

29 August 2019

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Research Highlights

BURSA	28-Aug	Day chg	% chg
KLCI	1,589.8	-1.02	-0.06%
FTSE EMAS	11,213.5	-14.8	-0.13%
FTSE Smallcap	12,912.3	-77.26	-0.59%
FTSE MESDAQ	4,538.3	45.3	1.01%
KLSE Mkt Cap (RM'b)	1,596.8	-1.7	-0.11%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	1.91	46.28
Local Retail	11.29	26.42
Foreign	-13.20	27.30

INDICES	28-Aug	Day chg	% chg
Dow Jones	26,036.1	258.2	1.00%
S&P 500	2,887.9	18.8	0.65%
NASDAQ	7,856.9	29.9	0.38%
FTSE-100	7,114.7	25.1	0.35%
Nikkei 225	20,479.4	23.3	0.11%
SHCOMP	2,893.8	-8.4	-0.29%
HSI	25,615.5	-48.6	-0.19%
STI	3,056.5	-11.1	-0.36%
KOSPI	1,941.1	16.5	0.86%
TWSE	10,434.3	47.1	0.45%
JCI	6,281.6	3.5	0.06%
SET	1,616.9	1.5	0.09%

FOREX	28-Aug	27-Aug	% chg
USD/MYR:	4.2135	4.2048	0.21%
EUR/USD:	1.1093	1.1107	-0.13%
GBP/USD:	1.2209	1.2255	-0.38%
USD/YEN:	105.74	105.81	-0.07%
USD/SGD:	1.3886	1.3882	0.03%
USD/HKD:	7.8461	7.8451	0.01%

KEY STATS

KLCI Spot			
Vol (m shares):	1,935.8	2,114.4	-8.44%
Value (RMm):	1,541.6	2,617.5	-41.11%
KLCI Future			
August-19	1,587.5	1,585.0	0.16%
September-19	1,576.0	1,577.5	-0.10%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	852.8	846.3	0.77%
SoyOil (USc/lb)	28.2	28.1	0.36%
Gold (US\$/troy oz)	1,542.8	1,545.6	-0.18%
Nymex crude oil (US\$/bbl)	55.8	54.9	1.55%
Latex (RM/kg)	4.36	4.34	0.58%
Tin (US\$/mt)	15,760.0	15,773.0	-0.08%

NEWS HIGHLIGHTS

- Inari Amerton 4Q profit down 33.0%, declares 1.1 sen dividend
- Berjaya Corp posts two-month net loss of RM110.0m, sees a 'challenging' FY20
- Datasonic forms JV with three Filipinos to bid for Philippine ID projects
- E&O targets RM300.0m in sales for FY20
- Paramount plans RM900.0m property launches, to double co-working space

MACRO BITS

- Queen allows Johnson to suspend parliament before Brexit
- US-China trade war 'second wave' could cause long lasting damage, Indonesia's finance minister says
- Cabinet okays RM21.6b plan to give Malaysians faster and better internet
- Malaysia aims to be preferred destination for high-tech investment
- Mahathir impressed with Vietnam's development, progress
- China seen cutting key rates from September but moves likely gradual
- China's central bank chief meets head of Hong Kong monetary authority
- Japan regulator to step up surveillance of local banks showing signs of stress
- Fed rejects call to deny Trump rate cuts; Trump keeps up pressure
- U.S. yield curve inverts further, 30-year yields hit new record low
- It's Brexit, not Trump: Germany's export slump mainly caused by Britain
- Euro zone household lending growth rises to post-crisis high

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- MidS: ULICORP, SAB
- Results Note: ANNJOO, BIMB, BSTEAD, FGV, GENP, HLBANK, HSPLANT, IJM, IJMLNT, MEDIAC, MPI, OCK, PARKSON, QL, SIMEPROP, STAR, SUNSURIA, TAANN, TGUAN, TM, UEMS, UZMA
- On Our Technical Watch: TIMECOM, REDTONE

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	SIME	2.20	4.3	15.00	SIME	2.20	4.3	15.00	PBBANK	20.32	-1.8	2.21
2	GENM	3.04	-1.0	11.90	MISC	7.20	3.5	1.75	CIMB	4.98	-1.4	9.45
3	CIMB	4.98	-1.4	9.45	AMBANK	4.09	2.8	3.22	HLBANK	16.26	-1.3	1.03
4	DIALOG	3.47	0.0	5.99	PETGAS	15.64	1.8	0.68	HLFG	16.04	-1.2	0.57
5	MAYBANK	8.53	-0.2	5.60	HAPSENG	9.61	1.2	0.33	MAXIS	5.41	-1.1	1.73
6	AXIATA	5.00	-0.4	4.89	PMETAL	4.83	1.1	2.38	NESTLE	147.00	-1.1	0.05
7	DIGI	5.03	0.6	4.57	SIMEPLT	4.86	1.0	1.46	GENM	3.04	-1.0	11.90
8	IHH	5.75	0.4	3.94	TENAGA	13.74	1.0	1.79	IOICORP	4.22	-0.7	0.85
9	AMBANK	4.09	2.8	3.22	PETDAG	21.84	1.0	0.19	RHBBANK	5.68	-0.7	3.16
10	RHBBANK	5.68	-0.7	3.16	DIGI	5.03	0.6	4.57	AIRPORT	8.46	-0.5	1.29

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Inari Amerton 4Q profit down 33.0%, declares 1.1 sen dividend**

Inari Amerton Bhd posted lower net profit of RM38.3m for the final financial quarter ended June 30 (4QFY19), falling 33.0% from RM57.1m a year ago. However, the semiconductor maker is anticipating its performance to improve, at least for the first half of current financial year ending June 30, 2020 (FY20). It has declared the fourth single tier interim dividend of 1.1 sen per share in respect of FY19. With the fourth dividend, Inari has declared a total of 5.2 sen dividend per share for FY19, which is lower than 8.4 sen in FY18. Its revenue dropped 10.0% to RM270.7m in 4QFY19 against RM301.1m a year ago. Meanwhile, earnings per share (EPS) came in at 1.19 sen compared with 1.8 sen previously. *(The Edge)*

- **Berjaya Corp posts two-month net loss of RM110.0m, sees a 'challenging' FY20**

Berjaya Corp Bhd said it recorded a net loss of RM110.4m in the two-month period ended June 30, 2019, on revenue of RM1.4b, after booking in unfavourable fair value changes and impairments. "The group reported a pre-tax loss of RM48.0m mainly due to the impairment in associated companies, unfavourable fair value changes of investment properties and impairment of goodwill in a subsidiary company. These were mitigated by the gain recognised on the disposal of a subsidiary company amounting to RM18.0m," it said in a stock exchange filing. No comparative figures for the period — and for the cumulative 14-month period ended June 30, for which it posted a net loss of RM112.2m on revenue of RM9.8b — was given, following a change in the group's financial year-end from April 30 to June 30. *(The Edge)*

- **Datasonic forms JV with three Filipinos to bid for Philippine ID projects**

Datasonic Group Bhd has teamed up with three Filipinos to bid for the Philippines National Identity System and Philippines Security Surveillance and Monitoring Solutions projects. The group said it will hold 39.99% of the joint-venture company's 25,000 shares, with Virginia Pinto Hilario having a 30.0% stake and Rey Pedro Depra Viernesto and Arnold Lazarito Vegafria, 15.0% each. Two nominees of Datasonic's directors, Chia Kok Khuang and Chandrash Jitendrakumar Babulal, will have one share each in the JV company. *(The Edge)*

- **E&O targets RM300.0m in sales for FY20**

Eastern & Oriental Bhd (E&O) is looking to sell RM300.0m in property inventory in its current financial year (FY20). At a press conference today after its annual general meeting (AGM), senior general manager Yeonzon Yeow said the group would be aiming to sell RM300.0m worth of property, mainly from its Seri Tanjung Pinang (STP) development in Penang. "The new launches from The Peak and The Conlay will then drive our unbilled sales, because our strategy for the past three years is not conduct new launches but focus on our existing inventory," he said. *(The Edge)*

- **Paramount plans RM900.0m property launches, to double co-working space**

Paramount Corp Bhd said today the real estate developer is planning new property launches worth some RM900.0m in the second half of 2019 to achieve its RM1.0b sales target for the year. Group chief executive officer Jeffrey Chew said the group has secured property sales of some RM310.0m in the first half of 2019 compared to about RM600.0m in the first half of last year. However, Paramount is maintaining its 2019 property sales target at RM1.0b. "As at end-June 2019, the group has unbilled sales of about RM978.0m," Chew told reporters here during a fund managers and analysts' briefing on Paramount's financials. *(The Edge)*



Macro Bits

Global

- [Queen allows Johnson to suspend parliament before Brexit](#) British Prime Minister Boris Johnson will limit parliament's ability to derail his Brexit plan by cutting the amount of time it will sit between now and EU exit day on Oct. 31, infuriating opponents who urged Queen Elizabeth to intervene. *(Reuters)*
- [US-China trade war 'second wave' could cause long lasting damage, Indonesia's finance minister says](#) The global economy could be hit by a second wave of damage from the US-China trade war which will be much more severe than the first, according to Indonesia's finance minister. *(South China Morning Post)*

Malaysia

- [Cabinet okays RM21.6b plan to give Malaysians faster and better internet](#) The Cabinet today approved the implementation of the National Fibreisation and Connectivity Plan (NFCP) over a five-year period from this year to 2023 at a cost of RM21.6b. *(The Edge Markets)*
- [Malaysia aims to be preferred destination for high-tech investment](#) Malaysia aims to become the preferred destination for high-tech investment through Industry4WRD, says Deputy International Trade and Industry Minister Dr Ong Kian Ming. *(The Edge Markets)*
- [Mahathir impressed with Vietnam's development, progress](#) Malaysian Prime Minister Tun Dr Mahathir Mohamad said Wednesday he is impressed with the development and progress that Vietnam has achieved today. *(The Edge Markets)*

Asia Pacific

- [China seen cutting key rates from September but moves likely gradual](#) Deteriorating Sino-U.S. trade ties and interest rate reforms are fueling speculation China will start cutting key rates from next month, but bankers expect borrowing costs to come down only gradually, offering limited support for the slowing economy. *(Reuters)*
- [China's central bank chief meets head of Hong Kong monetary authority](#) China's central bank governor, Yi Gang, met Norman Chan, the chief executive of the Hong Kong Monetary Authority on Wednesday to discuss financial cooperation in the so-called Greater Bay Area of southern China, the People's Bank of China (PBOC) said. *(Reuters)*
- [Japan regulator to step up surveillance of local banks showing signs of stress](#) Japan's financial regulator said it would beef up surveillance of local banks that show signs of stress as years of ultra-low rates and a shrinking population erode their profitability. *(Reuters)*

Americas

- [Fed rejects call to deny Trump rate cuts; Trump keeps up pressure](#) The U.S. central bank on Tuesday rejected a call from a former Federal Reserve policymaker to counter President Donald Trump's trade agenda by refusing to "play along" and denying the president the interest rate cuts he has demanded. *(Reuters)*
- [U.S. yield curve inverts further, 30-year yields hit new record low](#) A key part of the U.S. yield curve, a closely-followed recession indicator, inverted further on Wednesday while 30-year Treasury yields fell to a few record low on growing concern about the fallout from a bitter global trade conflict. *(Reuters)*

Europe

- [It's Brexit, not Trump: Germany's export slump mainly caused by Britain](#) Germany's recent export slump was driven mainly by weaker sales to Britain rather than the broader trade war, data showed on Wednesday, after Brexit had an unusually big impact on Europe's largest economy in the second quarter. *(Reuters)*
- [Euro zone household lending growth rises to post-crisis high](#) Bank lending in the euro zone accelerated in July while a money supply indicator which often foreshadows future activity rose far more than expected, data from the European Central Bank showed on Wednesday. *(Reuters)*



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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
BRITISH AMERICAN TOBACCO BHD	20.060	14.89	9.66	0.71	19.960
AEON CREDIT SERVICE M BHD	14.980	14.99	9.75	1.73	14.880
KUMPULAN PERANGSANG SELANGOR	0.715	15.01	11.31	4.17	0.705
PUBLIC BANK BERHAD	20.320	16.07	14.13	4.78	20.180
HONG LEONG BANK BERHAD	16.260	16.90	13.33	3.52	16.220
SP SETIA BHD	1.530	17.47	16.10	15.59	1.530
HONG LEONG FINANCIAL GROUP	16.040	18.05	17.46	14.87	16.020
ANN JOO RESOURCES BHD	1.230	18.85	12.35	1.79	1.230
CYPARK RESOURCES BHD	1.280	20.00	18.18	5.34	1.250
UEM SUNRISE BHD	0.660	20.41	15.15	2.61	0.655
MALYSIAN RESOURCES CORP BHD	0.710	20.56	16.66	5.60	0.700
COUNTRY HEIGHTS HOLDINGS BHD	1.210	21.43	15.77	2.77	1.200
Y.S.P.SOUTHEAST ASIA HOLDING	2.330	22.97	14.33	0.78	2.300
KARAMBUNAI CORP BHD	0.085	23.29	13.35	0.22	0.085
PETRON MALAYSIA REFINING & M	5.250	23.60	21.56	11.80	5.190
PARAMOUNT CORP BHD	1.290	24.28	21.58	19.74	1.280
STAR MEDIA GROUP BHD	0.575	24.30	21.41	13.83	0.570
KECK SENG (MALAYSIA) BHD	4.330	24.41	20.62	24.22	4.260
HIBISCUS PETROLEUM BHD	0.900	25.44	19.88	6.63	0.890
UNISEM (M) BERHAD	1.970	25.56	24.31	17.61	1.950
GENTING BHD	5.920	25.90	21.26	20.00	5.900
WAH SEONG CORP BHD	0.630	26.01	21.63	17.18	0.630
CAHYA MATA SARAWAK BHD	2.290	26.18	24.46	23.50	2.270
TH PLANTATIONS BHD	0.395	26.24	20.23	15.01	0.390
PETRONAS DAGANGAN BHD	21.840	26.24	25.91	24.95	21.520
TASEK CORP BHD	5.410	26.41	16.26	0.88	5.410
BATU KAWAN BHD	15.640	26.47	21.86	10.45	15.600
BERMAZ AUTO BHD	2.300	26.62	19.75	6.66	2.280
YTL POWER INTERNATIONAL BHD	0.695	27.58	25.60	23.15	0.685
AIRASIA X BHD	0.175	27.82	25.16	18.28	0.170
DUTCH LADY MILK INDS BHD	63.100	27.96	19.72	7.18	63.000
CRESCENDO CORPORATION BHD	1.160	28.23	20.74	7.14	1.160
TUNE PROTECT GROUP BHD	0.610	28.38	23.20	8.23	0.605
FGV HOLDINGS BHD	0.950	28.71	23.02	6.23	0.925
MUHIBBAH ENGINEERING (M) BHD	2.470	28.78	24.79	11.82	2.410
MALAYSIA BUILDING SOCIETY	0.820	29.05	28.86	18.90	0.820
MALAYAN FLOUR MILLS BHD	0.580	29.44	28.18	13.42	0.575
PETRONAS CHEMICALS GROUP BHD	6.900	29.45	27.94	20.54	6.750
KAWAN FOOD BHD	1.210	29.65	23.01	2.94	1.180

*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
CARING PHARMACY GROUP BHD	2.300	82.17	84.35	70.60	2.300
MBM RESOURCES BERHAD	4.050	74.29	72.23	46.30	4.280
UEM EDGENTA BHD	3.290	73.16	78.22	91.48	3.320
ABF MALAYSIA BOND INDEX FUND	1.220	71.75	80.43	98.91	1.220
PINTARAS JAYA BHD	2.950	70.37	73.84	75.70	3.000

*Only for stocks with market cap >RM300m

Source: Bloomberg

29 August 2019

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	0.060	13.76	20.11	56.97	0.055	28/2/2020
HANG SENG IND-7J	0.175	18.64	22.26	20.16	0.130	27/2/2020
HANG SENG IND-7K	0.400	20.84	24.02	20.08	0.330	27/2/2020
HANG SENG IND-5T	0.015	22.39	15.63	5.16	0.015	30/10/2019
FGV HOLDINGS-C78	0.035	22.85	18.29	4.53	0.030	31/1/2020
RHB BANK BHD-C14	0.045	22.99	13.70	0.35	0.045	14/10/2019
HANG SENG IND-5Q	0.030	23.97	20.42	12.32	0.025	27/9/2019
HANG SENG IND-7M	0.395	24.25	23.68	19.92	0.325	28/4/2020
HANG SENG IND-5P	0.005	24.49	18.37	4.65	0.005	27/9/2019
FGV HOLDINGS-C76	0.030	25.75	19.98	4.01	0.025	28/2/2020
HANG SENG IND-7C	0.055	26.93	24.76	28.71	0.040	28/11/2019
GENTING MALAY-C52	0.085	28.02	24.29	20.62	0.080	30/9/2019
HANG SENG IND-7F	0.310	28.30	31.13	22.42	0.210	30/12/2019
SYARIKAT TAKA-CE	0.130	28.59	26.55	14.77	0.120	31/1/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
MTOUCHE TECHNOLOGY-WC	0.030	76.33	80.07	83.26	0.030	2/11/2020
V.S. INDUSTRY-C20	0.130	75.00	74.53	76.33	0.135	30/6/2020
DATASONIC GROUP BHD-WA	0.405	71.34	68.94	72.81	0.445	5/7/2023

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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