

27 August 2019

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Research Highlights

BURSA	26-Aug	Day chg	% chg
KLCI	1,600.5	-8.8	-0.55%
FTSE EMAS	11,302.9	-83.3	-0.73%
FTSE Smallcap	13,017.8	-124.84	-0.95%
FTSE MESDAQ	4,513.7	-40.0	-0.88%
KLSE Mkt Cap (RM'b)	1,608.5	-12.3	-0.76%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	157.88	48.14
Local Retail	85.45	26.12
Foreign	-243.33	25.74

INDICES	26-Aug	Day chg	% chg
Dow Jones	25,898.8	269.9	1.05%
S&P 500	2,878.4	31.3	1.10%
NASDAQ	7,853.7	102.0	1.32%
FTSE-100	N.A.	N.A.	N.A.
Nikkei 225	20,261.0	-449.9	-2.17%
SHCOMP	2,863.6	-33.9	-1.17%
HSI	25,680.3	-499.0	-1.91%
STI	3,065.3	-45.0	-1.45%
KOSPI	1,916.3	-32.0	-1.64%
TWSE	10,354.6	-183.5	-1.74%
JCI	6,214.5	-41.1	-0.66%
SET	1,622.7	-24.0	-1.45%

FOREX	26-Aug	23-Aug	% chg
USD/MYR:	4.2032	4.1912	0.29%
EUR/USD:	1.1120	1.1144	-0.22%
GBP/USD:	1.2242	1.2266	-0.20%
USD/YEN:	105.82	105.39	0.41%
USD/SGD:	1.3879	1.3870	0.06%
USD/HKD:	7.8444	7.8426	0.02%

KEY STATS

KLCI Spot			
Vol (m shares):	2,211.2	2,010.1	10.00%
Value (RMm):	1,814.5	1,742.4	4.14%
KLCI Future			
August-19	1,592.5	1,600.5	-0.50%
September-19	1,584.5	1,593.0	-0.53%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	853.8	843.3	1.25%
SoyOil (USc/lb)	28.5	28.5	0.00%
Gold (US\$/troy oz)	1,530.9	1,531.4	-0.03%
Nymex crude oil (US\$/bbl)	53.6	54.2	-0.98%
Latex (RM/kg)	4.35	4.33	0.35%
Tin (US\$/mt)	N.A.	15,906.0	N.A.

NEWS HIGHLIGHTS

- AI-'Aqar Healthcare REIT acquires KPJ Batu Pahat Specialist Hospital for RM78.0m cash
- BLand posts two-month net loss of RM35.0m on fair value change
- Gagasan Nadi Cergas posts net profit of RM6.9m in 2Q, declares maiden 0.5 sen dividend
- Shapadu chairman Shafiz Shahrani exits LFE Corp's board
- Asdion to kick off Tumpat Supply Base project in Q4

MACRO BITS

- Trump says confident China sincere about wanting a trade deal
- Macron delivers breakthrough on Iran at tense G7 summit, but little else
- Japan's negative interest rates may have backfired: Fed paper
- Malaysia can achieve higher growth with structural reforms - Governor
- Malaysia to study another offer of Samurai bond from Japan — Dr Mahathir
- Local investors overseas can help Malaysia achieve developed status — Dr Mahathir
- India's Commerce Ministry seeks higher duty on refined palm oil imported from Msia
- Indonesia unveils site of new capital on Borneo island
- Thailand plans e-commerce tax next year
- Atlanta Fed model raises U.S. third quarter GDP view to 2.3%
- U.S. business investment appears to struggle in third quarter
- Euro zone bond yields steady, trade tensions in focus
- Boris Johnson refuses to rule out forcing through no-deal Brexit

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: AEON, MRCB, RHBBANK, UOADEV
- On Our Technical Watch: MI, FRONTKN

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	GENM	3.06	-1.3	11.90	MAXIS	5.49	1.7	1.49	PICHEM	6.91	-4.3	4.82
2	SIME	2.09	-2.3	8.50	AXIATA	5.08	1.6	4.76	PETDAG	22.30	-4.1	0.66
3	CIMB	5.06	-0.2	7.20	HLFG	16.98	1.1	0.18	SIME	2.09	-2.3	8.50
4	DIALOG	3.45	-0.9	6.63	RHBBANK	5.62	0.9	3.88	PMETAL	4.75	-2.3	1.50
5	MAYBANK	8.59	-0.6	6.01	IHH	5.70	0.4	2.00	TOPGLOV	4.66	-1.9	4.11
6	PICHEM	6.91	-4.3	4.82	HLBANK	16.98	0.0	0.51	PETGAS	15.70	-1.9	0.50
7	AXIATA	5.08	1.6	4.76	PPB	18.80	0.0	0.31	HAPSENG	9.56	-1.4	0.33
8	PBBANK	20.80	-0.1	4.61	PBBANK	20.80	-0.1	4.61	GENM	3.06	-1.3	11.90
9	TENAGA	13.70	-0.4	4.18	CIMB	5.06	-0.2	7.20	IOICORP	4.33	-1.1	3.04
10	TOPGLOV	4.66	-1.9	4.11	DIGI	5.00	-0.2	2.31	HARTA	5.01	-1.0	1.10

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Al'Aqar Healthcare REIT acquires KPJ Batu Pahat Specialist Hospital for RM78.0m cash**

Al'Aqar Healthcare REIT is acquiring another hospital — KPJ Batu Pahat Specialist Hospital — for RM78.0m cash, to add to its list of properties under management. In a filing with Bursa Malaysia, its management company Damansara REIT Managers Sdn Bhd announced that the trustee of the REIT AmanahRaya Trustees Bhd has entered into a conditional sales and purchase agreement with Johor Land Bhd, a wholly-owned subsidiary of Johor Corp, for the purpose of the acquisition. *(The Edge)*

- **BLand posts two-month net loss of RM35.0m on fair value change**

Berjaya Land Bhd (BLand), which is controlled by tycoon Tan Sri Vincent Tan, has turned in a net loss of RM34.5m for the two months ended June 30, 2019. However, it managed to post a net profit of RM148.0m for the cumulative 14-month period. Quarterly and cumulative revenue stood at RM1.1b and RM7.3b respectively, the group said in an exchange filing. No comparative figures for the current and cumulative period were available, due to a change in the group's financial year-end from April 30 to June 30. *(The Edge)*

- **Gagasan Nadi Cergas posts net profit of RM6.9m in 2Q, declares maiden 0.5 sen dividend**

Gagasan Nadi Cergas Bhd expects its construction tender book to exceed RM1.0b from RM700.0m as at January 2019, as the group has been successfully pre-qualified in more public sector tenders. "We are hopeful that some of these successful pre-qualifications would eventually enhance our order book of RM640.0m as at June 30, 2019," its group managing director Wan Azman Wan Kama said in a statement. The group's current tender book consists of essential building projects, comprising healthcare facilities, tertiary education institutions and affordable housing projects nationwide. *(The Edge)*

- **Shapadu chairman Shafiz Shahrani exits LFE Corp's board**

Datuk Seri Shafiz Shahrani has resigned as an executive director of loss-making LFE Corp Bhd. A bourse filing showed Shafiz, 40, announced his resignation, citing to focus on his commitments on Shapadu Group, where he is currently the group executive chairman. Shafiz is the son of the late Datuk Shahrani Abdullah — the founder of the Shapadu Group. According to LFE's Annual Report 2018, Shafiz was appointed to the board of directors on Nov 27, 2015. He started his career as a business development executive with Shapadu Corp Sdn Bhd in 2000, and moved on to various positions with Shapadu Group. *(The Edge)*

- **Asdion to kick off Tumpat Supply Base project in Q4**

ACE Market-listed logistics company, Asdion Bhd's joint-venture (JV) partner to develop and manage the Tumpat Supply Base (TSB) project in Kelantan, Kingdom Infra Holdings Sdn Bhd (KIHSB), has received the relevant land titles from the state government, setting the stage for the project's imminent construction and commencement. Asdion executive director Razmi Alias said the title was for the 12.1-hectare seaside site in northern Kelantan, ideally situated to service the JV's five-year Offtake Agreement involving the export of manganese ore to buyers in China, a critical element used in steel production for its automotive industry and also in the production of electric vehicles. The land in Tumpat, with an estimated market value of RM26.0m, is situated a mere 20.0 km from Kota Bharu, the last stop in the East Coast Rail Link, and is poised to yield future opportunities for TSB in the coming years. *(The Edge)*



Macro Bits

Global

- [Trump says confident China sincere about wanting a trade deal](#) U.S. President Donald Trump said on Monday he was confident that China was sincere about wanting a trade deal with the United States because it had taken “a very large hit” in recent months. *(Reuters)*
- [Macron delivers breakthrough on Iran at tense G7 summit, but little else](#) French President Emmanuel Macron paved the way at a G7 summit for a diplomatic solution to the standoff between Washington and Tehran over a 2015 nuclear deal, but there was little else to show from a meeting at which allies were sharply divided. *(Reuters)*
- [Japan's negative interest rates may have backfired: Fed paper](#) Central bankers in Europe and Japan have used negative interest rates to try to boost their economies and lift sagging inflation expectations, but Federal Reserve policymakers have been generally sceptical of doing so in the United States. *(Reuters)*

Malaysia

- [Malaysia can achieve higher growth with structural reforms - Governor](#) Malaysia with its abundant natural resources and inherent economic strength is capable of achieving higher growth rate than now with more structural reforms, Bank Negara Malaysia (BNM) Governor, Datuk Nor Shamsiah Mohd Yunus said. *(The Edge Markets)*
- [Malaysia to study another offer of Samurai bond from Japan — Dr Mahathir](#) Malaysia is studying another offer of Samurai bond from Japan, said Prime Minister Tun Dr Mahathir Mohamad. *(The Edge Markets)*
- [Local investors overseas can help Malaysia achieve developed status — Dr Mahathir](#) Tun Dr Mahathir Mohamad has urged Malaysian investors and businessmen overseas to do their part to help the country achieve developed status by 2025. *(The Edge Markets)*

Asia Pacific

- [India's Commerce Ministry seeks higher duty on refined palm oil imported from Msia](#) India's Commerce Ministry has recommended an increase in the import duty on refined palm oil from Malaysia, in response to a demand by domestic refiners. *(The Edge Markets)*
- [Indonesia unveils site of new capital on Borneo island](#) Indonesia on Monday revealed the long-awaited site for its new USD33.0b capital on the forested island of Borneo to replace the crowded, polluted megacity of Jakarta, which is slowly sinking into the sea. *(Reuters)*
- [Thailand plans e-commerce tax next year](#) Thailand expects to introduce a value-added-tax on electronic businesses next year, aiming to collect between 3.0b to 4.0b baht (USD98.0m to USD131.0m) a year, an official said on Monday, tapping a boom in e-commerce in the country. *(Reuters)*

Americas

- [Atlanta Fed model raises U.S. third quarter GDP view to 2.3%](#) The U.S. economy is likely growing at a 2.3% annualized rate in the third quarter, based on the data on domestic durable goods orders in July, the Atlanta Federal Reserve's GDPNow forecast model showed on Monday. *(Reuters)*
- [U.S. business investment appears to struggle in third quarter](#) New orders for key U.S.-made capital goods rose modestly in July while shipments fell by the most in nearly three years, pointing to continued weakness in business investment and a slowdown in economic growth early in the third quarter. *(Reuters)*

Europe

- [Euro zone bond yields steady, trade tensions in focus](#) Euro zone government bond yields were steady on Monday, not far from recent record lows, as the latest escalation in U.S.-China trade tensions fueled concern about the global growth outlook and bolstered demand for safe-haven debt. *(Reuters)*
- [Boris Johnson refuses to rule out forcing through no-deal Brexit](#) Boris Johnson has repeatedly refused to rule out proroguing parliament to try to push through his Brexit policy. *(The Guardian)*



27 August 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
SP SETIA BHD	1.590	15.13	11.92	8.84	1.570
KUMPULAN PERANGSANG SELANGOR	0.720	15.41	11.79	5.12	0.720
BRITISH AMERICAN TOBACCO BHD	20.520	16.24	11.19	1.12	20.520
CAHYA MATA SARAWAK BHD	2.280	19.77	15.09	3.81	2.270
AEON CREDIT SERVICE M BHD	15.440	20.88	15.64	5.29	15.420
PUBLIC BANK BERHAD	20.800	22.50	24.36	44.40	20.360
MALAYSIAN RESOURCES CORP BHD	0.740	23.62	20.48	12.19	0.735
ANN JOO RESOURCES BHD	1.290	23.68	17.72	6.02	1.260
KECK SENG (MALAYSIA) BHD	4.340	23.77	19.09	23.58	4.260
CYPARK RESOURCES BHD	1.310	24.32	25.03	20.15	1.300
Y.S.P.SOUTHEAST ASIA HOLDING	2.340	24.40	15.80	1.04	2.300
WAH SEONG CORP BHD	0.635	24.92	18.67	5.76	0.635
YTL POWER INTERNATIONAL BHD	0.690	25.00	21.89	13.50	0.690
SKP RESOURCES BHD	1.110	25.01	20.47	9.48	1.110
UEM SUNRISE BHD	0.690	25.28	21.28	9.64	0.685
HONG LEONG BANK BERHAD	16.980	26.13	26.06	29.69	16.580
PARAMOUNT CORP BHD	1.310	26.29	24.69	34.53	1.280
PETRONAS DAGANGAN BHD	22.300	26.39	25.52	15.49	22.100
STAR MEDIA GROUP BHD	0.580	26.50	24.59	23.25	0.575
BATU KAWAN BHD	15.680	26.70	21.72	4.23	15.600
APM AUTOMOTIVE HOLDINGS BHD	2.380	27.04	25.70	17.46	2.380
UNISEM (M) BERHAD	2.020	27.06	26.66	22.38	2.020
COUNTRY HEIGHTS HOLDINGS BHD	1.290	27.27	22.23	7.45	1.200
GENTING BHD	5.960	27.29	23.35	30.97	5.940
TH PLANTATIONS BHD	0.400	27.50	22.11	29.26	0.390
BERMAZ AUTO BHD	2.310	27.50	20.84	8.24	2.280
HIBISCUS PETROLEUM BHD	0.920	28.07	22.98	9.52	0.910
PETRONAS CHEMICALS GROUP BHD	6.910	28.95	26.99	14.08	6.910
SHANGRI-LA HOTELS (MAL) BHD	4.830	29.59	28.04	35.11	4.770
PADINI HOLDINGS BERHAD	3.260	29.72	25.65	10.43	3.220

*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	4.230	88.20	90.87	91.52	4.280
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
KLCCP STAPLED GROUP	8.250	79.57	86.38	97.86	8.370
ABF MALAYSIA BOND INDEX FUND	1.220	71.75	80.43	98.91	1.220
POWER ROOT BHD	1.960	71.59	76.71	92.81	1.980
FRASER & NEAVE HOLDINGS BHD	35.660	70.85	78.74	97.36	35.760
PINTARAS JAYA BHD	2.950	70.37	73.84	75.70	3.000

*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
TELEKOM MALAY-C53	0.050	13.28	13.47	9.02	0.040	28/2/2020
MALAYSIAN RES-C41	0.035	14.99	11.02	12.56	0.010	29/11/2019
HANG SENG IND-7J	0.185	19.08	23.19	24.07	0.130	27/2/2020
HANG SENG IND-7K	0.425	21.66	25.68	26.34	0.330	27/2/2020
HANG SENG IND-5T	0.025	23.64	17.63	11.08	0.020	30/10/2019
HANG SENG IND-7M	0.410	24.83	24.67	24.35	0.325	28/4/2020
MY EG SERVICE-C65	0.045	24.96	18.93	14.02	0.040	30/9/2019
HANG SENG IND-5Q	0.045	25.04	22.33	21.28	0.025	27/9/2019
HANG SENG IND-5P	0.015	25.66	20.37	11.65	0.005	27/9/2019
FGV HOLDINGS-C78	0.040	25.75	22.11	8.57	0.040	31/1/2020
HANG SENG IND-7C	0.055	25.81	22.19	12.07	0.040	28/11/2019
HANG SENG IND-7N	0.715	27.77	27.60	26.67	0.585	28/4/2020
GENTING MALAY-C52	0.085	28.02	24.29	20.62	0.085	30/9/2019
POS MALAYSIA-C33	0.010	29.00	23.32	18.38	0.010	31/10/2019
HANG SENG IND-7F	0.340	29.53	33.61	30.27	0.210	30/12/2019
HIBISCUS PETROLEUM BHD -WC	0.290	29.95	25.89	10.79	0.280	18/3/2021

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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