

19 July 2024

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

BURSA	18-Jul	Day chg	% chg
KLCI	1,633.8	0.27	0.02%
FTSE EMAS	12,676.4	-2.0	-0.02%
FTSE Smallcap	19,941.3	-53.63	-0.27%
FTSE MESDAQ	5,999.1	-3.1	-0.05%
KLSE Mkt Cap (RM'b)	2,000.4	-2.0	-0.10%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-54.9	43.2%
Local Retail	33.6	20.3%
Foreign	21.3	36.5%

INDICES	18-Jul	Day chg	% chg
Dow Jones	40,665.0	-533.1	-1.29%
S&P 500	5,544.6	-43.7	-0.78%
NASDAQ	17,871.2	-125.7	-0.70%
FTSE-100	8,204.9	17.4	0.21%
Nikkei 225	40,126.4	-971.3	-2.36%
SHCOMP	2,977.1	14.3	0.48%
HSI	17,778.4	39.0	0.22%
STI	3,471.2	-18.4	-0.53%
KOSPI	2,824.4	-18.9	-0.67%
TWSE	23,398.5	-371.3	-1.56%
JCI	7,321.1	96.9	1.34%
SET	1,324.8	5.0	0.38%

FOREX	18-Jul	17-Jul	% chg
USD/MYR:	4.6695	4.6642	0.11%
EUR/USD:	1.0933	1.0931	0.02%
GBP/USD:	1.2991	1.3033	-0.32%
USD/YEN:	156.40	156.74	-0.22%
USD/SGD:	1.3407	1.3405	0.01%
USD/HKD:	7.8085	7.8076	0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	5,486.7	5,284.5	3.83%
Value (RMm):	4,222.6	3,877.9	8.89%
KLCI Future			
July-24	1,639.0	1,640.0	-0.06%
August-24	1,642.0	1,643.5	-0.09%
CPO Price (RM/tonne)	3,937.0	3,932.0	0.13%
Soybean (US\$/bu)	1,098.5	1,097.3	0.11%
SoyOil (USc/lb)	45.7	45.4	0.62%
Gold (US\$/troy oz)	2,456.4	2,459.9	-0.14%
Nymex crude oil (US\$/bbl)	82.8	82.9	-0.04%
Latex (RM/kg)	6.21	6.25	-0.64%
Tin (US\$/mt)	31,389.0	32,785.0	-4.26%

Research Highlights

NEWS HIGHLIGHTS

- AmanahRaya REIT signs Alfa International College as new tenant for Subang Jaya property
- SCIB secures RM70.0m Islamic banking facilities
- Haily bags RM76.7m construction job in JB
- Sapura Resources unit to explore JV on aircraft-related services
- Johor-based pawnbroker Well Chip posts RM11.9m quarterly net profit ahead of listing

MACRO BITS

- Big central banks are starting to cut rates, slowly
- June exports slowed sharply amid slower recovery in the manufacturing sector. (See Economic Viewpoint: Malaysia External Trade)
- Zafrul: Malaysia aims for 5.0% approved investment growth in 2024
- Miti: Malaysia hopes to increase economic cooperation through BRICS
- MYR127.0b foreign investments in digital-related projects approved from 2021 to March 2024 — Miti
- Taxation, govt aid are important components in determining country's fiscal position, says Hui Ying
- Malaysia, Philippines set to boost cooperation in agriculture — Mohamad Sabu
- After its competitiveness ranking hits record low, Malaysia plans task force to boost it to top 12
- Japan export growth cools amid worries about China slowdown
- Singapore c.bank expects 2024 growth closer to potential rate of 2.0-3.0%
- Goolsbee says Fed risks 'golden path' if it doesn't cut soon
- US mortgage rates fall for second week, easing strain on buyers
- ECB officials consider if only one more cut is feasible in 2024
- Lagarde says ECB strongly backs discipline on EU fiscal rules

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Automotive (June TIV), Media
- Results Note: ANCOMNY
- Company Update: GAMUDA
- Rating Summary
- Economic Viewpoint: MY External Trade, 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	PBBANK	4.25	1.9	42.64	PPB	15.00	2.5	0.69	PMETAL	5.50	-8.2	30.03
2	YTLPOWR	4.80	-3.0	30.81	MAXIS	3.60	2.0	2.32	YTLPOWR	4.80	-3.0	30.81
3	PMETAL	5.50	-8.2	30.03	PETGAS	18.52	2.0	0.50	SUNWAY	4.09	-1.2	17.49
4	SUNWAY	4.09	-1.2	17.49	PBBANK	4.25	1.9	42.64	HLF	17.24	-1.0	0.02
5	SIME	2.68	-0.4	15.69	KLK	20.90	1.9	0.65	MISC	8.62	-1.0	3.30
6	YTL	3.60	0.0	14.85	AXIATA	2.59	1.6	9.38	TENAGA	14.44	-0.4	5.59
7	AXIATA	2.59	1.6	9.38	IOI	3.83	1.1	3.07	SIME	2.68	-0.4	15.69
8	MAYBANK	10.10	0.2	9.07	CELCOMDIGI	3.73	0.8	2.29	HLBANK	19.00	-0.2	1.72
9	MRDIY	2.14	0.0	8.30	QL	6.79	0.4	2.67	GENT	4.80	-0.2	6.62
10	TM	7.12	-0.1	8.18	GENM	2.63	0.4	5.55	IHH	6.34	-0.2	4.37

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **AmanahRaya REIT signs Alfa International College as new tenant for Subang Jaya property**

AmanahRaya Real Estate Investment Trust said that it has signed a long-term tenancy agreement with Alfa International College Sdn Bhd for its property in Subang Jaya. The tenancy agreement with Alfa coincides with the expiry of the tenancy agreement with SEGi College on Feb 28, and it spans a lease term of 18 years on a triple net lease arrangement. The college is expected to begin operations by the fourth quarter of the year, said the trust. The property, located within Subang Jaya in USJ1, boasts a 12-storey purpose-built building fitted for educational purposes, held under a freehold tenure. *(The Edge Markets)*

- **SCIB secures RM70.0m Islamic banking facilities**

Sarawak Consolidated Industries Bhd (SCIB) and its wholly owned subsidiary SCIB Industrialised Building System Sdn Bhd have secured two Islamic banking facilities worth RM70.0m from Small Medium Enterprise Development Bank Malaysia Bhd. The banking facilities are to enhance financial operations and project execution capabilities. The industrialised building systems specialist said the facilities included Kafalah (Bank Guarantee-i) facility valued at RM15.0m that is designated for issuing performance guarantees. *(The Star)*

- **Haily bags RM76.7m construction job in JB**

Builder Haily Group Bhd has secured a RM76.7m contract to construct 171 units of link houses in Kempas Baru, Johor Bahru. Haily said its wholly-owned subsidiary, Haily Construction Sdn Bhd, has accepted a letter of award issued by Razin Architects Sdn Bhd on behalf of Kews Senibong Sdn Bhd. The project will be executed in two phases. The first phase, commencing on July 16, is expected to be completed by October 15, 2025. The second phase will start within nine months from the commencement date of the first phase and is expected to be completed within 22 months. *(The Edge Markets)*

- **Sapura Resources unit to explore JV on aircraft-related services**

Sapura Resources Bhd's wholly-owned subsidiary Sapura Aero Sdn Bhd has entered into a memorandum of understanding with MRO Sdn Bhd to establish a joint venture to provide aircraft and other aviation-related services. The group said the services include aircraft management, maintenance, repair and overhaul (MRO), ground Handling and aircraft parking/hangarage. "The formation of a JV company will result in the creation of an organisation that can evolve to be a key regional player offering a full suite of services for private jets i.e., aircraft management, ground handling and MRO with multiple regulatory approvals, which will allow the JV company to be better positioned to compete against the other big players in the market," said the group. *(The Star)*

- **Johor-based pawnbroker Well Chip posts RM11.9m quarterly net profit ahead of listing**

Well Chip Group Bhd, which is set to be listed on the Main Market of Bursa Malaysia next Tuesday (July 23), said its net profit for the first quarter ended March 31, 2024 (1QFY2024) came in at RM11.9m or 2.6 sen per share. Quarterly revenue was RM54.8m, of which RM21.0m or 38.2% was derived from its pawnbroking services segments and RM33.9m (61.8%) was derived from its retail and trading of jewellery and gold segment. Well Chip said its plans to continue expanding its network of pawnshops in Johor and at the same time penetrate new geographical markets within Peninsular Malaysia. *(The Edge Markets)*



19 July 2024

Macro Bits

Global

- [Big central banks are starting to cut rates, slowly](#) The move to ease monetary policy among major central banks is proving much slower than the race to jack up interest rates from late 2021 to curtail surging inflation. *(Reuters)*

Malaysia

- **June exports slowed sharply amid slower recovery in the manufacturing sector** Exports moderated sharply to 1.7% (May: 7.1%), below market expectations (consensus: 3.3%) but slightly above our house forecast (KIBB: 1.4%). We slightly revised the 2024 export growth forecast to 7.3% (2023: -8.0%) from the previous forecast of 9.4%. *(See Economic Viewpoint: Malaysia External Trade)*
- [Zafrul: Malaysia aims for 5.0% approved investment growth in 2024](#) Malaysia is targeting a 5.0% growth in approved investments in 2024, said Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz. *(The Edge Markets)*
- [Miti: Malaysia hopes to increase economic cooperation through BRICS](#) Malaysia hopes to increase opportunities for economic cooperation through the BRICS intergovernmental organisation as an alternative to reducing reliance on traditional markets, said the Ministry of Investment, Trade and Industry (Miti). *(The Edge Markets)*
- [MYR127.0b foreign investments in digital-related projects approved from 2021 to March 2024 — Miti](#) The Ministry of Investment, Trade and Industry (Miti), through the efforts of the Digital Investment Office, recorded approved foreign investments in digital-related projects worth MYR127.0b between 2021 and March 2024. *(The Edge Markets)*
- [Taxation, govt aid are important components in determining country's fiscal position, says Hui Ying](#) The Ministry of Finance (MOF) stressed that tax collection and the provision of government subsidies, incentives and assistance are significant components of the country's fiscal position. *(The Edge Markets)*
- [Malaysia, Philippines set to boost cooperation in agriculture — Mohamad Sabu](#) Malaysia is ready to sign a Letter of Intent (LOI) with the Philippines to strengthen technical and trade cooperation in agriculture, said Agriculture and Food Security Minister Datuk Seri Mohamad Sabu. *(The Edge Markets)*
- [After its competitiveness ranking hits record low, Malaysia plans task force to boost it to top 12](#) The Putrajaya government plans to establish a task force to boost Malaysia's standing to become the world's top 12 most competitive country by 2033, said Minister of Investment, Trade and Industry Tengku Datuk Seri Zafrul Abdul Aziz. *(The Edge Markets)*

Asia Pacific

- [Japan export growth cools amid worries about China slowdown](#) Japanese exports rose in June for a seventh straight month, but the pace of growth slowed to its lowest since late last year, data showed on Thursday, underscoring concerns that a slowdown in China may hamper Japan's trade-reliant economy. *(Reuters)*
- [Singapore c.bank expects 2024 growth closer to potential rate of 2.0-3.0%](#) Singapore's full-year economic growth will come in closer to its potential rate of 2.0% to 3.0% and core inflation is expected to ease more significantly in the final quarter of the year, the head of its central bank said on Thursday. *(Reuters)*

Americas

- [Goolsbee says Fed risks 'golden path' if it doesn't cut soon](#) Federal Reserve Bank of Chicago President Austan Goolsbee suggested the central bank may need to lower borrowing costs soon in order to avoid a sharper deterioration in the labor market, which has cooled in recent months. *(Bloomberg)*
- [US mortgage rates fall for second week, easing strain on buyers](#) Mortgage rates in the US dropped for a second straight week. The average for a 30-year, fixed loan was 6.77%, the lowest since mid-March and down from 6.89% last week, Freddie Mac said in a statement Thursday. *(Bloomberg)*

Europe

- [ECB officials consider if only one more cut is feasible in 2024](#) European Central Bank policymakers are increasingly wondering if they may only be able to cut interest rates once more this year, according to people familiar with the matter. *(Bloomberg)*
- [Lagarde says ECB strongly backs discipline on EU fiscal rules](#) The European Central Bank firmly backs the European Union's push to bring budget policies in indebted nations in line with the region's fiscal rules, President Christine Lagarde said. *(Bloomberg)*



19 July 2024

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PMB TECHNOLOGY BHD	2.250	19.30	11.04	0.38	2.180

*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
SUNWAY CONSTRUCTION GROUP BH	5.080	87.88	91.34	97.53	5.150
BERJAYA CORP BHD	0.390	87.47	91.40	98.78	0.400
WCT HOLDINGS BHD	1.280	81.87	84.86	92.92	1.290
EKOVEST BHD	0.570	80.52	87.44	98.84	0.580
BURSA MALAYSIA BHD	9.820	79.73	78.73	65.24	10.100
SEAL INCORPORATED BERHAD	0.755	77.13	78.78	74.68	0.800
HUME CEMENT INDUSTRIES BHD	3.850	76.63	81.57	76.99	3.970
SMRT HOLDINGS BHD	1.260	76.47	81.24	87.13	1.290
HUBLINE BHD	0.100	76.44	80.62	90.42	0.105
PERDANA PETROLEUM BHD	0.495	76.29	82.36	91.81	0.510
PHARMANIAGA BERHAD	0.470	76.16	80.62	87.34	0.470
TALIWORKS CORP BHD	0.845	75.56	82.97	96.03	0.860
TROPICANA CORP BHD	1.680	75.54	77.99	68.53	1.800
IGB REAL ESTATE INVESTMENT T	1.930	75.52	77.83	77.67	1.950
KERJAYA PROSPEK GROUP BHD	2.180	75.17	79.44	87.23	2.220
TEO SENG CAPITAL BHD	1.980	74.64	83.14	97.75	2.000
MALAYAN UNITED INDUSTRIES BH	0.100	73.64	77.45	88.60	0.105
KUMPULAN FIMA BHD	2.270	71.63	81.42	99.42	2.280
PGF CAPITAL BHD	2.320	71.55	77.60	95.91	2.360
KIMLUN CORP BHD	1.620	70.28	75.29	79.22	1.670
AWC BERHAD	1.290	70.04	73.45	60.44	1.350

*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
CAPITAL A BHD-WA	0.250	28.71	18.27	1.34	0.255	29/12/2028
HANG SENG INDEX-XF	0.010	29.60	29.96	24.58	0.010	30/7/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
MMAG HOLDINGS BHD-WC	0.265	92.36	97.15	99.97	0.295	31/12/2099
GAMUDA BHD-M	0.205	90.37	91.54	96.17	0.220	28/2/2025
GAMUDA BHD-K	0.300	88.36	90.18	95.67	0.340	31/12/2024
SUNWAY CONSTRUCTION GROUP BHD-C17	0.220	87.23	88.23	94.39	0.225	31/12/2024
BURSA MALAYSIA BHD-C83	0.200	86.04	83.89	72.36	0.230	31/12/2024
EKOVEST BHD-C56	0.120	85.46	94.13	99.96	0.125	24/1/2025
SP SETIA BHD GROUP-C82	0.110	82.53	88.31	95.59	0.110	29/11/2024
FAJARBARU BUILDER GROUP BHD-WC	0.225	81.30	85.36	93.66	0.250	14/10/2026
ITMAX SYSTEM BHD-CI	0.225	78.82	82.29	89.05	0.255	24/1/2025
RHB BANK BHD-C53	0.060	77.48	81.74	87.44	0.065	30/10/2024
ECO WORLD DEVELOPMENT GROUP BHD-WB	0.580	76.71	83.27	98.80	0.595	12/4/2029
CWG HOLDINGS BHD-WA	0.090	74.84	81.25	92.86	0.110	2/3/2027
EKOVEST BHD-C52	0.080	74.64	81.82	92.36	0.085	13/1/2025
SP SETIA BHD GROUP-C84	0.130	74.64	81.88	93.41	0.135	24/1/2025
IJM CORP BHD-C86	0.260	74.55	73.20	66.15	0.300	28/2/2025
INARI AMERTRON BHD-R	0.085	73.33	65.23	23.91	0.100	31/12/2024
HIAP TECK VENTURE BHD-CD	0.060	73.25	63.82	39.34	0.070	5/5/2025
RAMSSOL GROUP BHD-WA	0.345	72.75	76.75	76.82	0.360	2/3/2028
SIME DARBY PROPERTY BHD-C30	0.310	72.39	75.72	89.97	0.315	20/1/2025
SIME DARBY PROPERTY BHD-C32	0.145	71.93	78.79	93.39	0.150	28/2/2025
EG INDUSTRIES BHD-WD	0.745	70.40	67.03	43.08	0.880	31/12/2028
EG INDUSTRIES BHD-WD	0.745	70.40	67.03	43.08	0.880	31/12/2028

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