

Sentiment turned murky

Market Review

Malaysia: The FBM KLCI (-0.9%) extended its losses alongside with the weakness across regional peers as the key index erased all its weekly gains to close 0.5% WoW lower. The lower liners were also downbeat, while plantation sector (+0.3%) was the sole outperformer on the broader market.

Global markets: The US stockmarkets rebounded as the Dow (+1.4%) recouped most of its previous session losses, boosted by recovery plays following the positive developments over Merck & Co's experimental Covid-19 pill. Both the European and Asia stockmarkets ended on a downbeat note.

The Day Ahead

The FBM KLCI ended the week in the negative territory, mirroring the overnight losses in Wall Street on the back of inflation fears as well as the regional weaknesses. Entering the final quarter of 2021, investors may expect for further economic recovery as the government eyes international border reopening in December, as well as interstate travelling resume once 90% adults have been fully vaccinated (currently stood at 87.6%). Commodities wise, the crude oil price advanced while the CPO price retreated.

Sector focus: We reckon the technology sector may take cue from the overnight positive momentum in Nasdaq. Besides, the transportations & logistics counters may shine along with the firmer Baltic Exchange Dry Index that stood above the 5,000 mark. With the anticipation of interstate and international travelling, it may benefit the tourism and aviation sectors.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI extended its losses on Friday, moving further away from the daily EMA9 level. Technical indicators remained negative as the MACD Histogram has extended a red bar, while the RSI continued hovering below the 50 level. Resistance is envisaged at 1,550-1,560, while the support is located at 1,515.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	34,326.46	1.43
S&P 500	4,357.04	1.15
NASDAQ	14,566.70	0.82
FBM KLCI	1524.48	-0.87
FBM Small Cap	16,051.52	-0.17
FBM ACE	7,064.42	-1.32
Construction	163.06	-0.91
Consumer	600.81	-0.90
Energy	720.59	-2.96
Financial Services	16,160.08	-0.31
Healthcare	2,534.74	-0.49
Ind Products	202.93	-0.64
Plantation	6,348.08	0.31
Property	77.79	-0.20
REITs	806.94	-0.08
Technology	94.45	-0.32
Telco & Media	665.90	-0.75
Transport	888.74	-0.81
Utilities	896.85	-0.15
Trading Vol (m)	3,968.27	-9.57
Trading Val (RM m)	2,726.30	-18.29
Advance/ Decline	36%	
FKLI	1520.00	-1.17
FCPO (RM)	4,505.00	-1.96
Brent oil (USD)	79.28	-0.13
Gold (USD)	1760.98	0.23
USD	4.179	0.17
GBP	5.6316	-0.10
EURO	4.8391	0.33
SGD	3.0771	-0.01

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
157.0	184.9	-341.9

Source: Bloomberg, Bursa Market Place

Company Brief

Velesto Energy Bhd (VEB) has secured a US\$12.4m contract from Petronas Carigali Sdn Bhd for the provision of jack-up drilling rig services. For the provision of drilling rig services for Petronas Carigali drilling programme, VEB Group assigned its NAGA 2 to drill five firm wells, with the extension option of one plus one well, with an expected commencement date of between 1st December 2021 to 31st December 2021. (The Star)

Solarvest Holdings Bhd has secured a RM22.2m contract from NEFIN Group to install rooftop solar photovoltaic panels on the facilities of XSD International Paper Sdn Bhd in Padang Meha, Kedah. (The Star)

Serba Dinamik Holdings Bhd is implementing an internal restructuring exercise which entails the appointment of Dr Mohamed Ackiel Mohamed as deputy CEO with effect from 1st October 2021. The restructuring exercise also includes the appointment of a few key management personnel as heads of region where the global integrated oil and gas (O&G) service provider has a strong presence. (The Star)

CTOS Digital Bhd has reported that Bank Negara Malaysia (BNM) has temporarily suspended the Central Credit Reference Information System (CCRIS) services to credit reporting agencies. The group wholly-owned subsidiary CTOS Data Systems Sdn Bhd had received a letter/directive from the central bank regarding the temporary suspension of access, effective 1st October 2021. (The Edge)

Media Prima Bhd has redesignated its group executive director Mohd Rafiq Mat Razali as group managing director (GMD) of the media company. The GMD position was vacant following the resignation of Datuk Iskandar Mizal Mahmood in May 2021, after just over a year on the job. (The Edge)

US private equity firm TPG Capital and Malaysian state-owned investment company Johor Corp are considering a plan to take **KPJ Healthcare Bhd** private. The San Francisco-based firm and the investment arm of the Johor state government are in talks with banks to finance the potential deal involving Malaysia's largest private-hospital operator. (The Edge)

TH Plantations Bhd has appointed Mohamed Zainurin Mohamed Zain as its chief executive officer (CEO) effective immediately. He replaces Muzmi Mohamed, whose contract ended on 30th September 2021. Mohamed Zainurin, 54, was formerly financial controller at New Britain Palm Oil Ltd, a subsidiary of **Sime Darby Plantation Bhd**, based in Papua New Guinea. (The Edge)

T7 Global Bhd has reported that the memorandum of understanding (MoU) it entered into with Japanese's Mitsui E&S Shipbuilding Co Ltd, under which the groups planned to collaborate and explore opportunities for the supply of ships in Vietnam, has been mutually terminated. (The Edge)

Kumpulan Wang Amanah Persaraan (Diperbadankan) (KWAP) has ceased to be a substantial shareholder of **Malayan Banking Bhd** (Maybank) after the retirement fund disposed a total of 1.0m shares in the open market on 29th September 2021. Following the disposal, KWAP has 541.1m shares or 4.6% direct interest in Maybank. It also has 44.0m shares or 0.4% indirect interest in the banking group. (The Edge)

Eversendai Corp Bhd executive director Narishnath Nathan has been redesignated as deputy group managing director of the group, effective immediately. He is the son of Eversendai's founder, executive chairman and group managing director Tan Sri AK Nathan Elumalay. (The Edge)

Hong Seng Consolidated Bhd has announced that it will be acquiring a 51.0% stake in Covid-19 antibody testing kit distributor RZAC Immunesafe Sdn Bhd for RM20.0m. Hong Seng's wholly-owned subsidiary HS Bio Sdn Bhd has entered into a share sale agreement with Datuk Seri Shahril Mokhtar, Datuk Wan Khalik Wan Muhammad and RZAC Business Sdn Bhd to undertake the proposed acquisition. (The Edge)

Lysaght Galvanised Steel Bhd has received a notice in writing from Ernst & Young PLT (EY) of the latter's decision to resign effective 29th September 2021. EY's resignation is on a voluntary basis. (The Edge)

Perdana Petroleum Bhd has appointed Jamalludin Obeng as its new managing director (MD). He is currently vice-president of the Malaysian Oil & Gas Services council. (The Edge)

Landmarks Bhd is selling its entire stakes in 5 of its subsidiaries to Singapore's Blumont Group Ltd for a combined S\$63.4m (RM195.1m), which would be fully satisfied via the issuance of new shares in Blumont. These companies are involved in operations and/or own lands located in Chill Cove, which is a 52.0-ha resort city located within Treasure Bay Bintan on the Indonesian island of Bintan, developed by Landmarks and its subsidiaries. Chill Cove is an attraction park comprising a 5-star hotel, an activity hub, a desert-inspired glamping concept resort and a marine park. (The Edge)

Technical Focus Tracker

Technical Focus Tracker											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Long Term Target (RM)	Support (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	HARBOUR	17-Sep	1.030	1.060	1.130	1.200	0.975	0.970	1.440	39.8%	On-going
2	GCB	22-Sep	3.020	3.090	3.180	3.390	2.820	2.810	2.980	-1.3%	On-going
3	SUPERLN	27-Sep	0.885	0.935	0.980	1.050	0.855	0.850	0.905	2.3%	On-going
4	PADINI	29-Sep	3.030	3.150	3.230	3.370	2.950	2.940	3.040	0.3%	On-going
5	SUNWAY	4-Oct	1.720	1.790	1.820	1.900	1.640	1.630	1.720	0.0%	Initiate position

4Q21 Stock Picks											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Long Term Target (RM)	Support (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	AIRASIA	29-Sep	1.030	1.110	1.120	-	0.890	0.850	1.010	-1.9%	On-going
2	JAKS	29-Sep	0.470	0.565	0.600	-	0.460	0.440	0.460	-2.1%	On-going
3	OKA	29-Sep	0.780	0.870	0.945	-	0.720	0.700	0.805	3.2%	On-going
4	SCGBHD	29-Sep	0.450	0.500	0.545	-	0.410	0.390	0.470	4.4%	On-going
5	OMH	29-Sep	3.130	4.200	4.690	-	2.550	2.500	2.930	-6.4%	On-going
6	KGB	29-Sep	1.740	2.000	2.200	-	1.530	1.500	1.730	-0.6%	On-going
7	KRONO	29-Sep	0.650	0.745	0.795	-	0.585	0.575	0.615	-5.4%	On-going
8	OCK	29-Sep	0.495	0.575	0.620	-	0.440	0.420	0.470	-5.1%	On-going
9	OPTIMAX	29-Sep	1.380	1.520	1.640	-	1.180	1.150	1.390	0.7%	On-going

Technical Focus Tracker Summary	
Total recommendations	158
Total winners	91
Total losers	65
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	228.7%
Accuracy (2021)	61.4%
FBM KLCI (Since 4/1/2021)	-6.3%
FBM Small Cap (Since 4/1/2021)	3.1%
Malaysia GDP Growth (2Q21)	16.1%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
L&G (3174)	Final	RM0.005	31/5/2021	4/10/2021	RM0.12	RM0.13	4.0	4.2
QL (7084)	Regular Cash	RM0.04	19/8/2021	4/10/2021	RM5.61	RM5.32	0.7	-5.2
RHBANK (1066)	Interim	RM0.15	22/9/2021	5/10/2021	RM5.38	RM5.49	2.7	2.0
ASTRO (6399)	2nd Interim	RM0.02	21/9/2021	5/10/2021	RM1.05	RM1.05	1.4	0.0
PCCS (6068)	Interim	RM0.01	27/8/2021	5/10/2021	RM0.45	RM0.51	2.0	13.3
ASIAFL (7129)	Final	RM0.02	28/5/2021	5/10/2021	RM2.26	RM2.44	0.6	8.0
STELLA (5006)	Final	RM0.03	15/7/2021	5/10/2021	RM0.98	RM0.93	2.7	-5.1
UNISEM (5005)	Bonus	1:1	23/8/2021	6/10/2021	RM8.60	RM8.45	-	-1.7
TJENWAH (7374)	Interim	RM0.03	13/8/2021	6/10/2021	RM0.92	RM1.19	2.4	29.3
COMFORT (2127)	2nd Interim	RM0.02	21/9/2021	7/10/2021	RM1.37	RM1.30	1.5	-5.1
MFCB (3069)	Interim	RM0.03	21/9/2021	7/10/2021	RM3.51	RM3.64	0.9	3.7
COCOLND (7205)	Bonus	1:1	9/4/2021	7/10/2021	RM1.74	RM1.92	-	10.5
PERSTIM (5436)	Final	RM0.20	13/8/2021	7/10/2021	RM3.83	RM4.06	4.9	6.0
MNRB (6459)	Final	RM0.04	24/9/2021	8/10/2021	RM1.26	RM1.27	3.1	0.8
NTPM (5066)	1st Interim	RM0.01	24/9/2021	8/10/2021	RM0.49	RM0.49	1.6	0.0
AYS (5021)	1st Interim	RM0.02	25/8/2021	8/10/2021	RM0.39	RM0.69	2.2	76.9
SHL (6017)	Final	RM0.08	27/8/2021	11/10/2021	RM1.93	RM2.02	4.0	4.7
CBIP (7076)	1st Interim	RM0.02	26/8/2021	12/10/2021	RM1.35	RM1.27	1.6	-5.9
SCGM (7247)	1st Interim	RM0.02	28/9/2021	12/10/2021	RM2.51	RM2.40	0.8	-4.4
ATAIMS (8176)	Final	RM0.03	3/8/2021	12/10/2021	RM2.91	RM2.60	1.3	-10.7
BONIA (9288)	Interim	RM0.02	28/9/2021	12/10/2021	RM0.83	RM0.85	2.4	1.8
SJC (9431)	Bonus-Options	1:2	23/7/2021	13/10/2021	RM2.30	RM2.51	-	9.1
AEONCR (5139)	Interim	RM0.29	28/9/2021	13/10/2021	RM11.88	RM12.60	2.3	6.1
VS (6963)	4th Interim	RM0.01	24/9/2021	14/10/2021	RM1.70	RM1.59	0.3	-6.5
MYEG (0138)	1st Interim	RM0.00	23/8/2021	14/10/2021	RM0.93	RM0.92	0.3	-0.5
SOLID (5242)	Final	RM0.00	27/8/2021	14/10/2021	RM0.25	RM0.25	1.2	-2.0
BAUTO (5248)	1st Interim	RM0.01	13/9/2021	15/10/2021	RM1.58	RM1.55	0.3	-1.9
CARLSBG (2836)	Interim	RM0.10	20/8/2021	15/10/2021	RM21.90	RM22.28	0.4	1.7
PECCA (5271)	Stock Dividend	1:41	27/9/2021	18/10/2021	RM2.95	RM2.98	-	1.0
CIHLDG (2828)	Final	RM0.12	27/8/2021	26/10/2021	RM4.18	RM3.78	3.2	-9.6
HEIM (3255)	Interim	RM0.15	25/8/2021	27/10/2021	RM22.50	RM23.10	0.6	2.7
CHINWEL (5007)	2nd Interim	RM0.02	15/9/2021	27/10/2021	RM1.32	RM1.26	1.4	-4.5
KIMHIN (5371)	Interim	RM0.02	15/9/2021	27/10/2021	RM0.93	RM0.90	2.2	-3.2
KMLONG (5027)	Interim	RM0.05	28/9/2021	27/10/2021	RM1.52	RM1.51	3.3	-0.7
CRESNDO (6718)	Interim	RM0.02	28/9/2021	27/10/2021	RM1.20	RM1.21	1.7	0.8
SIMEPLT (5285)	Interim	RM0.08	18/8/2021	27/10/2021	RM3.85	RM3.64	2.2	-5.5
TGUAN (7034)	2nd Interim	RM0.01	26/8/2021	28/10/2021	RM2.81	RM2.63	0.4	-6.4
SIMEPROP (5288)	1st Interim	RM0.01	26/8/2021	28/10/2021	RM0.63	RM0.65	1.6	2.4
HLCAP (5274)	Final	RM0.26	30/8/2021	28/10/2021	RM6.08	RM6.70	3.9	10.2
PTRANS (0186)	3rd Interim	RM0.01	19/8/2021	29/10/2021	RM0.58	RM0.63	1.3	8.7
SAPIND (7811)	Special Cash	RM0.02	22/9/2021	29/10/2021	RM0.76	RM0.76	2.6	0.0
REDTONE (0032)	Interim	RM0.02	19/8/2021	29/10/2021	RM0.43	RM0.50	3.6	16.3
LBALLUM (9326)	Final	RM0.03	29/6/2021	1/11/2021	RM0.58	RM0.54	4.6	-6.4
HLBANK (5819)	Final	RM0.35	30/8/2021	1/11/2021	RM19.18	RM19.10	1.8	-0.4
KEINHIN (7199)	Final	RM0.01	30/7/2021	3/11/2021	RM1.17	RM0.78	1.3	-33.3
HLFG (1082)	Final	RM0.29	30/8/2021	5/11/2021	RM18.24	RM18.20	1.6	-0.2
PLENITU (5075)	Final	RM0.02	30/9/2021	8/11/2021	RM1.01	RM1.00	2.0	-1.5
GADANG (9261)	Final	RM0.00	28/7/2021	12/11/2021	RM0.38	RM0.37	0.8	-2.7
HPPHB (0228)	Final	RM0.01	22/7/2021	15/11/2021	RM0.51	RM0.51	2.0	-1.0
YINSON (7293)	Interim	RM0.04	23/9/2021	29/11/2021	RM4.90	RM5.51	0.7	12.4
TMCLIFE (0101)	Final	RM0.00	24/8/2021	3/12/2021	RM0.61	RM0.57	0.4	-7.4
OKA (7140)	Final	RM0.02	18/6/2021	6/12/2021	RM0.79	RM0.81	3.0	1.9
FIBON (0149)	Regular Cash	RM0.00	9/9/2021	7/12/2021	RM0.53	RM0.47	1.0	-11.3
APOLLO (6432)	Final	RM0.25	29/6/2021	14/12/2021	RM3.70	RM4.03	6.2	8.9
PENSONI (9997)	Final	RM0.01	27/8/2021	15/12/2021	RM0.72	RM0.69	1.4	-3.5
GLOMAC (5020)	Final	RM0.01	28/7/2021	15/12/2021	RM0.35	RM0.34	3.0	-4.3
PTARAS (9598)	Final	RM0.06	23/9/2021	22/12/2021	RM2.79	RM2.75	2.2	-1.4
SCIENTX (4731)	Final	RM0.05	29/9/2021	4/1/2022	RM4.57	RM4.55	1.1	-0.4

■ Denotes >5% YoY Dividend Yield