

Turning positive after Jackson Hole

Market Review

Malaysia: The FBM KLCI ended flat on Friday as investors were trading cautiously prior to the Jackson Hole Symposium despite both the deals from SIME-UMW and KLK-BPLANT were positive on the broader market's tone. Meanwhile, we noticed the Construction, Properties and Utilities sectors traded firmly higher.

Global markets: The US stock markets traded mostly higher snapping 3-week losing streak as the market shakes off rate hike concerns, cheering the comments from Chairman Jerome Powell during the Jackson Hole symposium. Similarly, the European markets ended positively, but the Asia markets closed in the red.

The Day Ahead

The stocks on the local front were relatively stronger as compared to the regional benchmark indices. Given the positive trading tone from Wall Street overnight, we expect the buying interest to spillover towards stock on the local front within the technology stocks. Meanwhile, with the announcement of a special financial zone to be created in Forest City last Friday after market hours, it should provide further catalysts on the stock markets, providing trading opportunities to the broader market. Also, since the market is focusing on the brighter economic outlook in the US, brushing off the interest rate hike concerns, downside risk may be limited. Commodities wise, the Brent crude oil rose above USD84/bbl, while the CPO prices remained above RM3,800/MT.

Sector focus: Overall sentiment should be positive with the trading focus revolving around the properties and construction sector amid the announcement of a special financial zone to be seen in Forest City. It may translate to trading interest within the building material as well. Besides, we like the energy sector with the promising results since last week.

FBMKLCI Technical Outlook



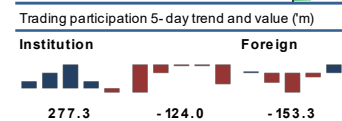
Bloomberg

The FBM KLCI formed a small hammer candle above the SMA200 zone and it should perform some positive bias trading tone in the near term as the technical readings are turning more positive. The MACD Histogram forming a rounding bottom in the negative territory, while the RSI is hovering above 50. The FBM KLCI's resistance is located around 1,450-1,460. Support is set around 1,430-1,435.

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Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	34,346.90	0.73
S&P 500	4,405.71	0.67
NASDAQ	13,590.65	0.94
FBM KLCI	1444.41	-0.02
FBM Small Cap	15,775.06	0.06
FBM ACE	5,274.90	-0.75
Construction	176.25	1.42
Consumer	558.58	-0.31
Energy	824.15	0.05
Financial Services	16,190.69	0.02
Healthcare	1675.47	-0.83
Ind Products	169.03	0.11
Plantation	6,958.83	-0.56
Property	822.05	1.26
REITs	77.126	-0.07
Technology	63.19	-0.94
Telco & Media	584.34	-0.49
Transport	93.144	0.40
Utilities	1,07.96	0.94
Trading Vol (m)	3,717.47	5.34
Trading Val (RM m)	2664.36	39.55
Advance/ Decline	76%	
FKLI	1440.50	(0.21)
FCPO (RM)	3,962.00	2.09
Brent oil (USD)	84.48	1.34
Gold (USD)	1914.96	(0.10)
USD	4.6407	0.11
GBP	5.8398	0.80
EURO	5.0076	0.65
SGD	3.4219	0.27



Source: Bloomberg, Bursa Market Place

Company Brief

IHH Healthcare Bhd has upped its stake in Ravindranath GE Medical Associates Private Ltd (RGE) to 98.17% from 73.64%, following shares acquisition for a cash consideration of INR 7,400m (RM415m). The acquisition was done through IHH's wholly-owned subsidiary Gleneagles Development Private Ltd (GDPL), which had on Friday entered into an agreement to buy out the entire remaining 24.53% stake held by Dr Ravindranath Kancherla and his affiliates (collectively known as Dr Ravi Group) in RGE.

Petronas Gas Bhd's (PetGas) net profit jumped 22% to RM485.37m for 2QFY2023 from RM396.5m posted in the same period a year ago, lifted by higher gross profit coupled with higher share of profit from joint venture companies. The stronger profit was also attributed to higher interest income from fund investments and lower exposure from foreign exchange movement following early settlement of USD lease liabilities for floating storage units at liquefied natural gas (LNG) regasification terminal in Sungai Udang, Melaka. The group also declared a second interim dividend of 16 sen per share amounting to RM316.6m, payable on Sept 22.

Tenaga Nasional Bhd's (TNB) net profit slumped 62.41% to RM327.9m for 2QFY2023 from RM872.2m a year ago. This was mainly contributed by negative fuel margins and foreign exchange translation losses, said the utility giant. Quarterly revenue rose marginally by 3.78% to RM13.32bn, from RM12.84bn in 2QFY2022, on the back of a 3.4% increase in electricity sales to RM842.1m, with a demand growth of 2%. The group has approved an interim dividend of 18 sen per share for FY2023.

Telekom Malaysia Bhd's (TM) net profit climbed 50.43% to RM568.74m for 2QFY2023 against RM378.06m a year ago, its highest quarterly earnings since 4QFY2011. In 4QFY2011, TM registered RM598.3m in net profit. The higher earnings for the quarter under review was due to lower net finance cost and the recognition of tax credits from the utilisation of previously unrecognised tax losses. Revenue growth was also contributed by higher demand for domestic and international data services. The company declared a dividend of 9.5 sen per share, to be paid on Sept 29.

Affin Bank Bhd registered a net profit of RM113.23m or 4.98 sen for 2QFY2023, a 22.93% decline from RM146.91m or 6.92 sen a year prior. The lower earnings was due to lower net interest income and Islamic banking income amounting to RM76.2m, higher allowances for impairment losses of RM11.9m, and higher overhead expenses of RM7.3m. Quarterly revenue fell by 12.83% to RM504.86m from RM579.19m a year ago.

Lower contribution from the Armada Kraken floating production storage and offloading (FPSO) pushed **Bumi Armada Bhd's** net profit down 36.23% to RM118.77m in 2QFY2023 from RM186.25m a year earlier. This was partially offset by gains from the sale of the Armada Claire FPSO and the last remaining offshore support vessels during the quarter, said the offshore energy facility and service provider.

LPI Capital Group Bhd's net profit rose 19.42% to RM63.94m in 2QFY2023, from RM53.52m a year ago, driven by higher earnings contribution from the general insurance segment amid higher investment return. Revenue came in at RM462.36m, 14.39% higher than the RM404.22m reported for 2QFY2022, on the back of higher insurance revenue. The insurer, founded by the late banking magnate Tan Sri Teh Hong Piow, declared a first interim dividend of 26 sen per share, compared to 25 sen last year.

Sarawak Oil Palms Bhd's net profit fell 68.8% to RM48.12m in 2QFY2023 from RM154.46m a year ago, due to lower prices of palm products coupled with higher production costs. Revenue dropped 16% to RM1.18bn from RM1.4bn in 2QFY2022.

Padini Holdings Bhd, which posted a 26% YoY decline in net profit for 4QFY2023, expects retail business to remain challenging as inflation takes a toll on consumers' spending power. The group's net profit dropped 26.02% to RM57.31m in 4QFY2023 from RM77.46m a year earlier, due to higher expenses as a result of rising salary and incidental expenses, as well as higher finance costs. The group declared a first interim dividend of 2.5 sen per share, payable on Sept 29.

Technical Focus Tracker

Technical Focus Tracker											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Long Term Target (RM)	Support (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	SCOMNET	2-Aug	1.370	1.480	1.550	1.650	1.290	1.280	1.290	-5.8%	Closed at cut off period
2	HARBOUR	9-Aug	1.170	1.240	1.290	1.350	1.120	1.110	1.180	0.9%	Closed at cut off period
3	MCEMENT	16-Aug	3.370	3.500	3.600	3.800	3.100	3.090	3.500	3.9%	Take profit at R1 on 17-Aug

3Q23 Stock Picks											
No.	Companies	Report Date	Report Date Share Price (RM)	Resistance 1 (RM)	Resistance 2 (RM)	Support 1 (RM)	Support 2 (RM)	Cut Loss (RM)	Last Price (RM)	Change in Share Price (%)	Comments
1	ADVCON	4-Jul	0.355	0.395	0.425	0.320	0.295	0.280	0.330	-7.0%	On-going
2	CARIMN	4-Jul	0.735	0.775	0.835	0.705	0.660	0.640	0.860	17.0%	On-going
3	ECOWLD	4-Jul	0.815	0.900	0.950	0.790	0.750	0.735	1.060	30.1%	On-going
4	MCEMENT	4-Jul	3.080	3.320	3.500	2.880	2.700	2.640	3.600	16.9%	On-going
5	OSK	4-Jul	1.050	1.150	1.200	1.040	0.995	0.970	1.220	16.2%	On-going
6	RCECAP	4-Jul	2.350	2.500	2.600	2.220	2.120	2.070	2.370	0.9%	On-going
7	SCICOM	4-Jul	1.170	1.360	1.450	1.110	1.070	1.040	1.140	-2.6%	On-going
8	SFPTECH	4-Jul	0.960	1.150	1.260	0.940	0.895	0.870	1.020	6.3%	On-going
9	TEOSENG	4-Jul	0.920	1.000	1.050	0.880	0.820	0.800	1.060	15.2%	On-going
10	UCHITEC	4-Jul	3.530	3.700	3.850	3.420	3.320	3.240	3.560	0.8%	On-going
11	WASCO	4-Jul	0.890	0.985	1.100	0.860	0.810	0.785	0.945	6.2%	On-going
12	WCEHB	4-Jul	0.635	0.730	0.820	0.610	0.545	0.535	0.660	3.9%	On-going
13	YTLPOWR	4-Jul	1.310	1.450	1.600	1.250	1.150	1.120	1.880	43.5%	On-going
Average Return										11.3%	

Technical Focus Tracker Summary	
Total recommendations	347
Total winners	214
Total losers	133
Portfolio performance (2020)	22.7%
Accuracy (2020)	53.3%
Portfolio performance (2021)	30.4%
Accuracy (2021)	66.4%
Portfolio performance (2022)	13.3%
Accuracy (2022)	62.9%
Portfolio performance (2023)	4.8%
Accuracy (2023)	61.4%
FBM KLCI (Since 30/12/2022)	-3.4%
FBM Small Cap (Since 30/12/2022)	5.7%
Malaysia GDP Growth (1H23)	4.2%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
EUPE (6815)	Interim	RM0.015	27/7/2023	28/8/2023	RM0.85	RM0.90	1.7	5.3
DYNAFNT (03046)	Interim	RM0.006	22/8/2023	29/8/2023	RM0.90	RM0.90	0.7	0.0
DUFU (7233)	Interim	RM0.015	1/8/2023	29/8/2023	RM1.90	RM1.88	0.8	-1.1
PANTECH (5125)	Final	RM0.015	27/4/2023	29/8/2023	RM0.77	RM0.83	1.8	8.5
AJI (2658)	Regular Cash	RM0.091	27/6/2023	29/8/2023	RM14.90	RM16.10	0.6	8.1
LBS (5789)	Final	RM0.013	18/4/2023	29/8/2023	RM0.42	RM0.54	2.3	29.2
BOILERM (0168)	Final	RM0.018	25/5/2023	29/8/2023	RM0.67	RM0.92	1.9	36.6
MRDIY (5296)	Interim	RM0.008	9/8/2023	29/8/2023	RM1.43	RM1.51	0.5	5.6
CEKD (0238)	Interim	RM0.008	9/8/2023	29/8/2023	RM0.47	RM0.48	1.6	3.2
NPS (03006)	Interim	RM0.005	17/8/2023	29/8/2023	RM0.23	RM0.23	2.2	0.0
PANSAR (8419)	Interim	RM0.004	14/7/2023	29/8/2023	RM0.57	RM0.61	0.6	7.1
MAXIS (6012)	Interim	RM0.040	9/8/2023	29/8/2023	RM3.98	RM4.06	1.0	2.0
CRG (03016)	Interim	RM0.005	18/8/2023	30/8/2023	RM0.19	RM0.19	2.6	0.0
SUNREIT (5176)	Distribution	RM0.046	17/8/2023	30/8/2023	RM1.50	RM1.52	3.0	1.3
KLCC (5235SS)	Interim	RM0.088	14/8/2023	30/8/2023	RM6.77	RM6.82	1.3	0.7
MAGNUM (3859)	Interim	RM0.020	17/8/2023	1/9/2023	RM1.15	RM1.22	1.6	6.1
SPTECH (0251)	Interim	RM0.002	11/8/2023	1/9/2023	RM1.11	RM1.02	0.2	-8.1
TIMECOM (5031)	Special Cash	RM0.163	18/8/2023	4/9/2023	RM5.43	RM5.51	2.9	1.5
OPENSYS (0040)	Interim	RM0.005	21/8/2023	5/9/2023	RM0.35	RM0.37	1.2	7.2
CARIMIN (5257)	Interim	RM0.020	18/8/2023	5/9/2023	RM0.87	RM0.86	2.3	-1.1
NESTLE (4707)	Interim	RM0.700	27/7/2023	5/9/2023	RM132.00	RM129.40	0.5	-2.0
CDB (6947)	Interim	RM0.032	18/8/2023	5/9/2023	RM4.38	RM4.40	0.7	0.5
MAXIM (4022)	Stock Split	1:2	21/8/2023	6/9/2023	RM0.19	RM0.19	22.7	0.0
IOICORP (1961)	Interim	RM0.050	22/8/2023	6/9/2023	RM4.05	RM4.02	1.2	-0.7
DPH (0205)	Interim	RM0.002	21/8/2023	6/9/2023	RM0.21	RM0.22	0.7	2.4
PEKAT (0233)	Interim	RM0.010	22/8/2023	6/9/2023	RM0.50	RM0.49	2.1	-3.0
CENGILD (0243)	Interim	RM0.004	22/8/2023	7/9/2023	RM0.40	RM0.40	0.9	-1.3
LYSAGHT (9199)	Interim	RM0.030	17/8/2023	7/9/2023	RM1.99	RM2.06	1.5	3.5
DOMINAN (7169)	Final	RM0.010	31/5/2023	7/9/2023	RM0.77	RM0.76	1.3	-0.7
MBMR (5983)	Special Cash	RM0.260	23/8/2023	7/9/2023	RM3.69	RM4.09	6.4	10.8
SIME (4197)	Interim	RM0.100	24/8/2023	7/9/2023	RM2.11	RM2.20	4.5	4.3
PANAMY (3719)	Final	RM1.070	30/5/2023	7/9/2023	RM21.90	RM21.02	5.1	-4.0
HSPLANT (5138)	Interim	RM0.015	23/8/2023	7/9/2023	RM1.95	RM1.89	0.8	-3.1
INTA (0192)	Interim	RM0.005	22/8/2023	7/9/2023	RM0.25	RM0.27	1.9	10.2
TALIWRK (8524)	Interim	RM0.017	22/8/2023	7/9/2023	RM0.80	RM0.81	2.0	0.6
AHEALTH (7090)	Interim	RM0.025	23/8/2023	7/9/2023	RM2.53	RM2.57	1.0	1.6
KERJAYA (7161)	Interim	RM0.020	18/8/2023	7/9/2023	RM1.20	RM1.18	1.7	-1.7
PCHEM (5183)	Interim	RM0.080	22/8/2023	7/9/2023	RM7.01	RM6.90	1.2	-1.6
SLP (7248)	Interim	RM0.013	4/8/2023	7/9/2023	RM0.87	RM0.86	1.5	-1.7
MAHSING (8583)	Final	RM0.030	27/4/2023	8/9/2023	RM0.61	RM0.74	4.1	20.5
PARAMON (1724)	Interim	RM0.030	25/8/2023	8/9/2023	RM0.90	RM0.90	3.3	0.0
DANCO (5276)	Interim	RM0.008	24/8/2023	8/9/2023	RM0.41	RM0.42	1.8	2.4
OFI (7107)	Interim	RM0.010	23/8/2023	8/9/2023	RM1.20	RM1.19	0.8	-0.8
DPHARMA (7148)	Interim	RM0.005	24/8/2023	8/9/2023	RM1.19	RM1.20	0.4	0.8
HEXIND (0161)	Interim	RM0.010	24/8/2023	8/9/2023	RM0.45	RM0.45	2.2	1.1
QL (7084)	Final	RM0.035	26/7/2023	8/9/2023	RM5.35	RM5.44	0.6	1.7
EWINT (5283)	Interim	RM0.330	24/8/2023	8/9/2023	RM0.64	RM0.70	47.1	9.4
GENP (2291)	Interim	RM0.080	23/8/2023	8/9/2023	RM5.71	RM5.72	1.4	0.2
AMWAY (6351)	Interim	RM0.050	23/8/2023	8/9/2023	RM5.38	RM5.35	0.9	-0.6
GENTING (3182)	Interim	RM0.060	24/8/2023	11/9/2023	RM4.41	RM4.40	1.4	-0.2
UCHITEC (7100)	Interim	RM0.080	25/8/2023	11/9/2023	RM3.56	RM3.56	2.2	0.0
JADI (7223)	Bonus-Options	RM0.500	25/8/2023	11/9/2023	RM0.07	RM0.07	769.2	0.0
GENM (4715)	Interim	RM0.060	24/8/2023	11/9/2023	RM2.62	RM2.61	2.3	-0.4
LPI (8621)	Interim	RM0.260	25/8/2023	11/9/2023	RM11.86	RM11.86	2.2	0.0
BJFOOD (5196)	Interim	RM0.005	14/8/2023	11/9/2023	RM0.67	RM0.69	0.7	3.0
MMSV (0113)	Interim	RM0.010	25/8/2023	11/9/2023	RM0.54	RM0.54	1.9	0.0
SCICOM (0099)	Interim	RM0.020	25/8/2023	11/9/2023	RM1.14	RM1.14	1.8	0.0
KARYON (0054)	Interim	RM0.004	25/8/2023	11/9/2023	RM0.18	RM0.18	2.0	0.0
TM (4863)	Interim	RM0.095	25/8/2023	11/9/2023	RM5.06	RM5.06	1.9	0.0
IBHD (4251)	Final	RM0.002	23/8/2023	11/9/2023	RM0.26	RM0.27	0.8	1.9
MISC (3816)	Interim	RM0.100	24/8/2023	11/9/2023	RM7.08	RM7.16	1.4	1.1
INNO (6262)	Interim	RM0.023	21/8/2023	11/9/2023	RM1.28	RM1.30	1.7	1.6
PETGAS (6033)	Interim	RM0.160	25/8/2023	11/9/2023	RM17.06	RM17.06	0.9	0.0
SUNCON (5263)	Interim	RM0.030	23/8/2023	11/9/2023	RM1.80	RM1.84	1.6	2.2
ALSREIT (5269)	Distribution	RM0.004	25/8/2023	12/9/2023	RM0.47	RM0.47	0.9	0.0
JTIASA (4383)	Interim	RM0.017	24/8/2023	12/9/2023	RM0.71	RM0.73	2.3	2.8
ALAQAR (5116)	Distribution	RM0.019	25/8/2023	12/9/2023	RM1.23	RM1.23	1.5	0.0
KPPROP (7077)	Interim	RM0.010	25/8/2023	12/9/2023	RM0.85	RM0.85	1.2	0.0
APM (5015)	Interim	RM0.070	23/8/2023	12/9/2023	RM2.12	RM2.09	3.3	-1.4
BONIA (9288)	Interim	RM0.060	25/8/2023	12/9/2023	RM1.88	RM1.88	3.2	0.0
WELLCAL (7231)	Interim	RM0.022	21/8/2023	13/9/2023	RM1.26	RM1.29	1.7	2.4
RGTHD (9954)	Interim	RM0.006	24/8/2023	13/9/2023	RM0.26	RM0.26	2.3	2.0
JFTECH (0146)	Final	RM0.005	23/8/2023	13/9/2023	RM0.82	RM0.82	0.6	-0.6
GMUTUAL (9962)	Interim	RM0.010	21/8/2023	13/9/2023	RM0.29	RM0.30	3.3	3.4
NZN (0108)	Interim	RM0.010	24/8/2023	14/9/2023	RM0.48	RM0.49	2.1	2.1
PADINI (7052)	Interim	RM0.025	25/8/2023	14/9/2023	RM3.95	RM3.95	0.6	0.0
ELSOFT (0090)	Interim	RM0.010	18/8/2023	14/9/2023	RM0.55	RM0.54	1.9	-1.8
LAGENDA (7179)	Interim	RM0.030	21/8/2023	14/9/2023	RM1.24	RM1.26	2.4	1.6
SENFONG (5308)	Interim	RM0.005	22/8/2023	14/9/2023	RM0.70	RM0.69	0.7	-0.7
KGB (0151)	Interim	RM0.015	18/8/2023	15/9/2023	RM1.46	RM1.53	1.0	4.8
CARLSBG (2836)	Interim	RM0.220	15/8/2023	15/9/2023	RM20.68	RM20.30	1.1	-1.8
CEB (5311)	Interim	RM0.006	21/8/2023	15/9/2023	RM1.23	RM1.21	0.5	-1.6
BIPORT (5032)	Interim	RM0.030	25/8/2023	15/9/2023	RM5.15	RM5.15	0.6	0.0
PRESTAR (9873)	Interim	RM0.010	24/8/2023	19/9/2023	RM0.41	RM0.41	2.4	1.2
MATRIX (5236)	Interim	RM0.025	22/8/2023	20/9/2023	RM1.49	RM1.50	1.7	0.7
SUNWAY (5211)	Interim	RM0.020	24/8/2023	20/9/2023	RM1.91	RM1.90	1.1	-0.5
AYS (5021)	Final	RM0.010	20/6/2023	20/9/2023	RM0.37	RM0.41	2.5	9.5
UNITRAD (0247)	Final	RM0.003	26/7/2023	20/9/2023	RM0.29	RM0.29	1.0	0.0
HIBISCS (5199)	Interim	RM0.005	23/8/2023	21/9/2023	RM0.96	RM0.95	0.5	-1.0
BPPLAS (5100)	Interim	RM0.015	22/8/2023	21/9/2023	RM1.26	RM1.24	1.2	-1.6
HAILY (0237)	Interim	RM0.006	24/8/2023	21/9/2023	RM0.40	RM0.40	1.4	-1.3
CILHDG (2828)	Final	RM0.150	23/8/2023	21/9/2023	RM3.43	RM3.43	4.4	0.0
GFM (0039)	Interim	RM0.002	24/8/2023	22/9/2023	RM0.20	RM0.20	0.9	2.6
SWIFT (5303)	Interim	RM0.008	18/8/2023	25/9/2023	RM0.49	RM0.48	1.7	-3.1
L&PBHD (0268)	Interim	RM0.005	14/8/2023	27/9/2023	RM0.48	RM0.45	1.1	-5.3
FB (5306)	Final	RM0.010	28/7/2023	27/9/2023	RM1.15	RM1.26	0.8	9.6
RGB (0037)	Special Cash	RM0.006	24/8/2023	27/9/2023	RM0.38	RM0.36	1.7	-4.0
PANTECH (5125)	Interim	RM0.015	26/7/2023	27/9/2023	RM0.79	RM0.83	1.8	5.7
REDTONE (0032)	Interim	RM0.025	24/8/2023	27/9/2023	RM0.68	RM0.68	3.7	-0.7
FM (7210)	Interim	RM0.020	23/8/2023	27/9/2023	RM0.57	RM0.56	3.6	-1.8
SKPRES (7155)	Final	RM0.045	27/7/2023	29/9/2023	RM0.97	RM0.93	4.9	-4.1
SPOTOQ (1562)	Interim	RM0.025	23/8/2023	29/9/2023	RM1.52	RM1.53	1.6	0.7

Denotes >5% Dividend Yield

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