

26 July 2013

FBMKLCI: 1,808.42

- 1.58 (- 0.09 %)

Market indices and statistics

| Indices | Last | Daily chg % | YTD chg % |
|---------------|----------|-------------|-----------|
| Malaysia | | | |
| FBM KLCI | 1,808.4 | -0.1 | 7.1 |
| FBM Emas | 12,605.5 | -0.1 | 10.2 |
| FBM Syariah | 12,612.4 | 0.0 | 9.5 |
| FBM Small Cap | 15,484.4 | 0.0 | 34.9 |
| FBM ACE | 5,047.6 | -0.4 | 19.8 |
| Dow Jones | 15,555.6 | 0.1 | 18.7 |
| S&P 500 | 1,690.3 | 0.3 | 18.5 |
| Nasdaq | 3,605.2 | 0.7 | 19.4 |
| FTSE | 6,588.0 | -0.5 | 11.7 |
| Nikkei | 14,562.9 | -1.1 | 40.1 |
| Hang Seng | 21,901.0 | -0.3 | -3.3 |
| Strait Times | 3,235.7 | -1.2 | 2.2 |
| PSEi Exchange | 6,800.1 | -0.1 | 17.0 |
| Bangkok SET | 1,456.7 | -3.0 | 4.7 |
| JSX Composite | 4,674.1 | -0.9 | 8.3 |

Market Turnover

| | |
|--------------|---------|
| Vol (m shrs) | 1,373.5 |
| Value (RM m) | 1,862.6 |

| Top 5 value | Last | Daily chg % | Value (RM m) |
|-----------------|-------|-------------|--------------|
| Tenaga Nasional | 9.16 | 0.2 | 135.6 |
| Maybank | 10.72 | -0.2 | 104.1 |
| CIMB | 8.56 | 0.2 | 81.1 |
| Axiata | 6.83 | 0.1 | 75.7 |
| UEM Sunrise | 2.98 | -2.6 | 52.9 |

Currencies

| | Last | Daily chg | Daily chg % |
|------------|--------|-----------|-------------|
| RM/USD | 3.2020 | 0.0096 | 0.3 |
| RM/£ | 4.8971 | -0.0040 | -0.1 |
| RM/100 Yen | 3.2214 | 0.0403 | 1.3 |
| RM/€ | 4.2173 | -0.0046 | -0.1 |
| RM/SGD | 2.5299 | 0.0137 | 0.5 |
| RM/CNY | 0.5214 | 0.0016 | 0.3 |

Commodities and futures

| | Last | Daily chg | Daily chg % |
|------------------------------|---------|-----------|-------------|
| KLCI (1 st month) | 1,812.5 | -1.0 | -0.1 |
| CPO (3 rd month) | 2,170.0 | -52.0 | -2.3 |
| WTI (1 st month) | 105.5 | 0.2 | 0.2 |
| Gold (spot) | 1,333.9 | 11.7 | 0.9 |

FBMKLCI Chart

Focus of the day
➤ Axis REIT: 2QFY13: Within our expectation (Neutral)

Axis REIT's 1HFY13 results fell short of consensus, but within our expectation, with its annualised realised net income making up 92.7% and 97.5% of consensus and our full year forecasts. The proposed 4.60 sen DPU for 2QFY13 was also in line with our forecast. As results come without positive surprises, we keep our forecasts and recommendation unchanged. Hence, we remain NEUTRAL on the stock with unchanged TP of RM3.57, based on DDM valuation model. *(refer to report for details)*

➤ British American Tobacco (M): 2QFY13: Contract manufacturing saves the day (Sell)

BAT's 1HFY13 results came in largely in line, helped by strong contract manufacturing volume growth of 50.9% y-o-y. However, core net profit remains flattish y-o-y as the company's duty-paid volume recorded a y-o-y contraction of 4.8%. This reiterates our view that earnings prospect for the company is challenging going forward, especially with the likelihood of government raising excise duty for cigarettes in the upcoming Budget 2014. Apart from that, management admitted that the productivity savings initiative has started to produce diminishing marginal benefits to the group. As such, we reiterate our SELL call on the stock with an unchanged TP of RM54.72. *(refer to report for details)*

Malaysian news highlights

- **Malayan Banking:** Maybank Islamic to expand to Asean countries
- **Hong Leong Capital:** Yu pares stake to thwart HLCap suspension
- **Sunway:** Secures term loan from OCBC
- **Genting Plantation:** To issue RM1.5bn Islamic bond
- **Perdana Petroleum:** Says it's buying vessel for RM94.6m
- **TA Global:** Latest project targets young professionals
- **KNM Group:** Sells its Brazilian ops for RM12
- **Poh Kong Holdings:** Aims to open outlets in Sabah, Sarawak in 2-5 years
- **Encorp:** Wins RM114m biz centre construction contract
- **Tanjung Offshore:** Will undertake a major fund-raising exercise
- **I-Bhd:** Central Plaza@i-City to add to property portfolio
- **SYF Resources:** Plans new stock warrants
- **Ranhill Energy and Resources:** Licence reinstated
- **1Malaysia Development:** Signs MoU with JBIC on Samurai bonds
- **U Mobile:** Plays down IPO talk
- **Oil & Gas:** Petronas ends Uzbek hydrocarbon venture
- **Oil & Gas:** Petronas to cut Canada LNG stake to 50%, in talks with Sinopec
- **Insurance:** Malaysia's Khazanah reportedly Eyes Stake In Turkey's Acibadem Sigorta
- **Plantation:** MPOB and US scientists make breakthrough in palm oil research

Global news highlights

- **US:** Businesses set to step up capital goods spending
- **US:** Jobless claims rose last week by 7,000 to 343,000
- **US:** Would get short-term job spike if spending cuts reversed, CBO says
- **UK:** Economic growth quickens to 0.6% as recovery gains
- **Germany:** Business confidence rises for a third month
- **China:** Cuts capacity in some industries to reshape economy
- **Philippines:** Holds rate to shield growth as global risks rise



MALAYSIAN NEWS

Malayan Banking: Maybank Islamic to expand to Asean countries

Maybank Islamic, the Islamic banking arm of Malayan Banking (Maybank), aims to expand to all Asean member countries where Maybank has a presence. Its CEO Muzaffar Hisham said the bank intended to continue its regional expansion to other Asean nations after focusing on Singapore and Indonesia as part of its internationalisation initiative. (*Financial Daily*)

Hong Leong Capital: Yu pares stake to thwart HLCap suspension

Trading in Hong Leong Capital (HLCap) shares may not be suspended on Aug 12 as its free float looks set to exceed 10% after its second largest shareholder sold some of his shares. Datuk Dr Yu Kuan Chon told The Edge Financial Daily he is willing to sell enough shares to lift HLCap's free float above the required 10% threshold in order to sustain an active trading status. (*Financial Daily*)

Sunway: Secures term loan from OCBC

Sunway has secured a term-loan facility for a total of USD67m (RM214.3m) from Oversea-Chinese Banking Corp Ltd, Labuan Branch (OCBC). The loan is as advances to Sunway and its subsidiaries and to refinance the existing Islamic term-loan facility granted to Sunway MUSC Sdn Bhd by Maybank Islamic. "Additionally, it will part-finance the construction of a new building to be erected on the Monash University Malaysia campus by Sunway MUSC," said the company in a filing with Bursa Malaysia. (*StarBiz*)

Genting Plantation: To issue RM1.5bn Islamic bond

Genting Plantations is planning an Islamic bond of RM1.5bn, according to ratings agency RAM Ratings Services. The mid-sized plantation company, which operates in Malaysia and Indonesia, will issue the bond through its wholly owned subsidiary Benih Restu. Genting Plantations will face a more challenging environment than its locally focused peers, as half of its planted area is in Indonesia where the regulatory environment is more uncertain and infrastructure is lacking, said RAM Ratings in a report on Wednesday. (*Financial Daily*)

Perdana Petroleum: Says it's buying vessel for RM94.6m

Perdana Petroleum said the consideration for its purchase of an additional vessel was USD29.5m or RM94.6m. "The vessel is currently under construction and the sale consideration is USD29.5m and no independent valuation was done," it said in reply to a Bursa Malaysia query. "The sale consideration for this vessel is the same as that paid for similar vessels purchased from Nam Cheong International Ltd," it said. Perdana Petroleum said the funding for the vessel purchase would be 20% from internal funding and 80% through external borrowing. (*StarBiz*)

TA Global: Latest project targets young professionals

TA Global is tapping the growing popularity of small offices flexible offices (SoFo) among young professionals with its latest development, Ativo SoFo. Ativo SoFo, which is part of its 48-acre (19.4ha) Damansara Avenue upscale mixed commercial development in Bandar Sri Damansara, comprises two towers with 970 freehold units. It has a gross development value (GDV) of RM390m. (*Financial Daily*)

**KNM Group: Sells its Brazilian ops for RM12**

KNM Group via its wholly owned units, KNM Process Systems Sdn Bhd and KNM International Sdn Bhd, have collectively entered into a sale and purchase agreement with Telcon Telecomunicacoes E Informatica to dispose of its Brazilian group of companies. In a filing with Bursa Malaysia yesterday, the group said the disposal would be done for a cash total of eight reais (RM12). "The proposed disposal is to allow the company to streamline its process equipment business by disposing of its loss-making entities and is in tandem with the company's ongoing transformation plan which entails the rationalisation of its manufacturing facilities worldwide," said KNM in its filing. (*Financial Daily*)

Poh Kong Holdings: Aims to open outlets in Sabah, Sarawak in 2-5 years

Poh Kong Holdings expects to open its first outlet in Sabah and Sarawak within next two to five years in a bid to expand its business chain there. Its Executive Director Ermin D.M. Siow said Poh Kong was waiting for AEON Mall, a specialist shopping mall developer, to open a shopping mall in Sabah and Sarawak as the gold and jewellery retailer was currently working closely with AEON. He added that AEON Mall was expected to open its store in Sabah and Sarawak in 2015 and Poh Kong was anticipating the announcement of its opening. (*Bernama*)

Encorp: Wins RM114m biz centre construction contract

Encorp has received a letter of award from Setia Haruman Sdn Bhd for the construction of a business centre in Cyberjaya, Selangor. The contract is worth RM114.1m. In an announcement with Bursa Malaysia today, Encorp said that its wholly-owned subsidiary Encorp Construct Sdn Bhd has accepted the contract to build the business centre which includes a four-level shop office block. The business centre will also have five levels of car park, one-and-a half storey shops, besides 24 levels of small office home office. (*Financial Daily*)

Tanjung Offshore: Will undertake a major fund-raising exercise

Tanjung Offshore will undertake a major fund-raising exercise, comprising a bond issue and share placement, to acquire a controlling stake in a foreign O&G firm, sources said. StarBiz had reported on June 11 that Tanjung Offshore was in the final stages of acquiring a controlling stake in a foreign O&G company that owns and manages several offshore oil rigs for close to RM1bn. According to a source, if successful, the new asset would become Tanjung Offshore's main business. (*StarBiz*)

I-Bhd: Central Plaza@i-City to add to property portfolio

I-Bhd and Thailand's Central Pattana Pel's (CPN) upcoming shopping mall, Central Plaza Regional Retail Mall, in i-City will be part of I-Bhd's investment properties with a future conversion into a real estate investment trust (REIT). The REIT conversion will take place at an appropriate time, I-Bhd deputy chairman Datuk Eu Hong Chew said in a statement at the signing of several agreements for the joint development, ownership and management of the mall between I-Bhd and CPN. He said the J is a comprehensive arrangement with CPN with two elements to be addressed. (*Financial Daily*)

SYF Resources: Plans new stock warrants

SYF Resources may issue new stock warrants to replace those expiring to reward loyal investors, said people with first-hand knowledge on the matter. The existing warrants will expire in September. Market talk is that SYF is seeking to extend the expiry date of the warrants. However, it may be difficult for SYF to obtain approval from the regulators as the warrants have been around for 10 years. (*Business Times*)

**Ranhill Energy and Resources: Licence reinstated**

In an abrupt turn, Perunding Ranhill Worley Sdn Bhd (PRW) has had its licence reinstated by Petroliam Nasional (Petronas), one week after it was suspended on July 17 from bidding for the state oil company's major projects. However, according to oil and gas industry newsletter Upstream, the reinstatement of the licence will only permit PRW to conduct upstream activities, while the suspension is still in place for downstream jobs. A representative of Ranhill Energy and Resources was only able to confirm to The Edge Financial Daily the reinstatement of the licence. (*Financial Daily*)

1Malaysia Development: Signs MoU with JBIC on Samurai bonds

1Malaysia Development (1MDB) has signed a memorandum of understanding (MoU) with the Japan Bank for International Cooperation (JBIC) to begin discussion on 1MDB's issuance of Samurai bonds with JBIC's guarantee. If it came through, this would be the first bond issued by a Malaysian company with JBIC guarantee. It was expected to contribute to the further activation of the Samurai bond market by attracting new bond issuers. (*StarBiz*)

U Mobile: Plays down IPO talk

U Mobile Sdn Bhd is not considering floating its shares now. Its CEO Jaffa Sany Ariffin said it is too premature for the telco provider to go public. "For the moment, we have no plans to go for an IPO (initial public offering). After we reevaluated our position, the shareholders had decided that perhaps it is wiser (for U Mobile) to remain private at this juncture until we reach maturity. (*Business Times*)

Oil & Gas: Petronas ends Uzbek hydrocarbon venture

Petronas has decided to withdraw from all Uzbekistan exploration and production assets for commercial reasons. These include the Surkhanski exploration agreement, Baisun production sharing agreement (PSA), and the Urga, Kuanish and Akchalak PSAs," it said in an email to Business Times. Online news reports, including those by Eurasianet and Azernews, said the Uzbek government is preparing documents that will make it possible for Petronas to exit legally. One of the reports said Petronas had already stepped away from two projects; a gas condensate field on the Ustyurt Plateau adjacent to the Aral Sea and the Baisun oil and gas field in Uzbekistan's south. (*Business Times*)

Oil & Gas: Petronas to cut Canada LNG stake to 50%, in talks with Sinopec

Petroliam Nasional (Petronas) plans to sell down its stake in a USD20bn (RM64bn) Canadian liquefied natural gas (LNG) export project to as low as 50% to share the cost of bringing cheap energy to Asia, three people familiar with the matter said. The state oil firm is in discussions with China Petroleum & Chemical Corp (Sinopec) to take up at least a 10% stake, the sources told Reuters. (*Financial Daily*)

Insurance: Malaysia's Khazanah reportedly Eyes Stake In Turkey's Acibadem Sigorta

Three global firms are in the race to buy a stake in leading Turkish health insurer Acibadem Sigorta, sources familiar with the matter said, underscoring appetite among international investors for the fast-growing sector. Sompo Japan Insurance, Malaysia's state-run investment firm Khazanah Nasional and British medical services group Bupa are involved in an auction process for a stake in the Turkish insurer, three banking sources said. (*StarBiz*)



Plantation: MPOB and US scientists make breakthrough in palm oil research

Scientists from the Malaysian Palm Oil Board (MPOB) and Orient Genomics of the US have identified a single gene called Shell which has the potential of increasing palm oil yield by 30%. It has been reported that for every 1% increase in palm oil yield; Malaysia stands to gain RM1bn in income. Companies involved in palm oil production are also expected to benefit as their production will increase substantially in future from the same hectareage currently. (*Financial Daily*)



GLOBAL NEWS

US: Businesses set to step up capital goods spending

A gauge of planned business spending on capital goods rose in June, buoying hopes of an acceleration in economic growth in 2H 2013. The data on Thursday was the latest to suggest factory activity was regaining some momentum after hitting a soft patch earlier this year and it fit in with views that the drag on the economy from tighter fiscal policy was ebbing. Non-defense capital goods orders excluding aircraft, a closely watched proxy for business spending plans, increased 0.7% last month, the Commerce Department said. May's gain was also revised higher, to 2.2% from 1.5%. *(Reuters)*

US: Jobless claims rose last week by 7,000 to 343,000

More Americans filed for unemployment benefits last week as annual auto-plant shutdowns continued to affect data. Jobless claims rose by 7,000 to 343,000 in the week ended July 20 from a revised 336,000 the prior period, Labor Department figures showed on Thursday in Washington. The median forecast of 49 economists surveyed by Bloomberg projected 340,000. The retooling at carmakers and school closings typical during this time of year continued to influence the figures last week, a spokesman said as the data were released. Beyond the swings, the job market is improving as firings slow and payroll gains pick up, raising the odds that consumer spending will accelerate in the second half of the year. Fewer dismissals would lay the foundation for larger gains in hiring as the peak of the drag from government budget cuts passes. *(Bloomberg)*

US: Would get short-term job spike if spending cuts reversed, CBO says

The economy would enjoy a short-term boost with up to 1.6m jobs being added if Congress were to cancel more than U\$10bn in upcoming automatic spending cuts required of the federal government, the Congressional Budget Office estimated on Thursday. Earlier this year, Congress failed to negotiate a deal to either repeal \$1.2trn in across-the-board spending cuts over 10 years or substitute them with more targeted government savings. CBO, in a letter to Representative Chris Van Hollen, the senior Democrat on the House Budget Committee who requested the study, said cancelling the spending cuts scheduled for August 2013 through September 2014, would increase US economic activity by 0.7% in 3Q 2014, the end of that fiscal year. Employment, CBO said, would be 300,000 to 1.6m higher by reversing the spending reductions than under current law. *(Reuters)*

UK: Economic growth quickens to 0.6% as recovery gains

UK economic growth accelerated in the second quarter as all main industries showed expansion for the first time in three years, indicating Britain's recovery is gaining traction. GDP increased 0.6% from the first quarter, when it rose 0.3%, the Office for National Statistics said in London. That matched the median forecast of 37 economists in a Bloomberg News survey. Services, production, construction and agriculture all grew, the first time that has happened since 3Q 2010. From a year earlier, GDP rose 1.4%. New Bank of England Governor Mark Carney is preparing to outline the Monetary Policy Committee's approach to forward guidance on policy next month as he looks to cement the economic rebound. Threats to growth remain, both domestically from the government's fiscal squeeze and internationally from the tensions in the euro area and a slowdown in China, the world's second largest economy. *(Bloomberg)*

**Germany: Business confidence rises for a third month**

German business confidence rose for a third month in July, indicating that Europe's largest economy is recovering as the 17-nation euro region tries to shake off its longest-ever recession. The Ifo institute's business climate index, based on a survey of 7,000 executives, rose to 106.2 from 105.9 in June. Economists predicted an increase to 106.1, according to the median of 45 forecasts in a Bloomberg News survey. German unemployment unexpectedly declined in June and the nation led the first expansion in euro-area manufacturing in 2 years in July. The Bundesbank said this week that the domestic economy grew "strongly" in the second quarter, while warning of signs of a summer slowdown. *(Bloomberg)*

China: Cuts capacity in some industries to reshape economy

China ordered more than 1,400 companies in 19 industries to cut excess production capacity this year, part of efforts to shift toward slower, more-sustainable economic growth. Steelmaking, ferroalloys, electrolytic aluminum, copper smelting, cement production and papermaking are among areas affected, the Ministry of Industry and Information Technology said in a statement posted on its website yesterday. Excess capacity must be idled by September and eliminated by year-end, it said. *(Bloomberg)*

Philippines: Holds rate to shield growth as global risks rise

The Philippines held its benchmark interest rate at a record low even as it said a weakening peso poses inflation risks, joining nations from South Korea to Thailand in shielding growth. Bangko Sentral ng Pilipinas kept the rate it pays lenders for overnight deposits at 3.5%, according to a statement in Manila on Thursday, as forecast by all 18 economists surveyed by Bloomberg News. It also held the rate on special deposit accounts at 2%, as predicted by 11 of 12 economists. President Benigno Aquino this week asked lawmakers to pass measures to boost business competitiveness and improve governance to sustain the nation's expansion. Exports have slipped and a growth slowdown in China has dimmed the region's outlook, while a weakening peso led the central bank to raise its inflation forecasts. *(Bloomberg)*



ECONOMIC CALENDAR

| Country | Details | Date | Period | Median Forecast | Prior |
|---------------|----------------------------------|-----------|--------|-----------------|---------|
| Eurozone | Eurozone Economic Confidence | 30-Jul-13 | Jul | - | 91.30 |
| Eurozone | Eurozone Consumer Confidence | 30-Jul-13 | Jul | - | -17.40 |
| United States | US S&P/CS Composite 20 y-o-y | 30-Jul-13 | May | 12.60 | 12.05 |
| Eurozone | US Consumer Confidence Index | 30-Jul-13 | Jul | 81.00 | 81.40 |
| Eurozone | Eurozone CPI y-o-y | 31-Jul-13 | Jul | - | 1.60 |
| Eurozone | Eurozone Unemployment Rate | 31-Jul-13 | Jun | - | 12.20 |
| United States | US ADP Employment Change | 31-Jul-13 | Jul | 184,000 | 188,000 |
| United States | US GDP q-o-q | 31-Jul-13 | 2Q13 | 1.10 | 1.80 |
| China | China Official Manufacturing PMI | 1-Aug-13 | Jul | 49.80 | 50.10 |
| China | China HSBC Manufacturing PMI | 1-Aug-13 | Jul | 47.70 | 48.20 |
| Eurozone | Eurozone Manufacturing PMI | 1-Aug-13 | Jul | - | 50.10 |
| Eurozone | ECB Announces Interest Rates | 1-Aug-13 | Aug 1 | 0.50 | 0.50 |
| United States | US FOMC Decision | 1-Aug-13 | Jul 31 | 0.25 | 0.25 |
| United States | US ISM Manufacturing | 1-Aug-13 | Jul | 51.90 | 50.90 |
| United States | US Initial Jobless Claims | 1-Aug-13 | Jul 26 | - | - |

CORPORATE CALENDAR

Financial results

| Company | Financial quarter | Announcement date | Analyst briefing / teleconference date and time |
|-------------------------|-------------------|-------------------|---|
| Axis REIT | 2QFY13 | 25-Jul-2013 | Analyst briefing on 26 Jul 2013 |
| Malaysia Airline System | 2QFY13 | 31-Jul-2013 | Conference call on 31 Jul 2013 |
| PT XL Axiata Tbk | 2QFY13 | 1-Aug-2013 | Conference call on 1 Aug 2013 |
| Affin Holdings | 2QFY13 | 5-Aug-2013 | |
| Genting Singapore | 2QFY13 | 6-Aug-2013 | |
| Sunway REIT | 4QFY13 | 6-Aug-2013 | Conference call on 6 Aug 2013 |

Corporate Actions

| Company | Particulars | Price | Date announced | Ex-date |
|------------------------------|---|--------------|----------------|-----------|
| Harvest Court Industrials | Renounceable rights issue of up to 90.1m new ordinary shares (2:6) together with up to 45.1m free detachable warrants (1:6) | RM0.25/share | 24-Oct-12 | 26-Jul-13 |
| Microlink Solutions | Unconditional mandatory take-over offer from Formis Holdings | RM0.60/share | 28-May-13 | 12-Aug-13 |
| Kumpulan Hartanah Selangor | Unconditional take-over offer by Kumpulan Darul Ehsan | RM0.84/share | 14-Feb-13 | TBA |
| Denko Industrial | Par value reduction of RM0.60/share | - | 28-Jul-11 | TBA |
| GPRO Technologies | Rights issue of up to 254m new shares (1:1) together with up to 254m free new detachable warrants (1:1) | RM0.10/share | 20-Jan-12 | TBA |
| Melewar Industrial | Rights issue of 150.3m shares (2:3) | RM0.40/share | 31-Jan-12 | TBA |
| SAAG Consolidated | Restricted issue of 100.0m new ordinary shares | TBA | 13-Feb-12 | TBA |
| SAAG Consolidated | Renounceable rights issue of up to 3,035.9m new ordinary shares (7:5) together with up to 607.2m free detachable warrants (1:5) | RM0.10/share | 13-Feb-12 | TBA |
| Malaysian AE Models Holdings | Renounceable two-call rights issue of 53.5m new shares (1:2) together with up to 53.5 free detachable warrants (1:2) | RM1.00/share | 2-Mar-12 | TBA |
| Dijaya Corporation | Bonus issue of up to 122.8m new shares (1:4 rights) | - | 6-Mar-12 | TBA |
| OSK Property | Bonus issue of up to 47.5m new shares (2:1 Rights) | - | 16-Mar-12 | TBA |
| Ideal Sun City | Renounceable rights issue of up to 94m new shares (4:1) together with up to 47m free detachable warrants | RM0.10/share | 27-Apr-12 | TBA |
| Aliran Ihsan Resources | Proposed selective capital reduction and repayment resulting in the privatisation of the company by MMC Corporation | RM1.84/share | 9-Jul-12 | TBA |
| Tadmax Resources | Par value reduction of RM0.50/share | - | 18-Jul-12 | TBA |
| Asia Knight | Renounceable rights issue of 66.1m irredeemable convertible preference shares(3:2) together with 22.0m free detachable warrants (1:2) | RM1.00/ICPS | 9-Nov-12 | TBA |
| Eduspec Holdings | Renounceable rights issue of up to 255.2m new ordinary shares (2:1) together with up to 382.8m new free detachable warrants (2:1.5) | RM0.10/share | 26-Dec-12 | TBA |



Corporate Actions

| Company | Particulars | Price | Date announced | Ex-date |
|---------------------------------|---|--------------------------------|----------------|---------|
| Diversified Gateway Solutions | Renounceable rights issue of up to 339m new shares (1:4) together with up to 339m free detachable warrants (1:4) | RM0.10/share | 26-Dec-12 | TBA |
| Malaysian Resources Corporation | Proposed issue of up to 473m free warrants (1:3) | TBA | 8-Feb-13 | TBA |
| GPRO Technologies | Par value reduction of RM0.07/share | - | 14-Feb-13 | TBA |
| GPRO Technologies | Bonus issue of up to 139.7m warrants to ordinary shareholders (1:2) | - | 14-Feb-13 | TBA |
| Technodex | Renounceable rights issue of up to 85.2m new shares (1:1) together with up to 85.2m free detachable warrants (1:1) | TBA | 25-Feb-13 | TBA |
| Priceworth International | Par value reduction of RM0.40/share | - | 1-Apr-13 | TBA |
| KBB Resources | Par value reduction of RM0.35/share | - | 3-Apr-13 | TBA |
| KBB Resources | Renounceable rights issue of up to 120m new shares (1:1) together with up to 120m free detachable warrants (1:1) | RM0.18/share | 3-Apr-13 | TBA |
| Sarawak Cable | Bonus issue of up to 46.5m new shares (1:5) | - | 4-Apr-13 | TBA |
| Mexter Technology | Renounceable rights issue of up to 89.5m new ordinary shares (1:1) together with up to 89.5m free detachable warrants (1:1) | TBA | 5-Apr-13 | TBA |
| Land & General | Rights issue of up to RM77.8m nominal value of ICULS (RM0.13 ICULS:1) | 100% of nominal value of ICULS | 9-Apr-13 | TBA |
| Unimech Group | Rights issue of up to RM33.4m nominal value of ICULS (RM1.00 ICULS:4) together with up to 66.8m free warrants (2:1 ICULS) | 100% of nominal value of ICULS | 19-Apr-13 | TBA |
| Bright Packaging | Par value reduction of RM0.50/share | - | 19-Apr-13 | TBA |
| AT Systemization | Renounceable rights issue of up to 196.8m new ordinary shares (1:1) together with up to 196.8m free detachable warrants (1:1) | TBA | 10-May-13 | TBA |
| Censof Holdings | Issuance of redeemable convertible notes with an aggregate principal amount of up to RM100m | TBA | 14-May-13 | TBA |
| Naim Indah Corporation | Rights issue of up to 702m new shares (1:1) together with up to 842.4m free new detachable warrants (6:5) | TBA | 10-Jun-13 | TBA |
| Instacom Group | Bonus issue of up to 351.1m new warrants (1:2) | - | 12-Jun-13 | TBA |
| Tiger Synergy | Renounceable rights issue of up to 424.7m new shares (1:1) together with up to 424.7m free detachable warrants (1:1) | TBA | 13-Jun-13 | TBA |
| Starhill REIT | Proposed placement of new units to raise gross proceeds of up to RM800m | TBA | 14-Jun-13 | TBA |
| Flonic Hi-tec | Par value reduction of RM0.05/share | - | 21-Jun-13 | TBA |
| Nextnation | Renounceable rights issue of up to 608.8m new ordinary shares (2:4) together with up to 304.4m free detachable warrants (2:1) | RM0.10/share | 27-Jun-13 | TBA |
| Help International Corporation | Renounceable rights issue of RM71m nominal value of 5 years 4% ICULS (RM0.50 ICULS:1) | 100% of nominal value of ICULS | 8-Jul-13 | TBA |
| OSK Holdings | Mandatory takeover offer by OSK Equity Holdings Sdn Bhd | RM1.68/share | 9-Jul-13 | TBA |
| Hua Yang | Bonus issue of up to 66m warrants to ordinary shareholders (1:3) | - | 17-Jul-13 | TBA |
| Symphony Life | Bonus issue of up to 77.5m warrants (1:4) | - | 23-Jul-13 | TBA |

Note: TBA – to be announced

Dividends

| Company | Particulars | Gross DPS (RM) | Date announced | Ex-date | Lodgement date | Payment date |
|------------------------|--|----------------|----------------|-----------|----------------|--------------|
| Daya Materials | Single tier final dividend | 0.025 | 17-May-13 | 29-Jul-13 | 31-Jul-13 | 15-Aug-13 |
| Oriental Holdings | Final single tier dividend 4% | 0.040 | 20-May-13 | 29-Jul-13 | 31-Jul-13 | 30-Aug-13 |
| Rimbunan Sawit | First and final single-tier dividend 1.0 sen | 0.010 | 26-Apr-13 | 29-Jul-13 | 31-Jul-13 | 30-Aug-13 |
| Perusahaan Sadur Timah | Final dividend 26.50 sen | 0.265 | 2-Jul-13 | 29-Jul-13 | 31-Jul-13 | 30-Aug-13 |
| Chuan Huat Resources | First and final dividend 2.5 sen | 0.025 | 3-Jul-13 | 29-Jul-13 | 31-Jul-13 | 20-Aug-13 |
| Wang-Zheng | First and final single tier dividend 4% or 2.0 sen | 0.020 | 4-Jun-13 | 29-Jul-13 | 31-Jul-13 | 15-Aug-13 |
| DKLS Industries | First and final single tier dividend 3 sen | 0.030 | 29-Apr-13 | 29-Jul-13 | 31-Jul-13 | 15-Aug-13 |
| UOA REITS | Interim income distribution 5.28 sen (4.45 sen taxable and 0.82 sen T.E) | 0.053 | 16-Jul-13 | 30-Jul-13 | 1-Aug-13 | 30-Aug-13 |
| Keladi Maju | First and final dividend 5% | 0.050 | 26-Jun-13 | 30-Jul-13 | 1-Aug-13 | 22-Aug-13 |
| Degem | First and final dividend 4% | 0.040 | 24-Jun-13 | 30-Jul-13 | 1-Aug-13 | 21-Aug-13 |
| Bursa Malaysia | Interim dividend 16.0 sen single-tier system | 0.160 | 18-Jul-13 | 31-Jul-13 | 2-Aug-13 | 15-Aug-13 |
| Bursa Malaysia | Special dividend 20.0 sen single-tier system | 0.200 | 18-Jul-13 | 31-Jul-13 | 2-Aug-13 | 15-Aug-13 |

**Dividends**

| Company | Particulars | Gross DPS (RM) | Date announced | Ex-date | Lodgement date | Payment date |
|----------------------------------|---|---------------------------|---------------------------|----------------|---------------------------|-------------------------|
| Capitamalls Malaysia Trust | Income distribution 4.35 sen (4.32 sen taxable and 0.03 sen T.E) | 0.044 | 19-Jul-13 | 31-Jul-13 | 2-Aug-13 | 30-Aug-13 |
| NPC Resources | Final single tier dividend 1 sen | 0.010 | 17-Jul-13 | 1-Aug-13 | 5-Aug-13 | 30-Aug-13 |
| Pacific & Orient | Single tier forth interim dividend RM0.008 | 0.008 | 19-Jul-13 | 1-Aug-13 | 5-Aug-13 | 21-Aug-13 |
| Ire-Tex Corporation | First and final dividend 1.5 sen | 0.015 | 4-Jun-13 | 1-Aug-13 | 5-Aug-13 | 23-Aug-13 |
| Magna Prima | Final single tier dividend 1.5 sen | 0.015 | 17-Jul-13 | 2-Aug-13 | 6-Aug-13 | 26-Aug-13 |
| Zhulian Corporation | Second interim single tier dividend 3 sen | 0.030 | 17-Jul-13 | 5-Aug-13 | 7-Aug-13 | 28-Aug-13 |
| Kim Loong Resources | Final single tier dividend 7% | 0.070 | 25-Jun-13 | 6-Aug-13 | 12-Aug-13 | 30-Aug-13 |
| Tropicana Corporation | First and final dividend 6.4% or 6.4 sen | 0.064 | 6-Jun-13 | 6-Aug-13 | 12-Aug-13 | 6-Sep-13 |
| Crescendo Corporation | Final single tier dividend 8% | 0.080 | 25-Jun-13 | 6-Aug-13 | 12-Aug-13 | 30-Aug-13 |
| DiGi.Com | Second interim T.E single-tier dividend 4.8 sen | 0.048 | 19-Jul-13 | 6-Aug-13 | 12-Aug-13 | 6-Sep-13 |
| Yinson Holdings | First and final dividend 2.5 sen | 0.025 | 5-Jul-13 | 6-Aug-13 | 12-Aug-13 | 10-Sep-13 |
| Prestar Resources | Final dividend 1.2% T.E | 0.012 | 22-May-13 | 14-Aug-13 | 16-Aug-13 | 9-Sep-13 |
| China Stationery | Final dividend RM0.016 T.E | 0.016 | 5-Jun-13 | 15-Aug-13 | 19-Aug-13 | 9-Sep-13 |
| Muhibah Engineering | First and final dividend 5% | 0.016 | 5-Jun-13 | 16-Aug-13 | 20-Aug-13 | 29-Aug-13 |
| Astral Asia | Interim dividend 2.0 sen | 0.016 | 12-Jun-13 | 16-Aug-13 | 20-Aug-13 | 17-Sep-13 |
| Favelle Favco | First and final dividend 1.35 sen less tax and T.E 6.65 sen | 0.016 | 5-Jun-13 | 16-Aug-13 | 20-Aug-13 | 29-Aug-13 |
| Goodway Integrated Industries | Interim dividend 1.086 sen T.E | 0.011 | 25-Jun-13 | 19-Aug-13 | 21-Aug-13 | 20-Sep-13 |

Note: TE – tax exempt



DISCLOSURE

Stock rating definitions

- Strong buy - High conviction buy with expected 12-month total return (including dividends) of 30% or more
- Buy - Expected 12-month total return of 15% or more
- Neutral - Expected 12-month total return between -15% and 15%
- Sell - Expected 12-month total return of -15% or less
- Trading buy - Expected 3-month total return of 15% or more arising from positive newsflow. However, upside may not be sustainable

Sector rating definitions

- Overweight - Industry expected to outperform the market over the next 12 months
- Neutral - Industry expected to perform in-line with the market over the next 12 months
- Underweight - Industry expected to underperform the market over the next 12 months

Commonly used abbreviations

| | | |
|--|---------------------------|---|
| Adex = advertising expenditure | EPS = earnings per share | PBT = profit before tax |
| bn = billion | EV = enterprise value | P/B = price / book ratio |
| BV = book value | FCF = free cash flow | P/E = price / earnings ratio |
| CF = cash flow | FV = fair value | PEG = P/E ratio to growth ratio |
| CAGR = compounded annual growth rate | FY = financial year | q-o-q = quarter-on-quarter |
| Capex = capital expenditure | m = million | RM = Ringgit |
| CY = calendar year | M-o-m = month-on-month | ROA = return on assets |
| Div yld = dividend yield | NAV = net assets value | ROE = return on equity |
| DCF = discounted cash flow | NM = not meaningful | TP = target price |
| DDM = dividend discount model | NTA = net tangible assets | trn =trillion |
| DPS = dividend per share | NR = not rated | WACC = weighted average cost of capital |
| EBIT = earnings before interest & tax | p.a. = per annum | y-o-y = year-on-year |
| EBITDA = EBIT before depreciation and amortisation | PAT = profit after tax | YTD = year-to-date |



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