

25 September 2019

By Raymond Choo Ping Khoo | [pkchoo@kenanga.com.my](mailto:pkchoo@kenanga.com.my)

## Research Highlights

BURSA	24-Sep	Day chg	% chg
KLCI	1,592.3	-0.6	-0.04%
FTSE EMAS	11,252.3	-0.1	0.00%
FTSE Smallcap	13,065.9	31.90	0.24%
FTSE MESDAQ	4,559.9	-12.4	-0.27%
KLSE Mkt Cap (RM'b)	1,605.8	0.3	0.02%

### NEWS HIGHLIGHTS

- Titijaya's RM150.0m Islamic notes downgraded to MARC-2IS
- Chuan Huat sells entire stake in AISB for RM3.2m
- London Biscuits slapped with another lawsuit, this time by KFH
- GETS Global eyes RM50.0m worth of bus sales to Gunung Capital
- AME Elite aims to raise RM166.6m from Main Market IPO

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	60.33	50.17
Local Retail	1.89	17.99
Foreign	-62.22	31.84

INDICES	24-Sep	Day chg	% chg
Dow Jones	26,807.8	-142.2	-0.53%
S&P 500	2,966.6	-25.2	-0.84%
NASDAQ	7,993.6	-118.8	-1.46%
FTSE-100	7,291.4	-34.6	-0.47%
Nikkei 225	22,098.8	N.A.	N.A.
SHCOMP	2,985.3	8.3	0.28%
HSI	26,281.0	58.6	0.22%
STI	3,155.5	12.2	0.39%
KOSPI	2,101.0	9.3	0.45%
TWSE	10,918.0	-1.0	-0.01%
JCI	6,137.6	-68.6	-1.11%
SET	1,630.5	7.7	0.48%

### MACRO BITS

- Trump says hopes China, U.S. can reach trade deal
- U.S.-China trade talks will resume in two weeks: Mnuchin
- Trump calls on nations to reject globalism, embrace nationalism
- More allocation for Health Ministry in 2020 budget — Health D-G
- Works Ministry hopes for bigger allocation in 2020 budget
- 5G trials going nationwide from October — Gobind
- Indonesian economy expected to grow at fastest pace in 7 years
- Thailand Plus: new stimulus package for foreign investment
- China's central bank says in no rush to ease aggressively
- Fed policymakers say lower rates are helping
- U.S. consumer confidence plunges in September
- UK PM Johnson: the law is that UK leaves EU on Oct. 31
- Johnson: UK to 'roll out red carpet' to U.S. firms post Brexit

FOREX	24-Sep	23-Sep	% chg
USD/MYR:	4.1815	4.1795	0.05%
EUR/USD:	1.0988	1.0984	0.04%
GBP/USD:	1.2444	1.2423	0.17%
USD/YEN:	107.69	107.46	0.21%
USD/SGD:	1.3769	1.3782	-0.09%
USD/HKD:	7.8399	7.8398	0.00%

### KEY STATS

KLCI Spot			
Vol (m shares):	1,975.6	2,029.7	-2.67%
Value (RMm):	1,572.3	1,385.8	13.46%
KLCI Future			
September-19	1,590.0	1,582.0	0.51%
October-19	1,589.0	1,585.0	0.25%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	894.3	892.5	0.20%
SoyOil (USc/lb)	29.3	29.3	0.07%
Gold (US\$/troy oz)	1,532.6	1,524.0	0.56%
Nymex crude oil (US\$/bbl)	57.3	58.6	-2.30%
Latex (RM/kg)	4.40	4.40	-0.11%
Tin (US\$/mt)	16,483.0	16,524.0	-0.25%

### IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- MidS: GKENT
- Results Notes: SCGM
- Company Update: MISC
- On Our Technical Watch: ARMADA, ORION

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	CIMB	5.04	0.0	13.80	SIMEPLT	4.90	3.2	1.47	PICHEM	7.46	-1.1	7.82
2	MAYBANK	8.65	-0.8	8.89	PMETAL	4.90	1.2	1.02	DIALOG	3.43	-0.9	7.25
3	GENM	3.10	0.0	7.92	AMBANK	4.22	1.2	1.01	GENTING	5.89	-0.8	3.42
4	PICHEM	7.46	-1.1	7.82	MAXIS	5.59	0.7	1.46	MAYBANK	8.65	-0.8	8.89
5	DIALOG	3.43	-0.9	7.25	AXIATA	4.32	0.7	4.35	IOICORP	4.35	-0.7	2.76
6	SIME	2.31	0.4	6.13	PETDAG	23.42	0.5	0.33	DIGI	4.69	-0.6	5.19
7	DIGI	4.69	-0.6	5.19	SIME	2.31	0.4	6.13	RHBBANK	5.62	-0.5	3.01
8	PBBANK	20.10	-0.2	5.00	PETGAS	16.48	0.4	0.40	TOPGLOV	4.73	-0.4	1.90
9	AXIATA	4.32	0.7	4.35	AIRPORT	8.63	0.2	1.39	HLFG	16.10	-0.4	0.82
10	GENTING	5.89	-0.8	3.42	IHH	5.70	0.2	2.03	PPB	18.22	-0.2	1.45

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Titijaya's RM150.0m Islamic notes downgraded to MARC-2IS**

Malaysian Rating Corp Bhd (MARC) has downgraded Titijaya Land Berhad's RM150.0m Islamic commercial papers (ICPs) to MARC-2IS from MARC-1IS on increased concerns over the property developer's business and credit profile, amid the prevailing weak property market. In a statement, the local rating agency said pressure on Titijaya's liquidity is likely to increase to fund its development projects against a backdrop of weakening property sales and rising inventory levels. The outstanding notes under the programme stood at RM50.0m as at end-June. *(The Edge)*

- **Chuan Huat sells entire stake in AISB for RM3.2m**

Building material supplier Chuan Huat Resources Bhd has disposed of its entire 6.0% indirect stake in loss-making Amalgamated Industrial Steel Bhd (AISB) to privately held Telaxis Sdn Bhd for RM3.2mn or 38.0 sen per share. The disposal will give rise to a gain of RM1.2m. Chuan Huat said the gain on disposal is expected to have a positive impact on the group's earnings per share, net assets per share and gearing for the financial year ending Dec 31, 2019. In a bourse filing, the group said the 8.3m AISB shares, representing the 6.0% stake, is an investment asset of its wholly-owned subsidiary Chuan Huat Hardware Holdings Sdn Bhd. *(The Edge)*

- **London Biscuits slapped with another lawsuit, this time by KFH**

Johor-based confectionery maker London Biscuits Bhd has been slapped with a lawsuit by Kuwait Finance House (Malaysia) Bhd (KFH) for RM5.1m in outstanding debt. In a bourse filing, the Practice Note 17 company said it had yesterday (Sept 23) received a writ of summons and statement of claim from Messrs Adnan Sundra & Low – the solicitors acting for KFH. The amount due and payable was RM5.1m as at Sept 5. The payment default was on Aug 23. London Biscuits said it is engaging in active dialogue with the solicitors of KFH on this matter, and intends to submit a comprehensive proposal to restructure the loan facility. *(The Edge)*

- **GETS Global eyes RM50.0m worth of bus sales to Gunung Capital**

GETS Global Bhd is looking to sell 100 units of high specification buses to Gunung Capital Bhd which could amount to some RM50.0m. In a bourse filing, GETS Global said it had on Sept 20 entered into a memorandum of understanding (MoU) with Gunung's wholly-owned subsidiary GPB Corp Sdn Bhd to discuss and negotiate terms of the agreement for the proposed sale. "GPB is desirous to place an order of not less than 100 buses with GETS Global. The buses will be of high specification to be detailed out in the sale and purchase agreement (SPA) with a purchase price of not less than RM500,000 for each bus," it added. *(The Edge)*

- **AME Elite aims to raise RM166.6m from Main Market IPO**

Main Market-bound integrated industrial property solutions provider AME Elite Consortium Bhd aims to raise RM166.6m from its initial public offering (IPO) on Bursa Malaysia. Of the IPO proceeds, RM111.1m will be primarily for the group's business expansion, while the remaining RM55.5m will go to the selling shareholders via an offer-for-sale. AME's IPO entails the issuance of up to 128.1m shares, representing up to 30.0% of its enlarged issued share capital, comprising an offer for sale of up to 42.7m shares and a public issue of 85.4m new shares. *(The Edge)*



## Macro Bits

### Global

- [Trump says hopes China, U.S. can reach trade deal](#) U.S. President Donald Trump sharply criticized China's trade practices on Tuesday in an address at the U.N. General Assembly in which he also held out hope that the two economic superpowers could reach a deal to end their trade dispute. *(Reuters)*
- [U.S.-China trade talks will resume in two weeks: Mnuchin](#) U.S. Treasury Secretary Steven Mnuchin said on Monday that he and U.S. Trade Representative Robert Lighthizer would meet with Chinese Vice Premier Liu He for trade talks in two weeks. *(Reuters)*
- [Trump calls on nations to reject globalism, embrace nationalism](#) U.S. President Donald Trump on Tuesday called on nations around the globe to embrace nationalism and reject globalism, saying wise leaders put their own people and countries first. *(Reuters)*

### Malaysia

- [More allocation for Health Ministry in 2020 budget — Health D-G](#) The government was urged to provide a bigger allocation through the 2020 Budget for the Health Ministry to improve the quality of health services in the country. *(The Edge Markets)*
- [Works Ministry hopes for bigger allocation in 2020 budget](#) The Works Ministry has expressed hope that the government will provide a bigger allocation to the ministry in the 2020 Budget so that planned infrastructure projects, especially in Sabah and Sarawak, can be developed and maintained. *(The Edge Markets)*
- [5G trials going nationwide from October — Gobind](#) The 5G trials launched in Putrajaya and Cyberjaya last April are to be expanded nationwide, with the 5G demonstration projects around the country set to begin next month, Communications and Multimedia Minister Gobind Singh Deo said today. *(The Edge Markets)*

### Asia Pacific

- [Indonesian economy expected to grow at fastest pace in 7 years](#) Indonesia's economy is projected to expand at its fastest pace in seven years in 2020, despite the deteriorating global outlook and rising risks of recession abroad. *(Bloomberg)*
- [Thailand Plus: new stimulus package for foreign investment](#) On September 6, 2019, Thailand introduced a stimulus package called "Thailand Plus" that contains a wide variety of measures to attract foreign investment. *(ASEAN Briefing)*
- [China's central bank says in no rush to ease aggressively](#) China is in no rush to follow other countries in significantly loosening monetary policy but has ample options to help prop up slowing growth, its central bank head said on Tuesday, maintaining a cautious approach to stimulating the economy. *(Reuters)*

### Americas

- [Fed policymakers say lower rates are helping](#) The Federal Reserve has delivered a boost to the economy this year not only with interest-rate cuts but also because it shifted away from its earlier view that it would need to raise rates in 2019, two Fed policymakers said on Monday. *(Reuters)*
- [U.S. consumer confidence plunges in September](#) U.S. consumer confidence fell by the most in nine months in September, far more than expected, as Americans' economic outlooks darkened in the face of the U.S.-China trade war, according to a private sector report released on Tuesday. *(Reuters)*

### Europe

- [UK PM Johnson: the law is that UK leaves EU on Oct. 31](#) Prime Minister Boris Johnson said on Tuesday that the Supreme Court ruling against him had hindered his attempt to get a Brexit deal but that as the law currently stood, the United Kingdom would leave the European Union on Oct. 31. *(Reuters)*
- [Johnson: UK to 'roll out red carpet' to U.S. firms post Brexit](#) British Prime Minister Boris Johnson will on Tuesday promise to "roll out the red carpet" for American businesses with the most competitive tax rates in the hemisphere after Britain leaves the European Union. *(Reuters)*



25 September 2019

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
EASTERN & ORIENTAL BHD	0.660	13.73	8.46	0.76	0.655
AMANAHRAYA REIT	0.770	15.99	10.21	0.83	0.760
MAH SING GROUP BHD	0.770	20.68	16.83	8.76	0.770
PUBLIC BANK BERHAD	20.100	21.03	21.05	6.49	20.000
PANASONIC MANUFACTURING MALA	37.640	23.97	17.73	9.53	37.500
Y.S.P.SOUTHEAST ASIA HOLDING	2.290	25.46	21.87	5.50	2.280
MPHB CAPITAL BHD	1.050	25.47	16.12	2.86	1.040
KUMPULAN PERANGSANG SELANGOR	0.700	25.77	25.22	6.92	0.700
PPB GROUP BERHAD	18.220	26.89	22.57	22.09	17.860
STAR MEDIA GROUP BHD	0.540	26.97	27.78	30.34	0.540
TASEK CORP BHD	5.300	27.23	22.25	30.19	5.200
YNH PROPERTY BHD	2.400	27.98	25.03	27.03	2.340
AIRASIA X BHD	0.165	27.99	24.90	5.88	0.160
TUNE PROTECT GROUP BHD	0.580	28.06	23.36	4.16	0.580
TAN CHONG MOTOR HOLDINGS BHD	1.340	28.24	21.79	4.35	1.340
UOA REAL ESTATE INVESTMENT	1.260	28.64	23.34	7.39	1.250
I-BHD	0.300	29.13	27.94	21.61	0.300
CARING PHARMACY GROUP BHD	2.000	29.37	19.14	2.85	1.900
FIMA CORP BHD	1.780	29.98	28.92	33.33	1.760

\*Only for stocks with market cap &gt;RM300m

Source: Bloomberg

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
PRG HOLDINGS BHD	1.230	97.90	99.50	100.00	1.230
HAI-O ENTERPRISE BHD	2.670	85.49	91.74	98.99	2.670
MAGNI-TECH INDUSTRIES BHD	6.360	82.03	84.58	77.32	6.500
PENTAMASTER CORP BHD	4.400	80.69	84.98	94.74	4.400
KARAMBUNAI CORP BHD	0.105	79.27	86.60	98.53	0.110
DUFU TECHNOLOGY CORP BHD	2.730	77.71	79.90	82.35	2.810
MEGA FIRST CORP BHD	4.160	76.59	81.40	85.82	4.220
GLOBETRONICS TECHNOLOGY BHD	1.930	75.66	84.75	98.67	1.950
PETRA ENERGY BHD	1.070	73.48	74.80	52.36	1.140
VITROX CORP BHD	7.420	73.04	81.79	99.47	7.450
ORIENTAL INTEREST BHD	2.180	72.70	80.91	94.49	2.200
REDTONE INTERNATIONAL BHD	0.475	72.00	75.38	80.06	0.480
PINTARAS JAYA BHD	3.340	71.80	68.08	25.93	3.430
V.S. INDUSTRY BERHAD	1.390	71.35	77.39	91.80	1.390
INARI AMERTRON BHD	1.780	70.98	77.23	82.07	1.780

\*Only for stocks with market cap &gt;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	0.015	20.81	24.20	20.29	0.015	28/2/2020
WCT HOLDINGS -WE	0.060	25.52	16.58	0.46	0.060	27/8/2020
AIRASIA GROUP-C87	0.040	26.51	26.05	11.09	0.040	31/1/2020
DRB-HICOM BHD-C86	0.070	27.86	22.72	5.30	0.070	31/3/2020
GENTING MALAY-C59	0.045	27.88	32.94	31.32	0.045	28/2/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
PENTAMASTER C-CE	0.305	80.31	87.26	97.00	0.305	28/2/2020
PENTAMASTER C-CC	0.350	79.26	84.68	95.37	0.350	31/1/2020
GREEN PACKET BHD-WB	0.265	78.90	77.49	58.06	0.270	24/11/2023
CAELY HOLDINGS BHD-WA	0.320	77.53	87.80	99.75	0.325	22/4/2021
KARAMBUNAI CORP BHD-WC	0.030	71.30	81.10	98.88	0.030	20/10/2023

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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Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia  
Telephone: (603) 2172 0880 Website: [www.kenanga.com.my](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)