residential apartment blocks, valued at RM315m. The contract was awarded by Smart Advance Resources Sdn Bhd to the group's wholly owned subsidiary, Southern Score Sdn Bhd (SARSB), the group's bourse filing showed. (*The Edge Markets*)

- **Kinergy Advancement collaborates with JCorp to provide sustainable energy solutions for data centres**

Kinergy Advancement Bhd has partnered with Johor Corp (JCorp) to undertake and develop sustainable energy solutions projects with a specific focus on energy-efficient initiatives for data centres. The project encompassing energy-efficient measures, renewable energy solutions, clean energy initiatives, and engineering construction across various energy-related facilities, was secured by Kinergy Advancement's wholly-owned subsidiary, KAB Energy Holdings Sdn Bhd. (*The Edge Markets*)

- **AirAsia X launches first Africa route, targets 156,000 annual travellers**

AirAsia X has announced a brand new route to Nairobi, Kenya in Africa, targeting to carry 156,000 travellers annually. AirAsia X chief executive officer Benyamin Ismail said there is strong demand for travel between Asean and Africa, particularly to Malaysia. (*The Edge Markets*)

- **Toyo Ventures defers commencement of EPCC works for Vietnam thermal power plant**

Toyo Ventures Holdings Bhd (TVHB) said it has postponed the commencement of engineering, procurement, commissioning and construction (EPCC) works for its thermal power plant project in Vietnam by up to six months. In a filing with Bursa Malaysia on Monday, Toyo said it had entered into a second addendum to the EPCC contract with Sunway Construction Group Bhd and Vietnam's Power Engineering Consulting Joint Stock Company 2 (PECC2), which extends the date for the issuance of the notice to proceed (NTP) "to a date on or before Dec 31, 2024, or such other date as the parties may mutually agree upon in writing." (*The Edge Markets*)



02 July 2024

Global

- [Global factory activity has mixed performance in June, PMIs show](#) Manufacturing activity in Europe suffered a setback last month but Asian factories enjoyed solid momentum, offering policymakers some hope the region can weather the hit from soft Chinese demand, surveys showed. *(Reuters)*
- [Global sea transport leaps most since 2010 after Red Sea attacks](#) A gauge of global sea transport is heading for its biggest annual jump since 2010 after attacks in the Red Sea have forced ships to travel longer distances. *(Bloomberg)*

Malaysia

- [Reverted to below threshold level in June amid muted demand](#) The Manufacturing Purchasing Managers' Index (PMI) shrank marginally to 49.9 in June (May: 50.2) influenced by subdued demand. Buoyant trade and investment performance to accelerate the manufacturing sector recovery. *(See Economic Viewpoint: Malaysia Manufacturing PMI)*
- [Anwar urges strategic shift for tourism sector](#) Malaysia requires a shift in targets, strategies and initiatives for the tourism sector, said Prime Minister Datuk Seri Anwar Ibrahim. *(The Star)*
- [Four multinational firms with investments totalling MYR7.0b ceased operations in 1H2024 — Zafrul](#) Four multinational firms with total investments of RM7 billion have ceased operations in Malaysia during the first half of 2024, according to Minister of Investment, Trade, and Industry Tengku Datuk Seri Zafrul Abdul Aziz. *(The Edge Markets)*
- [Padu expected to cost over MYR85.0m over three years — Rafizi](#) The development and implementation of the Central Database Hub (Padu) system over three years from 2023 to 2025 is expected to cost MYR85.27m, said Economy Minister Rafizi Ramli. *(The Edge Markets)*
- [Data centre boom, chip industry expansion expected to boost local steel demand](#) After three straight years of growth, domestic consumption for steel is expected to grow further this year, to between 8.3m tonnes and nine million tonnes this year, according to a forecast by the Malaysian Iron and Steel Industry Federation (Misif). *(The Edge Markets)*
- [Malaysia to begin exporting fresh durians to China by 3Q2024, says agriculture minister](#) Export of fresh durians from Malaysia to China is expected to begin in the third quarter of 2024, said Agriculture and Food Security Minister Datuk Seri Mohamad Sabu. *(The Edge Markets)*

Asia Pacific

- [Price pressure eases in June as food prices moderate further](#) Headline inflation eased for the third straight month in June to 2.51% YoY (May: 2.84%), lower than the consensus of 2.70% but still within Bank Indonesia's (BI) target band of 1.5% - 3.5%. 2024 average inflation forecast retained at 3.0% (2023: 3.7) following a slight revision in May. *(See Economic Viewpoint: Indonesia Consumer Price Index)*
- [Asia's factory activity expands in June on solid global demand](#) Asia's factory activity expanded in June on solid momentum in the global economy and brightening prospects for semiconductor output, surveys showed on Monday, offering policymakers some hope the region can weather the hit from soft Chinese demand. *(Reuters)*

Americas

- [Fed officials latch onto 'scenarios' as new way to communicate](#) There's a new buzzword in central banking: scenarios. A growing chorus of Federal Reserve officials is discussing the advantages of communicating how they would respond to various economic outcomes different from their baseline forecast. *(Bloomberg)*
- [US manufacturing mired in weakness; prices paid gauge hits six-month low](#) U.S. manufacturing contracted for a third straight month in June and a measure of prices paid by factories for inputs dropped to a six-month low amid weak demand for goods, indicating that inflation could continue to subside. *(Reuters)*

Europe

- [ECB may cut twice more this year barring surprises, Simkus says](#) Assumptions that the European Central Bank will lower borrowing costs twice more in 2024 may prove correct if the economy develops as officials predict, according to Governing Council member Gediminas Simkus. *(Bloomberg)*
- [Euro zone factory activity decline deepens in June, PMI shows](#) Manufacturing activity across the euro zone took a turn for the worse last month as demand fell at a much faster pace despite factories cutting their prices, a survey showed. *(Reuters)*



02 July 2024

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
ATRIUM REAL ESTATE INVESTMEN	1.220	12.77	5.69	0.03	1.220
CSC STEEL HOLDINGS BHD	1.300	21.99	14.25	1.69	1.280
CHIN TECK PLANTATIONS BHD	7.320	26.95	16.49	1.09	7.320
CYPARK RESOURCES BHD	0.810	27.76	21.97	12.53	0.805
NEW HOONG FATT HOLDINGS BHD	2.050	28.95	16.38	1.12	2.025

*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
IFCA MSC BHD	0.880	79.88	81.10	89.31	0.915
EG INDUSTRIES BHD	2.040	79.72	82.99	83.62	2.120
HUP SENG INDUSTRIES BHD	1.250	79.22	80.85	94.48	1.300
NOVA MSC BHD	0.240	78.38	80.93	92.43	0.245
BERJAYA CORP BHD	0.320	74.16	80.91	98.33	0.325
TANCO HOLDINGS BHD	1.090	72.73	75.25	91.57	1.090
UNITED U-LI CORP BHD	2.100	72.17	74.16	82.56	2.130
BURSA MALAYSIA BHD	8.880	71.76	69.28	72.70	8.890
V.S. INDUSTRY BERHAD	1.280	71.12	69.75	68.84	1.330
NAIM HOLDINGS BERHAD	1.520	70.94	74.33	90.43	1.570
SUNWAY CONSTRUCTION GROUP BH	3.900	70.62	71.18	86.67	4.040

*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-T	0.020	25.91	22.17	12.36	0.015	29/11/2024
SD GUTHRIE BHD-C17	0.005	26.36	25.42	19.10	0.005	31/7/2024
CYPARK RESOURCES BHD-CA	0.020	26.62	22.60	13.71	0.020	23/9/2024
IOI PROPERTIES GROUP BHD-C24	0.070	28.20	18.55	16.30	0.065	30/10/2024
NIKKEI 225-HC	0.350	28.70	20.40	3.48	0.345	13/9/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
EG INDUSTRIES BHD-WD	0.550	86.60	90.36	96.92	0.550	31/12/2028
RESERVOIR LINK ENERGY BHD-WA	0.080	75.54	86.64	99.43	0.080	27/4/2026
MN HOLDINGS BHD-WA	0.760	75.13	76.74	90.64	0.770	2/3/2028
TSH RESOURCES BHD-C7	0.150	75.03	80.69	92.65	0.150	13/9/2024
AHB HOLDINGS BHD-WC	0.075	73.65	78.79	92.86	0.075	20/5/2029
TSH RESOURCES BHD-C8	0.085	73.11	80.02	94.96	0.085	26/11/2024
APPASIA BHD-WA	0.110	70.14	70.65	78.76	0.115	23/12/2024

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.***

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published by:

KENANGA INVESTMENT BANK BERHAD (15678-H)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my