

# Daily Newswatch

## Market Review

The FBMKLCI ended higher on Thursday following cues from Wall Street overnight as Fed maintain interest rate steady. Market breadth was positive with 566 gainers and 353 losers. All sectors ended in green with the health care sector being the top gainer increasing by +3.53%. RAPID (7765) was the top gainer surging by RM1.36 or +5.4%. The FBMKLCI rose by +0.57% to 1,456.3.

## Economics

- **Bank of England** maintains interest rate at 5.25%
- **Norway** hikes rates to 4.50%
- **Philippines** central bank keeps benchmark rate at 6.5%

## Companies

- **Pestech (5219)** JV wins Sarawak RM109.9mil substation deal
- **Ranhill (5272)** secures RM283.9mil contract in Johor
- **EcoWorld (8206)** exceeds RM3.5bil sales target
- **Yinson (7293)** posts RM248.0mil net profit for 3Q
- **Crest (8591)** secures RM314.5mil contract from UEM Land

## Expresso for the Day

- **Technical Watch – UTDPLT (2089)** Entry Price: RM17.20, Target Price: RM18.92, Stop Loss: RM14.71, Support: RM16.34, Resistance: RM17.36
- **Technical Watch – PMETAL (8869)** Entry Price: RM4.93, Target Price: RM5.42, Stop Loss: RM4.22, Support: RM4.68, Resistance: RM4.94

Local	Close	(%)
FBMKLCI	1,456.3	0.57
Volume (mil)	4,246.8	12.85
Value (RM'mil)	2,778.4	15.73
Gainers	566	
Losers	353	
Unchanged	452	

Foreign	Close	(%)
Dow Jones	37,248.4	0.4
Nasdaq CI	14,761.6	0.2
S&P 500	4,719.6	0.3
FTSE 100	7,649.0	1.3
Nikkei 225	32,686.3	(0.7)
Shanghai CI	2,959.0	(0.3)
HSI	16,402.2	1.1
STI	3,123.0	0.6

Most Active	RM	Chg (RM)
SAPNRG	0.050	0.000
TOPGLOV	0.910	0.035
VELESTO	0.225	0.010
SMTRACK	0.050	0.010
MINETEC	0.095	0.025

Top Gainer	RM	Chg (RM)
RAPID	26.360	1.360
MPI	28.160	1.060
HEXTECH	22.000	0.800
PETGAS	17.200	0.380
HARTA	2.760	0.230

Top Loser	RM	Chg (RM)
CARLSBG	19.100	(0.300)
PPB	14.500	(0.100)
AJI	16.000	(0.100)
WPRTS	3.520	(0.100)
SCIPACK	2.120	(0.080)

Other Stats	RM	(%)
USD/MYR	4.67	(0.72)
USD/RMB	7.11	(0.82)
Brent (USD/barrel)	76.72	3.18
Gold (USD/troy oz)	2,035.98	0.41
CPO (RM/metric t)	3,595.00	0.00

# Daily Newswatch

## Economics

**UNITED KINGDOM:** The Bank of England (BOE) has maintained its stance on keeping British interest rates high for an "extended period," with a 6-3 vote by the Monetary Policy Committee to keep rates at 5.25%. This decision comes a day after the US Federal Reserve signaled its intention to cut US interest rates in 2024.

**NORWAY:** Norway's central bank, Norges Bank, unexpectedly raised its benchmark interest rate by 25 basis points to 4.50% in an effort to combat persistent inflation.

**PHILIPPINES:** The Philippine central bank kept its benchmark interest rate steady at 6.5% for a second straight meeting on Thursday as price pressures have started to ease, but signalled policy would stay tight for longer to bring inflation back to target.

## Companies

**Pestech International Bhd (5219)**, through its 60%-owned joint venture, has secured a RM109.9mil transmission substation design project in Entinggan, Kuching, Sarawak, from Syarikat Sesco Bhd. The project aims to enhance power supply reliability and accommodate the growing organic and industrial load in Kuching. The contract, commencing on December 26, 2023, is expected to complete in 23 months from the start date. (The Star)

**Ranhill Utilities Bhd (5272)** has officially accepted a letter of acceptance for a tender valued at RM283.89 million concerning a non-revenue water (NRW) reduction contract in Johor. This marks the seventh consecutive NRW project in Johor secured by Ranhill through a competitive open tender process, with the streak starting in 2011. (The Star)

**Eco World Development Group Bhd (8206)** has surpassed its sales target for the financial year ended Oct 31, 2023, reporting sales of RM3.61 billion, exceeding the RM3.5 billion target. The company also reported high net profits from its Malaysian operations in FY23, totaling RM284.7 million, with a strong balance sheet, high cash balances, and low net gearing levels. EcoWorld Malaysia declared a final dividend of two sen per share for 4Q23, bringing the total dividends declared for FY23 to six sen per share. (The Star)

**Yinson Holdings Bhd (7293)** posted a record net profit of RM248 million or 7.3 sen per share for the third quarter ended Oct 31, 2023 (3QFY2024), up 60% from RM155 million or 4.2 sen per share a year earlier as revenue grew 62% to RM2.81 billion from RM1.74 billion. For the first nine months of FY2024, net profit rose 64.11% to RM686 million from RM418 million, mainly due to a doubling of revenue to RM8.94 billion from RM4.36 billion, thanks to an increase in engineering, procurement, construction, installation and commissioning (EPCIC) revenue. (The Edge)

**Crest Builder Holdings Bhd (8591)** has secured a RM314.5 million contract from UEM Land Bhd to construct 1,334 units of serviced apartments in two 53-storey blocks in Cheras, Kuala Lumpur. The project also comprises a level of sub-basement car park, elevated podium car parks, commercial retail and office spaces and a level of recreation facilities. Construction would take approximately 39 months beginning from its scheduled site possession date of June 1, 2024. (The Edge)

# United Plantations Berhad

Bloomberg: UPL MK | KLSE Stock Code: 2089

## Technical Watch

“BUY on Potential Upside”

### Company Overview

United Plantations Berhad (U.P.) cultivates and processes oil palm and coconut. Through its subsidiaries, the Company manufactures edible oils, fats, soap products and cocoa butter. United Plantations also transports and stores vegetable oil and molasses, and has operation in engineering consultancy services.

### 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 strong momentum on the stock (RSI > 55).

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.

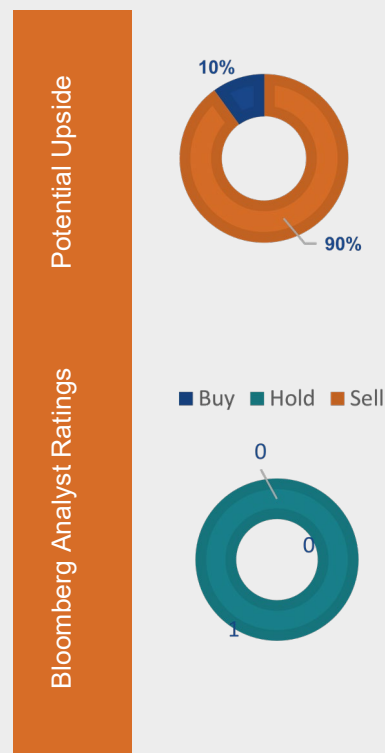
### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	9.8	11.0	11.0
P/B	2.0	1.8	1.6
P/CF	10.6	9.9	9.8
P/S	2.5	2.9	3.0

Entry Price	RM17.20
Market Cap (m)	RM7,134.3
52w high	RM17.20
52w low	RM14.24
Stop Loss	RM14.71
Immediate Support	RM16.34
Immediate Resistance	RM17.36 (Previous high)
Moving Average (EMA)	Bearish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong momentum
Volume (4-Weeks Average)	314,535.6

### Main Market

Plantation  
 Subsector – Plantation  
 Current Price: RM17.20  
 Target Price: RM18.92



# Press Metal Aluminium Holdings Berhad

Bloomberg: PMAH MK | KLSE Stock Code: 8869

## Technical Watch

“BUY on Potential Upside”

### Company Overview

Press Metal Aluminium Holdings Berhad operates as a holding company. The Company, through its subsidiaries, provides aluminium ingots, billets, fluorocarbon, and other products. Press Metal Aluminium Holdings serves customers worldwide.

### Investment Highlights

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

Expanding 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.

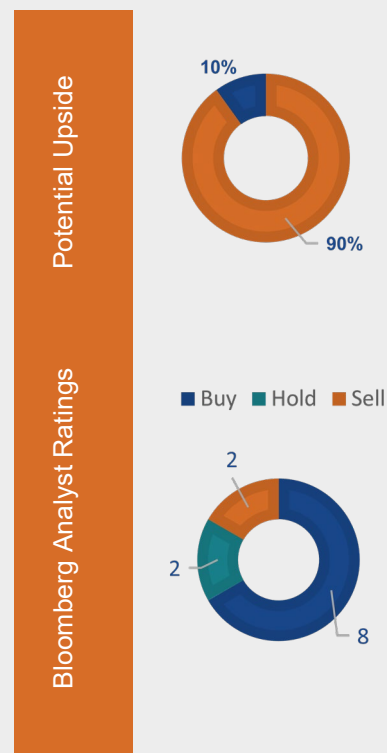
### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	34.7	42.8	34.8
P/B	7.9	7.8	5.6
P/CF	79.3	46.4	32.0
P/S	3.1	3.1	2.1

Entry Price	RM4.93
Market Cap (m)	RM40,621.3
52w high	RM5.40
52w low	RM4.45
Stop Loss	RM4.22
Immediate Support	RM4.68
Immediate Resistance	RM4.94 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bearish
Bollinger Bands (Long Run)	More volatile over the long run
RSI	Strong momentum
Volume (4-Weeks Average)	4,794,274.9

### Main Market

Industrial Products & Services  
 Subsector – Metals  
 Current Price: RM4.93  
 Target Price: RM5.42



## Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
20/11/2023	Ranhill	5272	0.920	0.880	0.790	1.010	-0.565	-4.3	-
20/11/2023	Day3	0281	0.450	0.385	0.380	0.490	-8.333	-14.4	SL Triggered
21/11/2023	PIE	7095	3.340	3.270	2.860	3.670	N/A	-2.1	-
21/11/2023	Globetronic	7022	1.640	1.770	1.400	1.810	0.000	7.9	-
22/11/2023	INARI	0166	3.050	2.940	2.610	3.360	-0.271	-3.6	-
22/11/2023	GENTING	3182	4.430	4.710	3.790	4.870	1.290	6.3	-
23/11/2023	TeoSeng	7252	1.650	1.590	1.410	1.820	-1.242	-3.6	-
23/11/2023	Dufu	7233	1.850	1.810	1.580	2.040	0.000	-2.2	-
24/11/2023	Supermax	7106	1.040	0.960	0.890	1.140	3.226	-7.7	-
24/11/2023	Hartalega	5166	2.620	2.760	2.240	2.880	9.091	5.3	-
27/11/2023	Mcement	3226	4.040	4.270	3.450	4.440	1.425	5.7	-
27/11/2023	Hextech	1286	23.700	22.000	20.260	26.070	3.774	-7.2	-
28/11/2023	GentingM	4715	2.700	2.690	2.310	2.970	0.373	-0.4	-
28/11/2023	Kelington	0151	1.750	1.890	1.500	1.930	2.717	8.0	-
29/11/2023	AeonCredit	5139	5.780	5.610	4.940	6.360	0.179	-2.9	-
29/11/2023	BAT	4162	9.350	9.120	7.990	10.290	0.330	-2.5	-
30/11/2023	FarmFresh	5306	1.360	1.350	1.160	1.490	2.273	-0.7	-
30/11/2023	BAT	5000	2.060	2.260	1.760	2.270	0.444	9.7	-
1/12/2023	Infomina	0265	1.770	1.770	1.510	1.950	0.568	0.0	-
1/12/2023	Vitrox	0097	7.000	7.220	5.990	7.700	0.417	3.1	-
4/12/2023	Nationgate	0270	1.360	1.420	1.160	1.490	2.899	4.4	-
4/12/2023	Kossan	7153	1.690	1.850	1.440	1.860	9.467	9.5	-
5/12/2023	RCECapital	9296	2.760	2.960	2.360	3.040	0.339	7.2	-
5/12/2023	Aurelius	5302	2.740	2.690	2.340	3.010	-1.825	-1.8	-
6/12/2023	Vitrox	0097	7.04	7.220	6.019	7.744	0.417	2.6	-
6/12/2023	WellCall	7231	1.7	1.670	1.454	1.87	-0.595	-1.8	-
7/12/2023	D&O	7204	3.6	3.550	3.078	3.96	1.719	-1.4	-
7/12/2023	Matrix	5236	1.68	1.680	1.4364	1.848	0.000	0.0	-
8/12/2023	Aurelius	5302	2.8	2.690	2.394	3.08	-1.825	-3.9	-
8/12/2023	GFM	0039	0.27	0.270	0.2309	0.297	0.000	0.0	-
11/12/2023	RCECapital	9296	2.99	2.960	2.5565	3.289	0.339	-1.0	-
11/12/2023	Thong Guan	7034	1.89	1.880	1.6160	2.079	0.535	-0.5	-
12/12/2023	GenP	2291	5.62	5.490	4.8051	6.182	-0.363	-2.3	-
12/12/2023	Unisem	5005	3.37	3.310	2.8814	3.707	-1.488	-1.8	-
13/12/2023	SFPTech	0251	1.02	0.965	0.8721	1.122	-3.015	-5.4	-
13/12/2023	Tropicana	5401	1.26	1.270	1.0773	1.386	1.600	0.8	-
14/12/2023	SWKPLNT	5135	2.17	2.150	1.8554	2.387	-0.922	-0.9	-
14/12/2023	YBS	0025	0.7	0.700	0.5985	0.77	0.000	0.0	-
15/12/2023	UTDPLT	2089	17.2	17.200	14.706	18.92	1.176	0.0	-
15/12/2023	PMETAL	8869	4.93	4.930	4.21515	5.423	2.070	0.0	-

## Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM HOLDINGS BERHAD	TELCO	5.21	0.73	13.95
UOA DEVELOPMENT BERHAD	PROPERTY	1.75	0.22	12.57
MBM RESOURCES BHD	CONSUMER	4.45	0.46	10.36
YTL HOSPITALITY REIT	REITs	1.02	0.09	9.22
BERMAZ AUTO BERHAD	CONSUMER	2.36	0.21	8.94
HEKTAR REITS	REITs	0.65	0.06	8.84
TALIWORKS CORPORATION BHD	UTILITIES	0.81	0.07	8.27
AMWAY (M) HOLDINGS BHD	CONSUMER	5.60	0.46	8.21
BRITISH AMERICAN TOBACCO (M)	CONSUMER	9.11	0.74	8.16
SENTRAL REIT	REITs	0.78	0.06	8.00
UOA REITS	REITs	1.10	0.09	7.82
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.90	0.07	7.78
CAPITALAND MALAYSIA TRUST	REITs	0.55	0.04	7.45
SCICOM (MSC) BHD	IND. PROD.	1.08	0.08	7.41
SPORTS TOTO BERHAD	CONSUMER	1.48	0.11	7.30

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	(2.8)	24.2	17.0	18.8	14.2	13.3
Finance	(0.4)	13.0	9.8	12.3	9.8	9.8
Property	30.9	25.1	7.4	11.5	10.6	#N/A N/A
Plantation	(1.4)	95.5	14.4	36.8	14.4	16.9
Consumer	(5.8)	22.5	14.6	21.4	14.6	14.8
Technology	(1.0)	48.6	22.5	27.9	31.5	24.2
Construction	22.1	36.8	15.1	18.9	15.1	11.5
Energy	3.4	9.0	-	-	9.0	9.0
Healthcare	7.7	36.1	24.2	30.1	24.2	32.2
Ind. Prod.	(5.7)	24.9	17.4	22.4	17.4	14.6
REIT	0.7	13.0	-	-	13.0	15.3
Telco	(5.9)	28.5	19.8	22.0	24.3	20.5

Source: Bloomberg

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