

13 September 2023

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Previous Day Highlights

FBM KLCI ended lower due to lack of buying interests. The benchmark index lost 0.11% or 1.85 points to close at 1,453.39. Losers were led by PCHEM, TM and TENAGA. Market breadth was negative with 524 losers against 354 gainers. Total volume stood at 2.88bn shares valued at RM1.99bn.

Major regional indices trended mostly lower ahead of the US CPI announcement. Nikkei225 gained 0.95% to close at 32,776.37. Meanwhile, HSI, SHCOMP and STI lost 0.39%, 0.18% and 0.23% to end at 18,025.89, 3,137.06 and 3,210.92.

Wall Street ended lower as tech shares slumped following Oracle's weak forecast and the launch of new iPhone and watch by Apple. The DJIA declined 0.05% to end at 34,645.99. S&P500 and Nasdaq fell 0.57% and 1.04% to close at 4,461.90 and 13,773.61 respectively.



Our Thoughts

Wall Street closed lower as traders wait for the CPI data today. Though the DJI Average slid by a marginal 18 points, the Nasdaq saw a sharper 144 points decline predominantly dragged by weak results from Oracle which spread to other tech companies. Meanwhile, the US 10-year yield eased slightly to 4.28%. Over in Hong Kong, the HSI maintained its losing streak as sentiment remains affected by the weak Chinese housing market. As for the local bourse, the FBM KLCI ended mildly lower but off the day's low amid the presence of stock accumulation during the afternoon session. Interestingly, there was buying on Plantations stocks despite the weakening CPO price to below RM3,700/tonne due to high stockpile. Anyhow, despite prevailing external volatility, we reckon market undertone is still firm hence expect the index to hover within the 1,450-1,460 range today. Interests may shift to the Oil & Gas counters today buoyed by the spike in crude oil prices as the Brent crude had trended past US\$92/barrel attributed to tight supply.



News For The Day

Sunway secures RM1.2bn public housing project in Singapore

Sunway's unit has secured a land parcel near Jurong West from the Housing and Development Board of Singapore, to develop an executive condominium (EC) housing development project worth RM1.2bn (\$348.5m). In a filing to Bursa Malaysia, the company said its subsidiary Sunway Developments Pte Ltd (SDPL) and Hoi Hup Realty Pte Ltd, jointly submitted the tender for the EC development at Tengah Plantation Close for a 99-year lease term. Hoi Hup and SDPL will incorporate a joint venture (JV) company, in which Hoi Hup or its nominee companies and SDPL will have equity interest in the proportion of 65:35. - *The Edge Markets*

Hektar REIT to buy Kolej Yayasan Saad for RM150m

Hektar REIT's has entered into a conditional sale and purchase agreement (SPA) with KYS College SB to buy Kolej Yayasan Saad in Ayer Keroh, Melaka, for RM150m. In a bourse filing on Tuesday, the REIT's manager Hektar Asset Management SB said the 30-year lease on the buildings to KYSA Education SB, which started on June 22, will be novated to MTrustee upon completion of the deal via a deed of novation between the lessee, trustee and vendor. - *The Edge Markets*

Crescendo acquires parcels of land in Johor for RM72m

Crescendo Corp's (CCB) wholly owned subsidiary, Crescendo Landmark SB, is acquiring two plots of land in Johor for RM72m. In a filing with Bursa Malaysia today, the property developer said it has entered into a conditional sale and purchase agreement with Bewell Realty SB for the acquisition of the parcels of land which have a total gross area of approximately 1.32 hectares. - *The Star*

Hong Seng Consolidated scraps land lease from Penang Port

Hong Seng Consolidated, which engages in the business of healthcare, financial services, and glove manufacturing, has scrapped a plan to sub-lease a part of an industrial land in Prai Bulk Cargo Terminal, Penang from Penang Port SB (PPSB). Measuring three acres, the sub-lease was supposed to be for a period of 20 years for a total rental payment of RM8.5m. - *The Edge Markets*

UMediC's 4Q net profit surges fivefold to RM3.37m

UMediC Group's 4QFY7/23 net profit surged fivefold to RM3.37m from RM568,000 YoY on the back of higher demand for medical devices and consumables from both public and private hospitals. FY7/23 net profit rose to RM10.32m from RM6.43m. UMediC executive director/CEO Lim Taw Seong said the results were mainly due to the strong performance of its manufacturing division. - *The Edge Markets*



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All buy calls are based on the research team's judgement. Investing is risky and trading is at your own risk. We advise investors to:

- read and understand the contents of the disclosure document or any relevant agreement or contract before investing;
- understand the risks involved in relation to the product or service;
- compare and consider the fees, charges and costs involved; and
- make your own risk assessment and seek professional advice, where necessary.

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