



## Daily Brief

Market View, News In Brief: Corporate, Economy, and Share Buybacks

THIS REPORT IS STRICTLY FOR INTERNAL CIRCULATION ONLY\*

TA Research Team Coverage

Tel: +603 – 2072 1277

taresearch@ta.com.my

www.taonline.com.my

### Market View *Cautious Sentiment to Persist*

Lower liners ended softer, while blue chips congested on Thursday, dampened by regional weakness amid uncertainties over the timing of the US interest rate hike and ongoing Greece debt talks. The KLCI was stuck in a narrow trading range before ending flat at 1,755.56, off a high of 1,759.43 and low of 1,750.72, as losers beat gainers 420 to 324 on total turnover of 1.61bn shares worth RM1.90bn.

#### **Crucial Support at 1,750, Resistance at 1,778**

The current subdued trading environment should persist as investors refrain from trading commitments amid uncertainties over the near-term market direction. Crucial support remains at the 38.2%FR at 1,750, while a breakdown would see next significant retracement support only at 1,716, the 23.6%FR, followed by the 1,700 psychological support. Immediate resistance is at 1,778, the 50%FR, and then 1,802, the 100-day ma level, with stronger resistance levels at 1,811 and 1,822, the respective 200 and 50-day ma.

#### **Buy on Weakness Dialog & Wah Seong**

Further weakness on Dialog shares towards the lower Bollinger band (RM1.58) should be attractive to accumulate for technical rebound upside towards the upper Bollinger band (RM1.69), with the 76.4%FR (RM1.80) and the peak of 08/07/14 (RM1.96) acting as the tougher upside hurdle ahead. Wah Seong shares could be sold-off below the lower Bollinger band (RM1.27) before buying support return, while recovery would encounter resistance from the 38.2%FR (RM1.52) followed by the 50%FR (RM1.63) going forward.

#### **China Led Most Asian Markets Lower**

An index of Asian shares fell on Thursday as the Chinese, Hong Kong and Australian markets slipped on expectations the U.S. Federal Reserve will raise rates this year and as talks continued about Greece's ongoing financial crisis. China stocks fell sharply as a growing number of brokerages tightened requirements on margin financing, an important engine behind a red-hot rally that has made Chinese share markets the best performers in the world. Separately, the Shanghai Securities News reported on its website that regulators have recently urged banks to submit data regarding money flows into the stock market.

Meanwhile, Australia's S&P ASX 200 index also fell into negative territory after first-quarter capital expenditure data came in below expectations. The resources sector was the biggest drag for the day, after Newcrest Mining plunged 5.4 percent as spot gold hovered near a two-week low, while energy counters such as Santos and Origin Energy fell more than 1 percent each. However, Japan's Nikkei share average rose on Thursday, extending its gains to a 10th day as investors hoped exporters' earnings will rise after the dollar hit its highest against the yen since December 2002. The financial sector also helped to propel the bourse, as Mizuho Financial rallied 5.5 percent, while Resona Holdings and Sumitomo Mitsui Financial Group surged 3.6 and 2.8 percent, respectively.

**Wall Street End Lower on Greece and China Worries**

U.S. stocks eased on Thursday as mixed messages about Greece's debt talks kept investor uncertainty high along with a sharp drop in Chinese shares after brokers tightened margin rules. International Monetary Fund Managing Director Christine Lagarde said there was still a lot of work to do before Greece and its international lenders could clinch a cash-for-reforms deal. Greece's government said it aims to reach an agreement with lenders by Sunday. A euro zone official said Greece will not be able to get the money still available under its current bailout plan if it does not agree to the outline of a such a deal by the end of the week. Global markets also retreated Thursday after Chinese stocks plunged the most in four months, as brokerages tightened lending restrictions and the central bank drained cash from the financial system.

Meanwhile, investors continue to assess economic reports for clues on the timing of a Federal Reserve interest-rate increase. Data today showed jobless claims increased by 7,000, but remained below 300,000 for the 12th straight week. In a separate report, a measure of pending home re-sale climbed more than forecast to the highest level in nine years. A report due Friday may also show the U.S. economy contracted in the first quarter, according to economists' estimates, compared with a prior reading showing growth. Fed policy makers are preparing to raise rates that they've held near zero since December 2008, with economists expecting a first increase in September, according to a Bloomberg survey. Shares of Caterpillar fell 2.2 percent to \$86.01 and helped to drag down the S&P 500 and Dow, while shares of transportation companies extended recent losses. The Dow Jones transportation average was down 0.9 percent. The Dow Jones Industrial Average fell 36.87 points, or 0.20 percent, to 18,126.12, while the S&P 500 eased 2.69 points, or 0.13 percent, to 2,120.79 and the Nasdaq Composite lost 8.61 points, or 0.17 percent, to 5,097.97.

## News In Brief

---

### Corporate

The proposed China Mall project, a 1.4 mn sq.ft. trade and exhibition centre to be sited in Gerbang Nusajaya, is off. **UEM Sunrise Bhd**, the master developer of Nusajaya, told Bursa Malaysia on Thursday that its unit UEM Land had decided to terminate the memorandum of understanding with Chinamall Holdings Pte Ltd (CHPL) to cooperate in developing the mall, which has been likened to Dubai's Dragon Mart. The decision was based on both parties being unable to make any significant headway for the project. *(Bursa Malaysia / The Star)*

**WCT Holdings Bhd** has entered into a sales and purchase agreement (SPA) with Elite Asia Pacific Sdn Bhd to acquire three pieces of land worth RM118mn located in Klang, Selangor. WCT said the freehold land covers a total of 7.9 hectares located adjacent to the company's current Laman Greenville development and next to its existing 12.95 hectares commercial development. *(Bursa Malaysia / The Star)*

Standard & Poor's Ratings Services lowered its long-term corporate credit rating on **Sime Darby Bhd** to 'A-' from 'A'. In a statement on Thursday, the ratings agency said the outlook for Sime Darby was negative. The ratings agency also lowered its long-term Asean regional scale ratings on the company and its medium-term notes to 'axAA-' from 'axAA+'. The ratings were lowered due to likely delays and amendments in the implementation of Sime Darby's deleveraging plan that could offset the impact of higher debt from the company's acquisition of New Britain Palm Oil Ltd (NBPOL). *(The Star)*

**Comment:** *In the worst case scenario, we estimate every 0.1% increase on average interest cost will cut Sime Darby's FY16 earnings by 0.3%. The actual impact will be lower than 0.3% because not all the existing borrowings will need refinancing. Management had also said they are instituting a major cost cutting drive. In addition, there are also options to deleverage, including by selling stakes in NBPOL (this could be tough as Sime Darby paid a premium), divesting non-core assets (not many left though) or monetise some of the existing land banks. No change in earnings forecasts at this juncture. The share price declined by 0.9% yesterday, and now trading at 52-weeks low of RM8.49. At this juncture, we believe earnings risks (weak performance of core businesses, particularly plantation, motor and industrial segments) and the news of potential downgrade in rating have been priced-in. Maintain Sime Darby as Hold with RM9.85 target price.*

RAM Rating Services revised the outlook on **Tan Chong Motor Holdings Bhd's** long-term ratings to negative from stable. The ratings company said on Thursday the revision of the outlook was based on its concern the group's cashflow-protection measures and margins will remain pressured by intense competition in the automotive industry and the weak ringgit, amidst dampening demand post-implementation of the GST. *(The Star)*

**CB Industrial Product Holding Bhd (CBIP)** is expected to secure up to RM500mn worth of contracts for its palm oil engineering business, giving it a double-digit growth in revenue this year. The group is currently bidding for 10 palm oil mill projects, worth some RM10mn to RM70mn each, with most of the projects located overseas, from Indonesia to Papua New Guinea. *(The Edge)*

**AirAsia Bhd** returned to the black in the first quarter ended March 31, 2015 (1QFY15), after posting a loss in the last quarter. The low-cost airline recorded a 6.9% increase in net profit to RM149.33mn in 1QFY15, from RM139.7mn a year ago, as it benefited from lower fuel expenses and a gain on disposal of interest in AirAsia Expedia Travel. *(Bursa Malaysia / The Edge)*

**Malayan Banking Bhd** (Maybank) reported a 6% rise in first quarter net profit from a year earlier, as interest and Islamic banking income grew. Higher insurance income also supported bottom line growth. Maybank said net profit rose to RM1.7bn in the first quarter ended March 31, 2015 (1QFY15), from RM1.6 bn. *(Bursa Malaysia / The Edge)*

**Genting Malaysia Bhd's** net profit grew a marginal 1% to RM362.1mn in the first quarter ended March 31, 2015 (1QFY15), from RM358.3mn a year ago, mainly due to contributions from its Malaysia and US operations. *(Bursa Malaysia / The Edge)*

**Genting Bhd's** net profit for the first quarter ended March 31, 2015 (1QFY15) went up 24.6% to RM620.1mn, from RM497.5mn, partly driven by gains on the disposal of financial assets. *(Bursa Malaysia / The Edge)*

**Mah Sing Group Bhd's** net profit for the first quarter ended March 31, 2015 rose 18% to RM98.9mn from RM83.8mn a year ago due to higher work progress and sales from ongoing development projects. *(Bursa Malaysia / The Star)*

**Goldis Bhd's** net profit jumped 71% on-year to RM33.4mn for its first quarter ended March 31, 2015 (1QFY15), from RM19.6mn, as its property development segment saw a 95% revenue spike. *(Bursa Malaysia / The Edge)*

**Karex Bhd** saw its net profit rise 31.8% to RM15.2mn for the third financial quarter ended March 31, 2015 (3QFY15), from RM11.5mn a year earlier, on sales of higher profit margin products, favourable currency exchange rates and lower raw material prices. *(Bursa Malaysia / The Edge)*

**IHH Healthcare Bhd's** net profit increased 7.8% to RM171.5mn in the first quarter ended March 31 (1QFY15), from RM159.1mn in the previous corresponding period, on higher inpatient admissions and overall revenue growth. *(Bursa Malaysia / The Edge)*

**Eversendai Corp Bhd** saw its net profit jump 76.4% to RM19.4mn in the first quarter ended March 31, 2015 (1QFY15) from RM11.0mn due to higher value of contract-in-execution. *(Bursa Malaysia / The Edge)*

**MMC Corp Bhd** saw its net profit for the first quarter ended March 31, 2015 (1QFY15) soared four-fold or 306% to RM95.8mn, from RM23.6mn a year ago, on better contributions from its newly-relisted unit **Malakoff Corp Bhd** and its port operations. *(Bursa Malaysia / The Edge)*

**DRB-Hicom Bhd** saw a sharp drop of 46% in net profit at RM89.9mn in its final financial quarter ended March 31, 2015 (4QFY15), due to lower profit contribution from certain companies in the automotive and services sectors. *(Bursa Malaysia / The Edge)*

Number forecast operator **Magnum Bhd's** net profit jumped 10.0% to RM90.8mn for the first quarter ended March 31, 2015 (1QFY15), from RM82.5mn a year ago, on higher gaming profit, mainly due to lower prizes payout. *(Bursa Malaysia / The Edge)*

Engineering and construction services provider **Kimlun Corp Bhd's** net profit for the first quarter ended March 31, 2015 (1QFY15) was down 25.6% to RM14.1mn, from RM19.0mn a year ago, primarily due to gains made from land disposal in 1QFY14. *(Bursa Malaysia / The Edge)*

**Perwaja Holdings Bhd** saw its net loss for the three months ended March 31, 2015 at RM119.6mn, on zero production and low sales volume. The zero production was affected by the gas and electricity supply curtailment by Petronas and TNB, at the material time, which had caused Perwaja's unit Perwaja Steel Sdn Bhd (PSSB)'s to be unable to secure the necessary working capital for resumption of production. *(Bursa Malaysia / The Edge)*

**Dominant Enterprise Bhd** (DEB) has proposed a twin-bonus for shareholder: a bonus issue of some 27.5mn new shares, on the basis of one bonus share for every five shares held by its shareholders, together with the issuance of 45.8mn free warrants to accompany the bonus issue, on the basis of one warrant for every three existing shares held. Meanwhile, DEB saw its net profit decline 24% to RM9.6mn for its fourth quarter ended March 31(4QFY15), from RM12.5mn a year earlier. *(Bursa Malaysia / The Edge)*

**Media Chinese International Ltd** (MCIL)'s net profit plunged 72% to RM9.2mn for the fourth quarter ended March 31, 2015 (4QFY15), against RM33.1mn a year ago, due to recognition of an impairment loss of goodwill. *(Bursa Malaysia / The Edge)*

**7-Eleven Malaysia Holdings Bhd**'s net profit rose 23.7% to RM14.4mn for the first quarter ended March 31, 2015 (1QFY15) from RM11.6mn a year ago, driven by sales growth, a 1.9% expansion in gross profit margin and a 14.8% growth in other operating income. *(Bursa Malaysia / The Edge)*

**MKH Bhd**'s net profit plummeted 78% on-year to RM10.9mn in the second financial quarter ended March 31, 2015 (2QFY15), from RM50.7mn a year ago. The weaker result was due to the inclusion of unrealised foreign exchange losses of RM13.8mn, and lower revenue and profit contribution from its plantation division as a result of weaker crude palm oil and palm kernel selling prices. *(Bursa Malaysia / The Edge)*

**Titijaya Land Bhd** saw its net profit increased 16.5% to RM21.5mn for the third quarter ended March 31, 2015, from RM18.4mn last year, due to progress recognition from its ongoing developments. *(Bursa Malaysia / The Edge)*

**Brahim's Holdings Bhd**'s net profit fell 31.7% to RM2.8mn for the first quarter ended March 31, 2015 (1QFY15) from RM4.2mn or a year ago, largely due to lower contribution from its in-flight catering and related services segment. *(Bursa Malaysia / The Edge)*

## News In Brief

### Economy

#### **Global** Emerging Market Capital flows to Hit Lowest Level Since 2009 –IIF

Capital flows to emerging economies are projected to fall to US\$981bn this year, their lowest level since 2009, from US\$1.05tn in 2014, due to disappointing economic growth, a drag from a potential U.S. interest rate rise and a drop in investment in Russia, the Institute of International Finance (IIF) said. Foreign direct investment inflows are forecast to fall to US\$529bn from US\$586bn, largely on the back of declining investment in Russia and China, the body which represents nearly 500 financial institutions said. At the same time, outward investment by China this year is expected to raise US\$38bn to US\$540bn. Reserve accumulation by emerging economies is expected to slow to US\$74bn from US\$110bn in 2014 and an average US\$600bn in 2004-13. "Thanks to China, emerging markets on aggregate remain net exporters of capital," the report said. Capital inflows to Russia have been hit hard by the conflict in Ukraine, the IIF said. Foreign capital outflows rose to US\$31bn in the first quarter from US\$24bn per quarter in the second half of 2014. Rising concerns over the Turkish central bank's ability to resist calls from the government to ease policy hit flows as well. Portfolio flows are a major source of finance for Turkey. Under a relatively benign scenario in which the U.S. Federal Reserve starts to hike rates in September on the back of a steadily improving economy, the institute forecast a rise in inflows to US\$1.16tn in 2016. The biggest risk to this outlook would be if the U.S. labour market tightened, leading to wage pressures and triggering a more rapid pace of Fed tightening that would result in a "super taper tantrum". Emerging economies with large current account deficits — South Africa, Brazil and Turkey — are the most vulnerable to shocks, the IIF said. India, which has reduced its current account deficit, is now less vulnerable than it was in 2013. (Source: IFF, The Edge Market)

#### **Asia** Japan April Retail Sales Climb 5.0% on Year

Retail sales in Japan advanced 5.0%YoY in April, the Ministry of Economy, Trade and Industry said - coming in at JPY11.56tn. That was shy of forecasts for an increase of 5.5% following the 9.7% contraction in March. Sales from large retailers advanced an annual 8.6% to JPY1.61tn - also missing expectations for 9.1% after tumbling 13.1% in the previous month. On a seasonally adjusted monthly basis, retail sales added 0.4% - well shy of forecasts for 1.1% after shedding 1.8% a month earlier. Commercial sales were up 2.7%YoY to JPY37.99tn, reversing the 8.3% decline in March. Wholesale sales added an annual 1.8% to JPY26.44tn yen after losing 7.7% in the previous month. (Source: RTT News)

#### **Philippines Q1 GDP Growth Slows, Trails Expectations**

The Philippine economy grew at a less-than-expected rate in the first quarter of 2015, figures from the National Statistical Coordination Board showed. Sequentially, the country's GDP growth slowed to a 6-year low. Gross domestic product, or GDP, advanced 5.2%YoY in the first quarter following a revised 6.6% growth in the previous quarter. Economists had expected GDP growth of 6.6% for the first quarter. In the same period last year, the growth rate was 5.6%. The slowdown due to a slower rate of growth of the service sector output, which rose by 5.6%, contributing 3.1 percentage points to GDP, slower than the previous year's 6.8% increase. (Source: RTT News)

#### **Indonesia's Central Bank Cuts 2015 Growth View**

Indonesia's economic growth will be 5.1% in 2015, the central bank governor forecast below the bank's previous estimate of 5.4-5.8%, partly due to weaker exports and commodity prices. Economic growth would be 5.4-5.8% in 2016, Agus Martowardojo said, adding that the rupiah currency would average 13,000-13,200 to the dollar in 2015 and 13,000-13,400 in 2016. Second quarter growth in Southeast Asia's biggest economy would be 4.9%, rising to 5.3% in the third quarter and 5.4% in the fourth, Martowardojo added. Earlier this month, Indonesia's finance minister said economic growth of 5.4% looked more realistic for this year than the government's goal of 5.7%. (Source: The Edge Market)

**U.S. U.S. Jobless Claims Rise, But Job Growth Still Seen Strong**

The number of Americans filing new claims for jobless benefits rose last week, but the level remains consistent with an economy that is adding jobs. Initial jobless claims, a proxy for layoffs across the U.S. economy, increased by 7,000 to a seasonally adjusted 282,000 in the week ended May 23. "On balance, this week's uptick in initial and continuing claims comes off of historically low levels and labour market separations remain healthy," Barclays economist Jesse Hurwitz said in a note to clients. Economists had expected 272,000 new claims last week. The level of claims for the prior week was raised to 275,000 from an initially reported 274,000. The Labor Department said no special factors affected the latest claims data. Data on jobless claims can be volatile from week to week, but have been generally falling since 2009 and over the last month fell to the lowest level in 15 years. The four-week moving average for initial claims, which evens out weekly volatility, rose by 5,000 to 271,500 last week. The number of people filing continuing claims for unemployment benefits increased by 11,000 to 2.2 million for the week ended May 16. Continuing claims are reported with a one-week lag. (Source: Wall Street Journal)

**U.S. Pending Home Sales Race to Nine-Year High in April**

Contracts to buy previously owned U.S. homes rose for a fourth straight month in April to a nine-year high, buoying the outlook for the housing market. The National Association of Realtors said its Pending Home Sales Index, based on contracts signed last month, increased 3.4% to 112.4, the highest level since May 2006. These contracts become sales after a month or two, and last month's increase pointed to a pick-up in home resales after they lost momentum in April. Economists had forecast pending home sales rising 0.9% last month. Pending home sales increased 14.0% from a year ago, the largest year-on-year increase since September 2012. Contracts surged 10.1% in the Northeast and increased 5.0% in the Midwest. They rose 2.3% in the South and gained 0.1% in the West. (Source: Reuters)

**Consumer Comfort in U.S. Slumps on Views of Buying Climate**

Consumer confidence in the U.S. fell for a seventh consecutive week and attitudes about whether it was a good time to spend slumped by the most since 2011. The Bloomberg Consumer Comfort Index decreased to 40.9 in the period ended May 24, the lowest level since late November, from 42.4 the prior week. The decline in Americans' assessments of the buying climate was accompanied by the biggest drop in sentiment among women in more than seven years. "A stellar Q4 last year has turned into a mixed 2015 for consumer sentiment, with highs in late January and early April followed by sharp corrections," Gary Langer, president of Langer Research Associates LLC in New York, which produces the data for Bloomberg, said in a statement. "The latest drop has taken back about half of the CCI's late-September to mid-January gain." The series of declines from an almost eight-year high in April is the longest since May 2008, and puts the index below the 41.7 long-term average that dates back to December 1985. It's still above last year's 36.7 average, which was the best since 2007. The measure of the buying climate dropped to 35.5 last week, the lowest since the end of November, from 38.1 in the prior period. The 2.6 point decrease was the biggest since December 2011. Other components of the Consumer Comfort Index also declined. Sentiment about personal finances decreased to 54.9, the lowest since early March, from 56.3. The measure of views on the economy cooled to 32.3, the weakest since the first week of December, from 32.8. (Source: Bloomberg)

**Europe Eurozone Economic Sentiment Remains Stable in May**

Eurozone economic confidence remained unchanged at its second highest level in nearly four years in May despite the ongoing Greek crisis, survey results from the European Commission showed. The economic sentiment index held steady at 103.8 in May, while it was forecast to fall to 103.5. This was the second highest score since July 2011. The April figure was revised up from 103.7. The stabilization in sentiment resulted from increasing confidence in the services, retail trade and construction sectors being offset by consumer confidence decreasing for a second month in a row. The industrial confidence index came in at -3 versus -3.2 a month ago. The marginal improvement was due to managers' more optimistic production expectations, which slightly outweighed their worsened assessment of stocks of finished products. The services sentiment indicator rose to 7.8 from 7 in April.

This was driven by managers' brighter demand expectations and their significantly better assessment of the past business situation. Consumer confidence weakened due to worse assessments of the future general economic situation, future unemployment and future savings, while consumers' expectations of their financial situation remained broadly unchanged. The corresponding indicator fell to -5.5 in May, in line with initial estimate, from -4.6 in the prior month. Confidence in the retail sector improved due to more positive views on all its components. The index rose to 1.4 from -0.8 a month ago. The adequacy of the volume of stocks and managers' assessment of the present business situation improved notably. The indicator for construction climbed to -25 in May from -25.5. The positive development in construction confidence resulted from an upward revision in managers' assessment of the level of order books which was only partly offset by weaker employment expectations. (Source: RTT News)

#### **German Import Prices Drop Less Than Forecast in April**

Germany's import prices continued to fall in April but at a slower than expected pace, data from Destatis revealed. Import prices fell 0.6%YoY in April, slower than the expected decrease of 0.7% and 1.4% decline seen in March. The pace of decline has slowed for the third straight month. Nonetheless, the import price index has been falling since January 2013. Excluding crude oil and mineral oil products, import prices advanced 2.7% from the same period of last year. On a monthly basis, import price growth slowed to 0.6% from 1.0% in March. Economists had forecast it to ease to 0.5% April. This was the third consecutive rise in prices. At the same time, export prices climbed at a faster pace of 1.6% after rising 1.4% a month ago. Meanwhile, the monthly increase halved to 0.3% from 0.6%. (Source: RTT News)

#### **U.K. GDP Growth Eases As Estimated in Q1**

The U.K. economy grew at a slower pace as initially estimated in the first quarter, second estimates published by the Office for National Statistics showed. Gross domestic product expanded (GDP) 0.3% in the first quarter, which was weaker than the 0.6% seen a quarter ago. This was the slowest growth since the fourth quarter of 2012. On a yearly basis, GDP growth eased to 2.4% from 3% in the previous quarter. Both sequential and annual growth figures came in line with the initial estimate published on April 28. On the production front, the dominant service sector grew 0.5%, while construction and production fell 1.6% and 0.1%, respectively. Agriculture output was down 0.2%. Separately, services output climbed 2.8% in March from a year ago. On a monthly basis, services output edged up 0.1%, following a 0.3% rise in February. Gross fixed capital formation increased GBP1.1bn or 1.5% sequentially to GBP74.7bn in the first quarter, the ONS said in a separate communique. This was the highest level since fourth quarter of 2007.

Separately, U.K. mortgage approvals climbed for a fourth straight month in April to its highest level in ten months, data from the British Bankers' Association revealed. The number of loans approved for house purchase rose to a seasonally adjusted 42,116 from March's upwardly revised 39,203. Economists had predicted 39,300 approvals for April. The April outcome was possibly influenced by the introduction of the Land and Buildings Transaction Tax in Scotland, the BBA noted. The latest figure was the highest since June last year, when approvals totalled 42,482. Approvals rose 3.0% from a year ago. Gross mortgage borrowing grew 2.0% from March to GBP10.5bn, but was 13% lower than in the same month last year. "British businesses and consumers have started to put their foot on the gas. There appears to be broad confidence about the economy, which the banks are supporting through affordable credit, leading to rises in borrowing across the board," BBA Chief Economist Richard Woolhouse said. (Source: RTT News)



**Share Buy-Back: 28 -May 2015**

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
AMPROP	68,900	0.92/0.97	0.975/0.90	7,791,400
BHS	1,023,100	0.59/0.575	0.59/0.57	1,573,100
DAIBOCI	5,000	4.26	4.26	435,100
HAIO	2,000	2.32	2.32	7,262,588
IOICORP	1,279,900	4.05/3.99	4.07/3.97	120,150,200
IOIPG	2,115,200	2.01/1.97	2.02/1.97	5,811,300
MBL	3,000	0.76	0.77	3,000
NPC	8,000	2.78	2.78	227,700
PARKSON	144,000	2.02/2.00	2.02/1.98	57,053,861
RCECAP	50,000	0.34	0.345/0.34	59,719,200
SUCCESS	100,000	1.38/1.34	1.43/1.34	3,814,777
YNHPROP	422,000	1.92	1.94/1.90	40,101,634

*Source: Bursa Malaysia*

**Disclaimer**

The information in this report has been obtained from sources believed to be reliable. Its accuracy or completeness is not guaranteed and opinions are subject to change without notice. This report is for information only and not to be construed as a solicitation for contracts. We accept no liability for any direct or indirect loss arising from the use of this document. We, our associates, directors, employees may have an interest in the securities and/or companies mentioned herein.

for TA SECURITIES HOLDINGS BERHAD (14948-M)

MENARA TA ONE, 22 JALAN P. RAMLEE, 50250 KUALA LUMPUR, MALAYSIA TEL: +603-20721277 / FAX: +603-20325048

(A Participating Organisation of Bursa Malaysia Securities Berhad)

Kaladher Govindan – Head of Research

**SNAPSHOT OF STOCKS UNDER COVERAGE**

Company	Share Price (RM)	Target Price (RM)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
				FY15	FY16	FY15	FY16	FY15	FY16	High Price	% Chg	Low Price	% Chg	
<b>AUTOMOBILE</b>	28-May-15													
EPMB	0.79	0.81	0.82	12.6	14.1	6.3	5.6	2.5	2.5	0.98	-19.4	0.68	16.2	2.6
MBMR	3.41	3.60	0.79	37.3	35.5	9.1	9.6	2.8	3.1	3.50	-2.6	2.60	31.2	17.6
UMW	10.54	11.50	1.04	74.9	86.8	14.1	12.1	3.6	4.2	12.68	-16.9	10.00	5.4	-3.8
<b>BANKS &amp; FINANCIAL SERVICES</b>														
AFG	4.52	3.90	1.03	34.3	35.2	13.2	12.8	3.4	3.5	5.23	-13.6	4.47	1.1	-3.8
AFFIN	2.79	3.00	0.65	27.5	32.1	10.1	8.7	5.4	5.4	3.69	-24.4	2.68	4.1	-3.8
AMBANK	6.34	6.00	0.96	63.7	55.2	10.0	11.5	4.1	4.3	7.34	-13.6	5.97	6.2	-3.9
CIMB	5.66	6.80	1.18	41.6	53.1	13.6	10.7	3.7	4.7	7.40	-23.5	5.05	12.1	1.8
HLBANK	13.62	14.80	0.70	118.9	131.1	11.5	10.4	3.0	3.0	14.96	-9.0	13.50	0.9	-2.6
MAYBANK	9.11	11.20	1.07	71.4	79.8	12.8	11.4	6.6	6.6	10.20	-10.7	8.25	10.4	-0.7
PBBANK	18.96	20.30	0.89	126.3	133.8	15.0	14.2	2.8	2.8	20.93	-9.4	17.40	9.0	3.6
RHBCAP	7.45	9.00	1.13	88.1	91.0	8.5	8.2	1.6	1.6	9.70	-23.2	7.05	5.7	-2.2
<i>Note: RHBCAP proposed rights issue of new shares to raise gross proceeds of up to RM2.5bn. For more details please refer to 14.04.15 report.</i>														
BURSA	8.49	8.40	0.75	35.1	39.9	24.2	21.3	4.2	4.7	9.00	-5.7	7.46	13.8	4.8
<b>CONSTRUCTION</b>														
BPURI	0.54	0.73	0.98	4.7	9.5	11.5	5.7	7.4	7.4	0.73	-25.5	0.50	8.0	0.0
GAMUDA	5.03	4.92	0.92	31.1	28.1	16.2	17.9	2.8	3.0	5.36	-6.2	4.40	14.3	0.4
IJM	7.00	7.70	0.75	27.0	41.6	25.9	16.8	2.1	2.6	7.50	-6.7	6.13	14.2	6.5
NAIM	2.53	2.96	1.29	37.1	35.0	6.8	7.2	1.6	1.6	4.42	-42.8	2.51	0.8	-15.1
SENDAI	0.72	1.10	1.22	10.6	11.0	6.8	6.5	2.8	2.8	1.06	-32.1	0.49	48.5	-7.7
WCT	1.73	1.73	0.82	13.3	13.8	13.0	12.6	3.5	3.5	2.32	-25.5	1.37	26.6	9.9
LITRAK	4.18	4.18	0.49	26.7	36.0	15.6	11.6	4.8	4.8	4.35	-3.9	3.39	23.3	13.0
<b>CONSUMER</b>														
<b>Brewery</b>														
CARLSBG	12.60	11.89	0.73	64.3	67.2	19.6	18.7	4.8	5.1	14.48	-13.0	10.36	21.6	7.3
GUINNESS	14.62	16.44	0.49	76.0	86.9	19.2	16.8	4.7	5.3	14.98	-2.4	12.02	21.6	18.9
<b>Retail</b>														
AEON	3.20	3.27	1.04	16.7	17.2	19.1	18.6	1.6	1.6	4.33	-26.1	2.64	21.2	1.6
AMWAY	11.00	12.92	0.51	71.0	74.6	15.5	14.7	5.8	6.1	11.98	-8.2	9.87	11.5	7.2
F&N	18.18	19.62	0.59	85.3	96.4	21.3	18.9	3.8	4.2	19.12	-4.9	15.42	17.9	4.2
NESTLE	71.26	66.35	0.42	261.7	289.2	27.2	24.6	3.2	3.2	75.50	-5.6	63.50	12.2	4.0
PARKSON	2.02	2.19	0.29	16.0	14.3	12.6	14.2	3.4	3.1	3.02	-33.1	1.90	6.3	-15.2
POHUAT	2.09	2.62	0.94	28.5	32.0	7.3	6.5	4.3	4.8	2.44	-14.3	1.13	85.0	44.1
QL	4.00	5.01	0.99	14.6	19.3	27.4	20.7	1.0	1.3	4.15	-3.6	3.07	30.3	21.2
SIGN	2.53	3.65	1.27	36.2	39.7	22.0	20.0	4.3	4.7	2.74	-7.7	1.38	83.3	34.6
<b>Tobacco</b>														
BAT	62.98	73.15	0.73	336.8	346.8	18.7	18.2	5.2	5.4	74.40	-15.3	61.60	2.2	-3.3
<b>GAMING</b>														
<b>Casino</b>														
GENTING	8.50	11.67	1.12	55.1	59.5	15.4	14.3	0.9	1.1	10.22	-16.8	8.14	4.4	-4.2
GENM	4.26	4.66	0.79	27.5	27.1	15.5	15.7	2.0	2.2	4.70	-9.4	3.78	12.7	4.7
<b>NFO</b>														
BITOTO	3.22	4.00	0.94	27.2	26.3	11.8	12.3	8.4	8.4	3.91	-17.6	3.21	0.3	-8.3
<b>HEALTHCARE</b>														
<b>Hospitals</b>														
IHH	5.80	5.80	0.86	11.5	14.0	50.4	41.4	0.7	0.9	6.12	-5.2	4.11	41.1	20.3
KPJ	4.22	5.00	0.77	14.8	15.3	28.6	27.5	1.9	2.0	4.30	-1.9	3.22	31.1	14.1
<b>Rubber Gloves</b>														
HARTA	8.01	7.05	0.46	33.5	38.7	23.9	20.7	1.9	2.2	8.69	-7.8	5.86	36.7	13.9
KOSSAN	6.21	7.00	0.37	31.6	36.0	19.7	17.3	2.3	2.6	6.43	-3.4	3.63	71.1	38.9
SUPERMX	1.98	2.05	1.05	18.7	22.4	10.6	8.8	2.5	2.8	2.53	-21.7	1.58	25.3	17.9
TOPGLOV	5.41	6.10	0.50	34.1	37.8	15.9	14.3	3.2	3.5	5.69	-4.9	4.21	28.5	19.7
KAREX	3.05	3.60	na	15.0	19.9	20.4	15.3	0.8	1.0	3.21	-5.0	1.76	73.3	35.4
<b>INDUSTRIAL</b>														
SCIENTX	7.08	8.57	0.83	76.4	88.7	9.3	8.0	3.2	3.8	7.63	-7.2	5.63	25.8	-0.1
SKPRES	1.03	1.25	1.21	3.4	7.3	30.6	14.0	1.7	3.6	1.04	-1.0	0.40	157.5	60.9
UNIMECH	1.44	1.45	1.06	16.8	19.4	8.6	7.4	3.8	4.7	1.78	-19.1	1.38	4.3	-3.4
<b>MEDIA</b>														
MEDIA PRIMA	1.62	1.61	1.12	13.0	13.0	12.4	12.5	6.2	6.8	2.64	-38.6	1.59	1.9	-8.0
STAR	2.45	2.61	0.34	21.0	21.7	11.7	11.3	7.3	7.3	2.76	-11.1	2.17	13.2	7.3
<b>OIL &amp; GAS</b>														
ICON	0.51	0.54	na	3.1	4.0	16.2	12.8	0.0	0.0	2.19	-76.9	0.50	2.0	-32.2
MHB	1.21	1.10	1.50	9.2	10.0	13.2	12.1	4.1	4.1	3.87	-68.7	1.06	14.2	-32.0
PANTECH	0.70	0.86	1.05	7.3	8.1	9.5	8.6	4.4	4.7	1.15	-39.1	0.70	0.0	-9.1
PCHEM	6.26	4.76	1.31	36.6	40.4	17.1	15.5	2.9	3.2	6.82	-8.2	4.65	34.6	14.9
PERISAI	0.43	0.65	2.01	2.5	5.2	17.5	8.2	0.0	0.0	1.61	-73.3	0.38	13.2	-5.5
SKPETRO	2.61	3.05	1.84	21.2	17.0	12.3	15.3	1.3	0.0	4.51	-42.1	2.02	29.2	12.5
UMWOG	1.99	2.00	na	7.6	11.7	26.3	17.0	0.4	0.6	4.27	-53.4	1.91	4.2	-15.3

**SNAPSHOT OF STOCKS UNDER COVERAGE**

Company	Share Price (RM)	Target Price (RM)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
				FY15	FY16	FY15	FY16	FY15	FY16	High Price	% Chg	Low Price	% Chg	
<b>PLANTATIONS</b>														
BSTEAD	4.30	5.51	0.52	23.5	33.9	18.3	12.7	4.7	5.1	5.35	-19.6	4.28	0.5	-10.8
FGV	1.93	2.31	na	5.4	13.4	35.6	14.4	1.6	4.1	4.47	-56.8	1.90	1.6	-11.5
IJMLNT	3.46	4.40	0.91	15.4	14.4	22.5	24.0	1.7	2.9	4.03	-14.1	3.12	10.9	-4.4
IOICORP	4.05	3.90	0.99	14.2	21.0	28.4	19.3	0.5	3.0	5.29	-23.4	3.97	2.0	-15.6
KLK	21.00	18.03	1.10	78.8	118.0	26.6	17.8	2.0	3.0	24.96	-15.9	19.60	7.1	-7.9
KWANTAS	1.83	1.60	0.15	5.2	7.3	35.0	25.1	1.1	1.1	2.26	-19.0	1.82	0.5	-8.5
SIME	8.49	9.87	0.78	26.0	47.3	32.6	18.0	2.9	3.3	9.79	-13.3	8.37	1.4	-7.6
UMCCA	2.26	7.38	0.44	22.6	35.2	10.0	6.4	6.2	9.7	7.53	-15.5	6.00	6.0	1.4
<b>PROPERTY</b>														
CRESNDO	2.26	2.50	0.91	27.1	27.4	8.3	8.2	5.3	5.3	3.06	-26.1	2.25	0.4	-1.7
GLOMAC	0.95	0.77	0.77	8.4	12.2	11.3	7.8	4.2	4.7	1.21	-21.5	0.90	5.6	-3.1
HUAYANG	2.08	2.32	0.78	41.9	38.0	5.0	5.5	6.3	6.3	2.52	-17.5	1.71	21.6	1.5
IOIPG	1.97	2.68	na	11.1	14.8	17.7	13.3	3.0	4.1	2.71	-27.4	1.95	1.0	-16.3
MAHSING	2.12	2.60	0.76	19.5	22.6	10.9	9.4	3.5	4.2	2.38	-10.9	1.85	14.7	2.5
<i>Note: MAHSING Bonus Issue shares on the basis of 1 for 4. For more detail please refer to 22.02.15 report.</i>														
SNTORIA	1.06	1.22	0.64	8.4	14.1	12.7	7.5	1.9	1.9	1.61	-34.2	0.87	21.8	-13.8
SPSETIA	3.35	3.62	0.54	24.3	31.0	13.8	10.8	3.6	4.6	3.65	-8.2	2.90	15.5	1.5
SUNWAY	3.43	4.30	0.82	33.9	32.9	10.1	10.4	9.6	3.2	3.81	-10.1	2.91	17.8	7.4
<b>REIT</b>														
SUNREIT	1.66	1.86	0.44	8.5	10.3	19.4	16.2	5.4	6.5	1.76	-5.7	1.35	23.0	9.2
CMMT	1.43	1.69	0.65	7.8	8.9	18.4	16.1	5.8	6.6	1.66	-13.9	1.34	6.7	0.0
<b>POWER &amp; UTILITIES</b>														
MALAKOF	1.76	2.09	na	8.2	10.5	21.5	16.8	4.0	4.0	1.84	-4.3	1.63	8.0	-2.2
PETDAG	20.00	17.61	1.05	76.0	79.0	26.3	25.3	3.0	3.2	25.39	-21.2	14.40	38.9	18.2
PETGAS	21.94	24.46	1.21	90.3	90.7	24.3	24.2	2.7	2.7	24.92	-12.0	20.60	6.5	-1.0
TENAGA	13.34	16.29	1.12	117.6	113.7	11.3	11.7	2.6	2.5	16.96	-21.3	11.64	14.6	-3.3
YTLPOWR	1.61	1.88	0.74	13.7	15.2	11.8	10.6	6.2	6.2	1.67	-3.6	1.42	13.4	8.8
<b>TELECOMMUNICATIONS</b>														
AXIATA	6.59	6.90	0.82	27.8	31.8	23.7	20.7	3.2	3.6	7.29	-9.6	6.39	3.1	-6.5
DIGI	5.66	7.80	0.93	27.4	28.7	20.7	19.7	4.8	5.1	6.65	-14.9	5.42	4.4	-8.3
MAXIS	6.89	6.58	0.69	25.3	26.9	27.3	25.6	3.7	3.9	7.30	-5.6	6.21	11.0	0.6
TM	7.27	8.96	0.80	25.5	28.3	28.5	25.7	4.0	4.2	7.79	-6.7	6.08	19.6	5.7
<b>TECHNOLOGY</b>														
<i>Semiconductor &amp; Electronics</i>														
IRIS	0.28	0.36	0.71	1.0	2.1	28.0	13.3	1.6	1.6	0.47	-40.9	0.22	25.0	10.0
INARI	3.33	4.25	1.53	18.4	23.4	18.1	14.2	2.2	2.8	3.54	-5.9	1.93	72.9	38.7
MPI	6.98	8.90	1.04	47.8	60.5	14.6	11.5	2.9	2.9	7.19	-2.9	4.10	70.2	54.1
UNISEM	2.47	2.75	0.99	17.5	21.4	14.1	11.6	2.4	2.4	2.65	-6.8	1.20	105.8	38.8
<b>TRANSPORTATION</b>														
<i>Airlines</i>														
AIRASIA	2.08	3.44	1.10	24.6	24.5	8.5	8.5	2.2	2.4	2.94	-29.3	2.02	3.0	-23.5
AIRPORT	6.41	6.94	1.28	2.7	9.9	236.3	64.8	0.3	1.0	8.18	-21.7	5.96	7.6	-0.4
<i>Freight &amp; Tankers</i>														
MISC	8.26	9.64	1.07	42.1	45.9	19.6	18.0	1.2	1.2	9.39	-12.0	6.01	37.4	14.4
WPRTS	4.27	3.89	na	16.5	18.2	25.9	23.4	2.9	3.2	4.65	-8.2	2.62	63.0	27.1

**SNAPSHOT OF FOREIGN STOCKS UNDER COVERAGE**

Company	Share Price (\$\$)	Target Price (\$\$)	Beta	EPS (cent)		PER (X)		Div Yield (%)		52week		52week		% Chg YTD
				FY15	FY16	FY15	FY16	FY15	FY16	High Price	% Chg	Low Price	% Chg	
<b>BANKS &amp; FINANCIAL SERVICES</b>														
DBS	20.34	21.60	1.04	172.0	183.5	11.8	11.1	2.9	2.9	21.23	-4.2	16.72	21.7	-1.3
OCBC	10.25	12.90	0.94	99.8	108.8	10.3	9.4	4.7	5.7	10.92	-6.1	8.84	12.4	-2.0
UOB	23.63	26.60	1.15	219.1	238.9	10.8	9.9	3.2	3.2	25.00	-5.5	21.49	10.0	-3.5
<b>PLANTATIONS</b>														
WILMAR	3.36	3.75	0.78	26.8	28.6	12.5	11.7	2.4	2.7	3.42	-1.8	2.92	15.1	3.7
IFAR	0.74	0.87	0.98	7.6	8.8	9.7	8.4	0.4	0.5	1.04	-29.0	0.66	11.4	1.4

**BUY** : Total return within the next 12 months exceeds required rate of return by 5%-point.

**HOLD** : Total return within the next 12 months exceeds required rate of return by between 0-5%-point.

**SELL** : Total return is lower than the required rate of return.

**Total Return** is defined as expected share price appreciation plus gross dividend over the next 12 months.

**Required Rate** of Return of 10% is defined as the yield for one-year Malaysian government treasury plus assumed equity risk premium.