

15 July 2024

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BURSA	12-Jul	Day chg	% chg
KLCI	1,619.1	-4.06	-0.25%
FTSE EMAS	12,540.7	-41.6	-0.33%
FTSE Smallcap	19,812.6	11.20	0.06%
FTSE MESDAQ	5,981.2	39.2	0.66%
KLSE Mkt Cap (RM'b)	1,985.0	-5.4	-0.27%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	-41.3	45.7%
Local Retail	40.4	20.8%
Foreign	0.9	33.5%

INDICES	12-Jul	Day chg	% chg
Dow Jones	40,000.9	247.2	0.62%
S&P 500	5,615.4	30.8	0.55%
NASDAQ	18,398.5	115.0	0.63%
FTSE-100	8,252.9	29.6	0.36%
Nikkei 225	41,190.7	-1,033.3	-2.45%
SHCOMP	2,971.3	0.9	0.03%
HSI	18,293.4	461.0	2.59%
STI	3,497.8	22.7	0.65%
KOSPI	2,857.0	-34.3	-1.19%
TWSE	23,916.9	-473.1	-1.94%
JCI	7,327.6	27.2	0.37%
SET	1,332.0	2.7	0.20%

FOREX	12-Jul	11-Jul	% chg
USD/MYR:	4.6715	4.6875	-0.34%
EUR/USD:	1.0907	1.0849	0.53%
GBP/USD:	1.2988	1.2877	0.86%
USD/YEN:	157.83	161.55	-2.30%
USD/SGD:	1.3409	1.3476	-0.50%
USD/HKD:	7.8074	7.8090	-0.02%

KEY STATS

KLCI Spot			
Vol (m shares):	4,583.6	5,390.3	-14.97%
Value (RMm):	3,728.0	4,412.5	-15.51%
KLCI Future			
July-24	1,625.5	1,619.0	0.40%
August-24	1,628.5	1,622.0	0.40%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,105.0	1,117.0	-1.07%
SoyOil (USc/lb)	46.4	46.9	-1.02%
Gold (US\$/troy oz)	2,420.7	2,421.9	-0.05%
Nymex crude oil (US\$/bbl)	82.2	82.6	-0.50%
Latex (RM/kg)	6.50	6.57	-1.07%
Tin (US\$/mt)	33,515.0	34,551.0	-3.00%

Research Highlights

NEWS HIGHLIGHTS

- **KNM gets six-month extension to submit PN17 regularisation plan**
- **Nestcon aims to raise RM27m via private placement to repay bank borrowings**
- **Tafi bags RM207 mil related-party transaction for mixed-used development in Setia Alam**
- **Theta Edge now says RM673.8 mil 'investment' for new IoT project is actually opex**
- **Radiant Globaltech to acquire 80% stake in IT firm for RM52.5m**

MACRO BITS

- **Canada's Freeland hints at broader trade action against China**
- **Russian imports from China tick up again after Putin-Xi meeting**
- **May output growth slows on base effect, but held up by manufacturing recovery. (See Economic Viewpoint: Malaysia Industrial Production)**
- **Upcoming Public Service Remuneration System among the best ever, says Anwar**
- **Anwar: Felda to receive additional MYR100.0m to cover diesel price hike**
- **Amir Hamzah: Over MYR250.0m in diesel leakages prevented after subsidy cut**
- **Amir Hamzah sees ringgit staging rebound in 2H2024**
- **Govt agrees in principle to implement variation of price scheme to help contractors, says Amir Hamzah**
- **China's exports top forecasts, but falling imports point to more stimulus**
- **Japan households' inflation expectations heighten as wage hikes broaden, surveys show**
- **US producer price data points to subsiding inflation pressures**
- **Haven rush, 'Trump Trades' on investor minds after shooting**
- **ECB may prime markets for September rate cut**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Company Update: BURSA, GASMSIA, KIMLUN**
- **Weekly Technical Review: DJIA, KLCI**
- **On our Technical Watch: HARBOUR**
- **Economic Viewpoint: MY IPI**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	PBBANK	4.11	-0.2	29.20	SIME	2.75	1.5	11.90	YTLPOWR	4.95	-3.9	26.90
2	YTLPOWR	4.95	-3.9	26.90	PETGAS	18.22	1.5	0.26	YTL	3.73	-2.1	16.80
3	YTL	3.73	-2.1	16.80	GENTING	4.58	1.1	6.27	PETDAG	16.86	-1.4	0.85
4	SUNWAY	4.10	0.0	15.50	CIMB	7.13	0.6	14.60	TENAGA	14.46	-1.0	8.36
5	CIMB	7.13	0.6	14.60	PPB	14.28	0.6	0.65	TM	6.96	-0.9	14.30
6	TM	6.96	-0.9	14.30	RHBBANK	5.60	0.5	11.50	PMETAL	5.95	-0.8	2.95
7	MAYBANK	10.04	-0.2	13.50	MRDIY	1.94	0.5	9.34	NESTLE	120.00	-0.7	0.06
8	SIME	2.75	1.5	11.90	MISC	8.64	0.5	6.06	PCHEM	6.11	-0.7	4.26
9	RHBBANK	5.60	0.5	11.50	GENM	2.53	0.4	6.43	QL	6.70	-0.6	6.45
10	MRDIY	1.94	0.5	9.34	HLFG	17.34	0.4	0.08	SDG	4.21	-0.5	4.70

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **KNM gets six-month extension to submit PN17 regularisation plan**

KNM Group Bhd has been granted a second extension to submit its Practice Note 17 (PN17) regularisation plan from the earlier deadline of April 30, 2024. The company now has until Oct 30, 2024 to submit its regularisation plan to the authorities, KNM's bourse filing showed. (*The Edge Markets*)

- **Nestcon aims to raise RM27m via private placement to repay bank borrowings**

Nestcon Bhd aims to raise RM27.3m through a private placement of 70.8m shares or 10% of its enlarged share base. A total of RM22m of the gross proceeds will be allocated to repaying its bank borrowings. Another RM4.6m will be used for working capital in construction projects, as well as for engineering, procurement, construction and commissioning (EPCC) of solar photovoltaic (PV) projects. (*The Edge Markets*)

- **Tafi bags RM207m related-party transaction for mixed-used development in Setia Alam**

Tafi Industries Bhd has bagged a construction contract as well as piling and project furniture works worth a combined total of RM207.5m for a mixed-use development project that comprises a serviced apartment and a small-office, home-office (SOHO) block in Setia Alam, Selangor. The contract, awarded by Armani KPF2 Development Sdn Bhd (AKDSB), is expected to contribute positively to its earnings for the financial year ending Dec 31, 2024 (FY2024) until FY2027, said its group chief executive officer in a statement on Friday. (*The Edge Markets*)

- **Theta Edge now says RM673.8m investment' for new IoT project is actually opex**

Theta Edge Bhd is now saying that the RM673.8m it planned to invest to develop Internet of Things (IoT) technology for a project for the Ampang Jaya Municipal Council (MPAJ) is actually the operating expenditure (opex) that is required for the project over a 20-year concession period. "The company would like to clarify that the value of RM673.8m refers to the operating expenditure required during the concession period for the development of IoT solutions for Smart Economy in Ampang Jaya and does not refer to the actual investment required for the project," it said in a Bursa Malaysia filing on Friday. (*The Edge Markets*)

- **Radiant Globaltech to acquire 80% stake in IT firm for RM52.5m**

Radiant Globaltech Bhd has announced plans to acquire an 80% stake in IT solutions provider Rymnet Solutions Sdn Bhd, for RM52.5m. Rymnet specialises in digitalisation of human resource (HR) management operations. (*The Edge Markets*)



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Macro Bits

Global

- [Canada's Freeland hints at broader trade action against China](#) Canada's finance minister said she'll hold talks next week with business and labor groups about erecting trade barriers against Chinese-made vehicles — and suggested the government may even go beyond autos. *(Bloomberg)*
- [Russian imports from China tick up again after Putin-Xi meeting](#) Russian imports from China began to recover in June despite difficulties with foreign trade payments triggered by the US's threat of secondary sanctions and restrictions on Moscow's main exchange. *(Bloomberg)*

Malaysia

- [May output growth slows on base effect, but held up by manufacturing recovery](#) Industrial Production Index (IPI) moderated 2.4% YoY in May (Apr: 6.1%), lower than expectations (KIBB: 3.0%; consensus: 3.6%). The manufacturing index forecast is retained at 4.6% (2023: 0.7%), banking on steady growth in the 2H24. (See Economic Viewpoint: Malaysia Industrial Production)
- [Upcoming Public Service Remuneration System among the best ever, says Anwar](#) The Public Service Remuneration System (SSPA) that will be announced soon is among the best ever implemented by the government, said Prime Minister Datuk Seri Anwar Ibrahim. *(The Edge Markets)*
- [Anwar: Felda to receive additional MYR100.0m to cover diesel price hike](#) Prime Minister Datuk Seri Anwar Ibrahim on Sunday announced an additional allocation of MYR100.0m to the Federal Land Development Authority (Felda) to offset increased operating costs resulting from the implementation of the targeted diesel subsidy. *(The Edge Markets)*
- [Amir Hamzah: Over MYR250.0m in diesel leakages prevented after subsidy cut](#) The government estimates that over MYR250.0m in diesel leakage has been prevented from smuggling or misappropriation at petrol stations along Peninsular Malaysia borders since targeted subsidy measures were implemented on June 10. *(The Edge Markets)*
- [Amir Hamzah sees ringgit staging rebound in 2H2024](#) Encouraging foreign direct investments by government-linked companies (GLCs) and government-linked investment companies (GLICs) to Malaysia, as well as monitoring the exchange of export and import revenues are among concerted efforts undertaken by the government to strengthen the ringgit, said Finance Minister II Datuk Seri Amir Hamzah Azizan. *(The Edge Markets)*
- [Govt agrees in principle to implement variation of price scheme to help contractors, says Amir Hamzah](#) The government has agreed in principle to implement the Variation of Price (VOP) to help contractors faced with rising costs of construction materials due to the recent targeted diesel subsidy to ensure projects are completed on time. *(The Edge Markets)*

Asia Pacific

- [China's exports top forecasts, but falling imports point to more stimulus](#) China's exports grew at their fastest in fifteen months in June, suggesting manufacturers are front-loading orders ahead of tariffs expected from a growing number of trade partners, while imports unexpectedly shrank amid weak domestic demand. *(Reuters)*
- [Japan households' inflation expectations heighten as wage hikes broaden, surveys show](#) Nearly 90.0% of Japanese households expect prices to rise a year from now, a quarterly central bank survey showed on Friday, a sign of heightening inflation expectations that could help make the case for a near-term interest rate hike. *(Reuters)*

Americas

- [US producer price data points to subsiding inflation pressures](#) U.S. producer prices increased slightly more than expected in June amid a rise in the cost of services, but that did not change expectations that the Federal Reserve could start cutting interest rates in September. *(Reuters)*
- [Haven rush, 'Trump Trades' on investor minds after shooting](#) Investors will initially favor traditional haven assets and perhaps lean into trades most linked to former President Donald Trump's chances of winning the White House after he survived an assassination attempt, according to market watchers. *(Bloomberg)*

Europe

- [ECB may prime markets for September rate cut](#) European Central Bank officials may be about to prime investors for another interest-rate cut, though only after one of the Governing Council's longest-ever summer breaks between decisions. *(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
POS MALAYSIA BERHAD	0.425	22.98	13.64	0.74	0.415
NESTLE (MALAYSIA) BERHAD	120.000	28.59	24.10	11.06	119.800

*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
SEAL INCORPORATED BERHAD	0.775	86.16	90.89	98.37	0.785
WESTPORTS HOLDINGS BHD	4.750	84.92	89.16	93.63	4.760
SUNWAY CONSTRUCTION GROUP BH	4.750	84.56	88.00	95.49	4.810
BURSA MALAYSIA BHD	9.400	84.49	87.81	97.15	9.420
TROPICANA CORP BHD	1.690	82.18	88.23	99.31	1.800
EG INDUSTRIES BHD	2.260	79.59	81.79	88.72	2.260
WCT HOLDINGS BHD	1.140	79.40	82.52	92.32	1.160
EWEIN BHD	1.190	77.59	83.61	97.93	1.210
OCK GROUP BHD	0.680	77.15	85.62	99.12	0.685
HUME CEMENT INDUSTRIES BHD	3.840	76.84	83.51	98.61	3.840
BERJAYA CORP BHD	0.345	76.51	80.23	91.74	0.355
SMRT HOLDINGS BHD	1.150	75.55	84.29	99.28	1.160
IGB REAL ESTATE INVESTMENT T	1.910	73.62	76.70	68.59	1.930
GUAN CHONG BHD	4.260	73.55	81.61	99.32	4.440
AWC BERHAD	1.280	73.25	80.07	95.66	1.330
SUNWAY BHD	4.100	73.03	79.20	94.15	4.150
PERDANA PETROLEUM BHD	0.480	73.01	78.37	81.62	0.500
HIAP TECK VENTURE BHD	0.495	72.79	78.32	88.31	0.510
UNITED U-LI CORP BHD	2.240	71.81	71.82	70.42	2.260
PHARMANIAGA BERHAD	0.425	70.06	74.66	72.24	0.435
IRIS CORP BHD	0.510	70.04	70.22	67.15	0.520

*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-WE	0.065	25.56	23.07	10.41	0.065	29/8/2024
LAGENDA PROPERTIES BHD-CD	0.015	26.83	19.49	2.68	0.015	30/10/2024
HANG SENG INDEX-UZ	0.060	28.23	23.83	8.56	0.055	30/7/2024
GENTING BHD-Y	0.010	29.03	23.20	4.93	0.005	30/8/2024
HANG SENG INDEX-U6	0.010	29.43	28.41	14.47	0.010	30/7/2024
HANG SENG INDEX-U8	0.010	29.49	23.18	5.10	0.010	30/7/2024
IOI PROPERTIES GROUP BHD-C24	0.055	29.82	27.23	51.64	0.040	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	0.810	85.56	87.49	94.15	0.825	31/12/2028
OCK GROUP BHD-WB	0.280	85.42	91.81	99.67	0.290	4/1/2026
SKB SHUTTERS CORP BHD-WA	0.600	83.23	85.74	88.73	0.635	10/2/2025
IJM CORP BHD-C83	0.205	83.16	82.98	85.39	0.225	31/12/2024
GAMUDA BHD-K	0.235	82.66	83.35	81.28	0.265	31/12/2024
MMAG HOLDINGS BHD-WC	0.180	80.88	89.98	99.71	0.180	31/12/2099
TENAGA NASIONAL BHD-J	0.200	76.96	79.88	96.78	0.210	29/11/2024
TECHBOND GROUP BHD-WA	0.215	74.40	78.42	92.19	0.225	24/2/2025
FAJARBARU BUILDER GROUP BHD-WC	0.180	73.71	77.81	92.06	0.185	14/10/2026
AHB HOLDINGS BHD-WC	0.080	72.76	76.24	87.40	0.080	20/5/2029

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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