



INDICES

	LAST CLOSE	CHG	% CHG
KLCI	1,587.36	4.14	0.3
DOW	34,678.35	-550.46	-1.6
S&P 500	4,530.41	-72.04	-1.6
NASDAQ	14,220.52	-221.75	-1.5
FTSE-100	7,515.68	-63.07	-0.8
SHANGHAI	3,252.20	-14.39	-0.4
HANG SENG	21,996.85	-235.18	-1.1
STI	3,408.52	-34.09	-1.0
NIKKEI 225	27,821.43	-205.82	-0.7
JCI	7,071.44	18.25	0.3

MARKET ACTIVITY

	VOL(m)	VAL(RMm)
	2,860.25	2,362.61

BURSA'S MARKET SHARE (%)

Retail	21.0%
Institutional	45.1%
Foreign	33.9%

KEY COMMODITIES

	LAST CLOSE	CHG	% CHG
KLCI FUTURES (Mar)	1,581.00	-0.50	0.0
OIL - BRENT (USD/b)	107.91	-5.54	-4.9
CPO FUTURE (RM/ton)	5,705.00	-225.00	-3.8
RUBBER (RM/kg)	670.50	1.50	0.2
GOLD (USD/Ounce)	1,944.45	12.24	0.6

FOREX

	LAST CLOSE	% CHG
MYR/USD	4.20	0.0
MYR/SGD	3.11	0.0
YUAN/MYR	1.51	-0.1
YEN/MYR	29.05	0.4
MYR/EURO	4.67	-0.3
MYR/GBP	5.52	-0.1

TOP MOVERS IN MALAYSIA MARKET

TOP 5 VOLUME	LAST CLOSE	VOL (m)
METRONIC GLOBAL	0.02	191.84
TWL HOLDINGS BHD	0.07	95.02
CAPITAL A BHD	0.74	56.91
SMTRACK BHD	0.08	55.68
PUBLIC BANK BHD	4.67	39.26

TOP 5 GAINERS	LAST CLOSE	RM (+)
PMB TECHNOLOGY	18.34	0.94
HEINEKEN MALAYSI	22.48	0.44
AEON CREDIT SERV	15.12	0.30
YINSON HLDGS BHD	4.80	0.25
BRIT AMER TOBACC	12.44	0.20

TOP 5 LOSERS	LAST CLOSE	RM (-)
NESTLE (MALAY)	133.60	-0.90
GENTING PLANTATI	8.55	-0.19
MANULIFE HOLDING	2.30	-0.10
KESM INDUS BHD	8.60	-0.10
GREATECH TECHNO	4.74	-0.08

Gainers – 530 Losers – 370 Unchanged – 447

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HIGHLIGHTS

Rubber Gloves: MARGMA Industry Brief (Neutral)

We recently attended a press conference organized by the Malaysian Rubber Glove Manufacturers Association (MARGMA). MARGMA has shared its views on i) the outlook of rubber glove demand, ii) updates on ESG and labour shortage and iii) automation of production line. We maintain **Neutral** on the sector, as we expect margin would remain under pressure in the near term due to falling ASP and higher input cost. Nevertheless, we are still positive of the long-term prospects of the glove sector due to growing demand from the emerging markets.

Cypark Resources: Weak Start (CYP MK, Outperform, TP: RM1.16)

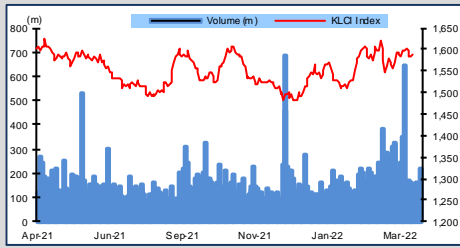
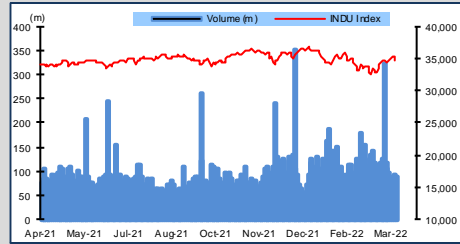
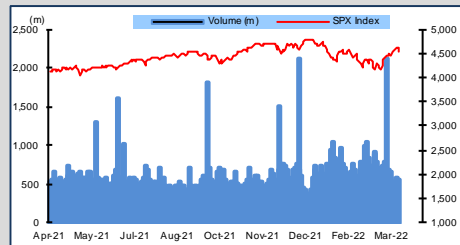
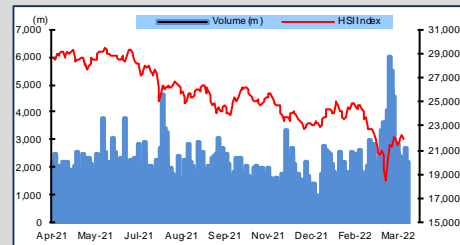
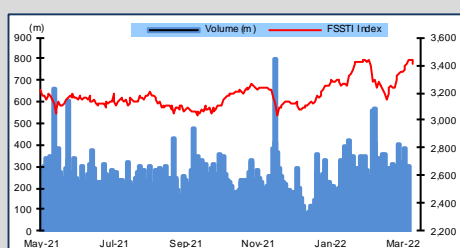
Cypark reported a weaker 1QFY22 core net profit of only RM12.1m (-5.1% YoY) despite of revenue increases slightly by 0.9% YoY. Performance for the quarter was still affected by lower work activities and efficiencies due to higher COVID-19 infections at project sites which caused disruptions in manpower deployment. Inclement weather also affected site conditions and onsite working hours. Earnings are below our expectations at 10% and 13% of our and consensus of full-year FY22 net profit estimates respectively. We see this as only a temporary setback and expect earnings to pick up from 2HFY22 onwards, driven by increase in work activities from its construction-related projects, as well as commencement of its 20MW waste-to-energy (WTE) plant at Ladang Tanah Merah this year. We also expect the Group to commence its 60MW large-scale solar (LSS 2) plant in Kelantan and 100MW LSS 3 project in Terengganu. That said, our FY22/FY23 earnings projections are adjusted lower by 46.1% and 24.0%, reflecting a weaker 1QFY22 results as well as the delays in its RE project commencements. We maintain our **Outperform** call on Cypark, with a revised target price of RM1.16 (from RM1.49 previously), on SOP-based valuations.

Astro: Higher Adex But Lower Subscription Revenue (ASTRO MK, Neutral, TP: RM1.20)

Astro reported a 24.6% YoY decline in 4QFY22 net profit to RM126.6m, as its performance was affected by subdued consumer sentiment and higher offline shopping which resulted in a drop in television subscription revenue and merchandise sales. However, on a QoQ basis, headline net profit rose 19.5% due to higher adex, lower content cost and lower depreciation of right-of-use assets. For full-year FY22, core net profit of RM475m was within both our and market expectations. We lower our FY23-24F earnings forecasts by 4-6% as we raise our content cost assumption due to major sporting events and lower our TV subscription revenue forecast. Consequently, our TP is reduced to RM1.20. We downgrade Astro to **Neutral**. The Group declared a fourth interim dividend and a final dividend of 1.5sen and 0.75sen respectively, bringing its total dividend for FY22 to 6.75sen (FY21: 8.0sen).

Technical: Bahvest Resources - Possible For Sideways Breakout (0098, Technical Buy)

BAHVEST is staging a potential breakout from its congestion phase, with anticipation of continuous improvement in both momentum and trend in the near term. Should immediate resistance level of RM0.440 be broken with renewed buying interest, it may continue to lift price higher to subsequent resistance level of RM0.460. However, failure to hold on

FBM KLCI

DOW JONES

S&P 500

HANG SENG

STRAITS TIMES


Source: Bloomberg, PublicInvest Research

to support level of RM0.405 may indicate weakness in the share price and hence, a cut-loss signal.

Technical: Emico Holdings - Possible For Sideways Breakout (9091, Technical Buy)

EMICO is staging a potential breakout from its sideways channel, with anticipation of continuous improvement in both momentum and trend in the near term. Should immediate resistance level of RM0.280 be broken with renewed buying interest, it may continue to lift price higher to subsequent resistance level of RM0.295. However, failure to hold on to support level of RM0.255 may indicate weakness in the share price and hence, a cut-loss signal.

HEADLINES

Economy

§ **US: Personal income increases 0.5% in Feb, in line with estimates.** Personal income in the US increased in line with economist estimates in the month of Feb, according to a report released by the Commerce Department. The report showed personal income rose by 0.5% in Feb after inching up by a revised 0.1% in Jan. Economists had expected personal income to climb by 0.5% compared to the unchanged reading originally reported for the previous month. The personal income growth came as an increase in compensation more than offset a decrease in government social benefits. (RTT)

§ **US: Weekly jobless claims show modest increase.** A day ahead of the release of the closely watched monthly jobs report, the Labor Department released a report showing a modest increase in first-time claims for US unemployment benefits in the week ended March 26th. The report showed initial jobless claims edged up to 202,000, an increase of 14,000 from the previous week's revised level of 188,000. The figure originally reported for the previous week reflected the lowest number of jobless claims since Sept 1969. (RTT)

§ **EU: Unemployment rate at record low.** The euro area unemployment rate dropped to a record low in Feb ahead of the war in Ukraine. The jobless rate fell to 6.8% in Feb from 6.9% in Jan, Eurostat reported. The rate was forecast to drop to 6.7% from Jan's initial estimated rate of 6.8%. Data showed that the number of unemployed decreased by 181,000 from the prior month to 11.155m in Feb. From the last year, unemployment decreased by 2.150m. The unemployment among youth aged below 25 dropped to 14.0% in Feb from 14.3% in Jan. Youth unemployment totaled 2.101m in Feb. The rapid recovery of the job market is set to slow from here on, Bert Colijn, an ING economist, said. (RTT)

§ **EU: Germany unemployment falls in March.** German unemployment decreased in March but at a slower pace, data from the Federal Employment Agency. The number of people out of work decreased 18,000 in March, following Feb's 32,000 fall. Economists had forecast a monthly drop of 20,000. The jobless rate remained unchanged at 5.0% in March, in line with expectations. Unemployment is falling and employment is rising as a result of the easing of coronavirus restrictions and the beginning spring revival, Daniel Terzenbach, an official at Federal Employment Agency said. (RTT)

- § **EU: France inflation at record high.** France's harmonized inflation hit a fresh record high in March largely driven by energy prices, flash data from the statistical office Insee. EU harmonized inflation advanced more-than-expected to 5.1% in March from 4.2% in Feb. The expected rate was 4.8%. The latest inflation was the highest since the records began in 1997. Consumer price inflation rose to 4.5% in March from 3.6% in Feb. (RTT)
- § **EU: Italy inflation surges on energy cost.** Italy's inflation rose to its highest level since early 1990s in March on surging energy cost, preliminary data from the statistical office Istat. Consumer price inflation rose more-than-expected to 6.7% in March from 5.7% in Feb. Inflation was seen at 6.4%. EU harmonized inflation advanced to 7.0% from 6.2% a month ago. However, this was slower than the economists' forecast of 7.2%. Data showed that energy prices climbed 52.9% annually. Prices of processed food gained 4.0% and that of unprocessed food moved up 8%. (RTT)
- § **EU: Italy jobless rate lowest in nearly 2 years.** Italy's unemployment dropped to the lowest in nearly two years in Feb, data published by the statistical office Istat. The jobless rate fell to 8.5% in Feb from 8.6% in Jan. This was the lowest rate since April 2020, when it stood at 7.5%. The employment rate came in at 59.6% versus 59.3% in the previous month. The unemployment rate among youth aged between 15 and 24 was 24.2%, down from 24.8% a month ago. The rate was the lowest since May 2009. (RTT)
- § **UK: House price inflation strongest since 2004.** UK house prices rose at the fastest annual pace since late 2004 and the average price of a home set a new high in March, survey data from the Nationwide Building Society. The house price index climbed 14.3% YoY, which was the fastest growth since Nov 2004, after a 12.6% increase in Feb. Economists had forecast 13.5% rise. On a MoM basis, house prices rose 1.1% in March following a 1.7% increase in the previous month. Economists had expected a 0.8% gain. (RTT)
- § **China: Chinese manufacturing, services contract together for first time since 2020.** Activity in Chinese manufacturing and services simultaneously contracted in March for the first time since the height of the country's COVID-19 outbreak in 2020, adding to the urgency for more policy intervention to stabilise the economy. The official manufacturing Purchasing Managers' Index (PMI) fell to 49.5 from 50.2 in Feb, the National Bureau of Statistics (NBS) said, while the non-manufacturing PMI eased to 48.4 from 51.6 in Feb. (RTT)
- § **Japan: Housing starts increase in Feb.** Japan's housing starts increased at a faster pace in Feb, data from the Ministry of Land, Infrastructure, Transport and Tourism. Housing starts rose 6.3% yearly in Feb, following a 2.1% increase in Jan. Economists had forecast an annual growth of 1.1%. This was the highest since Oct last year. Annualized housing starts fell to a seasonally adjusted 872,000 in Feb from 820,000 in the previous month. (RTT)
- § **Hong Kong: Retail sales drop in Feb.** Hong Kong's retail sales declined for the first time in thirteen months in Feb, figures from the Census and Statistics Department. The retail sales volume dropped 17.6% YoY in Feb, after a 1.5% rise in Jan. The value of retail sales decreased 14.6% annually in Feb, after a 4.0% growth in the preceding month. Sales value of jewelry, watches and clocks, and valuable gifts declined 33.6% annually in Feb. (RTT)

Markets

- § **Sapura Energy (Trading Sell, TP: RM0.03): Slapped with two more winding-up petitions.** Sapura Energy has been slapped with another two winding-up petitions, this time over the failure to settle an aggregate sum of RM834,582. Its wholly owned subsidiaries, Sapura Offshore SB and Sapura Geosciences SB, were served the petitions by VKI Marketing SB and Tumpuan Megah Development SB respectively. (The Edge)
- § **JAG: Bags BNM contract to melt cupronickel, nickel raw materials as scrap.** JAG has entered into an agreement with Bank Negara Malaysia (BNM) for the purchase and meltdown of cupronickel and nickel raw metals as scrap from the central bank. BNM had in Sept last year undertaken a request for proposal by inviting prospective companies to participate in the scrap disposal plan. (The Edge)
- § **Barakah: Fails in RM1bn suit against Petronas.** Barakah Offshore Petroleum have failed in their RM1.02bn claim in the High Court against Petroliaam Nasional (Petronas). Delivering the court's decision, Petronas does not owe a duty of care to its licensees in exercising its powers to suspend licences under the Petroleum Development Act 1974. Petronas did not abuse its powers in suspending PBJV's licence under PDA, and ordered Barakah to pay RM400,000 in costs to Petronas. (The Edge)
- § **Computer Forms: Sanichi founder offers to take over at discount to market price.** Computer Forms (M) has received a notice of an unconditional mandatory takeover offer from major shareholder Datuk Seri Pang Chow Huat to acquire the remaining shares in Computer Forms not owned by Pang for 60 sen per share. The offer is at a discount of 22 sen or 26.83% to Computer Forms' last closing share price of 82 sen. (The Edge)
- § **Talam: In JV deal to develop RM388m GDV project.** Talam Transform has entered into a joint venture (JV) agreement via its unit, Europlus (EB), with Janajaya Murni SB (JMSB) to develop terrace houses on two parcels of lands owned by EB in Serendah, Selangor. Land 1 and Land 2 measure 11.3 hectares (ha) and 20 ha, respectively. Land 1 will have a gross development value (GDV) of RM140.70m and Land 2 RM247.52m. (StarBiz)
- § **Pintaras Jaya: To dispose of industrial land in Klang for RM25.28m.** Pintaras Jaya has proposed to dispose of a piece of freehold industrial land in Klang, Selangor, measuring approximately 1.17 hectares, to Senheng Electric SB for RM25.28m. As the company has no immediate plans to use the land, the proposed disposal represents an opportunity for the group to realise the value of the land and unlock capital resources. (StarBiz)
- § **MQ Tech: To raise RM14.3m via private placement.** MQ Technology plans to raise RM14.3m by placing out up to 357.46m new shares representing 40% of its total issued shares, at an issue price to be determined later. It plans to use RM11.59m of the proceeds to buy machinery for the planned expansion of its production capacity, RM2.23m of the expected proceeds for working capital, with the remaining RM482,000 to defray expenses for the private placement. (The Edge)

MARKET UPDATE

§ The FBM KLCI might open lower today after stocks and oil prices dropped Thursday as President Biden prepares a substantial release of oil reserves to staunch soaring energy prices and inflation. The S&P 500 fell 72.04 points, or 1.6%, to 4530.41. The Nasdaq Composite Index lost 221.76 points, or 1.5%, to 14220.52. The Dow Jones Industrial Average gave up 550.46 points, or 1.6%, to 34678.35. Losses accelerated late in the trading session and major indices recorded their worst performance since the first quarter of 2020, at the onset of the pandemic. Across the Atlantic, the pan-continental Stoxx Europe 600 edged down 0.9% and capped off its worst quarter since early 2020.

Back home, Bursa Malaysia closed 0.26% higher Thursday, boosted by improved market sentiment as buying support emerged primarily in banking and consumer product stocks. At 5pm, the benchmark FBM KLCI rose 4.14 points to 1,587.36 from 1,583.22 at Wednesday's close. In the region, most major benchmarks declined. The Shanghai Composite Index slid 0.4%, and Hong Kong's Hang Seng Index fell 1.1%. Weaker-than-expected data from purchasing managers' surveys in China for March weighed on sentiment.

TECHNICAL OUTLOOK

FBM KLCI: 1587.36 (+4.14; +0.26%)

Resistance: 1600, 1622, 1652

Support: 1580, 1551, 1515

FBM KLCI Daily Chart



The local benchmark managed to edge up 4.14 points to end at 1587.36 yesterday, while retesting its immediate support level of 1580 yet again. Market breadth remained positive as gainers outpaced decliners 530 and 370. At this juncture, the FBM KLCI is anticipated to trend sideways between 1600 and 1580 marks in the near term. Notably, potential sell down could be accelerated further should the current key support of 1580 be bearishly broken. Support levels for the index are at 1580, 1551 and 1515, while the resistance levels are at 1600, 1622 and 1652.

ECONOMIC MONITOR (Announcements over next 7 days)

<u>Date</u>	<u>Economic Release</u>	<u>Period</u>	<u>Consensus</u>	<u>Previous</u>
01-Apr-22	US Unemployment Rate	Mar	3.7%	3.8%
01-Apr-22	US Markit PMI Manufacturing	Mar	58.5	58.5
01-Apr-22	US ISM Manufacturing	Mar	59.0	58.6
01-Apr-22	China Manufacturing PMI	Mar	49.9	50.4
06-Apr-22	Euro-Zone PPI YoY	Feb	--	30.6%
07-Apr-22	US Initial Jobless Claims	2-Apr	--	202K
07-Apr-22	Malaysia Foreign Reserves	31-Mar	--	USD115.2bn
07-Apr-22	China Foreign Reserves	Mar	--	USD3213.8bn

CORPORATE MONITOR

RESULTS

<u>Company</u>	<u>Financial Quarter</u>	<u>Date</u>
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COMPANY VISITS / BRIEFING

<u>Company</u>	<u>Date</u>	<u>Time</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>	
Pappajack Berhad	ACE Market	0.30	40,080,000	--	18 Mar 2022	18 Mar 2022	01 Apr 2022

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

31-Mar-2022

<u>Company</u>	<u>Volume</u>	<u>Value (RM)</u>	<u>Average Price (RM)</u>
Bina Darulaman	5,000,000	2,490,000	0.50
Computer Forms Malaysia	133,186,460	79,910,000	0.60
Kretam Holdings	3,500,000	2,270,000	0.65
Inari Amertron	10,000,000	30,000,000	3.00
XL Holdings	2,000,000	1,200,000	0.60
Dagang NeXchange	1,000,000	1,030,000	1.03
Harn Len Corp	1,920,000	1,500,000	0.78
Ecofirst Consolidated	3,455,000	1,520,000	0.44
PA Resources	2,000,000	1,000,000	0.50
Widad Group	4,761,900	1,670,000	0.35

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>
MSM Malaysia Holdings	Final dividend of 3 sen per share	0.030	10-Mar	28-Mar	29-Mar	15-Apr
Elsoft Research	2nd Interim dividend of 1 sen per share	0.010	18-Feb	30-Mar	31-Mar	6-Apr
KPJ Healthcare	Interim dividend of 0.2 sen per share	0.002	18-Feb	30-Mar	31-Mar	6-Apr
Berjaya Sports Toto	2nd Interim dividend of 1 sen per share	0.010	22-Feb	30-Mar	31-Mar	5-Apr
IHH Healthcare	Regular Cash dividend of 6 sen per share	0.060	23-Feb	30-Mar	31-Mar	20-Apr
TSH Resources	Interim dividend of 3 sen per share	0.030	24-Feb	30-Mar	31-Mar	14-Apr
Kenanga Investment Bank	Interim dividend of 4 sen per share	0.040	25-Feb	30-Mar	31-Mar	13-Apr
Kenanga Investment Bank	Special Cash dividend of 6.5 sen per share	0.065	25-Feb	30-Mar	31-Mar	--
Thong Guan Industries	4th Interim dividend of 2.25 sen per share	0.023	28-Feb	30-Mar	31-Mar	7-Apr
Tenaga Nasional	Final dividend of 18 sen per share	0.180	15-Mar	30-Mar	31-Mar	7-Apr
Focus Lumber	Interim dividend of 3 sen per share	0.030	21-Feb	1-Apr	4-Apr	5-Apr
Keck Seng Malaysia	Interim dividend of 5 sen per share	0.050	18-Mar	1-Apr	4-Apr	11-Apr

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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