

Monday, 08 Apr, 2024

Upbeat Tone Likely To Maintain

Market Review

Malaysia: The FBMKLCI (+0.13%) ended higher, despite the negative performance across the regional stock markets, as the index was led by Industrial Products and Telco heavyweights. On the broader market, the Industrial Products sector (+1.06%) gained, while the Energy sector (-1.35%) declined.

Global markets: Wall Street ended rebounded as investor sentiment turned positive after the job growth data came in higher versus consensus expectations despite the possibility of delayed rate cuts, suggesting a preference for a more resilient economy. Both the European and Asian stock markets ended lower.

The Day Ahead

The FBM KLCI ended the week on a firmer tone within its uptrend move. Similarly, the FBM Small Cap maintained its upward trajectory as April month is seasonality stronger. The US stock markets managed to rebound after a sharp decline on Thursday, despite strong jobs data, where US added 303k jobs vs consensus of 212k, where it might delay the Fed's interest rates cuts decision going forward. The expectation of a June rate cut has declined with the probability dropping from 60.4% to 48.8% after jobs data on Friday. On the commodity front, Brent oil maintained around USD90 with OPEC+ cuts continuing, ongoing geopolitical tension in the Middle East, while the economic activities remain robust. Besides, the gold price is still traded above USD2,300 and CPO price is hovering above RM4,300

Sectors focus: With the rebound on Wall Street, we believe our stock markets could maintain its upward tone for the session. The traders should focus on commodity-related sectors such as O&G, Plantation, and Gold with their respective commodity prices charging higher. Meanwhile, we believe the momentum within the Construction, Property and Building Material sectors may continue with the likelihood of more mega infrastructure projects to be announced this year.

FBMKLCI Technical Outlook



Bloomberg

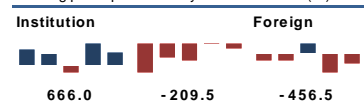
The FBM KLCI index ended higher for the 2nd consecutive day. The technical readings on the key index were positive, with the MACD Histogram extending another positive bar, while the RSI maintains above 50. The resistance is envisaged around 1,570-1,575 and the support is set at 1,535-1,540.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	38,904.04	0.80
S&P 500	5,204.34	1.11
NASDAQ	16,248.52	1.24
FBM KLCI	1555.25	0.13
FBM Small Cap	17,634.03	-0.22
FBM ACE	4,981.59	-0.30
Construction	222.37	-0.42
Consumer	582.23	0.03
Energy	967.50	-1.35
Financial Services	17,239.42	-0.33
Healthcare	1,992.54	0.36
Ind Products	185.06	1.06
Plantation	7,460.09	0.72
Property	1,008.87	0.47
REITs	818.78	0.42
Technology	64.52	-0.26
Telco & Media	597.10	0.56
Transport & Logist	1,015.64	0.00
Utilities	1,557.62	-0.50
Trading Vol (m)	4,049.27	20.44
Trading Val (RM m)	2,680.31	-0.13
Gainers/ Losers rat	88%	
FKLI	1,553.50	0.13
FCPO (RM)	4,343.00	-1.30
Brent oil (USD)	91.17	-1.01
Gold (USD)	2,329.75	-0.71
USD	4.7475	-0.15
GBP	5.9983	0.08
EURO	5.1456	0.03
SGD	3.5223	-0.09

Trading participation 5-day trend and value (m)



Source: Bloomberg, Bursa Market Place



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Company Brief

Retirement Fund Inc (KWAP) has increased its stake in **Farm Fresh Bhd** by purchasing an additional 4m shares, totaling a 5.07% stake. The purchase, amounting to a 0.21% stake, exceeded the 5% threshold for substantial shareholders. KWAP's current ownership includes a direct stake of 2.45% and an indirect stake of 2.62%. Although the purchase price was not disclosed, based on the company's closing price of RM1.43, the value of the shares is estimated at approximately RM5.72m. KWAP is now Farm Fresh's sixth largest shareholder, trailing Rainforest Capital Sdn Bhd, FarmChoice Foods Sdn Bhd, Agrifood Resources Holdings Sdn Bhd, the Employees Provident Fund and Abrdn plc. (The Edge)

UEM Edgenta Bhd has secured contracts for hospital support services in Singapore for five years, valued up to RM963.49m. The contracts, facilitated by its Singapore-based subsidiary UEMS Solutions Pte Ltd, will contribute positively to future earnings and net assets per share. Although the number of hospitals involved was not disclosed, the total contract value ranges from RM934.57m to RM963.49m, depending on the actual manpower deployed. The contracts will not impact the company's issued share capital or the shareholding of substantial shareholders. (The Edge)

KLCC Property Holdings Bhd (KLCCP) has issued Sukuk Wakalah worth RM1.95bn to finance the acquisition of a 40% stake in Suria KLCC Sdn Bhd. The sukuk, with a tenure of three to five years, offers a periodic distribution rate of 3.73% to 3.85% per annum. KLCCP currently holds a 60% stake in Suria KLCC and aims to acquire the remaining 40% by the second quarter of 2024. The issuance is part of KLCCP's RM5bn sukuk programme, rated 'AAA' by RAM Rating Services Sdn Bhd, and the proceeds will fund various needs including working capital, acquisitions, investments and existing borrowings within the KLCCP Group. (The Edge)

MMAG Holdings Bhd's subsidiary, MJets Air Sdn Bhd, has been appointed to provide a regional cargo feeder network using narrowbody freighters for MAB Kargo Sdn Bhd (MASKargo) starting May 1, 2024, for a six-month period. The appointment follows MJets Air's acceptance of a letter of award from Malaysia Airlines Bhd, a subsidiary of Malaysia Aviation Group Bhd. MMAG stated that within 60 days of the letter of award, the parties will finalise an agreement regarding charters and other conditions. The contract is expected to positively impact MMAG's overall earnings and earnings per share for the fiscal year ending March 31, 2025. (The Edge)

Haily Group Bhd has secured a contract valued at RM59.46m for a terrace house construction project in Johor Bahru. Awarded by Austin Senibong Development Sdn Bhd, the contract involves construction of 220 double-storey terrace houses and one main switch station. Haily is tasked with completing two show houses and the switch station by Oct 21, 2024, in Section 1, and delivering 218 units of double-storey terrace houses by Sept 21, 2025, in Section 2. (The Edge)

Fast Energy Holdings Berhad, a loss-making oil bunkering services provider, has become a significant shareholder in **Vsolar Group Bhd** by subscribing to 140m shares in Vsolar's rights issue at 10 sen each, totaling RM14m. This subscription grants Fast Energy a 28.15% stake in Vsolar, which operates in renewable energy, media publishing, software solutions and production house businesses. However, complete details of all shareholding changes resulting from the rights issue have not been disclosed just yet. The only disclosed change involves Vsolar executive director Koo Kien Yoon, who increased his stake to 15.1% by subscribing to 75m shares. (The Edge)



Chin Hin Group Bhd has increased its stake in **Chin Hin Group Property Bhd** (CHGP) by 3.39% to 57.13% for RM29.26m, buying 22.39m shares at an average price of RM1.305 each between March 19 and April 4, 2024. The stake purchase in CHGP, which was entirely internally funded, is premised on CHGP's prominent future earnings prospects and orderbook in the construction business. (The Edge)

Plantation and healthcare group **TDM Bhd** clarified that it has no intention of listing its healthcare arm, KMI Healthcare Sdn Bhd. The company emphasised its commitment to growing its businesses as outlined in its strategic plan. TDM's recent trading activities have led to a rise in its share price to a three-year high, reaching 32.5 sen amid growing market valuation ascribed to its healthcare-related businesses, particularly after the RM5.7bn disposal of Ramsay Sime Darby Health Care Sdn Bhd to Columbia Asia Healthcare Sdn Bhd. Despite the surge in its share price, TDM stated it is unaware of any undisclosed corporate developments that could explain the recent trading activity. (The Edge)

Property developer **Mah Sing Group Bhd** has acquired a parcel of land in Pulai, Johor Bahru for RM103.75m in cash through its subsidiary, Venice View Development Sdn Bhd. This marks the group's second land purchase within four months. The land is designated for a residential development project named M Tiara 2, with a gross development value of RM1.45bn. Financing for the acquisition and development will be sourced from internally generated funds or bank borrowings. The group views this acquisition as a strategic response to the increasing demand in Johor's property market, driven by infrastructure projects like the Johor Bahru-Singapore Rapid Transit System and the potential revival of the KL-Singapore high-speed rail project, alongside plans for the Johor-Singapore special economic zone aimed at enhancing economic activities in the region. (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	3.840	4.9%	Initiate on 4/3/2024
2	UZMA	15-Mar	1.210	1.270	1.350	1.410	1.140	1.120	1.340	10.7%	Initiate on 15/3/2024
3	DIALOG	22-Mar	2.250	2.400	2.450	2.550	2.140	2.120	2.390	6.2%	Initiate on 22/3/2024
4	KGB	27-Mar	2.740	2.900	2.950	3.000	2.620	2.600	2.670	-2.6%	Initiate on 27/3/2024
5	TRC	3-Apr	0.510	0.530	0.540	0.560	0.465	0.460	0.495	-2.9%	Initiate on 3/4/2024
6	OCK	5-Apr	0.605	0.660	0.670	0.690	0.580	0.570	0.615	1.7%	Initiate on 5/4/2024

Market Chat Tracker - 2Q24 Stock Picks

2Q24 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	1-Apr	1.750	1.920	2.050	-	1.690	1.630	1.75	0.0%	Initiate on 1/4/2024
2	CSCSTEL	1-Apr	1.350	1.470	1.570	-	1.320	1.270	1.38	2.2%	Initiate on 1/4/2024
3	E&O	1-Apr	1.050	1.230	1.300	-	0.970	0.900	1.06	1.0%	Initiate on 1/4/2024
4	GASMSIA	1-Apr	3.470	3.720	3.860	-	3.260	3.130	3.52	1.4%	Initiate on 1/4/2024
5	HSSEB	1-Apr	1.160	1.270	1.370	-	1.090	1.010	1.04	-10.3%	Initiate on 1/4/2024
6	MBMR	1-Apr	4.640	4.990	5.180	-	4.470	4.340	4.86	4.7%	Initiate on 1/4/2024
7	MBSB	1-Apr	0.800	0.905	0.950	-	0.780	0.750	0.78	-2.5%	Initiate on 1/4/2024
8	MPI	1-Apr	31.180	34.000	36.000	-	30.000	28.300	31.34	0.5%	Initiate on 1/4/2024
9	PIE	1-Apr	3.560	3.900	4.100	-	3.480	3.350	3.75	5.3%	Initiate on 1/4/2024
10	SPRITZER	1-Apr	2.240	2.390	2.490	-	2.170	2.100	2.25	0.4%	Initiate on 1/4/2024
11	TAANN	1-Apr	4.030	4.310	4.500	-	3.910	3.730	4.12	2.2%	Initiate on 1/4/2024
12	TDM	1-Apr	0.280	0.325	0.355	-	0.240	0.215	0.32	14.3%	Initiate on 1/4/2024
13	UNISEM	1-Apr	3.840	4.100	4.350	-	3.700	3.550	3.65	-4.9%	Initiate on 1/4/2024
Average Return										1.1%	



Technical Focus Tracker Summary	
Total recommendations	375
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)	16.1%
Accuracy (2023)	44.7%
FBM KLCI (Since 30/12/2022)	4.0%
FBM Small Cap (Since 30/12/2022)	18.2%
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 (%)
FPI (9172)	Interim	RM0.23	22/2/2024	8/4/2024	RM3.02	RM3.14	7.3	4.0
FRONTKN (0128)	Interim	RM0.02	22/2/2024	15/4/2024	RM3.74	RM3.84	0.6	2.7
VS (6963)	Interim	RM0.00	27/3/2024	15/4/2024	RM0.84	RM0.90	0.3	7.8
SUPERLN (7235)	Interim	RM0.01	22/3/2024	15/4/2024	RM0.94	RM1.13	1.1	20.2
RKI (7006)	Interim	RM0.01	21/2/2024	15/4/2024	RM1.30	RM1.35	0.7	3.8
CEPAT (8982)	Final + Special Cash	RM0.04	22/3/2024	9/4/2024	RM0.75	RM0.81	4.9	8.7
HANDAL (7253)	Bonus-Options	1:2	29/3/2024	15/4/2024	RM0.09	RM0.10	-	11.8
JAYCORP (7152)	Interim	RM0.02	21/3/2024	15/4/2024	RM0.73	RM0.77	2.6	4.8
MCEHLDG (7004)	Interim	RM0.02	26/3/2024	15/4/2024	RM1.70	RM1.64	0.9	-3.5
CETECH (03024)	Interim	RM0.00	29/3/2024	9/4/2024	RM1.15	RM1.15	0.0	0.0
KPS (5843)	Special Cash	RM0.05	26/3/2024	15/4/2024	RM0.78	RM0.81	5.6	4.5
SIMEPROP (5288)	Interim	RM0.02	23/2/2024	15/4/2024	RM0.80	RM0.90	1.7	13.2
GHLSYS (0021)	Final	RM0.02	27/3/2024	15/4/2024	RM0.64	RM0.63	3.2	-1.6
UMSNGB (7227)	Interim + Special Cash	RM0.13	26/2/2024	15/4/2024	RM0.94	RM1.25	10.4	33.0
PTRB (0260)	Interim	RM0.01	27/3/2024	16/4/2024	RM0.45	RM0.52	1.3	15.7
BAUTO (5248)	Interim	RM0.04	13/3/2024	17/4/2024	RM2.48	RM2.45	1.7	-1.2
MHC (5026)	Interim + Special Cash	RM0.06	29/3/2024	17/4/2024	RM1.03	RM1.09	5.5	5.8
JIANKUN (8923)	Bonus-Options	1:2	1/4/2024	17/4/2024	RM0.18	RM0.17	-	-2.9
LAGENDA (7179)	Interim	RM0.04	28/2/2024	17/4/2024	RM1.45	RM1.54	2.3	6.2
NESTLE (4707)	Interim	RM1.28	27/2/2024	17/4/2024	RM121.50	RM121.10	1.1	-0.3
POHUAT (7088)	Final	RM0.02	6/2/2024	18/4/2024	RM1.41	RM1.50	1.3	6.4
RHBBANK (1066)	Interim	RM0.25	3/4/2024	18/4/2024	RM5.66	RM5.73	4.4	1.2
MASTER (7029)	Interim	RM0.08	29/3/2024	19/4/2024	RM3.62	RM3.71	2.2	2.5
SSB8 (0045)	Interim	RM0.01	3/4/2024	19/4/2024	RM0.36	RM0.35	2.9	-4.2
HAILY (0237)	Interim	RM0.01	27/3/2024	19/4/2024	RM0.44	RM0.55	1.2	25.3
OSK (5053)	Final	RM0.04	22/2/2024	22/4/2024	RM1.53	RM1.52	2.6	-0.7
TSH (9059)	Final	RM0.03	22/2/2024	22/4/2024	RM1.11	RM1.16	2.2	4.5
VSTEC5 (5162)	Interim	RM0.04	27/2/2024	23/4/2024	RM1.50	RM2.66	1.5	77.3
VELESTO (5243)	Interim	RM0.00	27/2/2024	24/4/2024	RM0.27	RM0.28	0.9	5.7
KMLONGG (5027)	Interim	RM0.05	26/3/2024	24/4/2024	RM2.17	RM2.20	2.3	1.4
CRESNDO (6718)	Interim + Special Cash	RM0.18	27/3/2024	24/4/2024	RM2.81	RM3.24	5.6	15.3
EDGENTA (1368)	Interim	RM0.02	28/2/2024	24/4/2024	RM1.00	RM0.94	2.1	-6.0
CHINWEL (5007)	Omitted	RM0.00	27/2/2024	25/4/2024	RM1.22	RM1.19	0.0	-2.5
UTDPLT (2089)	Final	RM1.10	26/2/2024	26/4/2024	RM20.92	RM23.80	4.6	13.8
WILLOW (0008)	Final	RM0.02	28/2/2024	29/4/2024	RM0.35	RM0.38	4.0	7.1
UEMS (5148)	Interim	RM0.01	27/2/2024	29/4/2024	RM1.04	RM1.13	0.7	8.7
MALAKOF (5264)	Final	RM0.02	25/3/2024	29/4/2024	RM0.63	RM0.65	2.3	2.4
MRCB (1651)	Final	RM0.01	29/2/2024	30/4/2024	RM0.59	RM0.66	1.5	12.0
ASIAFL (7129)	Interim	RM0.04	29/2/2024	30/4/2024	RM2.20	RM2.25	1.6	2.3
SNS (0259)	Interim	RM0.00	26/3/2024	2/5/2024	RM0.28	RM0.39	0.6	40.0
PTRANS (0186)	Interim	RM0.01	22/2/2024	2/5/2024	RM0.84	RM0.76	1.0	-9.5
IDEAL (9687)	Interim	RM0.02	29/2/2024	2/5/2024	RM3.50	RM3.10	0.6	-11.4
SIMEPLT (5285)	Final	RM0.06	22/2/2024	3/5/2024	RM4.50	RM4.56	1.3	1.3
MAHSING (8583)	Final	RM0.04	27/2/2024	9/5/2024	RM0.96	RM1.26	3.2	31.9
VIS (0120)	Final	RM0.01	21/12/2023	9/5/2024	RM0.41	RM0.39	2.6	-3.7
OKA (7140)	Interim	RM0.01	28/2/2024	10/5/2024	RM0.74	RM0.71	1.6	-4.1
SENHENG (5305)	Interim	RM0.01	5/4/2024	14/5/2024	RM0.32	RM0.32	1.6	0.0
AHEALTH (7090)	Final + Special Cash	RM0.23	21/2/2024	15/5/2024	RM3.01	RM2.99	7.5	-0.7
PPB (4065)	Final	RM0.30	28/2/2024	20/5/2024	RM15.32	RM15.82	1.9	3.3
DUFU (7233)	Final	RM0.02	27/2/2024	29/5/2024	RM1.83	RM1.96	1.0	7.1
GASMSIA (5209)	Final	RM0.09	25/3/2024	30/5/2024	RM3.40	RM3.52	2.4	3.5
KSENG (3476)	Final + Special Cash	RM0.10	5/4/2024	31/5/2024	RM5.84	RM5.84	1.7	0.0
KPS (5843)	Final	RM0.01	26/3/2024	31/5/2024	RM0.78	RM0.81	1.2	4.5
MSNIAGA (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	RM18.76	1.7	0.8
SHANG (5517)	Final	RM0.07	28/2/2024	13/6/2024	RM2.18	RM2.10	3.3	-3.7
OSKVI (0053)	Final	RM0.02	26/2/2024	14/6/2024	RM0.59	RM0.62	3.3	5.1
NATGATE (0270)	Final	RM0.00	29/2/2024	2/7/2024	RM1.41	RM1.56	0.2	10.6

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