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## Research Highlights

BURSA	23-Jan	Day chg	% chg
KLCI	1,574.4	-3.54	-0.22%
FTSE EMAS	11,256.8	-20.9	-0.19%
FTSE Smallcap	14,241.6	-66.87	-0.47%
FTSE MESDAQ	5,624.4	-13.7	-0.24%
KLSE Mkt Cap (RM'b)	1,630.6	-2.4	-0.15%

### BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	2.07	49.74
Local Retail	36.44	26.53
Foreign	-38.51	23.73

INDICES	23-Jan	Day chg	% chg
Dow Jones	29,160.1	-26.2	-0.09%
S&P 500	3,325.5	3.8	0.11%
NASDAQ	9,402.5	18.7	0.20%
FTSE-100	7,507.7	-64.3	-0.85%
Nikkei 225	23,795.4	-235.9	-0.98%
SHCOMP	2,976.5	-84.2	-2.75%
HSI	27,909.1	-431.9	-1.52%
STI	3,234.6	-19.4	-0.60%
KOSPI	2,246.1	-21.1	-0.93%
TWSE	N.A.	N.A.	N.A.
JCI	6,249.2	15.8	0.25%
SET	1,573.7	-0.9	-0.06%

FOREX	23-Jan	22-Jan	% chg
USD/MYR:	4.0695	4.0655	0.10%
EUR/USD:	1.1091	1.1086	0.05%
GBP/USD:	1.3131	1.3061	0.54%
USD/YEN:	109.58	109.98	-0.36%
USD/SGD:	1.3493	1.3492	0.01%
USD/HKD:	7.7723	7.7718	0.01%

### KEY STATS

KLCI Spot			
Vol (m shares):	2,304.4	3,075.0	-25.06%
Value (RMm):	1,747.9	2,572.4	-32.05%
KLCI Future			
January 20	1,572.5	1,578.0	-0.35%
February 20	1,575.5	1,580.0	-0.28%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	909.5	913.8	-0.47%
SoyOil (USc/lb)	32.8	33.4	-1.59%
Gold (US\$/troy oz)	1,565.4	1,556.7	0.56%
Nymex crude oil (US\$/bbl)	55.6	56.7	-2.03%
Latex (RM/kg)	4.63	4.64	-0.22%
Tin (US\$/mt)	N.A.	17,370.0	N.A.

### NEWS HIGHLIGHTS

- **Axiata CEO Jamaludin to step down in end-2020, former UEM group chief Izzaddin designated to succeed**
- **Icon Offshore hits limit up after share consolidation ex-date**
- **MSM ramps up sugar procurement from India amid palm oil spat**
- **Alam Maritim proposes two private placements to raise up to RM92.8m**
- **Powerwell shares continue to rise in active trade after ACE Market debut**

### MACRO BITS

- **China orders 'unprecedented' lockdown of two cities at virus epicenter**
- **EU can do a trade deal if UK keeps level playing field, Gentiloni says**
- **France, U.S. agree to push global 'digital tax' talks forward**
- **Lim: Toll reduction will bring savings of RM1.1b in 2020 alone**
- **Sources: Malaysia to buy more Indian sugar to resolve palm oil spat**
- **Holds key rates steady, leaves door open for further easing (See *Economic Viewpoint: Bank Indonesia Rate Decision*)**
- **China facing 'negative' economic impact from Wuhan coronavirus less than a week after signing US trade deal**
- **Thailand plans new tax incentives to boost investment**
- **US weekly jobless claims increase less than expected**
- **Democrats accuse Trump at impeachment trial of corrupt scheme to pressure Ukraine**
- **ECB to launch review that will redefine its mission and tools**
- **France's Le Maire: any Brexit deal must not weaken European single market**

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

- **Sector Update: Telco**
- **Results Note: KLCC, PAVREIT**
- **On Our Technical Watch: KAB, BAHVEST**
- **Rating Summary**
- **Economic Viewpoint: Coronavirus-Impact on Malaysia's Economy, Bank Indonesia Rate Decision**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	5.36	-1.3	24.60	MAXIS	5.59	2.0	0.64	HARTA	5.89	-2.6	11.30
2	HARTA	5.89	-2.6	11.30	AIRPORT	6.86	1.5	1.82	GENTING	5.91	-2.3	5.69
3	PICHEM	6.93	-0.4	6.78	AXIATA	4.26	1.0	1.12	SIME	2.22	-1.8	4.40
4	IHH	5.82	-0.7	6.29	PBBANK	19.14	0.6	1.58	KLK	23.90	-1.7	0.25
5	MAYBANK	8.51	-0.5	5.80	PMETAL	5.20	0.6	4.17	TOPGLOV	5.36	-1.3	24.60
6	GENTING	5.91	-2.3	5.69	AMBANK	3.84	0.5	0.59	DIALOG	3.34	-1.2	4.48
7	GENM	3.23	-0.9	5.64	PPB	18.70	0.4	0.33	HLFG	16.40	-1.0	0.18
8	CIMB	5.05	0.4	4.64	NESTLE	146.10	0.4	0.03	GENM	3.23	-0.9	5.64
9	DIALOG	3.34	-1.2	4.48	CIMB	5.05	0.4	4.64	PETDAG	23.12	-0.9	0.25
10	SIME	2.22	-1.8	4.40	HAPSENG	9.90	0.2	0.23	MISC	8.08	-0.7	2.97

Notes: # KL Composite Index (FBMKLCI) component stocks

## Corporate News

- **Axiata CEO Jamaludin to step down in end-2020, former UEM group chief Izzaddin designated to succeed**

Axiata Group Bhd's president and CEO Tan Sri Jamaludin Ibrahim's (pictured) contract, which expires on March 2, will be extended until the end of the year. The telco announced to Bursa Malaysia that former UEM group managing director Datuk Mohd Izzaddin Idris has been appointed as the deputy group CEO and the group CEO-designate, with immediate effect as of Jan 24. Izzaddin is currently a board member of Axiata and is redesignated as an executive director, according to the announcement. "After leading Axiata for four terms and having assumed senior roles in the telecommunications and ICT industry for 39 years, Jamaludin had informed the board of his decision to retire. "The board, however, has requested Jamaludin to extend his contract and continue until the end of 2020 to ensure a smooth and successful leadership transition," said Axiata. *(The Edge)*

- **Icon Offshore hits limit up after share consolidation ex-date**

Icon Offshore Bhd's share price hit limit up today after the stock jumped as much as 30 sen or 72.0% to 71.5 sen in morning trades following its ex-date yesterday (Jan 22) for the company's share consolidation. At 11:30am today, the oil and gas support services provider saw 25.0m shares traded. The stock was transacted among Bursa Malaysia top gainers and most-active stocks. Icon had earlier proposed to consolidate every 50 existing shares in the company into one. *(The Edge)*

- **MSM ramps up sugar procurement from India amid palm oil spat**

MSM Malaysia Holdings Bhd is ramping up its procurement of sugar from India, amid the ongoing palm oil spat with the republic. In a statement, the refined sugar producer said it has procured its raw sugar requirement for the first quarter of 2020 from India. MSM said it is expecting the arrival of three shipments between January and February, bearing approximately 130,000 tonnes of raw sugar worth nearly RM200.0m. *(The Edge)*

- **Alam Maritim proposes two private placements to raise up to RM92.8m**

Offshore support vessel provider Alam Maritim Resources Bhd (AMRB) has proposed two private placements involving up to 30.0% of its total issued shares that could raise up to RM92.8m, to be used for working capital. The shares are to be placed with third party investors to be identified, at an issue price to be fixed, Alam Maritim said in a stock exchange filing. The first placement involves the issuance of up to 205.3m new shares, or 10.0% of its expanded share base, at an indicative issue price of 15.5 sen per share, which could raise as much as RM31.8m. *(The Edge)*

- **Powerwell shares continue to rise in active trade after ACE Market debut**

Investors continued to snap up shares in newly-listed Powerwell Holdings Bhd, as the stock rose another three sen or 10.5% on heavy volume. At 3.28pm, the stock was traded at 39.5 sen — still up one sen or 3.5% — valuing the ACE Market-listed electricity distribution product manufacturer at RM171.3m. Trading volume totalled 118.5m at the time of writing, accounting for nearly 7.0% of the total turnover on the local bourse. It was also the most actively traded stock on Bursa Malaysia, which is currently seeing more decliners than gainers. *(The Edge)*



## Macro Bits

### Global

- [China orders 'unprecedented' lockdown of two cities at virus epicenter](#) China on Thursday locked down two cities at the epicenter of a coronavirus outbreak that has killed 17 people and infected nearly 600, as health authorities around the world took action to prevent a global pandemic. *(Reuters)*
- [EU can do a trade deal if UK keeps level playing field, Gentiloni says](#) The European Union can do a trade deal with post-Brexit Britain if London ensures a level playing field, European Commissioner for Economic Affairs Paolo Gentiloni said on Thursday. *(Reuters)*
- [France, U.S. agree to push global 'digital tax' talks forward](#) France and the United States agreed on Thursday how to press ahead with a global rewrite of cross-border tax rules for the digital era, French Finance Minister Bruno Le Maire said. *(Reuters)*

### Malaysia

- [Lim: Toll reduction will bring savings of RM1.1b in 2020 alone](#) There will be direct savings of RM1.1b this year alone for relevant parties, in the 18% reduction in toll charges on PLUS-owned highways, Finance Minister Lim Guan Eng said today. *(The Edge Markets)*
- [Sources: Malaysia to buy more Indian sugar to resolve palm oil spat](#) Malaysia's top sugar refiner said it will increase purchases of the commodity from India, which according to two sources is part of efforts to placate New Delhi amid an ongoing spat over palm oil imports. *(New Straits Times)*

### Asia Pacific

- **Holds key rates steady, leaves door open for further easing** Bank Indonesia (BI) yesterday kept its 7-day repo rate unchanged for the third straight month (consensus: no change; KIBB: no change). Both the Deposit Facility rate and Lending Facility rate remained at 4.25% and 5.75%, respectively. *(See Economic Viewpoint: Bank Indonesia Rate Decision)*
- [China facing 'negative' economic impact from Wuhan coronavirus less than a week after signing US trade deal](#) Barely a week after China signed its trade deal with the United States, President Xi Jinping has been thrust into a new crisis that has the potential to disrupt an already fragile economy, with analysts suggesting the Wuhan coronavirus could be the first "black swan" event of 2020. *(Reuters)*
- [Thailand plans new tax incentives to boost investment](#) Thailand's finance ministry will submit to the cabinet on Tuesday a package of tax incentives to encourage investment, a deputy prime minister said on Thursday, as the government looks to revive a flagging economy. *(Reuters)*

### Americas

- [US weekly jobless claims increase less than expected](#) The number of Americans filing for unemployment benefits increased less than expected last week, suggesting the labor market continues to tighten even as job growth is slowing. *(CNBC)*
- [Democrats accuse Trump at impeachment trial of corrupt scheme to pressure Ukraine](#) Democrats accused President Donald Trump at his impeachment trial on Wednesday of a corrupt scheme to pressure Ukraine to help him get re-elected and warned that America's global prestige would suffer if the U.S. Senate acquits him. *(Reuters)*

### Europe

- [ECB to launch review that will redefine its mission and tools](#) European Central Bank President Christine Lagarde is set to launch a broad review of its policy on Thursday that is likely to see her redefine the ECB's main goal and how to achieve it. *(Reuters)*
- [France's Le Maire: any Brexit deal must not weaken European single market](#) French Finance Minister Bruno Le Maire said on Thursday that a future Brexit deal with the United Kingdom must not result in any weakening of the European single market. *(Reuters)*



24 January 2020

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
DUTCH LADY MILK INDS BHD	43.100	16.25	10.55	0.15	43.100
GEORGE KENT (MALAYSIA) BHD	0.860	20.51	16.34	5.84	0.850
GREEN PACKET BHD	0.650	21.56	16.82	4.84	0.645
MUHIBBAH ENGINEERING (M) BHD	2.030	23.28	15.24	3.10	2.020
TEO SENG CAPITAL BHD	1.160	25.86	19.09	4.77	1.150
HONG LEONG BANK BERHAD	16.160	26.45	17.51	2.91	16.040
AEON CREDIT SERVICE M BHD	13.000	26.68	26.65	29.91	12.840
KUMPULAN PERANGSANG SELANGOR	0.635	27.99	23.07	15.02	0.630
SYARIKAT TAKAFUL MALAYSIA KE	5.180	28.38	26.97	25.84	5.110

\*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
KESM INDUSTRIES BHD	11.700	88.98	92.72	98.47	11.760
DUFU TECHNOLOGY CORP BHD	4.150	83.92	86.18	81.72	4.330
DATASONIC GROUP BHD	1.660	83.16	86.22	95.54	1.690
KKB ENGINEERING BHD	1.930	81.86	83.87	73.05	1.960
PENTAMASTER CORP BHD	5.370	78.53	82.41	84.12	5.580
FOCUS DYNAMICS GROUP BHD	0.655	77.47	79.59	81.85	0.670
FRONTKEN CORP BHD	2.650	75.62	80.48	95.94	2.680
SHIN YANG SHIPPING CORP BHD	0.270	75.37	80.77	95.26	0.270
HUME INDUSTRIES BHD	1.390	75.31	77.68	84.98	1.420
MALAYSIAN PACIFIC INDUSTRIES	12.780	73.76	74.09	55.84	12.960
BAHVEST RESOURCES BHD	0.570	73.51	79.94	96.93	0.580
PELIKAN INTERNATIONAL CORP	0.535	73.47	75.96	84.55	0.550
NAIM HOLDINGS BERHAD	1.280	71.74	76.58	84.70	1.330
WAH SEONG CORP BHD	1.440	71.64	75.94	89.90	1.460
SKP RESOURCES BHD	1.560	71.59	73.37	64.74	1.590
AXIS REAL ESTATE INVESTMENT	1.860	71.58	78.36	95.14	1.870
DAYANG ENTERPRISE HLDGS BHD	2.870	70.21	71.10	68.70	2.920

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

Source: Bloomberg

## List of Oversold Warrants (14-Day RSI<70-mark)

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
BRITISH AMERI-CU	0.045	18.98	18.09	14.71	0.040	9/11/2020
HANG SENG IND-8J	0.010	24.80	22.97	27.29	0.005	27/2/2020
BRITISH AMERI-CT	0.020	25.72	20.92	3.21	0.015	28/8/2020
EKOVEST BHD-C3	0.080	27.85	19.60	4.73	0.080	15/5/2020
AIRASIA GROUP-C84	0.015	28.24	23.14	5.04	0.010	28/2/2020
CIMB GROUP HO-C56	0.125	28.89	20.54	2.74	0.120	30/4/2020

Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D	EXPIRY DATE
TOP GLOVE COR-C63	0.170	83.73	86.33	85.02	0.195	30/7/2020
TOP GLOVE COR-C55	0.170	78.91	82.18	81.95	0.200	28/2/2020
DATASONIC GRO-C11	0.370	77.80	79.02	93.48	0.375	30/7/2020
BAHVEST-WA	0.380	76.80	82.62	97.95	0.395	20/8/2024
PENTAMASTER C-CF	0.445	76.44	79.74	76.33	0.490	16/3/2020
GAMUDA BHD-WE	0.460	76.29	76.40	70.10	0.490	6/3/2021
TOP GLOVE COR-C62	0.110	75.75	81.76	87.03	0.130	10/4/2020
VISDYNAMICS HOLDINGS-WB	0.305	72.22	73.78	82.31	0.305	16/11/2022
PENTAMASTER C-CI	0.180	72.20	77.99	82.87	0.210	22/5/2020
TOP GLOVE COR-C64	0.185	71.32	76.89	81.48	0.205	26/8/2020
DATASONIC GROUP BHD-WA	0.900	70.31	71.19	50.66	0.935	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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