



# AmWatch

Equity Research Team  
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## BURSA MALAYSIA

KLCI	1,633.19 (+30.24)
52-Week Range	1,207.80 – 1,695.96
Mkt Cap (RM bil)	1,791.48
Daily Volume (mil shares)	10,082.55
Daily Value (RM mil)	7,182.73

## TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
HARTA	12.50	1.60
SUPERMX	7.30	1.25
MPI	25.70	0.96
TOPGLOV	6.50	0.70
KESM	13.88	0.68

## TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
CNASIA	1.66	-0.71
DLADY	35.76	-0.54
CARLSBG	20.70	-0.42
SAM	6.86	-0.39
VITROX	13.76	-0.34

## REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,633.19	1.9	0.4
Singapore	2,933.19	3.0	5.3
Thailand	1,536.44	1.5	6.0
Philippines	7,289.88	2.4	2.1
Indonesia	6,257.84	1.7	4.7
Hong Kong	27,878.22	1.2	2.4
Korea	3,152.18	4.0	9.7
Taiwan	15,463.95	1.6	5.0
Japan	28,139.03	2.4	2.5
Dow Jones	31,097.97	0.2	1.6
Nasdaq	13,201.98	1.0	2.4

## ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.0293	-0.2	0.2
OPR (%)	1.75	0.0	0.0
BLR (% Maybank)	5.40	0.0	0.0
NYMEX Crude oil			
US spot (US\$/barrel)	52.24	2.8	7.7
CPO spot price (RM/tonne)	3,970.00	1.8	3.1

## SECTOR FOCUS OF THE DAY

### Transportation & Logistics: On recovery path, albeit at different paces **Overweight**

We upgrade the transportation & logistics sector to **OVERWEIGHT** from **NEUTRAL**. We believe the seaport segment will continue to be buoyed by the recovery in global trade, while the air travel industry finally sees the light at the end of the tunnel with vaccination programmes getting underway worldwide. Meanwhile, the logistics segment will continue to ride on e-commerce, during and beyond the pandemic.

We project container throughput at both Westports (**BUY**, fair value RM4.83) and the ports of MMC Corporation (**BUY**, FV RM1.56) to grow by 3% in 2021F (after contracting by an estimated 1–2% in 2020) and shall return to the pre-pandemic growth levels of 3–5% in 2022F.

To ride on the recovery in the air travel segment, we prefer airport operator Malaysia Airports (**BUY**, FV RM6.64) to airline AirAsia (**SELL**, FV RM0.66) as it is a foregone conclusion that the latter will have to raise a significant amount of fresh capital to patch up the damaged balance sheet, which will be highly dilutive to existing shareholders.

The parcel delivery segment will continue to be the winner even post-pandemic. The National Postal and Courier Industry Lab (NPCIL) is set to strengthen the industry and this will benefit all existing players, especially those that already have a strong footprint in the country, like Pos Malaysia (**BUY**, FV 1.33) and GDEX (non-rated).

## QUICK TAKE

**Plantation Sector:** News flow for week 4 to 8 Jan

**Neutral**

## NEWS HIGHLIGHTS

**Genting:** Unlocks value of life science division via potential listing of SPAC

**Covid-19:** Mustapa tested positive for Covid-19

**Glove Sector:** Investors shorted RM1.7 billion worth of shares in big four

**Automobile:** Apple, Hyundai set to agree electric car tie-up, says Korea IT News

**DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA**

<b>Stock</b>	<b>Quantity (’000)</b>	<b>Price (RM)</b>	<b>Turnover (RM’000)</b>
KTB	15,000	0.160	2,400
MUIIND	11,500	0.100	1,150
TFP	6,400	0.200	1,350
IDBTECH	5,000	0.08	400
TIGER	3,300	0.115	379
WCEBHD	2,672	0.445	1,189
KAB	2,500	1.000	2,500
YNHPROP	1,597	2.700	4,020
HLCAP	497	5.670	2,815
TOPGLOV	155	5.700	883
JFTECH	100	4.820	482
SERBADK	100	1.720	172

# News Highlights

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## **Genting (RM4.12)**

*Unlocks value of life science division via potential listing of SPAC*

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Few may pay much attention to Genting Bhd's life-sciences division. However, the biotech unit could be reaping its fruits via listing, after it merges with Nasdaq-listed GX Acquisition Corp to form a special purpose acquisition company (SPAC) in an attempt to create a publicly-listed leader in allogeneic cellular therapy.

This would also represent the first major monetisation in Genting's life-sciences division.

On Friday, Celularity signed a definitive merger agreement with GX Acquisition Corp, of which the companies are planning to take it public by the second quarter of 2021, subject to approval of both Celularity and GX's shareholders. – *The Edge Markets*

## **Covid-19**

*Mustapa tested positive for Covid-19*

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Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed has been tested positive for Covid-19. In a statement yesterday, Mustapa's office said the minister had undergone a Covid-19 screening upon arriving in Kuala Lumpur from Kota Bharu on Saturday morning.

It said Mustapa was admitted to Hospital Raja Perempuan Zainab II, Kota Bharu at 10.30pm for observation and that he was in stable condition. – *Bernama*

## **Glove Sector**

*Investors shorted RM1.7 billion worth of shares in big four*

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In the first trading week of the new year, investors on Bursa Malaysia shorted RM1.7bil worth of shares in the big four glove counters, namely Top Glove Corp Bhd, Hartalega Holdings Bhd, Supermax Corp Bhd and Kossan Rubber Industries Bhd.

The stock exchange data on regulated short selling (RSS) shows a total of 284.7mil shares were shorted in the four glove companies, of which more than two-thirds were shares in Top Glove. Across the board, there were 347.4mil shares shorted during the week. – *The Edge Markets*

## **Automobile**

*Apple, Hyundai set to agree electric car tie-up, says Korea IT News*

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Hyundai Motor and Apple Inc plan to sign a partnership deal on autonomous electric cars by March and start production around 2024 in the US, local newspaper Korea IT News reported on Sunday.

The report follows a statement on Friday from Hyundai Motor that it was in early talks with Apple after another local media outlet said the companies aimed to launch a self-driving electric car in 2027, sending Hyundai shares up nearly 20%. – *Reuters*

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