

Bulletin Today

BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,571.48	9.84	0.63
Volume: Total (mil):	4,249.10	519.11	13.92
Total Value (RM' mil):	3,033.93	241.84	8.66
Gainers	777		
Losers	327		
Unchanged	480		

TRADE STATISTICS

Participation		Bought	Sold	Net
45.14	Institution	1,269	1,470	(201)
19.58	Retail	540	649	(109)
35.28	Foreign	1,225	915	310
100.00		3,034	3,034	0

FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	16,382.31	133.27	0.82
FBM 100	11,435.38	77.12	0.68
FBM Palm Oil - NC	12,155.31	95.57	0.79
FBM Smallcap	17,729.04	253.01	1.45
FBM Emas	11,800.49	85.45	0.73
FBM Fledgling	20,892.60	79.19	0.38

WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	38,461	(43)	(0.11)
Nasdaq	15,713	16	0.10
FTSE 100	8,040	(4)	(0.06)
Nikkei 225	38,460	908	2.42
Hang Seng	17,201	372	2.21
Korea Kospi	2,676	53	2.01
Singapore STI	3,293	20	0.62
Thailand SET	1,361	4	0.27
Jakarta	7,175	64	0.90
Shanghai	3,045	23	0.76
Shenzhen	1,695	20	1.18

KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,571.48	9.84	0.63	216m
FKLI – Apr 24	1,571.00	11.00	0.71	10,503
FKLI – May 24	1,573.50	12.00	0.77	5,947
FKLI – Jun 24	1,573.00	12.50	0.80	104
FKLI – Sep 24	1,562.00	12.00	0.77	305

FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Jul)	3,942.00	(29.00)	(0.73)
Brent (USD/b)	88.02	(0.40)	(0.45)
Gold (USD/Ounce)	2,316.17	(5.85)	(0.25)
USD/RM	4.7773	(0.0030)	(0.06)
SGD/RM	3.5097	0.0019	0.05
JPY/RM	3.0752	(0.0123)	(0.40)

HIGHLIGHTS

- ◆ The Dow edged down 42.77 points or 0.1% to 38,460.92, but the Nasdaq inched up 16.11 points or 0.1% to 15,712.75
- ◆ **SASBADI HOLDINGS BHD – 2QFY24: Recommendation and TP under review**
- ◆ U.S. durable goods orders surge 2.6% M-o-M in March, more-than-expected
- ◆ U.S. crude oil inventories unexpectedly pulled back sharply
- ◆ German Ifo business confidence improves in April
- ◆ **Chin Hin Group Property** to develop two residential projects worth RM1.08b
- ◆ **Fajarbaru Builder** bags RM252.3m construction job in Johor Bahru from WCT
- ◆ **OCR Group** inks JV agreement for residential development in Rawang
- ◆ **Meta Bright** bags equipment leasing contract from Australian copper mining firm
- ◆ **MyEG** inks partnership to launch Hong Kong virtual assets
- ◆ **Axis REIT** to dispose of Axis Steel Centre @ SiLC in Johor for RM162.0m cash
- ◆ **I-Bhd** to raise RM100.0m from preference share issue
- ◆ **United Plantations'** 1QCY24 profit rises 18.5% Y-o-Y

THE SLANT

- ◆ Malaysian equities continue to be on a flyer, closing above the 1,570 level amid sustained buying interest – this time with the return of foreign funds that also lifted the FBM KLCI to its highest level since June 2022. Buying was brisk with market players capitalising on the improved global equity market conditions to take up fresh positions. There was a noticeable pick-up in traded volumes with gainers more than twice the number of losers as the broader market shares also made strong headway.
- ◆ After six consecutive sessions of gains, FBM KLCI is starting to look toppish after it managed to recoup the earlier losses that were due to the heightened geopolitical events in the Middle East and the Fed's increasing likelihood of keeping interest rates higher for longer. While the momentum trading has persisted, the toppish conditions could limit further near-term gains and a mild pullback could be due for the gains to be absorbed. Nevertheless, the overall market undertone has become more positive after the key index cleared the successive hurdles and should support more medium-term gains. Therefore, the market will be looking to preserve much of the current gains as it continues to build on its ongoing strength despite few changes to the corporate and economic fundamentals. With the 1,570 level cleared, the resistances are now at

the 1,574-1,578 levels, followed by the 1,582 level. The supports, meanwhile, are at 1,570 and 1,565 points respectively.

- ◆ After firming up in the past two sessions, conditions still appear sanguine and could still be conducive for further gains. However, the upsides could be milder after yesterday's firm gains as mild bouts of profit taking may emerge.

RESULTS UPDATE

- ◆ **SASBADI HOLDINGS BHD – 2QFY24: Recommendation and TP under review**

RM m	2QFY24	2QFY23	YoY chg (%)	1QFY24	QoQ chg (%)
Revenue	35.0	31.7	10.5	15.3	>100
PBT/LBT	9.8	8.3	19.1	(1.2)	>100
PAT/LAT	7.0	5.7	22.1	(1.0)	>100
EPS (sen)	1.6	1.4	22.1	(0.2)	>100

Y-o-Y. 2QFY24's revenue improved 10.5% to RM35.0m, from RM31.7m due to stronger sales for the academic publications and applied learning products compared to last year's corresponding quarter. PAT jumped by 22.1% to RM7.0m, from RM5.7m, as gross margin for its print publishing segment improved on higher volume and lower paper cost.

Q-o-Q. 2QFY24's revenue improved 129.6% to RM35.0m, from RM15.3m in the preceding quarter due to the group's high seasonality effect as demand for print publishing products typically record significant jump during the start of new academic year. PAT, meanwhile, returned to positive to RM7.0m, from RM1.0m losses last quarter, jumped in tandem with the significant improvement in sales.

Dividend. The group has declared an interim dividend of 0.5 sen per share for FY24.

Within Expectations. Sasbadi's 2QFY24 earnings were within our expectations as demand for its print publishing has recorded sustained growth compared to preceding quarter, bringing the 6MFY24 net profit to about 68% of our FY24F net earnings forecast. We expect the sales demand momentum to spill over to 3QFY24 in view of the robust sales trend during this quarter. Pending further guidance from the management, we are reviewing our recommendation and TP on Sasbadi. Our last recommendation was a BUY, with a TP of RM0.24, derived from ascribing a target PER of 10.0x to our FY24 EPS forecast.

GLOBAL AND ECONOMIC UPDATE

- ◆ Stocks turned in a lackluster performance during trading on Wednesday following the strong upward move seen to start the week. The Dow edged down 42.77 points or 0.1% to 38,460.92, but the Nasdaq inched up 16.11 points or 0.1% to 15,712.75. [RTT News](#)

- ◆ **U.S. durable goods orders surge 2.6% M-o-M in March, more-than-expected**
With orders for transportation equipment showing a substantial increase, new orders for U.S. manufactured durable goods surged by more-than-expected in March. The durable goods orders soared by 2.6% M-o-M after climbing by a downwardly revised 0.7% M-o-M in February. Economists had expected durable goods orders to spike by 2.3% M-o-M. [RTT News](#)
- ◆ **U.S. crude oil inventories unexpectedly pulled back sharply**
Crude oil inventories in the U.S. unexpectedly pulled back sharply in the week ended 19 April, 2024. It plunged by 6.4m barrels last week after jumping by 2.7m barrels in the previous week. Economists had expected crude oil inventories to increase by 1.6m barrels. [RTT News](#)
- ◆ **German Ifo business confidence improves in April**
German business sentiment improved in April. The Ifo index climbed to 89.4 in April. Economists had forecast the score to rise moderately to 88.9. Assessment of current situation as well as expectations strengthened in April. The current situation index advanced to 88.9. The reading was also above economists' forecast of 88.7. Likewise, the expectations indicator posted 89.9 in April compared to the expected level of 88.9. [RTT News](#)

CORPORATE NEWS

- ◆ **Chin Hin Group Property to develop two residential projects worth RM1.08b**
Chin Hin Group Property Bhd signed two agreements to develop two separate residential projects in Kuala Lumpur worth RM1.08b in combined gross development value (GDV). The group is granted full rights to develop 2,434 units of serviced apartments in Segambut worth RM685.1m in GDV. The project is expected to begin in July 2025, and will be completed in June 2030. Separately, the group had also been appointed as the developer of 974 units of serviced apartments valued at RM395.5m in Dutamas. The project is expected to start in May 2025, running until April 2030. [The Edge Markets](#)
- ◆ **Fajarbaru Builder bags RM252.3m construction job in Johor Bahru from WCT**
Fajarbaru Builder Group Bhd has bagged a RM252.3m contract from an indirect subsidiary of **WCT Holdings Bhd** to undertake Phase 1 of a two-phase development of two blocks of serviced apartments in Johor Bahru. The construction works for Phase 1 comprise eight towers housing 2,048 units and 69 units of commercial lots. The contract period for Phase 1 is 36 months, commencing on 6 May, 2024 and to be completed on 5 May, 2027. Phase 2 works, comprising four serviced apartment towers, is subject to the confirmation of award by WCT within a 12-month period from the date of commencement of the contract. [The Edge Markets](#)

- ◆ **OCR Group inks JV agreement for residential development in Rawang**
OCR Group Bhd entered into a deal with a landowner to jointly develop a residential project on 18.4 ac. (7.4 ha.) of freehold land in Templer, Rawang with an estimated gross development value of RM313.0m. The project comprises 118 semi-detached houses, 37 bungalow lots, and five shoplots. Under the joint-venture (JV) agreement, the landowner, Lecca Properties (M) Sdn Bhd, stands to gain RM45.0m for partnering with the developer. Any profit sharing depends on the difference between 50% of the development profit and Lecca's minimum entitlement, and if 50% of the development profit falls short of RM45.0m, no additional payment is due to Lecca. The project is expected to be launched in 2025 and will be financed by the group's internally generated funds and/or bank borrowings. *The Edge Markets*

- ◆ **Meta Bright bags equipment leasing contract from Australian copper mining firm**
Meta Bright Group Bhd has secured a new equipment leasing contract from Australian copper mining company, Mt Cuthbert Resources Pty Ltd (MCR) for its mining operations. Under the terms of the contract, Meta Bright will provide dry-hire equipment rental services to MCR, supporting its copper mining operations in Australia with essential machinery and equipment valued at up to A\$8.0m (approximately RM24.8m) and is anticipated to contribute a total monthly rental of A\$223.0k. *The Edge Markets*

- ◆ **MyEG inks partnership to launch Hong Kong virtual assets**
MyEG Services Bhd and Zetrix Foundation have signed a memorandum of understanding (MOU) with Hong Kong licensed virtual asset manager MaiCapital to collaborate on launching a Securities and Futures Commission of Hong Kong (SFC)-approved virtual assets exchange-traded fund (ETF) products, which would consist of a basket of cryptocurrencies, such as Bitcoin and Zetrix. MaiCapital has received SFC's approval to manage funds that may comprise up to 100% virtual assets. The collaboration marks another milestone in integrating digital assets into mainstream finance as this would provide investors with additional avenues for diversification across multiple cryptocurrencies, and help them to mitigate the risks and volatility associated with owning a single cryptocurrency. *The Edge Markets*

- ◆ **Axis REIT to dispose of Axis Steel Centre @ SiLC in Johor for RM162.0m cash**
Axis Real Estate Investment Trust (Axis REIT) is disposing of Axis Steel Centre @ SiLC, which is located in Nusajaya, Johor, for RM162.0m cash to a data centre operator. The property covers over 27.0 ac. (10.9 ha.) of industrial land, comprising two single-storey detached factories, a two-storey office building, a two-storey canteen and maintenance office, a single-storey training centre and a three-storey worker hostel. The REIT's manager believes that in the nine years of owning this property, it has maximised the income-generating potential of this asset, and there is limited upside to future rental growth in the asset's current capacity as a manufacturing facility. The original cost of investment of the property was RM153.5m, and it had an audited net book value/carrying value of RM159.0m as at end-December 2023. The disposal, which is slated to be

completed by 2H2024, is expected to rake a disposal gain of RM500k. Net proceeds of the proposed disposal will be utilised to repay existing financing. *The Edge Markets*

◆ **I-Bhd to raise RM100.0m from preference share issue**

I-Bhd is planning to issue up to 100.0m redeemable preference shares at RM1.00 apiece to its major shareholder, Sumurwang Sdn Bhd that could raise up to RM100.0m. The shares are non-tradable and not convertible into ordinary shares. The proposals are expected to be completed in 3Q2024. The group has earmarked RM45.0m of the proceeds to settle advances provided by Sumurwang for its business and RM40.0m to fund the ongoing BeCentral Residences project, while RM14.7m as working capital and the remainder to defray expenses for the issuance. The BeCentral Residences, comprising two towers with a total of 986 units, is currently under construction and is expected to be completed by the end of 2025. The entire project is expected to cost RM336.7m, of which 45% has been spent and the remaining will be funded from proceeds of the share issue and internally generated funds. *The Edge Markets*

◆ **United Plantations' 1QCY24 profit rises 18.5% Y-o-Y**

United Plantations Bhd's net profit grew 18.5% Y-o-Y to RM132.9m for 1QCY24, mainly due to a sharp drop in finance cost, on the back of slightly higher revenue, thanks to higher crude palm oil (CPO) and palm kernel (PK) prices. Quarterly revenue also grew 3.6% Y-o-Y to RM476.8m, from RM460.0m a year earlier, due to increases in revenues for the plantation and refinery segments as a result of higher CPO and PK prices. *The Edge Markets*

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