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| Headline | Kenangas tracker portfolio returns down by 5.4 per cent |
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Kenanga's tracker portfolio returns down by 5.4 per cent

KUCHING: Kenanga Investment Bank Bhd's tracker portfolio returns have experienced a dip of 5.4 per cent month over month (m-o-m), widening their yield to date (YTD) position to minus 5.5 per cent.

The bank explained that this dip was mostly contributed by the massive sell-down, in tandem with the poor performance of the local bourse.

"The local equity market decline by 3.2 per cent m-o-m dragged by weakening of Ringgit against USD led by Donald Trump's surprised victory in the US presidential election as well as a disappointing third quarter calendar year 2016 (3QCY16) results season," cited the research arm.

The research arm continued on to note that due to this dip in the broader market, they have

also lowered their 12-month FTSE Bursa Malaysia KLCI Index's (FBMKLCI) end 2016 and 2017 targets to 1,682 and 1,732 from 1,715 and 1,755 post results season as they see no immediate re-rating catalyst emerging at the moment despite the seemingly undemanding market valuation.

"Technically, while we expect the FBMKLCI to trade sideways within 1,620 to 1,640, we also view that buying support may emerge around the 1,600-1,610 zone backed by the year-end window dressing activities," stated the research arm.

Despite the lower returns, the research arm noted that its tracker portfolio's average returns between realised or portfolio, and unrealised or tracker since inception of 18.8 per cent, still fared better than the

barometers index's total return of 12.8 per cent over the same period.

Breaking down Kenanga's tracker portfolio, its worst performers were led by oil and gas counters, EA Technique (M) Bhd (EAtech) and KNM Group Bhd (KNM) with a 37.4 per cent and 22.5 per cent m-o-m decline, respectively.

On the other hand, Xinhwa Holdings Bhd re-emerged as the top performer for unrealised gains, with a m-o-m gain of 75.5 per cent.

For realised gains, Pestech International Bhd defended its position with a gain of 226 per cent m-o-m, followed closely by VS Industry Bhd and Mitrajaya Holdings Bhd with gains of 205 per cent and 153 per cent, respectively.