



**DAILY NEWSWATCH**

**MARKET REVIEW**

Malaysian stocks rose yesterday in line with major selloffs in global equity market. Market breadth was positive with 406 gainers against 387 losers. The energy sector was the top gainer leading by an increase of 1.98%, while the plantation sector was the top loser declining by -0.64%. F&N (3689) was the top gainer increasing by RM0.66 or 2.8%. The FBM KLCI increased by 0.06% to 1,496.22.

We believe that Malaysian stocks will decline as market sentiment turn cautious.

**ECONOMICS**

- Ringgit closes higher against US dollar after BNM maintains OPR at 2.75%

**COMPANY**

- **Kumpulan Jetson (9083)** to dispose of industrial land in Gombak for RM35 mil
- **Axis REIT (5106)** pays 2.33 sen DPU as 4Q NPI climbs 12.7%; in talks to buy RM120m new assets
- **YTL Power (6742)** gets RM1.1b financing facility to fund data centre development
- **IGB REIT (5227)** declares 2.46 sen DPU as 4Q NPI climbs amid retail recovery; IGB Commercial REIT pays 1.49 sen as NPI drops
- **Ecobuilt (0059)** bags RM93m project to develop a business complex in Penang

**EXPRESSO FOR THE DAY**

- **Technical Watch – Aeon Credit (5139)** – Entry Price RM12.74, Target Price RM14.01, Stop Loss RM10.89, Support RM12.10, Resistance RM13.07
- **Technical Watch – Genting (3182)** – Entry Price RM4.94, Target Price RM5.43, Stop Loss RM4.22, Support RM4.69, Resistance RM4.92

Local		(%)
<b>FBMKLCI</b>	1,496.20	0.0
<b>Volume (mil)</b>	2,498.30	(7.6)
<b>Value (RM'mil)</b>	1,900.70	(5.2)
<b>Gainers</b>	406	
<b>Losers</b>	387	
<b>Unchanged</b>	442	

Foreign		(%)
<b>Dow Jones</b>	33,057.9	(0.7)
<b>Nasdaq CI</b>	10,833.7	(1.1)
<b>S&amp;P 500</b>	3,895.6	(0.8)
<b>FTSE 100</b>	7,754.8	(1.0)
<b>Nikkei 225</b>	26,405.2	(1.4)
<b>Shanghai CI</b>	3,240.3	0.5
<b>HSI</b>	21,651.0	(0.1)
<b>STI</b>	3,276.2	(0.4)

Most Active	RM	Chg
<b>VELESTO</b>	0.205	0.020
<b>ZENTECH</b>	0.040	0.000
<b>ECA</b>	0.980	0.080
<b>DOLPHIN</b>	0.010	(0.005)
<b>REVENUE</b>	0.655	0.040

Top Gainer	RM	Chg
<b>F&amp;N</b>	23.940	0.660
<b>PETDAG</b>	22.880	0.360
<b>HEIM</b>	26.340	0.260
<b>RAPID</b>	16.500	0.240
<b>KLCC</b>	6.910	0.130

Top Loser	RM	Chg
<b>HEXTECH</b>	23.660	(0.500)
<b>MPI</b>	33.100	(0.140)
<b>VITROX</b>	7.740	(0.120)
<b>ORIENT</b>	6.880	(0.110)
<b>BKAWAN</b>	22.500	(0.100)

Other Stats		(%)
<b>USD/MYR</b>	4.31	(0.19)
<b>USD/RMB</b>	6.78	0.28
<b>Brent (USD/barrel)</b>	85.92	1.08
<b>Gold (USD/troy oz)</b>	1,919.15	0.79
<b>CPO (RM/metric t)</b>	3,849.0	0.59



## DAILY NEWSWATCH

### ECONOMICS

The ringgit closed higher versus the US dollar on Thursday, extending Wednesday's gains, after Bank Negara Malaysia (BNM) chose to keep the overnight policy rate (OPR) at 2.75%, putting an end to market speculation about the rate hike cycle. (The Edge)

### COMPANY

Automotive, rail and industrial part maker **Kumpulan Jetson Bhd (9083)** has proposed to dispose of a 1.62-hectare industrial land in Gombak, with a factory complex built on it, for RM35 million. (The Edge)

**Axis Real Estate Investment Trust (9083)** net property income (NPI) for the fourth quarter ended Dec 31, 2022 (4QFY2022) rose 12.71% to RM61.96 million from RM54.98 million a year ago, on the back of income from new acquisitions, new tenancies from existing properties, and positive rental revisions. (The Edge)

**YTL Power International Bhd's (6742)** wholly owned unit has been granted a RM1.1 billion Islamic term financing facility to fund the development of a data centre in Kulai, Johor. The facility was emplaced to YTL DC South Sdn Bhd for the development of the 48MW IT load hyperscale data centre (HDC), the joint mandated lead arrangers, Malayan Banking Bhd (Maybank) and OCBC Bank (M) Bhd, said in a statement. (The Edge)

**IGB Real Estate Investment Trust's (5227)** net property income (NPI) for the fourth quarter ended Dec 31, 2022 (4QFY2022) rose 12.79% to RM105.64 million from RM93.66 million a year ago, as revenue increased 24.59% to RM148.72 million from RM119.37 million. (The Edge)

**Ecobuilt Holdings Bhd's (0059)** unit has bagged a construction works project worth RM92.46 million to develop a business complex in Penang, according to its bourse filing on Thursday. (The Edge)

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# Aeon Credit Service M Berhad

## Technical Watch - "BUY on Potential Reversal"

Bloomberg: ACSM MK | KLSE Stock Code: 5139

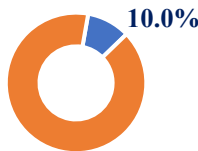
**Main Market**  
**Financial Services**  
**Subsector – Other Financials**  
**Current Price: RM12.74**  
**Target Price: RM14.01**

### Investment Highlights

On a downtrend, the stock is currently trading below the MA20. We think there is a potential reversal supported by inverted hammer with a rising momentum on the stock (RSI >75).

An expanding Bollinger bands suggests higher volatility and higher potential upside moving forward. Trading within the 2SD, we project a 10% upside to the current price and expect EMA and SMA to hold moving forward.

### Potential Upside



### Bloomberg Analyst Ratings



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

### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	8.5	9.7	9.0
P/B	1.7	1.9	2.2
P/CF	4.0	5.8	5.8
P/S	1.5	1.8	1.9

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

### Company Overview

Aeon Credit Service M Bhd provides consumer financing products. The Company offers products such as easy payment, personal financing, and credit cards.



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Entry Price	RM12.74
Market Cap (m)	RM3,252.6
<b>52w high</b>	RM16.38
<b>52w low</b>	RM12.42
Stop Loss	RM10.89
Immediate Support	RM12.10
Immediate Resistance	RM13.07 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Rising Momentum
Volume (4-Weeks Average)	114,428.2



# Genting Berhad

## Technical Watch - "BUY on Potential Upside"

Bloomberg: GENT MK | KLSE Stock Code: 3182

Main Market  
Consumer Products & Services  
Subsector – Travel, Leisure & H

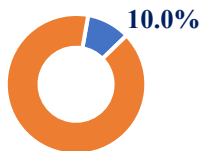
Current Price: RM4.94  
Target Price: RM5.43

### Investment Highlights

On an uptrend, the stock is currently trading above the MA20. We think that there is a potential upside supported by a morning star coupled with a strong momentum on the stock (RSI >75).

An expanding Bollinger bands suggests higher volatility and higher potential upside moving forward. Trading within the 2SD, we project a 10% upside to the current price and expect EMA and SMA to hold moving forward.

#### Potential Upside



#### Bloomberg Analyst Ratings



**Buys: 13**  
**Holds: 3**  
**Sells: 0**

### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	N/A	14.9	16.6
P/BV	0.5	0.6	0.8
P/CF	67.0	40.4	20.6
P/S	1.3	1.2	1.4

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

### Company Overview

Genting Berhad is an investment holding company. The Company, through its subsidiaries, provides leisure and hospitality, gaming, and entertainment businesses. Genting also operates plantations, develops and manages property, provides tours and travel related services, manufactures and trades paper, explores oil and gas, and provides money lending services.



**Ronnie Tan**  
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Entry Price	RM4.94
Market Cap (m)	RM19,021.8
<b>52w high</b>	RM5.34
<b>52w low</b>	RM4.01
Stop Loss	RM4.22
Immediate Support	RM4.69
Immediate Resistance	RM4.92 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong Momentum
Volume (4-Weeks Average)	6,002,454.7



## TECHNICAL ANALYSIS SCOREBOARD

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
21/12/2022	KeinHing	7199	2.050	2.200	1.750	2.260	1.4	7.3	TP Achieved
21/12/2022	Maybank	1155	8.780	8.800	7.510	9.660	-0.1	0.2	-
22/12/2022	GenP	2291	6.040	5.970	5.160	6.640	-0.5	-1.2	-
22/12/2022	Scomnet	0001	1.670	1.560	1.430	1.840	-1.3	-6.6	-
23/12/2022	7-Eleven	2289	1.990	2.040	1.700	2.190	2.0	2.5	SL Triggered
23/12/2022	RHBBank	4579	5.740	5.680	4.910	6.310	-1.0	-1.0	-
27/12/2022	SuperMax	7106	0.910	0.850	0.780	1.000	0.0	-6.6	-
27/12/2022	GenP	2291	6.400	5.970	5.470	7.040	-0.5	-6.7	-
28/12/2022	BIMB	5258	2.730	2.500	2.330	3.000	0.0	-8.4	-
28/12/2022	Allianz	1163	14.200	14.680	12.140	15.620	0.1	3.4	-
29/12/2022	SMI	4375	0.610	1.150	0.520	0.670	6.5	88.5	TP Achieved
29/12/2022	RHBBank	1066	5.750	5.680	4.920	6.330	-1.0	-1.2	-
30/12/2022	Bonia	9288	2.270	2.590	1.940	2.500	1.2	14.1	TP Achieved
30/12/2022	PetDag	5681	23.000	22.880	19.670	25.300	1.6	-0.5	-
3/1/2023	Atech	5302	1.990	2.350	1.700	2.190	1.3	18.1	TP Achieved
3/1/2023	Pentamaster	7160	4.570	4.980	3.910	5.030	-1.2	9.0	TP Achieved
4/1/2023	AbleGlobal	7167	1.450	1.480	1.240	1.600	2.1	2.1	-
4/1/2023	Tomei	7230	1.120	1.090	0.960	1.230	-1.8	-2.7	-
5/1/2023	CFM	8044	2.900	2.810	2.480	3.190	-3.1	-3.1	-
5/1/2023	HapSeng	3034	6.590	7.020	5.630	7.250	0.0	6.5	-
6/1/2023	UMW	4588	3.630	3.730	3.100	3.990	-0.8	2.8	-
6/1/2023	Digi	6947	3.960	4.200	3.390	4.360	0.5	6.1	-
9/1/2023	AeonCredit	5139	12.780	12.740	10.930	14.060	0.6	-0.3	-
9/1/2023	Dialog	7277	2.580	2.570	2.210	2.840	0.0	-0.4	-
10/1/2023	KYM	8362	0.600	0.585	0.510	0.660	-4.1	-2.5	-
10/1/2023	AncomNylex	4758	1.140	1.180	0.970	1.250	1.7	3.5	-
11/1/2023	Padini	7052	3.550	3.540	3.040	3.910	-2.5	-0.3	-
11/1/2023	MBM	5983	3.450	3.430	2.950	3.800	0.0	-0.6	-
12/1/2023	Unisem	5005	2.920	3.080	2.500	3.210	1.0	5.5	-
12/1/2023	Frontken	0128	3.310	3.360	2.830	3.640	-1.2	1.5	-
13/1/2023	PressMetal	8869	5.080	5.290	4.340	5.590	-1.1	4.1	-
13/1/2023	7-Eleven	5250	1.900	2.040	1.620	2.090	2.0	7.4	-
16/1/2023	Padini	1631	3.670	3.540	3.140	4.040	-2.5	-3.5	-
16/1/2023	Pentamaster	1988	4.990	4.980	4.270	5.490	-1.2	-0.2	-
17/1/2023	Bonia	9288	2.620	2.590	2.240	2.880	1.2	-1.1	-
17/1/2023	Axiata	6888	3.050	3.060	2.610	3.360	1.0	0.3	-
18/1/2023	Misc	3816	7.390	7.370	6.320	8.130	-0.3	-0.3	-
18/1/2023	Dufu	7233	1.900	1.980	1.620	2.090	4.2	4.2	-
19/1/2023	AeonCredit	5139	12.740	12.740	10.890	14.010	0.6	0.0	-
19/1/2023	Genting	3182	4.940	4.940	4.220	5.430	1.2	0.0	-

\*SL= Stop Loss

\*TP=Target Price



## STOCK SELECTION BASED ON DIVIDEND YIELD

Company	Sector	Price RM	Dividend / Share RM	Dividend Yield (%)
SHL Consolidated Bhd	Property	1.810	0.18	9.9
RCE Capital Bhd	Finance	1.830	0.18	9.8
YTL Hospitality REIT	REIT	0.945	0.08	8.5
British American Tobacco Malay	Consumer	11.900	0.91	7.6
Capitaland Malaysia Trust	REIT	0.545	0.04	7.5
UOA REIT	REIT	1.170	0.09	7.4
Tambun Indah Land Bhd	Property	0.790	0.06	7.3
Uchi Technologies Bhd	Industrial	3.150	0.23	7.3
Matrix Concepts Holdings Bhd	Property	1.500	0.10	6.9
Al-'Aqar Healthcare REIT	REIT	1.270	0.08	6.5
YTL Power International Bhd	Utilities	0.730	0.05	6.3
Malayan Banking Bhd	Finance	8.800	0.55	6.3
AmFirst REIT	REIT	0.365	0.02	6.2
Hong Leong Industries Bhd	Industrial	8.990	0.55	6.1
Pavilion REIT	REIT	1.290	0.08	6.0

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	0.0	21.3	14.8	17.5	14.8	12.6	
Finance	(0.1)	13.0	11.5	12.3	11.8	9.5	
Property	3.8	13.8	8.7	11.6	8.7	8.7	
Plantation	(3.7)	94.6	9.0	43.4	9.0	15.8	
Consumer	2.2	25.6	14.9	22.0	14.9	15.3	
Technology	5.6	29.8	7.3	21.3	7.3	21.3	
Construction	2.7	22.2	9.8	17.1	9.8	11.5	
Energy	8.2	-	-	-	9.5	11.4	
Health care	(2.3)	52.6	25.2	38.9	25.2	24.8	
Ind Prod	3.3	38.6	10.3	23.7	10.3	12.3	
REIT	4.6	-	-	-	20.4	15.2	
Telco	(0.0)	25.1	24.0	24.5	24.0	18.1	
Transportations	6.9	-	-	-	-	16.1	
Utilities	(0.4)	-	-	-	12.9	12.1	

Source: Bloomberg



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