

Tuesday, 26 Dec, 2023

## Upbeat Mode To Prevail

### Market Review

**Malaysia:** The FBM KLCI (-0.08%) closed marginally lower as investors traded cautiously prior to the US PCE data and the Christmas long break. On the broader market, the Industrial Products & Services sector (+0.38%) gained, while the Healthcare sector (-0.36%) fell due to selling pressure in glove counters.

**Global markets:** Wall Street ended mostly higher at a slower pace, as investors may be taking a break prior to the long Christmas weekend, despite the PCE data came in within expectations. The European stock market ended higher, while the Asia markets ended mixed despite Japan's November inflation levels came in softer.

### The Day Ahead

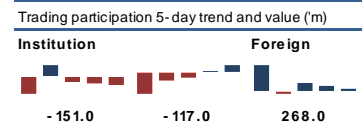
The FBM KLCI digested the recent gains for the third session as profit taking activities emerged within the banking heavyweights. Similarly, the US stock markets trended sideways after a long stretch of upward trending movements. We believe the market is still pricing in the dovish statements from the Federal Reserves, coupled with the recent inflation data that came in within expectations. Given the US GDP is still growing for 3Q, and both the PCE and CPI were increasing at a moderate pace, we expect global markets to trend higher over the near term. Hence, for this week, we believe buying support may return on the local front, heading into the final week of window dressing activities. On the commodity markets, Brent oil prices maintained around the USD80/bbl level.

**Sector focus:** We will be looking for possible trading opportunities within the Banking heavyweights amid the final week of window dressing activities. Meanwhile, we like the Technology sector with the rising Wall Street environment. Also, the Johor-theme may emerge in 1H24 if the government revive the KL-SG HSR project. Hence, we favour the Construction, Property, Building Material and Utilities sectors.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	37,385.97	-0.05
S&P 500	4,754.63	0.17
NASDAQ	14,992.97	0.19
FBM KLCI	1,454.38	-0.08
FBM Small Cap	16,284.80	0.29
FBM ACE	5,216.20	-0.20
Construction	189.73	0.18
Consumer	556.25	-0.06
Energy	818.60	0.07
Financial Services	16,247.09	-0.13
Healthcare	1,893.03	-0.36
Ind Products	172.76	0.38
Plantation	7,036.45	0.06
Property	859.47	0.18
REITs	782.09	0.21
Technology	63.22	0.00
Telco & Media	569.55	0.26
Transport & Logisti	927.98	0.24
Utilities	1,282.77	0.22
Trading Vol (m)	2,965.56	-3.01
Trading Val (RM m)	1,839.83	-12.16
Gainers/ Losers rat	98%	
FKLI	1,457.50	0.07
FCPO (RM)	3,738.00	-0.08
Brent oil (USD)	79.07	-0.40
Gold (USD)	2,053.08	0.35
USD	4.6285	0.56
GBP	5.8716	0.13
EURO	5.0931	0.01
SGD	3.4945	0.13



Source: Bloomberg, Bursa Market Place

### FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI ended marginally lower, consolidating for the third session. The technical readings on the key index were mixed, with the MACD Histogram forming a rounding top formation, while the RSI maintains above the 50 level. The resistance is envisaged around 1,470-1,480 and the support is set at 1,440-1,450.



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## Company Brief

**Leong Hup International Bhd** has reiterated its stand that its wholly owned subsidiary Leong Hup Feedmill Malaysia Sdn Bhd (LFM) was not involved in price-fixing practices involving poultry feed as part of a "chicken feed cartel", as alleged by the Malaysia Competition Commission (MyCC). MyCC's finding of infringement by LFM is without merit and the group will challenge the decision. Earlier on Friday, MyCC announced that it has imposed a fine of RM157.47m on LFM for colluding in a "chicken feed cartel" to fix poultry feed prices. LFM was one of five companies that were alleged to have been part of the cartel. The other parties include Bursa Malaysia-listed companies Malayan Flour Mills Bhd's partially owned Dindings Poultry Development Centre Sdn Bhd and PPB Group Bhd's 80%-owned FFM Bhd. The remaining two companies are Gold Coin Feedmills (M) Sdn Bhd under Gold Coin Group and PK Agro-Industrial Products (M) Sdn Bhd under Charoen Pokphand Holdings (M) Sdn Bhd, which in turn is a subsidiary of Thai conglomerate Charoen Pokphand Group Co Ltd. (The Edge)

**Capital A Bhd** is requesting another extension to submit its regularisation plan, originally due on Dec 31, 2023, now aiming for June 30, 2024. This marks the fourth time Capital A has sought a deadline extension from Bursa Securities. The initial deadline of Jan 7, 2023, was extended three times – first to July 7, then to Oct 7, and subsequently to Dec 31, 2023. Capital A triggered Practice Note 17 (PN17) criteria in July 2020 after external auditors EY issued an unqualified audit opinion with material uncertainty regarding on-going concern for its audited financial statements for FY2019. Additionally, its shareholders' equity on a consolidated basis was 50% or less of its share capital. (The Edge)

A month after a fertiliser group became a substantial shareholder of **ILB Group Bhd**, Vestland Bhd managing director Datuk Liew Foo Heen has also emerged as a substantial shareholder of the rooftop solar power system provider. Fohen Holding Sdn Bhd has become a substantial shareholder of the group after acquiring 23.17m shares or a 12.27% stake via a direct business transaction. A check with the Companies Commission Malaysia (SSM) showed that Fohen is 100%-owned by Liew, the major shareholder of construction company Vestland with a 63.33% stake. Meanwhile, ILB chief executive officer Makoto Takahashi has ceased to be a substantial shareholder of the group after he disposed of his entire 7.57% stake or 14.3m shares for RM22.63m on Friday. (The Edge)

**Malaysian Resources Corp Bhd** (MRCB) has proposed to acquire the rights to carry out the development of an office tower in the PJ Sentral commercial development from the Selangor State Development Corp (PKNS), for RM270m. The acquisition consideration will be satisfied through the disposal of malls and several residential units to PKNS, and funding through internally generated funds. MRCB said the group plans to dispose of Plaza Alam Sentral Mall and the adjoining land in Section 14, Shah Alam, to PKNS, for RM178m. (The Edge)

**Green Packet Bhd** has proposed a new agreement to sell its wholly owned Labuan investment banking business, Oasis Capital Investment Bank Ltd (OCIB), to Velocity Capital Sdn Bhd (VCSB) for RM11m, which is half the RM23m initially proposed to a different buyer. In a local bourse filing on Friday (Dec 22), the digital solutions provider said it has entered into a share sale agreement with VCSB, a wholly owned unit of Velocity Capital Partner Bhd (formerly known as CSH Alliance Bhd). (The Edge)

Construction outfit **TRC Synergy Bhd** has secured a RM23.8m contract from the Department of Irrigation and Drainage (DID) to design and build a flood mitigation dam in Gombak, Selangor. TRC Synergy said its wholly-owned subsidiary Trans Resources Corp Sdn Bhd had on Thursday received the letter of acceptance from the department. No further details of the contract were disclosed. (The Edge)



Property development and construction group **Jiankun International Bhd** is acquiring 99.99% equity interest in Penang-based Oriental Link Properties (M) Sdn Bhd (OLPSB) from the privately held property development company's two directors Lee Khoon Eng and Lee Phaik Choo for RM9.5m. Khoon Eng currently holds a 99.2% stake in OLPSB and Phaik Choo 0.79%, while the remaining 0.01% is still being held by its other director Ong Cheng Tat. Jiankun said the proposed acquisition is expected to provide the group an opportunity to venture into property development in the northern part of Peninsular Malaysia and contribute positively to the group's revenue and profitability. The proposed acquisition will be funded via internal funds, it added. (The Edge)

**Sunview Group Bhd** said its unit is buying Mestron Holdings Bhd's 10% stake in Winstar Aluminium Manufacturing Sdn Bhd, raising the group's interest in the aluminium firm to 30%. The renewable energy group said its wholly owned indirect subsidiary, Vafe System Sdn Bhd, is buying the additional stake for RM6m. "The solar industry is undoubtedly booming. As aluminium-related components account for approximately 10% of the total components, our stake in Winstar enables us to establish a cost-effective supply chain for aluminium mounting structures sourced from the local market for use in the solar photovoltaic system," said Sunview chief executive officer and executive director HP Ong. (The Edge)

The Armed Forces Fund Board (LTAT) offer to take **Boustead Plantations Bhd** (BPlant) private has now become unconditional after it accumulated 2.02bn BPlant shares, representing 90.26% of the total issued shares on Friday. As LTAT accumulates 90% or more of Boustead Plantations' shares, Bursa Securities will now suspend the trading of Boustead Plantations' shares five days after the closing date of the offer. However, LTAT will keep its RM1.55 per share offer to take BPlant private open until Jan 5, 2024, with the option for further extensions, according to BPlant's bourse filing on Friday. (The Edge)

**IJM Corporation Bhd's** unit, IJM Construction Sdn Bhd, has bagged a RM260m contract for the Kuching Urban Transportation System (KTUS) project. The job was secured via a joint venture (JV) comprising two other companies – Azam Sehasrat Sdn Bhd and Unique Deco Sdn Bhd. The contract is for the construction and completion of the KTUS Rembus autonomous rapid transit (ART) depot in Samarahan and other associated works that include depot buildings and associated structures, stabling yard, detention pond, access road as well as civil works. (The Star)

## 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	WASCO	8-Nov	1.000	1.050	1.090	1.150	0.960	0.950	0.985	-1.5%	Initiate on 8/11/2023
2	SLVEST	21-Nov	1.290	1.350	1.360	1.400	1.230	1.210	1.280	-0.8%	Initiate on 21/11/2023
3	ITMAX	8-Dec	1.800	1.900	1.920	2.000	1.680	1.650	1.800	0.0%	Initiate on 8/12/2023
5	MYEG	12-Dec	0.825	0.855	0.860	0.900	0.785	0.780	0.815	-1.2%	Initiate on 12/12/2023
5	SCGBHD	14-Dec	0.375	0.395	0.400	0.450	0.350	0.340	0.425	13.3%	Initiate on 14/12/2023



## Market Chat Tracker

4Q23 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	GTRONIC	2-Oct	1.550	1.700	1.820	1.450	1.360	1.340	1.610	3.9%	Initiate on 2/10/2023
2	HIAPTEK	2-Oct	0.435	0.500	0.535	0.400	0.365	0.355	0.425	-2.3%	Initiate on 2/10/2023
3	HSSEB	2-Oct	0.805	0.895	0.940	0.725	0.670	0.660	0.960	19.3%	Initiate on 2/10/2023
4	LHI	2-Oct	0.555	0.610	0.640	0.520	0.500	0.490	0.575	3.6%	Initiate on 2/10/2023
5	MUHIBAH	2-Oct	0.730	0.810	0.855	0.715	0.670	0.660	0.750	2.7%	Initiate on 2/10/2023
6	PECCA	2-Oct	1.200	1.400	1.450	1.100	1.050	1.030	1.320	10.0%	Initiate on 2/10/2023
7	PWF	2-Oct	0.655	0.950	1.000	0.825	0.790	0.780	0.720	9.9%	Initiate on 2/10/2023
8	RAMSSOL	2-Oct	0.495	0.545	0.605	0.425	0.395	0.385	0.385	-22.2%	Initiate on 2/10/2023
9	SLVEST	2-Oct	1.320	1.450	1.520	1.250	1.200	1.180	1.280	-3.0%	Initiate on 2/10/2023
10	T7GLOBAL	2-Oct	0.480	0.525	0.555	0.475	0.455	0.445	0.440	-8.3%	Initiate on 2/10/2023
11	TUNEPRO	2-Oct	0.435	0.485	0.515	0.420	0.405	0.395	0.400	-8.0%	Initiate on 2/10/2023
12	ULICORP	2-Oct	1.510	1.750	1.900	1.420	1.330	1.310	1.460	-3.3%	Initiate on 2/10/2023
13	WELLCAL	2-Oct	1.490	1.600	1.680	1.380	1.310	1.290	1.670	12.1%	Initiate on 2/10/2023
Average Return										1.1%	

Technical Focus Tracker Summary	
Total recommendations	356
Total winners	216
Total losers	136
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	13.3%
Accuracy (2022)	62.9%
Portfolio performance (2023)	6.1%
Accuracy (2023)	56.1%
FBM KLCI (Since 30/12/2022)	-2.7%
FBM Small Cap (Since 30/12/2022)	9.1%
Malaysia GDP Growth (1H23)	4.2%

## Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
GFM (0039)	Interim	RM0.01	28/11/2023	26/12/2023	RM0.23	RM0.29	2.0	26.7
KAREX (5247)	Interim	RM0.01	24/11/2023	26/12/2023	RM0.67	RM0.74	0.7	9.7
SIMPLT (5285)	Special Cash	RM0.06	27/10/2023	26/12/2023	RM4.24	RM4.52	1.3	6.7
GCB (5102)	Interim	RM0.02	27/11/2023	26/12/2023	RM2.02	RM1.85	1.1	-8.4
AXJ-REITSETF (0837EA)	Income	RM0.01	11/12/2023	26/12/2023	RM0.75	RM0.78	0.7	3.6
BAUTO (5248)	Interim	RM0.05	12/12/2023	27/12/2023	RM2.30	RM2.45	2.0	6.5
SUPREME (03018)	Interim	RM0.02	30/11/2023	28/12/2023	RM0.67	RM0.67	3.1	0.0
RGB (0037)	Interim	RM0.01	29/11/2023	28/12/2023	RM0.30	RM0.28	2.1	-6.7
SPTOTO (1562)	Stock Dividend	1:50	21/11/2023	28/12/2023	RM1.49	RM1.52	-	2.0
PANTECH (5125)	Interim	RM0.02	19/10/2023	28/12/2023	RM0.88	RM0.92	1.6	4.5
POHUAT (7088)	Interim	RM0.02	4/12/2023	28/12/2023	RM1.36	RM1.37	-	0.7
SAMCHEM (5147)	Interim	RM0.01	8/12/2023	28/12/2023	RM0.54	RM0.60	1.0	11.1
GPHAROS (5649)	Interim	RM0.03	12/12/2023	28/12/2023	RM0.29	RM0.37	7.7	27.6
SEEHUP (7053)	Interim	RM0.03	30/11/2023	28/12/2023	RM0.90	RM0.89	3.0	-1.1
VITROX (0097)	Interim	RM0.01	1/12/2023	28/12/2023	RM6.98	RM7.26	0.2	4.0
KOBAY (6971)	Final	RM0.02	29/8/2023	28/12/2023	RM1.92	RM1.33	1.5	-30.7
PELIKAN (5231)	Return of Capital	RM0.75	14/12/2023	28/12/2023	RM0.91	RM0.91	-	-0.5
FACBIND (2984)	Final	RM0.02	23/8/2023	28/12/2023	RM1.45	RM1.24	1.4	-14.5
PTARAS (9598)	Final	RM0.03	21/9/2023	28/12/2023	RM1.56	RM1.57	1.9	0.6
EWINT (5283)	Final	RM0.06	13/12/2023	28/12/2023	RM0.36	RM0.37	16.2	2.8
INSAS (3379)	Interim	RM0.03	22/11/2023	29/12/2023	RM0.89	RM0.92	2.7	2.8
TAAAN (5012)	Interim	RM0.15	28/11/2023	2/1/2024	RM3.51	RM3.60	4.2	2.6
SCIENTX (4731)	Final	RM0.05	20/9/2023	2/1/2024	RM3.68	RM3.86	1.3	4.9
ECOWLD (8206)	Final	RM0.02	14/12/2023	2/1/2024	RM1.00	RM1.04	1.9	4.0
SCIPACK (8125)	Final	RM0.03	19/9/2023	2/1/2024	RM2.22	RM2.23	1.1	0.5
IMASPRO (7222)	Final	RM0.04	23/8/2023	2/1/2024	RM5.65	RM4.21	0.8	-25.5
HIBISCS (5199)	Final	RM0.01	4/10/2023	3/1/2024	RM2.65	RM2.55	0.5	-3.9
MAG (0095)	Final	RM0.00	30/8/2023	3/1/2024	RM0.21	RM0.20	0.5	-4.9
NTPM (5066)	Interim	RM0.01	18/12/2023	3/1/2024	RM0.40	RM0.39	2.1	-2.5
HIAPTEK (5072)	Final	RM0.01	27/9/2023	4/1/2024	RM0.44	RM0.43	1.2	-2.3
SUPERLN (7235)	Interim	RM0.01	14/12/2023	5/1/2024	RM0.75	RM0.86	0.9	14.0
TDM (2054)	Interim	RM0.00	20/12/2023	5/1/2024	RM0.18	RM0.18	1.0	2.9
RHONEMA (5278)	Interim	RM0.01	15/12/2023	5/1/2024	RM0.69	RM0.70	1.4	1.4
MCEHLDG (7004)	Bonus	RM1.00	10/10/2023	8/1/2024	RM1.68	RM2.60	-	54.6
BIOHLDG (0179)	Rights Issue	RM0.38	22/12/2023	10/1/2024	RM0.11	RM0.11	-	0.0
BJCORP (3395)	Stock Dividend	RM0.06	29/11/2023	10/1/2024	RM0.30	RM0.28	-	-6.7
RVIEW (2542)	Interim	RM0.05	8/12/2023	11/1/2024	RM3.20	RM3.22	1.6	0.6
LHI (6633)	Interim	RM0.01	28/11/2023	11/1/2024	RM0.69	RM0.58	-	-16.7
PENERGY (5133)	Special Cash	RM0.04	15/12/2023	15/1/2024	RM0.90	RM0.93	4.3	3.8
KESM (9334)	Final	RM0.06	26/10/2023	17/1/2024	RM7.01	RM6.86	0.9	-2.1
ASIAFLE (7129)	Interim	RM0.04	30/11/2023	17/1/2024	RM2.05	RM2.02	1.7	-1.5
F&N (3689)	Final + Special Cash	RM0.50	7/11/2023	18/1/2024	RM25.82	RM28.48	1.8	10.3
UMCCA (2593)	Interim	RM0.05	18/12/2023	18/1/2024	RM4.93	RM4.94	1.0	0.2
VS (6963)	Final	RM0.01	26/9/2023	18/1/2024	RM1.02	RM0.81	0.6	-20.7
PTRANS (0186)	Interim	RM0.01	15/11/2023	24/1/2024	RM1.24	RM1.16	0.6	-6.5
HOMERIZ (5160)	Final	RM0.02	27/10/2023	15/2/2024	RM0.52	RM0.52	3.1	-1.0
BKAWAN (1899)	Final	RM0.40	8/12/2023	16/2/2024	RM20.50	RM20.50	2.0	0.0
VS (6963)	Interim	RM0.00	20/12/2023	22/2/2024	RM0.83	RM0.81	0.4	-2.4
POHKONG (5080)	Final	RM0.02	26/9/2023	28/2/2024	RM0.87	RM0.86	2.3	-1.1
ASTINO (7162)	Final	RM0.01	29/9/2023	7/3/2024	RM0.58	RM0.51	2.0	-12.1

Denotes >5% Dividend Yield



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