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Weakness from Wall Street may spillover

Market Review & Outlook

| Global Markets | Close | Change | 5-Day Trend |
|--------------------|-----------|--------|-------------|
| Dow Jones | 42,514.95 | -0.96% | |
| S&P 500 | 5,797.42 | -0.92% | |
| Nasdaq | 18,276.65 | -0.60% | |
| FTSE 100 | 8,258.64 | -0.58% | |
| Nikkei 225 | 38,104.86 | -0.80% | |
| Shanghai Composite | 3,302.80 | -0.52% | |
| Shenzhen | 10,576.41 | -0.16% | |
| Hang Seng | 20,760.15 | -0.27% | |
| SET | 1,470.32 | -0.24% | |
| JCI | 7,787.57 | -0.02% | |

| Malaysia Markets | Close | Change | 5-Day Trend |
|------------------|-----------|--------|-------------|
| FBM KLCI | 1,641.53 | -0.06% | |
| FBM Top 100 | 12,071.20 | 0.00% | |
| FBM Small Cap | 17,350.28 | -0.25% | |
| FBM ACE | 5,095.38 | -0.13% | |

| Market Activities | Trading Volume (m) | Trading Value (RM m) |
|----------------------|--------------------|----------------------|
| Trading Volume (m) | 3,238.43 | 214% |
| Trading Value (RM m) | 2,642.98 | 6.1% |

| Trading Participants | Change |
|----------------------|---------------|
| Local Institution | 124.59 45.82% |
| Retail | -77.24 23.52% |
| Foreign | -47.35 30.66% |

| Market Breadth | No. of stocks | 5-Day Trend |
|----------------|---------------|-------------|
| Advancers | 579 56.0% | |
| Decliners | 455 44.0% | |

| Commodities | Close | Change | 5-Day Trend |
|---------------------|----------|--------|-------------|
| FKLI (Futures) | 1,642.00 | -0.37% | |
| 3M CPO (Futures) | 4,486.00 | -0.25% | |
| Rubber (RM/kg) | 86150 | -0.69% | |
| Brent Oil (USD/bbl) | 74.96 | -0.42% | |
| Gold (USD/oz) | 2,750.87 | -0.15% | |

| Forex | Close | Change | 5-Day Trend |
|---------|--------|--------|-------------|
| USD/MYR | 4.3512 | -0.53% | |
| SGD/MYR | 3.2951 | -0.16% | |
| CNY/MYR | 0.6103 | -0.44% | |
| JPY/MYR | 2.8474 | -0.05% | |
| EUR/MYR | 4.6918 | -0.23% | |
| GBP/MYR | 5.6469 | -0.58% | |

Source: Bloomberg, Apex Securities

- Malaysia Market Review.** The FBM KLCI (-0.1%) ended with little change amid cautious trading in the broader market. The lower liners were mixed, while the Telecom sector (+0.4%) outperformed the mostly positive sectorial peers.
- Global Markets Review.** US stock markets ended with sharp losses as uncertainty surrounding the US presidential election has dampened investors risk appetite, while the Fed Beige Book highlights economic activity was mostly flattish. The European retreated with most sectors in the red, reflecting cautious sentiment on the recent upswing in US treasury yield, while Asia stock markets ended mostly positive.
- Market Outlook.** We anticipate the FBM KLCI index to maintain a negative trajectory today as sentiment is expected to drag by heightened geopolitical tensions and surging Treasury yields in the US, prompting a risk-off sentiment. We advise investors to consider accumulating fundamentally sound stocks during this period of weakness. Meanwhile, we also gather that foreign funds have turned net selling position for the first time in seven trading session. Over the interim, key focus lies onto the release of Malaysia inflation rate which will be release today. With the on-going volatility, we advocate investor to be defensive, focusing on gold-related stock and utilities sector. Meanwhile, the technology sector may stage a pullback in line with the weakness on Nasdaq overnight.

FBM KLCI Technical Review & Outlook



Source: Bloomberg

- Technical Commentary:** The FBM KLCI formed another bearish candle to erase all its intraday gains as the key index continues to trade in a tight range. Indicators remained mixed as MACD Line hovered above the Signal Line, while the RSI traded below 50. Immediate resistance is located at 1,675. Support is envisaged around 1,600.

Company News *(source: various)*

- **Capital A Bhd** has terminated an agreement with Aetherium Acquisition Corp meant to pave the way for it to inject its AirAsia brand management business into the Nasdaq-listed special purpose acquisition company (SPAC) for US\$1.15 billion (RM5 billion).
- **ABM Fujiya Bhd** said Chinese battery maker Jujiang Power Technology Co Ltd will subscribe for a 40% stake worth RM48 million in one of its wholly-owned unit.
- **Protasco Bhd** said its affordable housing project awarded by Perbadanan Putrajaya in 2022 to its wholly-owned subsidiary Protasco Development Sdn Bhd has been revised with a new name and with a lower number of units.
- Construction and engineering company **LFE Corp Bhd** has secured a related-party construction contract worth RM81.71 million.
- **TAS Offshore Bhd** has secured shipbuilding contracts for eight units of tugboats worth about RM49.1 million.
- **Kerjaya Prospek Group Bhd**, via its wholly-owned subsidiary Kerjaya Prospek (M) Sdn Bhd, has secured two new contracts from Pixel Valley Sdn Bhd and Greencove Sdn Bhd totalling RM34.4 million.
- **Leong Hup International Bhd** has appointed Chong Choon Yeng as its new chief financial officer (CFO), effective Jan 1, 2025. Chong, 53, last Friday (Oct 18) left the same position at **Tan Chong Motor Holdings Bhd** after four years at the Nissan vehicle franchise holder company.
- **MNRB Holdings Bhd's** second quarter net profit more than doubled to RM92.74 million, from RM41.57 million a year earlier, on the back of an RM85 million jump in the group's insurance service earnings amid improved claims.
- Steel pipes, valves and fittings solutions provider **Pantech Group Holdings Bhd** said its second quarter net profit fell 27% to RM20.74 million from RM28.42 million a year earlier, hurt by lower sales delivery to local oil and gas (O&G) projects at its trading division and foreign exchange losses.

Weekly Corporate Actions

| Company | Corporate Actions | Entitlement | Ex-Date | Last Price (RM) | Dividend Yield |
|---------------------------|-------------------|-------------|------------|-----------------|----------------|
| My Eg Services Bhd | Interim | 0.003 | 21/10/2024 | 0.91 | 0.3% |
| Kim Loong Resources Bhd | Interim | 0.050 | 22/10/2024 | 2.42 | 2.1% |
| Crescendo Corporation Bhd | Special Cash | 0.050 | 22/10/2024 | 155 | 3.2% |
| Crescendo Corporation Bhd | Interim | 0.010 | 22/10/2024 | 155 | 0.6% |
| Rhone Ma Holdings Bhd | Interim | 0.005 | 22/10/2024 | 0.70 | 0.7% |
| Apollo Food Holdings Bhd | Final | 0.050 | 23/10/2024 | 6.66 | 0.8% |
| Keck Seng (Malaysia) Bhd | Interim | 0.050 | 24/10/2024 | 5.91 | 0.8% |
| Atlan Holdings Berhad | Interim | 0.038 | 24/10/2024 | 2.58 | 15% |
| Chin Well Holdings Bhd | Interim | 0.018 | 24/10/2024 | 1.02 | 17% |
| Globaltec Formation Bhd | Final | 0.007 | 24/10/2024 | 0.49 | 14% |

Source: Bloomberg, Apex Securities

Weekly Economic Highlights

| Date | Country | Key Events |
|-----------------------------|---------|-------------------------------------|
| Monday, 21 October, 2024 | MY | 3Q24 GDP Growth Rate (Preliminary) |
| Wednesday, 23 October, 2024 | US | Existing Home Sales |
| Thursday, 24 October, 2024 | US | Fed Beige Book |
| | MY | Inflation Rate |
| | US | Chicago Fed National Activity Index |
| | US | New Home Sales |
| Friday, 25 October, 2024 | US | Michigan Consumer Sentiment (Final) |

Source: TradingEconomics, Apex Securities

Futures Markets

Futures Kuala Lumpur Composite Index

| | Nov | Dec | Jan | Feb |
|---------------|--------|-------|-------|-------|
| CHANGE | -1 | -1 | -2 | 1 |
| OPEN | 1,643 | 1,646 | 1,650 | 1,639 |
| High | 1,647 | 1,650 | 1,652 | 1,640 |
| Low | 1,641 | 1,645 | 1,648 | 1,637 |
| Settle | 1,642 | 1,646 | 1,648 | 1,636 |
| Volume | 3,418 | 160 | 60 | 17 |
| O.I. | 40,070 | 730 | 1,060 | 425 |

Futures Crude Palm Oil

| | Nov | Dec | Jan | Feb |
|---------------|--------|--------|--------|--------|
| CHANGE | 92 | 101 | 99 | 95 |
| OPEN | 4,324 | 4,419 | 4,397 | 4,349 |
| High | 4,416 | 4,540 | 4,514 | 4,468 |
| Low | 4,297 | 4,409 | 4,384 | 4,345 |
| Settle | 4,392 | 4,514 | 4,486 | 4,443 |
| Volume | 8,558 | 10,171 | 48,325 | 8,610 |
| O.I. | 21,700 | 45,779 | 88,050 | 23,230 |

Top Market Participants

| LOCAL | | | FOREIGN | | |
|----------|-----------|--------|---------|-----------|--------|
| Stocks | Value | Price | Stocks | Value | Price |
| GAMUDA | 137763712 | 8.540 | CIMB | 229688223 | 8.160 |
| IHH | 99064029 | 7.230 | TENAGA | 195471471 | 14.460 |
| TENAGA | 84472960 | 14.460 | GAMUDA | 136500439 | 8.540 |
| SUNWAY | 70124729 | 4.480 | PBBANK | 118566635 | 4.550 |
| 99SMART | 64568283 | 2.440 | MAYBANK | 85846439 | 10.620 |
| CIMB | 63669378 | 8.160 | HLBANK | 65442890 | 21.180 |
| RHBBANK | 61414193 | 6.410 | IHH | 53076539 | 7.230 |
| MYEG | 52980050 | 0.885 | MYEG | 47858660 | 0.885 |
| MAYBANK | 40088944 | 10.620 | TM | 33455730 | 6.580 |
| SIMEPROP | 39680070 | 1.480 | 99SMART | 33101227 | 2.440 |

| RETAIL | | | INSTITUTION | | |
|----------|----------|-------|-------------|-----------|--------|
| Stocks | Value | Price | Stocks | Value | Price |
| TANCO | 28412328 | 1.380 | CIMB | 288197624 | 8.160 |
| GAMUDA | 27907566 | 8.540 | TENAGA | 272991295 | 14.460 |
| 99SMART | 22705689 | 2.440 | GAMUDA | 217181573 | 8.540 |
| MYEG | 22030598 | 0.885 | IHH | 141636782 | 7.230 |
| CAPITALA | 20200674 | 0.975 | PBBANK | 140641673 | 4.550 |
| TANCO-WC | 16721350 | 1.100 | MAYBANK | 116008207 | 10.620 |
| BAHVEST | 14640200 | 0.800 | HLBANK | 99531364 | 21.180 |
| HTPADU | 14199017 | 3.890 | RHBBANK | 84396838 | 6.410 |
| YTL | 13131838 | 2.210 | SUNWAY | 81207911 | 4.480 |
| YTLPOWR | 12053766 | 3.400 | TM | 69645647 | 6.580 |

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

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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