



**DAILY NEWSWATCH**

**MARKET REVIEW**

Malaysian stocks rose yesterday in line with strength in regional markets as investors bargain hunt for undervalued stocks. Market breadth was positive with 477 gainers and 355 losers. The healthcare sector was the top gainer increasing by +3.70%, while the construction sector was the top loser declining by -0.57%. RAPID (7765) was the top gainer surging by RM0.60 or +3.3%. The FBMKLCI rose by +0.26% to 1428.04.

We expect Malaysian equities to trend higher following the rise of equities in global markets.

**ECONOMICS**

- **Malaysia's Rubber Exports Decline to RM35.99 Billion in 2022, Deputy Prime Minister Says**

**COMPANY**

- **Cloudpoint Technology's (0277) IPO Oversubscribed by 112.94 Times by Malaysian Public**
- **Gas Malaysia (5209) Reports 4.2% Net Profit Growth in 1QFY2023, Despite Lower Gas Volume Sold**
- **TIME dotCom Bhd (5031) Reports 26.32% Rise in Net Profit for 1QFY2023, Driven by Increased Revenue Contributions**
- **AEON Co (M) Bhd (6599) Reports 36.06% Increase in Net Profit for 1QFY2023, Driven by Higher Revenue and Gross Margin**
- **Pesona Metro (8311) Secures RM242.2 Million Construction Contract for Mixed Development Project**

**EXPRESSO FOR THE DAY**

- **Technical Watch – TIME (5031) – Entry Price RM5.30, Target Price RM5.83, Stop Loss RM4.53, Support RM5.04, Resistance RM5.69**
- **Technical Watch – Sunview (0262) – Entry Price RM0.75, Target Price RM0.82, Stop Loss RM0.64, Support RM0.71 Resistance RM0.88**

Local		(%)
<b>FBMKLCI</b>	1,428.04	0.3
<b>Volume (mil)</b>	2,654.33	2.2
<b>Value (RM'mil)</b>	1,817.63	11.5
<b>Gainers</b>	477	
<b>Losers</b>	355	
<b>Unchanged</b>	406	

Foreign		(%)
<b>Dow Jones</b>	33,535.9	0.3
<b>Nasdaq CI</b>	12,688.8	1.5
<b>S&amp;P 500</b>	4,198.1	0.9
<b>FTSE 100</b>	7,742.3	0.2
<b>Nikkei 225</b>	30,573.9	1.6
<b>Shanghai CI</b>	3,297.3	0.4
<b>HSI</b>	19,727.3	0.9
<b>STI</b>	3,182.6	0.3

Most Active	RM	Chg
<b>REVENUE</b>	0.305	(0.005)
<b>TOPGLOV</b>	1.170	0.060
<b>VELESTO</b>	0.255	0.005
<b>WIDAD</b>	0.430	0.010
<b>JADEM</b>	0.240	(0.020)

Top Gainer	RM	Chg
<b>RAPID</b>	18.980	0.600
<b>PPB</b>	16.340	0.380
<b>HARTA</b>	2.680	0.310
<b>DLADY</b>	26.140	0.260
<b>MPI</b>	27.800	0.200

Top Loser	RM	Chg
<b>PJBUMI</b>	0.905	(0.385)
<b>HEIM</b>	27.800	(0.280)
<b>SAM</b>	4.080	(0.190)
<b>CARLSBG</b>	21.520	(0.180)
<b>PERTAMA</b>	2.500	(0.150)

Other Stats		(%)
<b>USD/MYR</b>	4.54	0.26
<b>USD/RMB</b>	7.04	0.59
<b>Brent (USD/barrel)</b>	75.86	(1.43)
<b>Gold (USD/troy oz)</b>	1,958.95	(1.23)
<b>CPO (RM/metric t)</b>	3,714.0	(1.11)

**DAILY NEWSWATCH****ECONOMICS**

**MALAYSIA:** Malaysia's rubber exports witnessed a significant decrease in value, dropping to RM35.99 billion in 2022 compared to RM71.01 billion in 2021, according to Deputy Prime Minister and Minister of Plantation and Commodities Datuk Seri Fadillah Yusof. The rubber industry contributed 0.9% to the country's Gross Domestic Product (GDP) in 2022. Cuplump production fell by 16.6% and latex dropped by 52.7% over the five-year period from 2017 to 2022. Additionally, total natural rubber imports declined by 1.3% in 2022, with Malaysia importing 286,943 tonnes of latex worth RM2.72 billion. These figures were discussed during the Fourth Dialogue Session with the Agricommodity Industry, which included the rubber sector. (The Edge)

**COMPANY**

**Cloudpoint Technology Bhd (0277)**, an information technology solutions provider, has announced that its initial public offering (IPO) on Bursa Malaysia's ACE Market was oversubscribed by 112.94 times by the Malaysian public. The IPO received a total of 36,608 applications for 3.03 billion new shares worth RM1.15 billion. The Bumiputera portion saw an oversubscription rate of 100.74 times, while the public portion had an oversubscription rate of 125.14 times. (The Edge)

**Gas Malaysia Bhd (5209)**, a natural gas distribution firm, has announced a 4.2% growth in net profit for the first quarter ended March 31, 2023 (1QFY2023), reaching RM95.1 million compared to RM91.32 million in the previous year. The company achieved a record high quarterly revenue of RM2.44 billion, a significant increase of 36.75% from RM1.78 billion in the same period last year, attributed to higher average natural gas selling prices aligned with global market prices. (The Edge)

**TIME dotCom Bhd (5031)**, the Malaysian-based telco company, has announced a 26.32% increase in net profit for the first quarter ended March 31, 2023 (1QFY2023), reaching RM114.51 million compared to RM90.65 million in the same quarter of the previous year. The improved net profit can be attributed to higher revenue contributions, including increased profits from associates, foreign exchange gains, lower donations, and reduced property, plant, and equipment write-offs. (The Edge)

**AEON Co (M) Bhd (6599)**, a retail company, has announced a 36.06% year-on-year increase in net profit for the first quarter ended March 31, 2023 (1QFY2023), reaching RM38.18 million compared to RM28.07 million in the same quarter of the previous year. The improved earnings can be attributed to higher revenue, an increase in gross margin, and reduced interest and tax expenses. Quarterly revenue rose by 10.48% to RM1.11 billion, supported by higher contributions from the retail business and property management services segments. (The Edge)

**Pesona Metro Bhd (8311)**, a construction company, has been awarded a construction contract worth RM242.2 million for the main building works of a mixed development project in Kuala Lumpur. The contract was accepted by its subsidiary, Pesona Metro Sdn Bhd, from KL Wellness City (H) Sdn Bhd, the property developer of the project. The scope of the contract includes various construction activities, equipment commissioning, and maintenance. (The Edge)



## TIME dotCom Berhad

### Technical Watch - "BUY on Potential Upside"

Bloomberg: TDC MK | KLSE Stock Code: 5031

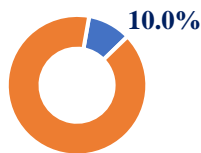
**Main Market  
Telecommunications & Media  
Subsector – Telco Svc Pvdrs  
Current Price: RM5.30  
Target Price: RM5.83**

#### Investment Highlights

On an uptrend, the stock is currently trading below the MA20. We think there is a potential upside supported by three white soldiers with a recovering momentum on the stock (RSI >35).

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: 6  
Holds: 3  
Sells: 0**

#### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	20.2	19.2	15.2
P/B	2.5	2.2	1.9
P/CF	11.0	10.5	10.3
P/S	5.5	5.2	5.1

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

#### Company Overview

TIME dotCom Berhad through its subsidiaries, provides fixed-line telecommunication services such as data and voice, international bandwidth provision which includes submarine cable and data centre business.



Entry Price	RM5.30
Market Cap (m)	RM9,744.4
52w high	RM5.37
52w low	RM3.52
Stop Loss	RM4.53
Immediate Support	RM5.04
Immediate Resistance	RM5.69 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Recovering Momentum
Volume (4-Weeks Average)	4,738,266.4



## Sunview Group Berhad

### Technical Watch - “BUY on Potential Upside”

Bloomberg: SUNVIEW MK | KLSE Stock Code: 0262

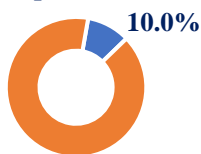
**Main Market**  
**Industrial Products & Services**  
**Subsector – Industrial Services**  
**Current Price: RM0.75**  
**Target Price: RM0.82**

#### Investment Highlights

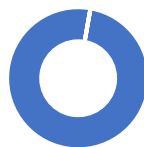
On an uptrend, the stock is currently trading above the MA20. We think there is a potential upside supported by a marubozu with a rising momentum on the stock (RSI >50).

A contracting Bollinger bands suggests lower volatility and lower 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)
<b>P/E</b>	0.1	0.1	0.1
<b>P/BV</b>	0.0	0.0	0.0
<b>P/CF</b>	N/A	N/A	N/A
<b>P/S</b>	0.0	0.0	0.0

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

#### Company Overview

Sunview Group Berhad is a clean energy service provider. The Company offers solar energy solutions for residential, commercial, and industrial sectors. Sunview Group serves customers in Malaysia.



Entry Price	RM0.75
Market Cap (m)	RM348.7
<b>52w high</b>	RM0.93
<b>52w low</b>	RM0.36
Stop Loss	RM0.64
Immediate Support	RM0.71
Immediate Resistance	RM0.88 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	Less volatile over the long run
RSI	Rising Momentum
Volume (4-Weeks Average)	22,417,000.0



## TECHNICAL ANALYSIS SCOREBOARD

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
18/4/2023	YTLPower	6742	1.050	1.100	0.900	1.160	0.0	4.8	-
18/4/2023	Padini	7052	4.090	3.860	3.500	4.500	-0.8	-5.6	-
19/4/2023	Comintel	7195	0.930	N/A	0.790	1.020	N/A	N/A	-
19/4/2023	Pharmaniaga	7081	0.380	0.380	0.320	0.410	1.3	0.0	-
20/4/2023	Malakof	5264	0.740	0.680	0.630	0.810	0.0	-8.1	-
20/4/2023	Solution	0093	0.265	0.215	0.230	0.290	4.9	-18.9	SL Triggered
25/4/2023	PressMetal	8869	5.200	4.730	4.450	5.720	-1.5	-9.0	-
25/4/2023	PJBUMI	7163	0.740	0.905	0.630	0.810	-29.8	22.3	TP Achieved
26/4/2023	Infoline	0253	0.870	0.805	0.740	0.960	-0.6	-7.5	-
26/4/2023	Menang	1694	0.880	0.935	0.750	0.970	-2.6	6.3	TP Achieved
27/4/2023	Ranhill	5272	0.640	0.570	0.540	0.700	3.6	-10.9	SL Triggered
27/4/2023	YongTai	7066	0.325	0.395	0.280	0.360	-1.3	21.5	TP Achieved
28/4/2023	Pelikan	5231	0.820	0.840	0.700	0.900	0.6	2.4	SL Triggered
28/4/2023	Tanco	2429	0.540	0.505	0.460	0.590	0.0	-6.5	SL Triggered
2/5/2023	Microlink	0126	0.925	0.900	0.790	1.020	0.0	-2.7	-
2/5/2023	KYM	8362	0.555	0.500	0.470	0.610	1.0	-9.9	SL Triggered
3/5/2023	GentingM	4715	2.780	2.680	2.380	3.060	0.8	-3.6	-
3/5/2023	Inari	0166	2.360	2.200	2.020	2.600	0.5	-6.8	-
5/5/2023	Ctos	4383	1.450	1.410	1.240	1.600	0.0	-2.8	-
5/5/2023	Tropicana	8932	1.420	1.330	1.300	1.560	0.0	-6.3	-
8/5/2023	Opcom	0035	0.750	0.755	0.640	0.830	-0.7	0.7	-
8/5/2023	SimeDarbyPlt	5285	4.410	4.560	3.770	4.850	-0.4	3.4	-
9/5/2023	Westports	5246	3.600	3.590	3.080	3.960	0.8	-0.3	-
9/5/2023	Telekom	4863	5.070	5.050	4.330	5.580	0.6	-0.4	-
10/5/2023	Gamuda	5398	4.180	4.080	3.570	4.600	-1.0	-2.4	-
10/5/2023	Seal	4286	0.440	0.400	0.380	0.480	-1.2	-9.1	-
11/5/2023	Padini	7052	4.010	3.860	3.430	4.410	-0.8	-3.7	-
11/5/2023	PowerRoot	7237	2.220	2.120	1.900	2.440	-0.9	-4.5	-
12/5/2023	GenP	2291	6.050	6.150	5.170	6.660	1.0	1.7	-
12/5/2023	ECA	0267	0.810	0.780	0.690	0.890	0.6	-3.7	-
15/5/2023	Globetronic	7022	1.120	1.150	0.960	1.230	4.5	2.7	-
15/5/2023	ITMAX	5309	1.440	1.490	1.230	1.580	2.1	3.5	-
16/5/2023	Solarvest	0215	0.940	0.985	0.800	1.030	5.3	4.8	-
16/5/2023	SFPTech	0251	2.550	2.470	2.180	2.810	-1.2	-3.1	-
17/5/2023	Tenaga	5347	9.730	9.790	8.320	10.700	0.4	0.6	-
17/5/2023	AirasiaX	5238	1.690	1.800	1.440	1.860	5.9	6.5	-
18/5/2023	Scientex	4731	3.400	3.410	2.910	3.740	0.3	0.3	-
18/5/2023	YTL	4677	0.750	0.740	0.640	0.830	-1.3	-1.3	-
19/5/2023	TIME	5031	5.300	5.300	4.530	5.830	1.1	0.0	-
19/5/2023	Sunview	0262	0.750	0.745	0.640	0.820	11.2	-0.7	-

\*SL= Stop Loss

\*TP=Target Price

**STOCK SELECTION BASED ON DIVIDEND YIELD**

Company	Sector	Price RM	Dividend / Share RM	Dividend Yield (%)
Pharmaniaga Bhd	Consumer	0.375	0.05	13.3
SHL Consolidated Bhd	Property	1.900	0.18	9.5
AmFirst REIT	REIT	0.335	0.03	9.3
British American Tobacco Malay	Consumer	10.820	0.97	8.9
Magnum Bhd	Consumer	1.000	0.08	8.4
Capitaland Malaysia Trust	REIT	0.505	0.04	8.1
YTL Hospitality REIT	REIT	0.950	0.08	8.0
UOA REIT	REIT	1.120	0.09	7.7
Malayan Banking Bhd	Finance	8.710	0.60	6.9
Tambun Indah Land Bhd	Property	0.875	0.06	6.9
Matrix Concepts Holdings Bhd	Property	1.420	0.10	6.7
Al-'Aqar Healthcare REIT	REIT	1.230	0.08	6.4
Amanahraya REIT	REIT	0.550	0.04	6.4
IGB REIT	REIT	1.660	0.10	6.3
Pavilion REIT	REIT	1.290	0.08	6.3

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	(4.5)	18.2	14.2	16.8	14.2	12.4	
Finance	(5.7)	13.5	10.4	12.5	10.4	9.0	
Property	7.9	16.1	9.2	12.1	9.2	N/A	
Plantation	(0.4)	95.5	8.5	35.6	8.5	16.9	
Consumer	(2.3)	24.3	17.3	21.2	17.3	14.9	
Technology	(6.7)	27.8	20.2	24.2	20.2	20.0	
Construction	4.4	21.8	9.2	17.5	9.2	11.4	
Energy	8.9	-	-	-	9.6	9.2	
Health care	10.6	36.1	23.8	29.9	23.8	30.1	
Ind Prod	(8.7)	24.9	10.8	18.4	10.8	12.3	
REIT	1.3	-	-	-	N/A	N/A	
Telco	3.4	28.3	19.8	24.0	28.3	20.5	
Transportations	4.8	-	-	-	-	14.4	
Utilities	10.7	-	-	-	12.6	13.4	

Source: Bloomberg

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