

Daily Newswatch

Market Review

The FBMKLCI rose on Tuesday snapping its three-day consecutive losing streak on the back of bargain hunting activities on selected heavyweight counters. Market breadth was positive with 500 gainers and 411 losers. The industrial products & services sector was the top gainer increasing by +1.41%, while the utilities sector was the top loser declining by -0.69%. ALLIANZ (1163) was the top gainer surging by RM0.40 or +2.3%. The FBMKLCI rose by +0.45% to 1,463.40.

Economics

- Oil falls as demand concerns outweigh prospect of further Opec+ cuts
- Indonesia launches US\$20 bil renewable energy investment plan

Companies

- Kerjaya Prospek (7161) records RM35.57mil net profit in 3Q
- KPS (5843) bags RM162.18mil deal to supply chemicals to Air Selangor
- DC Healthcare (0283) acquires I Bella for RM70mil, announces bonus issue
- Teo Seng's (7252) net profit jumps to RM43.83mil in 3Q
- Hap Seng (3034) records net profit of RM50.3mil in 3Q

Expresso for the Day

- Technical Watch – INARI (0166) Entry Price: RM3.05, Target Price: RM3.36, Stop Loss: RM2.61, Support: RM2.90, Resistance: RM3.16
- Technical Watch – GENTING (3182) Entry Price: RM4.43, Target Price: RM4.87, Stop Loss: RM3.79, Support: RM4.21, Resistance: RM4.58

Local	Close	(%)
FBMKLCI	1,463.4	0.44
Volume (mil)	3,655.9	13.28
Value (RM'mil)	2,107.4	24.12
Gainers	500	
Losers	411	
Unchanged	472	

Foreign	Close	(%)
Dow Jones	35,088.3	(0.2)
Nasdaq CI	14,200.0	(0.6)
S&P 500	4,538.2	(0.2)
FTSE 100	7,482.0	(0.2)
Nikkei 225	33,354.1	(0.3)
Shanghai CI	3,067.9	(0.0)
HSI	17,733.9	(0.2)
STI	3,096.3	(0.5)

Most Active	RM	Chg (RM)
HONGSENG	0.030	0.000
LEFORM	0.265	(0.025)
WIDAD	0.460	0.000
MYEG	0.815	0.010
DNEX	0.430	0.000

Top Gainer	RM	Chg (RM)
ALLIANZ	17.600	0.400
RAPID	27.780	0.340
BKAWAN	20.680	0.320
HAPSENG	5.000	0.200
PCHEM	7.380	0.180

Top Loser	RM	Chg (RM)
PERTAMA	3.510	(1.140)
KLK	21.620	(0.380)
UTDPLT	16.900	(0.200)
SHL	2.000	(0.140)
PPB	14.460	(0.120)

Other Stats	RM	(%)
USD/MYR	4.65	(0.32)
USD/RMB	7.14	(0.37)
Brent (USD/barrel)	82.48	0.19
Gold (USD/troy oz)	1,998.40	1.02
CPO (RM/metric t)	3,777.00	(0.21)



Daily Newswatch

Economics

COMMODITIES: Oil futures fell on Tuesday, reversing the previous day's rally, as concerns over weaker demand amid a slowing global economy outweighed the prospect of deepening supply cuts by Opec and its allies such as Russia. Brent crude futures fell 36 cents, or 0.4%, to US\$81.96 a barrel by 0439 GMT while US West Texas Intermediate crude was at US\$77.50 a barrel, down 33 cents, or 0.4%. Both contracts climbed about 2% on Monday after three Opec+ sources told Reuters that the producer group, made up of the Organization of the Petroleum Exporting Countries (Opec) and its allies, is set to consider whether to make additional oil supply cuts when it meets on Nov 26. (The Edge)

INDONESIA: Indonesia launched on Tuesday, its investment plan to mobilise US\$20 billion in financing pledged by global lenders, led by the United States and Japan, to accelerate its power sector decarbonisation and called for immediate fund disbursement. Indonesia, one of the world's biggest greenhouse gas emitters, plans to increase the portion of renewable energy in its power generation to 44% by 2030, from around 12% in 2022. The CIPP indicated that investments worth US\$97.3 billion were needed to achieve the targets, including US\$66.9 billion for 400 projects which need to start by 2030 at the latest. (The Edge)

Companies

Kerjaya Prospek Group Bhd (7161), Kerjaya Prospek posted a net profit of RM35.57mil in 9MFY23, up from RM28.81mil in 9MFY22. The group reported revenue of RM362.23mil, an improvement from RM259.4mil in the previous corresponding quarter, an interim dividend of two sen per share to be paid on Jan 12, 2024, for shareholders on the record of depositors on Dec 15, 2023. For the nine months period, the group's net profit rose to RM96.55mil from RM86.2mil in 9MFY22 while revenue climbed to RM968.75mil from RM836.91mil. (The Star)

Kumpulan Perangsang Selangor Bhd's (5843) 51%-owned subsidiary Aqua-Flo Sdn Bhd has inked a framework agreement (FA) with Pengurusan Air Selangor Sdn Bhd for the supply and delivery of various water treatment chemicals for RM162.18mil. The contract is for a period of two years from Jan 1, 2024, to Dec 31, 2025, it said in a bourse filing. (The Star)

DC Healthcare Holdings Bhd (0283) is set to acquire a 100% stake in I Bella Sdn Bhd for RM70mil, funded through RM35mil cash and the issuance of 60.34 million new shares, aiming to enhance its market presence and service offerings. In addition, the company proposed a bonus issue of free warrants to reward shareholders and plans to establish an Employee Share Option Scheme (ESOS) to acknowledge staff contributions. (The Star)

Teo Seng Capital Bhd (7252) posted a net profit of RM43.83mil in the third quarter ended Sept 30, 2023. The group reported revenue of RM200mil, up from RM166.58mil in the same 2022 quarter as the poultry farming segment benefited from the higher average selling price and sales quantity of eggs. Teo Seng also recorded a net profit of RM88.92mil compared to RM8.61mil in 9MFY22, while revenue rose to RM561.13mil from RM471.32mil previously. (The Star)

Hap Seng Consolidated Bhd (3034) recorded a net profit of RM50.3mil, which compares to RM563.75mil in the previous corresponding quarter. Revenue, meanwhile, was RM1.54bil, down from RM1.97bil in the same quarter in 2022. Cumulatively, the group's net profit over three quarters was RM762.96mil, down from RM852.63mil in 9MFY22 and revenue was down to RM4.78bil from RM5.32bil. (The Star)

Inari Amertron Berhad

Bloomberg: INRI MK | KLSE Stock Code: 0166

Technical Watch

“BUY on Potential Upside”

Company Overview

Inari Amertron Berhad is an investment holding company involved in the electronics manufacturing services (EMS) industry. The Company provides semiconductor packaging services such as back-end wafer processing, assembly and testing for global customers in Radio Frequency (RF) and in Optoelectronic products. Inari has manufacturing facilities in Malaysia, China and Philippines.

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 > 60).

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	33.7	31.1	21.1
P/B	4.1	4.6	4.4
P/CF	26.1	20.0	16.4
P/S	8.1	5.6	3.7

Entry Price	RM3.05
Market Cap (m)	RM11,421.6
52w high	RM3.20
52w low	RM2.15
Stop Loss	RM2.61
Immediate Support	RM2.90
Immediate Resistance	RM3.16 (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)	4,829,131.4

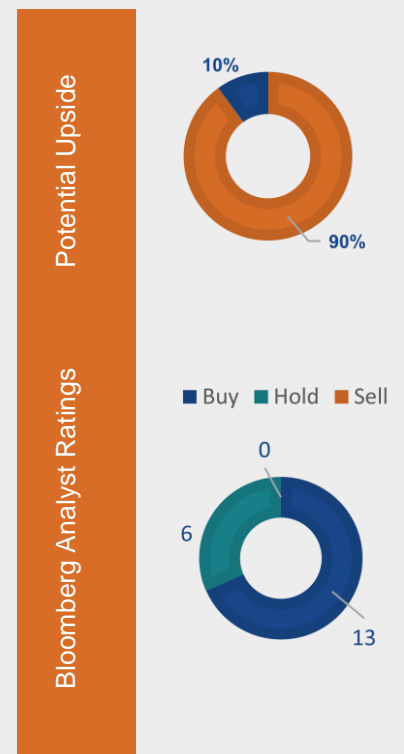
Main Market

Technology

Subsector – Semiconductors

Current Price: RM3.05

Target Price: RM3.36



Genting Berhad

Bloomberg: GENT MK | KLSE Stock Code: 3182

Technical Watch

“BUY on Potential Continuation”

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. materials.

Investment Highlights

On an uptrend, the stock is currently trading above the MA20. We think there is a potential continuation supported by marubozu 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	74.1	31.9	19.7
P/B	0.5	0.5	0.7
P/CF	5.1	37.4	19.6
P/S	0.9	1.0	1.2

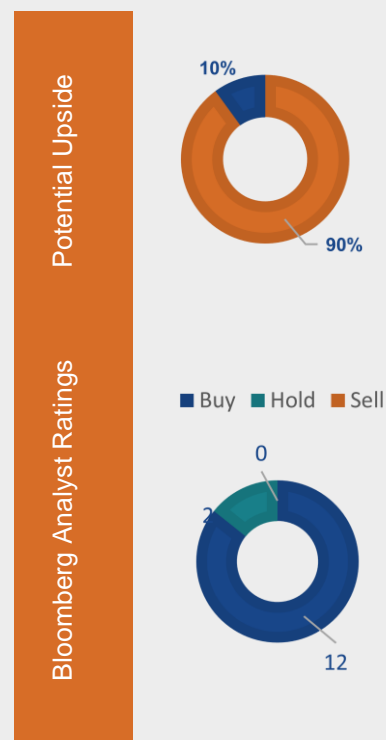
Entry Price	RM4.43
Market Cap (m)	RM17,058.1
52w high	RM5.12
52w low	RM4.01
Stop Loss	RM3.79
Immediate Support	RM4.21
Immediate Resistance	RM4.58 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong momentum
Volume (4-Weeks Average)	4,230,628.1

Main Market

Consumer Products & Services
Subsector – Travel, Leisure & Hospitality

Current Price: RM4.43

Target Price: RM4.87





Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
25/10/2023	PWF	7134	0.730	0.735	0.620	0.800	2.083	0.7	-
25/10/2023	Solarvest	0215	1.260	1.270	1.080	1.390	-1.550	0.8	-
26/10/2023	Greatec	0208	4.500	4.880	3.850	4.950	0.619	8.4	-
26/10/2023	D&O	7204	3.220	3.490	2.750	3.540	-0.852	8.4	-
27/10/2023	Tomei	7230	1.230	1.190	1.050	1.350	0.847	-3.3	-
27/10/2023	Genetec	0104	2.510	2.430	2.150	2.760	0.000	-3.2	-
30/10/2023	Teo Seng	7252	1.340	1.450	1.150	1.470	2.113	8.2	-
30/10/2023	ChinHin	5273	3.890	3.930	3.330	4.260	-2.239	1.0	-
31/10/2023	Westports	5246	3.410	3.480	2.920	3.750	1.163	2.1	-
31/10/2023	PESTECH	5219	0.360	0.335	0.310	0.396	0.000	-6.9	-
1/11/2023	Jetson	9083	0.270	0.305	0.230	0.290	8.929	13.0	TP Achieved
1/11/2023	PJBumi	7163	0.960	0.915	0.820	1.050	-0.543	-4.7	-
2/11/2023	Nationgate	0270	1.190	1.350	1.020	1.310	-0.735	13.4	TP Achieved
2/11/2023	GasMsia	5209	3.380	3.200	2.890	3.720	-0.929	-5.3	-
3/11/2023	Padini	7052	3.970	3.880	3.390	4.370	-1.772	-2.3	-
3/11/2023	YTLPOWER	6742	2.290	2.360	1.960	2.520	0.000	3.1	-
6/11/2023	Samaiden	0223	1.150	1.150	0.980	1.270	-0.862	0.0	-
6/11/2023	GENP	2291	5.450	5.540	4.660	5.990	0.000	1.7	-
7/11/2023	PIE	7095	3.170	3.290	2.710	3.490	-1.497	3.8	-
7/11/2023	Kerjaya	7161	1.480	1.490	1.270	1.630	0.676	0.7	-
8/11/2023	Hartalega	5168	2.330	2.440	1.990	2.560	1.667	4.7	-
8/11/2023	MRDIY	5296	1.580	1.570	1.350	1.740	-2.484	-0.6	-
9/11/2023	ALLIANZ	1163	16.720	17.600	14.300	18.390	2.326	5.3	-
9/11/2023	Kperangsang	5843	0.840	0.805	0.720	0.920	5.921	-4.2	-
10/11/2023	HupSeng	5024	0.800	0.795	0.680	0.880	0.633	-0.6	-
10/11/2023	Toyoven	7173	1.430	1.410	1.220	1.360	0.714	-1.4	-
14/11/2023	Mflour	3662	0.700	0.700	0.590	0.770	2.190	0.0	-
14/11/2023	IGBB	5606	2.350	N/A	2.010	2.590	N/A	N/A	-
15/11/2023	RedTone	0032	0.810	0.705	0.690	0.890	0.714	-13.0	SL Triggered
15/11/2023	Pensonic	9997	0.770	0.780	0.660	0.850	1.299	1.3	-
16/11/2023	GenP	2291	5.730	5.540	4.900	6.300	0.000	-3.3	-
16/11/2023	Suria	6521	1.790	1.800	1.530	1.970	-1.099	0.6	-
17/11/2023	YTLPower	6742	2.360	2.360	2.020	2.590	0.000	0.0	-
17/11/2023	ChinHin	5273	3.910	3.930	3.340	4.300	-2.239	0.5	-
20/11/2023	Ranhill	5272	0.920	0.915	0.790	1.010	1.105	-0.5	-
20/11/2023	Day3	0281	0.450	0.435	0.380	0.490	1.163	-3.3	-
21/11/2023	PIE	7095	3.340	3.290	2.860	3.670	-1.497	-1.5	-
21/11/2023	Globetronic	7022	1.640	1.650	1.400	1.810	0.610	0.6	-
22/11/2023	INARI	0166	3.050	3.050	2.610	3.360	2.694	0.0	-
22/11/2023	GENTING	3182	4.430	4.430	3.790	4.870	2.309	0.0	-

Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM BERHAD	TELCO	5.21	0.73	13.99
UOA DEVELOPMENT BERHAD	PROPERTY	1.76	0.20	11.36
HEKTAR REITS	REITs	0.62	0.06	10.08
MBM RESOURCES BHD	CONSUMER	4.26	0.39	9.23
YTL HOSPITALITY REIT	REITs	1.02	0.09	9.22
BRITISH AMERICAN TOBACCO (M)	CONSUMER	9.04	0.74	8.22
BERMAZ AUTO BERHAD	CONSUMER	2.45	0.20	8.12
AMWAY (M) HOLDINGS BHD	CONSUMER	5.65	0.46	8.14
TALIWORKS CORPORATION BHD	UTILITIES	0.84	0.07	7.98
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	7.52
SCICOM (MSC) BHD	IND. PROD.	1.08	0.08	7.41
CAPITALAND MALAYSIA TRUST	REITs	0.56	0.04	7.32
SPORTS TOTO BERHAD	CONSUMER	1.49	0.11	7.32

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	(2.1)	24.2	17.0	18.8	14.7	13.2
Finance	(0.5)	13.0	10.2	12.4	10.2	9.8
Property	34.3	25.1	7.4	11.4	10.1	#N/A N/A
Plantation	(1.0)	95.5	14.3	36.8	14.3	17.0
Consumer	(4.7)	22.5	16.2	21.8	16.2	14.2
Technology	0.2	48.6	22.5	27.1	27.5	23.8
Construction	22.8	36.8	16.3	19.2	16.3	11.7
Energy	11.3	10.3	-	-	10.3	9.7
Healthcare	4.0	36.1	25.3	30.7	25.3	33.0
Ind. Prod.	(3.2)	24.9	15.0	22.0	15.0	14.4
REIT	1.6	14.0	-	-	14.0	15.4
Telco	(3.0)	29.4	19.8	24.6	29.4	21.2

Source: Bloomberg

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Published & Printed By:

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