

Bulletin Today

BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,410.87	(2.17)	(0.15)
Volume: Total (mil):	2,283.33	162.76	7.68
Total Value (RM' mil):	1,923.41	74.37	4.02
Gainers	427		
Losers	392		
Unchanged	407		

TRADE STATISTICS

Participation	Bought	Sold	Net
46.24 Institution	908	871	37
24.31 Retail	497	438	58
29.45 Foreign	519	614	(95)
100.00	1,923	1,923	

FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	12,247.31	(22.96)	(0.19)
FBM 100	9,823.51	(15.95)	(0.16)
FBM Palm Oil - NC	10,528.54	(41.18)	(0.39)
FBM Smallcap	13,965.72	27.46	0.20
FBM Emas	10,079.94	(13.76)	(0.14)
FBM Fledgling	17,869.60	84.87	0.48

WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	29,135	(126)	(0.43)
Nasdaq	10,830	27	0.25
FTSE 100	6,985	(36)	(0.52)
Nikkei 225	26,572	140	0.53
Hang Seng	17,860	5	0.03
Korea Kospi	2,224	3	0.13
Singapore STI	3,166	(16)	(0.52)
Thailand SET	1,611	(11)	(0.66)
Jakarta	7,112	(15)	(0.21)
Shanghai	3,094	43	1.40
Shenzen	1,989	40	2.07

KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,410.87	(2.17)	(0.15)	269m
FKLI - Sep 22	1,413.50	0.00	0.00	28,220
FKLI - Oct 22	1,416.00	5.50	0.39	22,990
FKLI - Dec 22	1,415.50	4.00	0.28	140
FKLI - Mar 23	1,408.00	5.00	0.36	19

FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Dec)	3,523.00	(18.00)	(0.51)
Brent (USD/b)	86.27	2.21	2.63
Gold (USD/Ounce)	1,628.90	6.54	0.40
USD/RM	4.6110	0.0072	0.16
SGD/RM	3.2120	0.0028	0.09
JPY/RM	3.1842	0.0033	0.10

HIGHLIGHTS

- ◆ The **Nasdaq** closed up **26.58** points or 0.3% to **10,829.50**, whereas the **Dow** fell **125.82** points or 0.4% to **29,134.99**
MYNEWS HOLDINGS BHD - 3QFY22: NEUTRAL, TP: RM0.52
V.S. INDUSTRY BERHAD - 4QFY22: NEUTRAL, TP: RM0.97
- ◆ U.S. new home sales rebound sharply in August
- ◆ U.S. durable goods orders edge down 0.2% M-o-M in August
- ◆ **Yinson** to establish sukuk wakalah programme of up to RM1.0b
- ◆ **Poh Kong** swings back to the black in 4QFY22, declares 2.3 sen dividends
- ◆ Higher revenue, better margins lift **LB Aluminium's** 1QFY23 net profit by 311% Y-o-Y
- ◆ **Apollo Food's** 1QFY23 net profit rises 19% Q-o-Q

THE SLANT

- ◆ Attempts to shore up the FBM KLCI and the break the downward spell failed as the key index closed in the red again yesterday, extending its losing streak for a fifth straight day. However, mild bouts of bargain hunting emerged, particularly among the lower liners and broader market shares that helped market breadth to turn positive after their steep falls a day earlier. This also allowed most Bursa sector indices to end the day in the green with the Industrial Products & Services index the top gainer.
- ◆ There are signs that Malaysian equities are staging a recovery after yesterday's rebound which was relatively broad-based. However, the revival may also look docile for now as the fresh buying interest is still tentative and it could just be an adjustment from its oversold conditions. We still see further recovery attempts over the near term with the mild bargain hunting activities continuing on some of the recently sold down shares, but the strength of the rebound is still uncertain as yet due to the prevailing market headwinds that have not showed signs of easing. Therefore, any rebound could still be mild with the targets set at 1,420 and 1,430 points respectively. On the downside, the 1,408 level – which is the year low, is the immediate support, but if it is breached, the next target is at the psychological 1,400 level.
- ◆ After their steep falls, many lower liners and broader market shares also staged a decent rebound yesterday and there could be further near-term gains as they look to break their downtrend. However, the buying supports could still be mild and may be punctuated by bouts of quick profit taking actions that could slow their rebound.

RESULTS UPDATE
MYNEWS HOLDINGS BHD - 3QFY22: NEUTRAL, TP: RM0.52

RM m	3QFY22	3QFY21	YoY chg (%)	2QFY22	QoQ chg (%)
Revenue	170.2	93.9	81.3	141.1	20.6
LBT	-2.3	-16.3	85.7	-11.4	79.4
Net Loss	-2.4	-16.7	85.7	-11.4	79.0
LPS (sen)	-0.2	-2.2	90.4	-1.5	86.0

Y-o-Y. 3QFY22's revenue soared to RM170.2m compared to RM93.9m in 3QFY21, thanks to increases in in-store sales and lifting of the movement control order. In tune with the topline improvement, its net loss narrowed to RM2.4m only. Nonetheless, its administrative expenses soared by 52.8% to RM33.5m from RM21.9m in previous year, attributable to the increase in number of CU outlets and operating hours, while its other expenses also expanded by 37.5% to RM19.8m, mainly due to the increase in the depreciation of PPE, right-of-use of assets and loss on disposal of PPEs recorded in the quarter.

Q-o-Q. On similar grounds, its topline grew by 20.6% and bottomline improved by 79.4%. Notably, its gross profit margin increased to 35.6% from 33.9%, contributed by the better margin from CU outlets and better inventory control. Nevertheless, its improvement in profit margin is partially mitigated by the hike in selling and distribution expenses of RM3.2m, due to new opening of 24 CU outlets in the quarter.

We keep our forecasts unchanged, pending an analyst briefing slated today. We maintain our **NEUTRAL** recommendation with an unchanged **TP** of **RM0.52**, pegged to a PER target of 20x to the FY23 EPS.

V.S. INDUSTRY BERHAD - 4QFY22: NEUTRAL, TP: RM0.97

RM m	4QFY22	4QFY21	YoY chg (%)	3QFY22	QoQ chg (%)
Revenue	1004.4	941.1	6.7	927.6	8.3
PBT	34.2	55.9	-38.8	62.9	-45.7
PATAMI	34.6	41.5	-16.7	51.3	-32.6
EPS (sen)	0.9	1.1	-17.4	1.3	-32.8

Y-o-Y. 4QFY22's revenue rose minimally by 6.7% but net profit was down by 16.7% as PBT plunged 38.8% on one-off impairment losses of RM25.8m on the investment in an associate as well as RM12.4m on plant and equipment.

Q-o-Q. revenue improved by 8.3% but net profit dropped 32.6% on similar grounds. Excluding the one-off item, core PBT would have been 15.1% higher.

Cumulative. Full year 2022 results accounted for 94.2% and 77.8% of our forecast top and bottomline respectively. Pending an analyst briefing, we maintain our **NEUTRAL** call on V.S. with a same **TP** of **RM0.97** by ascribing an unchanged target PER of 14.6x to our forecast CY23 EPS of 6.6 sen.

GLOBAL AND ECONOMIC UPDATE

- ◆ After failing to sustain an early move to the upside, U.S. stocks fluctuated over the course of the trading session on Tuesday before eventually ending the session mixed. The Nasdaq closed up 26.58 points or 0.3% to 10,829.50 whereas the Dow fell 125.82 points or 0.4% to 29,134.99. [RTT News](#)
- ◆ **U.S. new home sales rebound sharply in August**
M-o-M, new home sales in the U.S. unexpectedly showed a substantial rebound in August, skyrocketing by 28.8% to an annual rate of 685,000 after plunging by 8.6% to 532,000 in July as new home sales in the Northeast soared by 66.7% to an annual rate of 25,000, a report from the Commerce Department showed. [RTT News](#)
- ◆ **U.S. durable goods orders edge down 0.2% M-o-M in August**
A report from the Commerce Department showed a modest decrease in new orders for U.S. manufactured durable goods in August, slipping by 0.2% M-o-M after edging down by 0.1% M-o-M in July. Excluding a steep drop in orders for transportation equipment, durable goods orders inched up by 0.2% M-o-M. [RTT News](#)

CORPORATE NEWS

- ◆ **Yinson to establish sukuk wakalah programme of up to RM1b**
Yinson Holdings Bhd has made a lodgement with the Securities Commission Malaysia for the establishment of a perpetual sukuk wakalah programme of up to RM1.0b. Proceeds from the issuance will be used for Yinson's capital expenditure, refinancing of existing or future borrowings, working capital, other general corporate purposes, and to defray fees, costs and expenses in connection with the establishment or issuance of the perpetual sukuk wakalah programme. [The Edge Markets](#)
- ◆ **Poh Kong swings back to the black in 4QFY22, declares 2.3 sen dividends**
Poh Kong Holdings Bhd posted a net profit of RM29.8m for 4QFY22, compared with a net loss of RM13.3m a year earlier, on the back of a near four-fold rise in revenue. Quarterly revenue rose 384.3% Y-o-Y to RM414.7m, from RM85.6m in 4QFY21, as the group leveraged on a rising demand for gold jewellery and gold investment products which came with the rebound of the economy. [The Edge Markets](#)
- ◆ **Higher revenue, better margins lift LB Aluminium's 1QFY23 net profit by 311% Y-o-Y**
LB Aluminium Bhd's net profit for the 1QFY23 surged 311% Y-o-Y to RM12.5m from RM3.0m in the same quarter last year, mainly due to better performance in its aluminum segment. Revenue for the quarter under review also jumped 98.2% Y-o-Y to RM227.1m from RM114.5m previously, due to improvements in both the aluminium and property segments. [The Edge Markets](#)

- ◆ **Apollo Food's 1QFY23 net profit rises 19% Q-o-Q**
Apollo Food Holdings Bhd's net profit for 1QFY23 jumped 26x Y-o-Y to RM4.6m, from RM172k a year ago, thanks to post-pandemic sales recovery. On a Q-o-Q basis, its 1QFY23 net profit of RM4.6m was 19% higher than RM3.8m for 4QFY22 due to lower operating expenses despite revenue contracting by 3% to RM55.5m, from RM57.3m previously. *The Edge Markets*

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