



INDICES

	LAST CLOSE	CHG	% CHG
KLCI	1,563.90	2.61	0.2
DOW	34,746.25	-8.69	0.0
S&P 500	4,391.34	-8.42	-0.2
NASDAQ	14,579.54	-74.48	-0.5
FTSE-100	7,095.55	17.51	0.2
SHANGHAI	3,568.17	31.87	0.9
HANG SENG	24,837.85	136.12	0.6
STI	3,112.81	11.66	0.4
NIKKEI 225	28,048.94	370.73	1.3
JCI	6,481.77	65.37	1.0

MARKET ACTIVITY

	VOL(m)	VAL(RMm)
	4,998.37	3,342.67

BURSA'S MARKET SHARE (%)

Retail	38.8%
Institutional	46.2%
Foreign	15.0%

KEY COMMODITIES

	LAST CLOSE	CHG	% CHG
KLCI FUTURES (Oct)	1,561.50	-0.50	0.0
OIL - BRENT (USD/b)	82.39	0.44	0.5
CPO FUTURE (RM/ton)	4,966.00	117.00	2.4
RUBBER (RM/kg)	506.00	4.00	0.8
GOLD (USD/Ounce)	1,757.13	-0.97	-0.1

FOREX

	LAST CLOSE	% CHG
MYR/USD	4.18	-0.1
MYR/SGD	3.08	-0.1
YUAN/MYR	1.54	0.1
YEN/MYR	26.78	0.6
MYR/EURO	4.83	-0.1
MYR/GBP	5.69	0.0

TOP MOVERS IN MALAYSIA MARKET

TOP 5 VOLUME	LAST CLOSE	VOL (m)
SC ESTATE BUILDE	0.12	199.53
FREIGHT MANAGEME	1.06	126.22
OPCOM HOLDINGS	1.62	126.03
CEKD BHD	0.80	114.05
KNM GROUP BHD	0.23	112.79

TOP 5 GAINERS	LAST CLOSE	RM (+)
GENETEC TECH BHD	40.64	0.96
NESTLE (MALAY)	134.00	0.80
RAPID SYNERGY	9.00	0.40
SOUTHERN ACIDS	4.03	0.22
FREIGHT MANAGEME	1.06	0.20

TOP 5 LOSERS	LAST CLOSE	RM (-)
BATU KAWAN BHD	21.78	-0.50
HONG SENG CONSOL	3.19	-0.29
GENTING PLANTATI	7.41	-0.25
TAFI INDUSTRIES	2.42	-0.23
BSL CORP BHD	2.32	-0.22

Gainers – 610 Losers – 452 Unchanged – 441

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HIGHLIGHTS

IOI Corp: Fairly Valued (IOI MK, Neutral, TP: RM4.41)

In a recent conference call with IOI Corp, management expects to see a stronger performance in FY22 on the back of bullish CPO price performance despite flattish FFB production. Meanwhile, it has locked in a small portion of CPO sales at RM4,600/mt. Management also plans to achieve 100% RSPO certification by 2023 after resolving the disputed area in Sarawak concession and the completion of the remaining new plantings in Kalimantan. Despite the record CPO prices, we maintain **Neutral** call on IOI Corp with an unchanged SOP-based TP of RM4.41 given the limited upside potential.

Technical: ENRA Group WA (8613WA, Technical Buy)

Support level	Share price	Resistance level	Share price
1 st support	RM0.175	1 st resistance	RM0.215

As its key marginal and brownfield related projects continue to progress, ENRA expects such activities to start picking up in FY2022. Hence, the group's overall outlook remains positive.

Technical: Ocean Vantage Holdings (0220, Technical Buy)

Support level	Share price	Resistance level	Share price
1 st support	RM0.285	1 st resistance	RM0.315

Going forward, OVH would be accelerating its efforts to pursue more opportunities to diversify and balance its business portfolio beyond the oil and gas sectors, venturing deeper into the new key growth areas of renewable energy capitalising on opportunities in both the engineering, procurement, construction and commissioning (EPCC) project and the Solar Net Energy Malaysia projects as well as exploring on electric vehicle infrastructure related work.

Technical: Lii Hen Industries (7089, Technical Buy)

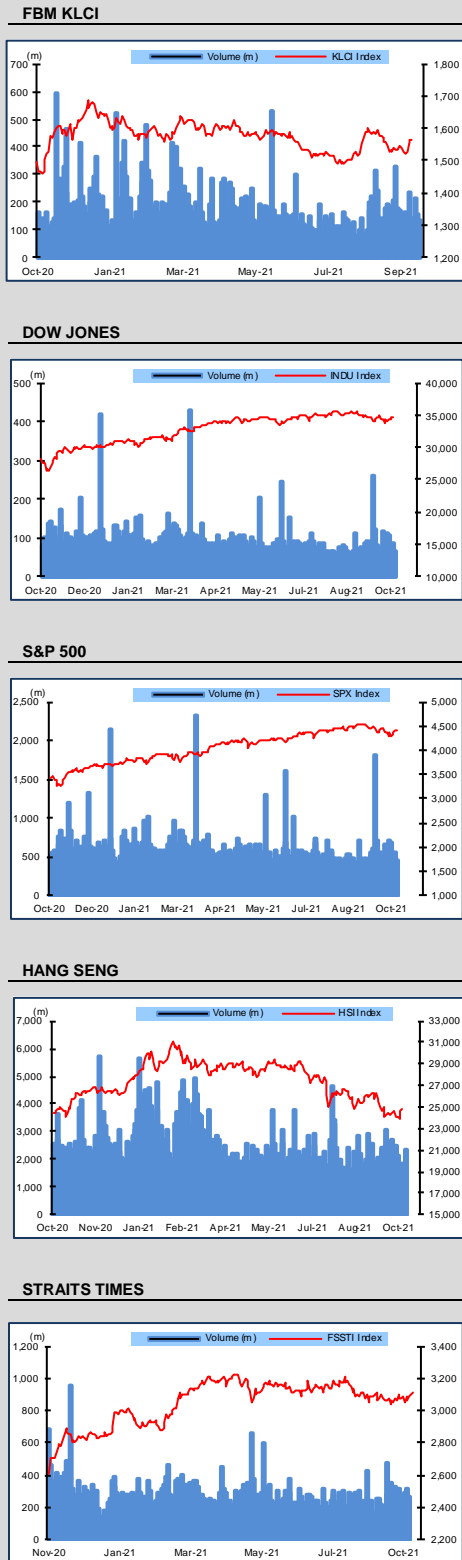
Support level	Share price	Resistance level	Share price
1 st support	RM3.05	1 st resistance	RM3.39

With a largely controllable cost structure in place, a wider market-base for LIIHEN's products and rationalization on the use of available workforce, LIIHEN is of the view that the group is prepared to navigate the ongoing COVID-19 pandemic challenges it currently faces.

HEADLINES

Economy

§ **US: Fed closes in on Nov bond taper after jobs report.** The Fed may move to begin reducing its support for the economy next month despite a sharp slowdown in jobs gains last month as the latest US surge in COVID-19 cases crested and began to recede. Though employers added just 194,000 jobs in Sept, upward revisions to prior months' data meant that all told the economy has now regained half of the jobs deficit it faced in Dec, compared with pre-pandemic employment levels. (Reuters)



Source: Bloomberg, PublicInvest Research

§ **US: Wholesale inventories unrevised in Aug.** US wholesale inventories surged in Aug amid a decline in sales, though automobile stocks remained very low because of a global chip shortage, which is hampering motor vehicle production. The Commerce Department said that wholesale inventories increased 1.2% as estimated last month. Stocks at wholesalers gained 0.6% in July. Wholesale inventories shot up 12.3% in Aug from a year earlier. (Reuters)

§ **EU: ECB's villeroy says inflation to fall below 2% by End-2022.** Bank of France Governor Francois Villeroy de Galhau said he expects inflation in the euro area to peak in coming months and for price increases to fall below 2% by the end of 2022. Villeory, who is also a member of the ECB's governing council, said the jump in inflation was a temporary bump linked to the rise in energy prices and a few other areas, and that business leaders were already telling him of declines prices in some commodities. (Bloomberg)

§ **EU: Germany exports fall unexpectedly in Aug.** Germany exports declined unexpectedly in Aug, data from Destatis revealed. Exports decreased 1.2% MoM in Aug, in contrast to the 0.6% rise in July. Economists had forecast a monthly growth of 0.5%. At the same time, imports rebounded 3.5%, following a 3.6% fall in the previous month. As a result, the trade surplus declined to a seasonally adjusted EUR 13.0bn from EUR 17.7bn a month ago. YoY, exports growth accelerated to 14.4% from 12.5% in July. Likewise, growth in imports advanced to 18.1% from 16.9%. (RTT)

§ **UK: BOE officials double down on signals of an imminent rate hike.** Two BOE officials moved to reinforce signals of an imminent rise in UK interest rates to curb inflation, with one telling households to brace for a "significantly earlier" increase than previously thought. Michael Saunders, one of the most hawkish members of the Monetary Policy Committee, suggested in remarks published that investors were right to bring forward bets on rate hikes. (Bloomberg)

§ **China: Service sector recovers in Sept.** China's service sector recovered in Sept with renewed and strong increases in both new work and output, survey results from IHS Markit showed. The Caixin services Purchasing Managers' Index rose to 53.4 in Sept from 46.7 in Aug. With the exception of Aug's decline, service sector output has risen in each month since May 2020. The survey showed that firmer market conditions and higher customer numbers had driven the renewed upturn in sales as the COVID-19 situation had improved. However, foreign demand dipped slightly in Sept. (RTT)

§ **India: Central bank keeps rates unchanged as expected.** India's central bank decided to leave its key interest rate unchanged at a record low and to stop further purchase of government securities from the secondary market. The Monetary Policy Committee, led by Governor Shaktikanta Das, unanimously voted to hold the key repo rate at 4.0%. The decision was in line with expectations. (RTT)

§ **Taiwan: Sept exports leap on chips, strong outlook seen.** Taiwan's exports rose for a 15th straight month in Sept, with the stronger-than-expected pace setting a new record, as the island's manufacturers faced sustained demand amid a global shortage of computer chips and for consumer electronics. Exports in Sept were the highest monthly figure on record, rising 29.2% from a year earlier to USD39.65bn, the Ministry of Finance said. Analysts in a Reuters poll had forecast a rise of 25% for Sept, compared with a 26.9% increase in Aug. (Reuters)

Markets

- § **Hong Seng Consolidated: Inks agreement to acquire 51% stake in Pow Pocket.** Hong Seng Consolidated signed a head of agreement (HoA) to acquire a 51% stake in Pow Pocket SB (PPSB) for RM200m. The acquisition would be a strategic move to work exclusively and strengthen the synergies with other healthcare subsidiaries. This is in line with the government's 12th Malaysia Plan in its aim to enhance healthcare service delivery by leveraging technology. (BTimes)
- § **Key Alliance: Bags MoH contract worth RM32m.** Key Alliance Group has bagged a contract worth RM32m from the Ministry of Health (MoH) to supply reagents instrument placement for centralised chemical pathology test for a few hospitals in Kedah. The four-year contract was secured via Tree Med SB. Key Alliance acquired a 30% stake in Tree Med in Dec 2020 for RM14m. Reagents are commonly used to test for the presence of certain substances. (The Edge)
- § **Classic Scenic: Seeks to raise RM30m via placement for business expansion, working capital.** Classic Scenic plans to undertake a private placement of up to 20% of its total number of issued shares to raise up to RM30.37m, part of which will be used to finance the acquisition of a new manufacturing plant to expand its production capacity. The proposed private placement will entail the issuance of up to 48.2m placement shares, which will be issued to investors at an issue price to be identified later. The expected proceeds of RM30.37m based on an illustrative issue price of 63 sen. (The Edge)
- § **Heitech Padu: Eyes more revenue streams to drive digital transformation.** Heitech Padu has set plans to create new income streams by expanding into the vast information, technology, and communications (ICT) industry and strengthening existing government contracts. The company is also gearing efforts toward developing in-house products and solutions for business-to-business, business-to-consumer and new market areas. Apart from corporate contracts, the company will also look for potential ICT development projects from the government in the future to digitalise procedures across multiple ministries and sectors. (BTimes)
- § **Lim Seong Hai Capital: Inks share sale agreement to acquire LSH BEST Builders for RM3.5m.** Lim Seong Hai Capital (LSH Capital) has signed a share sale agreement with Lim Seong Hai Resources SB to acquire the entire share capital of LSH BEST Builders for RM3.5m. The acquisition would be satisfied entirely by cash. With an outstanding order book of about RM490.5m, it is expected to enhance the future revenue and profitability of LSH Capital group and provide earnings visibility for the duration of the contract period up to 2024. (BTimes)
- § **Solarvest: To transfer listing to Main Market on Oct 13.** After spending less than two years on Bursa Malaysia's ACE Market since its listing in Nov 2019, Solarvest Holdings will be transferring its listing to Main Market of Bursa Malaysia on Oct 13. The solar photovoltaic specialist will be placed under the Industrial Products & Services sector. With the transfer, the stock short name and stock number for the company remain unchanged. Solarvest's entire share capital of 663.95m shares will be transferred to the Main Market. (The Edge)

MARKET UPDATE

§ The FBM KLCI might open flat today after the Dow was little changed on Friday, notching a winning week as optimism about a short-term debt ceiling deal trumped a disappointing jobs report. The Dow Jones Industrial Average dropped 8.69 points to 34,746.25. The S&P 500 fell about 0.2% to 4,391.34. The technology-focused Nasdaq Composite fell 0.5% to 14,579.54. The major averages all ended in the green for the week. European markets ended mixed with the FTSE 100 higher by 0.25%, while the CAC 40 led the DAX lower. They were down 0.61% and 0.29% respectively.

Back home, Bursa Malaysia extended its winning streak for the fourth day on Friday as positive market sentiment on strong commodity prices and growing optimism over economic recovery lifted the risk appetite for equities and riskier assets. The FBM KLCI ended 2.61 points firmer at 1,563.90 compared with 1,561.29 at Thursday's close. In the region, the Shanghai Composite gained 0.9%, while the Nikkei 225 and Hang Seng were up 1.3% and 0.6% respectively.

TECHNICAL OUTLOOK

FBM KLCI: 1563.90 (+2.61; +0.17%)

Resistance: 1580, 1600, 1622

Support: 1551, 1515, 1485

FBM KLCI Daily Chart



The local benchmark climbed another 2.61 points to end at 1563.90 last Friday. Market breadth remained positive as gainers outpaced decliners 610 and 452. At this juncture, the FBM KLCI is anticipated to trend sideways between 1551 and 1580 marks with slight bullish bias. Support levels for the index are at 1551, 1515 and 1485 while the resistance levels are at 1580, 1600 and 1622. On the broader market, construction and finance sectors are anticipated to take centre stage in the near future.

ECONOMIC MONITOR (Announcements over next 7 days)

<u>Date</u>	<u>Economic Release</u>	<u>Period</u>	<u>Consensus</u>	<u>Previous</u>
11 - 15 Oct	China Money Supply - M2 YoY	Sep	8.1%	8.2%
11 - 15 Oct	China New Yuan Loans	Sep	CNY1820.0bn	CNY1220.0bn
12-Oct-21	Malaysia Industrial Production YoY	Aug	0.30%	-5.2%
13-Oct-21	China Exports YoY	Sep	13.3%	15.7%
13-Oct-21	China Imports YoY	Sep	14.6%	23.1%
13-Oct-21	US CPI YoY	Sep	5.3%	5.3%
14-Oct-21	US Initial Jobless Claims	9-Oct	320K	326K
14-Oct-21	China CPI YoY	Sep	0.9%	0.8%
14-Oct-21	China PPI YoY	Sep	10.5%	9.5%

CORPORATE MONITOR

COMPANY VISITS / BRIEFING

<u>Company</u>	<u>Date</u>	<u>Time</u>
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RESULTS

<u>Company</u>	<u>Financial Quarter</u>	<u>Date</u>
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IPO LISTING

<u>Company</u>	<u>Listing Sought</u>	<u>Issue Price (RM/Share)</u>	<u>No. Of Shares</u>				<u>Closing Application Date</u>		<u>Listing Date</u>
			<u>Public Issue</u>	<u>Offer For Sale</u>	<u>Retail</u>	<u>Institutional</u>			

OFF-MARKET TRANSACTIONS (>1,000,000)

8-Oct-2021

<u>Company</u>	<u>Volume</u>	<u>Value (RM)</u>	<u>Average Price (RM)</u>
Hil Industries	3,000,000	2,910,000	0.97
Menang Corp	3,100,000	1,860,000	0.60
Tiger Synergy	27,039,200	1,080,000	0.04
Nextgreen Global	2,300,000	2,180,000	0.95
Seni Jaya Corp	4,081,632	10,000,000	2.45

CORPORATE MONITOR

ENTITLEMENTS

<u>Company</u>	<u>Particulars</u>	<u>Gross DPS (RM)</u>	<u>Announcement Date</u>	<u>Ex-Date</u>	<u>Lodgement Date</u>	<u>Payment Date</u>
SHL Consolidated	Final dividend of 8 sen per share	0.080	27-Aug	11-Oct	12-Oct	26-Oct
ATA IMS	Final dividend of 3.35 sen per share	0.034	3-Aug	12-Oct	13-Oct	28-Oct
CB Industrial Product Holding	1st Interim dividend of 2 sen per share	0.020	26-Aug	12-Oct	13-Oct	28-Oct
SCGM	1st Interim dividend of 2 sen per share	0.020	28-Sep	12-Oct	13-Oct	29-Oct
Bonia Corp	Interim dividend of 2 sen per share	0.020	28-Sep	12-Oct	13-Oct	28-Oct
Kumpulan H&L High-Tech	Interim dividend of 1.5 sen per share	0.015	28-Sep	12-Oct	13-Oct	28-Oct
Seni Jaya Corp	Bonus issue of 24,266,665 warrants	--	23-Jul	12-Oct	13-Oct	--
AEON Credit Service	Interim dividend of 28.5 sen per share	0.285	28-Sep	13-Oct	14-Oct	3-Nov
My EG Services	1st Interim dividend of 0.25 sen per share	0.003	23-Aug	14-Oct	15-Oct	11-Nov
Solid Automotive	Final dividend of 0.3 sen per share	0.003	27-Aug	14-Oct	15-Oct	29-Oct
VS Industry	4th Interim dividend of 0.5 sen per share	0.005	24-Sep	14-Oct	15-Oct	29-Oct
Carlsberg Brewery Malaysia	Interim dividend of 10 sen per share	0.100	20-Aug	15-Oct	18-Oct	17-Nov
Bermaz Auto	1st Interim dividend of 0.5 sen per share	0.005	13-Sep	15-Oct	18-Oct	5-Nov

TE- Tax Exempt

RATING CLASSIFICATION

STOCKS

OUTPERFORM	The stock return is expected to exceed a relevant benchmark's total of 10% or higher over the next 12 months.
NEUTRAL	The stock return is expected to be within +/- 10% of a relevant benchmark's return over the next 12 months.
UNDERPERFORM	The stock return is expected to be below a relevant benchmark's return by -10% over the next 12 months.
TRADING BUY	The stock return is expected to exceed a relevant benchmark's return by 5% or higher over the next 3 months but the underlying fundamentals are not strong enough to warrant an Outperform call.
TRADING SELL	The stock return is expected to be below a relevant benchmark's return by -5% or more over the next 3 months.
NOT RATED	The stock is not within regular research coverage.

SECTOR

OVERWEIGHT	The sector is expected to outperform a relevant benchmark over the next 12 months.
NEUTRAL	The sector is expected to perform in line with a relevant benchmark over the next 12 months.
UNDERWEIGHT	The sector is expected to underperform a relevant benchmark over the next 12 months.

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