



Daily Newswatch

Market Review

The FBMKLCI rose marginally higher on Wednesday in line with global rally in equities. Market breadth was positive with 595 gainers and 358 losers. The healthcare sector was the top gainer increasing by +1.64%, while the REIT sector was the only loser declining by -0.25%. UTDPLT (2089) was the top gainer surging by RM0.24 or +1.40%. The FBMKLCI rose by +1.04% to 1,466.84.

Economics

- UK consumer price inflation drops to 4.6% in October, below expectations.
- Oil prices dip on concerns of U.S. production peak amid China's positive signals

Companies

- UEM Sunrise (5148) Q3 net profit at RM8.34 mil, unbilled sales reach RM2.7 bn
- Berjaya Food (5196) reports Q1 net profit of RM19.03 mil despite marginal revenue decline
- Kossan (7153) reports 3Q net profit of RM40.97 mil as it navigates glove sector challenges
- MPI (3867) reports 1Q net profit of RM16.52 mil amidst challenges during geopolitical tensions

Expresso for the Day

- Technical Watch – GenP (2291) Entry Price: RM5.73, Target Price: RM6.30, Stop Loss: RM4.90, Support: RM5.44, Resistance: RM6.81
- Technical Watch – Suria (6521) Entry Price: RM1.79, Target Price: RM1.97, Stop Loss: RM1.53, Support: RM1.70, Resistance: RM1.79

Local	Close	(%)
-------	-------	-----

FBMKLCI	1,466.8	1.04
Volume (mil)	3,943.0	28.13
Value (RM'mil)	2,207.8	24.90
Gainers	595	
Losers	358	
Unchanged	486	

Foreign	Close	(%)
---------	-------	-----

Dow Jones	34,991.2	0.5
Nasdaq CI	14,103.8	0.1
S&P 500	4,502.9	0.2
FTSE 100	7,486.9	0.6
Nikkei 225	33,519.7	(0.3)
Shanghai CI	3,072.8	0.5
HSI	18,079.0	3.9
STI	3,132.1	0.0

Most Active	RM	Chg (RM)
-------------	----	----------

WIDAD	0.460	0.000
TOPGLOV	0.750	0.005
VELESTO	0.235	(0.005)
YTL	1.560	0.030
SIME	2.400	0.030

Top Gainer	RM	Chg (RM)
------------	----	----------

UTDPLT	16.820	0.240
SURIA	1.790	0.080
TAANN	3.580	0.060
WTHORSE	0.625	0.055
SHL	2.020	0.040

Top Loser	RM	Chg (RM)
-----------	----	----------

TTVHB	0.835	(0.125)
YNHPROP	5.020	(0.080)
UCHITEC	3.500	(0.030)
SKBSHUT	0.675	(0.020)
UMW	4.880	(0.020)

Other Stats	RM	(%)
-------------	----	-----

USD/MYR	4.67	(0.98)
USD/RMB	7.25	(0.08)
Brent (USD/barrel)	80.94	(1.86)
Gold (USD/troy oz)	1,959.43	(0.25)
CPO (RM/metric t)	3,671.00	0.37



Daily Newswatch

Economics

UNITED KINGDOM: In October, British annual consumer price inflation (CPI) dropped to a lower-than-anticipated 4.6%, a decrease from September's 6.7%, marking the smallest increase since October 2021. The Bank of England's staff forecasts and a Reuters poll had predicted a reading of 4.8%. Prime Minister Rishi Sunak, who pledged to halve price growth this year, received some positive news, although Bank of England Chief Economist Huw Pill noted that the expected fall in inflation to just under 5% is still considered "much too high." Despite the economic challenges, the Bank of England emphasized that it is not currently contemplating a reduction in interest rates from their 15-year high. (Reuters)

COMMODITIES: Oil prices experienced a dip as the United States, the world's largest oil producer, indicated a potential peak in production, counteracting positive signals from China's increased industrial output and retail sales growth in October. Brent futures fell by 34 cents to \$82.13 a barrel, while U.S. West Texas Intermediate (WTI) crude declined by 40 cents to \$77.86. The International Energy Agency, aligning with OPEC+ in raising oil demand growth forecasts, noted China's economic improvement. (Reuters)

Companies

UEM Sunrise Bhd (5148) recorded a net profit of RM8.34 mil in the third quarter, down from RM20.35 mil in the corresponding quarter of the previous year, with revenue contracting to RM312.35 mil from RM355.76 mil. For the nine-month period ending Sept 30, 2023, net profit was RM48.39 mil, down from RM60.07 mil, and revenue was RM917.09 mil, down from RM1.14 bn in the same period in the previous year. UEM Sunrise plans to activate more land in Johor for development and anticipates financial strength with unbilled sales of RM2.7 bn. (The Star)

Berjaya Food Bhd's (5196) net profit for the quarter was RM19.03 mil, down from RM34.7 mil in the same period in 2022. Despite a marginal decline in revenue to RM278.53 mil from RM283.05 mil in the comparative quarter, the company declared a first interim share dividend. The board expects the group's operating companies to stay on track for the remainder of the financial year, focusing on cost optimization, productivity management, and effective marketing strategies. (The Star)

Kossan Rubber Industries Bhd's (7153) net profit to RM40.97 million for the third quarter of 2023, compared to RM23.26 mil in the same period last year, the group experienced a 28% year-on-year revenue slump to RM403.48 mil. The decline in revenue across all divisions, particularly in gloves, was attributed to a weaker average selling price and sales volume. The group's year-to-date net profit stood at RM13.42 million, a significant decrease from RM159.36 million in the same period in 2022. (The Star)

Malaysian Pacific Industries Bhd (3867) reported a net profit of RM16.52 million for the first financial quarter ended Sept 30, 2023, a decrease from RM52.7 million in the same quarter in 2022 attributed to softer global demand for semiconductors, reflected in the reduced revenue of RM513.21 million, down from RM564.02 million in 1QFY23. Despite these challenges, the board declared an interim dividend of 10 sen per share, payable on Dec 19, 2023. (The Star)

Genting Plantations Berhad

Bloomberg: GENP MK | KLSE Stock Code: 2291

Technical Watch

“BUY on Potential Upside”

Company Overview

Genting Plantations Berhad is an investment holding company which operates plantations. The Company, through its subsidiaries, also develops and invests in properties, processes fresh fruit bunches, trades rubber wood, provides palm oil mill management services, and operates golf course.

Investment Highlights

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

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.

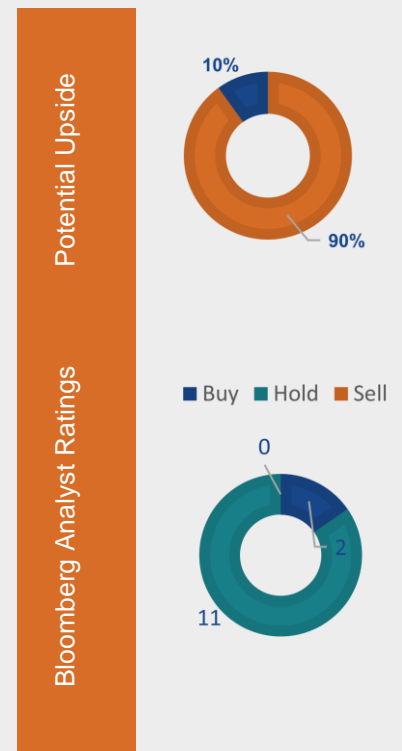
Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	13.8	31.7	28.0
P/B	1.1	1.4	1.5
P/CF	7.0	21.6	20.4
P/S	1.8	2.6	3.5

Entry Price	RM5.73
Market Cap (m)	RM5,140.7
52w high	RM6.39
52w low	RM5.11
Stop Loss	RM4.90
Immediate Support	RM5.44
Immediate Resistance	RM6.81 (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)	256,056.1

Main Market

Plantation
 Subsector – Plantation
 Current Price: RM5.73
 Target Price: RM6.30



Suria Capital Holdings Berhad

Bloomberg: SURIA MK | KLSE Stock Code: 6521

Technical Watch

“BUY on Potential Upside”

Company Overview

Suria Capital Holdings Berhad is an investment holding and property development company. The Company, through its subsidiaries, provides, maintains, regulates, and controls port services and facilities.

Investment Highlights

On an uptrend, the stock is currently trading above the MA20. We think there is a potential upside supported by marubozu with a strong momentum on the stock (RSI > 80).

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.

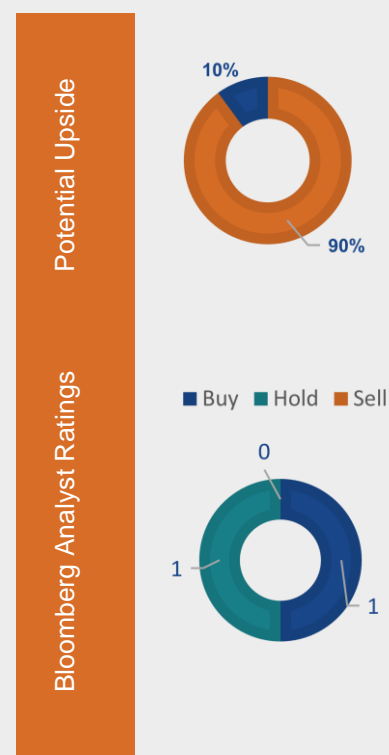
Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	8.5	8.3	7.9
P/B	0.4	0.3	0.4
P/CF	4.9	4.5	5.3
P/S	1.5	1.4	1.5

Entry Price	RM1.79
Market Cap (m)	RM619.0
52w high	RM1.80
52w low	RM0.99
Stop Loss	RM1.53
Immediate Support	RM1.70
Immediate Resistance	RM1.79 (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)	125,579.7

Main Market

Transportation & Logistics
Subsector – Transportation &
Logistics Services
Current Price: RM1.79
Target Price: RM1.97





Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
19/10/2023	EATECH	5259	0.330	0.300	0.280	0.360	-1.639	-9.1	TP Achieved
19/10/2023	FPI	9172	2.910	2.960	2.760	3.200	0.339	1.7	-
20/10/2023	LiiHen	7089	0.930	0.930	0.800	1.020	-1.064	0.0	-
20/10/2023	MalayCement	3794	3.650	3.880	3.120	4.020	1.042	6.3	TP Achieved
23/10/2023	CitaGlobal	7245	1.530	1.590	1.310	1.680	-1.852	3.9	-
23/10/2023	Tomei	7230	1.240	1.190	1.060	1.360	2.586	-4.0	-
24/10/2023	MPI	3867	26.960	27.180	23.050	29.660	1.041	0.8	-
24/10/2023	Greatec	0208	4.280	4.800	3.660	4.710	2.784	12.1	TP Achieved
25/10/2023	PWF	7134	0.730	0.715	0.620	0.800	-0.694	-2.1	-
25/10/2023	Solarvest	0215	1.260	1.270	1.080	1.390	0.794	0.8	-
26/10/2023	Greatec	0208	4.500	4.800	3.850	4.950	2.784	6.7	-
26/10/2023	D&O	7204	3.220	3.450	2.750	3.540	0.583	7.1	-
27/10/2023	Tomei	7230	1.230	1.190	1.050	1.350	2.586	-3.3	-
27/10/2023	Genetec	0104	2.510	2.430	2.150	2.760	-0.410	-3.2	-
30/10/2023	Teo Seng	7252	1.340	1.350	1.150	1.470	0.000	0.7	-
30/10/2023	ChinHin	5273	3.890	3.800	3.330	4.260	1.064	-2.3	-
31/10/2023	Westports	5246	3.410	3.500	2.920	3.750	0.000	2.6	-
31/10/2023	PESTECH	5219	0.360	0.330	0.310	0.396	0.000	-8.3	-
1/11/2023	Jetson	9083	0.270	0.285	0.230	0.290	-3.390	5.6	TP Achieved
1/11/2023	PJBumi	7163	0.960	0.960	0.820	1.050	3.226	0.0	-
2/11/2023	Nationgate	0270	1.190	1.220	1.020	1.310	0.826	2.5	-
2/11/2023	GasMsia	5209	3.380	3.350	2.890	3.720	0.000	-0.9	-
3/11/2023	Padini	7052	3.970	3.930	3.390	4.370	0.000	-1.0	-
3/11/2023	YTLPOWER	6742	2.290	2.290	1.960	2.520	1.327	0.0	-
6/11/2023	Samaiden	0223	1.150	1.160	0.980	1.270	-0.855	0.9	-
6/11/2023	GENP	2291	5.450	5.730	4.660	5.990	2.688	5.1	-
7/11/2023	PIE	7095	3.170	3.130	2.710	3.490	-1.572	-1.3	-
7/11/2023	Kerjaya	7161	1.480	1.470	1.270	1.630	-2.000	-0.7	-
8/11/2023	Hartalega	5168	2.330	2.350	1.990	2.560	3.070	0.9	-
8/11/2023	MRDIY	5296	1.580	1.620	1.350	1.740	6.579	2.5	-
9/11/2023	ALLIANZ	1163	16.720	16.800	14.300	18.390	0.239	0.5	-
9/11/2023	Kperangsang	5843	0.840	0.785	0.720	0.920	-1.875	-6.5	-
10/11/2023	HupSeng	5024	0.800	0.780	0.680	0.880	0.000	-2.5	-
10/11/2023	Toyoven	7173	1.430	1.380	1.220	1.360	0.730	-3.5	-
14/11/2023	Mflour	3662	0.700	0.685	0.590	0.770	0.735	-2.1	-
14/11/2023	IGBB	5606	2.350	2.350	2.010	2.590	-0.424	0.0	-
15/11/2023	RedTone	0032	0.810	0.805	0.690	0.890	-0.617	-0.6	-
15/11/2023	Pensonic	9997	0.770	0.770	0.660	0.850	0.000	0.0	-
16/11/2023	GenP	2291	5.730	5.730	4.900	6.300	2.688	0.0	-
16/11/2023	Suria	6521	1.790	1.790	1.530	1.970	4.678	0.0	-

Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM BERHAD	TELCO	5.18	0.73	14.07
UOA DEVELOPMENT BERHAD	PROPERTY	1.73	0.20	11.56
HEKTAR REITS	REITs	0.61	0.06	10.25
MBM RESOURCES BHD	CONSUMER	4.20	0.39	9.36
YTL HOSPITALITY REIT	REITs	1.02	0.09	9.22
BRITISH AMERICAN TOBACCO (M)	CONSUMER	9.12	0.74	8.15
TALIWORKS CORPORATION BHD	UTILITIES	0.85	0.07	7.88
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.89	0.07	7.87
BERMAZ AUTO BERHAD	CONSUMER	2.48	0.19	7.82
UOA REITS	REITs	1.10	0.09	7.82
CAPITALAND MALAYSIA TRUST	REITs	0.55	0.04	7.45
SENTRAL REIT	REITs	0.84	0.06	7.43
SCICOM (MSC) BHD	IND. PROD.	1.08	0.08	7.41
SPORTS TOTO BERHAD	CONSUMER	1.48	0.11	7.36
KIM LOONG RESOURCES BHD	PLANTATION	1.91	0.14	7.33

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	(1.9)	24.2	17.0	18.8	14.7	13.2
Finance	(0.4)	13.0	10.2	12.4	10.2	9.9
Property	33.7	25.1	7.4	11.4	10.0	#N/A N/A
Plantation	(0.9)	95.5	14.3	36.8	14.3	17.2
Consumer	(4.1)	22.5	16.4	21.8	16.4	14.3
Technology	(0.7)	48.6	22.5	27.0	27.2	23.3
Construction	22.7	36.8	16.3	19.2	16.3	11.7
Energy	11.2	10.3	-	-	10.3	9.9
Healthcare	(0.5)	36.1	24.2	30.1	24.2	32.0
Ind. Prod.	(4.0)	24.9	14.9	21.9	14.9	14.3
REIT	1.1	13.9	-	-	13.9	15.4
Telco	(1.4)	29.9	19.8	24.8	29.9	21.7

Source: Bloomberg

Disclaimer & Disclosure of Conflict of Interest

The information contained in this report is based on data obtained from data and sources believed to be reliable at the time of issue of this report. However, the data and/or sources have not been independently verified and as such, no representation, express or implied, are made as to the accuracy, adequacy, completeness or reliability of the information or opinions in this report.

This report may contain forward-looking statements which are often but not always identified by the use of words such as “believe”, “estimate”, “intend” and “expect” and statements that an event or result “may”, “will” or “might” occur or be achieved and other similar expressions. Such forward-looking statements are based on assumptions made and information currently available to Mercury Securities Sdn Bhd. (“Mercury Securities”) and are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement to be materially different from any future results, performance or achievement, expressed or implied by such forward-looking statements. Caution should be taken with respect to such statements and recipients of this report should not place undue reliance on any such forward-looking statements. Mercury Securities expressly disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Accordingly, neither Mercury Securities nor any of its holding company, related companies, directors, employees, agents and/or associates nor person connected to it accept any liability whatsoever for any direct, indirect, or consequential losses (including loss of profits) or damages that may arise from the use or reliance on the information or opinions in this publication. Any information, opinions or recommendations contained herein are subject to change at any time without prior notice. Mercury Securities has no obligation to update its opinion or the information in this report.

This report does not have regard to the specific investment objectives, financial situation and particular needs of any specific person. Accordingly, investors are advised to make their own independent evaluation of the information contained in this report and seek advice from, amongst others, tax, accounting, financial planner, legal or other business professionals regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report. Nothing in this report constitutes investment, legal, accounting or tax advice or a representation that any investment or strategy is suitable or appropriate to your individual circumstances or otherwise represents a personal recommendation to you. This report is not intended, and should not under no circumstances be considered as an offer to sell or a solicitation of any offer or a solicitation or expression of views to influence any one to buy or sell the securities referred to herein or any related financial instruments.

Mercury Securities and its holding company, related companies, directors, employees, agents, associates and/or person connected with it may, from time to time, hold any positions in the securities and/or capital market products (including but not limited to shares, warrants and/or derivatives), trade or otherwise effect transactions for its own account or the account of its customers or be materially interested in any securities mentioned herein or any securities related thereto, and may further act as market maker or have assumed underwriting commitment or deal with such securities and provide advisory, investment, share margin facility or other services for or do business with any companies or entities mentioned in this report. In reviewing the report, investors should be aware that any or all of the foregoing among other things, may give rise to real or potential conflict of interests and should exercise their own judgement before making any investment decisions.

This research report is being supplied to you on a strictly confidential basis solely for your information and is made strictly on the basis that it will remain confidential. All materials presented in this report, unless specifically indicated otherwise, are under copyright to Mercury Securities. This research report and its contents may not be reproduced, stored in a retrieval system, redistributed, transmitted, or passed on, directly or indirectly, to any person or published in whole or in part, or altered in any way, for any purpose.

This report may provide the addresses of, or contain hyperlinks to websites. Mercury Securities takes no responsibility for the content contained therein. Such addresses or hyperlinks (including addresses or hyperlinks to Mercury Securities own website material) are provided solely for your convenience. The information and the content of the linked site do not in any way form part of this report. Accessing such website or following such link through the report or Mercury Securities’ website shall be at your own risk.

This report is not directed to or intended for distribution or publication outside Malaysia. If you are outside Malaysia, you should have regard to the laws of the jurisdiction in which you are located.

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Published & Printed By:

MERCURY SECURITIES SDN BHD
Registration No. 198401000672 (113193-W)
L-7-2, No 2, Jalan Solaris, Solaris Mont’ Kiara,
50480 Kuala Lumpur
Telephone: (603) - 6203 7227
Website: www.mercurysecurities.com.my
Email: mercurykl@mersec.com.my