APEX SECURITIES

APEX SECURITIES BERHAD

Research Team
(603) 7890 8888
research.dept@apexsecurities.com.my

Global Markets	Close	Change	5-Day Trend
Dow Jones	40,539.93	-0.12%	
S&P 500	5,463.54	0.08%	
Nasdaq	17,370.20	0.07%	
FTSE 100	8,292.35	0.08%	
Nikkei 225	38,468.63	2.13%	
Shanghai Composite	2,891.85	0.03%	
Shenzhen	8,514.65	-0.96%	
Hang Seng	17,238.34	1.28%	
SET	1,307.21	1.21%	
JCI	7,288.90	0.01%	
Malaysia Markets			
FBM KLCI	1,624.56	0.72%	
FBM Top 100	12,134.54	0.70%	
FBM Small Cap	19,508.11	0.32%	
FBM ACE	5,779.00	-0.26%	
Market Activities			
Trading Volume (m)	4,226.45	10.4%	
Trading Value (RM m)	2,891.05	7.1%	
Trading Participants	**Change**		
Local Institution	35.48	44.77%	
Retail	-18.29	22.61%	
Foreign	-17.19	32.63%	

Market Breadth	No. of stocks		5-Day Trend
Advancers	634	58.6%	
Decliners	447	41.4%	
Commodities			
FKLI (Futures)	1,626.50	0.22%	
3M CPO (Futures)	3,908.00	-0.18%	
Rubber (RM/kg)	771.50	-0.13%	
Brent Oil (USD/bbl)	79.78	-1.66%	
Gold (USD/oz)	2,392.65	-0.45%	
Forex			
USD/MYR	4.6363	0.46%	
SGD/MYR	3.4513	0.43%	
CNY/MYR	0.6386	0.58%	
JPY/MYR	3.0166	0.10%	
EUR/MYR	5.0243	0.62%	
GBP/MYR	5.9504	0.73%	

Source: Bloomberg, Apex Securities

Temporary cooldown

Market Review & Outlook

- **Malaysia Market Review.** The FBM KLCI (+0.7%) rebounded from recent losses, driven by gains in more than half of the key index components yesterday as bargain hunting emerged. The lower liners also recovered, while the Property sector (+1.9%) outperformed among its sectoral peers.

- **Global Markets Review.** US stock markets turned flattish as investors eagerly awaits on the upcoming release of corporate results and key economic data. The European stock markets closed mostly lower, while Asia stock markets advanced higher with Japan's Nikkei leading gains in the region as the US inflation print raised hopes for a rate cut.

- **Market Outlook.** Although the FBM KLCI managed to march higher to end its losing streak, we believe the recovery might not be sustainable. Investors are likely to adopt a cautious approach while awaiting the Fed's interest rate decision this Thursday. Likewise, we expect the rally on the lower liners to come to a halt as stocks retraced from their overbought levels. Economic wise, investors will be keeping an eye onto a slew of economic data from EU such as 2Q24 GDP data, consumer inflation expectations, business confidence and others that is expected to be release today. Moving forward, we expect to see some trading opportunity in transportation sector after Transport Minister Anthony Loke express hope to develop and enhance the infrastructure at existing ports, aiming to make Malaysia a 'homeport' for cruise ships. Conversely, oil & gas stocks might come under pressure with weakness in Brent oil prices, as traders remain unfazed by the Israel-Hezbollah escalation.

FBM KLCI Technical Review & Outlook

Source: Bloomberg

- **Technical Commentary**: The FBM KLCI rebounded to snap a three-day losing streak as the key index bounced off SMA50. Indicators have turned mixed as the MACD Line hovered below the Signal Line, while the RSI hooked above 50. Immediate resistance located at 1,650. Support is envisaged around 1,580.

Company News *(source: various)*

- **Kelington Group Bhd** has entered into a conditional share sale agreement (SSA) to acquire 2.53 million ordinary shares in Ace Gases Sdn Bhd for RM35.69 million.

- **Paragon Globe Bhd** (PGB) has proposed to acquire two parcels of freehold land in Plentong, Johor Bahru, Johor for RM34.96 million.

- **Datasonic Group Bhd**'s wholly owned unit, Datasonic Technologies Sdn Bhd (DTSB), has secured a contract worth over RM21 million from the Ministry of Economy to rent out 818 vending machines for the implementation of the People's Income Initiative (IPR) programme.

- **Dialog Group Bhd** is adding 150,000 cubic metres of storage for renewable and petroleum products at its Terminal Langsat 3 (DTL3) in Tanjung Langsat, Johor.

- **PMB Technology Bhd** has proposed to undertake a renounceable rights issue of up to 266.78 million new ordinary shares on the basis of six rights shares for every one existing ordinary share held to raise around RM300 million.

- **Ekovest Bhd** is disposing of another four parcels of land along Jalan Pahang in Kuala Lumpur, measuring a total of 2,286 sq m.

- **HB Global Ltd** has appointed Johol ruling chief (Undang Luak Johol) Datuk Johan Pahlawan Lela Perkasa Setiawan Datuk Muhammad Abdullah as its new independent non-executive chairman.

- **Marine & General Bhd** executive chairman and major shareholder, Tan Sri Mohammed Azlan Hashim, and his son Mohammed Zhakri Mohammed Azlan, have exercised a call option to acquire 3.2 million preference shares of Jasa Merin (Malaysia) Sdn Bhd (JMM), a 70%-owned subsidiary of the group.

- **Chin Teck Plantations Bhd**'s net profit nearly doubled to RM22.69 million or 24.83 sen per share for its third quarter ended May 31, 2024, from RM11.44 million or 12.52 sen per share a year earlier, driven by higher revenue.

- **EcoFirst Consolidated Bhd** net profit for its fourth quarter ended May 31, 2024 more than doubled to RM41.51 million compared with the RM17 million reported over the same period a year ago, thanks to higher sales conversion rate for the KL-48 project.

- **Genting Plantations Bhd**’s wholly owned subsidiary, Benih Restu Bhd, has undertaken its first issuance of RM1.2 billion in nominal value of Islamic medium-term notes (sukuk wakalah) under the sukuk wakalah programme of RM2 billion in nominal value of the shariah principle of Wakalah Bi Al-Istithmar.

Weekly Corporate Actions

Company	Corporate Actions	Entitlement	Ex-Date	Last Price (RM)	Dividend Yield
United Malacca Bhd	Interim	0.07	29/7/2024	5.16	1.4%
Xox Bhd	Share Consolidation	30:1	29/7/2024	0.01	-
Pavilion Real Estate Invest	Distribution	0.0453	30/7/2024	1.40	3.2%
Dkls Industries Berhad	Final	0.03	30/7/2024	1.99	1.5%
Sapura Industrial Bhd	Final	0.05	30/7/2024	0.93	5.4%
Pgf Capital Bhd	Final	0.015	31/7/2024	2.25	0.7%
Success Transformer Corp Bhd	Special Cash	0.015	31/7/2024	1.01	1.5%
Kumpulan Fima Bhd	Special Cash	0.03	1/8/2024	2.22	1.4%
Kumpulan Fima Bhd	Interim	0.09	1/8/2024	2.22	4.1%
Kim Hin Joo Bhd	Final	0.001	1/8/2024	0.16	0.6%

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

Date	Country	Key Events
Monday, 29 July, 2024	MY	Producer Price Index
Tuesday, 30 July, 2024	JP	Unemployment Rate
	EU	2Q24 GDP Growth Rate (Flash)
	EU	Business Confidence
	EU	Services Sentiment
	EU	Economic Sentiment
	EU	Industrial Sentiment
	EU	Consumer Inflation Expectations
Wednesday, 31 July, 2024	JP	Retail Sales
	CN	NBS Manufacturing PMI
	CN	NBS Non Manufacturing PMI
	JP	Bank of Japan's Interest Rate Decision
	JP	Consumer Confidence
	US	Chicago PMI
	US	Pending Home Sales
Thursday, 1 August, 2024	US	Federal Reserve Interest Rate Decision
	JP	Jibun Bank Manufacturing PMI
	MY	S&P Global Manufacturing PMI
	CN	Caixin Manufacturing PMI
	EU	HCOB Manufacturing PMI
	UK	S&P Global Manufacturing PMI
	EU	Unemployment Rate
	UK	Bank of England's Interest Rate Decision
	US	S&P Global Manufacturing PMI
	US	ISM Manufacturing PMI
Friday, 2 August, 2024	US	Unemployment Rate
	US	Factory Orders

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

	Aug	Sep	Oct	Nov
CHANGE	13	8	9	10
OPEN	1,619	1,623	1,607	1,616
High	1,630	1,632	1,615	1,622
Low	1,619	1,623	1,607	1,615
Settle	1,627	1,626	1,610	1,619
Volume	45,732	44,510	719	88
O.I.	29,528	39,783	2,225	599

Futures Crude Palm Oil

	Aug	Sep	Oct	Nov
CHANGE	-17	-31	-32	-39
OPEN	3,968	3,905	3,876	3,870
High	4,051	3,986	3,950	3,934
Low	3,968	3,896	3,861	3,847
Settle	4,021	3,944	3,908	3,889
Volume	1,392	8,901	34,525	9,693
O.I.	6,187	34,906	56,635	27,562

Top Market Participants

LOCAL			FOREIGN		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
CIMB	119044589	7.240	CIMB	108362229	7.240
YTLPOWR	79316797	4.750	TENAGA	102519126	14.100
SUNWAY	77486549	4.360	MAYBANK	89831968	10.200
PBBANK	73829591	4.240	PBBANK	68856441	4.240
TENAGA	65660336	14.100	GAMUDA	61370427	7.980
TOPGLOV	61315395	1.160	SUNWAY	60942562	4.360
YTL	54978058	3.560	YTLPOWR	57014970	4.750
MAYBANK	50685868	10.200	PMETAL	55861813	5.360
IJM	50353584	3.590	TM	48900578	7.030
GAMUDA	43265303	7.980	PCHEM	45814779	5.900

RETAIL			INSTITUTION		
Stocks	**Value**	**Price**	**Stocks**	**Value**	**Price**
TANCO	39788066	1.030	CIMB	215894277	7.240
THETA	26908132	2.610	TENAGA	157701004	14.100
EKOVEST	24455303	0.445	PBBANK	126512546	4.240
PERTAMA	23317291	2.160	MAYBANK	124222313	10.200
GOHUB	21602325	1.140	SUNWAY	111608696	4.360
ATAIMS	19876946	0.475	YTLPOWR	105856950	4.750
WCT	18843968	1.280	GAMUDA	92758774	7.980
SNS	16832682	0.845	PMETAL	84731032	5.360
TOPGLOV	16253542	1.160	TM	76537928	7.030
SUNWAY	16199320	4.360	IJM	71364349	3.590

APEX SECURITIES BERHAD – CONTACT LIST

APEX SECURITIES BHD

Head Office:
5th Floor Menara UAC, 12, Jalan PJU 7/5,
Mutiara Damansara,
47800 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

General Line: (603) 7890 8899

Petaling Jaya Office:
16th Floor, Menara Choy Fook Onn,
No.1B Jalan Yong Shook Lin,
46050 Petaling Jaya,
Selangor Darul Ehsan, Malaysia

General Line: (603) 7620 1118

DEALING TEAM

Head Office:
Kong Ming Ming (ext 2002)
Lee Chen Ming (ext 2029)
Shirley Chang (ext 2026)
Ahmad Mujib (ext 2028)
Azfar Bin Abdul Aziz (ext 2031)
Aizzat Bin Mohd Daud (ext 2030)

Institutional Dealing Team:

PJ Office:
General Line: (603) 7620 1118

RESEARCH TEAM

Head Office:
Kenneth Leong (ext 2093)
Steven Chong (ext 2068)
Jayden Tan (ext 2069)
Chelsea Chew (ext 2070)
Tan Sue Wen (ext 2095)

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