

Monday, 01 Apr, 2024

## Ended The Quarter On A Positive Note

### Market Review

**Malaysia:** The FBMKLCI (+0.36%) ended higher, in line with the positive performance across the regional stock markets, as the index was led by Banking and Utilities heavyweights. On the broader market, the Energy sector (+0.99%) gained, while the Plantation sector (-0.15%) declined.

**Global markets:** Wall Street was closed for public holiday, while all 3 indices logged quarterly gains. Meanwhile, the 4Q US GDP grew faster at 3.4% vs. consensus of 3.2% due to stronger consumer spending and jobless claims were broadly in line with estimates. Both the European and Asian stock markets rose.

### The Day Ahead

The FBM KLCI fell on Friday, but logged in 5.6% gains for the quarter and the FBM Small Cap rose 5.77% for the same period. We believe the overall sentiment is turning more positively heading into 2Q24 with the domestic catalysts such as stable political environment, masterplans being executed as well as firmer commodities prices. Meanwhile, in the US we think the core PCE numbers came in within expectations and likely the Fed will remain dovish and may cut 3 times over 2024. On the commodity markets, Brent oil traded nearer towards USD87 amid ongoing geopolitical tension in the Middle East and extension of production cuts from OPEC+. Besides, the gold price continues to extend its upward move above USD2230.

**Sectors focus:** We will be releasing our market outlook for 2Q24. We opine that the revival of mega infrastructure projects could benefit the Construction, Building Material and Property sectors. Also, we like recovery theme stocks within the Banking, Consumer, Automotive, while commodity related such as O&G and Plantation will be riding their underlying commodity strengths.

### FBMKLCI Technical Outlook



Bloomberg

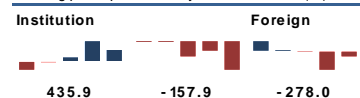
The FBM KLCI index ended higher closing around the 1,535 level. The technical readings on the key index were negative, with the MACD Histogram extending a negative bar, and the RSI is hovering below 50. The resistance is envisaged around 1,550-1,555 and the support is set at 1,515-1,520.

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### Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	39,807.37	0.12
S&P 500	5,254.35	0.11
NASDAQ	16,379.46	-0.12
FBM KLCI	1536.07	0.36
FBM Small Cap	17,297.26	0.29
FBM ACE	4,897.06	1.12
Construction	223.17	0.17
Consumer	57109	-0.08
Energy	952.36	0.99
Financial Services	17,273.27	0.53
Healthcare	1943.31	0.15
Ind Products	179.63	0.05
Plantation	7,287.67	-0.15
Property	1007.79	0.15
REITs	809.75	-0.04
Technology	64.68	0.58
Telco & Media	594.64	0.58
Transport & Logist	996.53	0.32
Utilities	1543.28	0.85
Trading Vol (m)	3,060.34	-18.42
Trading Val (RM m)	2,594.96	-16.33
Gainers/ Losers rat	113%	
FKLI	1540.50	0.49
FCPO (RM)	4,184.00	1.40
Brent oil (USD)	87.00	-0.14
Gold (USD)	2,229.87	0.43
USD	4.725	0.20
GBP	5.9599	0.02
EURO	5.0933	0.16
SGD	3.5016	0.08

Trading participation 5-day trend and value (m)



Source: Bloomberg, Bursa Market Place



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## Company Brief

The government has offered **Gamuda Bhd**'s 60%-owned SRS Consortium Sdn Bhd civil works contracts on the first segment of the Penang Light Rail Transit (Penang LRT) and hopes to conclude talks with the company within six months. SRS Consortium is being offered the contract on the so-called single sourcing request-for-proposal mechanism based on the request by the Penang state government, that had appointed SRS Consortium as the project delivery partner back in August 2015. The value and details of the contracts are subject to negotiations between SRS Consortium and project owner Mass Rapid Transit Corporation Sdn Bhd, which is wholly-owned by the Finance Ministry. (The Edge)

**Capital A Bhd** said it has signed letters of intent with two Singapore-based companies for collaboration on travel and e-commerce services, as well as fintech solutions within the Asean region for airline passengers travelling to and from China. The two companies are Advanced New Technologies (Singapore) Holding Pte Ltd (ANT), which offers digital payment and financial services solutions, and Trip.com Travel Singapore Pte Ltd (Trip), a subsidiary of China-based Trip.com Group Ltd, which provides hotel bookings, flight reservations and travel recommendations on its platform. The letters of intent do not hold any commercial value and are not expected to have any financial effects on Capital A. (The Edge)

The board of directors of **Cypark Resources Bhd** has requested selected key senior management officers, including its group chief executive officer Datuk Daud Ahmad, to go on unrecorded leave in order to facilitate a fully independent and transparent review process. Cypark said this is part of the ongoing strategic review of its business that commenced on Feb 28. The group had on Feb 28 redesignated its chair Datuk Hamidah Moris as executive chair, and non-executive director Muhammad Ashraf Muhammad Amir as executive director. Cypark said that with the redesignation of Hamidah and Muhammad Ashraf to executive positions "to assume the senior leadership responsibilities in the interim, the continuity of projects and business operations during this period remain as usual".

Separately, Cypark reported a net loss of RM27.7m for its third quarter ended Jan 31, 2024 on revenue of RM35.89m. Cypark said the net loss largely stemmed from losses recorded by its waste management and waste-to-energy division due to adjustments made on amortisation on trade receivables. The amortisation was readjusted to a concession term basis that was consistent with the prior year's amortisation. There are no comparative figures given that the group had changed its financial year end from Oct 31, 2022 to April 30, 2023. (The Edge)

**Mudajaya Group Bhd** has redesignated its group managing director and chief executive officer James Wong Tet Foh as executive chairman, effective April 1, 2024. Wong, 63, succeeds Lee Eng Leong, 56, who is stepping down due to personal reasons. Lee, who holds a 0.09% stake in Mudajaya Group, will remain as an adviser to the group for the next few months to ensure smooth leadership transition, together with the support of the board, Mudajaya's bourse filing showed. Mudajaya also appointed Alvin Chew Chee Wai, 45, who is currently heading its construction division, as acting group chief operating officer to help oversee the group's operations, covering the construction, trading and manufacturing, property as well as power divisions. (The Edge)

Stronger furniture demand from North America lifted **Poh Huat Resources Holdings Bhd**'s net profit for its first quarter up 50.94% to RM10.3m from RM6.83m in the corresponding quarter a year ago. The better earnings for the three months ended Jan 31, 2024 were also due to higher other income of RM1.71m, mainly due to interest income of RM1.47m, as opposed to other expenses of RM5.49m that it recorded a year before. Quarterly revenue rose 9.71% to RM131.14m from RM119.53m. (The Edge)



**Sapura Resources Bhd** swung into the red in the financial year ended Jan 31, 2024 with a net loss of RM35.85m, versus a net profit of RM79.62m a year ago as higher revenue was more than offset by smaller reversal on impairment and reduction of other income. During the year under review, the group posted a reversal for impairment of non-current assets of RM46.21m versus RM123m a year ago. Other income was RM13.77m versus RM43.09m. Cumulative revenue for FY2024, which ended on Jan 31, 2024, showed an improvement of 10.09%, reaching RM58.66m compared with RM53.29m. (The Edge)

Confinement centre operator **LYC Healthcare Bhd** said its 64.5%-owned subsidiary LYC Medicare Singapore Ltd has lodged a new preliminary offer document with Singapore Exchange Ltd (SGX) for its listing proposed on the SGX's Catalist board. LYC Healthcare said that Evolve Capital Advisory Private Ltd will be the new sponsor to guide the initial public offering (IPO) for LYC Medicare. LYC Medicare appointed Evolve last October after its previous sponsor and issue manager ZICO Capital Pte Ltd discontinued its services for the proposed listing. (The Edge)

Oil palm plantation player **MKH Oil Palm (East Kalimantan) Bhd** began taking orders from investors for its IPO on the Main Market that would raise up to RM155.43m. The IPO, which is priced at 62 sen apiece, comprises a public issuance of 220m new ordinary shares, as well as an offer for sale of 30.7m existing shares. Out of the 220m new shares, the company allocated 51.21m shares to the public, while 168.79m shares are reserved for private placement to select investors. Applications for the IPO will be closed on April 16, while the listing is set for April 30. With an enlarged share capital of 1.02bn shares, the group will have a market capitalisation of RM634.6m upon listing. (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	FRONTKN	4-Mar	3.660	3.820	3.900	4.050	3.550	3.520	3.880	6.0%	Initiate on 4/3/2024
2	UZMA	15-Mar	1.210	1.270	1.350	1.410	1.140	1.120	1.300	7.4%	Initiate on 15/3/2024
3	DIALOG	22-Mar	2.250	2.400	2.450	2.550	2.140	2.120	2.290	1.8%	Initiate on 22/3/2024
4	KGB	27-Mar	2.740	2.900	2.950	3.000	2.620	2.600	2.660	-2.9%	Initiate on 27/3/2024

## Market Chat Tracker - 1Q24 Stock Picks

1Q24 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	AME	26-Dec	1.660	1.920	2.050	-	1.630	1.550	1.76	6.0%	Initiate on 26/12/2023
2	CCK	26-Dec	0.840	0.950	1.000	-	0.805	0.760	1.02	21.4%	Initiate on 26/12/2023
3	INARI	26-Dec	2.979	3.300	3.450	-	2.860	2.750	3.23	8.4%	Initiate on 26/12/2023
4	ITMAX	26-Dec	1.801	1.950	2.000	-	1.760	1.700	2.30	27.7%	Initiate on 26/12/2023
5	KSL	26-Dec	1.130	1.210	1.300	-	0.995	1.070	1.47	30.1%	Initiate on 26/12/2023
6	MYEG	26-Dec	0.815	1.000	1.080	-	0.805	0.750	0.79	-3.1%	Initiate on 26/12/2023
7	NATGATE	26-Dec	1.550	1.760	1.850	-	1.480	1.350	1.56	0.6%	Initiate on 26/12/2023
8	OSK	26-Dec	1.230	1.300	1.350	-	1.150	1.100	1.47	19.5%	Initiate on 26/12/2023
9	PBBANK	26-Dec	4.151	4.410	4.500	-	4.170	4.060	4.22	1.7%	Initiate on 26/12/2023
10	SCGBHD	26-Dec	0.425	0.475	0.500	-	0.400	0.380	0.51	20.0%	Initiate on 26/12/2023
11	SUNCON	26-Dec	1.948	2.150	2.250	-	1.920	1.850	2.92	49.9%	Initiate on 26/12/2023
12	SWIFT	26-Dec	0.532	0.600	0.635	-	0.515	0.495	0.51	-4.1%	Initiate on 26/12/2023
13	TM	26-Dec	5.462	6.000	6.250	-	5.350	5.210	6.04	10.6%	Initiate on 26/12/2023
14	WCEHB	26-Dec	0.930	1.000	1.070	-	0.880	0.820	1.00	7.0%	Initiate on 26/12/2023
Average Return										14.0%	



Technical Focus Tracker Summary	
Total recommendations	373
Total winners	217
Total losers	135
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)	15.7%
Accuracy (2023)	45.8%
FBM KLCI (Since 30/12/2022)	2.7%
FBM Small Cap (Since 30/12/2022)	15.9%
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 (%)
KENANGA (6483)	Interim	RM0.07	29/2/2024	1/4/2024	RM1.09	RM1.18	5.9	8.3
TM (4863)	Final	RM0.05	23/2/2024	1/4/2024	RM5.81	RM6.04	0.8	4.0
MLAB (0085)	Stock Split	1:20	19/3/2024	2/4/2024	RM0.02	RM0.01	-	-33.3
MFCB (3069)	Final	RM0.04	18/3/2024	2/4/2024	RM4.24	RM4.33	1.0	2.1
APOLLO (6432)	Interim	RM0.50	18/3/2024	2/4/2024	RM5.77	RM7.39	6.8	28.1
MAGNI (7087)	Interim	RM0.04	18/3/2024	2/4/2024	RM2.03	RM2.22	1.6	9.4
CAB (7174)	Final	RM0.01	30/11/2023	3/4/2024	RM0.70	RM0.71	0.7	0.7
RGTECH (0202)	Interim	RM0.01	19/3/2024	3/4/2024	RM0.35	RM0.37	1.4	4.3
PELIKAN (5231)	Special Cash	RM0.02	22/3/2024	5/4/2024	RM0.27	RM0.24	8.3	-9.4
THPLANT (5112)	Final	RM0.02	28/2/2024	5/4/2024	RM0.72	RM0.73	2.7	1.4
FPI (9172)	Interim	RM0.23	22/2/2024	8/4/2024	RM3.02	RM3.12	7.4	3.3
RKI (7006)	Interim	RM0.01	21/2/2024	9/4/2024	RM1.30	RM1.31	0.8	0.8
CEPAT (8982)	Final + Special Cash	RM0.04	22/3/2024	9/4/2024	RM0.75	RM0.78	5.1	4.7
CETECH (03024)	Interim	RM0.00	29/3/2024	9/4/2024	RM1.15	RM1.15	0.0	0.0
FRONTKN (0128)	Interim	RM0.02	22/2/2024	12/4/2024	RM3.74	RM3.88	0.6	3.7
SUPERLN (7235)	Interim	RM0.01	22/3/2024	12/4/2024	RM0.94	RM0.99	1.3	4.8
JAYCORP (7152)	Interim	RM0.02	21/3/2024	12/4/2024	RM0.73	RM0.77	2.6	4.8
SIMEPROP (5288)	Interim	RM0.02	23/2/2024	12/4/2024	RM0.80	RM0.92	1.6	15.1
VS (6963)	Interim	RM0.00	27/3/2024	15/4/2024	RM0.84	RM0.88	0.3	5.4
HANDAL (7253)	Bonus-Options	1:2	29/3/2024	15/4/2024	RM0.09	RM0.09	-	0.0
MCEHLDG (7004)	Interim	RM0.02	26/3/2024	15/4/2024	RM1.70	RM1.62	0.9	-4.7
KPS (5843)	Special Cash	RM0.05	26/3/2024	15/4/2024	RM0.78	RM0.82	5.5	5.2
GHLYSY (0021)	Final	RM0.02	27/3/2024	15/4/2024	RM0.64	RM0.64	3.1	0.8
UMSNGB (7227)	Interim + Special Cash	RM0.13	26/2/2024	15/4/2024	RM0.94	RM1.18	11.0	25.5
PTRB (0260)	Interim	RM0.01	27/3/2024	16/4/2024	RM0.45	RM0.50	1.3	11.2
BAUTO (5248)	Interim	RM0.04	13/3/2024	17/4/2024	RM2.48	RM2.39	1.8	-3.6
MHC (5026)	Interim + Special Cash	RM0.06	29/3/2024	17/4/2024	RM1.03	RM1.03	5.8	0.0
LAGENDA (7179)	Interim	RM0.04	28/2/2024	17/4/2024	RM1.45	RM1.51	2.3	4.1
NESTLE (4707)	Interim	RM1.28	27/2/2024	17/4/2024	RM121.50	RM118.20	1.1	-2.7
POHUAT (7088)	Final	RM0.02	6/2/2024	18/4/2024	RM1.41	RM1.48	1.4	5.0
MASTER (7029)	Interim	RM0.08	29/3/2024	19/4/2024	RM3.62	RM3.62	2.2	0.0
HAILY (0237)	Interim	RM0.01	27/3/2024	19/4/2024	RM0.44	RM0.49	1.4	11.5
OSK (5053)	Final	RM0.04	22/2/2024	22/4/2024	RM1.53	RM1.47	2.7	-3.9
TSH (9059)	Final	RM0.03	22/2/2024	22/4/2024	RM1.11	RM1.13	2.2	1.8
VSTEC5 (5162)	Interim	RM0.04	27/2/2024	23/4/2024	RM1.50	RM2.54	1.6	69.3
VELESTO (5243)	Interim	RM0.00	27/2/2024	24/4/2024	RM0.27	RM0.30	0.8	11.3
KMLOONG (5027)	Interim	RM0.05	26/3/2024	24/4/2024	RM2.17	RM2.17	2.3	0.0
CRESNDO (6718)	Interim + Special Cash	RM0.18	27/3/2024	24/4/2024	RM2.81	RM3.03	5.9	7.8
EDGENTA (1368)	Interim	RM0.02	28/2/2024	24/4/2024	RM1.00	RM0.97	2.1	-3.5
CHINWEL (5007)	Omitted	RM0.00	27/2/2024	25/4/2024	RM1.22	RM1.21	0.0	-0.8
UTDPLT (2089)	Final	RM1.10	26/2/2024	26/4/2024	RM20.92	RM23.98	4.6	14.6
WILLOW (0008)	Final	RM0.02	28/2/2024	29/4/2024	RM0.35	RM0.37	4.1	4.3
UEMS (5148)	Interim	RM0.01	27/2/2024	29/4/2024	RM1.04	RM1.21	0.6	16.3
MALAKOF (5264)	Final	RM0.02	25/3/2024	29/4/2024	RM0.63	RM0.64	2.4	0.8
MRCB (1651)	Final	RM0.01	29/2/2024	30/4/2024	RM0.59	RM0.68	1.5	15.4
ASIAFL (7129)	Interim	RM0.04	29/2/2024	30/4/2024	RM2.20	RM2.20	1.6	0.0
SNS (0259)	Interim	RM0.00	26/3/2024	2/5/2024	RM0.28	RM0.28	0.9	0.0
PTRANS (0186)	Interim	RM0.01	22/2/2024	2/5/2024	RM0.84	RM0.79	0.9	-6.0
IDEAL (9687)	Interim	RM0.02	29/2/2024	2/5/2024	RM3.50	RM3.30	0.6	-5.7
SIMEPLT (5285)	Final	RM0.06	22/2/2024	3/5/2024	RM4.50	RM4.31	1.4	-4.2
MAHSING (8583)	Final	RM0.04	27/2/2024	9/5/2024	RM0.96	RM1.23	3.3	28.8
VIS (0120)	Final	RM0.01	21/12/2023	9/5/2024	RM0.41	RM0.41	2.5	0.0
OKA (7140)	Interim	RM0.01	28/2/2024	10/5/2024	RM0.74	RM0.70	1.6	-4.8
AHEALTH (7090)	Final	RM0.23	21/2/2024	15/5/2024	RM3.01	RM2.95	7.6	-2.0
PPB (4065)	Final	RM0.30	28/2/2024	20/5/2024	RM15.32	RM15.38	2.0	0.4
DUFU (7233)	Final	RM0.02	27/2/2024	29/5/2024	RM1.83	RM1.82	1.1	-0.5
GASMSIA (5209)	Final	RM0.09	25/3/2024	30/5/2024	RM3.40	RM3.47	2.5	2.1
KPS (5843)	Final	RM0.01	26/3/2024	31/5/2024	RM0.78	RM0.82	1.2	5.2
MSNIGA (5011)	Final	RM0.03	29/2/2024	5/6/2024	RM1.49	RM1.48	1.7	-0.7
CARLSBG (2836)	Final	RM0.31	21/3/2024	7/6/2024	RM18.62	RM18.50	1.7	-0.6
SHANG (5517)	Final	RM0.07	28/2/2024	13/6/2024	RM2.18	RM2.03	3.4	-6.9
OSKVI (0053)	Final	RM0.02	26/2/2024	14/6/2024	RM0.59	RM0.63	3.2	7.7
NATGATE (0270)	Final	RM0.00	29/2/2024	2/7/2024	RM1.41	RM1.56	0.2	10.6



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