

By Kylie Chan | kyliechan@kenanga.com.my ; Thin Yun Jing | thinyl@kenanga.com.my

BURSA	2-Jul	Day chg	% chg
KLCI	1,598.0	-0.24	-0.02%
FTSE EMAS	12,312.7	30.3	0.25%
FTSE Smallcap	19,558.2	104.09	0.54%
FTSE MESDAQ	5,886.0	27.1	0.46%
KLSE Mkt Cap (RM'b)	1,951.4	3.4	0.18%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	51.3	46.2%
Local Retail	-87.9	21.2%
Foreign	36.6	32.6%

INDICES	2-Jul	Day chg	% chg
Dow Jones	39,331.9	162.3	0.41%
S&P 500	5,509.0	33.9	0.62%
NASDAQ	18,028.8	149.5	0.84%
FTSE-100	8,121.2	-45.6	-0.56%
Nikkei 225	40,074.7	443.6	1.12%
SHCOMP	2,997.0	2.3	0.08%
HSI	17,769.1	50.5	0.29%
STI	3,367.9	29.3	0.88%
KOSPI	2,780.9	-23.4	-0.84%
TWSE	22,879.4	-179.2	-0.78%
JCI	7,125.1	-14.5	-0.20%
SET	1,288.6	-10.8	-0.83%

FOREX	2-Jul	1-Jul	% chg
USD/MYR:	4.7212	4.7137	0.16%
EUR/USD:	1.0717	1.0749	-0.30%
GBP/USD:	1.2642	1.2672	-0.24%
USD/YEN:	161.61	161.13	0.30%
USD/SGD:	1.3587	1.3556	0.23%
USD/HKD:	7.8141	7.8123	0.02%

KEY STATS

KLCI Spot			
Vol (m shares):	5,393.6	3,660.7	47.34%
Value (RMm):	3,988.2	2,765.6	44.21%
KLCI Future			
July-24	1,600.5	1,602.0	-0.09%
August-24	1,602.0	1,604.0	-0.12%
CPO Price (RM/tonne)	4,071.0	3,965.0	2.67%
Soybean (US\$/bu)	1,150.3	1,146.0	0.37%
SoyOil (USc/lb)	47.0	46.0	2.11%
Gold (US\$/troy oz)	2,333.4	2,338.9	-0.24%
Nymex crude oil (US\$/bbl)	82.8	83.4	-0.68%
Latex (RM/kg)	6.95	6.96	-0.22%
Tin (US\$/mt)	32,672.7	32,650.0	0.07%

Research Highlights

NEWS HIGHLIGHTS

- **Pertama Digital secures online ID onboarding services contract from MyDigital ID**
- **KNM explores fresh options to sell Italian unit after another failed attempt**
- **Malton buying land in Genting Highlands to build apartments, luxury villas**
- **Reservoir Link completes over 1.5GW in solar projects**
- **Johor Plantations 1Q net profit more than doubles to RM50.0m**

MACRO BITS

- **Kim Jong Un says economy is on 'upturn' as Russian ties deepen**
- **US adds six companies to trade restriction list, four for training China's military**
- **No policy paper yet on slashing RON95 subsidies, says Anwar**
- **Madani govt remains resolute despite facing criticism for unpopular decisions — Anwar**
- **Govt approves 115,000.0 Budi Madani applications as of July 1**
- **Total fertility rate in Malaysia has declined significantly — Nancy**
- **Plantation Ministry will propose channelling windfall tax to replanting under Budget 2025 — Johari**
- **Matrade chairman urges vigilance amid digital shift in export markets**
- **President Marcos invites Malaysian companies to invest in Southern Philippines**
- **China's plastics boom is set to create another trade headache**
- **Fed's Powell says more evidence of falling inflation needed before rate cut**
- **US job openings unexpectedly increase from a three-year low**
- **ECB's next rate cut an easy decision before choices become hard, Wunsch says**
- **Euro zone inflation eases a touch but services costs stuck**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Sector Update: Technology**
- **Company Update: KAREX, SUNWAY**

#	Top Volume				Top Gainer				Top Loser			
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	CIMB	6.88	0.7	23.60	SUNWAY	3.83	3.2	21.00	CDB	3.54	-4.1	10.10
2	SUNWAY	3.83	3.2	21.00	YTLPOWR	5.05	3.1	12.80	MAXIS	3.50	-2.2	2.33
3	YTL	3.63	0.3	15.90	MRDIY	1.94	2.7	8.65	PPB	14.12	-2.1	0.59
4	PBBANK	4.04	0.3	15.80	SIME	2.63	0.8	10.90	AXIATA	2.61	-1.9	8.70
5	YTLPOWR	5.05	3.1	12.80	CIMB	6.88	0.7	23.60	IOICORP	3.67	-1.6	5.71
6	PMETAL	5.79	0.5	11.30	PMETAL	5.79	0.5	11.30	PETDAG	17.26	-0.9	1.08
7	SIME	2.63	0.8	10.90	MISC	8.56	0.5	9.39	GENM	2.53	-0.8	9.45
8	CDB	3.54	-4.1	10.10	HLFG	17.34	0.5	0.06	GENTING	4.65	-0.6	6.75
9	RHBBANK	5.51	0.2	9.56	YTL	3.63	0.3	15.90	KLK	20.38	-0.5	0.50
10	TM	6.76	-0.3	9.49	PBBANK	4.04	0.3	15.80	PCHEM	6.24	-0.5	5.01

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Pertama Digital secures online ID onboarding services contract from MyDigital ID**

Pertama Digital Bhd has secured a contract to provide public online digital identity (ID) onboarding registration services for the national digital ID platform, MyDigital ID. The digital solutions provider said the contract was awarded to its subsidiary Dapat Vista (M) Sdn Bhd by My Digital ID Sdn Bhd. "Dapat is responsible and accountable for user support and the continuous availability of the service," Pertama Digital said. The duration of the contract is four months, with an option to extend for an additional three months. While the value of the deal was not disclosed, Pertama Digital said the contract is expected to contribute positively to the future earnings of the group and strengthen its net asset position. (*The Edge Markets*)

- **KNM explores fresh options to sell Italian unit after another failed attempt**

KNM Group Bhd said it is considering fresh options for selling its Italian subsidiary, FBM Hudson Italiana SpA (FBMHI), following a third failed attempt. "The company has received offers of purchase from other interested parties and is currently evaluating its options," KNM informed Bursa Malaysia on Tuesday. "Further development in relation to the proposed disposal will be announced in due course." The announcement follows the collapse of KNM's deal to sell the loss-making FBMHI, a manufacturer of heat and high-pressure equipment, to Milan-based BM Carpenterie Oil & Gas Srl (BMC) and Verona-based Officine Piccol SpA for €16.5m (RM83.5m). (*The Edge Markets*)

- **Malton buying land in Genting Highlands to build apartments, luxury villas**

Malton Bhd said it is acquiring 30.2 acres of freehold land in Genting Highlands from fellow property developer Global Oriental Bhd to build serviced apartments and luxury villas. Malton is buying the land for RM65m, or RM49.46 per sq ft, cash, from Global Oriental's 51%-owned subsidiary Sering Manis Sdn Bhd, the group said in an exchange filing on Tuesday. It said the development is expected to generate an estimated gross development value of RM1.3b. Malton intends to fund the costs and expenses through internally generated funds and bank borrowings. (*The Edge Markets*)

- **Reservoir Link completes over 1.5GW in solar projects**

Reservoir Link Energy Bhd has completed solar projects totalling more than 1.5 gigawatts since its diversification into the solar renewable energy segment in 2021, via the acquisition of Founder Energy Sdn Bhd. In a statement, the energy related services provider said it has completed a total of 1,513 megawatts (MW) in solar projects to date, with 311 MW delivered in the financial year ended Dec 31, 2021. This was followed by the completion of 924 MW in the following 18 months in the financial period ended June 30, 2023 and 278 MW delivered in the financial year ended June 30, 2024. (*The Star*)



- **Johor Plantations 1Q net profit more than doubles to RM50.0m**

Main Market-bound Johor Plantations Group Bhd's net profit for the first quarter ended March 31, 2024 (1QFY2024) more than doubled to RM50.0m from RM23.4m a year earlier, as revenue for the quarter rose to RM294.9m versus RM252.0m previously. In a bourse filing, JPG said the higher revenue was due to the increase in revenue from selling crude palm oil (CPO) and palm kernel (PK). Earnings per share increased to 2.5 sen from 1.3 sen. Reviewing its performance, JPG said revenue from the sale of CPO increased by 18.5% to RM255.8m for 1Q of 2024, due to higher CPO delivered. *(The Edge Markets)*

This section is intentionally left blank

03 July 2024

Macro Bits

Global

- [Kim Jong Un says economy is on 'upturn' as Russian ties deepen](#) Leader Kim Jong Un said North Korea's economy is on a "clear upturn" as his state claimed a successful test of a new tactical ballistic missile that could be sent to Russia in exchange for aid to help his regime. *(Bloomberg)*
- [US adds six companies to trade restriction list, four for training China's military](#) The United States added six companies to its trade restriction list on Tuesday, including four for their links to the training of China's military forces, according to a government posting. *(Reuters)*

Malaysia

- [No policy paper yet on slashing RON95 subsidies, says Anwar](#) There is no policy paper yet allowing the implementation of subsidy cuts for RON95, said Prime Minister Datuk Seri Anwar Ibrahim. *(The Edge Markets)*
- [Madani govt remains resolute despite facing criticism for unpopular decisions — Anwar](#) Prime Minister Datuk Seri Anwar Ibrahim stressed that the Madani Government remains resolute despite facing criticism for unpopular decisions such as implementing targeted diesel subsidy and taking strict measures against corruption. *(The Edge Markets)*
- [Govt approves 115,000.0 Budi Madani applications as of July 1](#) The government has approved 115,000.0 applications for cash subsidies on diesel from individual vehicle owners under the Budi Madani initiative as of July 1, said Finance Minister II Datuk Seri Amir Hamzah Azizan. *(The Edge Markets)*
- [Total fertility rate in Malaysia has declined significantly — Nancy](#) The total fertility rate (TFR) of Malaysians has seen a notable decline, Women, Family and Community Development Minister Datuk Seri Nancy Shukri said. *(The Edge Markets)*
- [Plantation Ministry will propose channelling windfall tax to replanting under Budget 2025 — Johari](#) The Ministry of Plantation and Commodities will propose under Budget 2025 to channel a portion of the existing windfall tax on the palm industry to levy-paying planters for replanting. *(The Edge Markets)*
- [Matrade chairman urges vigilance amid digital shift in export markets](#) Malaysian exporters must remain vigilant and prepared for developments in international markets, enabling them to swiftly adapt and enhance the country's export strategy. *(The Edge Markets)*

Asia Pacific

- [President Marcos invites Malaysian companies to invest in Southern Philippines](#) Philippine President Ferdinand R Marcos Jr has invited Malaysian companies to participate in various economic activities in the Southern Philippines. *(The Edge Markets)*
- [China's plastics boom is set to create another trade headache](#) A surge of Chinese plastic supply is threatening to overflow in the face of weak domestic demand, morphing into a fresh trade challenge for the rest of the world. *(Bloomberg)*

Americas

- [Fed's Powell says more evidence of falling inflation needed before rate cut](#) The U.S. central bank still needs more data before cutting interest rates to ensure that recent weaker inflation readings give a true picture of what is happening to underlying price pressures, Federal Reserve Chair Jerome Powell said on Tuesday. *(Reuters)*
- [US job openings unexpectedly increase from a three-year low](#) US job openings unexpectedly rose in May, interrupting a months-long downtrend that underscored a gradual slowdown in labor demand. *(Bloomberg)*

Europe

- [ECB's next rate cut an easy decision before choices become hard, Wunsch says](#) The European Central Bank's next interest rate cut is still a relatively easy decision, but subsequent moves should only come once inflation is clearly heading towards the 2.0% target, ECB policymaker Pierre Wunsch said in an interview. *(Reuters)*
- [Euro zone inflation eases a touch but services costs stuck](#) Euro zone inflation eased last month but a crucial services component remained stubbornly high, likely fuelling concern among some European Central Bank policymakers that domestic price pressures could stay at elevated levels. *(Reuters)*



03 July 2024

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
CSC STEEL HOLDINGS BHD	1.320	29.24	26.28	50.74	1.280

*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	0.895	80.69	82.13	90.69	0.920
HUP SENG INDUSTRIES BHD	1.260	79.91	81.80	95.34	1.300
EG INDUSTRIES BHD	2.040	79.72	82.99	83.62	2.120
UNITED U-LI CORP BHD	2.140	74.61	77.70	89.42	2.150
EVERGREEN FIBREBOARD BHD	0.415	74.14	77.25	88.67	0.430
SUNWAY CONSTRUCTION GROUP BH	4.000	73.95	76.15	93.09	4.040
NAIM HOLDINGS BERHAD	1.570	73.55	77.68	93.53	1.600
BURSA MALAYSIA BHD	8.880	71.76	69.28	72.70	8.890
HARRISONS HOLDINGS MALAYSIA	9.990	71.33	77.09	94.64	10.000
NOTION VTEC BHD	2.160	70.21	67.10	68.63	2.450
WCT HOLDINGS BHD	0.890	70.03	71.24	85.73	0.930

*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
HANG SENG INDEX-XV	0.105	22.63	22.98	17.82	0.090	29/8/2024
JENTAYU SUSTAINABLES BHD-WB	0.235	22.98	18.10	5.71	0.215	20/2/2032
BAHVEST RESOURCES BHD-WA	0.110	24.36	16.49	5.47	0.110	20/8/2024
NIKKEI 225-HC	0.325	26.84	18.18	2.23	0.310	13/9/2024
IOI PROPERTIES GROUP BHD-C24	0.070	28.20	18.55	16.30	0.065	30/10/2024

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	0.625	89.16	92.57	98.18	0.625	31/12/2028
SUNWAY CONSTRUCTION GROUP BHD-C13	0.355	80.53	82.85	95.85	0.355	30/10/2024
MN HOLDINGS BHD-WA	0.760	75.13	76.74	90.64	0.770	2/3/2028
CAHYA MATA SARAWAK BHD-C49	0.210	70.06	72.19	88.77	0.215	26/11/2024

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. Kenanga Investment Bank Berhad being a full-service investment bank offers investment banking products and services and acts as issuer and liquidity provider with respect to a security that may also fall under its research coverage.

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