

Bulletin Today

BURSA MALAYSIA

| Index | Closing | Pts Chg | % Chg |
|------------------------|----------|---------|-------|
| FBM-KLCI | 1,600.09 | 0.51 | 0.03 |
| Volume: Total (mil): | 3,206.65 | 658.22 | 25.83 |
| Total Value (RM' mil): | 3,030.30 | 744.35 | 32.56 |
| Gainers | 369 | | |
| Losers | 693 | | |
| Unchanged | 542 | | |

TRADE STATISTICS

| Participation | Bought | Sold | Net |
|-------------------|--------|-------|-------|
| 41.17 Institution | 1,330 | 1,165 | 165 |
| 20.62 Retail | 610 | 640 | (30) |
| 38.21 Foreign | 1,090 | 1,226 | (135) |
| 100.00 | 3,030 | 3,030 | 0 |

FTSE-BURSA MALAYSIA

| Index | Closing | Pts Chg | % Chg |
|-------------------|-----------|---------|--------|
| FBM 70 | 18,434.08 | (15.55) | (0.08) |
| FBM 100 | 11,965.13 | (0.29) | (0.00) |
| FBM Palm Oil - NC | 12,461.00 | (86.31) | (0.69) |
| FBM Smallcap | 17,514.33 | (64.18) | (0.37) |
| FBM Emas | 12,276.98 | (3.81) | (0.03) |
| FBM Fledgling | 19,418.69 | (49.40) | (0.25) |

WORLD

| Index | Closing | Pts Chg | % Chg |
|---------------|---------|---------|--------|
| Dow Jones | 42,342 | 15 | 0.04 |
| Nasdaq | 19,373 | (20) | (0.10) |
| FTSE 100 | 8,105 | (94) | (1.14) |
| Nikkei 225 | 38,814 | (268) | (0.69) |
| Hang Seng | 19,753 | (112) | (0.56) |
| Korea Kospi | 2,436 | (49) | (1.95) |
| Singapore STI | 3,763 | (17) | (0.44) |
| Thailand SET | 1,378 | (21) | (1.53) |
| Jakarta | 6,977 | (131) | (1.84) |
| Shanghai | 3,370 | (12) | (0.36) |
| Shenzhen | 2,033 | 7 | 0.36 |

KLCI FUTURES

| Index | Closing | Pts Chg | % Chg | Volume |
|---------------|----------|---------|--------|--------|
| FBM-KLCI | 1,600.09 | 0.51 | 0.03 | 146m |
| FKLI - Dec 24 | 1,595.00 | (1.00) | (0.06) | 7,125 |
| FKLI - Jan 25 | 1,599.50 | (0.50) | (0.03) | 764 |
| FKLI - Mar 25 | 1,584.00 | (0.50) | (0.03) | 268 |
| FKLI - Jun 25 | 1,588.50 | (3.00) | (0.19) | 87 |

FOREX & COMMODITIES

| | Closing | Pts Chg | % Chg |
|-------------------|----------|----------|--------|
| CPO Futures (Mar) | 4,508.00 | (21.00) | (0.46) |
| Brent (USD/b) | 72.88 | (0.51) | (0.69) |
| Gold (USD/Ounce) | 2,594.01 | 8.66 | 0.33 |
| USD/RM | 4.5057 | 0.0357 | 0.80 |
| SGD/RM | 3.3152 | 0.0084 | 0.25 |
| JPY/RM | 2.8620 | (0.0246) | (0.85) |

HIGHLIGHTS

- ◆ The Dow inched up 15.37 points or 0.04% to 42,342.24, while the Nasdaq slipped 19.92 points or 0.1% to 19,372.77
- ◆ PENTAMASTER CORPORATION BHD – TO PRIVATISE HONG KONG-LISTED SUBSIDIARY; BUY, TP: RM4.95
- ◆ DOSM: Malaysia's 9M2024 e-commerce income reaches RM918.2b
- ◆ Bank of England leaves interest rate unchanged
- ◆ Bank of Japan keeps policy rate unchanged
- ◆ Mah Sing acquires Johor land from S P Setia for RM156.8m
- ◆ Vestland bags RM70.0m office construction job in KL
- ◆ Uzma secures RM44.0m Kedah solar farm construction sub-contract
- ◆ Fashion retailer Bonia ventures into health and wellness with investment in Macroverse
- ◆ Catcha Digital acquires 70% stake in Tastefully to tap into consumer food expo sector
- ◆ UWC's net profit jumps 49.2% Y-o-Y as revenue nearly doubles on increased semiconductor orders
- ◆ Mynews plans more new stores after 4QFY24 profit jumps nearly fourfold as sales climb

THE SLANT

- ◆ The key index managed to eke-out minor gains yesterday to extend its positive close for another session. Much of the gains on the FBM KLCI were from the rebound in YTL-related stocks after the MACC cleared the companies of any wrongdoings. However, overall market conditions stayed tepid after the Fed indicated fewer rate cuts in 2025, sending most broader market shares lower and leaving market breadth decidedly negative. Traded volumes, meanwhile, rose to 3.2b units.
- ◆ We still see market conditions staying insipid heading into the final weeks of 2024 as there are few positive market vibes to lift investor sentiments. As such, we also see the drifting trend persisting as buying support from local institutions will help the key index to remain close to the psychological 1,600 level. Meanwhile, the indication of slower or reduced interest rate cuts in 2025 could leave sentiments wary as economic conditions are still largely mixed and are still subjected to significant headwinds. The continuing foreign selling is also keeping sentiments on Bursa Malaysia on the defensive for longer. With the drifting trend staying put, we see the key index lingering within a tight range around the 1,590 and 1,605 levels for now. The immediate support is at 1,595, while the other resistance is at 1,610 points.
- ◆ The lower liners are also likely to stay rangebound due to the prevailing reduced participation from retail players. As such, many of these stocks will again be left to drift.

COMPANY UPDATE**◆ PENTAMASTER CORPORATION BHD – TO PRIVATISE HONG KONG-LISTED SUBSIDIARY; BUY, TP: RM4.95**

Pentamaster Corporation Bhd (Pentamaster) has proposed to privatise its 63.9%-owned Hong Kong-listed subsidiary, Pentamaster International Ltd (PIL), in partnership with Puga Holdings Ltd. Both parties have entered into an implementation agreement for the proposed privatisation. Under the terms of the proposal, Pentamaster will acquire an additional 170.4m PIL shares, representing approximately 7.1% of the company's total shares, at HK\$0.93 per share (RM0.54). This acquisition price reflects a premium of 16.25% over PIL's last traded price of HK\$0.80 (RM0.46) prior to its trading suspension on 4 December, 2024. The total cost of the additional stake will be HK\$158.5m (RM91.8m), which Pentamaster will finance using internal cash resources. Following the acquisition, Pentamaster's stake in PIL will increase to approximately 71.0%, with Puga acquiring the remaining 29.0% stake. Additionally, PIL has declared a special dividend of HK\$0.07 per share (RM0.04) to its shareholders. Upon completion of the privatisation, PIL will seek to delist from the Main Board of the Hong Kong Stock Exchange.

At the acquisition price of HK\$0.93 per share, we view the privatisation to be attractive as it values PIL at a trailing P/E of about 8.0x, which is substantially lower than Pentamaster's trailing P/E of 41.8x, indicating that PIL is significantly undervalued by the market. Since Pentamaster is already the majority shareholder of PIL, the increased stake post-privatisation will not have a material impact on Pentamaster's operations. Therefore, we are maintaining our **BUY** recommendation on Pentamaster with a higher **TP** of **RM4.95 (+RM0.25)** by pegging an unchanged target PER of 35x to our revised CY25F EPS. This revision reflects an expected 5.4% increase in CY25F earnings, driven by Pentamaster's larger stake in PIL, which will enable it to capture a greater share of PIL's profits and enhancing overall profitability.

GLOBAL AND ECONOMIC UPDATE

- ◆ Following the sell-off seen late in the previous session, stocks showed a notable rebound in early trading on Thursday. The Dow managed to snap its ten-day losing streak, inching up 15.37 points or 0.04% to 42,342.24, while the Nasdaq slipped 19.92 points or 0.1% to 19,372.77. [RTT News](#)
- ◆ **DOSM: Malaysia's 9M2024 e-commerce income reaches RM918.2b**
Malaysia's e-commerce income grew by 4.0% Y-o-Y to RM918.2b in 9MCY24, with the highest surge recorded in 2Q2024, amounting to RM309.8b. In 3Q2024, e-commerce income, which consists of the Information and Communication Technology (ICT) sector's contribution to the economy, as well as its services, access, and usage performance, saw a slight decline of 0.6% to RM307.9b compared to 2Q2024. [The Edge Markets](#)

- ◆ **Bank of England leaves interest rate unchanged**
The BoE decided to leave its benchmark rate unchanged at 4.75% as inflation is expected to continue rising and the economy is forecast to stagnate in 4Q2024. [RTT News](#)
- ◆ **Bank of Japan keeps policy rate unchanged**
The BoJ also left its key interest rates unchanged at around 0.25% as policymakers were concerned about risks related to economic activity and prices. [RTT News](#)

CORPORATE NEWS

- ◆ **Mah Sing acquires Johor land from S P Setia for RM156.8m**
Mah Sing Group Bhd has acquired 5.99 ac. of land in Taman Pelangi, Johor, from **S P Setia Bhd** for RM156.8m to develop a premium serviced apartment project. The acquisition comprise of two parcels of land for the proposed premium serviced apartment, to be named as M Grand Minori, that will have a GDV of RM1.5b. The land is located 3km from the upcoming Johor-Singapore Rapid Transit System (RTS) Link's Bukit Chagar Station. Mah Sing intends to fund the costs and expenses related to the proposed acquisition and the proposed development through a combination of internally generated funds and bank borrowings. [The Edge Markets](#)
- ◆ **Vestland bags RM70.0m office construction job in KL**
Vestland Bhd had secured a RM70.0m contract to build a 59-storey office building along Jalan Mayang, Kuala Lumpur. The contract was awarded by Sg Besi Construction Sdn Bhd. The design and build works to be carried out under the contract comprise the design, approval, construction, completion, testing and commissioning of one block of 59-storey strata offices and related facilities. The construction is expected to last over two years, commencing on 19 December, 2024 and scheduled to be completed on 15 December, 2027. [The Edge Markets](#)
- ◆ **Uzma secures RM44.0m Kedah solar farm construction sub-contract**
Uzma Bhd was awarded a sub-contract by **Samaiden Group Bhd** for the development of a 13.42-megawatt AC (MWac) solar photovoltaic plant in Sungai Petani, Kedah. The contract, secured on a lump sum fixed price basis, encompasses the development of the solar generating facility, including interconnection and other works as outlined in the agreement with Tenaga Nasional Bhd. The project is scheduled for completion within eight months and 14 days, with the commercial operation date set for 30 August, 2025. The project is developed under the Corporate Green Power Programme (CGPP), which allows plant-up of solar farms by developers upon securing commercial offtakers, rather than selling the electricity to Tenaga Nasional Bhd. [The Edge Markets](#)
- ◆ **Fashion retailer Bonia ventures into health and wellness with investment in Macroverse**
Bonia Corp Bhd is venturing into the health and wellness market with a joint investment in fitness centre operator, Macroverse Sdn Bhd (MVC). Bonia signed a shareholders' agreement with Peak Physique Health &

Fitness Sdn Bhd (PPH) to jointly subscribe to 3.0m new shares in MVC, representing its entire equity. Bonia will hold a 50% stake, valued at RM1.8m, financed by internal funds. Bonia and PPH had agreed to co-operate in a joint venture to manage MVC's health and fitness centre under the brand 'Peak Fitness', located at Ikon Connaught Cheras. PPH holds the brand's trademark and owns a string of fitness centres under the same brand throughout Malaysia. [The Edge Markets](#)

◆ **Catcha Digital acquires 70% stake in Tastefully to tap into consumer food expo sector**

Catcha Digital Bhd has announced its acquisition of a 70% stake in Tastefully Malaysia Sdn Bhd for RM7.6m cash to strengthen its position in the integrated digital and offline advertising space. The RM7.6m cash consideration will be paid in four tranches over 36 months, contingent on achieving profit after tax (PAT) targets of RM0.5m, RM1.1m, RM1.4m, and RM1.6m across the respective periods. The acquisition would create cross-selling opportunities by integrating its digital advertising capabilities with Tastefully's established in-person advertising solutions. [The Edge Markets](#)

◆ **UWC's net profit jumps 49.2% Y-o-Y as revenue nearly doubles on increased semiconductor orders**

UWC Bhd's net profit rose 49.2% Y-o-Y to RM6.5m in 1QFY25, from RM4.4m a year ago, lifted by increasing orders from the semiconductor industry. Quarterly revenue almost doubled to RM89.4m, from RM45.5m a year ago. No dividend was declared for the quarter under review. [The Edge Markets](#)

◆ **Mynews plans more new stores after 4QFY24 profit jumps nearly fourfold as sales climb**

Mynews Holdings Bhd reported a significant jump in net profit to RM3.8m for 4QFY24, a near fourfold increase compared to RM0.9m in the same period last year. This marks the fifth consecutive profitable quarter for the convenience store operator. Quarterly revenue grew by 12.0% Y-o-Y to RM208.4m, up from RM186.2m previously, driven by a combination of increased store count and improved in-store sales. [The Edge Markets](#)

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