



**DAILY NEWSWATCH**

**MARKET REVIEW**

Malaysian stocks rebounded yesterday on bargain hunting. Market breadth was positive with 506 gainers versus 393 losers. The technology sector was the top percentage gainer increasing by 1.02% as technology counters rebounded from their recent sell-off. The plantation and property sectors were the only sectors to finish in the red. Fraser & Neave Holdings (3689) was the top gainer leaping by RM1.24 or 5.74%. The FBM KLCI rose by 0.42% to 1,596.68.

We expect Malaysian equities to decline following the rout on Wall Street overnight.

**ECONOMICS**

- **Palm oil** jumps as traders weigh severity of Indonesia export ban

**COMPANY**

- **AmFIRST REIT (5120)** books RM22m in fair value loss following revaluation exercise
- **Country Heights (5738)** plans RM250m capex for omnichannel business with China's JD.com
- **Kelington (0151)** accepts letter of intent for 10-year onsite industrial gases supply
- Mercedes-Benz dealer **Cycle & Carriage Bintang (2925)** 1Q net profit more than doubled from a year earlier
- Rubber firm **Seng Fong** gets SC's nod for Main Market listing
- **United Plantations' (2089)** 1Q net profit falls 20.2% to RM59.7m

**EXPRESSO FOR THE DAY**

- **Technical Watch – Caely (7154)** – Entry Price RM0.45, Target Price RM0.49, Stop Loss RM0.38, Support RM0.42, Resistance RM0.59
- **Technical Watch – Greatec (0208)** – Entry Price RM4.00, Target Price RM4.40, Stop Loss RM3.42, Support RM3.80, Resistance RM4.91

Local	Close	(%)
<b>FBMKLCI</b>	1,596.68	0.4
<b>Volume (mil)</b>	2,250	(28.2)
<b>Value (RM mil)</b>	1,923	(27.1)
<b>Gainers</b>	506	
<b>Losers</b>	393	
<b>Unchanged</b>	455	

Foreign		(%)
<b>Dow Jones</b>	33,240.2	(2.4)
<b>Nasdaq CI</b>	12,490.7	(4.0)
<b>S&amp;P 500</b>	4,175.2	(2.8)
<b>FTSE 100</b>	7,386.2	0.1
<b>Nikkei 225</b>	26,700.1	0.4
<b>Shanghai CI</b>	2,886.4	(1.4)
<b>HSI</b>	19,934.7	0.3
<b>STI</b>	3,322.1	(0.5)

Most Active	RM	Chg
<b>TECHNAX</b>	0.110	0.000
<b>MNC</b>	0.025	(0.005)
<b>HSI-HM2</b>	0.070	(0.120)
<b>YONGTAI</b>	0.105	0.000
<b>WIDAD</b>	0.360	0.005

Top Gainer	RM	Chg
<b>F&amp;N</b>	22.860	1.240
<b>NESTLE</b>	133.400	0.900
<b>AEONCR</b>	15.360	0.280
<b>HLFG</b>	19.500	0.220
<b>TM</b>	4.990	0.200

Top Loser	RM	Chg
<b>PMBTECH-WA</b>	15.000	(0.200)
<b>PMBTECH</b>	18.180	(0.180)
<b>SOP</b>	6.480	(0.180)
<b>HSI-HM3</b>	0.835	(0.160)
<b>HSPLANT</b>	3.190	(0.160)

Other Stats		(%)
<b>USD/MYR</b>	4.36	(0.03)
<b>USD/RMB</b>	6.56	(0.04)
<b>Brent (USD/barrel)</b>	104.99	2.61
<b>Gold (USD/troy oz)</b>	1,905.51	0.40
<b>CPO (RM/metric t)</b>	7,234.5	6.74



**DAILY NEWSWATCH**

**ECONOMICS**

**Palm oil** rebounded as traders assessed the severity of Indonesia's ban on cooking oil exports that sparked wild swings in the market. (The Edge)

**COMPANY**

**AmFIRST Real Estate Investment Trust (5120)** is booking a fair value loss of RM21.99m following the revaluation of several properties, in line with regulatory requirements. (The Edge)

**Country Heights Holdings Bhd (5738)** intends to invest about RM250m in capital expenditure for the next five years following its partnership with Beijing Wodong Tianjun Information Technology Co Ltd (JD.com) to develop an omnichannel business model in Malaysia. (The Edge)

**Kelington Group Bhd (0151)** said the group has accepted a letter of intent for an onsite industrial gases supply scheme with an expected revenue of RM180m over a 10-year period. (The Edge)

**Cycle & Carriage Bintang Bhd (2925)**, which distributes Mercedes-Benz cars in Malaysia, said on Tuesday (April 26) that its first quarter net profit more than doubled to RM8.55m from RM3.39m a year earlier, as revenue rose on higher vehicle sales volume, helped by Malaysia's sales tax reduction which supported consumer demand for cars. (The Edge)

Rubber processor and trader **Seng Fong Holdings Bhd** is a step closer to being listed on the Main Market of Bursa Malaysia after obtaining the approval of the Securities Commission Malaysia. (The Edge)

A sharp 121% increase in windfall tax of RM20.4m reduced **United Plantations Bhd's (2089)** net profit by a fifth to RM59.69m in 1QFY22 from RM74.83m in the year-ago period. (The Edge)

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# Caely Holdings Bhd

## Technical Watch - "BUY on Potential Reversal"

Bloomberg: CHB MK | KLSE Stock Code: 7154

Main Market  
Consumer  
Subsector – Personal Goods

Current Price: RM0.45

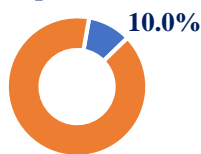
Target Price: RM0.49

### 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 inverted hammer, rising momentum on the stock (RSI > 45), and higher volatility on the back of an expanding bollinger bands.

With higher volatility, we think that prices could potentially trade with higher 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	94.2	37.3
P/B	1.0	0.9	0.6
P/CF	116.2	104.8	97.7
P/S	1.3	0.9	0.6

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

### Company Overview

Caely Holdings Bhd. is an investment holding company. The Company, through its subsidiaries, manufactures and sells undergarments, garments, leather goods, sportswear, and household products. Caely also provides sewing services.



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Entry Price	RM0.45
Market Cap (m)	RM114.9
52w high	RM0.61
52w low	RM0.30
Stop Loss	RM0.38
Immediate Support	RM0.42
Immediate Resistance	RM0.59
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)	1,170,014.3



# Greatech Technology Berhad

## Technical Watch - "BUY on Potential Continuation"

Bloomberg: GREATEC MK | KLSE Stock Code: 0208

Main Market  
Technology  
Subsector – Tech Equipment

Current Price: RM4.00

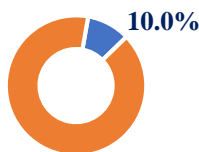
Target Price: RM4.40

### Investment Highlights

On a trend reversal, the stock is currently trading below the MA20. We think that there is a potential continuation supported by a morning star, rising momentum (RSI > 45), and higher volatility on the back of an expanding 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



**Buy:** 0  
**Hold:** 0  
**Sell:** 0

### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	58.2	54.0	54.0
P/BV	18.8	15.0	15.0
P/CF	67.0	59.4	59.4
P/S	19.7	17.9	17.9

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

### Company Overview

Greatech Technology Berhad provides automation solutions. The Company offers auto screw, water handler, robotics, fluid dispenser, semiconductor, battery, conveyor, sorter, tester, and other related products. Greatech Technology serves customers in the United States and Malaysia.



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Entry Price	RM4.00
Market Cap (m)	RM5,008.5
52w high	RM7.60
52w low	RM2.81
Stop Loss	RM3.42
Immediate Support	RM3.80
Immediate Resistance	RM4.91
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	Strong Momentum
Volume (4-Weeks Average)	8,166,936.2



**TECHNICAL ANALYSIS SCOREBOARD**

Recommendation Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
30/3/2022	Senheng	5305	0.820	0.845	0.700	0.900	-0.6	3.0	-
30/3/2022	BDB	6173	0.670	0.405	0.570	0.730	-2.4	-39.6	SL Triggered
31/3/2022	CapitalA	5099	0.750	0.705	0.640	0.830	2.2	-6.0	-
31/3/2022	Nylex	4944	0.450	0.350	0.380	0.500	2.9	-22.2	SL Triggered
1/4/2022	Focus	5197	1.470	1.530	1.260	1.650	0.7	4.1	-
1/4/2022	Mieco	5001	0.680	0.745	0.580	0.700	0.7	9.6	TP Achieved
4/4/2022	E&O	9474	0.570	0.535	0.490	0.630	0.0	-6.1	-
4/4/2022	Gamuda	5398	3.510	3.600	3.000	3.860	1.1	2.6	-
5/4/2022	Siab	0241	0.250	0.220	0.210	0.270	2.3	-12.0	-
5/4/2022	Tashin	0211	0.580	0.550	0.490	0.630	1.9	-5.2	-
6/4/2022	Sedania	0178	0.390	0.340	0.330	0.430	1.5	-12.8	-
6/4/2022	Guh	3247	0.540	0.520	0.460	0.590	1.0	-3.7	-
7/4/2022	Kawan	7216	1.680	1.740	1.440	1.850	0.0	3.6	-
7/4/2022	Wzsatu	7245	0.210	0.205	0.180	0.230	2.5	-2.4	-
8/4/2022	Smtrack	0169	0.100	0.080	0.080	0.110	0.0	-20.0	SL Triggered
8/4/2022	KAB	0193	0.550	0.510	0.470	0.610	0.0	-7.3	-
11/4/2022	Senheng	5305	0.880	0.845	0.750	0.960	-0.6	-4.0	-
11/4/2022	Guh	3247	0.560	0.520	0.470	0.610	1.0	-7.1	-
12/4/2022	Tomei	7230	1.140	1.060	0.970	1.250	1.0	-7.0	-
12/4/2022	PohKong	5080	0.920	0.855	0.780	1.010	1.2	-7.1	-
13/4/2022	Epmb	7773	1.110	1.020	0.940	1.210	2.0	-8.1	-
13/4/2022	Qes	0196	0.600	0.580	0.510	0.660	1.8	-3.3	-
14/4/2022	Pantech	5125	0.730	0.750	0.620	0.800	0.7	2.7	-
14/4/2022	Senheng	5305	0.860	0.845	0.740	0.950	-0.6	-1.7	-
15/4/2022	Armada	5210	0.450	0.420	0.380	0.500	2.4	-6.7	-
15/4/2022	Per maju	7080	0.100	0.090	0.090	0.110	5.9	-10.0	SL Triggered
18/4/2022	Subur	6904	2.000	2.380	1.710	2.200	-1.7	19.0	TP Achieved
18/4/2022	Solarvest	0215	0.980	0.830	0.830	1.070	1.8	-15.3	SL Triggered
20/4/2022	Technax	2739	0.110	0.110	0.090	0.120	0.0	0.0	-
20/4/2022	Hexind	0161	0.380	0.375	0.320	0.420	-2.6	-1.3	-
21/4/2022	Greatec	0208	4.000	4.000	3.420	4.400	4.2	0.0	-
21/4/2022	Qes	0196	0.600	0.580	0.510	0.660	1.8	-3.3	-
22/4/2022	Pantech	5125	0.750	0.750	0.640	0.820	0.7	0.0	-
22/4/2022	Cimb	1023	5.140	5.200	4.390	5.650	0.8	1.2	-
25/4/2022	Ancom	0048	0.185	0.190	0.160	0.210	0.0	2.7	-
25/4/2022	Mbsb	1171	0.660	0.640	0.560	0.720	0.8	-3.0	-
26/4/2022	Tdm	2054	0.320	0.310	0.270	0.350	1.6	-3.1	-
26/4/2022	Rsawit	5113	0.280	0.275	0.240	0.310	1.9	-1.8	-
27/4/2022	Caely	7154	0.450	0.445	0.380	0.490	4.7	-1.1	-
27/4/2022	Greatec	0208	4.000	4.000	3.420	4.400	4.2	0.0	-

\*TP=Target Price

**STOCK SELECTION BASED ON DIVIDEND YIELD**

Company	Sector	Price RM	Dividend / Share RM	Dividend Yield (%)
SHL Consolidated Bhd	Property	1.950	0.18	9.2
British American Tobacco Malay	Consumer	12.700	0.96	7.6
UOA REIT	REIT	1.140	0.09	7.6
Pharmaniaga Bhd	Consumer	0.740	0.05	7.2
Al-'Aqar Healthcare REIT	REIT	1.170	0.08	7.0
Magnum Bhd	Consumer	1.860	0.12	6.6
Amanahraya REIT	REIT	0.680	0.04	6.5
Uchi Technologies Bhd	Industrial	3.080	0.20	6.5
Tambun Indah Land Bhd	Property	0.820	0.05	6.3
Malayan Banking Bhd	Finance	8.840	0.56	6.3
Hong Leong Industries Bhd	Industrial	9.000	0.52	5.8
Malaysia Building Society Bhd	Finance	0.630	0.04	5.7
Matrix Concepts Holdings Bhd	Property	2.310	0.13	5.6
AmFirst REIT	REIT	0.390	0.02	5.6
Capitaland Malaysia Trust	REIT	0.575	0.03	5.4

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	1.7	21.3	14.6	17.4	14.6	13.8	
Finance	7.7	13.0	11.5	12.4	12.4	10.2	
Property	2.0	13.8	5.0	10.8	5.0	11.2	
Plantation	37.4	94.6	13.0	44.2	13.0	18.1	
Consumer	1.0	25.6	2.5	19.5	2.5	16.9	
Technology	(27.5)	29.8	19.1	24.6	24.1	21.1	
Construction	7.4	22.2	14.4	18.0	14.4	11.5	
Energy	7.0	-	-	-	13.6	10.6	
Health care	(12.1)	52.6	6.6	29.6	6.6	23.6	
Ind Prod	4.5	38.6	12.0	24.1	12.0	10.5	
REIT	(0.5)	-	-	-	30.3	16.2	
Telco	(2.1)	25.6	25.1	25.3	25.6	19.3	
Transportations	2.7	-	-	-	-	16.8	
Utilities	1.4	-	-	-	14.7	12.9	

Source: Bloomberg

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