

# Bulletin Today

Bursa Malaysia				
Index	Closing	Pts Chg	% Chg	
FBM-KLCI	1,549.41	(5.50)	(0.35)	
Volume: Total (mil):	2,689.61	(1050.19)	(28.08)	
Total Value (RM' mil):	2,231.15	(23.87)	(1.06)	
Gainers	272			
Losers	692			
Unchanged	381			
TRADE STATISTICS				
Participation	Bought	Sold	Net	
46.54 Institution	1,025	1,051	(26)	
23.89 Retail	530	536	(5)	
29.57 Foreign	675	644	31	
100.00	2,231	2,231		
FTSE-BURSA MALAYSIA				
Index	Closing	Pts Chg	% Chg	
FBM 70	13,095.87	(90.76)	(0.69)	
FBM 100	10,721.33	(46.38)	(0.43)	
FBM Palm Oil - NC	13,332.43	45.63	0.34	
FBM Smallcap	16,025.65	(184.03)	(1.14)	
FBM Emas	11,046.27	(54.34)	(0.49)	
FBM Fledgling	19,955.89	(145.70)	(0.72)	
WORLD				
Index	Closing	Pts Chg	% Chg	
Dow Jones	31,253	(237)	(0.75)	
Nasdaq	11,389	(30)	(0.26)	
FTSE 100	7,303	(135)	(1.82)	
Nikkei 225	26,403	(508)	(1.89)	
Hang Seng	20,121	(524)	(2.54)	
Korea Kospi	2,592	(34)	(1.28)	
Singapore STI	3,191	(35)	(1.07)	
Thailand SET	1,606	(14)	(0.89)	
Jakarta	6,823	30	0.44	
Shanghai	3,097	11	0.36	
Shenzen	1,953	11	0.58	
KLCI FUTURES				
Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,549.41	(5.50)	(0.35)	222m
FKLI - May 22	1,553.00	6.50	0.42	396
FKLI - Jun 22	1,552.50	6.50	0.42	21
FKLI - Sep 22	1,539.00	5.50	0.36	2
FKLI - Dec 22	1,540.00	6.00	0.39	3
FOREX & COMMODITIES				
	Closing	Pts Chg	% Chg	
CPO Futures (Aug)	6,072.00	(62.00)	(1.01)	
Brent (USD/b)	112.04	2.93	2.69	
Gold (USD/Ounce)	1,841.85	25.25	1.39	
USD/RM	4.4045	0.0078	0.18	
SGD/RM	3.1739	0.0044	0.14	
JPY/RM	3.4458	0.0170	0.50	

## HIGHLIGHTS

- ◆ The Dow slid 236.94 points or 0.8% to 31,253.13 and the Nasdaq dipped 29.66 points or 0.3% to 11,388.50  
**AWC BERHAD – 3QFY22: BUY, TP: RM0.64**
- ◆ Malaysia trade surplus falls in April
- ◆ U.S. weekly jobless claims rise to 218,000
- ◆ U.S. existing home sales underperform in April
- ◆ Japan consumer prices rise 2.5% Y-o-Y in April
- ◆ **Bintulu Port** awards RM14m contract extension to Sibu-based shipbuilder
- ◆ **Kobay** reports higher net profit of RM15m in 3QFY22
- ◆ **Dayang Enterprise** returns to profitability in 1QCY22
- ◆ **Tune Protect** narrows net loss to RM3.0m in 1QCY22
- ◆ **Magnum's** 1QCY22 net profit more than doubles, declares one sen dividend
- ◆ **PetGas'** 1QCY22 net profit down 20.5% Y-o-Y on higher costs, declares 16 sen dividend
- ◆ **Hup Seng's** 1QCY22 net profit falls 31% Y-o-Y as raw material costs spike

## THE SLANT

- ◆ Malaysian stocks retreated yesterday as sentiments turned sour following the weakness on Wall Street a day earlier. However, the key index was able to find ample support and bargain hunting to allow it to end the day near the 1,550 level. The lower liners and broader market shares, however, were mostly lower resulting in market breadth turning negative again and by a wide margin of more than a 2-to-1 ratio. Along with the weaker market sentiments, traded volumes also slipped further.
- ◆ The near-term outlook remains indifferent due in part to the insipid global equities markets and the lack of domestic leads to provide fresh buying impetus. Consequently, the index heavyweights are likely to continue its drifting pattern to end the week with the opportunistic buying to also remain on the low side. Meanwhile, plantation stocks may see renewed weakness due to the easing palm oil prices following Indonesia's reversal of its export ban. For the most part, however, the selling pressure is still light and is unlikely to see a significant pullback as there will still be bouts of support. Therefore, the FBM KLCI is likely to stay close to the 1,550 level to end the week, with the supports located at the 1,545-1,548 levels, followed by the 1,541 level. The resistances remain at 1,558 and 1,563 points respectively.

- ◆ Trading activities on many of the lower liners have waned and this points to further indifference over the near term that is likely to see the downward bias persisting into the end of the week. As it is, there are also fewer market leads to entice market players to sustain their interest in equities for the time being.

## RESULTS UPDATE

### AWC BERHAD – 3QFY22: BUY, TP: RM0.64

RM m	3QFY22	3QFY21	YoY chg (%)	2QFY22	QoQ chg (%)
Revenue	93.8	80.6	16.4	90.1	4.1
PBT	12.2	10.6	15.1	16.5	-26.1
PATAMI	7.1	6.3	12.7	9.0	-21.1
EPS (sen)	2.2	2.0	10.0	2.8	-21.4

AWC's 9MFY22 earnings accounted for 72% of our previous earnings estimated, slightly lower than expected due to margin compression in the facility management (FM) and engineering divisions, pressured by austerity initiatives to manage cost in the FM division and lower margins in the engineering division. 3QFY22 PATAMI expanded 12.7% Y-o-Y, underpinned by normalisation of work progression in the absence of pandemic work restrictions. However, PATAMI dipped 21.4% Q-o-Q in light of the austerity program, lower margins from the engineering division, and RM1.7m reversal of impairments in 2QFY22. 9MFY22 revenue rose marginally higher by 2.8% to RM253.7m. However, earnings fell 15.2% on the back of higher operating expenses.

We cut out earnings FY22/23 earnings estimates by 8% and 11% due to rising difficulty for an effective cost-past through in an inflationary backdrop. We retain our **BUY** recommendation with a lower **TP** to **RM0.64** (-RM0.06) on AWC, based on an unchanged SoTP valuation parameter pegged to our revised earnings.

## GLOBAL AND ECONOMIC UPDATE

- ◆ Following the sell-off seen in the previous session, U.S. stocks saw substantial volatility during trading on Thursday. The Dow slid 236.94 points or 0.8% to 31,253.13 and the Nasdaq dipped 29.66 points or 0.3% to 11,388.50. [RTT News](#)
- ◆ **Malaysia trade surplus falls in April**  
Malaysia's trade surplus decreased to RM23.5b in April from RM26.6b in March with exports and imports increasing at softer paces, data from the statistical office showed. Y-o-Y, exports rose 20.7%, while imports increased 22.0%. M-o-M, both exports and imports declined 2.8% and 3.3% respectively. [RTT News](#)
- ◆ **U.S. weekly jobless claims rise to 218,000**  
First-time claims for U.S. unemployment benefits unexpectedly increased to 218,000 from the previous week's revised level of 197,000,

a report from the Labor Department showed. Meanwhile, continuing claims fell by 25,000 to 1.317m in the week ended May 7. [RTT News](#)

- ◆ **U.S. existing home sales underperform in April**  
Existing home sales showed a significant decrease in April, a report from the National Association of Realtors showed. Y-o-Y, existing home sales tumbled 2.4% to an annual rate of 5.61m after plunging by 3.0% to 5.75m in March, the lowest annual rate since June of 2020. [RTT News](#)
- ◆ **Japan consumer prices rise 2.5% Y-o-Y in April**  
Consumer prices in Japan were up 2.5% Y-o-Y in April vs. 1.2% Y-o-Y rise in March, the Ministry of Internal Affairs and Communications revealed. Core CPI was also up, by 2.1% Y-o-Y. M-o-M, overall inflation rose 0.4% - unchanged from prior month's reading. [RTT News](#)

## CORPORATE NEWS

- ◆ **Bintulu Port awards RM14m contract extension to Sibubased shipbuilder**  
**Bintulu Port Holdings Bhd** has awarded a RM14.2m contract extension to Sibubased Sing Kiong Hong Dockyard Sdn Bhd to hire two units of 25-tonne ship handling tugs complete with crew commencing from May 19, 2022 to May 18, 2025. [The Edge Markets](#)
- ◆ **Kobay reports higher net profit of RM15.0m in 3QFY22**  
**Kobay Technology Bhd's** net profit more than doubled to RM15.1m in the 3QFY22, from RM7.1m a year ago, and its revenue rose almost threefold to RM100.1m in the 3QFY22 against RM35.2m a year prior, as the growth mainly came from the manufacturing segment [The Star Business](#)
- ◆ **Dayang Enterprise returns to profitability in 1QCY22**  
**Dayang Enterprise Holdings Bhd** posted net profit of RM13.8m for 1QCY22 compared with a net loss of RM27.5m in the previous quarter, which was mainly attributed to insurance claims received from the incident of MV Dayang Topaz of RM3.6m as well as lower depreciation charge of RM4.9m. [The Edge Markets](#)
- ◆ **Tune Protect narrows net loss to RM3.0m in 1QCY22**  
**Tune Protect Group Bhd's** net loss narrowed to RM3.0m in 1QCY22 against a net loss of RM15.5m a year ago which was largely attributed to improvements of RM18.9m in realised and unrealised investment income, offset by an increase of RM2.3m in share of loss of an associate. [The Star Business](#)
- ◆ **Magnum's 1QCY22 net profit more than doubles, declares one sen dividend**  
**Magnum Bhd's** net profit jumped 122% Y-o-Y to RM16.7m for the 1QCY22, from RM7.5m a year ago, mainly due to a revenue increase of 31% Y-o-Y to RM501.0m from RM383.9m a year ago, which was adversely affected by the lockdown measures. [The Edge Markets](#)

- ◆ **PetGas' 1QCY22 net profit down 20.5% Y-o-Y on higher costs, declares 16 sen dividend**  
**Petronas Gas Bhd's** net profit for the 1QCY22 fell 20.5% Y-o-Y to RM410.6m, from RM516.4m a year ago, despite the growth in revenue for the quarter, which was mainly attributed to increase in sales from its utilities segment as a result of higher product prices and higher electricity sales volumes recorded. [The Edge Markets](#)
- ◆ **Hup Seng's 1QCY22 net profit falls 31% Y-o-Y as raw material costs spike**  
**Hup Seng Industries Bhd's** net profit shrank by 31% Y-o-Y to RM6.8m in the 1QCY22 against RM9.9m a year ago due to a spike in input costs despite an increase in product selling prices. [The Edge Markets](#)

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