

Still flattish

Market Review

Malaysia: Again, the FBM KLCI (-0.04%) was traded in a lacklustre manner as market was lacking of fresh leads and profit taking activities were limiting any immediate upside potential. The lower liners finished mixed, while the broader market ended mostly lower with REIT (-0.7%) sector underperformed.

Global markets: The US stockmarkets ended mixed as the Dow (-0.03%) declined ahead of the Thanksgiving public holiday, but the S&P 500 and Nasdaq rose 0.2% and 0.4% respectively, boosted by gains in energy and technology stocks. Both the European and Asia stockmarkets closed mostly in the red.

The Day Ahead

The FBM KLCI was flat after fluctuating between the positive and negative territories as market remain cautious on the back of gradual rise in Covid-19 cases. Meanwhile, the November Federal Reserve meeting minutes may point to a sooner-than-expected tightening of monetary policy if the inflationary concerns persist. Closer to home, investors should monitor Malaysia's inflation rate which will be released later today as this might impact market's direction going forward. As the vaccinated travel lanes (VTL) between Malaysia and Singapore will be opened on 29th November 2021, this might trigger selected buying interest on the recovery theme stocks. On the commodity markets, the CPO price rose above RM4,900, while the crude oil remained supported above the USD82 per barrel mark.

Sector focus: The plantation sector may rebound in tandem with the rising CPO price. Meanwhile, the technology stocks should see some buying interest following overnight Nasdaq's gains. Besides, we believe traders may position into longer term recovery theme stocks going forward.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI ended almost flat as the key index continued to hover below EMA9. Technical indicators remained negative; MACD Histogram has extended a negative bar, while the RSI is still hovering below the 50 level. The key index may continue to trade around the support at 1,520 and the resistance along 1,540-1,550.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	35,804.38	-0.03
S&P 500	4,70146	0.23
NASDAQ	15,845.23	0.44
FBM KLCI	1522.27	-0.04
FBM Small Cap	16,432.58	-0.17
FBM ACE	6,75131	0.52
Construction	16135	-0.57
Consumer	588.01	0.04
Energy	750.37	0.08
Financial Services	15,269.72	-0.10
Healthcare	2,307.21	-0.44
Ind Products	199.20	-0.16
Plantation	6,60131	0.40
Property	728.86	-0.46
REITs	796.84	-0.65
Technology	100.12	-0.28
Telco & Media	656.94	-0.05
Transport	879.23	-0.25
Utilities	869.13	-0.20
Trading Vol (m)	3,036.80	12.58
Trading Val (RM m)	2,093.30	-11.05
Advance/ Decline	82%	
FKLI	1522.00	0.00
FCPO (RM)	4,916.00	132
Brent oil (USD)	82.25	-0.07
Gold (USD)	1,788.61	-0.03
USD	4.2115	-0.31
GBP	5.6283	-0.30
EURO	4.7191	0.17
SGD	3.0819	-0.36

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
-23.9	172.4	-148.5

Source: Bloomberg, Bursa Market Place

Company Brief

IOI Corp Bhd's 1QFY22 net profit fell 0.1% YoY to RM277.6m, impacted by unfavourable currency exchange rates and derivative losses. Revenue for the quarter, however, rose 46.5% YoY to RM3.63bn. (The Star)

Malaysian Pacific Industries Bhd's 1QFY22 net profit added 47.7% YoY to RM81.7m, due to the improved performance across all segments and effective cost management. Revenue for the quarter gained 32.7% YoY to RM584.5m. A first interim dividend of 10.0 sen per share, payable on 23rd November 2021 was declared. (The Star)

Genting Plantations Bhd's (GENP) 3QFY21 net profit increased 66.6% YoY to RM102.2m, mainly buoyed by the stronger performance of the plantation segment that was underpinned by a notable increase in palm products prices. Revenue for the quarter rose 13.5% YoY to RM732.8m. (The Star)

KNM Group Bhd's 3QFY21 net loss stood at RM32.5m vs. a net profit of RM10.6m recorded in the previous corresponding quarter, mainly due to the unrealised foreign exchange loss and higher finance costs for certain construction projects of the group that had been expensed off into the income statement in the quarter under review. Revenue for the quarter, however, grew 32.7% YoY to RM326.4m. (The Edge)

MY EG Services Bhd (MYEG) has inked a memorandum of understanding with A Tech Insure Sdn Bhd to provide Malaysian civil servants a platform to purchase motor vehicle takaful coverage, together with road tax renewals, by way of an interest-free Shariah-compliant Qard loan facility via instalment payments through salary deduction plan of up to 10 months. (The Edge)

Freight Management Holdings Bhd's 1QFY22 net profit rose 78.8% YoY to RM10.3m, on higher freight rates and business activities. Revenue for the quarter added 43.6% YoY to RM213.5m. (The Edge)

Axiata Group Bhd and **Digi.Com Bhd** has announced that their subsidiaries, Celcom Axiata Bhd and Digi Telecommunications Bhd's merger application for the proposed merger of their mobile telecommunications network operations have been formally received by the Malaysian Communications and Multimedia Commission (MCMC). Meanwhile, Digi has announced that it will be shuttering its 3G network by 31st December 2021. (The Edge)

Petron Malaysia Refining and Marketing Bhd's 3QFY21 net profit fell 66.3% YoY to RM32.9m, due to prolonged restrictions under the Full Movement Control Order, followed by the National Recovery Plan. Revenue for the quarter, however, rose 30.2% YoY to RM2.19bn. (The Edge)

Opcom Holdings Bhd's 2QFY22 net profit surged 248.0% YoY to RM2.5m, supported by higher sales of fibre optic cables, thixotropic gel, fibre reinforced plastics, engineering services and industrial materials. Revenue for the quarter grew 25.8% YoY to RM22.2m. (The Edge)

Cahya Mata Sarawak Bhd's (CMSB) 3QFY21 net profit grew 15.4% YoY to RM53.9m, on the back of higher contributions from its associates. Revenue for the quarter declined 17.9% YoY to RM185.9m. (The Edge)

Aeon Co (M) Bhd's 3QFY21 net loss stood at RM18.7m vs. a net profit of RM16.4m registered in the previous corresponding quarter, as the pandemic continued to disrupt the business environments, supply chains and employment which led to softer consumer sentiment. Revenue for the quarter declined 24.2% YoY to RM750.6m. (The Edge)

Favelle Favco Bhd's 3QFY21 net profit jumped 151.9% YoY to RM10.4m, on lower share of loss from associates, as well as lower tax expense. Revenue for the quarter rose 4.0% YoY to RM135.6m. (The Edge)

Microlink Solutions Bhd has secured a three-year RM35.1m contract from the Road Transport Department (JPJ) Malaysia to develop an open system platform for the Automatic Awareness Security System (AwAS), and to provide technical support for it. (The Edge)

Panasonic Manufacturing Malaysia Bhd's 2QFY22 net profit sank 93.4% YoY to RM2.7m, as its manufacturing activities were disrupted by the Movement Control Order restrictions, rising cost of materials and lower share of profit from its associate company. Revenue for the quarter declined 51.8% YoY to RM141.7m. An interim dividend of 15.0 sen per share, payable on 21st January 2021 was declared. (The Edge)

OCK Group Bhd's 3QFY21 net profit fell 23.4% YoY to RM5.0m, following a drop in operating profit. Revenue for the quarter, however, increased 1.3% YoY to RM118.7m. (The Edge)

D&O Green Technologies Bhd's 3QFY21 net profit increased 26.3% YoY to RM18.6m, attributed to strong demand for automotive LED. Revenue for the quarter improved 9.9% YoY to RM174.6m. An interim dividend of 0.75 sen per share, payable on 28th December 2021 was declared. (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	VSTECs	1-Nov	1.350	1.450	1.500	1.600	1.240	1.230	1.340	-0.7%	On-going
2	SEDANIA	15-Nov	0.715	0.785	0.840	0.950	0.630	0.625	0.650	-9.1%	On-going
3	PTRANS	16-Nov	0.715	0.730	0.755	0.850	0.655	0.650	0.665	-7.0%	On-going
4	JTIASA	22-Nov	0.690	0.730	0.780	0.870	0.625	0.620	0.730	5.8%	Take profit at R1 on 23-Nov
5	SNC	24-Nov	0.630	0.690	0.755	0.850	0.540	0.535	0.655	4.0%	On-going

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	0.435	-7.4%	On-going
3	OKA	29-Sep	0.780	0.870	0.945	-	0.720	0.700	0.855	9.6%	On-going
4	SCGBHD	29-Sep	0.450	0.500	0.545	-	0.410	0.390	0.460	2.2%	On-going
5	OMH	29-Sep	3.130	4.200	4.690	-	2.550	2.500	3.110	-0.6%	On-going
6	KGB	29-Sep	1.740	2.000	2.200	-	1.530	1.500	1.750	0.6%	On-going
7	KRONO	29-Sep	0.650	0.745	0.795	-	0.585	0.575	0.600	-7.7%	On-going
8	OCK	29-Sep	0.495	0.575	0.620	-	0.440	0.420	0.465	-6.1%	On-going
9	OPTIMAX	29-Sep	1.380	1.520	1.640	-	1.180	1.150	1.310	-5.1%	On-going

Technical Focus Tracker Summary	
Total recommendations	175
Total winners	104
Total losers	71
Portfolio performance (2020)	292.2%
Accuracy (2020)	53.3%
Portfolio performance (2021)	254.6%
Accuracy (2021)	64.0%
FBM KLCI (Since 4/1/2021)	-6.4%
FBM Small Cap (Since 4/1/2021)	5.6%
Malaysia GDP Growth (3Q21)	-4.5%