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Research Highlights

BURSA	3-Jul	Day chg	% chg
KLCI	1,690.1	-0.95	-0.06%
FTSE EMAS	11,935.1	-5.7	-0.05%
FTSE Smallcap	13,323.9	26.59	0.20%
FTSE MESDAQ	4,583.6	60.8	1.34%
KLSE Mkt Cap (RM'b)	1,699.3	0.0	0.00%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	-16.41	56.82
Local Retail	3.82	22.36
Foreign	12.59	20.82

INDICES	3-Jul	Day chg	% chg
Dow Jones	26,966.0	179.3	0.67%
S&P 500	2,995.8	22.8	0.77%
NASDAQ	8,170.2	61.1	0.75%
FTSE-100	7,609.3	50.1	0.66%
Nikkei 225	21,638.2	-116.1	-0.53%
SHCOMP	3,015.3	-28.7	-0.94%
HSI	28,855.1	-20.4	-0.07%
STI	3,367.8	-3.0	-0.09%
KOSPI	2,096.0	-26.0	-1.23%
TWSE	10,743.8	-121.4	-1.12%
JCI	6,362.6	-22.3	-0.35%
SET	1,738.5	6.3	0.36%

FOREX	3-Jul	2-Jul	% chg
USD/MYR:	4.1370	4.1410	-0.10%
EUR/USD:	1.1297	1.1299	-0.02%
GBP/USD:	1.2570	1.2626	-0.44%
USD/YEN:	107.63	108.26	-0.58%
USD/SGD:	1.3564	1.3558	0.04%
USD/HKD:	7.7967	7.8021	-0.07%

KEY STATS

KLCI Spot			
Vol (m shares):	3,010.7	2,821.2	6.72%
Value (RMm):	1,823.0	2,568.3	-29.02%
KLCI Future			
July-19	1,692.5	1,698.5	-0.35%
August-19	1,691.0	1,697.5	-0.38%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	889.8	879.8	1.14%
SoyOil (USc/lb)	28.3	27.9	1.32%
Gold (US\$/troy oz)	1,420.9	1,408.0	0.92%
Nymex crude oil (US\$/bbl)	57.3	56.3	1.94%
Latex (RM/kg)	4.92	4.92	0.00%
Tin (US\$/mt)	18,303.0	17,664.0	3.62%

NEWS HIGHLIGHTS

- Ministry of Education has breached contract over Frog VLE, says YTL Communications
- Litrak, Sprint Holdings agree to MOF Inc's takeover offer
- MSM set to introduce healthier sugar-related products by year-end
- Yong Tai terminates agreement to jointly develop land in Malacca
- Benalec to dispose of two sand carrier vessels worth RM15.8m

MACRO BITS

- Kudlow says U.S.-China trade talks to be held in person next week
- Trump tells Iran threats 'can come back to bite you' in nuclear standoff
- Govt digitising public service delivery for efficient, faster service — Chief Secretary
- DKN2030 to be 'real game-changer' for Malaysian entrepreneurs — Minister
- HRDF launches scheme to help low-income workers enhance skills
- Taiwan-Malaysia trade expected to grow 10.0% in five years
- China's transport ministry raises security level for Chinese vessels in Malacca Strait
- Indonesia asks China for special fund under Belt and Road: ministers
- Atlanta Fed pares U.S. second-quarter GDP growth view to 1.3%
- U.S. trade, services industry data underscore slowing economy
- U.S. weekly jobless claims fall more than expected
- UK economy shrinks as Brexit, global worries mount: PMI
- Russia central bank to cut rates in small steps

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Sector Update: Automotive, Consumer, Ports & Logistics, Plastics & Packaging, Property Developers, Utilities
- Company Update: DAYANG
- On Our Technical Watch: DSONIC, GCB

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	AXIATA	5.22	0.4	12.20	SIME	2.31	2.2	8.77	CIMB	5.36	-1.5	6.93
2	DIGI	5.08	0.2	11.00	TOPGLOV	4.90	1.9	6.24	DIALOG	3.30	-1.2	6.86
3	MAYBANK	8.97	-0.1	9.67	AIRPORT	8.70	0.8	2.66	PMETAL	4.40	-0.9	1.22
4	SIME	2.31	2.2	8.77	HLFG	18.80	0.8	0.61	MISC	7.23	-0.7	1.43
5	CIMB	5.36	-1.5	6.93	SIMEPLT	4.87	0.6	1.67	HAPSENG	9.90	-0.6	0.11
6	DIALOG	3.30	-1.2	6.86	IHH	5.87	0.5	3.06	PCHEM	8.60	-0.6	5.37
7	TOPGLOV	4.90	1.9	6.24	PETGAS	17.54	0.5	0.25	HARTA	5.21	-0.4	5.90
8	RHBBANK	5.77	-0.4	6.13	AXIATA	5.22	0.4	12.20	RHBBANK	5.77	-0.4	6.13
9	HARTA	5.21	-0.4	5.90	GENM	3.30	0.3	4.19	HLBANK	19.10	-0.2	0.37
10	PCHEM	8.60	-0.6	5.37	IOICORP	4.25	0.2	1.10	KLK	24.46	-0.2	0.08

Notes: # KL Composite Index (FBM KLCI) component stocks

Corporate News

- **Ministry of Education has breached contract over Frog VLE, says YTL Communications**

YTL Power International Bhd's 60.0%-owned YTL Communications Sdn Bhd has claimed that the Ministry of Education as being in breach of contractual obligations. In a statement, YTL Communications said it has invested more than RM4.0b in building up the infrastructure in schools for a 15-year project for the Frog Virtual Learning Environment (Frog VLE). The company has approval from the Malaysian Communications and Multimedia Commission (MCMC) to operate a 2.3 GHz WiMAX wireless broadband network in Malaysia. *(The Edge)*

- **Litrak, Sprint Holdings agree to MOF Inc's takeover offer**

Lingkar Trans Kota Holdings Bhd (Litrak) and Litrak's associate company Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd (Sprint Holdings) have resolved to accept the Government's offer to take over Damansara-Puchong Expressway (LDP) and the Sprint highway. The boards of the two companies had "unanimously found (the offer) fair and reasonable", Litrak said in a filing with Bursa Malaysia. The Minister of Finance Inc (MoF Inc) last month offered to buy Litrak's wholly-owned subsidiary Lingkar Trans Kota Sdn Bhd (the concessionaire for LDP) for RM2.5b and 50.0%-owned Sprint Holdings for RM2.0b, less any outstanding indebtedness of both companies. *(The Edge)*

- **MSM set to introduce healthier sugar-related products by year-end**

Refined sugar producer MSM Malaysia Holdings Bhd, a 51.0%-owned subsidiary of FGV Holdings Bhd, is on track to introduce healthier sugar-related products to enhance the company's revenue by year-end. Group chief executive officer said the products, which were still undergoing research with FGV Holdings' research and development team, were expected to be available in the third or fourth quarter of this year. "We know the public are ready and want healthier products. They want sugar-based products that do not cause diabetes, obesity and so on," he told Bernama after the MSM group donated water coolers to 10 schools in the state at a handover ceremony. *(The Edge)*

- **Yong Tai terminates agreement to jointly develop land in Malacca**

Yong Tai Bhd announced that its wholly-owned subsidiary YTB Impression Sdn Bhd has terminated a joint development agreement with JM Bestari Land Sdn Bhd to develop a piece of land in Malacca. In a filing with Bursa Malaysia, Yong Tai said the agreement was terminated due to non-fulfilment of the condition precedent as stated in clause 3.1(c) of the joint development agreement. In March 21, 2017, YTB Impression inked the joint development agreement with JM Bestari, under which JM Bestari, as the landowner, had agreed to grant YTB Impression the sole and exclusive rights and entitlement to develop the joint venture (JV) land. *(The Edge)*

- **Benalec to dispose of two sand carrier vessels worth RM15.8m**

Marine construction services group Benalec Holdings Bhd is disposing of two of its sand carrier vessels for USD3.8m (RM15.8m) to improve its cash flow amid the softening of the domestic and regional maritime industry. In a filing with Bursa Malaysia, Benalec said its 51.0%-owned indirect subsidiary, Ocean Pacific Ltd, is selling the vessels to Regiontrade Sdn Bhd. The assets were purchased by Ocean Pacific in January 2015 and February 2016, respectively. *(The Edge)*

Macro Bits

Global

- [Kudlow says U.S.-China trade talks to be held in person next week](#) Top representatives from the United States and China will meet in the coming week to continue trade talks between the world's largest economies, White House economic adviser Larry Kudlow said on Wednesday. *(Reuters)*
- [Trump tells Iran threats 'can come back to bite you' in nuclear standoff](#) U.S. President Donald Trump warned Iran on Wednesday against making threats that can "come back to bite you like nobody has been bitten before," after Tehran announced it would breach a 2015 nuclear deal. *(Reuters)*

Malaysia

- [Govt digitising public service delivery for efficient, faster service — Chief Secretary](#) The Government is actively digitising the public service delivery system, through the collaboration of various government agencies for more efficient and faster service, says Chief Secretary to the Government Datuk Seri Dr Ismail Bakar. *(The Edge Markets)*
- [DKN2030 to be 'real game-changer' for Malaysian entrepreneurs — Minister](#) The Ministry of Entrepreneur Development is set to launch the National Entrepreneurship Policy 2030 (DKN2030) on July 11. *(The Edge Markets)*
- [HRDF launches scheme to help low-income workers enhance skills](#) Human Resources Development Fund (HRDF) today launched the B40 Capacity Building Scheme (B40 CAB) to assist low-income workers get skills training to increase their income. *(The Edge Markets)*

Asia Pacific

- [Taiwan-Malaysia trade expected to grow 10.0% in five years](#) Bilateral trade between Malaysia and Taiwan is expected to grow at least 10.0% within five years from now, according to recent economic forecasts. *(The Edge Markets)*
- [China's transport ministry raises security level for Chinese vessels in Malacca Strait](#) China's Ministry of Transport has raised the security level for Chinese vessels in the Malacca Strait, a major bottleneck for global oil trade, according to a notice dated July 2 that was sent to ship brokers. *(Reuters)*
- [Indonesia asks China for special fund under Belt and Road: ministers](#) Indonesia has asked China to set up a special fund within its Belt and Road Initiative (BRI) for investment in Southeast Asia's largest economy, after offering China projects worth USD91.0b, government officials said on Wednesday. *(Reuters)*

Americas

- [Atlanta Fed pares U.S. second-quarter GDP growth view to 1.3%](#) The U.S. economy is expanding at a 1.3% annualized rate in the second quarter based on the latest figures on trade balance and factory orders, the Atlanta Federal Reserve's GDPNow forecast model showed on Wednesday. *(Reuters)*
- [U.S. trade, services industry data underscore slowing economy](#) The U.S. trade deficit jumped in May and trade tensions between the United States and China helped drive activity in the services sector to a two-year low in June, further signs that economic growth slowed sharply in the second quarter. *(Reuters)*
- [U.S. weekly jobless claims fall more than expected](#) The number of Americans filing applications for unemployment benefits fell more than expected last week, pointing to sustained labor market strength that should help support a slowing economy. *(Reuters)*

Europe

- [UK economy shrinks as Brexit, global worries mount: PMI](#) Britain's economy appears to have shrunk for the first time since late 2012 between April and June as worries about Brexit were compounded by global trade tensions, a closely watched survey showed on Wednesday. *(Reuters)*
- [Russia central bank to cut rates in small steps](#) The Russian central bank plans to lower the key interest rate in small steps, taking into account the risk the government's spending plans may strengthen the rouble, Governor Elvira Nabiullina said. *(Reuters)*



04 July 2019

List of Oversold Stocks (14-Day RSI<30-mark)

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
TONG HERR RESOURCES BERHAD	2.680	26.78	32.51	42.93	2.610
MCT BHD	0.305	29.15	31.18	32.51	0.300
HEKTAR REAL ESTATE INVESTMEN	1.020	29.75	30.43	50.96	1.000

*Only for stocks with market cap >RM300m

Source: Bloomberg

List of Overbought Stocks (14-Day RSI>70-mark)

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
DATASONIC GROUP BHD	0.700	87.99	93.10	98.76	0.730
FOCUS DYNAMICS GROUP BHD	0.215	87.62	92.59	99.43	0.235
YNH PROPERTY BHD	2.510	83.96	89.17	99.54	2.520
KNM GROUP BHD	0.295	81.10	85.63	87.85	0.315
AXIATA GROUP BERHAD	5.220	78.27	83.07	93.29	5.230
BURSA MALAYSIA BHD	7.100	76.64	84.83	97.44	7.130
YINSON HOLDINGS BHD	6.240	75.54	75.10	58.75	6.360
LINGKARAN TRANS KOTA HLDGS	4.920	74.57	78.39	81.51	5.000
MALAYSIA AIRPORTS HLDGS BHD	8.700	74.35	78.69	93.40	8.750
SUNWAY CONSTRUCTION GROUP BH	2.150	73.70	79.47	89.71	2.150
INSAS BHD	0.810	72.86	82.27	97.52	0.840
BERJAYA SPORTS TOTO BHD	2.800	72.76	78.84	84.91	2.800
TENAGA NASIONAL BHD	14.240	72.37	75.37	85.76	14.240
PESTECH INTERNATIONAL BHD	1.240	71.81	75.43	80.38	1.250
HONG LEONG INDUSTRIES BHD	11.400	71.73	74.11	70.44	11.600
RANHILL HOLDINGS BHD	1.260	71.64	78.80	88.69	1.270
POS MALAYSIA BERHAD	1.780	71.63	80.47	94.88	1.790
PHARMANIAGA BERHAD	2.840	71.15	74.42	72.80	2.880
IHH HEALTHCARE BHD	5.870	71.10	79.00	96.66	5.950
POWER ROOT BHD	1.600	71.03	75.45	91.98	1.620
AMWAY MALAYSIA HOLDINGS BHD	6.200	70.82	82.87	99.14	6.200
TELEKOM MALAYSIA BHD	4.220	70.63	69.82	67.94	4.300
MAGNUM BHD	2.720	70.26	72.66	74.18	2.750
KERJAYA PROSPEK GROUP BHD	1.410	70.10	72.93	63.40	1.430

*Only for stocks with market cap >RM300m

Source: Bloomberg

List of Oversold Warrants (14-Day RSI<30-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
HANG SENG IND-6N	0.020	26.44	18.77	2.70	0.020	30/7/2019
S&P 500 INDEX-HI	0.385	28.40	23.97	16.57	0.385	23/12/2019
HANG SENG IND-6P	0.115	29.85	25.41	26.56	0.105	27/9/2019

Source: Bloomberg

List of Overbought Warrants (14-Day RSI>70-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
DATASONIC GROUP BHD-WA	0.200	93.90	97.55	99.98	0.225	5/7/2023
KNM GROUP-WB	0.130	91.78	96.44	99.94	0.150	21/4/2020
SUMATEC RESOURCES BHD-WA	0.030	89.00	94.17	99.77	0.040	3/3/2021
POS MALAYSIA-C35	0.085	85.84	89.88	98.36	0.085	20/12/2019
YINSON HOLDIN-CY	0.260	77.21	73.48	61.61	0.275	14/10/2019
TENAGA NASION-C56	0.270	70.27	75.01	87.07	0.270	29/11/2019

Source: Bloomberg

Stock Ratings are defined as follows:**Stock Recommendations**

OUTPERFORM	: A particular stock's Expected Total Return is MORE than 10%
MARKET PERFORM	: A particular stock's Expected Total Return is WITHIN the range of -5% to 10%
UNDERPERFORM	: A particular stock's Expected Total Return is LESS than -5%

Sector Recommendations***

OVERWEIGHT	: A particular sector's Expected Total Return is MORE than 10%
NEUTRAL	: A particular sector's Expected Total Return is WITHIN the range of -5% to 10%
UNDERWEIGHT	: A particular sector's Expected Total Return is LESS than -5%

******Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.***

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