

# Bulletin Today

## BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,489.80	4.30	0.29
Volume: Total (mil):	5,144.10	1110.12	27.52
Total Value (RM' mil):	2,945.97	166.41	5.99
Gainers	681		
Losers	340		
Unchanged	372		

## TRADE STATISTICS

Participation	Bought	Sold	Net
46.90 Institution	1,383	1,383	0
26.70 Retail	768	804	(36)
26.40 Foreign	795	760	36
100.00	2,946	2,946	

## FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	13,856.04	170.04	1.24
FBM 100	10,539.09	53.63	0.51
FBM Palm Oil - NC	10,943.26	154.05	1.43
FBM Smallcap	16,398.57	237.63	1.47
FBM Emas	10,878.00	61.73	0.57
FBM Fledgling	20,621.16	218.72	1.07

## WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	34,054	(39)	(0.11)
Nasdaq	12,201	385	3.25
FTSE 100	7,820	59	0.76
Nikkei 225	27,402	55	0.20
Hang Seng	21,958	(114)	(0.52)
Korea Kospi	2,469	19	0.78
Singapore STI	3,364	(14)	(0.41)
Thailand SET	1,683	(3)	(0.19)
Jakarta	6,891	28	0.41
Shanghai	3,286	1	0.02
Shenzen	2,172	(1)	(0.05)

## KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,489.80	4.30	0.29	228m
FKLI - Feb 23	1,490.50	(9.00)	(0.60)	8,109
FKLI - Mar 23	1,501.00	0.00	0.00	127
FKLI - Jun 23	1,490.00	(1.00)	(0.07)	23
FKLI - Sep 23	1,480.00	(1.00)	(0.07)	12

## FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Apr)	3,751.00	14.00	0.37
Brent (USD/b)	82.17	(0.67)	(0.81)
Gold (USD/Ounce)	1,912.72	(37.80)	(1.94)
USD/RM	4.2467	(0.0210)	(0.49)
SGD/RM	3.2516	0.0007	0.02
JPY/RM	3.3000	(0.0096)	(0.29)

## HIGHLIGHTS

- ◆ The Dow edged down 39.02 points or 0.1% to 34,053.94 while the Nasdaq soared 384.50 points or 3.3% to a nearly five-month closing high of 12,200.82  
**TASCO BHD - 3QFY23: BUY, TP: RM1.00**
- ◆ U.S. manufacturing index indicates continued contraction in January
- ◆ U.S. private sector job growth slows more-than-expected in January
- ◆ Bank Of England raises rate for 10th straight session
- ◆ **Kerjaya Prospek** wins contract worth RM135.4m from BBCC Development
- ◆ **Velesto** bags jack-up drilling rig services worth RM59m from ROC Sarawak
- ◆ **Pestech** aborts second tranche of private placement

## THE SLANT

- ◆ Malaysian equities mounted a rebound yesterday, riding the coattails of the improved global equity market sentiment to close-in on the 1,490 level at the close. The rebound was also widespread, extending to most stocks on Bursa Malaysia with gainers doubled that of losers as traded volumes also picked up pace to surge past the 5.0b shares – the highest level since April last year. The lower liners and broader market shares also posted strong comebacks from the previous day's pullback.
- ◆ The near-term outlook appears firm, backed by the continuing gains in global indices that is casting aside the prospects of higher interest rates as corporate earnings and economic data seems to point to sustained growth ahead. The positivity should extend to Malaysian equities and with the pick-up in market interest, there should be further upside bias over the near term that would also allow the key index to end the week on a positive note. This should see the 1,490-level cleared with the key index eyeing the 1,495 points hurdle next. However, we still think that the 1,500 level remains a formidable level to clear for the time being as it become a major resistance level. On the downside, the supports are pegged at 1,485 and 1,480 points respectively.
- ◆ Meanwhile, there should be further near-term upsides on the lower liners and broader market shares as the buying momentum is still strengthening. This will preserve their upside bias for the time being and any quick profit taking will likely be shallow.

**RESULTS UPDATE**

**TASCO BHD - 3QFY23: BUY, TP: RM1.00**

RM m	3QFY23	3QFY22	YoY chg (%)	2QFY23	QoQ chg (%)
Revenue	392.7	455.1	-13.7	493.9	-20.5
PBT	28.3	12.5	>100	33.0	-14.2
PATAMI	20.4	8.8	>100	24.1	-15.3
EPS (sen)	2.6	1.1	>100	3.0	-15.3

**Y-o-Y.** Tasco's 3QFY23 revenue declined by 13.7% to RM392.7m from RM455.1m in the same quarter last year and breached below RM400m mark, due to lower revenue contribution from the AFF and OFF segments, which were impacted by the declining freight rates. However, the decline in the revenue was partially mitigated by the increase of revenue in SCS, CL and CSC segments. Meanwhile, the PATAMI surged more than two-fold to RM20.4m, thanks to lower administration expenses and other expenses.

**Q-o-Q.** However, Tasco's revenue in the quarter under review declined by 20.5% due to lower revenue contribution in most of the segments. Due to the lower revenue, its PATAMI also decreased by 15.3%.

**Forecasts.** We keep our **BUY** recommendation on Tasco with a **TP** of **RM1.00**, by pegging an unchanged 14.0x PER to FY23 EPS of 7.2 sen. Our forecast also remains unchanged.

**GLOBAL AND ECONOMIC UPDATE**

- ◆ Stocks moved mostly higher during trading on Thursday, extending the rally seen late in the previous session. The Dow edged down 39.02 points or 0.1% to 34,053.94, while the Nasdaq soared 384.50 points or 3.3% to a nearly five-month closing high of 12,200.82. [RTT News](#)
- ◆ **U.S. manufacturing index indicates continued contraction in January**  
The Institute for Supply Management said U.S. manufacturing PMI contracted further to 47.4 in January, from 48.4 in December. Economists had expected the index to edge down to 48.0. [RTT News](#)
- ◆ **U.S. private sector job growth slows more-than-expected in January**  
Private sector job climbed by 106,000 jobs in January after surging by an upwardly revised 253,000 jobs in December, according to a report released by payroll processor ADP. Economists had expected private sector employment to increase by 178,000 jobs compared to the addition of 235,000 jobs originally reported for the previous month. The report said employment in the service-providing sector rose by 109,000 jobs amid a notable increase in employment in the leisure/hospitality industry. [RTT News](#)
- ◆ **Bank Of England raises rate for 10th straight session**  
The Bank of England raised its benchmark rate for the tenth straight session citing stronger-than-expected wage pressures and risks of

greater persistence in underlying inflation. The bank also forecast GDP to fall slightly throughout this year and the first quarter of 2024, as high energy prices and the path of market interest rates weigh on output. [RTT News](#)

## CORPORATE NEWS

- ◆ **Kerjaya Prospek wins contract worth RM135.4m from BBCC Development**  
**Kerjaya Prospek Group Bhd** announced that its 49%-owned subsidiary, Kerjaya Bina BMK Sdn Bhd has accepted a letter of award from BBCC Development Sdn Bhd — a joint venture company between Employees Provident Fund, UDA Holdings Bhd and **Eco World Development Group Bhd**. The contract — valued at RM135.4m — is for the design and build work on the main building for the proposed development project off Jalan Hang Tuah/Jalan Pudu in Kuala Lumpur. The project is expected to commence on 1<sup>st</sup> March, 2023 for 36 months. [The Edge Markets](#)
- ◆ **Velesto bags jack-up drilling rig services worth RM59m from ROC Sarawak**  
**Velesto Energy Bhd** has received a letter of award from ROC Oil (Sarawak) Sdn Bhd for the provision of jack-up drilling rig services estimated at US\$14m (RM59.3m). [The Edge Markets](#)
- ◆ **Pestech aborts second tranche of private placement**  
**Pestech International Bhd** has aborted its plan to raise RM6.5m via the second tranche of a private placement, as the identified investors had failed to complete the acceptance within the stipulated timeframe. The company had proposed to issue 22.8m new shares at 29 sen apiece under the second tranche, representing 2.4% of Pestech's total number of issued shares. It would not seek an extension of time when the approval from Bursa Securities to complete the entire private placement expires on Feb 10. [The Edge Markets](#)

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