

By Raymond Choo Ping Khoon | pkchoo@kenanga.com.my ; Nigel Ng | nigel@kenanga.com.my

BURSA	18-Dec	Day chg	% chg
KLCI	1,465.3	2.83	0.19%
FTSE EMAS	10,858.4	22.6	0.21%
FTSE Smallcap	16,296.8	29.70	0.18%
FTSE MESDAQ	5,161.4	-19.3	-0.37%
KLSE Mkt Cap (RM'b)	1,717.4	2.5	0.15%

BURSA DAILY TRADING PARTICIPATION

Participation	Net (RM m)	Value (%)
Local Institution	62.3	41.4%
Local Retail	-35.7	27.2%
Foreign	-26.5	31.5%

INDICES	18-Dec	Day chg	% chg
Dow Jones	37,306.0	0.9	0.00%
S&P 500	4,740.6	21.4	0.45%
NASDAQ	14,905.2	91.3	0.62%
FTSE-100	7,614.5	38.1	0.50%
Nikkei 225	32,759.0	-211.6	-0.64%
SHCOMP	2,930.8	-11.8	-0.40%
HSI	16,629.2	-163.0	-0.97%
STI	3,113.2	-3.3	-0.11%
KOSPI	2,566.9	3.3	0.13%
TWSE	17,652.0	-21.8	-0.12%
JCI	7,119.5	-71.5	-0.99%
SET	1,393.4	2.4	0.17%

FOREX	18-Dec	15-Dec	% chg
USD/MYR:	4.6943	4.6698	0.52%
EUR/USD:	1.0910	1.0895	0.14%
GBP/USD:	1.2667	1.2681	-0.11%
USD/YEN:	142.72	142.15	0.40%
USD/SGD:	1.3316	1.3327	-0.08%
USD/HKD:	7.8001	7.8033	-0.04%

KEY STATS

KLCI Spot			
Vol (m shares):	4,812.3	3,770.4	27.63%
Value (RMm):	3,018.7	3,406.0	-11.37%
KLCI Future			
December-23	1,469.5	1,467.0	0.17%
January-24	1,472.0	1,470.0	0.14%
CPO Price (RM/tonne)			
Soybean (US\$/bu)	1,327.0	1,315.8	0.86%
SoyOil (USc/lb)	50.7	50.2	1.18%
Gold (US\$/troy oz)	2,040.5	2,035.7	0.24%
Nymex crude oil (US\$/bbl)	72.5	71.4	1.46%
Latex (RM/kg)	5.37	5.37	0.09%
Tin (US\$/mt)	24,530.0	24,979.0	-1.80%

Research Highlights

NEWS HIGHLIGHTS

- UWC 1Q net profit drops 85% on lower revenue
- OIB Group to launch Myra Dahlia PPAM, RSKU project in Salak Tinggi next month
- NTPM 2Q net loss widens to RM4m on income tax expenses, declares 0.8 sen dividend
- APB Resources buys 10.4% stake in Globetronics for RM140m cash, to become its second-biggest shareholder
- Majuperak to sell land to state agriculture agency as part of business regularisation plan

MACRO BITS

- Major trade route threatened by Red Sea attacks: Mideast briefing
- Anwar's visit to Japan attracts RM6.56b in potential investments
- Clean energy transition requires broad financing, tech and infrastructure support — Anwar
- MOF: 10.0% tax on sale of low value imported goods online is to level playing field for local businesses
- China's economic conditions to improve in 2024 – officials
- Thailand plans global bidding for USD29.0b landbridge project to help bypass Malacca Strait
- Hong Kong luxury retailers adjusting to drop in high-spending Chinese tourists
- BOJ likely to keep world's last negative rate in upcoming decision
- Goolsbee 'confused' by market reaction to Fed chief's rate-cut remarks
- Long-dated Treasuries enter bull market as Fed pivot feeds rally
- US homebuilder confidence brightens as interest rates ease – NAHB
- ECB rate cut bets premature, markets have eased too much: Vasle
- Weaker UK retail data put risk of recession back on table
- German business sentiment falls in December – Ifo

IDEAS OF THE DAY (SEE SEPARATE REPORTS FOR DETAILS)

- Results Note: UMCCA

#	Top Volume			Top Gainer			Top Loser					
	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)	Stock	Price	%Chg (+/-)	Vol (m)
1	YTL	1.86	-2.6	40.30	PPB	14.58	2.0	0.22	MRDIY	1.44	-3.4	12.20
2	YTLPOWR	2.42	-1.6	28.30	CIMB	5.94	1.9	24.30	YTL	1.86	-2.6	40.30
3	CIMB	5.94	1.9	24.30	NESTLE	119.40	1.9	0.06	YTLPOWR	2.42	-1.6	28.30
4	PBBANK	4.35	0.9	23.90	AXIATA	2.40	1.7	5.18	GENTING	4.63	-1.5	4.48
5	GENM	2.71	-0.7	15.90	PBBANK	4.35	0.9	23.90	PETGAS	17.50	-1.4	0.92
6	MAYBANK	9.00	0.0	14.40	PETDAG	22.24	0.7	0.16	IOICORP	4.01	-1.2	0.32
7	MRDIY	1.44	-3.4	12.20	PCHEM	7.19	0.6	1.30	MAXIS	3.86	-1.0	1.11
8	RHBBANK	5.55	0.4	7.92	HLBANK	19.58	0.4	1.26	PMETAL	4.88	-1.0	6.29
9	SIME	2.43	-0.8	6.32	TENAGA	9.99	0.4	4.61	SIME	2.43	-0.8	6.32
10	PMETAL	4.88	-1.0	6.29	RHBBANK	5.55	0.4	7.92	GENM	2.71	-0.7	15.90

Notes: # KL Composite Index (FBMKLCI) component stocks

Corporate News

- **UWC 1Q net profit drops 85% on lower revenue**

UWC Bhd's net profit dropped 85.1% to RM4.4m in the first quarter ended Oct 31, 2023 (1QFY2024) from RM29.3m a year earlier, due to lower revenue. Earnings per share fell to 0.4 sen from 2.7 sen. Quarterly revenue declined 51% to RM45.5m from RM92.1m, which the group blamed on the impact of macroeconomic headwinds especially the semiconductor market cyclical downturn. On a quarter-on-quarter basis, the group's net profit came in higher compared with RM1.9m in 4QFY2023 as revenue climbed 13.7% from RM40.0m. *(The Edge Markets)*

- **OIB Group to launch Myra Dahlia PPAM, RSKU project in Salak Tinggi next month**

Oriental Interest Bhd (OIB) Group plans to officially launch Myra Dahlia, a PPAM (Malaysia Civil Servants Housing Programme) government housing and Rumah Selangorku (RSKU) affordable housing project in Taman Dahlia, Salak Tinggi, Selangor in January next year. According to a press release issued on Monday, the 2.8-acre freehold Myra Dahlia project has a gross development value of RM141.5m and will comprise 432 PPAM units with built-up of 900 sq ft and 48 Rumah Selangorku units with built-up of 600 sq ft. *(The Edge Markets)*

- **NTPM 2Q net loss widens to RM4m on income tax expenses, declares 0.8 sen dividend**

NTPM Holdings Bhd saw its net loss in the second quarter ended October 31, 2023 (2QFY2024) widen to RM4.0m from RM3.5m in the previous year, its Bursa Malaysia filing on Monday showed. This is largely due to income tax expenses incurred during the current quarter under review. Quarterly revenue, however, rose by 1.9% to RM224.7m from RM220.4m, underpinned by increased sales in the personal care products segment. Despite posting the net loss, the group declared its first interim dividend of 0.8 sen per share to be paid on Jan 26, 2024. *(The Edge Markets)*

- **APB Resources buys 10.4% stake in Globetronics for RM140m cash, to become its second-biggest shareholder**

APB Resources Bhd is acquiring 70m shares in Globetronics Technology Bhd, representing a 10.4% stake in the Penang-based semiconductor manufacturer, for RM140m cash. Upon the completion of the proposed acquisition, APB Resources will emerge as the second-largest shareholder in Globetronics. In a bourse filing, APB Resources said it was acquiring the shares from General Produce Agency Sdn Bhd (6.9%, or 46.3m shares) and Ng Kweng Chong Holdings Sdn Bhd (3.52%, or 23.7m shares), vehicles of the Ng family that founded Globetronics. *(The Edge Markets)*

- **Majuperak to sell land to state agriculture agency as part of business regularisation plan**

Majuperak Holdings Bhd is disposing of 2.0 acres of land in Ipoh to a wholly-owned unit of the Perak State Agriculture Development Corporation (PPNP) for RM18.4m as part of its business regularization plan. Majuperak, a 51.4%-owned subsidiary of the Perak State Development Corp, said its wholly-owned subsidiary, Syarikat Majuperak Bhd, is selling the property to Ladang Lekir Sdn Bhd, a wholly-owned subsidiary of Perak Agro Oil Palm Sdn Bhd, which in turn is a wholly-owned unit of PPNP. *(The Edge Markets)*



Macro Bits

Global

- [Major trade route threatened by Red Sea attacks: Mideast briefing](#) An escalation in attacks on vessels passing through the Bab al-Mandab Strait, one of the world's key maritime chokepoints, is spurring major shipping lines to reconsider using the route and threatening disruptions to global trade. *(Bloomberg)*

Malaysia

- [Anwar's visit to Japan attracts RM6.56b in potential investments](#) Prime Minister Datuk Seri Anwar Ibrahim's working visit to Japan in conjunction with the Asean-Japan Commemorative Summit has managed to attract potential investments worth RM6.6b. *(The Edge Markets)*
- [Clean energy transition requires broad financing, tech and infrastructure support — Anwar](#) Addressing challenges and opportunities in clean energy while ensuring a "just transition" requires broad support, particularly in financing, incentives, technology and infrastructure, said Prime Minister Datuk Seri Anwar Ibrahim. *(The Edge Markets)*
- [MOF: 10.0% tax on sale of low value imported goods online is to level playing field for local businesses](#) The Ministry of Finance (MoF) clarified on Monday that the 10.0% sales tax on imported low value goods sold online, which are those priced at no more than RM500.0 each, aims to rectify tax treatment disparities between retail and online businesses. *(The Edge Markets)*

Asia Pacific

- [China's economic conditions to improve in 2024 – officials](#) China's economy is expected to see more favourable conditions and more opportunities than challenges in 2024, state media said citing officials of the Chinese Communist Party's finance and economy office. *(Reuters)*
- [Thailand plans global bidding for USD29.0b landbridge project to help bypass Malacca Strait](#) Thailand plans to hold an international competitive bidding for a THB1.0t project that seeks to significantly cut shipping times between the Indian and Pacific oceans by bypassing the Malacca Strait. *(The Edge Markets)*
- [Hong Kong luxury retailers adjusting to drop in high-spending Chinese tourists](#) Hong Kong's luxury retailers are adapting to fewer wealthy Chinese shoppers visiting the city and a shift towards tourists flocking to Instagram-coveted spots in trendy districts rather than splashing out on pricey branded gear. *(Reuters)*
- [BOJ likely to keep world's last negative rate in upcoming decision](#) The Bank of Japan is widely expected to keep the world's last negative interest rate intact on Tuesday, with investors set to scour comments for hints on if — and when — authorities might scrap the policy next year. *(Bloomberg)*

Americas

- [Goolsbee 'confused' by market reaction to Fed chief's rate-cut remarks](#) The Federal Reserve is not precommitting to cutting interest rates soon and swiftly, and the jump in market expectations that it will do so is at odds with how the U.S. central bank functions, Chicago Fed President Austan Goolsbee said on Monday. *(Reuters)*
- [Long-dated Treasuries enter bull market as Fed pivot feeds rally](#) A vehicle used to track longer-dated US government bonds surged into a bull market, as investors seek to end three years of pain on the Federal Reserve's willingness to consider interest-rate cuts. *(The Edge Markets)*
- [US homebuilder confidence brightens as interest rates ease – NAHB](#) U.S. homebuilder confidence rose in December, indicating easing interest rates may be bolstering sales conditions for builders who had struggled to attract prospective buyers amid the highest borrowing costs in two decades in previous months. *(Reuters)*

Europe

- [ECB rate cut bets premature, markets have eased too much: Vasle](#) The European Central Bank will need at least until spring before it can reassess its policy outlook and market expectations for an interest rate cut in March or April are premature, ECB policymaker Bostjan Vasle said on Monday. *(Reuters)*
- [Weaker UK retail data put risk of recession back on table](#) Recession fears may stalk Britain's economy once again, with the threat of a downgrade this week to previous GDP estimates that had raised hopes that the country may have avoided a contraction. *(Bloomberg)*
- [German business sentiment falls in December – Ifo](#) German business morale unexpectedly worsened in December, the Ifo institute said on Monday after its latest survey also showed a decline in both expectations and current conditions. *(Reuters)*



19 December 2023

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

NAME*	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	LOW 30D
YNH PROPERTY BHD	4.330	19.01	13.99	8.16	4.110
IMASPRO CORP BHD	4.270	20.70	20.16	32.58	4.000
MICROLINK SOLUTIONS BHD	0.870	21.62	17.75	12.79	0.860
PADINI HOLDINGS BERHAD	3.380	22.61	22.34	33.10	3.330
V.S. INDUSTRY BERHAD	0.820	23.17	17.73	11.12	0.815
ZHULIAN CORP BHD	1.770	23.19	17.42	4.36	1.770
CAN-ONE BHD	2.430	24.90	21.85	12.39	2.430
PMB TECHNOLOGY BHD	2.530	25.14	25.96	44.17	2.440
GHL SYSTEMS BERHAD	0.695	25.48	18.46	4.71	0.695
TASCO BHD	0.765	27.91	22.33	19.26	0.765
GUAN CHONG BHD	1.830	28.57	29.32	45.73	1.800
KOBAY TECHNOLOGY BHD	1.370	29.61	31.23	24.48	1.310

*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	HIGH 30D
ALLIANZ MALAYSIA BHD	18.700	80.50	81.70	93.09	18.760
OCK GROUP BHD	0.440	80.19	88.88	99.75	0.440
SARAWAK CONSOLIDATED INDUSTR	0.845	79.89	77.19	73.88	0.855
MSM MALAYSIA HOLDINGS BHD	1.690	76.58	82.94	96.16	1.700
PLENITUDE BHD	1.390	75.67	81.14	95.67	1.400
ADVANCE SYNERGY BHD	0.145	73.81	89.48	99.99	0.145
AMWAY MALAYSIA HOLDINGS BHD	5.730	73.67	79.52	97.69	5.800
SERN KOU RESOURCES BHD	0.660	73.45	78.57	92.90	0.660
CRESCENDO CORPORATION BHD	2.120	73.38	71.04	45.86	2.200
BINA PURI HOLDINGS BHD	0.095	73.34	76.91	87.45	0.100
COMFORT GLOVE BHD	0.535	72.85	75.30	85.36	0.555
SAMCHEM HOLDINGS BHD	0.600	72.64	76.03	84.99	0.615
PETRA ENERGY BHD	0.935	71.99	82.48	97.38	0.950
TROPICANA CORP BHD	1.300	71.12	80.38	92.27	1.360
ENGTEX GROUP BHD	0.760	70.46	71.22	62.34	0.775
EWEIN BHD	1.230	70.13	79.48	96.81	1.230

*Only for stocks with market cap >RM300m
Source: Bloomberg

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

NAME	LAST PRICE	RSI 14D	RSI 9D	RSI 3D	HIGH 30D	EXPIRY DATE
KOSSAN RUBBER INDUSTRIES BHD-C57	0.170	78.89	81.17	87.99	0.180	31/7/2024
KELINGTON GROUP BHD-WB	0.660	74.25	71.00	47.08	0.690	24/7/2026
SOUTHERN CABLE GROUP BHD-WA	0.155	74.18	80.39	89.95	0.155	31/10/2027
YTL CORP BHD-C69	0.205	74.18	75.45	64.17	0.245	29/3/2024
TOP GLOVE CORP BHD-K	0.070	71.66	77.25	90.14	0.075	29/1/2024
WCE HOLDINGS BHD-WF	0.585	70.02	74.25	81.50	0.595	18/11/2029

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. Kenanga Investment Bank Berhad being a full-service investment bank offers investment banking products and services and acts as issuer and liquidity provider with respect to a security that may also fall under its research coverage.

Published 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