By Vincent Tee I vincent.tee@kenanga.com.my; Raymond Choo Ping Khoon I pkchoo@kenanga.com.my

BURSA	4-Aug	Day chg	% chg
KLCI	1,575.9	3.33	0.21%
FTSE EMAS	11,334.6	72.0	0.64%
FTSE Smallcap	13,472.3	207.06	1.56%
FTSE MESDAQ	9,660.2	483.4	5.27%
KLSE Mkt Cap (RM'b)	1,614.0	7.6	0.47%

BURSA DAILY TRADING PARTICIPATION		
Participation	**Net (RM'm)**	**Value (%)**
Local Institution	181.8	42.5%
Local Retail	69.1	48.6%
Foreign	-250.9	8.9%

INDICES	4-Aug	Day chg	% chg
Dow Jones	26,828.5	164.1	0.62%
S&P 500	3,306.5	11.9	0.36%
NASDAQ	10,941.2	38.4	0.35%
FTSE-100	6,036.0	3.1	0.05%
Nikkei 225	22,573.7	378.3	1.70%
SHCOMP	3,371.7	3.7	0.11%
HSI	24,946.6	488.5	2.00%
STI	2,515.7	30.8	1.24%
KOSPI	2,280.0	28.9	1.29%
TWSE	12,709.9	196.9	1.57%
JCI	5,075.0	68.8	1.37%
SET	1,330.8	9.6	0.73%

FOREX	4-Aug	3-Aug	% chg
USD/MYR:	4.2190	4.2205	-0.04%
EUR/USD:	1.1770	1.1725	0.38%
GBP/USD:	1.3033	1.3015	0.14%
USD/YEN:	106.12	106.11	0.01%
USD/SGD:	1.3763	1.3773	-0.07%
USD/HKD:	7.7501	7.7503	0.00%

KEY STATS			
KLCI Spot			
Vol (m shares):	15,622.2	13,128.6	18.99%
Value (RMm):	10,448.8	8,240.5	26.80%
KLCI Future			
August-20	1,577.5	1,569.5	0.51%
September-20	1,572.0	1,563.0	0.58%
CPO Price (RM/tonne)	2,721.0	2,689.0	1.19%
Soybean (US$/bu)	879.8	893.0	-1.48%
SoyOil (USc/lb)	30.9	31.2	-0.80%
Gold (US$/troy oz)	2,008.5	1,974.7	1.71%
Nymex crude oil (US$/bbl)	41.7	41.0	1.68%
Latex (RM/kg)	4.58	4.58	0.00%
Tin (US$/mt)	17,767.0	18,019.0	-1.40%

Research Highlights

NEWS HIGHLIGHTS

- **Dufu Technology reports marginally lower 2Q, declares 1.25 sen dividend**
- **Frontken 2Q net profit rises 23% to RM20.3m, declares 1.2 sen dividend**
- **Aemulus plans to raise up to RM24.0m via private placement**
- **Alam Maritim awarded 5-year contract from Repsol Oil & Gas Malaysia**
- **MPHB Capital decides to exit insurance business, seeks BNM nod to start talks with Generali**

MACRO BITS

- **China only fulfils 5% of Sino-U.S. energy trade deal in first half of 2020**
- **Japanese minister to visit Britain for 'difficult' talks on trade deal**
- **Moratorium on loan repayments valued at RM62.8b as of July 24 — Tengku Zafrul**
- **SOCSO has approved RM8.97b under wage subsidy scheme — Tengku Zafrul**
- **Thai exports may shrink by 15% this year: shippers**
- **Australia central bank sees bumpy road to recovery as virus shuts down Victoria**
- **US manufacturing activity near 1-1/2-year high; construction spending extends drop**
- **Argentina's USD65.0b debt deal draws near on eve of deadline**
- **ECB committed to stimulus with outlook `highly uncertain', Lane says**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Results Note: F&N, HARTA**
- **Company Update: SCGM**
- **On Our Technical Watch: HLT, ESCERAM**

#	Top Volume Stock	Price	%Chg (+/-)	Vol (m)	Top Gainer Stock	Price	%Chg (+/-)	Vol (m)	Top Loser Stock	Price	%Chg (+/-)	Vol (m)
1	HARTA	19.94	-2.7	38.60	TOPGLOV	28.36	5.5	32.90	HARTA	19.94	-2.7	38.60
2	TOPGLOV	28.36	5.5	32.90	DIALOG	3.67	1.9	4.15	KLCCSS	7.76	-1.8	0.41
3	GENM	2.23	0.5	11.30	KLCCSS	3.73	1.9	7.55	MAXIS	5.13	-1.5	2.00
4	CIMB	3.46	0.0	9.50	PPB	18.86	1.6	0.31	TENAGA	10.94	-1.4	5.20
5	GENTING	3.73	1.9	7.55	AXIATA	3.13	1.0	3.42	PCHEM	5.82	-1.4	2.92
6	MAYBANK	7.50	0.0	5.74	PBBANK	16.70	0.9	2.49	IHH	5.30	-1.3	2.72
7	TENAGA	10.94	-1.4	5.20	HLBANK	14.40	0.7	1.09	NESTLE	139.00	-1.2	0.06
8	DIALOG	3.67	1.9	4.15	SIME	2.10	0.5	1.48	PETDAG	20.42	-1.2	0.08
9	AXIATA	3.13	1.0	3.42	GENM	2.23	0.5	11.30	IOICORP	4.44	-1.1	1.08
10	PCHEM	5.82	-1.4	2.92	KLK	23.20	0.1	0.27	TM	3.92	-1.0	1.71

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Dufu Technology reports marginally lower 2Q, declares 1.25 sen dividend**

  Dufu Technology Corp Bhd's second quarter net profit slipped a marginal 5.32% to RM9.8m from RM10.4m a year, despite a jump in revenue, no thanks to unrealised forex losses and employee share option expenses, besides higher overhead costs. Nevertheless, the micro-precision machining manufacturer declared a 1.25 sen interim dividend payable on Sept 25. In contrast, it paid an interim dividend of 2 sen in the corresponding period last year. *(Source: The Edge)*

- **Frontken 2Q net profit rises 23% to RM20.3m, declares 1.2 sen dividend**

  Frontken Corp Bhd net profit for the second quarter ended June 30, 2020 rose 23% to RM20.3m from RM16.5m a year earlier, mainly contributed by its subsidiary in Taiwan on the back of positive growth of the semiconductor business. In a bourse filing, Frontken said revenue for the quarter rose to RM87.6m from RM80.1m a year earlier. Earnings per share was 1.94 sen versus 1.58 sen previously. *(Source: The Edge)*

- **Aemulus plans to raise up to RM24.0m via private placement**

  Aemulus Holdings Bhd plans to raise up to RM23.6m via a private placement to fund potential business investments and reduce bank borrowings. The group has proposed to undertake a private placement of up to 54.9m shares representing 10% of its total number of issued shares to third-party investors to be identified later, it said in a bourse filing. *(Source: The Edge)*

- **Alam Maritim awarded 5-year contract from Repsol Oil & Gas Malaysia**

  Alam Maritim Resources Bhd announced that its wholly-owned subsidiary, Alam Maritim (M) Sdn Bhd, has received a letter of award from Repsol Oil & Gas Malaysia Ltd for the provision of subsea inspection, maintenance and repair services for PM3-CAA. In a filing to Bursa Malaysia, Alam Maritim said the contract value is as per the work order request by Repsol Oil & Gas Malaysia for a duration of five years.. *(Source: The Edge)*

- **MPHB Capital decides to exit insurance business, seeks BNM nod to start talks with Generali**

  MPHB Capital Bhd has announced to Bursa Malaysia that it is seeking Bank Negara Malaysia's (BNM) green light to start talks with Generali Asia on the divestment of its 51% stake in MPI Generali. According to a filing with the local stock exchange today, MPHB Capital's wholly-owned subsidiary Multi-Purpose Capital Holdings Bhd (MPCHB) today submitted another application to the central bank for the approval in principle to commence and enter into negotiations with Generali Asia, which currently holds the remaining 49% stake in MPI Generali. *(Source: The Edge)*

Macro Bits

Global

- **China only fulfils 5% of Sino-U.S. energy trade deal in first half of 2020** China bought only 5% of the targeted USD25.3b in energy products from the United States in the first half of 2020, falling well short of its trade deal commitments at a time when relations between the two top economies are already sour. While Chinese purchases of U.S. products accelerated recently, analysts say weak energy prices and worsening relations means Beijing may undershoot its full-year goal in the Phase 1 deal agreed in January. *(Reuters)*
- **Japanese minister to visit Britain for 'difficult' talks on trade deal** Japanese Foreign Minister Toshimitsu Motegi will visit Britain this week for what he said will be difficult talks with British Trade Minister Liz Truss, with the hope of finding middle ground and concluding a post-Brexit trade deal. The two countries hope to clinch a deal before Britain's transition out of the European Union concludes at the year end, to avoid any gaps in bilateral trade arrangements. *(Reuters)*

Malaysia

- **Moratorium on loan repayments valued at RM62.8b as of July 24 — Tengku Zafrul** The moratorium on loan repayments extended by financial institutions, which came into effect on April 1, is estimated to be worth RM62.8b as of July 24. Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz said of this amount, RM21.9 billion had benefited the business sector while RM40.8 billion benefited the public. *(Bernama)*
- **SOCSO has approved RM8.97b under wage subsidy scheme — Tengku Zafrul** The Social Security Organisation (SOCSO) has approved RM8.97 billion under the wage subsidy programme as of July 24, 2020, benefiting over 2.58 million workers, says Finance Minister Tengku Datuk Seri Zafrul Abdul Aziz.*(Bernama)*

Asia Pacific

- **Thai exports may shrink by 15% this year: shippers** Thailand's exports may contract by 15% this year as the coronavirus pandemic hits global demand and a stubbornly strong THB adds to pressure, a Thai shipping association said on Tuesday. Exports, a key driver of Thai growth, slumped 15.2% in the second quarter from a year earlier and 7.1% in the January-June period. *(Reuters)*
- **Australia central bank sees bumpy road to recovery as virus shuts down Victoria** Australia's central bank held its cash rate at an all-time low on Tuesday, predicting the economic recovery will likely be both 'uneven' and 'bumpy' as the country's second biggest state locks down to fight a resurgence of the coronavirus. On Tuesday, the Reserve Bank of Australia (RBA) said its emergency stimulus was 'working as expected' while leaving its cash rate at 0.25% in a widely expected decision. *(Reuters)*

Americas

- **US manufacturing activity near 1-1/2-year high; construction spending extends drop** US manufacturing activity accelerated to its highest level in nearly 1-1/2 years in July, as orders increased despite a resurgence in new Covid-19 infections, which is raising fears about the sustainability of a budding economic recovery. *(Reuters)*
- **Argentina's USD65.0b debt deal draws near on eve of deadline** Argentina and its creditors are nearing a breakthrough USD65.0b debt restructuring deal, a lawmaker and two sources told Reuters on Monday, the eve of a deadline for a deal that would help avert a damaging legal standoff. The South American country has been at an impasse with creditors including BlackRock and Ashmore, over proposals to revamp the debt ahead of the Aug. 4 deadline. *(Reuters)*

Europe

- **ECB committed to stimulus with outlook `highly uncertain', Lane says** The European Central Bank is committed to supporting the euro zone's economy amid the coronavirus pandemic, using its massive bond purchases as its main tool, chief economist Philip Lane said on Tuesday. Lane's comments were likely to fuel market expectations the ECB would increase its EUR1.35t Pandemic Emergency Purchase Programme (PEPP) as soon as September, when the central bank updates its economic forecasts. *(Reuters)*

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

NAME*	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	LOW 30D
CAPITALAND MALAYSIA MALL TRU	0.650	13.75	9.75	2.57	0.650
AEON CO (M) BHD	0.815	15.92	10.03	3.37	0.810
YTL HOSPITALITY REIT	0.790	16.99	9.37	0.97	0.790
DUTCH LADY MILK INDS BHD	39.720	17.09	12.86	5.46	39.600
PADINI HOLDINGS BERHAD	2.030	18.57	12.77	14.30	2.010
MALAYSIA BUILDING SOCIETY	0.520	20.04	12.29	1.70	0.510
PMB TECHNOLOGY BHD	2.500	21.86	13.99	1.50	2.500
UOA DEVELOPMENT BHD	1.490	23.20	14.92	0.63	1.480
PETRON MALAYSIA REFINING & M	3.500	23.67	15.63	3.46	3.470
O.S.K. HOLDINGS BHD	0.760	24.30	15.29	2.25	0.750
KSL HOLDINGS BHD	0.535	25.97	18.06	3.16	0.530
DAYANG ENTERPRISE HLDGS BHD	1.040	26.55	18.89	4.67	1.030
MATRIX CONCEPTS HOLDINGS BHD	1.660	27.09	18.04	2.33	1.650
ANN JOO RESOURCES BHD	0.645	27.80	17.81	3.22	0.630
PARAMOUNT CORP BHD	0.800	27.84	18.03	2.59	0.790
ASTRO MALAYSIA HOLDINGS BHD	0.755	28.05	24.74	14.01	0.750
MALAYSIA MARINE AND HEAVY EN	0.325	28.34	23.60	10.53	0.325
FAVELLE FAVCO BHD	2.120	28.41	18.40	2.62	2.100
JAKS RESOURCES BHD	0.755	28.98	21.01	4.74	0.740
GENTING MALAYSIA BHD	2.230	29.19	22.29	21.07	2.200

**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
HUBLINE BHD	0.090	98.79	99.84	100.00	0.090
CAREPLUS GROUP BHD	5.370	94.10	96.67	99.25	5.830
ADVENTA BHD	4.670	90.05	94.19	99.23	4.700
KAREX BHD	0.970	89.34	93.18	98.53	0.970
NOTION VTEC BHD	1.440	89.24	93.30	98.39	1.440
TA ENTERPRISE BERHAD	0.615	87.10	94.47	99.82	0.615
RUBBEREX CORP M BHD	6.720	86.85	92.17	98.96	7.210
SCGM BHD	3.680	86.56	88.56	87.57	3.950
MALAYSIAN PACIFIC INDUSTRIES	15.360	85.71	89.71	97.90	16.840
AEMULUS HOLDINGS BHD	0.615	83.99	86.81	87.47	0.680
COMFORT GLOVE BHD	6.700	83.81	88.50	94.10	7.280
SUPERMAX CORP BHD	22.420	83.47	85.46	94.35	22.460
UNISEM (M) BERHAD	3.420	83.27	87.07	95.53	3.560
KOSSAN RUBBER INDUSTRIES	18.840	82.60	84.28	89.58	18.900
TEK SENG HOLDINGS BHD	1.180	82.23	84.25	87.42	1.330
GLOBETRONICS TECHNOLOGY BHD	2.960	81.60	87.71	97.97	3.050
INARI AMERTRON BHD	2.370	81.13	85.90	97.47	2.400
NTPM HOLDINGS BHD	0.695	80.55	85.78	92.40	0.735
APOLLO FOOD HOLDINGS BHD	3.780	79.57	81.41	56.29	3.920
VITROX CORP BHD	12.260	78.88	80.91	80.99	12.500
FOCUS DYNAMICS GROUP BHD	1.600	78.88	83.03	97.59	1.600

**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
SERBA DINAMIK HOLDINGS-WA	0.205	27.48	18.32	2.19	0.200	5/12/2024

Source: Bloomberg

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

NAME	LAST PRICE	RSI_14D	RSI_9D	RSI_3D	LOW 30D	EXPIRY DATE
MSCM HOLDINGS BHD-WA	0.685	98.04	98.92	99.88	0.700	22/9/2024
HLT GLOBAL BHD-WA	1.720	91.65	95.54	99.51	1.720	27/12/2022
GUNUNG CAPITAL BHD-WB	0.500	90.66	93.95	98.40	0.550	4/10/2020
NOTION VTEC-WC	1.120	88.43	92.96	98.49	1.120	14/3/2023
APPASIA BERHAD-WA	0.435	87.43	90.45	94.06	0.440	23/12/2024
ASIA POLY HOLDINGS-WB	0.420	86.90	89.43	95.55	0.425	12/12/2022
INARI AMERTRO-C60	0.330	86.15	90.01	98.79	0.330	24/12/2020
MQ TECHNOLOGY-WA	0.175	84.54	88.08	94.99	0.290	21/11/2021
GLOBETRONICS-C7	0.230	84.11	89.24	98.86	0.245	27/4/2021
INARI AMERTRO-C57	0.250	84.04	88.51	97.21	0.255	30/11/2020
GLOBETRONICS-C4	0.340	82.84	88.23	98.02	0.360	9/11/2020
INARI AMERTRO-C53	0.035	82.75	92.12	99.33	0.035	7/9/2020

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.***

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.

Published and printed by:

KENANGA INVESTMENT BANK BERHAD (15678-H)
Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia
Telephone: (603) 2172 0880 Website: www.kenanga.com.my E-mail: research@kenanga.com.my