



#### INDICES

	LAST CLOSE	CHG	% CHG
KLCI	1,589.01	-6.69	-0.4
DOW	34,451.23	-113.36	-0.3
S&P 500	4,392.59	-54.00	-1.2
NASDAQ	13,351.08	-292.51	-2.1
FTSE-100	7,616.38	35.58	0.5
SHANGHAI	3,211.25	-14.40	-0.4
HANG SENG	21,518.08	143.71	0.7
STI	3,335.85	-6.37	-0.2
NIKKEI 225	27,093.19	-78.81	-0.3
JCI	7,235.53	-27.24	-0.4

#### MARKET ACTIVITY

	VOL(m)	VAL(RMm)
	2,156.43	1,408.18

#### BURSA'S MARKET SHARE (%)

Retail	33.0%
Institutional	51.7%
Foreign	15.3%

#### KEY COMMODITIES

	LAST CLOSE	CHG	% CHG
KLCI FUTURES (April)	1,588.00	-4.00	-0.3
OIL - BRENT (USD/b)	111.70	2.92	2.7
CPO FUTURE (RM/ton)	6,468.00	180.00	2.9
RUBBER (RM/kg)	674.50	2.50	0.4
GOLD (USD/Ounce)	1,978.24	7.07	0.4

#### FOREX

	LAST CLOSE	% CHG
MYR/USD	4.24	0.1
MYR/SGD	3.12	-0.1
YUAN/MYR	1.50	-0.2
YEN/MYR	29.87	0.8
MYR/EURO	4.58	-0.8
MYR/GBP	5.53	-0.4

#### TOP MOVERS IN MALAYSIA MARKET

TOP 5 VOLUME	LAST CLOSE	VOL (m)
DATASONIC GROUP	0.53	112.10
KEY ALLIANCE GRO	0.01	76.14
TANCO HLDGS BHD	0.37	72.23
CHINA OUHUA WINE	0.08	60.57
MNC WIRELESS BHD	0.04	53.58

TOP 5 GAINERS	LAST CLOSE	RM (+)
FRASER & NEAVE	23.48	0.82
KUALA LUMPUR KEP	27.20	0.14
UNITED MALACCA	5.69	0.14
NESTLE (MALAY)	132.58	0.10
SUBUR TIASA	2.00	0.10

TOP 5 LOSERS	LAST CLOSE	RM (-)
MALAYSIAN PAC IN	32.70	-0.50
DUTCH LADY MILK	34.00	-0.38
PANASONIC MANUFA	28.70	-0.30
SIME DARBY PLANT	5.07	-0.23
CARLSBERG BREWER	21.58	-0.20

Gainers – 310 Losers – 487 Unchanged – 450

#### Research Team

T 603 2268 3000

F 603 2268 3014

E research@publicinvestbank.com.my

## HIGHLIGHTS

### Perak Transit: Ceasing Coverage (PERAK MK)

We are ceasing coverage on Perak Transit Berhad (PTB) due to limited re-rating catalyst, with expected developments accounted for and priced in while we redeploying resources to widen stock coverage. PTB has proposed to undertake a private placement of up to 10% of its total shares issued, which entails an issuance of up to 63.5m shares that could raise up to RM38.0m based on the illustrative issue price of RM0.60. Bulk of the proceeds will be utilised for partial construction cost for Bidor Sentral, terminal management services projects, urban transport electrification projects and general working capital. We are neutral on this as the placement enables the Group to raise additional funds without having to incur interest expenses but will have a dilutive effect on existing shareholders and EPS. Our last call is Trading Buy with TP of RM1.16. Current forecast should no longer be relied on as basis for recommendation.

### Technical: B.I.G. Industries (7005, Technical Buy)

Support level	Share price	Resistance level	Share price
1 <sup>st</sup> support	RM0.790	1 <sup>st</sup> resistance	RM0.895

BIG would endeavour to increase productivity, sales and be prudent in extending credit whilst tightening collection.

### Technical: Salutica (0183, Technical Buy)

Support level	Share price	Resistance level	Share price
1 <sup>st</sup> support	RM0.370	1 <sup>st</sup> resistance	RM0.420

SALUTE has managed to secure a new customer for the embedded computing devices and together with the accreditation for ISO 13485 Medical Devices Quality, they should further improve the group's product range expansion.

### Technical: Reservoir Link Energy (0219, Technical Buy)

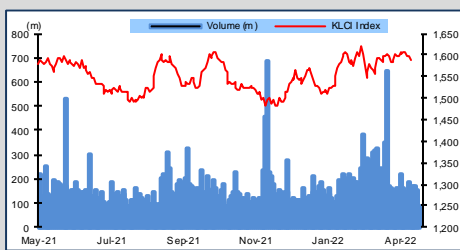
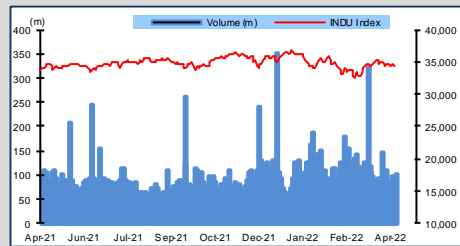
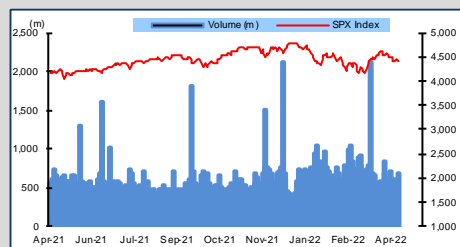
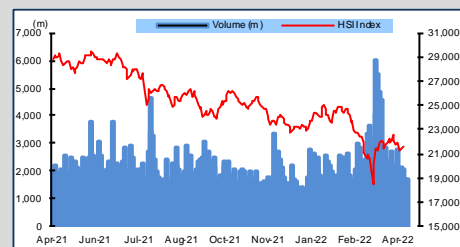
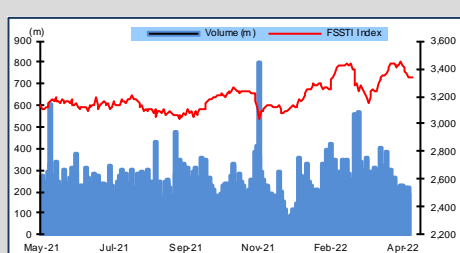
Support level	Share price	Resistance level	Share price
1 <sup>st</sup> support	RM0.445	1 <sup>st</sup> resistance	RM0.505

Despite the economic slowdown and soft oil and gas industry activities due to the outbreak of COVID-19, RL managed to secure new contracts consecutively following its listing in July 2020. The group continues to actively participate in tenders for oil and gas and renewal energy projects.

## HEADLINES

### Economy

§ **US: Treasuries show foreign inflows in Feb for 4th month.** Net foreign inflows into Treasuries rose for a fourth straight month in Feb in the amount of USD75.3bn. Of that, private overseas investors bought USD91.9bn in Treasuries and foreign official

**FBM KLCI**

**DOW JONES**

**S&P 500**

**HANG SENG**

**STRAITS TIMES**


Source: Bloomberg, PublicInvest Research

institutions sold USD16.2bn. Foreigners have bought Treasuries in 10 of the last 12 months, including a record net monthly purchase of USD118bn in March 2021. The overall foreign buying came as US yields rose. (Reuters)

§ **US: Autos rebound fuels manufacturing output gain in March.** A sharp rebound in automotive output in March spurred a third straight monthly gain in US factory activity, perhaps signaling the worst of the production woes that have dogged the motor vehicle industry over the last year may have passed. Overall industrial production increased 0.9% last month, keeping pace with Feb upward revised pace. Output jumped 5.5% from a year earlier. Manufacturing, which accounts for 11.9% of the US economy, has benefited from a shift in spending to goods from services during the COVID-19 pandemic. (Reuters)

§ **US: New York manufacturing activity shows substantial rebound in April.** After reporting an unexpected contraction in New York manufacturing activity in the previous month, the Federal Reserve Bank of New York released a report on April 15 showing a substantial rebound in activity in the month of April. Its general business conditions index soared to a positive 24.6 in April after tumbling to a negative 11.8 in March. A positive reading indicates an expansion in regional manufacturing activity. The rebound by the headline index came as the new orders spiked to a positive 25.1 in April from a negative 11.2 in March, and the shipments index skyrocketed to a positive 34.5 from a negative 7.4. Meanwhile, the report showed the number of employees index slid to 7.3 in April from 14.5 in March, indicating a slowdown in the pace of job growth. (RTT)

§ **China: Banking sector NPL ratio eased to 1.79% at end-March.** China's banking sector's non-performing loan (NPL) ratio was at 1.79% at the end of March, down 0.03 percentage points from the start of the year. Outstanding NPLs totaled CNY3.7trn at the end of the first quarter. No comparison figure was given for the end of 2021. Total assets of China's banking sector rose 8.9% in the first quarter from a year earlier, while total liabilities rose 8.8%. Banks' lending in the Yangtze River Delta, which covers Jiangsu, Zhejiang, Anhui and Shanghai, had shown little impact so far from an extended COVID-19 lockdown in Shanghai. (Reuters)

§ **China: Cuts reserve requirements for banks as economy slows.** China cut the amount of cash that banks must hold as reserves for the first time this year, releasing about CNY530bn in long-term liquidity to cushion a sharp slowdown in economic growth. The People's Bank of China (PBOC) would cut the reserve requirement ratio (RRR) for all banks by 25 basis points (bps), effective from April 25. The latest RRR cut would boost the long-term funds for banks, enabling them to step up support for industries and firms affected by Covid-19 outbreaks, and lower costs for banks. It will cut financial institutions' annual funding costs by about CNY6.5bn. (The Star)

§ **Singapore: Economy grows 3.4% in 1Q, slower than previous quarter.** Singapore's economy grew 3.4% YoY in the 1Q 2022. This marked a slower pace than the previous quarter when the economy expanded 6.1%. On a QoQ seasonally adjusted basis, Singapore's gross domestic product (GDP) grew 0.4% in the first quarter, slower than the 2.3% in the preceding quarter. The advance GDP estimates are computed largely from data gathered in the first two months of the quarter. (CNA)

## Markets

- § **Sime Darby Plantation (Neutral, TP: RM5.09): Ferrero is not a customer, says Sime Darby Plantation.** Sime Darby Plantation (SDP) said that Italian confectionery firm Ferrero, which is reportedly planning to stop sourcing palm oil from it, is not its customer and has not been for a while. Neither are General Mills and The Hershey Company, which are also mentioned in the Reuters news report published earlier on Friday, the plantation company said in a statement. (Bernama)
- § **Opcom: Secures RM25m consultancy services project.** Opcom Holdings has secured a RM25m consultancy project for the design and consultation of a data centre for the provision and maintenance of point of presence for an optic fibre infrastructure hub near schools, industrial areas, government premises and their nearby community areas in the central and eastern regions. The fibre optic cable manufacturer said its subsidiary, Opcom Vision SB, clinched the job from VC Telecoms SB. (The Edge)
- § **Econpile: Clinches RM23m foundation and basement works job in PJ.** Econpile Holdings has received a letter of award (LoA) for a RM23m contract to undertake foundation and basement works for an industrial building in Petaling Jaya, Selangor. The construction engineering company said its wholly-owned subsidiary Econpile (M) SB received the LoA from CJ Energy Solutions SB. (The Edge)
- § **Malaysia Pacific Corp: In JV to develop land in Johor.** Malaysia Pacific Corp has teamed up with privately held company Chesland SB to jointly develop a 5.7ha piece of land in Johor Bahru. Malaysia Pacific Corp said its indirect wholly-owned subsidiary Taman Bandar Baru Masai SB (TBBM) has signed a JV agreement with Chesland to undertake the proposed development. (The Edge)
- § **Inix Technologies: NPRA rejects Inix Technologies' application for registration to source Covid-19 vaccine from China.** The Ministry of Health's National Pharmaceutical Regulatory Agency (NPRA) has rejected INIX Technologies Holdings's application for registration with the former to source vaccine for Covid-19 from China, dealing a blow to the glove maker's plan to become a vaccine distributor. In a bourse filing, INIX said its application for registration with NPRA to source vaccine for Covid-19 from China has been rejected by the drug control authority. It added that it has no intention to reapply for said application. (The Edge)
- § **Pegasus Heights: Seeks to raise up to RM24m via private placement for working capital.** Pegasus Heights plans to raise up to RM23.66m in a private placement of up to 20% of its total issued shares at an issue price to be determined later, for working capital. (The Edge)
- § **HSS Engineers: Bags RM11.29m consultancy services from MRT Corp.** HSS Engineers Bhd's unit HSS Integrated SB (HSSI), has clinched a contract from Mass Rapid Transit Corp SB to provide peer review consultancy services. HSS Engineers said the services include tender documentation for the civil main contractor (CMC) and line-wide systems contractor (STC) for the MRT3 circle line project. (Business Times)

## MARKET UPDATE

§ Most markets were closed for Good Friday holiday while Asian shares fell in muted trading. Shanghai Composite, Nikkei 225 and Straits Times were down 0.45%, 0.29% and 0.19% respectively. After market closed, China's central bank freed up extra money for lending in its bid to support the slowing economy by cutting the amount of reserves commercial banks are required to hold. The move added about CNY500bn (USD85bn) to the pool for lending. Shutdowns of major cities in China due to Covid-19 outbreaks and the war in Ukraine have been weighing on sentiment. Meanwhile, the head of the International Monetary Fund warned that Russia-Ukraine conflict is darkening the outlook for most countries and reaffirmed the danger of high inflation on global economy.

Back home, FBMKLCI lost 0.42% to finish at 1,589.01. Khazanah Nasional has completed a placement of 105m shares representing 1% in CIMB Group at RM5.10 per share, raising a gross proceed of RM535.5m. Italian confectionery giant Ferrero said it will stop sourcing palm oil from Sime Darby Plantation after the US found the Malaysian planter used forced labour. Palm oil is a key ingredient used in Ferrero Rocher chocolates and Nutella spread.

## TECHNICAL OUTLOOK

FBM KLCI: 1589.01 (-6.69; -0.42%)

Resistance: 1600, 1622, 1652

Support: 1580, 1551, 1515

### FBM KLCI Daily Chart



The local benchmark retraced another 6.69 points to end at 1589.01 last Friday. Market breadth remained negative as decliners outnumbered gainers 487 and 310. At this juncture, the FBM KLCI is anticipated to thread sideways between 1580 and 1600 marks with slight bearish bias amid suppressed upward momentum. 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>
18-Apr-22	Malaysia Exports YoY	Mar	10.4%	16.8%
18-Apr-22	Malaysia Imports YoY	Mar	16.4%	18.4%
18-Apr-22	China Industrial Production YoY	Mar	4.0%	4.3%
18-Apr-22	China GDP YoY	1Q	4.2%	4.0%
19-Apr-22	US Housing Starts	Mar	1741K	1769K
20-Apr-22	US Existing Home Sales	Mar	5.80m	6.02m
21-Apr-22	Euro-Zone CPI YoY	Mar F	7.5%	7.5%
21-Apr-22	Euro-Zone Consumer Confidence	Apr A	-20.0	-18.7
21-Apr-22	US Initial Jobless Claims	16-Apr	180K	185K
22-Apr-22	Malaysia CPI YoY	Mar	2.3%	2.2%
25-Apr-22	Malaysia Foreign Reserves	15-Apr	--	USD115.6bn

## CORPORATE MONITOR

### RESULTS

<u>Company</u>	<u>Financial Quarter</u>	<u>Date</u>
IOI Corp	3QFY22	20 May

### COMPANY VISITS / BRIEFING

<u>Company</u>	<u>Date</u>	<u>Time</u>
----------------	-------------	-------------

### 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>	

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

<u>Company</u>	<u>Volume</u>	<u>Value (RM)</u>	<u>Average Price (RM)</u>
15-Apr-2022 Datasonic Group	33,000,000	15,660,000	0.47
Rubberex Corp M	11,210,000	7,060,000	0.63
NCT Alliance	56,046,700	22,690,000	0.40
SEG International	2,500,000	1,550,000	0.62

## 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>
Nestle Malaysia	Interim dividend of 102 sen per share	1.020	22-Feb	18-Apr	20-Apr	19-May
VSTECS	Special Cash dividend of 0.5 sen per share	0.005	22-Feb	20-Apr	21-Apr	11-May
VSTECS	2nd Interim dividend of 3.7 sen per share	0.037	22-Feb	20-Apr	21-Apr	11-May
White Horse	Final dividend of 3 sen per share	0.030	23-Feb	20-Apr	21-Apr	20-May
UEM Edgenta	Interim dividend of 3 sen per share	0.030	24-Feb	20-Apr	21-Apr	19-May
Cheetah Holdings	Bonus issue of free warrants in cheetah holdings on the basis of 1 warrant for every 2 existing ordinary shares	--	6-Apr	20-Apr	21-Apr	27-Apr
Oka Corp	Interim dividend of 2.2 sen per share	0.022	28-Feb	21-Apr	22-Apr	5-May
Samchem Holdings	4th Interim dividend of 1.5 sen per share	0.015	7-Apr	21-Apr	22-Apr	17-May
Wong Engineering Corp	Bonus issue of up to 131,801,486 free warrants	--	1-Apr	21-Apr	22-Apr	5-May
Chin Well Holdings	Interim dividend of 5.4 sen per share	0.054	23-Feb	22-Apr	25-Apr	20-May
VisDynamics Holdings	Interim dividend of 1.5 sen per share	0.015	3-Mar	22-Apr	25-Apr	19-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.

## DISCLAIMER

This document has been prepared solely for information and private circulation only. It is for distribution under such circumstances as may be permitted by applicable law. The information contained herein is prepared from data and sources believed to be reliable at the time of issue of this document. The views/opinions expressed herein are subject to change without notice and solely reflects the personal views of the analyst(s) acting in his/her capacity as employee of Public Investment Bank Berhad ("PIVB"). PIVB does not make any guarantee, representations or warranty neither expressed or implied nor accepts any responsibility or liability as to its fairness liability adequacy, completeness or correctness of any such information and opinion contained herein. No reliance upon such statement or usage by the addressee/anyone shall give rise to any claim/liability for loss of damage against PIVB, Public Bank Berhad, its affiliates and related companies, directors, officers, connected persons/employees, associates or agents.

This document is not and should not be construed or considered as an offer, recommendation, invitation or a solicitation of an offer to purchase or subscribe or sell any securities, related investments or financial instruments. Any recommendation in this document does not have regards to the specific investment objectives, financial situation, risk profile and particular needs of any specific persons who receive it. We encourage the addressee of this document to independently evaluate the merits of the information contained herein, consider their own investment objectives, financial situation, particular needs, risks and legal profiles, seek the advice of their, amongst others, tax, accounting, legal, business professionals and financial advisers before participating in any transaction in respect of any of the securities of the company(ies) covered in this document.

PIVB, Public Bank Berhad, our affiliates and related companies, directors, officers, connected persons/employees, associates or agents may own or have positions in the securities of the company(ies) covered in this document or any securities related thereto and may from time to time add or dispose of, or may be materially interested in, any such securities. Further PIVB, Public Bank Berhad, our affiliates and related companies, associates or agents do and/or seek to do business with the company(ies) covered in this document and may from time to time act as market maker or have assumed an underwriting commitment in the securities of such company(ies), may sell them or buy them from customers on a principal basis, may have or intend to accommodate credit facilities or other banking services and may also perform or seek to perform investment banking, advisory or underwriting services for or relating to such company(ies) as well as solicit such investment advisory or other services from any entity mentioned in this document. The analyst(s) and associate analyst(s) principally responsible for the preparation of this document may participate in the solicitation of businesses described aforesaid and would receive compensation based upon various factors, including the quality of research, investor client feedback, stock pickings and performance of his/her recommendation and competitive factors. The analyst(s) and associate analyst(s) may also receive compensation or benefit (including gift and company/issuer-sponsored and paid trips in line with the Bank's policies) in executing his/her duties. Hence, the addressee or any persons reviewing this document should be aware of the foregoing, amongst others, may give rise to real or potential conflicts of interest.

#### Published and printed by:

#### **PUBLIC INVESTMENT BANK BERHAD (20027-W)**

26<sup>th</sup> Floor, Menara Public Bank 2  
78, Jalan Raja Chulan  
50200 Kuala Lumpur  
T 603 2268 3000  
F 603 2268 3014