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Research Highlights

BURSA	4-Sep	Day chg	% chg
KLCI	1,599.9	8.37	0.53%
FTSE EMAS	11,253.7	53.1	0.47%
FTSE Smallcap	12,896.8	109.06	0.85%
FTSE MESDAQ	4,467.3	24.7	0.56%
KLSE Mkt Cap (RM'b)	1,602.1	7.8	0.49%

NEWS HIGHLIGHTS

- KKB Engineering bags two contracts worth RM29.0m
- Petra Energy clinches 15-month contract from Petronas Carigali
- Ahmad Zaki Resources' unit lodges Shariah facility with the SC
- Protasco records RM8.7m net profit in first half 2019
- Malaysia Book of Records honours LSK as largest natural bedding manufacturer

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	65.79	43.64
Local Retail	12.18	25.24
Foreign	-77.97	31.12

INDICES	4-Sep	Day chg	% chg
Dow Jones	26,355.5	237.5	0.91%
S&P 500	2,937.8	31.5	1.08%
NASDAQ	7,976.9	102.7	1.30%
FTSE-100	7,311.3	43.1	0.59%
Nikkei 225	20,649.1	24.0	0.12%
SHCOMP	2,957.4	27.3	0.93%
HSI	26,523.2	995.4	3.90%
STI	3,130.6	39.9	1.29%
KOSPI	1,988.5	22.8	1.16%
TWSE	10,657.3	99.1	0.94%
JCI	6,269.7	8.1	0.13%
SET	1,658.6	16.4	1.00%

MACRO BITS

- Trump says meeting with Iran's Rouhani possible at U.N. General Assembly
- UK lawmakers approve Brexit delay law, defeating PM Johnson
- Exports rebound in July on stronger E&E shipments (See Economic Viewpoint: Malaysia External Trade)
- Improved contractual scheme to replace permanent, pension schemes in public service next year
- India raises import tax on vegoil from Malaysia by 5% — statement
- China to cut bank reserve requirements in 'timely manner' to refuel slowing economy
- China service sector activity rises to three-month high-Caixin PMI
- Investors bearish on U.S. bonds for first time since July: survey
- U.S. trade deficit shrinks; shortfall with China still large
- UK PM Johnson receives support from Conservatives over new election
- UK's Javid ramps up spending as election talk mounts

FOREX	4-Sep	3-Sep	% chg
USD/MYR:	4.2037	4.2203	-0.39%
EUR/USD:	1.1017	1.0938	0.72%
GBP/USD:	1.2205	1.2034	1.42%
USD/YEN:	106.22	106.18	0.04%
USD/SGD:	1.3863	1.3932	-0.50%
USD/HKD:	7.8406	7.8439	-0.04%

KEY STATS

KLCI Spot			
Vol (m shares):	2,494.0	2,259.6	10.37%
Value (RMm):	1,731.4	1,588.5	9.00%
KLCI Future			
September-19	1,591.5	1,578.5	0.82%
October-19	1,592.0	1,578.0	0.89%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	875.5	868.5	0.81%
SoyOil (USc/lb)	29.0	29.1	-0.34%
Gold (US\$/troy oz)	1,554.0	1,549.6	0.28%
Nymex crude oil (US\$/bbl)	56.3	53.9	4.30%
Latex (RM/kg)	4.40	4.34	1.38%
Tin (US\$/mt)	17,185.0	16,705.0	2.87%

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Company Update: BAUTO, VELESTO
- On Our Technical Watch: FRONTKN, KAB
- Economic Viewpoint: Malaysia External Trade

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	MAYBANK	8.72	0.2	8.80	PETDAG	22.38	4.5	0.27	HLFG	16.56	-0.6	0.32
2	GENTING	5.85	-0.2	8.68	PETGAS	15.92	2.5	0.73	TOPGLOV	4.69	-0.4	2.53
3	SIME	2.30	1.3	8.46	SIMEPLT	4.85	1.5	2.12	AMBANK	3.97	-0.3	2.46
4	DIALOG	3.48	0.3	8.17	HARTA	5.16	1.4	2.36	GENTING	5.85	-0.2	8.68
5	CIMB	5.07	0.6	7.34	SIME	2.30	1.3	8.46	AXIATA	5.00	0.0	3.15
6	GENM	3.11	1.0	6.79	IOICORP	4.40	1.2	1.95	HLBANK	16.38	0.0	0.43
7	RHBBANK	5.65	0.2	6.10	HAPSENG	9.90	1.0	0.38	IHH	5.76	0.0	2.61
8	PBBANK	20.26	0.9	4.69	KLK	23.84	1.0	0.25	MAXIS	5.45	0.0	1.16
9	TENAGA	13.76	0.0	3.69	GENM	3.11	1.0	6.79	TENAGA	13.76	0.0	3.69
10	PCHEM	6.83	0.4	3.29	PBBANK	20.26	0.9	4.69	AIRPORT	8.46	0.1	2.16

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **KKB Engineering bags two contracts worth RM29.0m**

KKB Engineering Bhd has won two contracts worth a total of RM29.0m for the supply of pipes, fittings and steel products. In a stock exchange filing, the group announced it had inked a nine-month agreement with Sinohydro Corp (M) Sdn Bhd for the supply of pipes and fittings. KKB also received an additional purchase order for the annual supply and delivery of steel products from Syarikat SESCO Bhd which would last about four months, according to the filing. "The above contracts are expected to contribute positively to the earnings and net assets of the KKB Group for the financial year ending Dec 31, 2019 and 2020," the group said. (*The Edge*)

- **Petra Energy clinches 15-month contract from Petronas Carigali**

Petra Energy Bhd's unit has bagged a hook-up, commissioning and topside major maintenance services contract from Petronas Carigali Sdn Bhd in Sabah and Sarawak. In a bourse filing, the group announced that its wholly-owned Petra Resources Sdn Bhd had received the letter of award for the job from the exploration unit of Petroliam Nasional Bhd (Petronas) on Aug 19, and that the contract is to last 15 months from Aug 16 this year, to be completed on Nov 15, next year. (*The Edge*)

- **Ahmad Zaki Resources' unit lodges Shariah facility with the SC**

A wholly-owned unit of Ahmad Zaki Resources Bhd (AZRB) has lodged with the Securities Commission Malaysia, a RM535.0m Sukuk Murabahah Facility, which is secured against a list of securities, including a guarantee from AZRB. In a bourse filing, the group said its wholly-owned subsidiary AZRB Capital Sdn Bhd had lodged the facility, which tenure is 12 years from the date of issuance. "The proceeds raised from the issuance will be advanced to AZRB for Shariah-compliant general working capital requirements and corporate purposes of AZRB," the group said. Malaysian Rating Corp Bhd has given the facility a preliminary long-term rating of AA- (stable outlook). (*The Edge*)

- **Protasco records RM8.7m net profit in first half 2019**

Protasco Berhad continues to gather strength, posting a nine-time jump in its first half 2019 net profit to RM8.7m, despite a slightly lower revenue for the six months ended June 30. The group's first half net profit surged 882% to RM8.7m from RM881,000. This improved performance came despite revenue dropping 11% to RM354.9m due to lesser periodic works awarded to its maintenance segment. For the second quarter, Protasco posted a RM4.6m net profit, against a loss of RM407,000 in the same quarter last year. This improved performance was the result of the group's right-sizing exercise that commenced in September last year, according to a statement. (*Bernama*)

- **Malaysia Book of Records honours LSK as largest natural bedding manufacturer**

Natural latex bedding specialist, LSK (Lee Swee Kiat Group Bhd) was recently honoured by the Malaysia Book Of Records (MBR) with 'The Largest Natural Bedding Manufacturer In Malaysia' award. LSK is a board listed company on Bursa Malaysia, according to a statement. Primary Industries Minister Teresa Kok was guest of honour at the MBR's Award Presentation Ceremony. In conjunction with this triumphant occasion, LSK also announced Amber Chia as Napure's Brand Ambassador. (*Bernama*)



Macro Bits

Global

- [Trump says meeting with Iran's Rouhani possible at U.N. General Assembly](#) U.S. President Donald Trump on Wednesday left the door open to a possible meeting with Iranian President Hassan Rouhani at the upcoming U.N. General Assembly in New York. *(Reuters)*
- [UK lawmakers approve Brexit delay law, defeating PM Johnson](#) British lawmakers on Wednesday approved a piece of legislation designed to prevent Prime Minister Boris Johnson's government taking the country out of the European Union without a deal. *(Reuters)*

Malaysia

- [Exports rebound in July on stronger E&E shipments](#) July export growth rebounded to a six-month high of 1.7% YoY (Jun: -3.4%), slightly higher than house estimate of 1.4% but far above consensus call of -4.2%. The stronger YoY performance was mainly driven by improved demand from China and Hong Kong, and larger export value for electrical & electronics (E&E). Similarly, imports deceleration eased to -5.9% (Jun: -9.8%), outpacing consensus and house estimate of -7.4%. As exports grew at a faster pace compared to imports on a MoM basis, the trade surplus widened to a four-month high of RM14.3b (Jun: RM10.5b). *(See Economic Viewpoint: Malaysia External Trade)*
- [Improved contractual scheme to replace permanent, pension schemes in public service next year](#) Starting next year, new appointments in the public service may no longer be made under the permanent and pension schemes but will be replaced by an improved contractual scheme, said director-general of Public Service Datuk Seri Borhan Dolah. *(The Edge Markets)*
- [India raises import tax on vegoil from Malaysia by 5% — statement](#) India has imposed an extra 5% tax on vegetable oil imports from Malaysia for 180 days, a government statement said on Wednesday, to help boost the country's stagnating oilseed production. *(The Edge Markets)*

Asia Pacific

- [China to cut bank reserve requirements in 'timely manner' to refuel slowing economy](#) China will implement both broad and targeted cuts in the reserve requirement ratio for banks "in a timely manner," China's cabinet said in a meeting, an indication that a cut in the key ratio aimed at boosting lending could be imminent. *(Reuters)*
- [China service sector activity rises to three-month high-Caixin PMI](#) Activity in China's services sector expanded at the fastest pace in three months in August as new orders rose, prompting the biggest increase in hiring in over a year, a private survey showed on Wednesday. *(Reuters)*

Americas

- [Investors bearish on U.S. bonds for first time since July: survey](#) Bond investors overall turned bearish on U.S. longer-dated government debt even as anxiety about a softening global economy and U.S.-China trade tensions has stoked a global bond market rally, a J.P. Morgan survey showed on Wednesday. *(Reuters)*
- [U.S. trade deficit shrinks; shortfall with China still large](#) The U.S. trade deficit narrowed slightly in July, but the gap with China, a focus of the Trump administration's "America First" agenda, surged to a six-month high. *(Reuters)*

Europe

- [UK PM Johnson receives support from Conservatives over new election](#) Prime Minister Boris Johnson won cheers on Wednesday from some of his lawmakers when he told a meeting of his Conservative Party that there must be a new election and Britain must leave the European Union by Oct. 31. *(Reuters)*
- [UK's Javid ramps up spending as election talk mounts](#) British finance minister Sajid Javid said he was "turning the page on austerity" as he promised the biggest spending increases in 15 years, a move widely seen as part of Prime Minister Boris Johnson's push for an election to break the Brexit impasse. *(Reuters)*

05 September 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
BRITISH AMERICAN TOBACCO BHD	19.040	14.81	11.47	9.59	19.040
IBRACO BHD	0.625	20.34	8.81	0.03	0.625
KUMPULAN PERANGSANG SELANGOR	0.720	21.25	22.39	49.93	0.700
AEON CREDIT SERVICE M BHD	14.900	22.75	21.96	31.33	14.700
PUBLIC BANK BERHAD	20.260	23.13	25.54	42.09	20.000
KARAMBUNAI CORP BHD	0.085	23.29	13.35	0.22	0.085
STAR MEDIA GROUP BHD	0.565	24.11	22.02	17.46	0.560
TASEK CORP BHD	5.380	24.95	15.11	0.77	5.300
SP SETIA BHD	1.470	25.25	26.53	30.22	1.470
PETRON MALAYSIA REFINING & M	5.250	25.84	25.39	36.10	5.190
TH PLANTATIONS BHD	0.370	26.60	24.13	26.87	0.360
HONG LEONG BANK BERHAD	16.380	27.14	27.92	31.05	16.220
BINTULU PORT HOLDINGS BHD	3.890	27.29	25.54	13.63	3.890
TELEKOM MALAYSIA BHD	3.490	27.59	21.63	9.99	3.420
BERMAZ AUTO BHD	2.290	27.75	23.25	38.61	2.270
MALAYSIA SMELTING CORP BHD	0.785	27.77	22.62	4.25	0.785
AIRASIA X BHD	0.175	27.82	25.16	18.28	0.170
Y.S.P.SOUTHEAST ASIA HOLDING	2.300	27.85	26.29	39.91	2.280
AJINOMOTO MALAYSIA BHD	16.860	28.15	20.69	3.83	16.820
SKP RESOURCES BHD	1.070	28.39	26.24	16.18	1.060
WCT HOLDINGS BHD	0.935	28.40	21.70	5.28	0.925
MALAYAN UNITED INDUSTRIES BH	0.195	28.62	22.09	3.06	0.195
GENTING BHD	5.850	28.89	27.71	28.13	5.810
HAP SENG PLANTATIONS HLDGS	1.400	29.15	23.48	7.30	1.400
UNISEM (M) BERHAD	1.950	29.15	30.92	50.69	1.920
WAH SEONG CORP BHD	0.615	29.21	28.53	34.60	0.600
CHIN WELL HOLDINGS BHD	1.680	29.27	21.36	3.04	1.660
TUNE PROTECT GROUP BHD	0.605	29.35	26.08	35.07	0.590
I-BHD	0.320	29.65	27.24	17.33	0.315
AMCORP PROPERTIES BHD	0.515	29.81	23.18	9.08	0.505
MULPHA INTERNATIONAL BHD	1.980	29.97	22.61	1.10	1.900

*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
PINTARAS JAYA BHD	3.240	81.91	87.59	97.89	3.240
DUFU TECHNOLOGY CORP BHD	2.470	78.10	81.39	91.86	2.470
MBM RESOURCES BERHAD	4.210	78.03	77.76	77.20	4.280
POWER ROOT BHD	2.080	77.75	83.01	93.29	2.120
KOSSAN RUBBER INDUSTRIES	4.240	73.48	78.48	92.41	4.280
ABF MALAYSIA BOND INDEX FUND	1.222	72.61	81.45	99.09	1.222

*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	0.025	13.10	12.61	7.07	0.020	28/2/2020
TELEKOM MALAY-C50	0.060	22.54	16.23	6.94	0.050	31/1/2020
FGV HOLDINGS-C78	0.035	22.85	18.29	4.53	0.030	31/1/2020
MY EG SERVICE-C65	0.035	25.32	22.27	26.59	0.035	30/9/2019
SYARIKAT TAKA-CE	0.100	26.44	25.45	34.38	0.085	31/1/2020
HANG SENG IND-5P	0.010	26.91	25.00	70.95	0.005	27/9/2019
GENTING BHD-C72	0.045	28.16	30.46	36.46	0.040	14/2/2020
HANG SENG IND-5T	0.030	29.79	33.53	80.91	0.010	30/10/2019

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
GREEN PACKET BHD-WB	0.220	78.99	82.43	93.72	0.220	24/11/2023

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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