

# Daily Newswatch

## Market Review

The FBMKLCI declined on Wednesday snapping its four-day streak on the back of profit-taking activities in selected heavyweight counters in telecommunications & media sector. Market breadth was negative with 386 gainers and 652 losers. The technology sector was the top gainer increasing by +0.36%, while the energy sector was the top loser declining by -1.29%. SAM (9822) was the top gainer surging by RM0.23 or +5.80%. The FBMKLCI decreased by -0.2% to 1,552.4.

## Economics

- **Malaysia's January 2024 trade rebounds by 13.3% y-o-y** to RM234.73 bil. – MITI
- **The ringgit currency has hit a new all-time low** against both the US dollar and the Singapore dollar.

## Companies

- **Green Packet (0082)** to develop a tourism digital platform for Sri Lanka, with an initial investment of up to RM13 million.
- **Suncon (5263)** saw a 7.93% increase in net profit for the fourth quarter.
- **CelcomDigi (6947)** net profit tripled to RM2.18 billion in the fourth quarter.
- **Hume Cement (5000)** net profit increased to RM59.06 million.

## Expresso for the Day

- **Technical Watch – P.I.E. (7095)** Entry Price: RM3.33, Target Price: RM3.66, Stop Loss: RM2.85, Support: RM3.16, Resistance: RM3.34
- **Technical Watch – Jetson (9083)** Entry Price: RM0.37, Target Price: RM0.40, Stop Loss: RM0.31, Support: RM0.35, Resistance: RM0.37

Local	Close	(%)
FBMKLCI	1,552.4	(0.21)
Volume (mil)	3,653.5	(1.34)
Value (RM'mil)	2,712.9	(7.73)
Gainers	386	
Losers	652	
Unchanged	459	
Foreign	Close	(%)
Dow Jones	38,612.2	0.1
Nasdaq CI	15,580.9	(0.3)
S&P 500	4,981.8	0.1
FTSE 100	7,662.5	(0.7)
Nikkei 225	38,262.2	(0.3)
Shanghai CI	2,951.0	1.0
HSI	16,503.1	1.6
STI	3,217.1	(0.8)
Most Active	RM	Chg (RM)
HONGSENG	0.020	0.000
MYEG	0.780	(0.010)
MMAG	0.110	0.000
RENEUCO	0.095	0.020
DIALOG	2.200	0.000
Top Gainers	RM	Chg (RM)
SAM	4.180	0.230
HLIND	9.580	0.160
DLADY	23.860	0.160
HUMEIND	3.090	0.150
FAREAST	3.700	0.100
Top Losers	RM	Chg (RM)
ALLIANZ	19.060	(0.180)
SHL	2.120	(0.180)
AJI	17.200	(0.140)
PETGAS	18.020	(0.120)
PADINI	3.500	(0.110)
Other Stats	RM	(%)
USD/MYR	4.79	(0.09)
USD/RMB	7.19	(0.02)
Brent (USD/barrel)	83.13	0.96
Gold (USD/troy oz)	2,025.99	0.08
CPO (RM/metric t)	3,992.50	0.00

# Daily Newswatch

## Economics

**MALAYSIA:** In January 2024, **Malaysia's total trade rebounded strongly, increasing by 13.3% year-on-year to RM234.73 billion**, as reported by Miti. Exports rose by 8.7% to RM122.43 billion, and imports surged by 18.8% to RM112.3 billion. This marked the highest January value on record. The trade surplus reached RM10.12 billion, continuing a streak of surplus for 45 months since May 2020. Higher shipments of petroleum products, machinery, equipment, and parts contributed to export growth. Key trading partners, including Asean, the United States, the European Union, and Japan, also saw expanded trade. Compared to December 2023, trade, exports, and imports increased by 4.3%, 3.4%, and 5.3%, respectively, although the trade surplus contracted by 13.8%. (The Edge)

**MALAYSIA:** The **ringgit plummeted to RM4.7987 against the US dollar**, sinking below the previous low during the Asian financial crisis of RM4.7125 on January 9, 1998, amidst significant currency speculation in the region. It had peaked at RM4.8850 on an intraday basis in the same month of that year. Additionally, the ringgit faced another setback as it reached a **new low against the Singapore dollar, closing at RM3.5682**. Despite the positive trade data announced, the ringgit remained under pressure. Its recent decline can be attributed to the weaker-than-expected economic growth reported last week, missing the official forecast for 2023. Moreover, the Malaysian capital market experienced a second consecutive month of net foreign outflow, largely driven by increased selling of domestic bonds. (The Star)

## Companies

**Green Packet Bhd (0082)** is collaborating with Tass Tech International Sdn Bhd to create a digital tourism platform for Sri Lanka, involving an initial investment of up to RM13 million. Through its subsidiary, Kiplepay Sdn Bhd, which has formed a joint venture with Tass Tech for the project acquired from the Sri Lankan government in 2019, Green Packet will offer a multi-currency e-wallet system for the platform. (The Edge)

**Sunway Construction Group Bhd (5263)** reported a 7.93% rise in net profit for the fourth quarter ended December 31, 2023 (4QFY23) to RM49.27 million, attributed to increased progress billings and output in its precast segment. Revenue surged 73.11% to RM871.5 million. For the full FY2023, net profit increased by 7.34% to RM145.11 million, with revenue rising 23.94% to RM2.67 billion. SunCon declared a dividend of three sen per share for the quarter and aims for a higher order book target of RM2.5 billion to RM3 billion for 2024, with an outstanding order book of RM5.3 billion. (The Edge)

**CelcomDigi Bhd (6947)** witnessed a remarkable increase in net profit, soaring to RM435.11 million from RM127.36 million in the previous year. This substantial growth was accompanied by a surge in revenue, which rose by 50% to RM3.27 billion from RM2.18 billion following the merger. For the full fiscal year, net profit also showed a significant rise, increasing by 83% to RM1.55 billion from RM848.03 million in FY2022, while revenue climbed by 87% to RM12.68 billion from RM6.77 billion. Additionally, the company declared a dividend of 3.5 sen per share for the quarter. (The Edge)

**Hume Cement Industries Bhd's (5000)** net profit surged by 13 times year-on-year to RM59.06 million in the 2QFY2024, up from RM4.47 million in the same quarter of the previous year. This notable increase was attributed to improvements in cement selling prices and sales volume. Revenue also saw a significant rise, climbing by 26.24% to RM322.25 million from RM255.27 million in 2QFY2023. For the six-month period ending December 31, 2023 (1HFY2024), the company reported a net profit of RM107.39 million or 20.21 sen per share, a substantial turnaround from a net loss of RM7.57 million or 1.5 sen per share in 1HFY2023. Revenue for the first half of the fiscal year increased by 36.11% to RM628.91 million, up from RM462.06 million. (The Edge)

# P.I.E. Industrial Berhad

Bloomberg: PIE MK | KLSE Stock Code: 7095

## Technical Watch

“BUY on Potential Upside”

### Company Overview

P.I.E. Industrial Berhad is an investment holding company which provides management services. Through its subsidiaries, the Company has operation in contract manufacturing services, manufactures raw wires and cables, and trades personal computer peripheral products.

### 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 >70).

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	17.0	17.3	14.9
P/B	2.1	1.8	1.7
P/CF	23.8	14.2	23.2
P/S	1.0	1.0	0.9

**Entry Price** **RM3.33**

**Market Cap (m)** **RM1,278.9**

**52w high** **RM3.74**

**52w low** **RM2.61**

**Stop Loss** **RM2.85**

**Immediate Support** **RM3.16**

**Immediate Resistance** **RM3.34 (Previous high)**

**Moving Average (EMA)** **Bullish**

**Moving Average (SMA)** **Bullish**

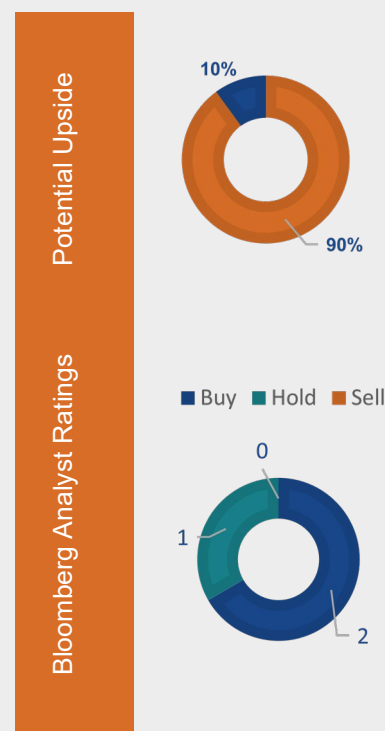
**Bollinger Bands (Long Run)** **More volatile over the long run**

**RSI** **Strong momentum**

**Volume (4-Weeks Average)** **137,657.1**

### Main Market

Industrial Products & Services  
Subsector – Industrial Material,  
Components & Equipment  
Current Price: RM3.33  
Target Price: RM3.66



# Kumpulan Jetson Berhad

Bloomberg: KJB MK | KLSE Stock Code: 9083

## Technical Watch

“BUY on Potential Upside”

### Company Overview

Kumpulan Jetson Berhad operates as design and build turnkey contractor for civil construction works, general building projects, interior, renovation and restoration projects, and exposition and exhibition works. The Company, through its subsidiaries, manufactures silicone rubber products, customized polymer products, adhesives and sealants, moulds and tools, and manages hostel.

### 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 rising momentum on the stock (RSI >70).

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	N/A	N/A	385.5
P/B	1.0	0.8	0.6
P/CF	14.3	10.5	10.5
P/S	0.3	0.3	0.3

Entry Price	RM0.37
Market Cap (m)	RM97.8
52w high	RM0.44
52w low	RM0.19
Stop Loss	RM0.31
Immediate Support	RM0.35
Immediate Resistance	RM0.37 (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)	7,466,405.0

### Main Market

Industrial Products & Services  
Subsector – Auto Parts  
Current Price: RM0.37  
Target Price: RM0.40





## Technical Analysis Scoreboard

Date	Stock	Code	Entry (RM)	Prev Close (RM)	Stop Loss (RM)	TP (RM)	Day Change (%)	Gain/ Loss from TP (%)	Remark
23/1/2024	RCE	9296	3.240	3.100	2.770	3.560	-0.641	-4.3	-
23/1/2024	JayaTiasa	4383	1.130	1.320	0.970	1.240	-0.752	16.8	TP Achieved
24/1/2024	PetDag	5681	21.200	22.860	18.130	22.300	0.000	7.8	-
24/1/2024	Genetec	0104	2.090	1.940	1.790	2.299	2.646	-7.2	SL Triggered
26/1/2024	BermazAuto	5248	2.470	2.450	2.110	2.720	0.000	-0.8	-
26/1/2024	MPI	3867	29.700	26.180	25.390	32.670	-0.305	-11.9	SL Triggered
29/1/2024	MSM	5202	2.410	2.370	2.060	2.650	-3.659	-1.7	-
29/1/2024	YTL	4677	2.450	2.220	2.090	2.700	-1.333	-9.4	SL Triggered
30/1/2024	IHH	5225	6.150	6.200	5.260	6.780	0.162	0.8	-
30/1/2024	UchiTech	7100	3.870	4.100	3.310	4.260	0.244	5.9	-
31/1/2024	Solarvest	0215	1.450	1.470	1.240	1.600	-2.000	1.4	-
31/1/2024	ITMax	5309	1.900	2.200	1.620	2.090	-0.452	15.8	TP Achieved
2/2/2024	TNB	5347	10.720	11.380	9.170	11.790	0.176	6.2	-
2/2/2024	Uzma	7250	1.180	1.180	1.010	1.290	-4.839	0.0	-
5/2/2024	GentingM	4715	2.770	2.890	2.370	3.050	-0.345	4.3	-
5/2/2024	Maybank	1155	9.340	9.530	7.990	10.270	0.210	2.0	-
6/2/2024	RCE	9296	3.170	3.100	2.710	3.490	-0.641	-2.2	-
6/2/2024	PGF	8117	1.850	1.740	1.580	2.040	0.578	-5.9	-
7/2/2024	Uzma	7250	1.190	1.180	1.020	1.310	-4.839	-0.8	-
7/2/2024	Dayang	5141	2.090	2.230	1.770	2.280	-3.043	6.7	TP Achieved
8/2/2024	YTLPower	6742	4.040	3.900	3.450	4.440	-0.510	-3.5	-
8/2/2024	Suncon	5263	2.470	2.610	2.110	2.720	0.000	5.7	-
9/2/2024	MSM	5202	2.410	2.370	2.060	2.650	-3.659	-1.7	-
9/2/2024	AeonCredit	5139	6.010	6.280	5.140	6.610	0.803	4.5	-
13/2/2024	AjinamotoMy	2658	16.760	17.200	14.330	18.440	-0.807	2.6	-
13/2/2024	Solarvest	0215	1.470	1.470	1.260	1.620	-2.000	0.0	-
14/2/2024	HapSeng	3034	4.810	4.820	4.110	5.290	-0.823	0.2	-
14/2/2024	MNRB	6459	1.730	1.920	1.480	1.900	3.784	11.0	TP Achieved
15/2/2024	HumeCement	5000	2.930	3.090	2.510	3.220	5.102	5.5	-
15/2/2024	ITMax	5309	2.140	2.200	1.830	2.350	-0.452	2.8	-
16/2/2024	TNB	5347	11.100	11.380	9.490	12.210	0.176	2.5	-
16/2/2024	QL Resources	7084	5.860	5.900	5.010	6.450	-0.169	0.7	-
19/2/2024	BankIslam	5258	2.440	2.350	2.090	2.680	0.000	-3.7	-
19/2/2024	PWF	7134	1.040	1.010	0.890	1.140	-0.980	-2.9	-
20/2/2024	JayaTiasa	4383	1.340	1.320	1.150	1.470	-0.752	-1.5	-
20/2/2024	Padini	7052	3.580	3.500	3.060	3.940	-3.047	-2.2	-
21/2/2024	Axiata	6888	2.890	2.790	2.470	3.180	-3.460	-3.5	-
21/2/2024	Sime Darby	4197	2.630	2.630	2.250	2.890	0.000	0.0	-
22/2/2024	PIE	7095	3.330	3.330	2.850	3.660	1.524	0.0	-
22/2/2024	Jetson	9083	0.365	0.365	0.310	0.400	17.742	0.0	-

## Stock Selection Based on Dividend Yield

Company	Sector	Price (RM)	Dividend/Share (RM)	Dividend Yield (%)
TIME DOTCOM HOLDINGS BERHAD	TELCO	5.51	0.73	13.19
UOA DEVELOPMENT BERHAD	PROPERTY	1.84	0.22	11.96
MBM RESOURCES BHD	CONSUMER	4.60	0.46	10.02
HEKTAR REITS	REITs	0.63	0.06	9.05
BERMAZ AUTO BERHAD	CONSUMER	2.45	0.21	8.45
SENTRAL REIT	REITs	0.81	0.07	8.45
BRITISH AMERICAN TOBACCO (M)	CONSUMER	8.82	0.70	7.97
KIP REAL ESTATE INVESTMENT TRUST	REITs	0.89	0.07	7.87
TALIWORKS CORPORATION BHD	UTILITIES	0.88	0.07	7.77
YTL HOSPITALITY REIT	REITs	1.21	0.09	7.77
UOA REITS	REITs	1.10	0.08	7.55
SPORTS TOTO BERHAD	CONSUMER	1.53	0.11	7.06
RHB BANK	FINANCE	5.66	0.39	6.86
AMWAY (M) HOLDINGS BHD	CONSUMER	6.85	0.46	6.72
CAPITALAND MALAYSIA TRUST	REITs	0.63	0.04	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	6.7	24.2	14.8	18.0	15.2	13.7
Finance	6.6	13.0	10.5	12.0	10.5	10.3
Property	7.3	25.2	10.6	15.8	11.8	N/A
Plantation	4.6	95.5	9.7	31.1	15.1	17.4
Consumer	4.8	22.5	15.3	18.9	15.3	14.4
Technology	0.4	46.1	23.0	31.9	32.6	24.7
Construction	10.4	34.6	17.3	25.5	17.3	14.1
Energy	14.3	11.5	10.1	10.8	10.1	9.5
Healthcare	3.5	36.1	5.1	24.5	26.0	32.5
Ind. Prod.	2.7	24.9	12.7	18.3	18.2	15.4
REIT	4.3	29.5	13.2	19.1	13.2	15.0
Telco	8.4	31.0	19.8	26.9	28.5	21.4

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](http://www.mercurysecurities.com.my)  
Email: [mercurykl@mersec.com.my](mailto:mercurykl@mersec.com.my)