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## BURSA MALAYSIA

KLCI	1,629.41 (-10.42)
52-Week Range	1,207.80 – 1,695.96
Mkt Cap (RMb)	1,849.85
Daily Volume (m shares)	9,633.24
Daily Value (RMmil)	5,475.27

## TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
HEIM	26.80	1.26
MPI	36.40	0.86
VITROX	14.86	0.74
KOBAY	5.06	0.39
SOP	4.30	0.38

## TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
NESTLE	135.60	-1.30
PETDAG	19.98	-0.72
ATLAN	2.90	-0.48
PETGAS	15.70	-0.28
DATAPRP	2.88	-0.27

## REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,629.41	-0.6	0.1
Singapore	3,106.01	0.9	9.2
Thailand	1,575.13	0.1	8.7
Philippines	6,719.18	-1.3	-5.9
Indonesia	6,264.68	1.0	4.8
Hong Kong	29,385.61	1.7	7.9
Korea	3,013.70	1.9	4.9
Taiwan	16,179.56	1.7	9.8
Japan	29,211.64	0.6	6.4
Dow Jones	32,485.59	0.6	6.1
Nasdaq	13,398.67	2.5	4.0

## ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.1065	-0.5	2.1
OPR (%)	1.75	0.0	0.0
BLR (% Maybank)	5.40	0.0	0.0
NYMEX Crude oil			
US spot (US\$/barrel)	66.02	2.5	36.1
CPO spot price (RM/tonne)	4,025.00	0.0	4.5

## STOCK FOCUS OF THE DAY

**Lagenda Properties:** Taking the affordable way to being profitable

**Buy**

We initiate coverage on Lagenda Properties (Lagenda) with a BUY call and fair value of RM1.95/share, based on a 20% discount to its RNAV, and after including a 3% premium to reflect our 4-star ESG rating. This compares with about a 40% discount to RNAV the market generally accords to affordable property developers of a similar size to take into account Lagenda's defensive customer profile of public servants and a strong management team.

Lagenda is a Perak-based property developer that focuses on low-cost/affordable housing in self-sustaining townships. With a price range of RM150K–RM200k/unit, the properties are targeted at the B40 and M40 income groups. These properties constitute the affordable segment, which is the bright spot amidst the unexciting local property market.

Lagenda's townships have a niche market, i.e. civil servants (who make up close of 80% of all buyers) with stable incomes/strong job security that are less susceptible to economic cycles. The high civil servant population in these locations is attributed to the presence of the home base of the Royal Malaysian Navy and other government institutions and public/private universities in their vicinities.

The group's strong management team has enabled Lagenda to consistently acquire land at good prices, keep the construction cost low and effect fast turnaround due to its extensive network and strong working relationships with various authorities. At about 35% discount to its RNAV, we believe Lagenda offers a good proxy to the resilient affordable housing segment, a defensive public servant customer profile and a highly business-savvy management team.

**Others:**

**MISC:** Mild impact from 3 long-term Shell charters

**Buy**

## RETAIL RESEARCH

**Stocks On Radar:** Techfast Holdings, InNature

## NEWS HIGHLIGHTS

**AT Systematization:** Makes takeover offer for Asdion at 50 sen per share

**DNeX:** Bags 3-year national single window contract extension

**Minetech:** Bags contract renewal worth RM70mil

**Hong Kong:** Baidu looks to raise US\$3bil in Hong Kong listing

## DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (‘000)	Price (RM)	Turnover (RM’000)
UCREST	31,000	0.050	1,550
NGGB	12,500	0.400	5,000
MEDIA	10,000	0.680	6,800
VIZIONE	9,300	0.440	4,090
TCS	8,000	0.500	4,000
DYNACIA-PA	5,000	0.075	375
NWP	5,000	0.200	1,000
LHI	4,000	0.775	3,100
PANSAR-PR	3,000	0.150	450
KGROUP	2,910	0.100	291
ACOSTEC	2,660	0.325	863
SNOTRIA	2,000	0.145	290
MCLEAN	1,700	0.460	782
KANGER	1,000	0.105	105
HCK	890	1.303	1,160
SEALINK	817	0.273	223
SHANG	672	3.973	2,670
HONGSENG	651	1.644	1,070
GIIB	500	0.250	125
SIGN	500	1.060	530
TALIWRK	368	0.870	320
RAPID	306	6.503	1,990
IPMUDA	250	0.800	200
HEXTAR	100	1.250	125

# News Highlights

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**AT Systematization (RM0.115)**

*Makes takeover offer for Asdion at 50 sen per share*

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AT Systematization Bhd, which ventured into rubber glove manufacturing last year, has made a conditional voluntary takeover offer (VGO) to loss-making Asdion Group Bhd at 50 sen per share. The offer price is on par with Asdion's closing price yesterday.

The VGO is not a privatisation exercise. Asdion, which is involved in logistics business as well as software development and ICT-related activities, will remain listed on ACE Market of Bursa Malaysia upon completion of the takeover offer, said AT Systematization in a filing with the exchange. — *The Edge CEO Morning Brief*

**DNeX (RM0.87)**

*Bags 3-year national single window contract extension*

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Dagang NeXchange Bhd (DNeX), fresh from winning the bid from Khazanah Nasional for its stake in loss-making SilTerra Malaysia Sdn Bhd last month, yesterday announced that its unit has been granted an extension contract for three years to operate the National Single Window (NSW) for trade facilitation.

"Under the contract extension, the company will continue to provide six core e-services of the NSW for trade facilitation namely eDeclare, eManifest, ePCO, ePermit, ePermitSTA, and ePayment in providing the trading community with connectivity to Customs and relevant agencies for import and export document processing. In addition, the company will also be providing services for the ASEAN Single Window," said DNeX. — *The Edge CEO Morning Brief*

**Minetech (RM0.215)**

*Bags contract renewal worth RM70mil*

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Minetech Resources Bhd's wholly-owned subsidiary, Minetech Construction Sdn Bhd, yesterday entered into an agreement with Able Return Sdn Bhd and Damar Consolidated Exploration Sdn Bhd in relation to the contract renewal for waste removal, ore delivery, and associated works for an open pit mining estimated to be worth RM70mil.

In a filing to Bursa Malaysia, Minetech Resources said the contract renewal was for the Selinsing gold mine project in Pahang, and it will be for a period of 36 months from 1 July 2020 to 30 June 2023. — *Bernama*

**Hong Kong**

*Baidu looks to raise US\$3bil in Hong Kong listing*

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Chinese search engine company Baidu Inc is looking to raise at least US\$3.03bil by selling 95mil shares as books opened on Thursday for its Hong Kong listing, according to a term sheet from the deal's launch. Baidu's New York listed shares were trading nearly 4% higher on the back of the deal being launched on Thursday.

In Hong Kong, the shares will be priced at no more than HK\$295 (US\$38.02) per share for retail shareholders and represent 3.4% of the company's total shares, it said in documents sent to the Securities and Exchange Commission. — *Reuters*

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