

Breakfast Brief

Bursa key stats

FBM KLCI (pts)	1469.55
Market volumes (shares bn)	3.13
Market value (RM bn)	1.66

Domestic indices & futures

	Last close	Daily (%)	YTD (%)
FBM KLCI	1,470	(0.3)	(1.7)
FKLI Spot	1,745	1.9	(0.5)
FKLI Forward	1,479	(13.4)	(0.9)
FBM Small Cap	15,023	0.6	0.7
FBM ACE	5,379	0.8	1.3
FBM EMAS	10,562	(0.2)	(1.3)
Construction	154	0.9	0.8
Consumer	583	0.3	(0.5)
Finance	16,321	(0.2)	(1.1)
Industrial Products	181	(0.3)	(0.2)
Plantations	6,878	(1.4)	(2.9)
Property	645	0.4	0.6
REITs	778	0.3	0.6
Technology	63	(0.2)	(0.4)

Stock movers

	Last close	Daily change (RM)	Volume (m)	Value (RM m)
Index Movers				
SIMEPLT	4.35	-0.15	3.36	14.8
KLK	21.60	-0.50	0.62	13.4
PCHEM	8.45	-0.15	6.26	52.7
AXIATA	2.93	-0.05	2.57	7.5
DIGI	3.84	-0.04	1.38	5.3
Top Gainers				
HEXTECH	20.30	0.46	0.21	4.2
MPI	29.20	0.42	0.05	1.5
CHINAETF-M	5.35	0.32	0.03	0.2
AJI	13.72	0.28	0.09	1.2
PANAMY	22.70	0.20	0.00	0.0
Top Losers				
KLK	21.60	-0.50	0.62	13.4
GENP	6.10	-0.21	0.36	2.3
DLADY	30.00	-0.18	0.01	0.2
HLFG	18.18	-0.18	0.50	9.1
PCHEM	8.45	-0.15	6.26	52.7
Top Volume Traded				
SAPNRG	0.05	0.01	111.74	4.5
HONGSENG	0.18	-0.04	107.07	21.3
L&PBHD	0.54	-0.01	85.28	47.8
CYPARK	0.54	0.02	65.57	35.6
ASB	0.18	0.01	57.42	10.0
Top Value Traded				
CIMB	5.65	-0.05	9.81	55.8
PCHEM	8.45	-0.15	6.26	52.7
MAYBANK	8.71	0.00	5.77	50.3
L&PBHD	0.54	-0.01	85.28	47.8
PBBANK	4.28	0.00	10.41	44.7

NEWSBRIEF
Jakel is now our single largest shareholder, says Cypark, confirming The Edge report

Jakel Group has emerged as Cypark Resources Bhd's single largest shareholder with a 27.3% stake after the renewable energy company completed the placement of 176.7m new shares under its private placement exercise, with all the shares taken up by Jakel's investment arm Jakel Capital Sdn Bhd for RM67.1m or 38 sen per share. With Cypark now an associate company of Jakel Capital, the group's investment arm is committed to investing in the company for the long haul and remains bullish on the growth of its clean energy industry. (The Edge)

Govt takes over THHE-Destini's offshore patrol vessel project, provides RM153m rescue loan

The Ministry of Finance has taken over the offshore patrol vessel (OPV) project from Destini Bhd's former 51%-owned subsidiary THHE Destini Sdn Bhd after discovering significant problems, including the need for the government to provide an additional loan of RM152.6m to ensure the completion of the first vessel within this year. THHE Destini secured a RM738.9m job from the government in January 2017 for the supply of three units of OPV fitting and accessories for the Malaysian Maritime Enforcement Agency over a period of 42 months. THHE Destini was owned 51% by Destini and 49% by TH Heavy Engineering Bhd, however, TH Heavy acquired Destini's 51% stake for RM121,131 towards end-2021. (The Edge)

Crest Builder gets construction job worth RM251m

Crest Builder Holdings Bhd's unit Crest Builder Sdn Bhd has been awarded a contract by Sime Darby Property (Bukit Raja) Sdn Bhd worth RM250.5m, to build three condominium blocks with a car park podium in Putra Heights. The company said the contract period is 36 months from Feb 2. (The Edge)

Coastal Contracts' Mexican JV unit gets RM113m hike in gas sweetening contract after capacity expansion

Coastal Contracts Bhd's joint venture unit Coastoil Dynamic SA De CV has secured a price hike for the provision of gas sweetening services in Mexico by state-owned oil company Petroleos Mexicanos (Pemex), bumping up the contract value of RM258.7m by RM113.1m to the maximum contract value of RM371.8m. Pemex agreed to increase the unit price for the gas sweetening services to compensate Coastoil Dynamic for expanding the plant capacity from 150m standard cubic feet per day (mmscfd) to 180 mmscfd since November 2021. The JV unit is equally owned by Coastal Contracts' wholly-owned subsidiary Coastal Marine Pte Ltd and Grupo Empresarial Alfair SAPI de CV, which is part of the Mexican oil fields' operation expert Nuvoil Group. (The Edge)

Revenue Group suspends two co-founding executive directors pending investigation over complaints

E-payment solutions provider Revenue Group Bhd announced that the company has suspended the executive functions of executive directors Brian Ng Shih Chiow and his younger brother Dino Ng Shih Fang with immediate effect, pending an investigation over certain complaints against the pair. Brian is the company's largest shareholder with 55.5m shares or an 11.9% stake, followed by Dino with 53.2m shares (11.4%). (The Edge)

Straits Energy Resources proposes adding telecommunication and network service as main business

Oil trading and fuel bunkering service provider Straits Energy Resources Bhd has proposed to include telecommunication and network services as part of its principal activities following the company's 75%-owned subsidiary's Straits Technology Solutions Sdn Bhd's acquisition of 70% equity interest in telecommunication engineering company Straits CommNet Solutions Sdn Bhd in

Global indices

	Last close	Daily (%)	YTD (%)
FBM KLCI	1,470	(0.3)	(1.7)
STI	3,242	(0.1)	(0.3)
JCI	6,813	(1.1)	(0.5)
SET	1,673	(0.3)	0.3
PCOMP	6,719	2.0	2.3
HSI	20,793	3.2	5.1
SHCOMP	3,124	0.2	1.1
NIKKEI	25,717	(1.4)	(1.4)
KOSPI	2,256	1.7	0.9
ASX	7,082	0.3	0.6
DAX	14,491	2.2	4.1
Dow Jones	33,270	0.4	0.4
S&P500	3,853	0.8	0.4
Nasdaq	10,459	0.7	(0.1)
FTSE100	7,585	0.4	1.8

Currency (vs MYR)

	Last close	Daily (%)	YTD (%)
USD	4.40	0.2	0.1
EUR	4.67	(0.4)	0.5
GBP	5.31	(1.0)	(0.1)
RMB	0.64	(0.0)	0.1
HKD	0.56	(0.0)	0.4
SGD	3.28	(0.1)	(0.1)
THB100	12.97	(0.4)	(1.7)
IDR100	0.028	0.0	0.3
PHP	0.079	0.0	0.6

Commodities

	Last close	Daily (%)	YTD (%)
Brent (US\$/bbl)	77.8	(5.2)	(9.4)
WTI (US\$/bbl)	73.3	0.6	(8.7)
Gold (US\$/oz)	1,854.6	0.0	1.7
Copper (US\$/lb)	374.0	(0.0)	(1.9)
CPO (RM/mt)	4,167	(0.0)	(0.2)

Top Picks

Companies	Current Price	TP	Upside	Reco
TENAGA	9.37	11.65	24.3%	BUY
RHB	5.64	6.60	17.0%	BUY
GENM	2.75	3.44	25.1%	BUY
MAHB	6.57	7.75	18.0%	BUY
SUNWAY	1.57	2.65	68.8%	BUY
CARLSBRG	22.98	30.77	33.9%	BUY
VS	0.89	1.14	28.1%	BUY
ARMADA	0.48	0.88	85.3%	BUY
OSK	0.985	1.42	44.2%	BUY
DAYANG	1.29	1.71	32.6%	BUY
ITMAX	1.44	1.70	18.1%	BUY
FOCUSP	0.97	1.51	56.5%	BUY

2021, and 70% equity interest in internet service provider Macro Lynx Sdn Bhd. The company said that its new business activities in the telecommunication and network service will contribute 25% or more of the net profits and/or result in a diversion of more than 25% of the net assets moving forward. (The Edge)

Stella wins RM41m road construction project in Serendah

Stella Holdings Bhd's wholly-owned unit Mewah Kota Sdn Bhd has been awarded a RM41.2m contract by engineering consultancy services company RSM Builders Sdn Bhd to construct a new road from Federal Route 3208 (which links Sungai Choh to Bukit Beruntung) to the UMW High Value Manufacturing Park area in Serendah, Selangor. The contract's date of completion is Feb 28, 2024. (The Edge)

Alam Maritim forms consortium to explore upstream O&G and subsea opportunities in Malaysia and Southeast Asia

Practice Note 17 company Alam Maritim Resources Bhd has formed a consortium with maritime service provider SAFEEN Survey and Subsea Services and underwater technology solutions company MCS Group to deliver subsea construction services, and inspection, repair and maintenance capabilities across Malaysia and Southeast Asia. Alam Maritim, an integrated marine oil and gas services company, said it entered into a Memorandum of Understanding with SAFEEN and MCS to synergize their respective experience, marine assets, capabilities and proprietary technology into the Malaysian upstream O&G and subsea sector. Parties are to identify a target project and execute a subsequent agreement, whereby they have agreed to cooperate on an exclusive relationship. (The Edge)

ManagePay shelves private placement, looking at other fundraising plans

ManagePay Systems Bhd has decided to shelve its private placement exercise, which involves 30% of its share base, saying that it intends to explore fundraising avenues that better suit its business needs after due deliberation and careful consideration of its funding requirements. This came more than one year after the electronic payment solutions provider proposed the fundraising exercise. (The Edge)

Court sanctions EA Technique's scheme of arrangement with creditors

Marine vessel operator EA Technique Bhd's scheme of arrangement with its creditors has been sanctioned by the High Court on Wednesday. EA Technique had said on Tuesday that it was still in the midst of formulating a plan to regularise its financial condition, and has approximately two months to submit its regularisation plan to the relevant authorities for approval. (The Edge)

Oppstar receives approval to list on ACE Market

Oppstar Bhd has obtained the approval from Bursa Malaysia to list on the ACE Market. The group is principally involved in the provision of integrated circuit (IC) design services covering front-end design, back-end design and complete turnkey solutions. It also provides other related services such as post-silicon validation services, training as well as consultancy services. In conjunction with the listing, Oppstar's initial public offering (IPO) exercise will comprise a public issue of 165,479,000 new shares, representing approximately 26% of its enlarged issued share capital. (StarBiz)

VSTECS made Microsoft Surface dealer

VSTECS Bhd, through its wholly owned subsidiary, VSTECS Astar Sdn Bhd, is now authorised to supply Microsoft Surface devices to enterprises in Malaysia for commercial usage. Chief Executive Officer J H Soong said adding the Microsoft Surface for Business to its suite of offerings was timely as the company continues to witness increasing investment by enterprises in digital transformation to improve business continuity.

ECONOMICS

US

Fed officials are committed to fighting inflation and expect higher interest rates to remain in place until more progress is made, minutes of their Dec meeting showed. (CNBC)

The Fed should continue hiking interest rates at its next few meetings until it is sure that inflation has peaked, said Minneapolis Fed President Neel Kashkari, as he set out his own forecast that the rate should initially pause at 5.4%. (Reuters)

MBA mortgage applications fell -10.3% for the week ending 30 Dec (previous week: +0.9%). (TE)

Job openings were little changed at 10.5m in Nov (Oct: 10.5m), while job quits rose slightly to 4.2m (Oct: 4.0m). (TE)

ISM Manufacturing PMI fell to 48.4 in Dec (Nov: 49.0). (TE)

Eurozone

S&P Global Services PMI rose to 49.8 in Dec (Nov: 48.5). (TE)

S&P Global Composite PMI rose to 49.3 in Dec (Nov: 47.8). (TE)

Japan

Jibun Bank Manufacturing PMI edged lower to 48.9 in Dec (Nov: 49.0). (TE)

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Hong Leong Investment Bank Berhad (10209-W)

Level 28, Menara Hong Leong,

No. 6, Jalan Damanela,

Bukit Damansara,

50490 Kuala Lumpur

Tel: (603) 2083 1800

Fax: (603) 2083 1766

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BUY	Expected absolute return of +10% or more over the next 12 months.
HOLD	Expected absolute return of -10% to +10% over the next 12 months.
SELL	Expected absolute return of -10% or less over the next 12 months.
UNDER REVIEW	Rating on the stock is temporarily under review which may or may not result to a change from the previous rating.
NOT RATED	Stock is not or no longer within regular coverage.

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