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Lingering optimism

Market Review & Outlook

Global Markets	Close	Change	5-Day Trend
Dow Jones	40,659.76	0.24%	
S&P 500	5,554.25	0.20%	
Nasdaq	17,631.72	0.21%	
FTSE 100	8,311.41	-0.43%	
Nikkei 225	38,062.67	3.64%	
Shanghai Composite	2,879.43	0.07%	
Shenzhen	8,349.87	-0.24%	
Hang Seng	17,430.16	1.88%	
SET	1,303.00	0.02%	
JCI	7,432.09	0.30%	

Malaysia Markets	Close	Change	5-Day Trend
FBM KLCI	1623.90	0.68%	
FBM Top 100	11976.09	0.74%	
FBM Small Cap	18,391.16	1.18%	
FBM ACE	5,398.98	1.64%	

Market Activities	Value	Change
Trading Volume (m)	3,228.34	-9.6%
Trading Value (RM m)	2,757.35	-0.6%

Trading Participants	Change
Local Institution	-194.55 45.82%
Retail	-93.78 23.52%
Foreign	288.34 30.66%

Market Breadth	No. of stocks	5-Day Trend
Advancers	811 72.0%	
Decliners	316 28.0%	

Commodities	Close	Change
FKLI (Futures)	1,625.00	0.53%
3M CPO (Futures)	3,681.00	-0.41%
Rubber (RM/kg)	785.50	0.06%
Brent Oil (USD/bbl)	79.68	-0.38%
Gold (USD/oz)	2,508.01	-0.11%

Forex	Close	Change
USD/MYR	4.4323	0.12%
SGD/MYR	3.3605	0.22%
CNY/MYR	0.6187	-0.04%
JPY/MYR	3.0027	0.16%
EUR/MYR	4.8711	0.32%
GBP/MYR	5.7201	-0.28%

Source: Bloomberg, Apex Securities

- Malaysia Market Review.** The FBM KLCI (+0.7%) ended the week on a positive note after Bank Negara announced 2Q24 GDP growth of +5.9%, highlighting Malaysia's robust economic strength. Similarly, the lower liners also rebounded, while the energy sector (+2.5%) was the biggest winner among the other mostly positive sectoral peers.
- Global Markets Review.** US stock markets extended their rally on last Friday, as retail sales data released Thursday came in much stronger than expected, while weekly jobless claims fell. European stock markets remained strong, led by gains in automotive and oil and gas shares, while Asian stock markets finished mostly higher.
- Market Outlook.** Despite the rebound in the FBM KLCI, we reckon that profit taking activities may resurface as the key index approaches the 1,630 resistance level. That said, spill over positive sentiment from Wall Street along with the return of foreign funds may provide some support to the local bourse. For now, investors will be monitoring onto the upcoming barrage of corporate earnings release later this week. On the global front, all eyes will focus onto speeches from Fed governor Waller. We favor the consumer sector in light of the recent salary adjustment for civil servants, which is expected to boost spending activity. Also, gold-related stocks remain appealing on the back of softer US Dollar, supported by the widely anticipated upcoming rate cut next month.

FBM KLCI Technical Review & Outlook



Source: Bloomberg

- Technical Commentary:** The FBM KLCI formed a gap up to extend its gains for the sixth straight session and stayed above SMA50 last Friday. Indicators remained positive as the MACD Line climbed above the Signal Line, while the RSI hovered above 50. The immediate resistance is located at 1,630. Support is envisaged around 1,580.

Company News *(source: various)*

- **CelcomDigi Bhd**'s net profit rose 18% in the second quarter to RM406.02 million, compared to RM342.52 million a year earlier, driven by lower depreciation charges and tax incentives.
- **Genting Bhd** is seeking legal advice following allegations by the Nevada gaming regulator that it failed to ban criminals from its Resorts World Las Vegas.
- **MNRB Holdings Bhd**'s net profit for its first quarter ended June 30, 2024 surged 32.6% to RM92.2 million from RM69.54 million a year ago, driven by stronger reinsurance and general takaful businesses.
- Engineering supporting services provider **SFP Tech Holdings Bhd**'s net profit for 2QFY2024 grew by 21.22% to RM12.89 million from RM10.63 million a year earlier, driven by higher orders in its engineering supporting services (ESS) segment.
- **SBC Corporation Bhd** is selling a 2.2-acre land in Kuala Lumpur for RM36.6 million to MEGX Holdings Sdn Bhd.
- **Mi Technovation Bhd**'s net profit for the second quarter ended June 30, 2024 increased by 21.3% to RM27.6 million from RM22.7 million in the same period last year, supported by higher revenue.
- **Bumi Armada Bhd**'s subsidiary, Bumi Armada Holdings Labuan Ltd, has secured syndicated facilities totalling up to US\$400 million (RM1.77 billion) to refinance a RM1.5 billion sukuk issued in 2014.
- Privately owned rail construction company Dhaya Maju Infrastructure (Asia) Sdn Bhd has agreed to acquire up to a 51% stake in electrical engineering firm **Pestech International Bhd**.
- **Petronas Chemicals Group Bhd** reported a 24% increase in net profit for the second quarter ended June 30, 2024, rising to RM777 million from RM628 million a year earlier, driven by higher sales volume and finance income.
- **LKL International Bhd** announced a partnership with Karl Group to explore and collaborate on hospital furniture manufacturing in the Philippines.
- **ITMAX System Bhd** has secured an additional RM539.46 million order from Kuala Lumpur City Hall (DBKL) to install 5,000 more surveillance cameras and video signages in Kuala Lumpur.
- Parkson Retail Asia Ltd (PRA), a 67.96%-owned subsidiary of **Parkson Holdings Bhd** has applied to exit the Singapore Exchange (SGX) watch-list, as its average daily market capitalisation has surpassed the S\$40 million threshold.

Weekly Corporate Actions

Company	Corporate Actions	Entitlement	Ex-Date	Last Price (RM)	Dividend Yield
Abf Malaysia Bond Index Fund	Income	0.0404	19/8/2024	126	3.2%
Seg International Bhd	Interim	0.01	19/8/2024	0.63	16%
Tambun Indah Land Bhd	Final	0.039	19/8/2024	106	3.7%
Tower Real Estate Investment	Distribution	0.0077	19/8/2024	0.31	2.5%
Ftse Bursa Malaysia Klici Etf	Income	0.028	19/8/2024	172	16%
Yinson Holdings Bhd	Interim	0.01	20/8/2024	2.68	0.4%
Bursa Malaysia Bhd	Interim	0.18	20/8/2024	9.49	19%
Zhulian Corp Bhd	Interim	0.02	20/8/2024	123	16%
Sentral Reit	Distribution	0.0321	21/8/2024	0.82	3.9%

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

Date	Country	Key Events
Monday, 19 August, 2024	JP	Machinery Orders
Tuesday, 20 August, 2024	EU	Inflation Rate
Thursday, 22 August, 2024	US	FOMC Minutes
	MY	Inflation Rate
	US	Existing Home Sales
Friday, 23 August, 2024	JP	Inflation Rate
	US	Fed Chair Powell Speech
	US	New Home Sales

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

	Sep	Oct	Nov	Dec
CHANGE	9	9	12	11
OPEN	1,620	1,600	1,608	1,593
High	1,630	1,611	1,616	1,602
Low	1,619	1,600	1,608	1,592
Settle	1,625	1,606	1,612	1,598
Volume	8,043	514	101	121
O.I.	37,756	2,494	766	131

Futures Crude Palm Oil

	Sep	Oct	Nov	Dec
CHANGE	-24	-113	-74	-39
OPEN	3,669	3,748	3,688	3,669
High	3,710	3,788	3,734	3,715
Low	3,648	3,740	3,672	3,650
Settle	3,653	3,752	3,681	3,659
Volume	4,740	13,443	25,981	9,586
O.I.	21,964	43,485	44,841	25,793

Top Market Participants

LOCAL			FOREIGN		
Stocks	Value	Price	Stocks	Value	Price
SPSETIA	112875709	1.300	CIMB	164027962	7.660
MAYBANK	112618749	10.260	MAYBANK	139694489	10.260
TENAGA	94857491	13.860	TENAGA	108854866	13.860
PBBANK	94779876	4.290	SUNWAY	81267318	4.190
CIMB	68701845	7.660	SPSETIA	79141827	1.300
SIMEPROP	68405011	1.390	PBBANK	70536076	4.290
YTLPOWR	61117943	4.360	SIMEPROP	68222140	1.390
YTL	55802856	3.490	YTLPOWR	47643013	4.360
GAMUDA	53222504	7.400	PCHEM	46531068	5.630
MISC	50571182	8.610	TM	45184429	6.900

RETAIL			INSTITUTION		
Stocks	Value	Price	Stocks	Value	Price
TANCO	38152178	1.050	MAYBANK	232250785	10.260
SPSETIA	35538571	1.300	CIMB	216049760	7.660
CEB	27818240	0.420	TENAGA	196925440	13.860
SIMEPROP	24917366	1.390	PBBANK	148439870	4.290
PERTAMA	23249972	2.150	SPSETIA	125754871	1.300
YTLPOWR	19159697	4.360	SUNWAY	117777383	4.190
XL	16337605	0.790	MISC	91994907	8.610
PCHEM	16263409	5.630	TM	90396701	6.900
TOPGLOV	16048758	0.950	SIMEPROP	88545485	1.390
PESTECH	15754255	0.200	YTL	74135193	3.490

APEX SECURITIES BERHAD – CONTACT LIST

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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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