

# Daily Newswatch

## Market Review

The FBMKLCI closed lower on Monday in line with the decline in global stock market. Market breadth was negative with 238 gainers and 624 losers. The plantation sector was the only gainer increasing by +0.14%, while the telco sector was the top loser declining by -1.34%. SSTEEL (5665) was the top gainer surging by RM0.14 or +20.7%. The FBMKLCI declined by -0.19% to 1,439.2.

## Economics

- **Net outflow of foreign funds** in Bursa Malaysia hits RM396.8 mil

## Companies

- **Mitrajaya (9571)** clinches RM84.5 mill construction contract.
- **MYEG (0138)** extends three-year contract with JPJ.
- **EPMB (7773)** unveils manufacturing facility in Tanjung Malim
- **DNeX (4456)** unit bags petroleum production and facility abandonment job from Petronas
- **UMediC (0256)** proposes RM17.8m special issue to Bumiputera investors

## Expresso for the Day

- **Technical Watch – WESTPORTS (5246)** Entry Price: RM3.41, Target Price: RM3.75, Stop Loss: RM2.92, Support: RM3.24, Resistance: RM3.54
- **Technical Watch – PESTECH (5219)** Entry Price: RM0.36, Target Price: RM0.40, Stop Loss: RM0.31, Support: RM0.34, Resistance: RM0.39

Local	Close	(%)
FBMKLCI	1,439.2	(0.19)
Volume (mil)	2,808.1	3.11
Value (RM'mil)	1,516.3	(10.56)
Gainers	238	
Losers	624	
Unchanged	416	

  

Foreign	Close	(%)
Dow Jones	4.76	(0.32)
Nasdaq CI	7.31	(0.09)
S&P 500	87.45	(3.35)
FTSE 100	1,994.44	(0.51)
Nikkei 225	4.76	(0.32)
Shanghai CI	7.31	(0.09)
HSI	87.45	(3.35)
STI	3,064.3	0.0

  

Most Active	RM	Chg (RM)
KANGER	0.135	0.000
SCIB	0.555	0.015
WIDAD	0.450	0.005
MQTECH	0.030	0.005
KEYASIC	0.080	(0.010)

  

Top Gainer	RM	Chg (RM)
SSTEEL	0.815	0.140
HEIM	23.960	0.100
PANAMY	18.100	0.100
RAPID	26.280	0.080
SALUTE	0.845	0.075

  

Top Loser	RM	Chg (RM)
NESTLE	124.500	(1.400)
HEXTECH	23.800	(0.600)
PPB	15.120	(0.320)
UNISEM	2.910	(0.180)
PETGAS	17.020	(0.140)

  

Other Stats	RM	(%)
USD/MYR	4.78	(0.20)
USD/RMB	7.32	0.02
Brent (USD/barrel)	89.53	1.80
Gold (USD/troy oz)	1,980.76	(0.20)
CPO (RM/metric t)	3,637.00	0.07

# Daily Newswatch

## Economics

**MALAYSIA: Bursa Malaysia experienced a net outflow of foreign funds** throughout the past week, resulting in a weekly outflow of RM396.8 million. The year-to-date net outflow of foreign investments on the Malaysian market has now reached RM4.13 billion. This trend aligns with the broader regional pattern of foreign funds leaving Asian markets, with significant outflows observed across all eight markets tracked. Notably, Taiwan and South Korea saw the most substantial outflows, each exceeding US\$1 billion. In terms of sectors, financial services, consumer products and services, and construction recorded the highest net foreign outflows, while utilities, technology, and property received the most net foreign inflows. Local institutions continued to be net buyers of local equities for a fourth consecutive week, amounting to RM493.1 million net, while local retailers remained net sellers for the third week in a row, with net sales of RM96.2 million. Average daily trading volume (ADTV) decreased for retail and foreign investors but increased for institutional investors. (The Star)

## Companies

**Mitrajaya Holdings Bhd's (9571)** subsidiary, Pembinaan Mitrajaya Sdn Bhd, has secured a RM84.5 million construction contract from GDP X Properties Sdn Bhd for a 31-storey development with 188 apartment units in Kuala Lumpur. The contract spans 24 months from the possession date on December 8, 2023, and is slated for completion by December 8, 2025. (The Star)

**My EG Services Bhd (MyEG) (0138)** clinches a three-year extension of service contracts with the Road Transport Department (JPJ). These contracts, valid from May 23, 2023, to May 22, 2026, reaffirm MyEG and its subsidiary, MY EG Sdn Bhd (MYEGSB), as crucial collection agents for vehicle registration services, driver and vehicle licensing, and electronic payment of summon services. (The Star)

**EP Manufacturing Bhd (EPMB) (7773)** unveiled a state-of-the-art car seat manufacturing facility in Tanjung Malim, designed to support the production of upcoming Proton vehicles. Located near Proton's factory, the plant can manufacture 150,000 car seat sets annually and is the result of a collaboration with Chinese car parts manufacturer Zhejiang Jujin Automobile & Motorcycle Accessories. (The Star)

**Dagang NeXchange Bhd's (4456)** subsidiary, Ping Petroleum Sdn Bhd, which is 90% owned by DNeX, has been awarded a contract by Petronas for the production and abandonment of petroleum facilities. This contract pertains to decommissioning facilities located in the Abu Cluster, situated approximately 250km off the east coast of Peninsular Malaysia. The contract is valid for either a period of 10 years or until the completion of the abandonment work as outlined in the abandonment plan, starting from the effective date. (The Edge)

**UMediC Group Bhd (0256)**, a Penang-based medical device company, plans to issue 24.93 million new shares (6.67% of its total shares) to Bumiputera investors, as required by the Ministry of International Trade and Industry. This move is in line with its listing conditions on the ACE Market of Bursa Malaysia. UMediC aims to raise RM17.82 million, with most of it for working capital. The company's substantial shareholders also intend to offer existing shares to Bumiputera investors. The process is expected to be completed by Q2 2024, with Affin Hwang Investment Bank Bhd as the advisor. (The Edge)

# Westports Holdings Berhad

Bloomberg: WPRTS MK | KLSE Stock Code: 5246

## Technical Watch

“BUY on Potential Continuation”

### Company Overview

Westports Holdings Berhad provides port services. The Company offers container and cargo services, marine services, rental services and other ancillary services. Westports provides its services to the import and export industries.

### Investment Highlights

On an uptrend, the stock is currently trading above the MA20. We think there is a potential continuation supported by three white soldiers with a strong momentum on the stock (RSI > 65).

Expanding Bollinger Bands suggest 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.

### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	16.0	18.0	17.9
P/B	3.8	4.3	4.7
P/CF	12.3	12.8	12.9
P/S	5.8	6.2	5.9

Entry Price	RM3.41
Market Cap (m)	RM11,628.1
52w high	RM3.88
52w low	RM3.15
Stop Loss	RM2.92
Immediate Support	RM3.24
Immediate Resistance	RM3.54 (Previous high)
Moving Average (EMA)	Bearish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong momentum
Volume (4-Weeks Average)	652,257.5

### Main Market

Transportation Logistics  
 Subsector – Transportation &  
 Logistics Services  
 Current Price: RM3.41  
 Target Price: RM3.75



# PESTECH International Bhd

Bloomberg: PEST MK | KLSE Stock Code: 5219

## Technical Watch

“BUY on Potential Reversal”

### Company Overview

PESTECH International Bhd. offers industrial electric power contracting services. The Company provides contracting services for engineering, procurement, manufacturing, construction, and commissioning aspects of project planning. PESTECH offers their services globally for various types and sizes of projects.

### Investment Highlights

On a downtrend, the stock is currently trading above the MA20. We think there is a potential reversal supported by a marubozu with a rising momentum on the stock (RSI > 55).

Contracting Bollinger Bands suggest 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.

### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	13.6	13.1	15.9
P/B	0.6	1.2	2.1
P/CF	7.3	10.2	116.7
P/S	0.6	0.8	1.4

Entry Price	<b>RM0.36</b>
Market Cap (m)	RM354.4
52w high	<b>RM0.40</b>
52w low	<b>RM0.16</b>
Stop Loss	RM0.31
Immediate Support	RM0.34
Immediate Resistance	RM0.39 (Previous high)
Moving Average (EMA)	Bearish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	Less volatile over the long run
RSI	Rising momentum
Volume (4-Weeks Average)	2,784,307.7

### Main Market

Industrial Products & Services  
 Subsector – Industrial Eng.  
 Current Price: RM0.36  
 Target Price: RM0.39





## Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
4/10/2023	AnnJoo	6556	1.22	1.080	1.043	1.342	-1.818	-11.5	SL Triggered
4/10/2023	Systech	0050	0.42	0.540	0.359	0.462	-5.263	28.6	TP Achieved
5/10/2023	Stella	5006	0.925	1.010	0.791	1.018	0.000	9.2	TP Achieved
5/10/2023	Nextgreen	7241	0.885	0.930	0.757	0.974	0.000	5.1	-
6/10/2023	SMISCorp	7132	0.815	0.775	0.697	0.897	0.000	-4.9	-
6/10/2023	Techbond	5289	0.445	0.430	0.380	0.490	1.176	-3.4	-
9/10/2023	UNISEM	5005	3.25	2.910	2.779	3.575	-5.825	-10.5	SL Triggered
9/10/2023	VERSATL	4995	0.61	0.590	0.522	0.671	-0.840	-3.3	-
10/10/2023	Jaya Tiasa	4383	0.905	0.855	0.774	0.996	-2.841	-5.5	-
10/10/2023	Unique	0257	0.24	0.235	0.205	0.264	0.000	-2.1	-
11/10/2023	Kelington	0151	1.51	1.500	1.291	1.661	1.351	-0.7	-
11/10/2023	Supercomnet	0001	1.37	1.330	1.171	1.507	-1.481	-2.9	-
12/10/2023	Senheng	5305	0.39	0.330	0.333	0.429	-2.941	-15.4	SL Triggered
12/10/2023	Duopharma	7148	1.26	1.200	1.077	1.386	0.000	-4.8	-
13/10/2023	MRC	1651	0.49	0.430	0.419	0.539	-1.149	-12.2	SL Triggered
13/10/2023	PAOS	5022	0.31	0.290	0.265	0.341	0.000	-6.5	-
16/10/2023	MCEMENT	3794	3.71	3.630	3.172	4.081	0.276	-2.2	-
16/10/2023	SURIA	6521	1.56	1.580	1.334	1.716	0.000	1.3	-
17/10/2023	PMETAL	8869	4.92	4.880	4.207	5.412	0.000	-0.8	-
17/10/2023	YSPSAH	7178	2.47	2.530	2.112	2.717	1.200	2.4	-
18/10/2023	QLResources	7084	5.55	5.600	4.745	6.105	0.358	0.9	-
18/10/2023	Tasco	5140	0.825	0.815	0.705	0.908	0.617	-1.2	-
19/10/2023	EATECH	5259	0.330	0.325	0.280	0.360	-7.143	-1.5	-
19/10/2023	FPI	9172	2.910	2.870	2.760	3.200	-0.692	-1.4	-
20/10/2023	LiiHen	7089	0.930	0.945	0.800	1.020	-2.577	1.6	-
20/10/2023	MalayCement	3794	3.650	3.630	3.120	4.020	0.276	-0.5	-
23/10/2023	CitaGlobal	7245	1.530	1.590	1.310	1.680	-3.636	3.9	-
23/10/2023	Tomei	7230	1.240	1.210	1.060	1.360	0.833	-2.4	-
24/10/2023	MPI	3867	26.960	26.600	23.050	29.660	-0.300	-1.3	-
24/10/2023	Greatec	0208	4.280	4.570	3.660	4.710	-0.218	6.8	-
25/10/2023	PWF	7134	0.730	0.720	0.620	0.800	-2.041	-1.4	-
25/10/2023	Solarvest	0215	1.260	1.230	1.080	1.390	-3.150	-2.4	-
26/10/2023	Greatec	0208	4.500	4.570	3.850	4.950	-0.218	1.6	-
26/10/2023	D&O	7204	3.220	3.230	2.750	3.540	-1.824	0.3	-
27/10/2023	Tomei	7230	1.230	1.210	1.050	1.350	0.833	-1.6	-
27/10/2023	Genetec	0104	2.510	2.470	2.150	2.760	-1.984	-1.6	-
30/10/2023	Teo Seng	7252	1.340	1.360	1.150	1.470	1.493	1.5	-
30/10/2023	ChinHin	5273	3.890	3.840	3.330	4.260	-1.285	-1.3	-
31/10/2023	Westports	5246	3.410	3.410	2.920	3.750	1.187	0.0	-
31/10/2023	PESTECH	5219	0.360	0.360	0.310	0.396	12.500	0.0	-

## Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM BERHAD	TELCO	5.22	0.73	13.97
UOA DEVELOPMENT BERHAD	PROPERTY	1.68	0.20	11.90
HEKTAR REITS	REITs	0.61	0.06	10.16
MBM RESOURCES BHD	CONSUMER	3.89	0.39	10.10
YTL HOSPITALITY REIT	REITs	1.00	0.09	9.40
TALIWORKS CORPORATION BHD	UTILITIES	0.79	0.07	8.48
SPORTS TOTO BERHAD	CONSUMER	1.46	0.12	8.08
BERMAZ AUTO BERHAD	CONSUMER	2.46	0.19	7.89
UOA REITS	REITs	1.10	0.09	7.82
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.90	0.07	7.78
SENTRAL REIT	REITs	0.83	0.06	7.76
SCICOM (MSC) BHD	IND. PROD.	1.04	0.08	7.69
MAG HOLDINGS BERHAD	CONSUMER	1.07	0.08	7.48
MAGNUM BERHAD	CONSUMER	1.07	0.08	7.48
CAPITALAND MALAYSIA TRUST	REITs	0.55	0.04	7.45

Source: Bloomberg

*User guide: Mercury Securities compiles a list of dividend-yielding stocks for conservative long-term passive investors looking for regular income whilst capping downside risk of their investment.*

*Methodology: The list above includes stocks that have a high dividend yield, estimated to be greater than 4% per annum. These stocks also have a history of paying dividends consistently, having paid dividends for the past 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. 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.

Index	Return (%)		Valuation P/E (x)			
	YTD		5-Years		Current	1 Yr-Fwd
		High	Low	Average		
KLCI	(3.8)	24.1	17.0	18.8	14.5	13.2
Finance	(1.7)	13.0	10.1	12.4	10.1	9.7
Property	31.4	25.1	7.4	11.3	9.9	-
Plantation	(2.6)	95.5	14.1	36.7	14.1	16.9
Consumer	(6.1)	22.5	16.1	21.7	16.1	15.0
Technology	(4.0)	48.6	22.5	26.9	26.6	22.7
Construction	21.0	36.8	16.3	19.2	16.3	11.7
Energy	11.1	10.4	-	-	10.4	9.6
Healthcare	(5.0)	36.1	23.2	29.6	23.2	30.8
Ind. Prod.	(5.5)	24.9	14.7	21.9	14.7	14.2
REIT	0.0	13.8	-	-	13.8	15.1
Telco	(5.2)	29.0	19.8	24.4	29.0	21.1

Source: Bloomberg

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