



DAILY NEWSWATCH

MARKET REVIEW

Malaysian stocks retreated as investors took profit after the recent rebound. Market breadth was negative with 430 losers versus 348 gainers. The technology sector was the top percentage loser falling by 1.46%, while the construction sector was the only sector to finish in the green. Malaysian Pacific Industries (3867) was the top loser declining by RM1.08 or 2.88% in line with weakness in technology counters. The FBM KLCI decreased by 0.91% to 1,583.42.

We expect Malaysian equities to rebound following news that Russia said it will drastically cut military activity near Kyiv.

ECONOMICS

- **Russia** says it will drastically cut military activity near Kyiv, Chernihiv

COMPANY

- **Glomac (5020)** says 3Q profit fell as property development business hit by MCO
- **Hiap Teck's (5072)** 2Q net profit falls 6% amid lower sales volume
- **Kim Loong Resources's (5027)** 4Q net profit triples, proposes 5 sen dividend
- **LB Aluminium's (9326)** 3Q net profit slips marginally despite higher revenue
- **SCGM (7247)** 3Q net profit down 22.46% on higher input costs; 1.4 sen dividend declared
- **Yinson (7293)** 4Q net profit declines slightly to RM65m, declares two sen dividend

EXPRESSO FOR THE DAY

- **Technical Watch – Senheng (5305)** – Entry Price RM0.82, Target Price RM0.90, Stop Loss RM0.70, Support RM0.78, Resistance RM0.87
- **Technical Watch – BDB (6173)** – Entry Price RM0.67, Target Price RM0.73, Stop Loss RM0.57, Support RM0.63, Resistance RM0.88

Local	Close	(%)
FBMKLCI	1,583.42	(0.9)
Volume (mil)	2,610.0	8.7
Value (RMmil)	1,971.4	4.3
Gainers	348	
Losers	430	
Unchanged	556	
Foreign		(%)
Dow Jones	35,294.2	1.0
Nasdaq CI	14,619.6	1.8
S&P 500	4,631.6	1.2
FTSE 100	7,537.3	0.9
Nikkei 225	28,252.4	1.1
Shanghai CI	3,203.9	(0.3)
HSI	21,927.6	1.1
STI	3,433.9	0.1
Most Active	RM	Chg
SAPNRG	0.040	0.005
CSH	0.150	0.005
BSLCORP	0.170	(0.015)
SMTRACK	0.080	(0.005)
PASUKGB	0.020	(0.005)
Top Gainer	RM	Chg
FANG-2XL	12.540	0.540
PANAMY	28.400	0.380
HEIM	22.500	0.300
KESM	8.780	0.280
DLADY	32.400	0.200
Top Loser	RM	Chg
MPI	36.400	(1.080)
NESTLE	135.000	(1.000)
PEIDAG	20.700	(0.660)
F&N	20.860	(0.440)
YINSON	4.490	(0.360)
Other Stats		(%)
USD/MYR	4.21	(0.07)
USD/RMB	6.36	(0.12)
Brent (USD/barrel)	110.23	(2.00)
Gold (USD/troy oz)	1,919.43	(0.18)
CPO (USD/metric t)	6688.5	4.80

**DAILY NEWSWATCH****ECONOMICS**

Russia has decided to drastically cut military activity around Kyiv and Chernihiv in Ukraine, its deputy defence minister said on Tuesday, after talks between Russian and Ukrainian negotiating teams in Istanbul. (The Edge)

COMPANY

Glomac Bhd (5020) has said its earnings for 3QFY22 slipped as revenue was impacted by the Movement Control Order and a weaker market sentiment. (The Edge)

Hiap Teck Venture Bhd (5072) posted a 6% decline in its net profit to RM28.24m for 2QFY22, from RM30.05m in the previous year's corresponding quarter, due to lower sales. (The Edge)

Kim Loong Resources Bhd's (5027) net profit for 4QFY22 jumped more than three folds to RM31.55m from RM10m a year ago, driven by higher palm oil prices. (The Edge)

LB Aluminium Bhd's (9326) net profit fell marginally by 0.58% to RM14.79m for 3QFY22, from RM14.88m a year earlier, due to a higher tax provision and losses in its property business. (The Edge)

SCGM Bhd (7247) posted a 22.46% decline in net profit for 3QFY22 to RM6.28m from RM8.1m a year ago, mainly dragged by higher prices of resin, additives, chemicals and packaging. (The Edge)

Yinson Holdings Bhd (7293) has posted a 3% drop in net profit to RM65m for 4QFY22 from RM67m in the previous year's corresponding quarter, mainly due to higher financing costs arising from the drawdown of a RM1bn sustainability-linked sukuk in December 2021 and fair value losses on other investments of RM29m. (The Edge)



Senheng New Retail Berhad

Technical Watch - "BUY on Potential Upside"

Bloomberg: SENHENG MK | KLSE Stock Code: 5305

Main Market
Consumer
Subsector – Retailers

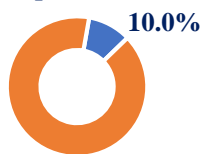
Current Price : RM0.82
Target Price : RM0.90

Investment Highlights

On a sideways, the stock is currently trading below the MA20. We think that there is a potential reversal supported by a potential morning star, rising momentum on the stock (RSI > 45), and lower volatility on the back of a contracting bollinger bands.

With lower volatility, we think that prices could potentially trade higher with lesser downside risk for the week. Trading within 2SD, we project a 10% upside to the current price, with the potential to trade above the upper band of the bollinger bands before retracing subsequently.

Potential Upside



Bloomberg Analyst Ratings



Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	N/A	N/A	N/A
P/B	N/A	N/A	N/A
P/CF	N/A	N/A	N/A
P/S	N/A	N/A	N/A

*CF – Cashflow per share, S – Sales per share

Company Overview

Senheng New Retail Berhad operates as an e-commerce company. The Company retails consumer electrical and electronic products. Senheng New Retail serves customers worldwide.



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Entry Price	RM0.82
Market Cap (m)	RM1,230.0
52w high	RM1.04
52w low	RM0.77
Stop Loss	RM0.70
Immediate Support	RM0.78
Immediate Resistance	RM0.87
Moving Average (EMA)	Bearish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	More volatile over the long run, price trading on the lower band.
RSI	Rising Momentum
Volume (4-Weeks Average)	7,884,476.2



Bina Darulaman Berhad

Technical Watch - "BUY on Potential Reversal"

Bloomberg: DRLM MK | KLSE Stock Code: 6173

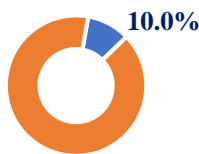
**Main Market
Property
Subsector – Property****Current Price : RM0.67
Target Price : RM0.73**

Investment Highlights

On a downtrend, the stock is currently trading below the MA20. We think that there is a potential reversal supported by a bullish engulfing, strong momentum (RSI > 40), and higher volatility on the back of a widening bollinger bands.

With higher volatility, we think that prices could potentially trade higher with more downside risk for the week. Trading within 2SD, we project a 10% upside to the current price, with the potential to trade above the upper band of the bollinger bands before retracing subsequently.

Potential Upside



Bloomberg Analyst Ratings

**Buys: 0
Holds: 0
Sells: 0**

Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	23.3	18.8	10.5
P/BV	0.3	0.3	0.3
P/CF	6.1	4.2	4.3
P/S	0.6	0.6	0.5

*CF – Cashflow per share, S – Sales per share

Company Overview

Bina Darulaman Berhad is an investment holding company which operates oil palm plantations. The Company, through its subsidiaries, provides building and general contractor, granite quarry operation, civil engineering, film production house, and events management service. Bina Darulaman also operates in property development and investment as well as golf resort.

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Entry Price	RM0.67
Market Cap (m)	RM202.1
52w high	RM0.89
52w low	RM0.41
Stop Loss	RM0.57
Immediate Support	RM0.63
Immediate Resistance	RM0.88
Moving Average (EMA)	Bearish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	More volatile over the long run, price trading outside on the lower band.
RSI	Rising Momentum
Volume (4-Weeks Average)	3,565,733.3



TECHNICAL ANALYSIS SCOREBOARD

Recommendation Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
3/3/2022	Rsawit	5113	0.290	0.240	0.280	0.325	-2.0	-17.2	Stop Loss Triggered
3/3/2022	TDM	2054	0.295	0.280	0.280	0.330	0.0	-5.1	-
4/3/2022	SOP	5126	6.650	5.550	6.500	7.320	-2.1	-16.5	Stop Loss Triggered
4/3/2022	TSH	9095	1.700	1.710	1.600	1.870	3.6	0.6	-
7/3/2022	Lctitan	5284	2.350	2.180	2.590	2.200	0.9	-7.2	-
7/3/2022	Leonfuat	5232	0.835	0.795	0.920	0.815	-1.9	-4.8	-
8/3/2022	Tomei	7230	1.200	1.000	1.100	1.310	0.5	-16.7	Stop Loss Triggered
8/3/2022	Pohkong	5080	0.940	0.840	0.900	1.040	1.2	-10.6	-
9/3/2022	Coastal	5071	1.650	1.820	1.500	1.820	1.1	10.3	TP Achieved
9/3/2022	Mcement	3794	2.150	2.400	2.000	2.400	-1.2	11.6	TP Achieved
10/3/2022	Unisem	5005	2.550	3.140	2.400	2.800	-3.4	23.1	TP Achieved
10/3/2022	TSH	9095	1.700	1.710	1.600	1.870	3.6	0.6	-
10/3/2022	FLBHD	5197	1.390	1.390	1.300	1.530	-1.4	0.0	-
10/3/2022	SAM	9822	4.180	4.720	4.100	4.600	-0.4	12.9	TP Achieved
14/3/2022	MYEG	0138	0.970	0.975	0.950	1.070	-1.0	0.5	-
14/3/2022	MSM	5202	0.850	0.875	0.830	0.935	-0.6	2.9	TP Achieved
15/3/2022	PUC	0007	0.130	0.125	0.120	0.145	-7.4	-3.8	TP Achieved
15/3/2022	QL	7084	4.850	4.950	4.700	5.310	0.0	2.1	-
16/3/2022	Jtiasa	4383	0.920	1.010	0.900	1.010	-1.0	9.8	TP Achieved
16/3/2022	Bursa	1818	6.350	6.950	6.200	6.980	1.9	9.4	TP Achieved
17/3/2022	Hibiscus	5199	1.000	1.170	0.950	1.180	0.9	17.0	TP Achieved
17/3/2022	Armada	5210	0.375	0.415	0.350	0.410	-2.4	10.7	TP Achieved
18/3/2022	Senheng	5305	0.830	0.820	0.710	0.910	0.0	-1.2	-
18/3/2022	FLBHD	5197	1.410	1.390	1.210	1.550	-1.4	-1.4	-
21/3/2022	TDM	2054	0.270	0.280	0.230	0.300	0.0	3.7	-
21/3/2022	RSAWIT	5113	0.240	0.240	0.200	0.260	-2.0	0.0	-
22/3/2022	Greatec	0208	4.230	4.610	3.620	4.650	-2.9	9.0	TP Achieved
22/3/2022	D&O	7204	4.280	4.520	3.660	4.710	-0.7	5.6	TP Achieved
23/3/2022	Greatec	0208	4.410	4.610	3.770	4.850	-2.9	4.5	TP Achieved
23/3/2022	Jtiasa	4383	1.010	1.010	0.860	1.110	-1.0	0.0	-
24/3/2022	Unisem	5005	3.200	3.140	2.740	3.520	-3.4	-1.9	-
24/3/2022	Penta	7160	4.090	3.640	3.500	4.500	-1.9	-11.0	-
25/3/2022	Revenue	0200	1.650	1.550	1.410	1.820	-4.3	-6.1	-
25/3/2022	Jadem	7043	0.780	0.775	0.660	0.850	-0.6	-0.6	-
28/3/2022	Opcom	0035	0.800	0.810	0.680	0.870	1.3	1.3	-
28/3/2022	Tafi	7211	0.790	0.765	0.670	0.860	-3.2	-3.2	-
29/3/2022	NWP	5025	0.250	0.250	0.210	0.280	2.0	0.0	-
29/3/2022	Tanco	2429	0.320	0.300	0.270	0.350	-6.3	-6.3	-
30/3/2022	Senheng	5305	0.820	0.820	0.700	0.900	0.0	0.0	-
30/3/2022	BDB	6173	0.670	0.665	0.570	0.730	10.8	-0.7	-

*TP=Target Price

**STOCK SELECTION BASED ON DIVIDEND YIELD**

Company	Sector	Price RM	Dividend / Share RM	Dividend Yield (%)
SHL Consolidated Bhd	Property	1.990	0.18	9.0
British American Tobacco Malay	Consumer	12.200	0.96	7.9
UOA REIT	REIT	1.120	0.09	7.7
Al-'Aqar Healthcare REIT	REIT	1.130	0.08	7.3
Tambun Indah Land Bhd	Property	0.790	0.05	6.6
Amanahraya REIT	REIT	0.680	0.04	6.5
Magnum Bhd	Consumer	1.890	0.12	6.5
Uchi Technologies Bhd	Industrial	3.090	0.20	6.3
Pharmaniaga Bhd	Consumer	0.850	0.05	6.2
Malaysia Building Society Bhd	Finance	0.580	0.04	6.2
Malayan Banking Bhd	Finance	8.760	0.54	6.2
YTL Power International Bhd	Utilities	0.605	0.04	6.0
AmFirst REIT	REIT	0.375	0.02	5.8
Capitaland Malaysia Trust	REIT	0.550	0.03	5.6
Hong Leong Industries Bhd	Industrial	9.450	0.52	5.5

Source: Bloomberg

User guide: Mercury Securities compile a list of **dividend stocks** for conservative long term passive investors looking for regular income while keeping the investment intact.

Methodology: The list below is made up of stocks that pay high dividend (Estimate dividend yield >4%) and paying dividend consistently (Paid dividend for the last 3 years)



SECTORIAL VALUATION

The chart below depicts the performance of the respective KLCI sectors over a five-year period including the current and forward P/E. The sector’s performance is ranked against each other based on absolute returns for that particular year. The user can track the historical performance of respective sectors and notice that the technology sector is the best performing sector over a five-year period between 2016 and 2020 with a compound annual growth rate. The user will also be able to identify sector value based on the current P/E and the corresponding 5-year high, low and average P/E. For example, finance sector PE is currently at 11.4 times against 5-year average P/E of 12.2 times, suggesting financials valuation is in line with the average of 12.2 times.

Index	Return (%)	Valuation P/E (X)					
		YTD	5 - Years			Current	1 Yr – Fwd
			High	Low	Avg		
KLCI	2.1	21.3	14.7	17.4	14.7	13.9	
Finance	7.5	13.0	11.5	12.4	12.3	10.2	
Property	0.3	13.8	4.9	10.8	4.9	11.5	
Plantation	23.2	94.6	11.7	43.9	11.7	16.8	
Consumer	0.1	25.6	19.9	23.0	19.9	17.0	
Technology	(18.4)	30.8	19.1	26.0	30.8	23.9	
Construction	2.0	22.2	14.1	18.0	14.1	11.4	
Energy	2.7	-	-	-	13.9	10.5	
Health care	(9.4)	52.6	7.1	29.8	7.1	25.5	
Ind Prod	0.7	38.6	11.4	24.0	11.4	9.7	
REIT	(4.0)	-	-	-	29.2	15.6	
Telco	1.0	26.2	25.1	25.6	26.2	19.6	
Transportations	(3.3)	-	-	-	-	16.5	
Utilities	(1.8)	-	-	-	14.4	12.5	

Source: Bloomberg

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