

Welcoming 2021

Market Review

Malaysia: The FBM KLCI (-1.1%) ended 2020 lower as 29 counters were red among the 30 index constituents on profit taking prior to the long New Year weekend. The lower liners finished mixed, while the broader market was splashed in red, with the exception of the technology sector (+0.3%).

Global markets: US stockmarkets rallied overnight as the Dow rose 0.7% to wrap up the volatile 2020 after picking up steam in the final two trading hours, spurred by better-than-expected weekly jobless claims. European stockmarkets was painted in red, but the Asian stockmarkets closed mostly higher.

The Day Ahead

After recording 2.4% YoY gain in 2020, we reckon that the FBM KLCI is poised for further upsides moving into 2021. The extended gains will largely be dictated by the pace of economic recovery, coupled with the roll-out of Covid-19 vaccine progress in Malaysia. Coming closer, bargain hunting activities may emerge from the previous session sell-down, but gains are likely to be tepid owing to the surge in number of new Covid-19 cases reported. We also expect the lower liners to march higher, driven by the resumption of improve trading liquidity.

Sector focus: We continue to favour the technology sector which has yet to demonstrate signs of reversal as momentum remains relatively solid. Meanwhile, the energy sector is poised for further upside with Brent oil prices continue to defend US\$50 level.

FBMKLCI Technical Outlook



Bloomberg

The FBM KLCI has formed a bearish candle to retreat below the daily EMA20 level, suggesting that the pullback is still in place. Still, we think that bargain hunting activities may emerge as investors nibble on beaten down stocks. For now, the 1,660-1,680 will serve as the immediate resistances. Support is located at around 1,620, followed by 1,600. The MACD Histogram has turned red, while the RSI has slipped below 50.

Research Team
research@msec.com.my
(603) 2201 2100

Market Scorecard

Key indices	Last price	Change (%)
Dow Jones	30,606.48	0.65
S&P 500	3,756.07	0.64
NASDAQ	12,888.28	0.14
FBM KLCI	1627.21	-1.05
FBM Small Cap	15,565.49	-0.18
FBM ACE	10,734.69	0.93
Construction	186.67	-0.56
Consumer	605.39	-0.92
Energy	896.39	-0.18
Financial Services	15,316.55	-1.03
Healthcare	3,571.55	-0.96
Ind Products	178.11	-0.45
Plantation	7,302.84	-1.48
Property	734.69	-0.66
REITs	833.97	-0.46
Technology	69.72	0.29
Telco & Media	659.48	-0.68
Transport	795.45	-0.50
Utilities	980.33	-0.10
Trading Vol (m)	5,508.93	-29.52
Trading Val (RM m)	3,109.40	-14.84
Advance/Decline	0.76	
FKLI	1630.00	-0.85
FCPO (RM)	3,600.00	0.33
Brent oil (USD)	51.80	0.49
Gold (USD)	1,898.67	0.21
USD	4.0203	0.40
GBP	5.4954	-0.45
EURO	4.9004	0.99
SGD	3.0426	0.08

Trading participation 5-day trend and value (m)

Institution	Retail	Foreign
-273.5	205.4	68.2

Source: Bloomberg, Bursa Market Place

Company Brief

Bursa Malaysia Securities has maintained the upper limit for the securities of **Toyo Ventures Bhd** and its warrants after they hit limit-up over the past two days. The upper limit price for the shares would be maintained at RM1.69 and for the warrants 2020/2023, at 79.5 sen. The shares attracted strong interest over the past two days after it finally executed the build, operate and transfer (BOT) contract valued at US\$3.2bn with Vietnam's Ministry of Industry and Trade. (The Star)

The Roundtable on Sustainable Palm Oil (RSPO) said today it has launched an immediate investigation into new violations by **Sime Darby Plantation Bhd** as alleged by the US Customs and Border Protection (CBP) following the issuance of a withhold release order against the company's palm oil at all US ports of entry. The RSPO has reported that it can confirm that an initial review of audit findings earlier this year did not generate any red flags against Sime Darby Plantation. (The Edge)

Malakoff Corp Bhd's wholly owned subsidiary Tanjung Bin Energy Sdn Bhd (TBE) has proposed to issue RM4.5bn worth of Islamic bonds or sukuk, the proceeds of which will be used to repay money owed by TBE to its 100.0%-owned turnkey contractor. RAM Ratings has assigned a preliminary "AA3/Stable" rating to TBE's proposed RM4.5 bn Islamic medium term notes programme. (The Edge)

Top Builders Capital Bhd (formerly known as Ikhmas Jaya Group Bhd) has obtained court orders to restrain its creditors from taking action against the group and its assets, as well as to summon them to attend meetings for the purpose of discussing restructuring arrangements. The High Court had granted the orders to the piling and engineering group, its wholly owned subsidiary Ikhmas Jaya Sdn Bhd, and indirect wholly owned unit Ikhmas Equipment Sdn Bhd. (The Edge)

Mudajaya Group Bhd's 76.0%-owned indirect subsidiary Bera Hydropower Sdn Bhd has been selected as one of the successful bidders in a competitive Feed-in Tariff e-bidding small hydro tender exercise by the government. Bera Hydropower will enter into a renewable energy power purchase agreement with **Tenaga Nasional Bhd** for the project located in Pahang at the installed capacity and tariff rate of 30MW and 29 sen per kWh respectively for a period of 21 years. (The Edge)

Hong Seng Consolidated Bhd is acquiring a 60.0% stake in Neogenix Laboratoire Sdn Bhd for RM6.5m from Neogenix's shareholder Neoh Cheu An. Neogenix is a medical diagnostic and research laboratory and provides more than 76 tests ranging from infectious diseases, oncology, precision medicine, generic tests and etc.

Separately, the group is acquiring a 32.0% stake in eMedAsia Sdn Bhd from Open Dynamics Sdn Bhd for RM3.0m, via the issuance of 3.0m new Hong Seng shares. eMedAsia currently runs a medical digital platform under the domain name of www.emedasia.com, which provides online clinic appointments and an e-commerce marketplace for clinics to purchase pharmaceutical, medical and healthcare supplies. (The Edge)

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	3A	16-Dec	0.950	1.050	1.100	1.150	0.920	0.910	0.910	-4.2%	Cut loss on 21-Dec
2	PENERGY	31-Dec	1.110	1.170	1.250	1.500	1.000	0.940	1.060	-4.5%	On going
3	SERBADK	31-Dec	1.800	1.810	1.890	2.000	1.690	1.630	1.760	-2.2%	On going
4	HEVEA	4-Jan	0.715	0.780	0.815	0.900	0.680	0.675	0.715	0.0%	Initiate position

1Q21 Stock Picks											
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	AIRASIA	14-Dec	0.920	1.080	1.100	1.200	0.840	0.820	0.885	-3.8%	On-going
2	KMLOONG	14-Dec	1.630	1.750	1.800	1.900	1.550	1.520	1.600	-1.8%	On-going
3	TNLOGIS	14-Dec	0.970	1.150	1.200	1.300	0.900	0.880	0.885	-8.8%	On-going
4	OKA	14-Dec	0.710	0.770	0.810	1.000	0.670	0.650	0.665	-6.3%	On-going
5	MASTER	14-Dec	1.840	2.770	3.000	3.150	1.560	1.500	1.960	6.5%	On-going
6	SOLUTN	14-Dec	1.720	2.000	2.200	2.500	1.340	1.300	1.190	-30.8%	On-going
7	ECONBHD	14-Dec	0.540	0.625	0.705	0.840	0.500	0.480	0.520	-3.7%	On-going
8	OPTIMAX	14-Dec	0.835	1.000	1.080	1.200	0.730	0.700	0.930	11.4%	On-going

Technical Focus Tracker Summary	
Total recommendations	76
Total winners	40
Total losers	33
Portfolio performance (Since 10/6/2020)	296.7%
Accuracy	52.6%
FBM KLCI (Since 10/6/2020)	3.3%
FBM Small Cap (Since 10/6/2020)	25.9%

Upcoming Dividend List

Stock	Entitlement	Description	Declare Date (DD)	Ex-Date	DD Price (RM)	Last Price (RM)	DY (%)	Price Chg Since DD (%)
SCIENX (4731)	Final	RM0.130	18/9/2020	4/1/2021	RM9.50	RM12.68	1.0	33.5
SUPERLN (7235)	2nd Interim	RM0.012	18/12/2020	5/1/2021	RM1.01	RM0.90	1.3	-10.9
HARBOUR (2062)	Interim	RM0.010	24/11/2020	5/1/2021	RM0.66	RM0.83	1.2	25.0
NTPM (5066)	2nd Interim	RM0.008	18/12/2020	5/1/2021	RM0.83	RM0.76	1.1	-8.4
IMASPRO (7222)	Regular Cash	RM0.035	19/10/2020	5/1/2021	RM2.14	RM2.02	1.7	-5.6
KOMARK (7017)	Bonus-Options	1:2	8/10/2020	6/1/2021	RM0.93	RM0.96	-	3.2
SCGM (7247)	2nd Interim	RM0.015	21/12/2020	6/1/2021	RM2.48	RM2.19	0.7	-11.7
TAKAFUL (6139)	Interim	RM0.120	21/12/2020	7/1/2021	RM4.81	RM4.84	2.5	0.6
GREATC (0208)	Bonus	1:1	20/10/2020	7/1/2021	RM8.08	RM9.10	-	12.6
RVIEW (2542)	2nd Interim & Special Cash	RM0.100	18/12/2020	8/1/2021	RM2.95	RM3.13	3.2	6.1
KPOWER (7130)	Stock Split	1:4	28/12/2020	11/1/2021	RM6.77	RM7.23	-	6.8
KPOWER (7130)	Bonus-Options	1:3	29/12/2020	12/1/2021	RM6.70	RM7.23	-	7.9
XINHWA (5267)	Bonus-Options	1:2	29/12/2020	12/1/2021	RM0.45	RM0.46	-	3.4
SCIENX (4731)	Bonus	2:1	18/9/2020	13/1/2021	RM9.50	RM12.68	-	33.5
SCIENX (4731)	Bonus-Options	1:5	18/9/2020	13/1/2021	RM9.50	RM12.68	0.4	33.5
KESM (9334)	Final	RM0.060	26/10/2020	13/1/2021	RM8.22	RM13.58	0.4	65.2
UMCCA (2593)	Interim	RM0.030	15/12/2020	14/1/2021	RM5.20	RM5.10	0.6	-1.9
PTRANS (0186)	Stock Split	1:3	19/11/2020	14/1/2021	RM0.27	RM0.26	-	-2.6
MASTER (7029)	Special Cash	RM0.020	28/12/2020	14/1/2021	RM1.92	RM1.96	1.0	2.1
LATITUD (7006)	Stock Dividend	1:50	27/11/2020	14/1/2021	RM3.91	RM3.85	-	-1.6
BABA (03012)	Interim	RM0.01	30/12/2020	14/1/2021	RM0.17	RM0.17	3.0	0.0
BAUTO (5248)	2nd Interim	RM0.01	10/12/2020	15/1/2021	RM1.50	RM1.45	0.9	-3.3
ULICORP (7133)	Interim	RM0.01	29/12/2020	15/1/2021	RM1.08	RM1.23	0.8	13.9
MESTRON (0207)	Interim	RM0.00	31/12/2020	15/1/2021	RM0.22	RM0.22	0.7	0.0
KRETAM (1996)	Interim	RM0.01	30/12/2020	15/1/2021	RM0.58	RM0.58	1.7	0.0
JFTECH (0146)	Bonus	3:1	5/10/2020	20/1/2021	RM3.83	RM4.96	-	29.5
JFTECH (0146)	Bonus-Options	2:1	5/10/2020	20/1/2021	RM3.83	RM4.96	-	29.5
F&N (3689)	Final	RM0.33	3/11/2020	20/1/2021	RM31.02	RM32.08	1.0	3.4
VS (6963)	Final	RM0.01	27/11/2020	21/1/2021	RM2.40	RM2.59	0.3	7.9
GDEX (0078)	Regular Cash	RM0.00	25/8/2020	21/1/2021	RM0.39	RM0.40	0.5	2.6
KMLOONG (5027)	Special Cash	RM0.03	29/12/2020	22/1/2021	RM1.61	RM1.60	1.9	-0.6
CRESNDO (6718)	Special Cash	RM0.02	29/12/2020	22/1/2021	RM1.02	RM1.13	1.8	10.8
VS (6963)	Interim	RM0.01	17/12/2020	17/2/2021	RM2.63	RM2.59	0.5	-1.5
HOMERIZ (5160)	Final	RM0.02	28/10/2020	17/2/2021	RM0.68	RM0.67	2.2	-2.0
POHKONG (5080)	Regular Cash	RM0.01	23/11/2020	18/2/2021	RM0.81	RM0.83	1.5	2.5
BKAWAN (1899)	Final	RM0.40	9/12/2020	19/2/2021	RM17.84	RM17.90	2.2	0.3
KLK (2445)	Final	RM0.35	9/12/2020	19/2/2021	RM23.70	RM23.68	1.5	-0.1
ASTINO (7162)	Final	RM0.02	27/11/2020	9/3/2021	RM0.72	RM0.97	1.6	34.0
MELATI (5129)	Final	RM0.01	27/10/2020	9/3/2021	RM0.40	RM0.51	2.0	26.3
POHKONG (5080)	Regular Cash	RM0.01	23/11/2020	18/2/2021	RM0.81	RM0.82	1.5	1.2
BKAWAN (1899)	Final	RM0.40	9/12/2020	19/2/2021	RM17.84	RM17.70	2.3	-0.8
KLK (2445)	Final	RM0.35	9/12/2020	19/2/2021	RM23.70	RM24.20	1.4	2.1
ASTINO (7162)	Final	RM0.02	27/11/2020	9/3/2021	RM0.72	RM0.90	1.7	25.0

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