



## PublicInvest Research Daily

KDN PP17686/03/2013(032117)

Tuesday, April 26, 2022

### INDICES

	LAST CLOSE	CHG	% CHG
KLCI	1,589.98	-11.99	-0.7
DOW	34,049.46	238.06	0.7
S&P 500	4,296.12	24.34	0.6
NASDAQ	13,004.85	165.56	1.3
FTSE-100	7,380.54	-141.14	-1.9
SHANGHAI	2,928.51	-158.41	-5.1
HANG SENG	19,869.34	-769.18	-3.7
STI	3,339.59	-21.52	-0.6
NIKKEI 225	26,590.78	-514.48	-1.9
JCI	7,215.98	-9.63	-0.1

### MARKET ACTIVITY

	VOL(m)	VAL(RMm)
	3,133.64	2,636.65

### BURSA'S MARKET SHARE (%)

Retail	28.3%
Institutional	49.5%
Foreign	22.2%

### KEY COMMODITIES

	LAST CLOSE	CHG	% CHG
KLCI FUTURES (April)	1,584.50	-18.00	-1.1
OIL - BRENT (USD/b)	102.32	-4.33	-4.1
CPO FUTURE (RM/ton)	6,229.00	-126.00	-2.0
RUBBER (RM/kg)	652.00	-3.50	-0.5
GOLD (USD/Ounce)	1,897.71	-33.89	-1.8

### FOREX

	LAST CLOSE	% CHG
MYR/USD	4.36	0.7
MYR/SGD	3.17	0.1
YUAN/MYR	1.51	0.1
YEN/MYR	29.41	-0.9
MYR/EURO	4.68	0.0
MYR/GBP	5.55	-0.4

### TOP MOVERS IN MALAYSIA MARKET

TOP 5 VOLUME	LAST CLOSE	VOL (m)
TECHNA-X BHD	0.11	116.88
VIZIONE HOLDINGS	0.10	74.19
TWL HOLDINGS BHD	0.09	67.86
SIAB HOLDINGS BH	0.22	61.48
MATANG BHD	0.12	55.66

TOP 5 GAINERS	LAST CLOSE	RM (+)
BATU KAWAN BHD	29.08	1.28
KUALA LUMPUR KEP	29.00	1.00
BLD PLANTATION	9.43	0.43
IOI CORP BHD	4.73	0.30
UNITED PLANTATN	16.78	0.28

TOP 5 LOSERS	LAST CLOSE	RM (-)
NESTLE (MALAY)	132.50	-1.20
PETRONAS DAGANGA	21.08	-0.84
MALAYSIAN PAC IN	31.00	-0.82
AEON CREDIT SERV	15.08	-0.50
HEINEKEN MALAYSI	23.52	-0.48

Gainers – 236 Losers – 876 Unchanged – 304

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## HIGHLIGHTS

### Technical: Jadi Imaging Holdings - Possible For Sideways Breakout (7223, Technical Buy)

JADI is potentially staging a breakout from its sideways channel, with anticipation of continuous improvement in both momentum and trend in the near term. Should immediate resistance level of RM0.115 be broken with renewed buying interest, it may continue to lift price higher to subsequent resistance level of RM0.125. However, failure to hold on to support level of RM0.100 may indicate weakness in the share price and hence, a cut-loss signal.

### Technical: Golden Land - Possible For Sideways Breakout (7382, Technical Buy)

GLBHD is potentially staging a breakout from its sideways channel, with anticipation of continuous improvement in both momentum and trend in the near term. Should immediate resistance level of RM0.535 be broken with renewed buying interest, it may continue to lift price higher to subsequent resistance level of RM0.565. However, failure to hold on to support level of RM0.495 may indicate weakness in the share price and hence, a cut-loss signal.

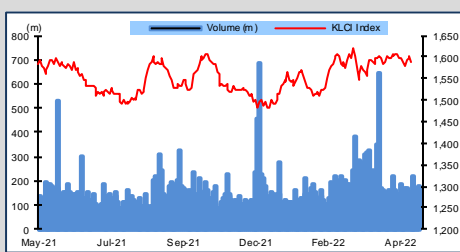
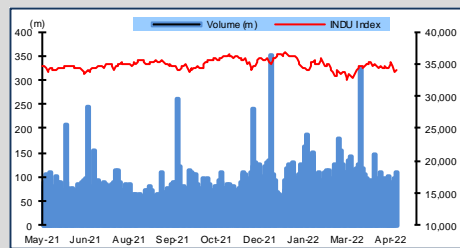
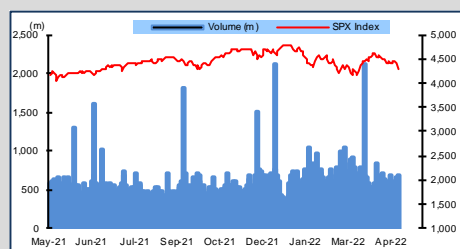
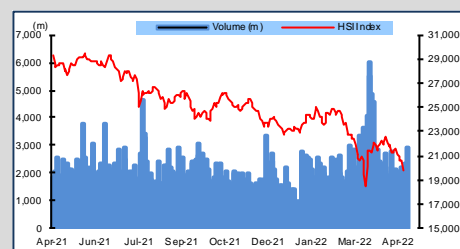
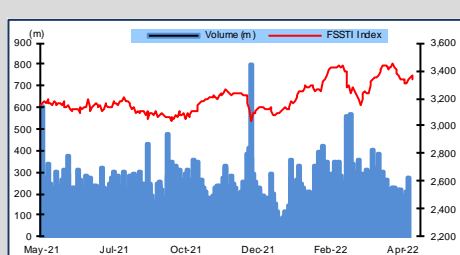
## HEADLINES

### Economy

§ **EU: German Ifo business confidence unexpectedly improves in April.** Germany's business confidence unexpectedly improved in April as the economy showed its resilience after the initial shock of the Russian attack, survey data published by the Ifo Institute showed. The business climate index rose to 91.8 in April from 90.8 in March. The reading was forecast to fall to 89.1. The improvement reflects less pessimism in companies' expectations, while their view on the current situation is minimally better. The current situation indicator came in at 97.2, slightly up from 97.1 a month ago. Economists had expected the index to decline to 95.8. Similarly, the business expectations index climbed to 86.7 from 84.9, while the reading was seen easing to 83.5. (RTT)

§ **EU: Spain producer price inflation strongest since 1976.** Spain producer prices increased at the fastest pace since 1976 on surging energy prices in March, data released by the statistical office INE. Producer price inflation advanced to 46.6% in March from 41.2% in the previous month. This was the fastest since the series began in Jan 1976. Excluding energy, producer price inflation was 13.7% versus 12.3% in Feb. The core rate was the biggest since June 1984. Among components of PPI, energy prices recorded a sharp 134.6% growth and intermediate goods prices posted a double-digit growth of 22.9%. Prices of consumer goods and capital goods were up 8.5% and 5.1%, respectively. MoM, producer prices gained 6.6%, following a 2.1% rise in Feb, data showed. (RTT)

§ **UK: CBI manufacturing sentiment deteriorates sharply in April.** Business optimism among UK manufacturers declined sharply in April after production and orders logged a slowdown in growth, the Industrial Trends Survey sponsored by Accenture showed. The business sentiment index fell to -34% in three months to April from -

**FBM KLCI**

**DOW JONES**

**S&P 500**

**HANG SENG**

**STRAITS TIMES**


Source: Bloomberg, PublicInvest Research

9% in three months to Jan. This was the sharpest decline since April 2020, according to the survey conducted by the Confederation of British Industry. Output increased at a slower pace in the quarter to April, with the balance declining to +19% from +27%. The order book balance came in at +22% in three month to April, compared with +38% in Jan. (RTT)

§ **Japan: Leading index falls more than estimated.** Japan's leading index declined more than initially estimated in Feb, final data from the Cabinet Office showed. The leading index, which measures the future economic activity, fell to 100.0 in Feb from 101.2 in Jan. The initial score was 100.9. Meanwhile, the coincident index that measures the current economic situation, rose to 96.8 in Feb from 96.3 in the previous month. According to the initial estimate, the reading was 95.5. At the same time, the lagging index advanced to 95.0 in Feb versus 96.5 in the initial estimate. In Jan, the reading was 94.5. (RTT)

§ **Taiwan: Industrial production growth eases in March.** Taiwan's industrial production increased at a softer pace in March, data from the Ministry of Economic Affairs showed. Industrial output increased 2.15% YoY in March, after a 9.47% rise in Feb. Manufacturing output rose 1.95% in March, after a 9.61% increase in the previous month. Electricity, gas and water supply output grew 5.06%. Meanwhile, mining and quarrying production fell 4.95% and water supply output declined 2.57%. On a MoM basis, industrial production decreased 6.50% in March, after a 3.36% rise in the prior month. Separate data from the statistical office showed that the retail sales rose 4.82% yearly in March, following a 0.18% increase in Feb. (RTT)

§ **Thailand: Domestic car sales rise in March, as car exports fall.** Domestic car sales in Thailand in March rose 9.1% from a year earlier to 87,245 units, helped by improved economic activity following an easing of coronavirus curbs and relief measures, the Federation of Thai Industries (FTI) said. Higher-than-expected bookings during a motor show held in Bangkok between late March and early April were also a boost. In the 1Q of 2022, car sales jumped 19.1% from a year earlier to 231,189 vehicles. Given a very strong 1Q, there is a high chance that car sales will reach 900,000 units this year, exceeding our target. Earlier, the FTI forecast domestic car sales of 800,000 to 850,000 vehicles and exports of 950,000 to 1m cars. Thailand is a regional vehicle production and export base for the world's top carmakers, including Toyota, Honda and Mitsubishi. (Reuters)

§ **Singapore: Inflation rises more than expected.** Singapore consumer prices and core inflation increased more than expected in March, data published by the Monetary Authority of Singapore and the Ministry of Trade and Industry showed. Consumer prices increased 5.4% YoY in March, following a 4.3% rise in Feb. Economists had expected the inflation rate to rise moderately to 4.7%. The latest increase in inflation was due to higher food prices, private transport and accommodation inflation. MAS core inflation rose to 2.9% in March from 2.2% in the previous month. Economists had forecast a rise of 2.4%. The higher core inflation was largely driven by higher inflation for food and services. On a monthly basis, consumer prices grew 1.2% in March and the core CPI rose 0.7%. External inflationary pressures have increased amid sharp rise in global commodity prices and renewed supply chain disruptions due to both the Russia-Ukraine conflict and the regional pandemic situation. (RTT)

## Markets

§ **IHH (Outperform, TP: RM7.50): Fortis gets final order to recover RM225m from former controlling shareholders.** IHH Healthcare said its unit Fortis Healthcare Ltd has received a final order from the Indian regulators to recover 397.12 crore rupees (RM225m) with interest, which is said to be diverted from the Fortis group for the benefit of its former controlling shareholders. IHH said the Securities and Exchange Board of India (SEBI) also imposed a penalty of one crore rupees (RM567,000) and 50 lakh rupees (RM284,000) on Fortis and its wholly-owned unit Fortis Hospitals Ltd, respectively. (The Edge)

*Comments: We understand that this was in relation to the matter on the qualified opinion on its FY19 and FY21 financial statements on the basis that an investigation report was submitted to the Fortis Board prior to IHH acquisition indicating systematic lapses and/or override of internal control. We are neutral on this development as it is one-off. Financial impact on FY22 earnings, after taking into account IHH's controlling stake of 31.17% in Fortis Group, is estimated to be RM69.9m, which accounts for ~5% of IHH's FY22F PATAMI.*

§ **Press Metal: Reaches settlement on additional tax assessments, to pay RM27m.** Press Metal Aluminium Holdings has reached an "amicable settlement" with the Inland Revenue Board in respect of additional assessments for the years 2014 to 2019. Press Metal Bintulu SB reached a final settlement of RM26.74m based on a letter received from the IRB dated April 22. (The Edge)

§ **Ireka: External auditors resign due to lack of resources to perform auditing services.** Ireka Corp received a written notice from Messrs Crowe Malaysia PLT indicating their intention to resign as the external auditors of the company. The matter was tabled at a special audit committee meeting on April 25 with the board subsequently accepting the resignation as recommended by the audit committee. (The Edge)

§ **TT Vision: Gets Bursa's nod to delist from LEAP Market, aims for ACE Market.** Bursa Securities has granted TT Vision Holdings (TTVHB) request to delist from the LEAP Market. Following this, the company is required to furnish the regulator with a letter confirming the details of the shareholders of TTVHB as at Jan 24. Trading in TTVHB's shares will be suspended upon the expiry of five market days. (The Edge)

§ **XOX: Marks F&B diversification with Mid Valley Megamall outlet.** XOX has partnered with Incite Foodtech SB to open its first food and beverage (F&B) outlet in Mid Valley Megamall, marking the company's first venture in the F&B space. The lifestyle space was expected to contribute as an additional revenue stream to the company. (BTimes)

§ **Petronas Dagangan: In close talks with government on new mechanism of petrol subsidy.** Petronas Dagangan is in close discussion with the government on the proposed implementation of new petrol subsidy mechanism. The government is reviewing the fuel and cooking oil subsidy mechanism so that it will be more targeted toward aiding and subsidising the vulnerable groups and those who really need help. (BTimes)

## MARKET UPDATE

§ Overnight, US stocks rebounded after concerns about new lockdowns in China and fears of a slowdown in economic growth pushed investors to search for safety earlier in the day. Wall Street's benchmark S&P 500 index closed 0.6% higher, having dropped as much as 1.7% earlier in the day. The tech-heavy Nasdaq Composite rose 1.3% as investors treated recent declines as a buying opportunity ahead of a busy week of earnings reports. Last Friday marked the S&P's second-worst trading day of the year, and both indices are still down more than 2% over the past week. The late turnaround in the US contrasted with sharp drops in European and Asian markets, including the biggest one-day decline in mainland China's CSI 300 since February 2020. Panic-buying gripped Beijing on Sunday and Monday as residents braced for harsh social restrictions due to Covid-19 similar to those in Shanghai. The prospect of a further economic slowdown in the world's largest oil importer knocked the price of Brent crude, the international oil benchmark, which fell 4.1% to USD102.32 a barrel. The Europe-wide Stoxx 600 index dropped 1.8% as investors shrugged off Emmanuel Macron's victory in the second round of the French Presidential election.

Back home, Bursa Malaysia ended broadly lower on Monday on persistent selling in selected heavyweights amid bearish sentiment surrounding regional stock markets. At 5pm, the benchmark FBM KLCI declined 11.99 points or 0.75% to end at its intraday low of 1,589.98 from last Friday's close of 1,601.97. Elsewhere, South Korea's Kospi declined 1.8%, and Japan's Nikkei 225 contracted 1.9%.

## TECHNICAL OUTLOOK

FBM KLCI: 1589.98 (-11.99; -0.75%)

Resistance: 1600, 1622, 1652

Support: 1580, 1551, 1515

### FBM KLCI Daily Chart



The local benchmark retraced 11.99 points to end at 1589.98 yesterday, in tandem with the global market rout. Market breadth remained negative as decliners outnumbered gainers 876 and 236. At this juncture, the FBM KLCI is anticipated to tread sideways around the 1600 horizon. 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>
26-Apr-22	US New Home Sales	Mar	768K	772K
28-Apr-22	Euro-Zone Consumer Confidence	Apr F	--	-16.9
28-Apr-22	US Initial Jobless Claims	23-Apr	180K	184K
29-Apr-22	Euro-Zone M3 Money Supply YoY	Mar	6.2%	6.3%
30-Apr-22	China Non-manufacturing PMI	Apr	46.0	48.4
30-Apr-22	China Manufacturing PMI	Apr	48.0	49.5
02-May-22	US ISM Manufacturing	Apr	58.0	57.1

## CORPORATE MONITOR

### RESULTS

<u>Company</u>	<u>Financial Quarter</u>	<u>Date</u>
Kossan	1QFY22	27 April
Hartalega	4QFY22	10 May
Apex Healthcare	1QFY22	18 May
IOI Corp	3QFY22	20 May
IHH Healthcare	1QFY22	26 May

### 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>	
MN Holdings	ACE Market	0.21	81,750,000	40,875,000	15-Apr-2022	15-Apr-2022	28-Apr-2022

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

25-Apr-2022

<u>Company</u>	<u>Volume</u>	<u>Value (RM)</u>	<u>Average Price (RM)</u>
Berjaya Corp	70,000,000	19,250,000	0.28
Pertama Digital	2,000,000	1,800,000	0.90
Public Bank	2,200,000	10,340,000	4.70
My EG Services	17,000,000	2,210,000	0.13
Malayan Flour Mills	11,800,000	8,020,000	0.68
Ireka Corp	5,487,000	3,020,000	0.55
Harn Len Corp	13,000,000	3,250,000	0.25
RHB Bank	3,000,000	17,940,000	5.98
SC Estate Builder	10,000,000	1,000,000	0.10
Icon Offshore	97,906,448	9,310,000	0.10
Chin Hin Group	1,000,000	3,050,000	3.05



## 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>
Sime Darby	Interim dividend of 4 sen per share	0.040	16-Feb	25-Apr	26-Apr	11-May
OSK Holdings	Final dividend of 4 sen per share	0.040	28-Feb	25-Apr	26-Apr	13-May
Willowglen MSC	Regular Cash dividend of 1.5 sen per share	0.015	24-Feb	26-Apr	27-Apr	18-May
Sime Darby Plantation	Final dividend of 12.38 sen per share	0.124	18-Feb	27-Apr	28-Apr	17-May
Malaysian Resources Corp	Final dividend of 1 sen per share	0.010	28-Feb	27-Apr	28-Apr	20-May
PMB Technology	Bonus issue of up to 1,296,774,800 new ordinary shares	--	24-Feb	27-Apr	28-Apr	--
Perak Transit	Interim dividend of 0.8 sen per share	0.008	22-Feb	28-Apr	29-Apr	20-May
United Plantations	Final dividend of 65 sen per share	0.650	28-Feb	28-Apr	29-Apr	18-May
United Plantations	Special Cash dividend of 20 sen per share	0.200	28-Feb	28-Apr	29-Apr	18-May
Ann Joo Resources	2nd Interim dividend of 6 sen per share	0.060	28-Feb	28-Apr	29-Apr	27-May
Media Prima	Final dividend of 1.5 sen per share	0.015	23-Feb	29-Apr	5-May	20-May
Wegmans Holdings	Bonus issue of up to 168,757,699 free warrants	--	2-Mar	29-Apr	5-May	--

TE- Tax Exempt

## RATING CLASSIFICATION

### STOCKS

<b>OUTPERFORM</b>	The stock return is expected to exceed a relevant benchmark's total of 10% or higher over the next 12 months.
<b>NEUTRAL</b>	The stock return is expected to be within +/- 10% of a relevant benchmark's return over the next 12 months.
<b>UNDERPERFORM</b>	The stock return is expected to be below a relevant benchmark's return by -10% over the next 12 months.
<b>TRADING BUY</b>	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.
<b>TRADING SELL</b>	The stock return is expected to be below a relevant benchmark's return by -5% or more over the next 3 months.
<b>NOT RATED</b>	The stock is not within regular research coverage.

### SECTOR

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

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#### Published and printed by:

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