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Research Highlights

BURSA	21-Aug	Day chg	% chg
KLCI	1,594.6	-8.16	-0.51%
FTSE EMAS	11,302.4	-47.3	-0.42%
FTSE Smallcap	13,064.9	0.89	0.01%
FTSE MESDAQ	4,606.2	-2.0	-0.04%
KLSE Mkt Cap (RM'b)	1,609.7	-4.7	-0.29%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	114.13	49.33
Local Retail	12.73	23.93
Foreign	-126.86	26.74

INDICES	21-Aug	Day chg	% chg
Dow Jones	26,202.7	240.3	0.93%
S&P 500	2,924.4	23.9	0.82%
NASDAQ	8,020.2	71.6	0.90%
FTSE-100	7,204.0	79.0	1.11%
Nikkei 225	20,618.6	-58.7	-0.28%
SHCOMP	2,880.3	0.3	0.01%
HSI	26,270.0	38.5	0.15%
STI	3,122.6	-13.4	-0.43%
KOSPI	1,964.7	4.4	0.22%
TWSE	10,525.8	3.3	0.03%
JCI	6,253.0	-42.8	-0.68%
SET	1,638.2	12.7	0.78%

FOREX	21-Aug	20-Aug	% chg
USD/MYR:	4.1772	4.1838	-0.16%
EUR/USD:	1.1102	1.102	0.18%
GBP/USD:	1.2121	1.2074	0.39%
USD/YEN:	106.45	106.32	0.12%
USD/SGD:	1.3830	1.3859	-0.21%
USD/HKD:	7.8412	7.8423	-0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	1,997.7	2,062.3	-3.13%
Value (RMm):	1,621.6	1,730.6	-6.30%
KLCI Future			
August-19	1,585.5	1,599.5	-0.88%
September-19	1,580.0	1,594.0	-0.88%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	860.5	855.8	0.56%
SoyOil (US\$/lb)	28.9	28.5	1.16%
Gold (US\$/troy oz)	1,509.6	1,509.7	-0.01%
Nymex crude oil (US\$/bbl)	55.7	56.3	-1.17%
Latex (RM/kg)	4.39	4.39	0.00%
Tin (US\$/mt)	N.A.	16,480.0	N.A.

NEWS HIGHLIGHTS

- **BAAssets 4Q net loss widens following higher deferred tax bill**
- **RCE Capital 1Q profit inches up 4% on higher net interest income**
- **Tune Protect's earnings slip to RM10.7m in Q2**
- **Sasbadi inks MoU with Chinese publication for teaching materials**
- **Solarvest partners with M&A Securities for IPO launch**

MACRO BITS

- **IMF warns against currency interventions to improve trade balance**
- **Iran president: international waterways won't be as safe if Iran oil exports cut to zero**
- **BNM establishes programme to assist financing of SMEs, housebuyers**
- **Bank Negara raises income, property price ceilings under RM1b affordable home fund**
- **Manufacturers brace for slowdown as business dips to lowest since 2012**
- **Exports surprised on the upside on one-off factor, trade surplus narrowed (See Economic Viewpoint: Thailand External Trade)**
- **Japan, South Korea agree on need for dialogue to resolve feud on wartime labor**
- **China approves USD18.7b of urban railway projects in southwestern city**
- **U.S. home sales rise, boosted by lower mortgage rates**
- **Trade woes to shave 0.3% from U.S. GDP by 2020: congressional budget experts**
- **Norway mulls alternatives to sluggish Europe for USD1t fund**
- **Italy's PD opens door to possible 5-Star government, sets conditions**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Sector Update: Automotive**
- **Results Note: AMWAY, CBIP, D&O**
- **Company Update: TCHONG**
- **On Our Technical Watch: PECCA, NAIM**
- **Economic Viewpoint: Thailand External Trade**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	GENM	3.10	1.3	16.90	GENM	3.10	1.3	16.90	PETGAS	15.82	-2.4	0.47
2	DIALOG	3.47	-1.1	9.24	AXIATA	4.96	0.6	4.64	CIMB	5.07	-2.1	5.30
3	IHH	5.66	-0.4	8.23	NESTLE	148.40	0.5	0.07	MISC	7.23	-1.8	0.48
4	GENTING	5.98	-0.2	5.84	HAPSENG	9.60	0.0	0.46	RHBBANK	5.43	-1.6	2.57
5	MAYBANK	8.53	-0.2	5.82	HARTA	5.00	0.0	2.22	HLBANK	16.94	-1.2	0.26
6	CIMB	5.07	-2.1	5.30	MAXIS	5.46	0.0	1.38	DIALOG	3.47	-1.1	9.24
7	AXIATA	4.96	0.6	4.64	PPB	18.80	0.0	0.32	SIME	2.09	-1.0	4.35
8	PBBANK	20.74	-0.3	4.45	TOPGLOV	4.50	0.0	1.63	KLK	23.62	-0.8	1.20
9	SIME	2.09	-1.0	4.35	PCHEM	7.15	-0.1	3.79	DIGI	4.98	-0.8	4.02
10	SIMEPLT	4.71	-0.2	4.24	GENTING	5.98	-0.2	5.84	IOICORP	4.25	-0.7	1.32

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **BAssets 4Q net loss widens following higher deferred tax bill**

Berjaya Assets Bhd's (BAssets) net loss widened significantly in the fourth quarter ended June 30, 2019 (4QFY19) to RM83.1m from RM30.2m in the previous corresponding quarter as a result of higher deferred taxes provision. In a bourse filing, the group said there was wider net loss in spite of the group's quarterly revenue more than doubling to RM102.3m from RM48.5m. BAssets' loss per share (LPS) expanded to 3.32 sen, from 1.21 sen in the previous corresponding quarter. *(The Edge)*

- **RCE Capital 1Q profit inches up 4% on higher net interest income**

RCE Capital Bhd posted a 4% increase in net profit to RM24.1m in the first quarter ended June 30 on the back of higher net interest income and interest income from deposits with licensed financial institutions. Earnings per share rose to 7.03 sen, from 6.81 sen previously. In a filing with Bursa Malaysia, RCE Capital reported revenue grew 5.9% to RM66.9m. Management expects the group to be profitable in FY20. *(The Edge)*

- **Tune Protect's earnings slip to RM10.7m in Q2**

Tune Protect Group Bhd posted a lower net profit of RM10.7m in its second quarter ended June 30, 2019, compared to the RM12.8m recorded a year earlier. Among others, the digital insurer attributed the weaker bottom line to a decrease in net earned premiums of RM10.0m and a RM5.2m increase in management expenses. In a filing with Bursa Malaysia, it said revenue declined as well to RM124.5m from RM141.3m previously due to an RM18.9m drop in gross earned premiums, which was offset by a RM2.1m increase in investment income. *(Bernama)*

- **Sasbadi inks MoU with Chinese publication for teaching materials**

Sasbadi Holdings Bhd has inked a memorandum of understanding (MoU) with a publication under China's Ministry of Education to develop Special Education Teaching Materials to be used in Malaysia and a Situational English Learning Programme to be used by learners in China. In a filing with Bursa Malaysia, Sasbadi said it had entered into an MoU with the People's Education Press (PEP), a specialised publishing house, and that the MoU will expire in a year, to be terminated upon execution of a definitive agreement by both parties. Sasbadi said the initiative aims to bring quality educational materials that are suitable and thoughtful to the learning needs of differently-abled children, whereas the Situational English Language Learning Programme aims to expand Sasbadi's home grown English context to be used by learners in China. *(The Edge)*

- **Solarvest partners with M&A Securities for IPO launch**

Solar photovoltaic system specialist Solarvest Holdings Bhd has entered into an underwriting agreement with M&A Securities Sdn Bhd in conjunction with the initial public offering (IPO) of Solarvest on the ACE Market of Bursa Malaysia Securities Bhd. In a statement, Solarvest said its IPO exercise entails a public issue of 98.8m new shares in the group, representing 25.3% of its enlarged share capital. "Under the agreement, M&A Securities will underwrite a total of 39.1m new shares made available for the public and the group's eligible directors, employees and persons who have contributed to the success of the group. *(The Edge)*



Macro Bits

Global

- [IMF warns against currency interventions to improve trade balance](#) The International Monetary Fund on Wednesday warned against governments trying to weaken their currencies through monetary easing or market interventions, arguing in a blog post that this would hurt the functioning of the international monetary system and make all nations worse off. *(Reuters)*
- [Iran president: international waterways won't be as safe if Iran oil exports cut to zero](#) If Iran's oil exports are cut to zero, international waterways will not have the same security as before, Iranian President Hassan Rouhani said on Wednesday at a meeting with Supreme Leader Ayatollah Ali Khamenei, according to Khamenei's official website. *(Reuters)*

Malaysia

- [BNM establishes programme to assist financing of SMEs, housebuyers](#) BNM today established the 'Khidmat Nasihat Pembiayaan' (MyKNP) programme, aimed at assisting SMEs and housebuyers that have previously been unsuccessful in securing financing. *(The Edge Markets)*
- [Bank Negara raises income, property price ceilings under RM1b affordable home fund](#) BNM is expanding the eligibility criteria of its RM1 billion Fund for Affordable Homes, a fund that was set up earlier this year to help those from the lower income group to finance the purchase of their first homes. *(The Edge Markets)*
- [Manufacturers brace for slowdown as business dips to lowest since 2012](#) Malaysian manufacturers are bracing for a slowdown in the second half of 2019 (2H19), after business activity in 1H19 fell to its lowest since 2012, amid global economic and political uncertainties. *(The Edge Markets)*

Asia Pacific

- [Exports surprised on the upside on one-off factor, trade surplus narrowed](#) July's exports accelerated, charting the first expansion in five months (4.3% YoY; Jun: -2.1%). Apart from a low base effect, the improved export performance was also underpinned by rising shipments of principle manufacturing goods and improved demand from China. *(See Economic Viewpoint: Thailand External Trade)*
- [Japan, South Korea agree on need for dialogue to resolve feud on wartime labor](#) Japan and South Korea on Wednesday agreed on the need for dialogue to resolve a feud over compensating Korean wartime workers that has spilled into trade, and put a deep chill on ties between Washington's two biggest Asian allies. *(Reuters)*
- [China approves USD18.7b of urban railway projects in southwestern city](#) China's state planner said that it has approved eight urban railway projects worth a total of USD18.67b in the southwestern city of Chengdu. *(Reuters)*

Americas

- [U.S. home sales rise, boosted by lower mortgage rates](#) U.S. home sales rose more than expected in July, boosted by lower mortgage rates and a strong labor market, signs the Federal Reserve's shift toward lower interest rates was supporting the economy. *(Reuters)*
- [Trade woes to shave 0.3% from U.S. GDP by 2020: congressional budget experts](#) Higher trade barriers, including President Donald Trump's tariffs, are taking a toll on the U.S. economy as rising domestic prices reduce consumers' purchasing power and increase the cost of business investment, congressional budget experts said on Wednesday. *(Reuters)*

Europe

- [Norway mulls alternatives to sluggish Europe for USD1t fund](#) Norway's USD1t-plus sovereign wealth fund, the world's largest, may seek to shift the balance of its investments between Europe, the Americas and Asia, a senior official said on Wednesday. *(Reuters)*
- [Italy's PD opens door to possible 5-Star government, sets conditions](#) Italy's main opposition party said on Wednesday it was ready to hold talks with the anti-establishment 5-Star Movement over forming a government following the collapse of the previous, populist coalition. *(Reuters)*



22 August 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
HONG LEONG FINANCIAL GROUP	16.640	10.58	5.67	0.31	16.600
MKH BHD	1.120	15.19	8.95	0.71	1.110
KUMPULAN PERANGSANG SELANGOR	0.750	16.30	12.25	1.90	0.745
SP SETIA BHD	1.660	16.81	13.43	22.80	1.610
PUBLIC BANK BERHAD	20.740	18.60	18.31	22.56	20.360
PARAMOUNT CORP BHD	1.300	21.53	16.17	2.98	1.280
BRITISH AMERICAN TOBACCO BHD	22.020	21.91	19.23	12.60	22.000
KECK SENG (MALAYSIA) BHD	4.380	23.01	15.58	2.21	4.260
BINTULU PORT HOLDINGS BHD	4.070	23.72	20.05	11.94	4.060
HONG LEONG BANK BERHAD	16.940	23.72	22.33	18.08	16.820
MALAYSIAN RESOURCES CORP BHD	0.750	23.74	20.43	11.74	0.750
GENTING BHD	5.980	25.06	17.97	3.11	5.970
AMANAHRAYA REIT	0.810	25.23	20.62	6.17	0.810
TH PLANTATIONS BHD	0.400	25.55	17.77	2.13	0.395
AMMB HOLDINGS BHD	3.900	25.82	22.27	17.02	3.890
CYPARK RESOURCES BHD	1.320	25.93	27.79	34.19	1.300
HEVEABOARD BHD	0.555	26.53	27.95	49.01	0.540
APM AUTOMOTIVE HOLDINGS BHD	2.420	26.82	25.32	13.67	2.410
STAR MEDIA GROUP BHD	0.590	26.92	23.88	13.54	0.580
COUNTRY HEIGHTS HOLDINGS BHD	1.290	27.27	22.23	7.45	1.200
ANN JOO RESOURCES BHD	1.330	27.52	22.44	12.99	1.330
UEM SUNRISE BHD	0.705	28.10	25.13	19.76	0.700
SCIENTEX BHD	8.180	28.29	24.05	7.29	8.110
AEON CREDIT SERVICE M BHD	15.820	28.45	24.94	28.23	15.680

*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
MBM RESOURCES BERHAD	4.000	87.99	91.96	99.26	4.080
CARING PHARMACY GROUP BHD	2.300	86.73	92.28	99.64	2.300
TASEK CORP BHD	5.800	79.98	87.40	85.07	5.840
DUFU TECHNOLOGY CORP BHD	2.190	77.09	82.77	96.79	2.220
DRB-HICOM BHD	2.900	76.94	80.71	95.03	2.980
DATASONIC GROUP BHD	0.895	75.77	76.49	73.60	0.950
MAGNA PRIMA BHD	1.250	73.58	76.69	82.24	1.250
OCK GROUP BHD	0.610	71.45	77.85	94.46	0.610
BERJAYA LAND BHD	0.225	71.07	74.50	72.53	0.230
POWER ROOT BHD	1.950	70.71	75.49	91.13	1.980
ABF MALAYSIA BOND INDEX FUND	1.217	70.44	78.89	98.64	1.217
IGB REAL ESTATE INVESTMENT T	2.080	70.39	74.68	88.78	2.090

*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
GENTING MALAY-C59	0.065	10.71	15.41	55.89	0.055	28/2/2020
MALAYSIAN RES-C41	0.045	13.17	6.94	0.67	0.010	29/11/2019
HANG SENG IND-7I	0.090	18.31	23.39	50.30	0.060	27/2/2020
HANG SENG IND-7J	0.250	19.19	25.59	65.97	0.130	27/2/2020
LEONG HUP INT-CK	0.015	22.94	19.63	4.84	0.015	28/2/2020
HANG SENG IND-5T	0.040	25.46	20.74	44.02	0.025	30/10/2019
HANG SENG IND-5P	0.025	26.69	22.05	21.05	0.020	27/9/2019
HANG SENG IND-5Q	0.080	26.77	25.27	60.21	0.035	27/9/2019
GENTING BHD-C68	0.035	27.35	20.99	5.03	0.035	29/11/2019
GENTING BHD-C72	0.055	28.10	30.55	46.67	0.050	14/2/2020
SUPERMAX CORP-C59	0.010	28.20	23.94	13.16	0.010	30/8/2019

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
DRB-HICOM BHD-C83	0.240	82.16	85.06	97.02	0.255	29/5/2020
DRB-HICOM BHD-C80	0.220	80.49	81.89	85.62	0.235	23/12/2019
DRB-HICOM BHD-C75	0.300	78.42	83.35	96.66	0.325	31/12/2019
DRB-HICOM BHD-C81	0.195	78.25	82.96	97.29	0.215	20/12/2019
DRB-HICOM BHD-C82	0.280	78.24	82.65	96.80	0.300	29/11/2019
DATASONIC GROUP BHD-WA	0.405	76.84	75.22	55.78	0.445	5/7/2023
GREEN PACKET BHD-WB	0.175	72.13	74.44	77.36	0.180	24/11/2023
DRB-HICOM BHD-C77	0.295	70.07	73.52	87.67	0.315	26/11/2019

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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