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Stay defensive amid global volatility

Market Review & Outlook

Global Markets	Close	Change	5-Day Trend
Dow Jones	38,763.45	-0.60%	
S&P 500	5,199.50	-0.77%	
Nasdaq	16,195.81	-0.05%	
FTSE 100	8,166.88	+0.75%	
Nikkei 225	35,089.62	+0.19%	
Shanghai Composite	2,869.83	0.09%	
Shenzhen	8,449.58	-0.17%	
Hang Seng	16,877.86	+0.38%	
SET	1,290.55	+0.30%	
JCI	7,212.13	+1.16%	

Malaysia Markets	Close	Change	5-Day Trend
FBM KLCI	159187	+1.11%	
FBM Top 100	11,750.81	+0.33%	
FBM Small Cap	18,019.60	+2.59%	
FBM ACE	5,217.47	+3.09%	

Market Activities	Value	Change	5-Day Trend
Trading Volume (m)	5,12148	-19.9%	
Trading Value (RM m)	4,020.10	-24.4%	

Trading Participants	Change	5-Day Trend	
Local Institution	109.25	43.58%	
Retail	-64.39	22.19%	
Foreign	-44.85	34.24%	

Market Breadth	No. of stocks	5-Day Trend	
Advancers	1,070	80.3%	
Decliners	263	19.7%	

Commodities	Close	Change	5-Day Trend
FKLI (Futures)	1,592.00	-0.69%	
3M CPO (Futures)	3,697.00	+0.33%	
Rubber (RM/kg)	770.00	+0.65%	
Brent Oil (USD/bbl)	78.33	+2.42%	
Gold (USD/oz)	2,397.52	-0.50%	

Forex	Close	Change	5-Day Trend
USD/MYR	4.4980	-0.52%	
SGD/MYR	3.3867	-0.45%	
CNY/MYR	0.6268	-0.23%	
JPY/MYR	3.0553	-0.03%	
EUR/MYR	4.9089	-0.53%	
GBP/MYR	5.7163	-0.50%	

Source: Bloomberg, Apex Securities

- Malaysia Market Review.** The FBM KLCI (+1.1%) extended its rebound from oversold position, in line with the positive regional market performance. Lower liners rebounded higher as investors turned risk-on mode amid improved sentiment. Energy, Utilities, and Construction sectors led the sectorial gainers, each rising more than 3%, while the Plantation sector was the sole decliner.
- Global Markets Review.** Wall Street experienced a choppy session, reversing intraday gains to close in the red, led by losses in technology stocks following missed quarterly earnings. In contrast, European markets closed higher, with the main index climbed 1.6%. Asian stock markets extended their rebound, buoyed by a less hawkish tone from Japan's BOJ.
- Market Outlook.** On the global stage, sentiments remain jittery as demonstrated by the volatile sessions on Wall Street, with lingering concerns over economic slowdown. Back to the local bourse today, the stock market is expected to mirror Wall Street's overnight weakness was profit taking activities seeps back into the picture. We advise investors to remain defensive and stay on the sidelines due to ongoing global headwinds such as potential US recessions and geopolitical tensions between Iran and Israel. Despite maintaining a positive longer-term outlook, we continue to favor the Financial and REIT sectors to outperform others, serving as safe havens during this volatility.

FBM KLCI Technical Review & Outlook



Source: Bloomberg

- Technical Commentary:** The FBM KLCI formed another bullish candle as the key index build onto its recovery from the recent sell down. Indicators, however, remained negative as the MACD Line traded below the zero level, while the RSI remain below 50. Immediate resistance is located at 1,600. Support is envisaged around 1,530.

Company News *(source: various)*

- **Uzma Bhd** has accepted a contract award from PTTEP Sarawak Oil Ltd (PTTEP) for the provision of one hydraulic workover unit (HWU) and associated services for PTTEP, pursuant to the latter's letter of award dated July 4, 2024 and subsequently approved on Aug 5, 2024.
- **Willowglen MSC Bhd** has been awarded a contract valued at RM27.82mil from Kadenko Co Ltd, Singapore, for the provision of supervisory control and data acquisition and condition monitoring system, monitoring and control network.
- **Cape EMS Bhd** managing director and chief executive officer Christina Tee Kim Chin continued her divestment of company shares, selling 112.74 million shares for RM53.56 million on Tuesday.
- Businessman Tan Sri Robert Tan Hua Choon is no longer a substantial shareholder of **Paragon Globe Bhd** after selling half of his stake.
- **Heineken Malaysia Bhd's** net profit for second quarter ended June 30, 2024 rose 0.72% to RM91.13 million from RM90.47 million earlier, thanks to lower operating expenses.
- Biscuit maker **Hup Seng Industries Bhd** reported a net profit increase of 3.53% to RM9.03 million, or 1.13 sen per share, for the second quarter ended June 30.
- **Sentral Real Estate Investment Trust**, or Sentral REIT, saw a 30% increase in net property income to RM76.06 million for the first half of FY2024, from RM58.49 million a year ago, driven by contributions from Menara CelcomDigi and key properties like Building 4 and Platinum Sentral.
- **Kawan Renergy Bhd's** subsidiary, Kawan Engineering Sdn Bhd (KESB), secured a RM58 million contract from KAB Energy Holdings Sdn Bhd for mechanical, firefighting, and electrical works at a 52-megawatt power plant in Sipitang, Sabah.

Weekly Corporate Actions

Company	Corporate Actions	Entitlement	Ex-Date	Last Price (RM)	Dividend Yield
Axis Real Estate Investment	Distribution	0.0225	5/8/2024	1.81	1.2%
Perak Transit Bhd	Interim	0.005	5/8/2024	0.68	0.7%
United U-Li Corp Bhd	Interim	0.02	5/8/2024	2.06	1.0%
lgb Real Estate Investment T	Distribution	0.0256	7/8/2024	1.96	1.3%
British American Tobacco Bhd	Interim	0.12	7/8/2024	8.26	1.5%
lgb Commercial Real Estate I	Distribution	0.0097	7/8/2024	0.49	2.0%
Ame Real Estate Investment T	Distribution	0.0184	7/8/2024	1.50	1.2%
Favelle Favco Bhd	Final	0.09	7/8/2024	2.18	4.1%
Sns Network Technology Bhd	Interim	0.0025	7/8/2024	0.76	0.3%
Gamuda Bhd	Interim	0.1	8/8/2024	7.64	1.3%
Uoa Real Estate Investment	Distribution	0.029	8/8/2024	1.10	2.6%
Luxchem Corp Bhd	Interim	0.008	8/8/2024	0.59	1.4%
Kip Reit	Distribution	0.01965	8/8/2024	0.91	2.2%
Engtex Group Bhd	Bonus	3.4	8/8/2024	1.31	-
Betamek Bhd	Interim	0.01	8/8/2024	0.43	2.4%
Master-Pack Group Bhd	Interim	0.06	8/8/2024	4.03	1.5%
Pasdec Holdings Bhd	Final	0.01	8/8/2024	0.30	3.4%
Westports Holdings Bhd	Interim	0.0889	9/8/2024	4.36	2.0%
Dxn Holdings Bhd	Interim	0.009	9/8/2024	0.64	1.4%
Eg Industries Bhd	Interim	0.01	9/8/2024	2.00	0.5%

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

Date	Country	Key Events	
Monday, 5 August, 2024	JP	Bank of Japan Monetary Policy Meeting Minutes	
	JP	Jibun Bank Services PMI	
	JP	Jibun Bank Composite PMI	
	CN	Caixin Services PMI	
	CN	Caixin Composite PMI	
	EU	HCOB Global Services PMI	
	EU	HCOB Global Composite PMI	
	EU	Producer Price Index	
	UK	S&P Global Services PMI	
	UK	S&P Global Composite PMI	
	US	ISM Services PMI	
	Tuesday, 6 August, 2024	EU	Retail Sales
	Thursday, 8 August, 2024	MY	Retail Sales
Friday, 9 August, 2024	CN	Inflation Rate	
	CN	Producer Price Index	
	MY	Industrial Production	
	MY	Unemployment Rate	

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

	Aug	Sep	Oct	Nov
CHANGE	27	27	25	27
OPEN	1,566	1,547	1,552	1,547
High	1,599	1,581	1,583	1,573
Low	1,562	1,545	1,551	1,541
Settle	1,592	1,574	1,578	1,570
Volume	13,701	1,351	346	61
O.I.	38,412	2,461	721	113

Futures Crude Palm Oil

	Aug	Sep	Oct	Nov
CHANGE	-24	-16	-11	3
OPEN	3,869	3,782	3,702	3,670
High	3,870	3,826	3,749	3,712
Low	3,743	3,753	3,679	3,652
Settle	3,800	3,763	3,697	3,673
Volume	93	4,727	37,936	16,105
O.I.	2,431	23,592	56,883	32,488

Top Market Participants

LOCAL			FOREIGN		
Stocks	Value	Price	Stocks	Value	Price
CEB	366891849	0.435	TENAGA	247889306	13.940
TENAGA	153463331	13.940	CIMB	172176713	7.330
YTLPOWR	144628676	4.370	MAYBANK	104298489	10.140
SUNWAY	121809931	3.890	PBBANK	101772395	4.240
CIMB	118489133	7.330	SUNWAY	99110176	3.890
GAMUDA	116908742	7.560	YTLPOWR	98886721	4.370
MYEG	82617104	0.890	YTL	72349323	3.210
INARI	78701351	3.400	GAMUDA	69836614	7.560
WCT	77258816	1.080	TM	65733335	6.950
SIMEPROP	71029319	1.450	SIMEPROP	58173774	1.450

RETAIL			INSTITUTION		
Stocks	Value	Price	Stocks	Value	Price
CEB	184564367	0.435	TENAGA	357804535	13.940
YTLPOWR	50305434	4.370	CIMB	266742466	7.330
TANCO	47068071	0.990	SUNWAY	191042012	3.890
WCT	44036994	1.080	GAMUDA	150432395	7.560
MYEG	34982060	0.890	PBBANK	141197454	4.240
NOTION	33905370	1.700	YTLPOWR	127037572	4.370
PERTAMA	29627419	2.200	MAYBANK	126411176	10.140
SIMEPROP	27490959	1.450	TM	110478171	6.950
THETA	27304685	2.580	INARI	101151422	3.400
SNS	24838543	0.705	BURSA	90720071	9.200

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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.

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