APEX SECURITIES

APEX SECURITIES BERHAD

Thursday, June 6, 2024 | **Daily Highlights**

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Global Markets	Close	Change	5-Day Trend
Dow Jones	38,807.33	0.25%	
S&P 500	5,354.03	1.18%	
Nasdaq	17,187.90	1.96%	
FTSE 100	8,246.95	0.18%	
Nikkei 225	38,490.17	-0.89%	
Shanghai Composite	3,065.40	-0.83%	
Shenzhen	9,393.61	-0.80%	
Hang Seng	18,424.96	-0.10%	
SET	1,338.32	0.07%	
JCI	6,947.67	-2.14%	
Malaysia Markets			
FBM KLCI	1,608.53	-0.43%	
FBM Top 100	11,843.81	-0.34%	
FBM Small Cap	18,772.56	0.03%	
FBM ACE	5,467.61	0.80%	
Market Activities			
Trading Volume (m)	4,282.48	-3.9%	
Trading Value (RM m)	3,401.12	-13.6%	
Trading Participants	**Change**		
Local Institution	-221.23	39.72%	
Retail	-32.43	20.73%	
Foreign	253.66	39.55%	
Market Breadth	**No. of stocks**		5-Day Trend
Advancers	670	55.2%	
Decliners	543	44.8%	
Commodities			
FKLI (Futures)	1,612.50	0.06%	
3M CPO (Futures)	3,906.00	-0.33%	
Rubber (RM/kg)	815.50	-0.92%	
Brent Oil (USD/bbl)	78.41	1.15%	
Gold (USD/oz)	2,333.82	0.94%	
Forex			
USD/MYR	4.6978	0.08%	
SGD/MYR	3.4864	0.04%	
CNY/MYR	0.6482	0.19%	
JPY/MYR	3.0101	-0.09%	
EUR/MYR	5.1081	0.07%	
GBP/MYR	6.0021	-0.02%	

Source: Bloomberg, Apex Securities

Expecting positives to spillover

Market Review & Outlook

- **Malaysia Market Review.** The FBM KLCI (-0.43%) retreated yesterday as profit taking emerged coupled with selling pressure in banking sector heavyweights. Meanwhile, lower liners ended mixed after surging on Tuesday. The Telecommunications & Media (+1.26%) and Technology (+0.53%) sectors remained as the top gainers, while the Energy sector (-1.50%) was the top loser following the dip in international oil prices.

- **Global Markets Review.** Wall street extended gains led by technology heavyweights with the Nasdaq index closed at record high overnight, lifted by cooling job market data and falling of treasury yields. Similarly to European market closed higher led by technology stocks as well ahead of ECB interest rate decisions later this week. Asian stocks market ended mixed with India market recover after a significant sell-off in the previous session as investors evaluated the country's election results.

- **Market Outlook.** The local market is likely to mirror the positive momentum in Wall Street overnight. However, the upside potential of the key index may be capped due to concerns in banking heavyweight following the exclusion of Ambank from the index. Investors will continue to keep an eye on key economic events, including the European interest rate decision and US non-farm payrolls this week. Sector-wise, the technology sector is likely to extend its momentum, taking cue from the surge in the Nasdaq overnight. We remain bullish on logistics counters, particularly freight forwarders, supported by higher international ocean freight rates.

FBM KLCI Technical Review & Outlook

Source: Bloomberg

- **Technical Commentary**: The FBM KLCI erased all its intraday gains before edging lower to close below the middle Bollinger Band. Indicators remained mixed as the MACD Line lingered below the Signal Line, while the RSI remained above 50. The immediate resistance is located at 1,630. Support is envisaged around 1,580.

Company News *(source: various)*.

- The Australia and New Zealand Banking Group Ltd (ANZ) has disposed of its 5.17% stake in **AMMB Holdings Bhd** (AmBank).

- **Wasco Bhd** is optimistic in delivering better profits and revenue from its pipe coating, engineering and bioenergy segments in the next few quarters, supported by its robust order book at RM3.20 billion as well as a tender book of RM7.25 billion.

- Swiss investment bank UBS Group AG has ceased to be a substantial shareholder of **YTL Corp Bhd** after a series of share disposals since February, which eventually led to its shareholding in the company going below the 5% threshold.

- **XOX Bhd** plans to consolidate every 30 of its shares into one share a month after its proposed share capital reduction to set off its accumulated losses.

- **Avaland Bhd** has topped out the Sanderling condominium which is the third phase of the developer's 23-acre freehold Lakefront Residence development in Cyberjaya, has a 90% take-up rate.

- **Nestcon Bhd** whose share price shot up over 20% two weeks ago, announced that its 51%-owned unit Nestcon Sustainable Solutions Sdn Bhd (NSS) has secured a RM3.6 million contract to develop and install a solar photovoltaic (PV) system.

- **Suria Capital Holdings Bhd**, which operates eight major ports in Sabah, said it has entered into a deal to develop a mixed commercial project in the Kota Kinabalu Port area.

- **Sarawak Cable Bhd** is being sued by Serendib Capital Ltd over the termination of the memorandum of agreement between the two parties to undertake a "resuscitation exercise" to revive the loss-making manufacturer.

- **Leong Hup International Bhd**'s group chief executive officer Tan Sri Lau Tuang Nguang has bought a total of 8.88 million shares in the poultry, egg and livestock feed producer over the past week, for about RM5.02 million.

Weekly Corporate Actions

Company	Corporate Actions	Entitlement	Ex-Date	Last Price (RM)	Dividend Yield
Maxis Bhd	Interim	0.04	4/6/2024	3.63	1.1%
Malaysian Pacific Industries B	Interim	0.25	4/6/2024	37.1	0.7%
Hong Leong Industries Bhd	Interim	0.37	4/6/2024	12.06	3.1%
Cahya Mata Sarawak Bhd	Final	0.02	4/6/2024	1.15	1.7%
Aeon Co M Bhd	Final	0.04	5/6/2024	1.41	2.8%
Ayer Holdings Bhd	Final	0.2	5/6/2024	7.31	2.7%
Kkb Engineering Bhd	Final	0.07	5/6/2024	1.82	3.8%
Mesiniaga Bhd	Final	0.025	5/6/2024	1.52	1.6%
Petronas Dagangan Bhd	Interim	0.18	6/6/2024	19.8	0.9%
British American Tobacco Malay	Interim	0.1	6/6/2024	8.9	1.1%
Karex Bhd	Interim	0.005	6/6/2024	0.83	0.6%
Elk-Desa Resources Bhd	Interim	0.03	6/6/2024	1.28	2.3%
Spritzer Bhd	Final	0.055	6/6/2024	2.68	2.1%
Seng Fong Holdings Bhd	Bonus	1:3	6/6/2024	1.22	-
Ifca Msc Bhd	Final	0.005	6/6/2024	0.535	0.9%
Opensys M Bhd	Interim	0.0045	6/6/2024	0.415	1.1%
Klccp Stapled Group	Interim	0.09	7/6/2024	7.6	1.2%
Inari Amertron Bhd	Interim	0.019	7/6/2024	3.25	0.6%
Carlsberg Brewery Malaysia Bhd	Final	0.31	7/6/2024	19.8	1.6%
Uchi Technologies Bhd	Final	0.075	7/6/2024	3.99	1.9%
Amway Malaysia Holdings Bhd	Interim	0.05	7/6/2024	7.4	0.7%
Three-A Resources Bhd	Interim	0.01	7/6/2024	0.945	1.1%
Rgt Bhd	Share Consolidation	3:1	7/6/2024	0.295	-
Country View Bhd	Interim	0.025	7/6/2024	1.44	1.7%

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

Date	Country	Key Events
Monday, 3 June, 2024	JP	Jibun Bank Manufacturing PMI
	CN	Caixin Manufacturing PMI
	EU	HCOB Manufacturing PMI
	UK	S&P Global Manufacturing PMI
	US	S&P Global Manufacturing PMI
	US	ISM Manufacturing PMI
Tuesday, 4 June, 2024	MY	S&P Global Manufacturing PMI
	US	Factory Orders
Wednesday, 5 June, 2024	JP	Jibun Bank Services PMI
	JP	Jibun Bank Composite PMI
	CN	Caixin Services PMI
	CN	Caixin Composite PMI
	EU	HCOB Services PMI
	EU	HCOB Composite PMI
	UK	S&P Global Services PMI
	UK	S&P Global Composite PMI
	EU	Producer Price Index
	US	S&P Global Services PMI
	US	S&P Global Composite PMI
	US	ISM Services PMI
Thursday, 6 June, 2024	EU	Retail Sales
	EU	European Central Bank Interest Rate Decision
Friday, 7 June, 2024	EU	1Q24 GDP Growth Rate (3rd Est)
	US	Unemployment Rate

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

	Jun	Jul	Aug	Sep
CHANGE	21	23	34	27
OPEN	1,604	1,608	1,596	1,598
High	1,624	1,627	1,612	1,619
Low	1,599	1,605	1,592	1,598
Settle	1,622	1,626	1,612	1,619
Volume	17,108	381	92	92
O.I.	47,399	188	1,455	228

Futures Crude Palm Oil

	Jun	Jul	Aug	Sep
CHANGE	-195	-157	-159	-153
OPEN	3,912	3,952	3,946	3,943
High	3,948	3,956	3,951	3,948
Low	3,875	3,901	3,898	3,895
Settle	3,881	3,918	3,921	3,917
Volume	449	7,350	42,636	15,212
O.I.	3,741	31,901	57,887	38,220

Top Market Participants

LOCAL			FOREIGN		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
TENAGA	120322567	13.260	CIMB	207664478	6.890
YTLPOWR	99649393	4.990	TENAGA	187995190	13.260
CIMB	87209147	6.890	PMETAL	152968429	5.820
MAYBANK	72344000	9.980	MAYBANK	115556761	9.980
DNEX	68071375	0.480	PBBANK	69955280	4.130
INARI	58734943	3.410	AMBANK	66708327	4.270
MYEG	51043846	1.090	IJM	59731028	2.890
JCY	50023184	0.615	YTLPOWR	58350777	4.990
PBBANK	48019841	4.130	INARI	57433536	3.410
MAHSING	46202035	1.600	MYEG	51752579	1.090

RETAIL			INSTITUTION		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
DNEX	42038465	0.480	TENAGA	287430334	13.260
JSB	41020709	0.920	CIMB	280022416	6.890
JCY	35470294	0.615	MAYBANK	179962700	9.980
TANCO	30430538	0.935	PMETAL	177317045	5.820
NOTION	29566505	1.530	YTLPOWR	117662952	4.990
DSONIC	27544935	0.520	PBBANK	105297196	4.130
PERTAMA	24402066	2.340	INARI	99794833	3.410
YTLPOWR	24212019	4.990	AMBANK	82981685	4.270
SNS	23453246	0.650	IJM	82002166	2.890
WCT	20688987	0.625	MYEG	75852657	1.090

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RESEARCH RECOMMENDATION FRAMEWORK

STOCK RECOMMENDATIONS
BUY: Total returns* are expected to exceed 10% within the next 12 months.
HOLD: Total returns* are expected to be within +10% to – 10% within the next 12 months.
SELL: Total returns* are expected to be below -10% within the next 12 months.
TRADING BUY: Total returns* are expected to exceed 10% within the next 3 months.
TRADING SELL: Total returns* are expected to be below -10% within the next 3 months.
*Capital gain + dividend yield

SECTOR RECOMMENDATIONS
OVERWEIGHT: The industry defined by the analyst is expected to exceed 10% within the next 12 months.
NEUTRAL: The industry defined by the analyst is expected to be within +10% to – 10% within the next 12 months.
UNDERWEIGHT: The industry defined by the analyst, is expected to be below -10% within the next 12 months.

DISCLAIMER