

MARKET NEWS

The FBMKLCI rose 4.12pt to close at 1,821.25 yesterday buoyed by positive sentiments in the overnight US market as index-linked counters rebounded strongly. Meanwhile, Asian stocks headed for a five-month high after US equities climbed to records on rising consumer spending. The MSCI Asia Pacific Index advanced 0.2 % to 146.34. The FBMKLCI's top losers were Skpetro (-4.76%), RHBCap (-1.37%) and Pchem (-0.91%) while the top gainers were FGV (+3.20%), GENM (+2.46%) and Astro (+1.92%). In the broader market, losers barely outpaced gainers 461 to 420 with 282 counters unchanged. Turnover was 2.83b shares valued at RM2.35b.

From the technical perspective, a positive closing above the BBI's line yesterday indicates a potential change in the outlook and the index managed to close positively at 1,821.25. Nevertheless, the medium-term outlook remains neutral, based on a consolidation range of 1,800-1,830 which if breached should translate into a stronger movement hereafter. Support and resistance levels are maintained as follows:

Support: 1,800, 1,770

Resistance: 1,830, 1,845

US markets retreated on Tuesday as weaker-than-expected growth in monthly car sales send shares of Ford and Fiat Chrysler sharply down. The S&P 500 closed 0.5% lower at 2,107.78, while the DJIA dropped 0.5% to 18,203.37. Mylan NV and Ford Motor were among the S&P's biggest decliners, falling 2.4% and 3.3% respectively. Mylan delivered a quarterly report that roughly matched Wall Street's forecasts, while Ford reported that its February US vehicle sales fell 1.9% yoy.

WHAT'S IN THE PACK

Banking

4Q14 results round-up: Drag From non-Interest Income and NIM pressure. Maintain MARKET WEIGHT.

Bina Puri Holdings (BIN MK)

Technical BUY with +23.3% potential return
BUY with a target price of RM0.715 and stop loss at below RM0.54. Currently, share price is consolidating within the immediate support of RM0.545 before yesterday's positive closing above the BBI sets a new tone for the short-term outlook.

Kinsteel (KSB MK)

Technical BUY on breakout with +44.1% potential return
BUY with a target price of RM0.895 and stop loss at below RM0.635. Yesterday, KSB managed to penetrate the breakout level of RM0.68 on a higher trading volume which indicates strong buying momentum.

SHH Resources Holdings (SHH MK)

Technical BUY with +21.7% potential return
BUY with a target price of RM1.12 and stop loss at below RM0.825. A buying signal is seen as the stock has been trading above the cloud.

FBMKLCI CHART



Source: BursaStation

KEY INDICES

	Prev Close	Chg (%)	YTD (%)
DJIA	18,203.37	(0.47)	2.13
S&P 500	2,107.78	(0.45)	2.37
FTSE 100	6,889.13	(0.74)	4.92
CSI 300	3,507.90	(2.59)	(0.73)
FSSTI	3,422.11	0.54	1.69
HSCEI	11,945.25	(2.20)	(0.33)
HSI	24,702.78	(0.74)	4.65
JCI	5,474.62	(0.06)	4.74
KLCI	1,821.25	0.23	3.41
KOSPI	2,001.38	0.23	4.48
Nikkei 225	18,815.16	(0.06)	7.82
SET	1,562.84	(1.22)	4.35
TWSE	9,605.77	0.05	3.21
BDI	553.00	0.91	(29.28)
CPO (RM/mt)	2,378.00	0.21	4.94
Nymex Crude (US\$/bbl)	50.50	(0.04)	(6.93)

Source: Bloomberg

TOP VOLUME

Stock	Price (RM)	Chg (%)	Vol ('000)
Privasia Technology	0.21	2.44	173,374
Sanichi Technology	0.11	10.53	136,427
Wintoni Group Bhd	0.23	(6.12)	123,238
Nexgram Holdings	0.12	9.52	108,128
Asia Bioenergy	0.12	4.55	107,554

TOP GAINERS

Stock	Price (RM)	Chg (%)	Vol ('000)
Nomad Group	1.20	33.3	275
G Neptune Bhd	0.06	33.3	21,153
1 Utopia Bhd	0.05	25.0	2,400
Compugates	0.06	22.2	3,794
Jhm Consolidation	0.18	20.6	1

TOP LOSERS

Stock	Price (RM)	Chg (%)	Vol ('000)
Acme Holdings Bhd	0.27	(22.86)	87.8
Yoong Onn Corp	0.97	(10.65)	19.0
Brahim'S Holdings	2.05	(10.26)	904.8
McLean	0.18	(10.00)	348.5
Kamdar Group M	0.45	(9.09)	99.0

Source: Bloomberg

TRADERS' CORNER



Bina Puri Holdings (BIN MK)

Technical BUY with +23.3% potential return

Last price : RM0.58

Target price : RM0.635, RM0.715

Support : RM0.545

Stop loss : RM0.54

BUY with a target price of RM0.715 and stop loss at below RM0.54. Currently, share price is consolidating within the immediate support of RM0.545 before yesterday's positive closing above the BBI sets a new tone for the short-term outlook. We expect BIN to continue to make higher highs and higher lows towards our target. A bullish bias has been established following an uptick in the DMI and a positive reading in Aroon that is currently in the 100-level territory.

Expected Timeframe: 2 weeks to 2 months



Kinsteel (KSB MK)

Technical BUY on breakout with +44.1% potential return

Last price : RM0.15

Target price : RM0.195, RM0.245

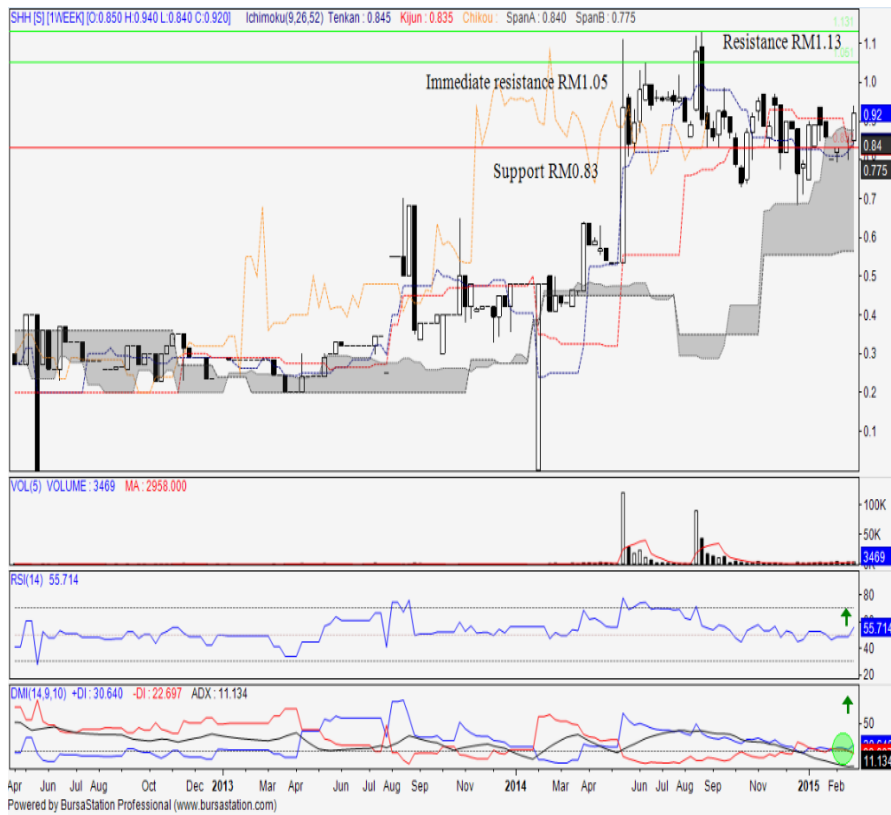
Support : RM0.135

Stop loss : RM0.13

BUY on breakout with a target price of RM0.245 and stop loss at below RM0.13. Since correcting from a previous high of RM0.305 to a low of RM0.135, KSB has seen its share price recover gradually and move above the 7-day and 21-day EMA, effectively reversing its downtrend. This is supported by the uptick in the DMI that is showing a bullish crossover which supports the upward momentum. We peg our targets at RM0.775 and RM0.895 once share price penetrates the RM0.17 levels.

Expected Timeframe: 2 weeks to 2 months

TRADERS' CORNER



SHH Resources Holdings (SHH MK)

Technical BUY with +21.7% potential return

Last price : RM0.92

Target price : RM1.04, RM1.12

Support : RM0.83

Stop loss : RM0.825

BUY with a target price of RM1.12 and stop loss at below RM0.825. A buying signal is seen as the stock has been trading above the cloud. The Heat Wave indicators - Tenkan-sen line, Kijun-sen line and the Chikao span line - show bullish signals. The uptick in the RSI suggests buying momentum is set to continue in the near term. This is supported by a bullish crossover on the DMI indicators. We peg our targets at RM1.04 and RM1.12 respectively.

Expected Timeframe: 2 weeks to 3 months

CORPORATE NEWS

CI Holdings: In negotiation over corporate exercise.

C.I. Holdings is negotiating with several parties on a possible corporate exercise, although it is currently still in preliminary stages. Shares in C.I. Holdings dipped following the query after four days of upward trajectory. The stock hit limit-up on Monday and had been rallying since last Wednesday, making gains of 75 sen or 65.8% over four trading days. (Source: StarBiz)

Genting Malaysia: Associate buys luxury Crystal Cruises for US\$550m.

Genting Hong Kong Ltd (GHK), an associate of Genting Malaysia, said yesterday it had entered into an agreement to acquire leading luxury cruise line Crystal Cruises Inc from Nippon Yusen Kabushiki Kaisha of Japan for US\$550m (RM2b) in cash. GHK, listed in Hong Kong and Singapore, is a 17.8% associate of Genting Malaysia, which is in turn a 49.3% subsidiary of Genting Bhd. The acquisition will be the second cruise brand under GHK, after its wholly-owned Star Cruises Ltd. (Source: The Edge Financial Daily)

Ni Hsin: Diversifies into solar energy.

Cookware manufacturer Ni Hsin Resources is diversifying into solar energy. Ni Hsin's chairman Md Nazir Md Kassim said the company had signed a Heads of Agreement (HOA) for the acquisition of the entire equity stake in solar energy entity Helios Photovoltaic Sdn Bhd. He added that the proposed corporate exercise will further strengthen Ni Hsin's fundamentals while providing a major income stream to the company in the near future. Despite the diversification, Ni Hsin will continue to grow its existing cookware business by expanding into China, Indonesia and other South East Asian markets. (Source: The Edge Financial Daily)

Oriental Holdings: Acquires majority stake in Indonesian plantation unit.

Oriental Holdings, which is controlled by the family of the late tycoon Tan Sri Loh Boon Siew, has acquired a 90% equity interest in Sumatra-based PT Surya Agro Persada from PT Kencana Sawit Abadi for RM98.3m. Surya Agro Persada is involved in the cultivation of oil palm plantation. It holds a concession for parcels of land totaling 11,889ha in Rawas Lir and Muara Lakitan, South Sumatra. The group plans to fund the acquisition via bank borrowings. (Source: The Edge Financial Daily)

Sapura Kencana Petroleum: High borrowing poses write-off challenge to some of its assets.

Since Petrolia National Bhd (Petronas) posted net losses of RM7.3b due to some RM22.6b in assets impairment losses and weaker energy prices in its latest quarter under review, the market is concerned the same could be in store for other local oil and gas (O&G) companies, especially those with high borrowings such as Sapura Kencana Petroleum if earnings decline. Sapura Kencana's share price fell 13 sen yesterday to RM2.60, as the market awaits its financial results due at end-March, on risk its upstream expansion and high gearing level with curtail expansion and require fresh incremental capital amid concerns over write-off some acquisition. (Source: The Malaysian Insider)

Time dotCom: Signs MoU with TM for SKR1M.

TT dotcom Sdn Bhd, a wholly-owned subsidiary of Time dotcom Bhd, signed a memorandum of understanding (MoU) yesterday with Telekom Malaysia (TM) to construct and develop a new submarine cable system, Sistem Kabel Rakyat 1 Malaysia (SKR1M). SKR1M, to connect Peninsular Malaysia, Sabah and Sarawak, via a 3,500km submarine cable system with an initial capacity of 4 terabytes per second, will improve internet speed, reliability and national broadband connectivity. It is one of the country's Budget 2014 projects. (Source: StarBiz)

SECTOR

Healthcare: Qualitas said to pursue IPO next month.

Qualitas Healthcare Corp has decided to pursue an IPO next month as an optimum route for the future growth of the company. A source says that after negotiations and after weighing the pros and cons of both options (an IPO or to sell its business outright to other healthcare groups), the major shareholders of Qualitas have reached a decision to proceed with the IPO, which will take place in April. (Source: *The Edge Financial Daily*)

Plantation: MPOC in bid to break anti-palm oil perception.

Malaysia Palm Oil Council (MPOC) will join hands with European companies that use palm oil in aiming to break the negative perception revolving around Malaysia palm oil products in Europe. MPOC deputy CEO Dr Kalyana Sundram said Europe, unlike many other regions, remains a challenging market for the Malaysian edible oil. With a new food regulation coming in force in Europe, anti-palm oil campaigns are getting louder in certain countries particularly Belgium and France, he said. (Source: *The Malaysian Reserve*)

Power: Fate of 2,000MW project 3B to be known next week.

The fate of the controversial 3B power plant project that was awarded to 1Malaysia Development Bhd (1MDB) would be known next week. The project that was supposed to be commissioned in stages beginning 1 Oct 18, is bogged down by delays and so far, there has not been any news of its financing being firmed up. Energy Commission chairman Datuk Abdul Razak Abdul Majid said the commission was in constant contact with 1MDB on Project 3B. (Source: *StarBiz*)

FROM THE REGIONAL MORNING NOTES...

Banking : 4Q14 Results Round-up: Drag From Non-interest Income And NIM Pressure

Sector earnings in 4Q14 were generally disappointing, dragged down by a spike in provisions for CIMB, weak non-interest income and persistent NIM pressure on net interest income growth. Maintain MARKET WEIGHT. Maybank remains our top pick as it has a more balanced and diversified portfolio as well as a relatively attractive dividend yield in excess of 6%. Despite a HOLD for CIMB, we advocate a sell-into strength strategy as we see downside risk in its ability to execute its T18 initiatives.

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