

22 September 2020

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BURSA	21-Sep	Day chg	% chg
KLCI	1,499.4	-7.2	-0.48%
FTSE EMAS	10,762.5	-75.1	-0.69%
FTSE Smallcap	12,913.0	-280.38	-2.13%
FTSE MESDAQ	10,954.9	-106.7	-0.96%
KLSE Mkt Cap (RM'b)	1,555.2	-11.9	-0.76%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM'm)	Value (%)
Local Institution	257.7	47.6%
Local Retail	-1.7	38.4%
Foreign	-256.0	14.0%

INDICES	21-Sep	Day chg	% chg
Dow Jones	27,147.7	-509.7	-1.84%
S&P 500	3,281.1	-38.4	-1.16%
NASDAQ	10,778.8	-14.5	-0.13%
FTSE-100	5,804.3	-202.8	-3.38%
Nikkei 225	N.A.	N.A.	N.A.
SHCOMP	3,316.9	-21.2	-0.63%
HSI	23,950.7	-504.7	-2.06%
STI	2,485.7	-12.0	-0.48%
KOSPI	2,389.4	-23.0	-0.95%
TWSE	12,795.1	-80.5	-0.63%
JCI	4,999.4	-59.9	-1.18%
SET	1,275.2	-13.2	-1.03%

FOREX	21-Sep	18-Sep	% chg
USD/MYR:	4.1225	4.1135	0.22%
EUR/USD:	1.1787	1.1840	-0.45%
GBP/USD:	1.2859	1.2917	-0.45%
USD/YEN:	104.04	104.57	-0.51%
USD/SGD:	1.3591	1.3599	-0.06%
USD/HKD:	7.7500	7.7501	0.00%

KEY STATS

KLCI Spot			
Vol (m shares):	7,025.7	6,865.9	2.33%
Value (RMm):	3,552.1	5,067.0	-29.90%
KLCI Future			
September-20	1,491.0	1,510.0	-1.26%
October-20	1,487.5	1,506.5	-1.26%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,022.5	1,043.5	-2.01%
SoyOil (USc/lb)	34.2	35.1	-2.68%
Gold (US\$/troy oz)	1,902.1	1,953.2	-2.62%
Nymex crude oil (US\$/bbl)	39.3	41.1	-4.38%
Latex (RM/kg)	4.91	4.89	0.41%
Tin (US\$/mt)	18,070.0	18,070.5	0.00%

Research Highlights

NEWS HIGHLIGHTS

- **Scientex acquires land in Pulau (Comment included in Kenanga Today)**
- **Sapura Energy's boss Shahril Shamsuddin to pass baton to Anuar Taib in March 2021**
- **Green Packet partners with MMAG to venture into foreign worker e-wallet**
- **Gabungan AQRS sues ex-CFO for over RM13m loss**
- **Bintai Kinden to be licensee of Covid-19 vaccine compounds in Malaysia**

MACRO BITS

- **Mid-east energy forum takes shape to promote gas exports**
- **Bill to finance Govt expenditure for COVID-19 passed by Senate**
- **RAM Business Confidence Index for 3Q sinks as worries weigh**
- **Thai central bank not worried about banking liquidity amid SCB boycott call**
- **Investors may shun Indonesian debt over central bank worries**
- **China's cabinet unveils steps to spur new forms of consumption**
- **Taiwan export orders grow at fastest pace in over two-and-a-half years**
- **Fed's Kaplan says low rates may be needed for 2-1/2 to 3 years**
- **Government debt rose at a 59.0% pace in Q2 amid effort to halt virus**
- **ECB must 'very carefully' assess data on patchy recovery, Lagarde says**
- **No deal Brexit not appealing, but not excluded - EU's Dombrovskis**
- **Germany's economic rebound set to slow further: Bundesbank**

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- **Sector Update: Automotive**
- **On Our Technical Watch: BSTEAD, CCM**

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	TOPGLOV	8.00	0.3	56.90	PPB	19.04	1.6	1.26	PETDAG	20.40	-3.6	0.11
2	DIALOG	3.88	0.8	13.10	KLK	22.64	1.2	0.33	HLFG	13.96	-2.5	0.06
3	CIMB	3.12	-1.3	11.20	KLCCSS	3.88	0.8	13.10	HAPSENG	7.07	-2.4	0.77
4	GENM	2.11	-0.9	9.78	HLBANK	14.84	0.5	1.31	MAXIS	5.02	-2.3	1.59
5	SIMEPLT	5.05	0.4	8.40	TM	4.23	0.5	2.88	SIME	2.30	-1.7	3.30
6	MAYBANK	7.19	-0.3	6.55	RHBBANK	4.74	0.4	3.05	PBBANK	15.68	-1.6	6.49
7	PBBANK	15.68	-1.6	6.49	SIMEPLT	5.05	0.4	8.40	PMETAL	5.16	-1.3	2.79
8	HARTA	14.00	-1.1	4.92	TOPGLOV	8.00	0.3	56.90	MISC	7.45	-1.3	1.53
9	TENAGA	10.90	0.0	4.58	NESTLE	139.30	0.2	0.03	CIMB	3.12	-1.3	11.20
10	GENTING	3.33	-0.9	4.09	PETGAS	16.60	0.1	0.31	HARTA	14.00	-1.1	4.92

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **Scientex acquires land in Pulai**

SCIENTX is acquiring 202 acres or 8 parcels of freehold land in Pulai, Johor from Lee Pineapple Company Pte Ltd for RM185.0m, to be financed via internal funds. The acquisition is expected to be completed by 1HCY21. The Lands will be utilised for mixed development affordable property development, in line with SCIENTX goal to build 50,000 affordable homes by 2028 (*Bursa Malaysia*).

Comment: We were not surprised as SCIENTX has been land banking from time to time. This land is located nearby its existing developments in Johor, namely Taman Pulai Mutiara and Taman Pulai Mutiara 2 and as such, will be able to capitalize on economies of scale from project implementation and complement these projects. Land price is RM21 psf, which is slightly more expensive than the recent acquisition in Pulai for RM19.5 psf but we believe this is fair given that it is nearby existing townships. Pending project details from management, land cost to GDV may change subject to the residential to commercial mix and its pricing strategies. We are long-term positive on this acquisition as it would accrete to earnings over the longer run, and as such we make no changes to earnings for now pending further details. Gearing could potentially increase modestly to 0.35x (from 0.30x) in FY22. No change to FY21-22E CNP of RM455-478m for now. Maintain MARKET PERFORM and TP of RM10.00. (By: Marie Vaz)

- **Sapura Energy's boss Shahril Shamsuddin to pass baton to Anuar Taib in March 2021**

Sapura Energy Bhd's president and chief executive officer (CEO), one of the highest paid top executives in town, will retire from his posts upon turning 60 in March next year. In a bourse filing, the oil and gas (O&G) giant, in which Permodalan Nasional Bhd controls a 32.8% stake, announced its board has appointed Datuk Mohd Anuar Taib as its chief operating officer and CEO designate effective next month, as part of a six-month transition. Mohd Anuar Taib, who joined Sapura Energy last month, is no stranger to the O&G industry. Prior to this appointment, Anuar Taib was the executive vice president and CEO of the upstream division at Petronas. He left the national oil firm a year ago. He was the chairman of the Shell Companies in Malaysia in 2010. (*The Edge*)



- **Green Packet partners with MMAG to venture into foreign worker e-wallet**

Green Packet Bhd has teamed up with MMAG Holdings Bhd, whose share price shot up 29.4%, to set up a digital payment system for migrant workers. In a bourse filing, Green Packet said its wholly-owned unit Kiplepay Sdn Bhd had entered into a master agreement with MMAG's wholly-owned subsidiary MMantap Sdn Bhd. Under the master agreement, Kiplepay's e-wallet and digital payment system would be deployed. As such, MMantap seeks to use Kiplepay's digital payment solution for migrant workers managed by it. The tenure of the master agreement is two years (24 months), and will be renewed for successive periods of one year (12 months) each. *(The Edge)*

- **Gabungan AQRS sues ex-CFO for over RM13m loss**

Gabungan AQRS Bhd is suing its former executive director and group chief financial officer (CFO) for alleged negligence in the loss of more than RM13m. The suit was filed by the construction and engineering group and its subsidiary Trusvest Sdn Bhd following an investigation conducted by a legal firm appointed by its board, said Gabungan AQRS in a bourse filing. "The defendant has in breach of his duty of care, negligent, employment contract and fiduciary duties, caused loss and damage to the plaintiffs amounting to RM13,245,173," the group said. *(The Edge)*

- **Bintai Kinden to be licensee of Covid-19 vaccine compounds in Malaysia**

Bintai Kinden Corp Bhd has entered into a licensing agreement with US-based firm Generex Biotechnology Corp for Covid-19 vaccine compounds in Malaysia. According to a bourse filing, Bintai Kinden, Generex and the latter's wholly-owned subsidiary NuGenerex Immuno-Oncology entered into a heads of agreement (HOA) on Friday. Under this HOA, Bintai Kinden will hold the exclusive licence in Malaysia when it comes to the commercialization and development of compounds and research information in the country when it comes to a Covid-19 vaccine. Additionally, Bintai Kinden will also have the first right of refusal when it comes to the further development and commercialisation of the vaccine compounds and research information within New Zealand, Australia and global Halal markets. *(The Edge)*



Macro Bits

Global

- [Mid-east energy forum takes shape to promote gas exports](#) Seven energy ministers will sign the charter of a new Middle East energy forum that will promote natural gas exports from the eastern Mediterranean to Europe and other markets, Israeli energy officials said on Monday. *(Reuters)*

Malaysia

- [Bill to finance Govt expenditure for COVID-19 passed by Senate](#) The Dewan Negara today approved the Temporary Measures For Government Financing (Coronavirus Disease 2019 (COVID-19)) Bill 2020 to cover the temporary spending and financing in dealing with the impact of the outbreak. *(The Edge Markets)*
- [RAM Business Confidence Index for 3Q sinks as worries weigh](#) The overall RAM Business Confidence Index (RAM BCI) for the third quarter (3Q 2020), based on an online survey conducted between July and August, hit a low of 33.7 as businesses cited weak economic conditions and uncertainties. *(The Star)*

Asia Pacific

- [Thai central bank not worried about banking liquidity amid SCB boycott call](#) Thailand's central bank is not concerned about liquidity in the banking system, a director said on Monday, after anti-government demonstrators made a call at the weekend for a boycott of Siam Commercial Bank. *(Reuters)*
- [Investors may shun Indonesian debt over central bank worries](#) Foreign investors are unlikely to rush back into Indonesian markets until either it pays more for its debt or gives hard evidence it will not push the central bank into longer-term monetary financing of public borrowing, fund managers say. *(Reuters)*
- [China's cabinet unveils steps to spur new forms of consumption](#) China's cabinet on Monday issued guidelines to boost new types of consumption, including online shopping and payments, in a bid to support the recovery of the economy. *(Reuters)*
- [Taiwan export orders grow at fastest pace in over two-and-a-half years](#) Taiwan's export orders grew at their fastest pace in more than two-and-a-half years in August, surging on strong global demand for its telecommuting products, as the coronavirus pandemic forces millions of people around the world to work from home. *(Reuters)*

Americas

- [Fed's Kaplan says low rates may be needed for 2-1/2 to 3 years](#) Dallas Federal Reserve President Robert Kaplan on Monday said the economy will likely need near-zero interest rates for the next two and a half or three years, but the U.S. central bank shouldn't lock itself into low borrowing costs beyond then. *(Reuters)*
- [Government debt rose at a 59.0% pace in Q2 amid effort to halt virus](#) Government and business debt soared in the second quarter as the U.S. dealt with the coronavirus pandemic, even as personal net worth rose and consumer credit plunged at a record level. *(CNBC)*

Europe

- [ECB must 'very carefully' assess data on patchy recovery, Lagarde says](#) Europe's economic rebound is uncertain and uneven, requiring "very careful" assessment of incoming data, including the evolution of the coronavirus pandemic, European Central Bank President Christine Lagarde said on Monday. *(Reuters)*
- [No deal Brexit not appealing, but not excluded - EU's Dombrovskis](#) The European Union and Britain need to accelerate talks on a future trade deal since it was impossible to rule out there being insufficient progress in the talks, leading to a no-deal outcome, European Commission Vice President Valdis Dombrovskis said on Monday. *(Reuters)*
- [Germany's economic rebound set to slow further: Bundesbank](#) Germany's economic rebound may lose some more steam heading into the end of the year as new orders slow and the services sector remains constrained by pandemic-containment measures, the Bundesbank said on Monday. *(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
BINTULU PORT HOLDINGS BHD	3.680	18.59	11.96	17.31	3.670
PANASONIC MANUFACTURING MALA	28.140	21.84	16.96	15.57	27.880
RAPID SYNERGY BHD	5.290	28.78	19.84	0.84	5.230
SCICOM (MSC) BHD	0.850	28.81	21.32	3.26	0.840
ECONPILE HOLDINGS BHD	0.525	29.39	25.94	17.09	0.520

*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
FAVELLE FAVCO BHD	2.370	78.048	86.747	97.927	2.390
KWANTAS CORP BHD	1.320	77.318	74.834	56.324	1.460
BLD PLANTATION BHD	7.300	76.168	83.330	97.240	7.300
BOUSTEAD PLANTATIONS BHD	0.530	72.858	74.621	72.986	0.615
SARAWAK PLANTATION BHD	1.960	72.848	78.331	89.665	2.150
TH PLANTATIONS BHD	0.490	72.600	74.721	75.007	0.565
MMAG HOLDINGS BHD	1.630	72.315	71.229	65.804	1.910
PLS PLANTATIONS BHD	0.885	71.893	75.755	75.410	0.900
HCK CAPITAL GROUP BHD	1.290	71.610	76.619	90.690	1.290
SCIENTEX BHD	9.900	71.608	78.716	96.653	10.380
UNITED PLANTATIONS BHD	15.000	70.743	74.191	92.028	15.320
TIME DOTCOM BHD	12.220	70.590	73.571	84.924	12.380

*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
HK HANG SENG INDEX-AV	0.025	23.564	19.137	7.445	0.020	30/10/2020
HK HANG SENG INDEX-U	0.035	26.123	18.189	5.287	0.035	30/10/2020
HIBISCUS PETROLEUM BHD-WC	0.070	26.614	22.075	19.514	0.070	18/3/2021
HK HANG SENG INDEX-V	0.115	27.465	21.159	9.818	0.115	30/10/2020
HK HANG SENG INDEX-BB	0.165	29.612	22.890	12.055	0.165	27/11/2020

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.***

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