

Bulletin Today

BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM-KLCI	1,603.15	5.70	0.36
Volume: Total (mil):	2,542.23	(467.21)	(15.52)
Total Value (RM' mil):	2,374.10	(3021.85)	(56.00)
Gainers	412		
Losers	584		
Unchanged	530		

TRADE STATISTICS

Participation	Bought	Sold	Net
44.92 Institution	1,224	909	316
17.27 Retail	412	408	4
37.81 Foreign	738	1,058	(320)
100.00	2,374	2,374	0

FTSE-BURSA MALAYSIA

Index	Closing	Pts Chg	% Chg
FBM 70	17,890.85	(167.07)	(0.93)
FBM 100	11,876.37	(2.28)	(0.02)
FBM Palm Oil - NC	12,311.57	81.74	0.67
FBM Smallcap	17,112.62	(3.84)	(0.02)
FBM Emas	12,170.95	(2.37)	(0.02)
FBM Fledgling	19,632.86	(57.81)	(0.29)

WORLD

Index	Closing	Pts Chg	% Chg
Dow Jones	44,860	124	0.28
Nasdaq	19,176	121	0.63
FTSE 100	8,259	(33)	(0.40)
Nikkei 225	38,442	(338)	(0.87)
Hang Seng	19,159	8	0.04
Korea Kospi	2,520	(14)	(0.55)
Singapore STI	3,712	(19)	(0.51)
Thailand SET	1,438	(5)	(0.35)
Jakarta	7,246	(68)	(0.93)
Shanghai	3,260	(4)	(0.12)
Shenzhen	1,956	(19)	(0.95)

KLCI FUTURES

Index	Closing	Pts Chg	% Chg	Volume
FBM-KLCI	1,603.15	5.70	0.36	638m
FKLI - Nov 24	1,602.50	1.50	0.09	18,886
FKLI - Dec 24	1,607.00	1.50	0.09	16,401
FKLI - Mar 25	1,598.00	2.00	0.13	140
FKLI - Jun 25	1,605.50	0.50	0.03	92

FOREX & COMMODITIES

	Closing	Pts Chg	% Chg
CPO Futures (Feb)	4,735.00	36.00	0.77
Brent (USD/b)	72.81	(0.20)	(0.27)
Gold (USD/Ounce)	2,633.15	8.14	0.31
USD/RM	4.4578	0.0063	0.14
SGD/RM	3.3078	0.0027	0.08
JPY/RM	2.9116	0.0235	0.81

HIGHLIGHTS

- ◆ The Dow ended the day up 123.74 points or 0.3% to 44,860.31, while the Nasdaq rose 119.46 points or 0.6% to 19,174.30
GUAN CHONG BHD – 3QCY24: Recommendation and TP under review
SUPERCOMNET TECHNOLOGIES BHD – 3QCY24: Recommendation and TP under review
UCHI TECHNOLOGIES BHD – 3QCY24: NEUTRAL, TP: RM3.82
- ◆ Fed officials favour gradual interest rate cuts, minutes show
- ◆ U.S. consumer confidence continues to improve in November
- ◆ U.S. new home sales pulled back much more-than-expected in October
- ◆ Japan producer prices climb 2.9% Y-o-Y in October
- ◆ **Maybank's** 3QCY24 net profit edges up 7.6% Y-o-Y as non-interest income rise offsets decline in interest revenue
- ◆ **YTL Corp's** net profit falls 36.0% Y-o-Y in 1QFY25 as **YTL Power's** earnings decline
- ◆ **Batu Kawan** falls into the red as **KLK** reports record low profit on one-off losses, impairments
- ◆ **IOI Corp's** 1QFY25 profit soars 133.8% Y-o-Y on forex gain, fair value adjustments
- ◆ **Sunway's** net profit doubles Y-o-Y in 3QCY24 as order book replenishment target of RM4.00b – RM5.00b achieved
- ◆ **Malayan Cement** kicks off FY25 with record profit in 1QFY25
- ◆ **Pharmaniaga** turns around in 3QCY24, expects strong close to 2024
- ◆ **Matrix Concepts** proposes 1-for-2 bonus issue; 2QFY25 net profit gains over 5.3% Y-o-Y on disposal gain, pays 2.75 sen dividend

THE SLANT

- ◆ The FBM KLCI firmed up further yesterday as selected buying on key index heavyweights helped to lift it past the 1,600 level at the close. Much of the buying support were from local institutions that offset the still prevalent selling by foreign institutions as well as bucking the downbeat regional market performances amid the tariff threats from incoming U.S. President Trump. Most lower liners closed in the red with market breadth also still in the negative territory.
- ◆ Although the key index managed to close above the critical 200-day moving average line and the psychological 1,600 level, conditions are still mostly indifferent and precarious as market confidence is still low. Therefore, it remains to be seen if the upsides can be sustained as most market players are in a wait-and-see mode, thereby prolonging the uncertain outlook. Nevertheless, as long as the key index is above the 200-day moving average line, the mildly positive trend will sustain that may allow the key index to firm up further ahead. In the meantime, we think the FBM KLCI could attempt to solidify its position above the 1,600 level over the near term as it could now be attempting to find a firmer

base. On the upside, the resistances are at the 1,608-1,612 levels, followed by the 1,618-1,620 levels. The supports, on the other hand, are at 1,600 points, which is also the 200-day moving average line, and 1,695 points respectively.

- ◆ In the broader market, however, the lower liners are likely to dither further due to the prevailing low following. This will leave these stocks on a drifting note for longer amid the continuing insipid environment.

RESULTS UPDATE

◆ GUAN CHONG BHD – 3QCY24: Recommendation and TP under review

RM m	3QCY24	3QCY23	YoY chg (%)	2QCY24	QoQ chg (%)	9MCY24	9MCY23	YoY chg (%)
Revenue	2,976.9	1,285.9	>100	2,222.4	33.9	7,069.5	3,548.6	99.2
PBT	71.3	41.6	71.3	80.2	(11.1)	261.8	107.2	>100
PAT	57.2	33.9	68.7	67.0	(14.7)	216.2	85.8	>100
EPS (sen)	4.9	2.9	68.7	5.7	(14.7)	18.4	7.3	>100

Y-o-Y. Revenue jumped by 2.3x to RM2,976.9m, from RM1,285.9m, attributed to higher selling price for cocoa products and increased sales volume for cocoa solids, contributed by a big leap in revenue from Malaysia (+228.9%), Singapore (+132.8%) and Indonesia (+149.6%) markets. With that, PAT also jumped by 68.7% to RM57.2m, from RM33.9m in 3QCY23.

Q-o-Q. However, the shrinking EBIT margin limited the operating profit to a mere 1.0% increase, despite the group successfully passing on higher bean costs to customers, which we reckon this to a lower production tonnage during 3QCY24. Furthermore, a 1.2x increase in financing costs and a higher debt-to-equity ratio constrained the PAT margin expansion, leading to a 14.7% decline to RM57.2m, from RM67.0m in 2QCY24.

Dividend. The group declared its first single-tier dividend of 1.0 sen in 3QCY24, as opposed to no dividend declared in 3QCY23.

Missed expectation. Guan Chong's 9MCY24 revenue surpassed our expectations by making up 86.7% of our previous full-year forecast, but PAT was below our expectation, making up only 60.2% of our previous full-year forecast. We are reviewing our recommendation and TP on Guan Chong pending more information from an analyst briefing. Our last recommendation was a BUY with a TP of RM4.87, based on a 15.0x target PER pegged to our CY25F EPS.

◆ SUPERCOMNET TECHNOLOGIES BHD – 3QCY24: Recommendation and TP under review

RM m	3QCY24	3QCY23	YoY chg (%)	2QCY24	QoQ chg (%)	9MCY24	9MCY23	YoY chg (%)
Revenue	37.3	32.5	14.6	38.3	(2.6)	111.7	103.2	8.2
PBT	7.6	9.4	(19.3)	10.8	(29.4)	28.4	27.9	2.1
PAT	5.5	7.4	(25.6)	8.4	(34.5)	22.0	21.7	1.1
EPS (sen)	0.7	1.0	(30.5)	1.0	(34.7)	2.6	2.8	(6.4)

Y-o-Y. Revenue improved 14.6% to RM37.3m in 3QCY24, from RM32.5m in the previous corresponding period, primarily driven by increased orders in the medical segment, especially the rising demand for single-use endoscopes from Customer A which helped offset the temporary

weaknesses in the automotive segment. The medical, automotive and industrial segments contributed 80%/2%/18% respectively to the group's revenue during the quarter. Despite an improved gross profit margin, net profit dropped 25.6% to RM5.5m, from RM7.4m, mainly attributed to an unrealised foreign exchange loss of RM4.3m and a higher effective tax rate.

Q-o-Q. Revenue dipped slightly by 2.6% with the medical segment's revenue decreasing 3.8% due to the group's planned downtime on certain reusable cable production lines to facilitate modification works for capacity expansion. Net profit also fell 34.5% with profitability once again impacted by unrealised foreign exchange losses.

Scomnet's 9MCY24 revenue and core net profit (excluding foreign exchange movements) missed our expectations, accounting for only 60.7% and 68.6% of our full year estimates respectively, largely due to a slower-than-anticipated recovery in automotive segment sales. We are reviewing our recommendation and TP on Scomnet, pending more information from an analyst briefing. Our last recommendation was a BUY with a TP of RM1.76, derived from pegging an unchanged 33.0x target PER to our CY25F EPS.

◆ **UCHI TECHNOLOGIES BHD – 3QCY24: NEUTRAL, TP: RM3.82**

RM m	3QCY24	3QCY23	YoY chg (%)	2QCY24	QoQ chg (%)	9MCY24	9MCY23	YoY chg (%)
Revenue	55.5	62.9	(11.8)	59.1	(6.1)	176.7	178.1	(0.8)
PBT	34.4	42.3	(18.6)	39.6	(13.0)	114.0	125.5	(9.1)
PAT	28.3	33.4	(15.3)	32.2	(12.0)	92.5	99.6	(7.1)
EPS (sen)	6.2	7.3	(16.1)	7.0	(12.0)	20.1	21.8	(7.9)

Y-o-Y. 3QCY24 revenue declined by 11.8% to RM55.5m, from RM62.9m, due to significant depreciation of the USD against the Ringgit, while sales also came in lower during the quarter. The unfavourable forex movement resulted in its PAT shrinking by 15.3% to RM28.3m, from RM33.4m. Core PAT (excluding unrealised forex losses), meanwhile, declined by 20.7% to RM25.8m, from RM32.6m.

Q-o-Q. 3QCY24 revenue declined by 6.1% to RM55.5m, from RM59.1m, attributed to lower sales of its products and services, and unfavourable forex movements dampening its top line. PAT dipped to RM28.3m, from RM32.2m, marking a 12.0% decline. Core PAT similarly declined by 16.5% to RM25.8m, from RM31.0m.

Dividend. The group declared a second interim dividend of 8.0 sen per share, bringing the total dividend per share declared to 14.5 sen for CY24.

Within expectations. Uchitec's 9MCY24 revenue and core PAT remains within our expectations, accounting for 77.2% and 80.1% of our CY24 forecasts respectively. The management has guided a softer Y-o-Y revenue trend in 2HCY24 with its USD revenue expected to be in high single digit decline in view of the recent orders received. Therefore, we expect a softer performance for 2HCY24, while we also see the Ringgit's appreciation against the USD recently to put pressure on its top line. We keep our recommendation at **NEUTRAL**, but with a lower **TP of RM3.82 (-RM0.18)** based on our DDM-derived valuation after imputing a higher required rate of return of 7.4% (from 7.0%) while keeping our dividend growth rate unchanged at 1.0%.

GLOBAL AND ECONOMIC UPDATE

- ◆ After turning in a mixed performance early in the session, major U.S. stock indexes all moved to the upside over the course of the trading day. The Dow recovered from its early weakness to end the day up 123.74 points or 0.3% at another new record closing high of 44,860.31, while the Nasdaq rose 119.46 points or 0.6% to 19,174.30. [RTT News](#)

- ◆ **Fed officials favour gradual interest rate cuts, minutes show**
Federal Reserve (Fed) officials believe it will be appropriate to "gradually" lower interest rates, according to the minutes of the central bank's latest monetary policy meeting. The minutes said officials feel a gradual approach to lowering rates to a more neutral stance will be appropriate if economic data come in "about as expected, with inflation continuing to move down sustainably to 2% and the economy remaining near maximum employment". However, the minutes noted officials judged that the risks to achieving the Fed's employment and inflation goals were roughly in balance. [RTT News](#)

- ◆ **U.S. consumer confidence continues to improve in November**
After reporting a significant rebound by U.S. consumer confidence in the previous month, the consumer confidence index continued to improve in November, rising to 111.7 in November after surging to an upwardly revised 109.6 in October. Economists had expected the consumer confidence index to climb to 112.3, from the 108.7 originally reported for the previous month. [RTT News](#)

- ◆ **U.S. new home sales pulled back much more-than-expected in October**
The U.S. Commerce Department reported a substantial pullback in new home sales in October. The new home sales saw a 17.3% M-o-M decline to an annual rate of 610k in October after spiking by 7.0% M-o-M to 738k in September. Economists had expected new home sales to decrease by 1.1% M-o-M to 730k. New home sales pulled back well off their highest level in over a year, plunging to their lowest level since hitting an annual rate of 596k in November 2023. [RTT News](#)

- ◆ **Japan producer prices climb 2.9% Y-o-Y in October**
Producer prices in Japan were up 2.9% Y-o-Y in October, from the upwardly revised 2.8% Y-o-Y increase in September (originally 2.6% Y-o-Y) and exceeded expectations for a gain of 2.5% Y-o-Y. On a monthly basis, producer prices jumped 0.8% after dipping 0.1% in the previous month. [RTT News](#)

CORPORATE NEWS

- ◆ **Maybank's 3QCY24 net profit edges up 7.6% Y-o-Y as non-interest income rise offsets decline in interest revenue**
Malayan Banking Bhd's (Maybank) net profit rose 7.6% Y-o-Y to RM2.54b in 3QCY24, from RM2.36b a year earlier as non-interest income growth offset a decline in net interest income. Net interest income slipped 1.9% Y-o-Y, while income from Islamic banking rose 12.0% Y-o-Y and non-interest income was up 7.5% Y-o-Y. No dividend was declared for the quarter. [The Edge Markets](#)

- ◆ **YTL Corp's net profit falls 36.0% Y-o-Y in 1QFY25 as YTL Power's earnings decline**
YTL Corp Bhd's net profit fell by more than a third in 1QFY25 as contributions from its utilities business, represented by its 55.6% stake in **YTL Power International Bhd** declined. Net profit fell 36.0% Y-o-Y to RM333.7m in 1QFY25, compared with RM521.7m a year ago, despite a 3.4% Y-o-Y increase in its quarterly revenue to RM7.77b. Meanwhile, **YTL Power International Bhd** saw its net profit for 1QFY25 fall 44.5% Y-o-Y to RM470.6m, compared with RM847.91m a year ago due to a decline in its power generation business. However, quarterly revenue registered at RM5.68b, up 4.4% from RM5.45b in 1QFY24. [The Edge Markets](#)

- ◆ **Batu Kawan falls into the red as KLK reports record low profit on one-off losses, impairments**
Kuala Lumpur Kepong Bhd (KLK) reported a record low net profit of RM6.8m in 4QFY24, falling 94.2% Y-o-Y from RM116.3m a year earlier, dragged by non-cash losses and an inventory write-down related to its investment in UK-listed speciality chemicals company, Synthomer Plc. Quarterly revenue slipped 1.7% Y-o-Y to RM5.68b, from RM5.78b. The group registered a share of equity loss of RM48.4m from its 26.9%-owned Synthomer due to its weak performance and additional costs related to restructuring and asset impairment. It also recognised an impairment loss of RM180.0m on its investment in Synthomer. Excluding the exceptional losses, net profit for 4QFY24 would have been RM286.0m.

Meanwhile, the losses and impairment at Synthomer, coupled with lower manufacturing and property development profits, pulled **Batu Kawan Bhd**, which owns 47.0% in KLK, into the red in the same quarter. It recorded a net loss of RM19.8m— its first in over two decades since 2001 — in 4QFY24, as opposed to a net profit of RM52.8m in 4QFY23. Quarterly revenue also slipped 2.0% Y-o-Y to RM5.88b, from RM6.00b. [The Edge Markets](#)

- ◆ **IOI Corp's 1QFY25 profit soars 133.8% Y-o-Y on forex gain, fair value adjustments**
IOI Corp Bhd posted a 133.8% Y-o-Y jump in its net profit to RM710.7m for 1QFY25, from RM304.0m last year, primarily driven by foreign exchange translation gains (RM365.9m) from its USD-denominated borrowings following the strengthening of the Ringgit against the greenback, and fair value adjustments on its biological assets and derivative financial instruments. Quarterly revenue climbed 21.4% Y-o-Y

to RM2.67b, from RM2.20b, mainly due to higher contribution from its plantation segment on higher crude palm oil and palm kernel prices as well as higher production of fresh fruit bunches. [The Edge Markets](#)

◆ **Sunway's net profit doubles Y-o-Y in 3QCY24 as order book replenishment target of RM4.00b achieved**

Sunway Bhd posted a net profit of RM376.1m in 3QCY24, more-than-doubled from a year ago when it registered RM180.3m, on stronger operating performance across its core businesses. Quarterly revenue also rose 31.8% Y-o-Y to RM2.03b, from RM1.54b a year earlier, on better performance from all segments except for the quarry business. There was no dividend declared for the quarter under review. The group's order book replenishment has risen to RM4.03b and has reached its 2024 order book replenishment target of RM4.00b-RM5.00b. [The Edge Markets](#)

◆ **Malayan Cement kicks off FY25 with record profit in 1QFY25**

Malayan Cement Bhd saw its net profit rise 45.1% Y-o-Y to RM139.4m in 1QFY25 against RM96.1m a year earlier, despite marginal revenue growth. The record high bottomline was attributed to ongoing improvements in the group's operational efficiencies, coupled with lower production costs. Quarterly revenue grew marginally to RM1.17b, compared with RM1.15b last year, mainly driven by higher revenue from the ready-mixed concrete segment, which saw higher demand for high-grade ready-mixed concrete and bespoke products. The group did not declare any dividend for the latest quarter. [The Edge Markets](#)

◆ **Pharmaniaga turns around in 3QCY24, expects strong close to CY24**

Pharmaniaga Bhd has turned around in 3QCY24 on higher sales and the reversal of penalty charges from the government. Net profit for 3QCY24 was RM101.0m compared to a net loss of RM49.3m over the same quarter last year. Quarterly revenue also rose 16.0% Y-o-Y to RM1.03b, from RM885.5m in 3QCY23. The number of active products under the approved product purchase list is expected to increase to 832 products by the end of 2025, from 655 products at the end of September, helping to boost its concession business. [The Edge Markets](#)

◆ **Matrix Concepts proposes 1-for-2 bonus issue; 2QFY25 net profit gains over 5.3% Y-o-Y on disposal gain, pays 2.75 sen dividend**

Matrix Concepts Holdings Bhd has proposed a bonus issue of 625.7m shares on the basis of 1 new share-for-every 2 shares held. Following the bonus issue, the share capital is expected to expand to 1.88b shares. The entitlement date will be determined by the group upon receipt of all relevant approvals.

Meanwhile, the group reported a 5.3% Y-o-Y increase in its net profit to RM67.4m for 2QFY25, from RM64.0m a year earlier, helped by a gain on the disposal of property and plant of RM11.5m. Quarterly revenue, however, dropped 10.7% Y-o-Y to RM321.0m, from RM359.4m due to lower revenue from the property development and residential property business, but was offset by higher contributions from commercial and industrial properties. The group declared a second interim dividend of 2.75 sen per share. [The Edge Markets](#)

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