

# Daily Newswatch

## Market Review

The FBMKLCI rose on Friday in line with strength in Wall Street. Market breadth was negative with 311 gainers and 689 losers. The consumer product & services sector was the top gainer increasing by +0.69%, while the energy sector was the top loser declining by -1.58%. F&N (3689) was the top gainer surging by RM0.52 or +1.9%. The FBMKLCI rose by +0.24% to 1,516.6.

## Economics

- **China's economic growth to decelerate to 4.6% in 2024** – IMF
- **World Food Price Index** fell to its lowest level in nearly three years - UNFAO

## Companies

- **TRC Synergy Bhd's (5054)** secures RM358.0m contract for infra job at Subang Airport
- **T7 Global Bhd (7228)** secures RM400.0m contract in Thailand
- **KJTS Group Bhd (0293)** secures RM16.77m contract
- **Paragon (9407) & Solarvest (0215)** signs MoU to joint-develop green industrial township in Johor Bharu

## Expresso for the Day

- **Technical Watch – Genting M (4715)** Entry Price: RM2.77, Target Price: RM3.05, Stop Loss: RM2.37, Support: RM2.63, Resistance: RM2.87
- **Technical Watch – Maybank (1155)** Entry Price: RM9.34, Target Price: RM10.27, Stop Loss: RM7.99, Support: RM8.87, Resistance: RM9.34

Local	Close	(%)
FBMKLCI	1,516.6	0.24
Volume (mil)	3,655.5	(0.47)
Value (RM'mil)	3,002.9	5.22
Gainers	311	
Losers	689	
Unchanged	460	

Foreign	Close	(%)
Dow Jones	38,654.4	1.3
Nasdaq CI	15,629.0	3.1
S&P 500	4,958.6	2.3
FTSE 100	7,615.5	(0.2)
Nikkei 225	36,158.0	(0.4)
Shanghai CI	2,730.2	(2.1)
HSI	15,533.6	0.3
STI	3,179.8	0.8

Most Active	RM	Chg (RM)
MINETEC	0.145	0.000
VELESTO	0.255	(0.005)
WIDAD	0.135	0.000
MRCB	0.615	(0.035)
YTLPOWR	3.940	(0.170)

Top Gainers	RM	Chg (RM)
F&N	28.220	0.520
HEIM	24.400	0.300
AIRPORT	7.900	0.210
SUNCON	2.450	0.200
DLADY	23.980	0.180

Top Losers	RM	Chg (RM)
MPI	26.560	(0.440)
KLK	22.020	(0.200)
APOLLO	5.460	(0.180)
YTLPOWR	3.940	(0.170)
SCIENTX	3.860	(0.140)

Other Stats	RM	(%)
USD/MYR	4.72	(0.34)
USD/RMB	7.19	0.34
Brent (USD/barrel)	77.33	(5.36)
Gold (USD/troy oz)	2,039.76	0.01
CPO (RM/metric t)	3,832.50	(3.37)

# Daily Newswatch

## Economics

**CHINA:** The International Monetary Fund forecasts **China's economic growth to decelerate to 4.6% in 2024**, with a further decline to around 3.5% by 2028 due to challenges including weakness in the property sector, subdued external demand, a protracted property crisis, weak consumer and business confidence, mounting local government debts, and sluggish global growth following the Covid-19 pandemic. (The Edge)

**GLOBAL:** The United Nations Food and Agriculture Organization reported that the **world food price index fell to its lowest level in nearly three years** in January 2024, driven by declines in cereals and meat, while global cereal production for 2023 is projected to reach an all-time record high of 2.836 billion metric tonnes. (The Edge)

## Companies

**TRC Synergy Bhd's (5054)** unit TRCSB secures a RM358 million contract from Khazanah Nasional Bhd for refurbishment and infrastructure works at Subang Airport's Engineering Complex A, with the project expected to positively impact future earnings and unbilled order book standing at RM480 million as of November 2023. (The Edge)

**T7 Global Bhd (7228)** secures a RM400 million contract to lease its latest mobile offshore production unit (Mopu), named TSeven Shirley, to Valeura Energy Inc for the Nong Yao oil field development in Thailand waters, with the Mopu set to begin charter in 2024 for five years, contributing to the company's offshore energy asset expansion strategy. (The Edge)

**KJTS Group Bhd (0293)** secures a RM16.77 million contract from Thailand's Centara Grand Hotel for retrofitting works, operation and maintenance services, and chilled water supply for 15 years, with the agreement set to bolster its position in the Thai market and contribute positively to earnings and net assets until its expiration. (The Edge)

**Paragon Globe Bhd (9407)** and **Solarvest Holdings (0215) Bhd** have signed a memorandum of understanding to jointly develop a solar-ready factory and green industrial township in Johor Bahru, aiming to integrate renewable energy solutions into the project with zero initial capital outlay, as part of Johor's initiatives to attract foreign direct investment and reach a RM260 billion gross domestic product target by 2030. (The Edge)

# Genting Malaysia Berhad

Bloomberg: GENM MK | KLSE Stock Code: 4715

## Technical Watch

"BUY on Potential Upside"

### Company Overview

Genting Malaysia Berhad operates a tourist resort in Genting Highlands which includes hotels, restaurants, casinos, and recreational and amusement facilities. The Company, through its subsidiaries, also develops and leases property, operates leisure and hospitality services, and provides time share ownership scheme.

### 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).

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.

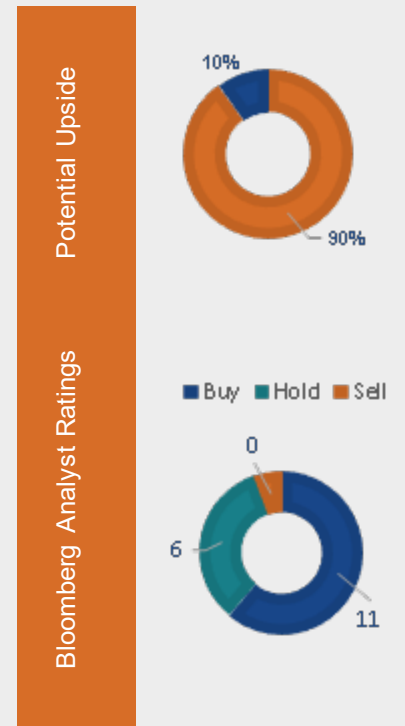
### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	296.1	80.4	24.8
P/B	1.1	1.0	1.0
P/CF	42.6	37.4	21.2
P/S	2.0	2.2	2.2

Entry Price	<b>RM2.77</b>
Market Cap (m)	RM15,699.6
<b>52w high</b>	<b>RM2.91</b>
<b>52w low</b>	<b>RM2.40</b>
Stop Loss	RM2.37
Immediate Support	RM2.63
Immediate Resistance	RM2.87 (Previous high)
Moving Average (EMA)	Bullish
Moving Average (SMA)	Bullish
Bollinger Bands (Long Run)	Less volatile over the long run
RSI	Strong momentum
Volume (4-Weeks Average)	6,121,946.3

### Main Market

Consumer Products & Services  
 Subsector – Travel, Leisure & Hospitality  
 Current Price: RM2.77  
 Target Price: RM3.05



# Malayan Banking Berhad

Bloomberg: MAY MK | KLSE Stock Code: 1155

## Technical Watch

“BUY on Potential Upside”

### Company Overview

Malayan Banking Berhad operates as a bank. The Company provides financial services such as insurance, asset management, stock broking, nominee services, venture capital, leasing, and Internet banking. Malayan Banking Berhad serves customers in South East Asia.

### 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 >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.

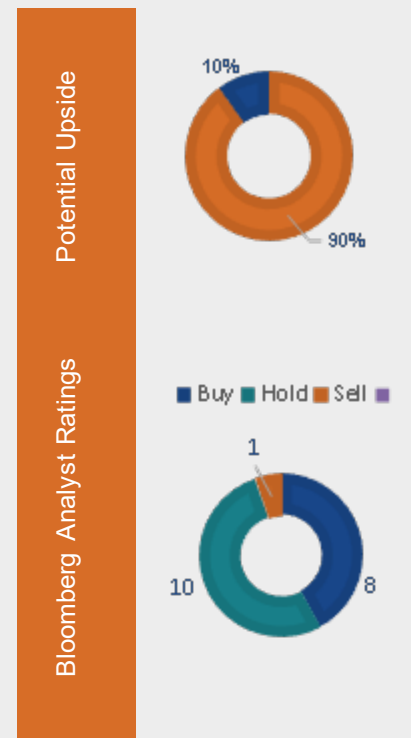
### Fundamentals

	2Y Avg (x)	5Y Avg (x)	10Y Avg (x)
P/E	12.1	10.6	9.2
P/B	1.2	1.0	1.0
P/CF	24.1	16.5	10.9
P/S	2.8	2.4	2.1

Entry Price	<b>RM9.34</b>
Market Cap (m)	RM112,642.6
<b>52w high</b>	<b>RM9.35</b>
<b>52w low</b>	<b>RM8.26</b>
Stop Loss	RM7.99
Immediate Support	RM8.87
Immediate Resistance	RM9.34 (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)	6,574,764.0

### Main Market

Financial Services  
 Subsector – Banking  
 Current Price: RM9.34  
 Target Price: RM10.27





## Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/Loss from TP (%)	Remark
5/1/2024	TeoSeng	7252	1.740	1.840	1.490	1.910	-0.541	5.7	-
5/1/2024	Hume	5000	2.460	2.760	2.100	2.710	-2.128	12.2	TP Achieved
8/1/2024	TNB	5347	10.500	10.860	8.960	11.550	1.306	3.4	-
8/1/2024	IJM	3336	2.080	2.200	1.780	2.288	-1.786	5.8	-
9/1/2024	HengYuan	4324	3.300	3.090	2.820	3.690	0.000	-6.4	-
9/1/2024	Kelington	0151	2.350	2.170	2.010	2.585	-1.364	-7.7	-
10/1/2024	Telekom	4863	5.740	5.900	4.910	6.310	-0.338	2.8	-
10/1/2024	GenP	2291	5.890	6.240	5.040	6.480	-2.041	5.9	-
11/1/2024	QL Resources	7084	5.880	5.800	5.030	6.470	-0.515	-1.4	-
11/1/2024	HeitechPadu	5028	1.130	0.905	0.970	1.240	0.556	-19.9	SL Triggered
12/1/2024	GenP	2291	6.300	6.240	5.390	6.930	-2.041	-1.0	-
12/1/2024	Frontken	0128	3.580	3.460	3.060	3.940	0.000	-3.4	-
15/1/2024	KeckSeng	3476	5.300	5.790	4.530	5.800	2.116	9.2	TP Achieved
15/1/2024	Telekom	4863	5.820	5.900	4.980	6.400	-0.338	1.4	-
16/1/2024	TaAnnHoldings	5012	3.750	3.740	3.210	4.130	1.355	-0.3	-
16/1/2024	E&O	3417	0.930	0.875	0.800	1.020	-2.235	-5.9	SL Triggered
17/1/2024	PressMetal	8869	5.000	4.650	4.280	5.500	-1.899	-7.0	-
17/1/2024	Allianz	1163	20.100	19.120	17.190	22.110	-0.104	-4.9	-
18/1/2024	AffinBank	5185	2.450	2.500	2.090	2.700	-4.943	2.0	-
18/1/2024	AME Elite	5923	1.840	1.770	1.570	2.030	-1.117	-3.8	-
19/1/2024	QL Resources	7084	5.900	5.800	5.040	6.490	-0.515	-1.7	-
19/1/2024	MSM	5202	1.880	2.320	1.610	2.070	-1.695	23.4	TP Achieved
22/1/2024	MalayCement	3794	4.830	4.670	4.130	5.310	-1.477	-3.3	-
22/1/2024	Aurelius	5302	2.770	2.650	2.370	3.050	0.000	-4.3	-
23/1/2024	RCE	9296	3.240	3.110	2.770	3.560	-2.201	-4.0	-
23/1/2024	JayaTiasa	4383	1.130	1.140	0.970	1.240	0.000	0.9	-
24/1/2024	PetDag	5681	21.200	21.500	18.130	22.300	0.750	1.4	-
24/1/2024	Genetec	0104	2.090	1.940	1.790	2.299	2.105	-7.2	-
26/1/2024	BermazAuto	5248	2.470	2.440	2.110	2.720	0.000	-1.2	-
26/1/2024	MPI	3867	29.700	26.560	25.390	32.670	-1.630	-10.6	SL Triggered
29/1/2024	MSM	5202	2.410	2.320	2.060	2.650	-1.695	-3.7	-
29/1/2024	YTL	4677	2.450	2.240	2.090	2.700	-4.274	-8.6	-
30/1/2024	IHH	5225	6.150	6.110	5.260	6.780	0.164	-0.7	-
30/1/2024	UchiTech	7100	3.870	3.830	3.310	4.260	-1.289	-1.0	-
31/1/2024	Solarvest	0215	1.450	1.440	1.240	1.600	0.699	-0.7	-
31/1/2024	ITMax	5309	1.900	1.990	1.620	2.090	-0.500	4.7	-
2/2/2024	TNB	5347	10.720	10.860	9.170	11.790	1.306	1.3	-
2/2/2024	Uzma	7250	1.180	1.140	1.010	1.290	-3.390	-3.4	-
5/2/2024	GentingM	4715	2.770	2.770	2.370	3.050	2.593	0.0	-
5/2/2024	Maybank	1155	9.340	9.340	7.990	10.270	0.864	0.0	-

## Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM HOLDINGS BERHAD	TELCO	5.48	0.73	13.27
UOA DEVELOPMENT BERHAD	PROPERTY	1.82	0.22	12.09
MBM RESOURCES BHD	CONSUMER	4.48	0.46	10.29
HEKTAR REITS	REITs	0.66	0.06	8.70
BERMAZ AUTO BERHAD	CONSUMER	2.44	0.21	8.48
SENTRAL REIT	REITs	0.81	0.07	8.45
BRITISH AMERICAN TOBACCO (M)	CONSUMER	9.08	0.74	8.18
YTL HOSPITALITY REIT	REITs	1.16	0.09	8.10
TALIWORKS CORPORATION BHD	UTILITIES	0.86	0.07	7.91
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.89	0.07	7.87
UOA REITS	REITs	1.15	0.08	7.22
SPORTS TOTO BERHAD	CONSUMER	1.49	0.11	7.18
RHB BANK	FINANCE	5.62	0.39	6.90
GAS MALAYSIA BERHAD	UTILITIES	3.23	0.22	6.81
AMWAY (M) HOLDINGS BHD	CONSUMER	6.90	0.46	6.67

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	4.3	24.2	14.8	18.0	14.8	13.6
Finance	4.3	13.0	10.2	12.0	10.2	10.1
Property	5.7	25.2	10.6	15.8	11.6	N/A
Plantation	2.3	95.5	9.7	31.1	14.8	16.9
Consumer	1.4	22.5	14.8	18.8	14.8	14.9
Technology	(2.3)	46.1	23.0	31.7	31.7	24.1
Construction	9.1	34.6	17.1	25.5	17.1	13.7
Energy	7.7	11.5	9.5	10.5	9.5	9.4
Healthcare	3.6	36.1	5.1	24.6	26.0	31.5
Ind. Prod.	(0.6)	24.9	12.7	18.2	17.6	14.9
REIT	3.9	29.5	13.6	19.3	13.6	16.0
Telco	3.5	31.0	19.8	26.5	27.2	21.1

Source: Bloomberg

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