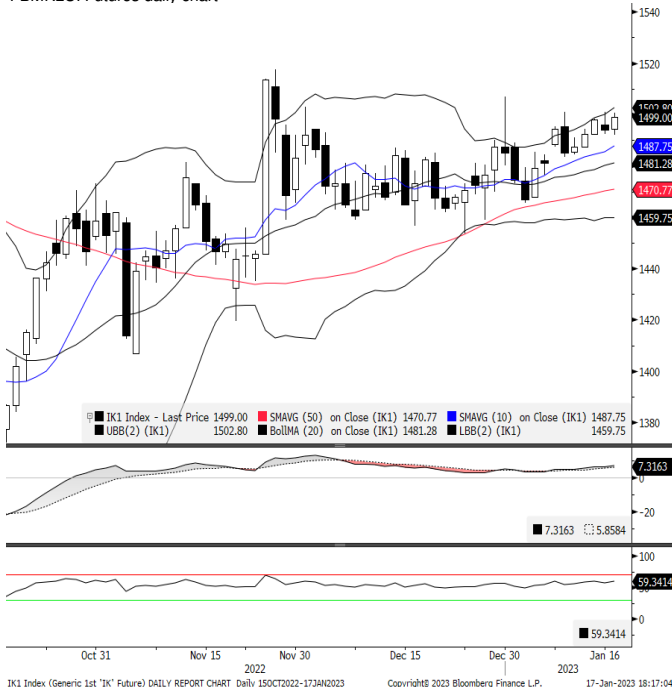


FBMKLCI Futures daily chart



Preview

Fundamental

Expect futures to trade on a cautious note today on a potential of profit taking activities following overnight mixed U.S. equities market and ahead of key Malaysian inflation data as well as interest rate decision. Major U.S. stock indexes ended lower on Tuesday, with the Dow dipping 1% after Goldman Sachs falls on larger-than-expected profit drop in the fourth quarter of year 2022 while Nasdaq closed higher supported by the jump in Tesla shares as data from China. Merchants Bank International shows China sales surge after price cuts. Around the region, Asian bourses ended mostly lower on Tuesday, as participants were focusing more on the China's economic growth data which shows the slowest growing pace since 1970s as Covid-19 restrictions hampered business activity and participants stay cautious ahead of Bank of Japan's key policy decision tomorrow. At home, the FBM KLCI ended at its intraday high yesterday, as earlier losses due to mild profit taking activities were turned around by late buying of selected telecommunications and media, industrial products and services counters while upside is capped due to lacking of fresh catalyst and participants stay cautious ahead of Malaysia's inflation data and braced for interest rate decision later this week. The index closed at 1,499.38, rose 5.82 points, led by the gains in PMAH, DIGI, PCHEM, AMM, IHH and AXIATA shares. Futures to cash basis weakened to nearly 0.5 points discounts from 0.5-point premium.

Technical

Futures contract trended lower during morning trading session but traded gradually higher throughout the trading session on persistent speculative purchases coupled with mild short covering activities following rebound in underlying cash market despite weaker regional peers. The January futures contract settled 5.0 points higher at 1,499.0, forming a white bodied candlestick with extended upper and bottom shadow, indicating buying activity during the session. Technical wise, MACD indicator issued a buying signal while RSI indicator lingered at neutral region. Nevertheless, expect futures to trade range bound with slight downward bias today following overnight mixed performance in major U.S. indexes and a potential of profit taking activities ahead of interest rate decision while optimism about Malaysia economic recovery and higher crude oil prices might cushion the selling pressure. The support and resistance are envisaged at 1,488.0 and 1,505.0 respectively.

Contract	Sett	Change	High	Low	Volume	Open Int	O/I chg	O/I chg Value USD	Open Interest 3mth avg Value USD	Previous Week High	Low
FBMKLCI	1499.38	5.82	1499.38	1488.95	118 Mn	25,344	-188	-3.26 Mn	27,423 475.38 Mn	1495.03	1480.37
JAN 23	1499.00	5.00	1500.50	1492.00	3060	332	68	1.18 Mn	4,981 86.43 Mn	0.00	0.00
FEB 23	1500.50	5.50	1501.00	1493.00	100	332	68	1.18 Mn	4,981 86.43 Mn	0.00	0.00
MAR 23	1490.50	5.50	1491.00	1486.00	7	685	1	.02 Mn	460 7.93 Mn	0.00	0.00
JUN 23	1488.00	6.50	1488.00	1480.00	16	449	1	.02 Mn	454 7.81 Mn	0.00	0.00
					3,183	26,810	-118	-2.04 Mn	33,318 577.56 Mn		

Contract	Exp. Date	Index Pt	Div Idx Pt (Gross)	FV	Div Idx pt (Net)	FV
JAN 23	31/01/2023	1.59	0.00	1.59	0.00	1.59
FEB 23	28/02/2023	5.02	1.08	3.94	1.08	3.94
Roll FV				2.35		2.35

Benchmark Indices

Source: Bloomberg	Last	1d Chg	6m Chg	3m Chg	6m Chg
FBMKLCI	1499.38	0.39%	4.89%	5.06%	8.72%
FBM100	10521.4	0.31%	6.25%	1.08%	1.30%
FBMEMAS	10825.07	0.28%	6.79%	1.36%	1.81%

Local Sector Performance againsts FBMKLCI

Sector		1d Chg	3m Chg	6m Chg
Financial		-0.47%	-2.77%	-1.49%
Plantation		-0.35%	-2.58%	-2.89%
Utilities		0.00%		0.00%
Currencies	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.3235	-0.07%	-8.31%	-2.92%
CNYMYR	0.6389	-0.29%	-2.52%	-3.26%
Dollar Index (DXY)	102.39	0.18%	-8.61%	-5.25%
MYR to DXY		0.25%	-0.33%	-2.40%

World Equity Indices

Source: Bloomberg	Last	1d Chg	6m Chg	3m Chg	6m Chg
USA					
Dow Jones	33910.85	-1.14%	8.38%	6.87%	3.33%
S&P 500	3990.97	-0.20%	3.31%	4.03%	-1.50%
NASDAQ	11095.11	0.14%	-3.12%	0.40%	-7.63%
Europe					
DAX	15187.07	0.35%	17.19%	11.11%	11.73%
CAC	7077.16	0.48%	16.17%	8.95%	10.76%
FTSE100	7851.03	-0.12%	8.69%	5.71%	3.63%
EURO Stoxx	456.46	0.40%	9.30%	6.62%	4.21%
Asia Pacific					
Nikkei 225	26138.68	1.23%	-2.43%	-10.10%	-6.97%
Hang Seng	21577.64	-0.78%	3.51%	19.14%	-1.31%
Straits Times	3280.51	-0.09%	5.09%	1.26%	0.19%
KOSPI	2374.22	-0.22%	-0.04%	-1.45%	-4.70%
TAIEX	14932.93	0.04%	1.45%	6.26%	-3.28%
S&P/ASX200	7391.50	0.07%	10.53%	1.83%	5.38%

U.S. markets

The Dow fell more than 1% on Tuesday as weak earnings from Goldman Sachs dragged the index lower, but a jump in Tesla shares helped the Nasdaq stay positive as the corporate earnings season took center stage. -Reuters

Kenanga Futures Sdn Bhd (353603-X)

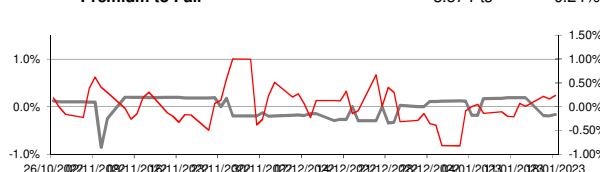
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Source: Bloomberg

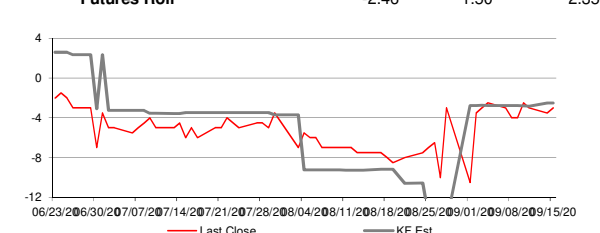
Premium to Fair

3.57 Pts 0.24%



Futures Roll

3m Avg -2.46 Last 1.50 KF FV 2.35



FBMKLCI Volatility

30 Days 9.23% 60 Days 13.80% 90 Days 13.07%

