

FBMKLCI Futures daily chart



**Preview**

**Fundamental**

Expect futures to extend its bullish momentum today following overnight rally in U.S. equities market as well as crude oil strong performance as June inflation data showing a two-year low suggests controlled economic risks from stubborn inflation while a potential of profit taking activities could cap gains. Back in the state, U.S. stocks ended higher on Wednesday, reaching their highest level since April 2022, with the surge in Nasdaq fuelled by June inflation data rising less than expected, alleviated pressure from the rising interest rates cycle and bolstered hopes that the Fed might be approaching the end of its rate tightening cycle. Across the region, Asian stocks market ended mostly higher on Wednesday, advanced for a second day, boosted by gathering momentum in Chinese technology stocks and optimism over China's support on the property sector while the market awaited key US inflation data due later Wednesday. At home, the FBM KLCI scaled higher, extending their gains for third day, underpinned by persistent buying interest in selected index-linked counters on improved risk appetite due to strong local economic and in tandem with regional peers' upbeat tone. The benchmark index edged closer towards the 1,400 psychological level to end at 1,398.06 with gains of 6.60 points, led by the gains in PCHEM, PMAH, MISC, IHH and SIME shares. Futures to cash basis strengthened to 4.5 points premium from Par.

**Technical**

Futures jumped to one week high after breaching its crucial immediate resistance level at 1,400.0 on the back of strong gains in the underlying cash and strong regional forces. The July futures contract settled at 1,402.5, with gains of 10.5 points, forming a long white bodied candlestick pattern with a short upper and extended bottom shadow, as bull seized control of the trading session aggressively. Technically, the MACD indicator remains issue a buy signal while RSI lingered at neutral region. Therefore, expect futures to continue its buying mode today on the back of extended gains in overnight Wall Street and crude oil prices amid optimism that the Fed may be nearing the end of its tightening cycle. Hence, the trading range for today's trading session can be found at 1,396.0 and 1,412.5.

Source: Bloomberg

Contract	Sett	Change	High	Low	Volume	Open Int	O/I chg	O/I chg		Open Interest		Previous Week	
								Value USD	3mth avg	Value USD	High	Low	
FBMKLCI	1398.06	6.60	1400.05	1389.94	105 Mn							1397.37	1377.67
JUL 23	1402.00	10.00	1403.00	1392.00	7367	46,104	1,486	22.39 Mn	33,312	501.99 Mn		0.00	0.00
AUG 23	1401.00	8.50	1402.50	1391.50	79	538	32	.48 Mn	7,438	112.01 Mn		0.00	0.00
SEP 23	1381.50	7.50	1383.00	1372.00	63	1,146	-4	-.06 Mn	823	12.22 Mn		0.00	0.00
DEC 23	1382.50	7.50	1384.00	1374.00	15	269	3	.04 Mn	680	10.10 Mn		0.00	0.00
					7,524	48,057	1,517	22.86 Mn	42,253	636.33 Mn			

Futures Fair Value		KLIBOR		KF Est		
Contract	Exp. Date	Index Pt	Div Idx Pt (Gross)	FV	Div Idx pt (Net)	FV
JUL 23	31/7/2023	2.38	0.00	2.38	0.00	2.38
AUG 23	30/8/2023	6.48	0.75	5.73	0.75	5.73
Roll FV				3.35		3.35

**Benchmark Indices**

Source: Bloomberg		Relative to FBMKLCI			
	Last	1d Chg	6m Chg	3m Chg	6m Chg
FBMKLCI	1398.06	0.47%	-6.49%	-0.20%	5.52%
FBM100	9990.19	0.42%	-4.70%	-0.03%	1.91%
FBMEMAS	10300.35	0.43%	-4.50%	-0.04%	2.12%

**Local Sector Performance againts FBMKLCI**

Sector	1d Chg	3m Chg	6m Chg
Financial	-0.28%	0.70%	-0.29%
Plantation	-0.55%	2.87%	6.52%
Utilities	0.00%		0.00%

Currencies	Last	1d Chg	3m Chg	6m Chg
USDMYR	4.6518	-0.15%	5.50%	6.71%
CNYMYR	0.6492	0.46%	1.19%	0.22%
Dollar Index (DXY)	100.517	0.00%	-0.49%	-1.65%
MYR to DXY		0.15%	-5.68%	-7.83%

**World Equity Indices**

Source: Bloomberg		Relative to FBMKLCI			
	Last	1d Chg	6m Chg	3m Chg	6m Chg
<b>USA</b>					
Dow Jones	34347.43	0.25%	0.46%	4.72%	7.43%
S&P 500	4472.16	0.74%	12.28%	12.12%	20.06%
NASDAQ	13918.96	1.15%	26.52%	19.70%	35.30%
<b>Europe</b>					
DAX	16023.00	1.47%	6.21%	4.50%	13.57%
CAC	7333.01	1.57%	4.41%	0.56%	11.65%
FTSE100	7416.11	1.83%	-5.46%	-3.00%	1.10%
EURO Stoxx	458.54	1.51%	1.33%	1.33%	8.35%
<b>Asia Pacific</b>					
Nikkei 225	31943.93	-0.81%	22.30%	16.38%	30.78%
Hang Seng	18860.95	1.08%	-13.24%	-4.89%	-7.22%
Straits Times	3175.36	0.36%	-3.59%	-1.12%	3.09%
KOSPI	2574.72	0.48%	7.91%	3.11%	15.39%
TAIEX	16962.03	0.37%	14.42%	10.10%	22.36%
S&P/ASX200	7135.67	0.38%	-2.63%	-0.05%	4.13%

**U.S. markets**

U.S. stocks ended solidly higher on Wednesday, led by a gain of more than 1% in the Nasdaq after a report showed inflation subsided further with consumer prices registering their smallest annual increase in more than two years.- Reuters

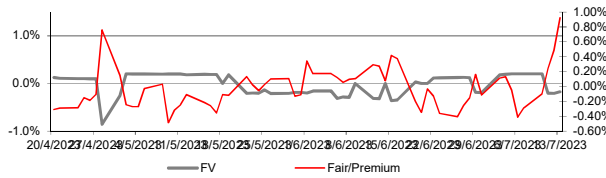
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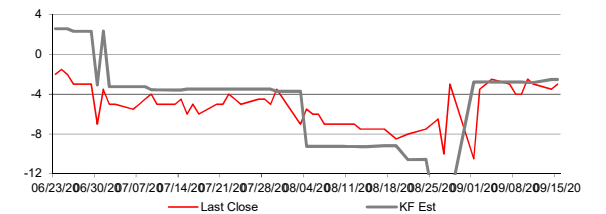
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Source: Bloomberg

Premium to Fair 12.89 Pts 0.92%



Futures Roll 3m Avg -2.46 Last -20.50 KF FV 3.35



FBMKLCI Volatility 30 Days 7.63% 60 Days 6.67% 90 Days 8.37%

