

## Recovery on the way

### Market Review

**Malaysia:** The FBM KLCI (-0.03%) edged mildly lower, taking cue from the weakness on Wall Street as the key index fell -1.0% WoW. The lower liner, however, marched higher, while the transportation & logistics sector (+2.5%) rallied for the sixth straight session to close at the highest level since October 2022.

**Global markets:** The US stockmarkets recovered all their previous session losses as the Dow (+2.0%) rallied after the softer jobs data may hold the US Federal Reserve having to further intensify their stance to battle inflation. The European stockmarkets also turned upbeat, but the Asia stockmarkets ended mixed.

### The Day Ahead

The FBM KLCI ended marginally lower amidst the mixed regional markets sentiment, paring most of its intraday losses as bargain hunting activities emerged. We believe the jump on Wall Street on Friday, coupled with the reopening of China's border could spark a rally on the regional markets as well as on the local bourse. We believe the market is more positive-biased on the inflationary pressure as the US December 2022 payroll came in greater than expected, but the slowdown in wage growth could indicate that the Fed's battle against inflation may have an impact. Commodities wise, the Brent crude oil is traded above USD78, while the CPO is priced above RM4,000.

**Sector focus:** Given the China's reopening of border is under the limelight; investors may focus on the tourism and leisure related sectors as well as the consumer sector with higher consumption activities amid the return of tourists. The technology sector may track the significant jump on Nasdaq.

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI booked marginal losses as the key index closed slightly above its daily EMA9 level. The technical indicators turned mixed as the MACD Histogram crossed slightly below zero, while the RSI is hovering above 50. Support is pegged along 1,450-1,460, while the resistance is set at 1,500-1,510.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	33,630.61	2.3
S&P 500	3,895.08	2.28
NASDAQ	10,569.29	2.56
FBM KLCI	1480.55	-0.03
FBM Small Cap	15,061.33	0.50
FBM ACE	5,377.90	0.10
Construction	154.04	0.80
Consumer	589.24	0.33
Energy	777.59	0.48
Financial Services	16,415.48	-0.05
Healthcare	1719.79	-1.57
Ind Products	18167	-0.10
Plantation	6,890.17	-1.07
Property	648.01	0.06
REITs	782.65	0.49
Technology	63.17	-0.82
Telco & Media	582.26	0.75
Transport	922.17	2.47
Utilities	866.62	0.11
Trading Vol (m)	3,163.32	-4.38
Trading Val (RM m)	1617.30	-17.41
Advance/Decline	85%	
FKLI	1481.00	0.14
FCPO (RM)	4,052.00	-0.93
Brent oil (USD)	78.57	0.33
Gold (USD)	1,865.69	1.79
USD	4.4037	-0.34
GBP	5.2205	1.10
EURO	4.6279	0.75
SGD	3.2691	0.24

Trading participation 5-day trend and value (m)		
Institution	Retail	Foreign
317.8	-86.1	-231.7

Source: Bloomberg, Bursa Market Place

## Company Brief

**Comintel Corporation Bhd**'s shareholders have rejected JT Conglomerate Sdn Bhd's mandatory takeover offer to acquire the remaining 166.4m Comintel shares (43.5% stake) worth 15 sen per share. JT Conglomerate's shares remained at 56.5% as of the closing date at 5.00 pm on 6th January 2023. (The Star)

**Berjaya Corp Bhd** (BCorp) chairman Tan Sri Vincent Tan Chee Yioun has divested 40.0m shares or a 0.7% stake in the group to his son-in-law and Naza Group deputy group executive chairman SM Faliq SM Nasimuddin for RM10.0m or 25.0 sen per share. Subsequent to the divestment, Vincent Tan is left with a 25.3% stake in BCorp. The divestment seems to be part of a bid for the billionaire to pare down his shareholding in BCorp and pave the way for the group's potential acquisition of a financial institution. The Berjaya group founder is aiming to reduce his shareholding to 19.6% to comply with the Financial Services Act 2013, should the acquisition materialise. (The Edge)

**Allianz Malaysia Bhd** announced an interim dividend of 69.0 sen per share, payable on 17th February 2023. The total dividend for FY22 is 85 sen, which is its highest dividend payout on record. (The Edge)

**Classita Holdings Bhd** has proposed a 5-for-2 rights issue priced at 10.0 sen each, with 5-year free detachable warrants issued on the basis of 3 warrants for every 5 rights shares subscribed, to raise between RM30.0m and RM96.5m to mainly fund its property development and construction business. The corporate exercise will involve the issuance of up to 965.4m rights shares and up to 579.2m warrants, whose exercise price is fixed at 20.0 sen each. (The Edge)

**Revenue Group Bhd**'s suspended executive director Dino Ng Shih Fang continued to sell down warrants, leaving him with only 1.8% or 2.7m of the total warrants issued in the company. From 3rd January 2023 to 5th January 2023, Ng had disposed a total of 20.5m or 13.1% of total issued warrants at prices between 7.0 sen and 15.84 sen a piece, valued at some RM2.3m in total. (The Edge)

**Pan Malaysia Holdings Bhd** announced that its associate companies, Pan Malaysia Capital Bhd and PM Asset Management Sdn Bhd, have entered into share sale and purchase agreements with NewParadigm Capital Ventures Sdn Bhd to dispose of the entire issued and paid-up share capital of PM Securities Sdn Bhd, PCB Asset Management Sdn Bhd and Miranex Sdn Bhd for a total cash consideration of RM90.0m. (The Edge)

**Bintai Kinden Corp Bhd** has proposed to undertake a private placement of up to 10.0% of its total issued shares to third-party investors to be identified later, at an issue price to be determined later, with expectations to raise up to RM7.4m. Of the proceeds, RM4.0m is to be allocated for the repayment of the group's bank overdraft, RM3.1m for working capital requirements, and the remaining RM300,000 is to defray estimated expenses related to the exercise. (The Edge)

**Yong Tai Bhd** has entered into a sale and purchase agreement with Admiral City Sdn Bhd to acquire a piece of leasehold land measuring 57,171 sqm in Melaka for RM41.7m. Separately, Yong Tai announced it has mutually agreed to terminate the collaboration agreement with Opustique Infinity Ltd, Cheng Ho International Trade Centre, Culture City Centre Sdn Bhd and Oriental Impression City Development Sdn Bhd with immediate effect, due to the parties being unable to complete the terms

of the proposed collaboration. (The Edge)

**CSH Alliance Bhd** has obtained the manufacturing licence for the assembly of commercial electric vans, primarily the BYD T3 compact van. The group is now applying for an approved permit from the Ministry of International Trade and Industry, as well as other approvals from relevant authorities, to bring in the complete-built-up units of BYD T3 into Malaysia for distribution purposes before the set up of the local assembly plant in Tanjung Malim, Perak. (The Edge)

Practice Note 17 company **Serba Dinamik Holdings Bhd** is seeking an extension of time to submit its proposed regularisation plan to the relevant authorities. Serba Dinamik was required to submit the plan by 6th January 2023 as per the Main Market Listing Requirements, has submitted an application for an extension of time to comply. (The Edge)

**Star Media Group Bhd** announced that its chief financial officer Au Chen Sum is resigning from the position to pursue other opportunities, effective 31st January 2023. Au was appointed to the position in March 2020. (The Edge)

**Top Glove Corporation Bhd** has appointed Rowina Ghazali Seth and Dr Chong Su Lin as its independent and non-executive directors effective 6th January 2023, as independent directors Datuk Kong Sooi Lin and Datuk Noripah Kamso have retired from the board. (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	MAYBULK	19-Dec	0.380	0.395	0.415	0.460	0.350	0.345	0.370	-2.6%	On-going
2	PENERGY	27-Dec	0.880	0.930	0.975	1.010	0.815	0.810	0.860	-2.3%	On-going
3	FM	9-Jan	0.570	0.600	0.620	0.660	0.545	0.540	0.570	0.0%	Initiate position

1Q23 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	BIMB	3-Jan	2.640	2.780	2.940	-	2.580	2.500	2.610	-1.1%	On-going
2	BJFOOD	3-Jan	1.020	1.110	1.200	-	0.975	0.935	0.990	-2.9%	On-going
3	CMSB	3-Jan	1.070	1.130	1.250	-	1.000	0.915	1.170	9.3%	On-going
4	D&O	3-Jan	4.290	4.450	4.770	-	4.100	3.940	4.290	0.0%	On-going
5	DIALOG	3-Jan	2.400	2.550	2.720	-	2.320	2.230	2.420	0.8%	On-going
6	GENTING	3-Jan	4.480	4.750	4.850	-	4.290	4.180	4.710	5.1%	On-going
7	HEKTAR	3-Jan	0.740	0.750	0.795	-	0.665	0.645	0.810	9.5%	On-going
8	JTIASA	3-Jan	0.660	0.710	0.755	-	0.615	0.585	0.630	-4.5%	On-going
9	MAGNI	3-Jan	1.860	1.940	2.000	-	1.800	1.750	1.850	-0.5%	On-going
10	MISC	3-Jan	7.270	7.680	8.190	-	7.000	6.800	7.210	-0.8%	On-going
11	MYEG	3-Jan	0.855	1.000	1.080	-	0.825	0.770	0.845	-1.2%	On-going
12	SLVEST	3-Jan	0.815	0.915	0.995	-	0.795	0.705	0.835	2.5%	On-going
13	UMW	3-Jan	3.450	3.640	3.950	-	3.220	3.100	3.630	5.2%	On-going
Average Return										1.6%	

Technical Focus Tracker Summary	
Total recommendations	291
Total winners	177
Total losers	113
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	12.4%
Accuracy (2022)	60.4%
Portfolio performance (2023)	0.0%
Accuracy (2023)	0.0%
FBM KLCI (Since 30/12/2022)	-1.0%
FBM Small Cap (Since 30/12/2022)	0.9%
Malaysia GDP Growth (9M22)	9.3%

## Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
P&O (6009)	Interim	RM0.01	20/12/2022	9/1/2023	RM1.06	RM1.09	1.1	2.8
BABA (03012)	Interim	RM0.00	30/12/2022	9/1/2023	RM0.44	RM0.44	0.8	0.0
SOLID (5242)	Interim	RM0.00	22/12/2022	10/1/2023	RM0.22	RM0.19	1.6	-11.6
VERSATL (4995)	Bonus-Options	1:2	28/9/2022	10/1/2023	RM0.49	RM0.65	-	31.6
UMCCA (2593)	Interim	RM0.05	27/12/2022	11/1/2023	RM5.50	RM5.50	0.9	0.0
SEG (9792)	Interim	RM0.02	28/12/2022	11/1/2023	RM0.65	RM0.65	3.1	-0.8
SNOWFIT (03054)	Interim	RM0.00	5/1/2023	12/1/2023	RM0.20	RM0.20	0.9	0.0
SMILE (03023)	Interim	RM0.00	5/1/2023	13/1/2023	RM0.19	RM0.19	0.3	0.0
BINACOM (0195)	Bonus-Options	1:2	13/10/2022	13/1/2023	RM0.21	RM0.31	-	48.8
CHINTEK (1929)	Interim & Special Cash	RM0.10	28/12/2022	13/1/2023	RM8.56	RM8.64	1.2	0.9
ANNUM (5082)	Rights Issue	4:3	3/1/2023	16/1/2023	RM0.31	RM0.31	-	0.0
EDARAN (5036)	Interim	RM0.02	30/12/2022	17/1/2023	RM0.55	RM0.56	3.2	1.8
KESM (9334)	Final	RM0.06	26/10/2022	18/1/2023	RM7.00	RM6.98	0.9	-0.3
LEFORM (0266)	Special Cash	RM0.01	30/11/2022	19/1/2023	RM0.19	RM0.21	4.3	13.5
F&N (3689)	Final	RM0.33	16/12/2022	19/1/2023	RM21.80	RM21.84	1.5	0.2
VS (6963)	Final	RM0.00	27/9/2022	19/1/2023	RM0.93	RM0.90	0.4	-3.9
KMLOONG (5027)	Special Cash	RM0.05	28/12/2022	19/1/2023	RM1.84	RM1.91	2.6	3.8
GPHAROS (5649)	Interim	RM0.01	30/12/2022	20/1/2023	RM0.23	RM0.27	4.9	17.8
ALLIANZ (1163)	Interim	RM0.69	21/12/2022	25/1/2023	RM13.92	RM14.22	4.9	2.2
PTRANS (0186)	4th Interim	RM0.01	23/11/2022	2/2/2023	RM1.12	RM1.25	0.6	11.6
HOMERIZ (5160)	Final	RM0.01	28/10/2022	13/2/2023	RM0.54	RM0.56	1.8	3.7
POHKONG (5080)	Final	RM0.01	27/9/2022	14/2/2023	RM0.70	RM0.87	1.5	23.4
VS (6963)	Interim	RM0.01	16/12/2022	16/2/2023	RM0.94	RM0.90	0.6	-4.3
KLK (2445)	Final	RM0.80	9/12/2022	17/2/2023	RM20.80	RM21.86	3.7	5.1
BKAWAN (1899)	Final	RM0.90	9/12/2022	17/2/2023	RM20.82	RM22.50	4.0	8.1
BSTEAD (2771)	Interim	RM0.02	29/12/2022	27/2/2023	RM0.63	RM0.62	2.4	-1.6
ASTINO (7162)	Final	RM0.01	30/9/2022	9/3/2023	RM0.49	RM0.49	2.1	0.0
MELATI (5129)	Final	RM0.01	29/12/2022	9/3/2023	RM0.55	RM0.54	1.9	-1.8

Denotes >5% Dividend Yield