

Bulletin Today

BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,452.74	6.67	0.46
Volume: Total (mil):	4,248.72	973.41	29.72
Total Value (RM' mil):	4,969.72	2696.06	118.58
Gainers	328		
Losers	626		
Unchanged	420		

TRADE STATISTICS

Participation		Bought	Sold	Net
23.71	Institution	1,156	1,201	(45)
13.45	Retail	676	661	15
62.84	Foreign	3,138	3,108	31
100.00		4,970	4,970	0

FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	14,171.89	(32.63)	(0.23)
FBM 100	10,396.56	30.68	0.30
FBM Palm Oil - NC	11,461.72	55.34	0.49
FBM Smallcap	16,118.90	(48.31)	(0.30)
FBM Emas	10,727.40	27.95	0.26
FBM Fledgling	20,086.36	(41.61)	(0.21)

WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	35,951	520	1.47
Nasdaq	14,226	(32)	(0.23)
FTSE 100	7,454	30	0.41
Nikkei 225	33,468	(19)	(0.06)
Hang Seng	17,043	49	0.29
Korea Kospi	2,535	15	0.61
Singapore STI	3,073	(12)	(0.38)
Thailand SET	1,380	(8)	(0.54)
Jakarta	7,081	45	0.63
Shanghai	3,030	8	0.26
Shenzhen	1,883	(7)	(0.35)

KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,452.74	6.67	0.46	129m
FKLI - Nov 23	1,446.50	(1.50)	(0.10)	2,129
FKLI - Dec 23	1,451.00	3.00	0.21	9,682
FKLI - Mar 24	1,437.00	2.50	0.17	106
FKLI - Jun 24	1,440.50	4.00	0.28	15

FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Feb)	3,895.00	23.00	0.59
Brent (USD/b)	82.83	(0.27)	(0.32)
Gold (USD/Ounce)	2,036.41	(7.83)	(0.38)
USD/RM	4.6625	0.0105	0.23
SGD/RM	3.4906	(0.0025)	(0.07)
JPY/RM	3.1452	(0.0143)	(0.45)

HIGHLIGHTS

- ◆ The Dow jumped 520.47 points or 1.5% to 35,950.89, but the Nasdaq closed down 32.27 points or 0.2% to 14,226.22
DATASONIC GROUP BHD – 2QFY24: Recommendation and TP under review
- ◆ U.S. PCE growth slows in line with estimates in October
- ◆ U.S. weekly jobless claims inch up to 218k
- ◆ Eurozone inflation weakest since mid-2021
- ◆ China manufacturing activity contracts in November
- ◆ CIMB's 3QCY23 net profit rises 31.3% Y-o-Y to RM1.85b on strong non-interest income improvement
- ◆ Hong Leong Bank's 1QFY24 earnings up 4.9% Y-o-Y on better associates' contribution, reversal of impairment losses
- ◆ IHH Healthcare's 3QCY23 net profit more than doubled to RM532.1m on higher patient volume, acuity treatment
- ◆ Alliance Bank's 2QFY24 net profit up 17.0% Y-o-Y to RM185.3m, declares dividend of 10.85 sen
- ◆ IJM's 2QFY24 net profit surges threefold, declares 2.0 sen dividend
- ◆ Hong Leong Financial Group posts higher 1QFY24 profit on improved contributions from all operating segments
- ◆ Capital A anticipates further revenue upswing after 3QCY23 losses narrow sharply
- ◆ Ekovest posts net profit of RM3.1m with lower revenue in 1QFY24

THE SLANT

- ◆ The FBM KLCI broke its downward streak yesterday on what is seen as mild window dressing for November that also helped it to close above the psychological 1,450 level. However, overall market conditions were generally subdued as the mild support was largely limited to index linked companies as the broader market stayed mixed-to-lower. As a result, market breadth was still negative, but there was a pickup in traded volumes to 4.25b units for the day as foreign players dominated trades.
- ◆ While the rebound was welcomed, it now remains whether the key index could sustain its gains at the start of the final month of the year. As it is, there is still a dearth of leads to encourage fresh buying and the recent market activities were largely seen as portfolio realignment exercises. At the same time, there will be fewer market leads as the corporate results reporting season ends, albeit the reported results did little to shore up market interest. Nevertheless, the key index could attempt to stay above the 1,450 level for now as it looks to find more stability after its recent pullback. The overnight gains on Wall Street may provide some impetus for the FBM KLCI to find some solace and to regain some strength before the year is out. Below the 1,450 support, the other is at 1,445 points, while the resistances are at 1,455 points and at the 1,457-1,460 levels.

- ◆ In the broader market, conditions are still relatively indifferent with the mixed trading environment still dominating sentiments. As a result, the listless conditions are likely to prevail for the time being with most stocks to make little headway, in our view.

RESULTS UPDATE

- ◆ **DATASONIC GROUP BHD – 2QFY24: Recommendation and TP under review**

RM m	2QFY24	2QFY23	YoY chg (%)	1QFY24	QoQ chg (%)
Revenue	87.2	93.6	(6.8)	84.8	2.9
PBT	25.5	35.9	(29.1)	26.6	(4.4)
PATAMI	18.1	24.9	(27.1)	19.0	(4.7)
EPS (sen)	0.6	0.9	(26.4)	0.7	(4.5)

Y-o-Y. 2QFY24's revenue dropped 6.8% to RM87.2m, from RM93.6m, due to a lower demand for the supply of smart cards, passports, and personalisation services. Its PATAMI declined at a higher margin of 27.1% to RM18.1m, from RM24.9m last year, due to a high base effect last year following a surge of demand for passports and myKads from the reopening of international borders and end of the pandemic restrictions last year.

Q-o-Q. Revenue increased slightly by 2.9% to RM87.2m, from RM84.8m in the preceding quarter due to more supplies of personalisation service to financial institutions. PATAMI, however, declined by 4.7% to RM18.1m, from RM19.0m, as its PATAMI was dampened by the increase in contribution from personalisation service to financial institutions this quarter which carry a lower margin.

Dividend. A second interim dividend of 0.6 sen was declared for the quarter, bringing the cumulative 1HFY24 dividend to 1.2 sen.

Slightly below expectations. Datasonic's 1HFY24 PATAMI slightly missed our expectations as the group's cumulative 1HFY24 PATAMI accounted for about 43.4% of our earnings estimates, partly due to a lower profit margin coming from its personalisation services. Pending the group's analyst briefing later, we are reviewing our recommendation and TP on Datasonic. Our last recommendation was a **BUY**, with a **TP** of **RM0.61**, derived from ascribing an unchanged target PER of 21.0x to our FY24 EPS forecast.

GLOBAL AND ECONOMIC UPDATE

- ◆ After ending the previous session narrowly mixed, major U.S. stock indexes once again moved in the opposite direction during trading on Thursday. The Dow jumped 520.47 points or 1.5% to 35,950.89, but the Nasdaq closed down 32.27 points or 0.2% to 14,226.22. [RTT News](#)

- ◆ **U.S. PCE growth slows in line with estimates in October**
U.S. annual rate of PCE growth decelerated to 3.0% Y-o-Y in October, from 3.4% Y-o-Y in September. The slowdown matched expectations. Core PCE growth also slowed in line with estimates, slipping to 3.5% Y-o-Y in October, from 3.7% Y-o-Y in September. On a monthly basis, PCE were unchanged in October after climbing by 0.4% in September, while core consumer prices crept up by 0.2% after rising by 0.3% in the previous month. [RTT News](#)
- ◆ **U.S. weekly jobless claims inch up to 218k**
U.S. initial jobless claims inched up to 218k, an increase of 7k from the previous week's revised level of 211k. Economists had expected jobless claims to rise to 220k, from the 209k originally reported for the previous week. [RTT News](#)
- ◆ **Eurozone inflation weakest since mid-2021**
Eurozone harmonized CPI softened to 2.4% Y-o-Y in November, from 2.9% Y-o-Y in October. The rate was the lowest since July 2021 and also below economists' forecast of 2.8% Y-o-Y. Core harmonized CPI that excludes energy, food, alcohol and tobacco, decelerated to 3.6% Y-o-Y from 4.2% Y-o-Y. This was also below the forecast of 3.9% Y-o-Y. M-o-M, the harmonized CPI fell 0.5% M-o-M in November. [RTT News](#)
- ◆ **China manufacturing activity contracts in November**
China manufacturing PMI dropped to 49.4 in November, from 49.5 in the previous month. The expected reading was 49.6. [RTT News](#)

CORPORATE NEWS

- ◆ **CIMB's 3QCY23 net profit rises 31.3% Y-o-Y to RM1.85b on strong non-interest income improvement**
CIMB Group Holdings Bhd's net profit rose 31.3% Y-o-Y to RM1.85b for 3QCY23, from RM1.41b a year earlier. The growth was attributed to strong non-interest income improvement, partially offset by weaker net interest income due to net interest margin compression from higher cost of deposits. Quarterly revenue, meanwhile, rose marginally by 6.2% Y-o-Y to RM5.31b, from RM4.99b last year. [The Edge Markets](#)
- ◆ **Hong Leong Bank's 1QFY24 earnings up 4.9% Y-o-Y on better associates' contribution, reversal of impairment losses**
Hong Leong Bank Bhd's net profit rose 4.9% Y-o-Y to RM1.03b for 1QFY24, against RM981.4m a year ago, on higher contributions from the bank's associates and reversal of impairment losses. Quarterly revenue, meanwhile, slipped 7.1% Y-o-Y to RM1.39b, from RM1.50b. [The Edge Markets](#)

- ◆ **IHH Healthcare's 3QCY23 net profit more than doubled to RM532.1m on higher patient volume, acuity treatment**
IHH Healthcare Bhd saw its net profit in 3QCY23 surge more than double to RM532.1m, from RM251.8m in the same period last year, boosted by growth from higher patient volumes and revenue from higher acuity treatment. Quarterly revenue also rose by 26.7% Y-o-Y to RM5.83b compared with RM4.60b, underpinned by higher revenue contribution from its hospital and healthcare segment. [The Edge Markets](#)
- ◆ **Alliance Bank's 2QFY24 net profit up 17.0% Y-o-Y to RM185.3m, declares dividend of 10.85 sen**
Alliance Bank Malaysia Bhd saw its net profit rise 17.0% Y-o-Y to RM185.3m for the 2QFY24, from RM158.4m a year before, due to higher revenue and lower expected credit losses. Quarterly revenue was also up 9.9% Y-o-Y to RM528.1m, from RM480.6m a year before. The bank declared a first interim single-tier dividend of 10.9 sen per share, representing a total dividend payout ratio of 50.0%, payable on 28 December, 2023. [The Edge Markets](#)
- ◆ **IJM's 2QFY24 net profit surges threefold, declares 2.0 sen dividend**
IJM Corp Bhd's net profit for 2QFY24 surged over threefold to RM93.7m, from RM27.0m a year earlier, carried by strong showings from its property development and infrastructure segments. Quarterly revenue jumped 36.1% Y-o-Y to RM1.46b vs. RM1.07b previously on the back of improvements across all its segments which comprises construction, property development, manufacturing and quarrying, infrastructure, as well as investment and others. IJM declared a first interim dividend of 2.0 sen per share, with ex-date on 15 December, 2023, payable on 18 December, 2023. [The Edge Markets](#)
- ◆ **Hong Leong Financial Group posts higher 1QFY24 profit on improved contributions from all operating segments**
Hong Leong Financial Group Bhd recorded a net profit of RM741.6m for 1QFY24, up 10.8% Y-o-Y from RM669.5m in the same period a year ago, as it saw an improvement across all operating companies and reversal of impairment losses. Notably, during the quarter, it saw a write-back of impairment losses on loans, advances and financing of RM51.2m and higher share of results from its associates. However, quarterly revenue slipped 2.4% Y-o-Y to RM1.56b, from RM1.60b in the prior year. [The Edge Markets](#)
- ◆ **Capital A anticipates further revenue upswing after 3QCY23 losses narrow sharply**
Capital A Bhd reported a significantly smaller net loss of RM178.8m for 3QCY23, down from RM901.3m in the corresponding quarter last year, as revenue more than doubled on continued improvements in its aviation business. Quarterly revenue also improved further from the RM3.15b it recorded in the immediate preceding quarter. [The Edge Markets](#)

- ◆ **Ekovest posts net profit of RM3.1m with lower revenue in 1QFY24**
Ekovest Bhd's net profit soared to RM3.1m in 1QFY24, from RM182k a year ago, thanks to improved results from its construction operations. Quarterly revenue, however, dropped 15.8% Y-o-Y to RM271.9m, from RM322.9m previously. [The Edge Markets](#)

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