



## Daily Brief

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

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### Market View *Weaker on Overnight US Correction*

Blue chips on Bursa Malaysia extended profit-taking consolidation on Wednesday, as investors locked in profits after last week's strong run-up and in line with lackluster regional markets amid political and legal turmoil surrounding the US President. The KLCI ended 2.5 points down to 1,775.65, off an early high of 1,779.94 and low of 1,770.22, as losers beat gainers 473 to 417 on total turnover of 3.45bn shares worth RM2.88bn.

#### **Supports at 1,756 & 1,749, Next at 1,740**

Following the overnight US correction, blue chips will be in correction mode amid reduced risk appetite following renewed political uncertainty in the US, as concerns intensify the US President might have committed an impeachable offense in relation to the recent firing of the FBI Director. Immediate uptrend supports for the index remain at the rising 30 and 50-day moving average levels, now at 1,756 and 1,749, with better support from the lower Bollinger band at 1,740. Immediate upside hurdle for the benchmark stays at Tuesday's new two-year high of 1,787, followed by the 1,800 psychological level and 18 May 2015 high of 1,823.

#### **Sell Affin & Alliance**

Affin Holdings could fall on profit-taking correction due to hook down momentum indicators, with better chart supports from the 100-day ma (RM2.66) and 50%FR (RM2.54). Key resistance level is at the peak of 28/04/15 (RM3.00), matching the upper Bollinger band. Further rise on Alliance Financials Group should meet stronger profit-taking resistance towards the peak of 11/05/17 (RM4.49) and upper Bollinger band (RM4.57), while support rests at the mid Bollinger band (RM4.22), reinforced by the 100-day ma (RM3.96).

#### **Asian Markets Lost Ground on Trump Administration Uncertainties**

Asian markets lost ground on Wednesday as growing concerns over the turmoil engulfing President Donald Trump's administration weighed on risk appetite, boosting the yen and gold. Trump asked Comey to end the agency's investigation into ties between former White House national security adviser Michael Flynn and Russia, according to a source who has seen a memo written by Comey. The reports raised questions about whether charges of obstruction of justice could be laid against Trump, weakening confidence in the U.S. president's ability to push through an aggressive stimulus program that investors had been banking on since his election last November. U.S. economic data published on Tuesday was mixed after soft retail sales and inflation data on Friday, also undermining investors' optimism on the U.S. economy.

Japanese stocks dropped after the dollar eased against the yen on weak U.S. economic data, while financial stocks underperformed, hit by lower U.S. yields. The Nikkei shares average fell 0.5 percent to 19,814.88. In down under, Australia's S&P/ASX 200 dropped 1.10 percent, or 64.52 points, to end at 5786.00. China stocks also snapped a four-day winning streak to end lower, as investors remained cautious amid lingering concerns over tighter regulation

and economic growth despite recent soothing regulatory comments. The blue-chip CSI300 index fell 0.5 percent, to 3,409.97 points, while the Shanghai Composite Index lost 0.3 percent to 3,104.44 points.

### **Wall Street Tumble on Trump Turmoil**

The S&P500 and the Dow notched their biggest one-day fall since Sept. 9 as investor hopes for tax cuts and other pro-business policies faded after reports that U.S. President Donald Trump tried to interfere with a federal investigation set off alarm bells on Wall Street. Wednesday's selling was sparked by reports that President Donald Trump had allegedly asked then-FBI Director James Comey to back off the investigation of former national security adviser Michael Flynn, which prompted some congressional Republicans to call for further investigation. In a statement issued Tuesday evening, the White House denied the account. However, the developments intensified doubts that Trump would be able to follow through on his promises for tax cuts, deregulation and fiscal stimulus.

Those pledges had helped fuel a record-setting post-election rally on Wall Street. Bank stocks, which had one of the strongest runs in the wake of Mr. Trump's victory in November, were among the hardest hit. The KBW Nasdaq Bank Index of large U.S. commercial lenders notched its worst day since the Brexit selloff, falling 4.1 percent. It's now down 3.1 percent for the year, led by a 3.8 percent loss for JPMorgan. The Dow Jones Industrial Average fell 372.82 points, or 1.78 percent, to 20,606.93, the S&P 500 lost 43.64 points, or 1.82 percent, to 2,357.03 and the Nasdaq Composite dropped 158.63 points, or 2.57 percent, to 6,011.24.

## News In Brief

### Corporate

**TRX City Sdn Bhd will be conducting a request for proposal (RFP) process to seek interested parties to be the role of master developer of Bandar Malaysia.** The site would remain under the 100% ownership of the Ministry of Finance. The RFP process, which will commence immediately, will entail strict criteria and require interested parties to display relevant experience, a proven track record, speed of delivery, content creation and the financial capability to deliver a project of this scale. Parties have up to June 30 to submit their proposals. *(The Star/The Edge)*

**Treasury secretary-general Tan Sri Dr Mohd Irwan Serigar Abdullah has been appointed chairman of both TRX City and Bandar Malaysia.** His new duties include heading a team with overall responsibility for these projects, as well as the monetisation of 1Malaysia Development Bhd's remaining real estate assets. *(The Star)*

**Sime Darby Berhad** announced the incorporation of Sime Darby Elco Power Korea Limited (SDEPKL), an indirect wholly-owned subsidiary of the group in The Republic of Korea. The principal activities of SDEPKL are assembly, sales, provision, import and export, lease and maintenance of, and provision of technology services for engines and power systems in the Republic of Korea. *(Bursa Malaysia)*

**MyEG Services Bhd** confirmed that negotiation with the existing shareholders of Eat Drink KL is currently on-going and has not been finalized. *(Bursa Malaysia)*

Datuk Jamaludin Osman, the former group managing director of property developer Island & Peninsular Bhd, has been appointed as a non-independent and non-executive director of **MMC Corp Bhd**. *(The Edge)*

**BIMB Holdings Bhd** is contemplating a group-wide restructuring in a bid to maximise value for shareholders and fulfil regulatory compliance. *(The Star)*

**UEM Sunrise Bhd's** 1QFY17 revenue doubled to RM541.8mn and PBT surged twenty times to RM61.3mn. The higher revenue is mainly due to revenue contribution derived from the progress made by Residensi 22, Aurora, Conservatory and completion of Teega. The robust bottom line was in tandem with higher revenue from property development and the revision of estimated cost for completed projects. *(Bursa Malaysia)*

**UEM Sunrise Bhd** has appointed Tan Sri Zamzamzairani Mohd Isa as its new chairman to replace Tan Sri Dr Ahmad Tajuddin Ali who has retired. *(The Star)*

**Carlsberg Brewery Malaysia Bhd's** 1QFY17 revenue grew by 10.3% YoY to RM502.6mn on higher volume in both Malaysia and Singapore and a price increase in 2016. Correspondingly, net profit grew by 7.0% YoY to RM68.5mn, albeit partially offset by higher share of losses in its associate company in Sri Lanka, Lion Brewery (Ceylon) Plc of RM5.9mn versus RM1.2mn in 1QFY16. *(Bursa Malaysia)*

**Scientex Bhd** has raised RM156mn through a private placement, involving the issuance of 20mn new shares at issue price of RM7.80 per share. The company had placed out 4.3% of new issues shares to long-term institutional investors to raise proceeds to be used for working capital and expansion plans for its manufacturing and property development segments. *(The Star)*

**Ire-Tex Corporation Bhd** has made a police report against its director, Mr Kong Hon Kay, in connection with possible breaches of Sections 245 (5) and (6) of the Companies Act, 2016. *(Bursa Malaysia)*

**Malaysian Resources Corp Bhd** (MRCB) has proposed a one-for-one renounceable rights issue to pare down its borrowings and to finance the refurbishment of the national sports complex in Bukit Jalil. The cash call, which will be sweetened by free detachable warrants on one-for-five basis, will raise between RM2.2bn and RM2.9bn. Concurrently, the group's substantial shareholders, the Employee Provident Fund and Gapurna Sdn Bhd, are applying to authorities for exemption from the obligation to undertake a mandatory offer arising from the application for excess rights shares under the proposed rights issue, as well as the subsequent exercise of the rights warrants into new MRCB shares. *(The Edge)*

**Mah Sing Group Bhd** is acquiring 5 pieces of adjoining freehold land with a total net land area measuring approximately 3.6 acres and estimated gross development value of up to RM650mn for a total purchase consideration of up to RM60mn. The group intends to develop a residential condominium on the land which will front the 234.8 acres Titiwangsa Lake Garden. The proposed development is expected to commence in the second half of 2017 and to be developed over a span of 3-4 years. *(Bursa Malaysia)*

**Amway (Malaysia) Holdings Bhd's** 1QFY17's revenue and net profit respectively declined by 22.5% YoY to RM237.2mn and 47.6% YoY to RM9.5mn. The poor bottom line performance was due to lower sales and higher import costs, albeit partially offset by lower provisions for sales incentives and Amway Business Owner incentive trips. A first interim dividend of 5.0sen per share for FYE17 was declared. *(Bursa Malaysia)*

**Paramount Corporation Bhd's** 1QFY17's net profit declined by 10.9% YoY to RM13.3mn despite revenue growth of 26.1% YoY to RM142.9mn. Higher revenue from the property division ameliorated marginally lower contributions from the education division. The decline in earnings was due to a gain of RM2.3mn in 1QFY16 arising from the disposal of apartments that were no longer required. *(Bursa Malaysia)*

**Apex Healthcare Bhd's** 1QFY17 revenue and net profit respectively increased by 4.9% YoY to RM154.7mn and 2.9% YoY to RM10.1mn. Revenue from all business units performed in line with expectations, with good progress made in securing more public sector sales in both Malaysia and Singapore and three new pharmaceutical products under the group's brands were launched successfully in the current quarter. *(Bursa Malaysia)*

**Red Sena Bhd** remained in the red with net losses of RM3.8mn in 2QFY17 compared to net losses of RM3.2mn in 2QFY16. The group as a special purpose acquisition company will only generate revenue once it has completed the qualifying acquisition. *(Bursa Malaysia)*

**Petra Energy Bhd** returned to the black in 1QFY17 with a net profit of RM5.3mn compared to a net loss of RM7.1mn in 1QFY16. The improved bottom line performance was mainly due to profit from the services segment and production and development segment. Revenue declined by 38.5% YoY to RM69.6mn. *(Bursa Malaysia)*

**Hua Yang Bhd's** 4QFY17's revenue and net profit respectively declined by 36.8% YoY to RM80.7mn and 55.7% YoY to RM9.5mn. The weaker YoY performance was due to the completion of three high rise projects in Klang Valley namely Metia Residences, Residensi Flora @ One South and Sentrion Suites. For FY17, revenue and net profit respectively declined by 33.1% YoY to RM385.4mn and 44.8% YoY to RM60.7mn. A final dividend of 2.0sen per share for FYE17 was proposed. *(Bursa Malaysia)*

**Cabnet Holdings Bhd's** initial public offering's public portion was oversubscribed by 48.3 times. The 10mn shares made by way of private placement to identified investors have been fully placed out. *(Bursa Malaysia)*

**Seacera Group Bhd** (SGB) is acquiring a warehouse in Melaka from QM Sports Sdn Bhd for RM16.9mn which is to be satisfied via the issuance of 8,857,143 new ordinary shares in SGB at an issue price of RM1.40 amounting to approximately RM12.4mn in aggregate and cash payment of RM4.5mn. The property is to serve as the group's warehousing and

distribution hub for the southern region of Peninsular Malaysia. *(Bursa Malaysia)*

**KKB Engineering Bhd** turned in a net loss of RM1.5mn in 1QFY17 compared to a net loss of RM2.0mn in 1QFY16 due to the increasing cost of raw materials and higher direct overhead costs. Revenue however increased by 93.7% YoY to RM42.9mn mainly due to the improved revenue from the construction division and steel pipes manufacturing division, albeit offset by lower revenue of the LP Gas cylinder manufacturing division. *(Bursa Malaysia)*

**Cepatwawasan Group Bhd** returned to the black in 1QFY17 with a net profit of RM6.2mn compared to a net loss of RM0.4mn in 1QFY16. The improvement was in tandem with its plantation segment's higher fresh fruit bunches selling price and production, oil mill segment's higher milling margin, and power plant segment's return to the black. A dividend of 1.5sen per share was approved. *(Bursa Malaysia)*

**Formosa Prosonic Industries Bhd** recorded a 1QFY17 PBT of RM10.7mn compared to a loss before tax of RM0.9mn in 1QFY16 on the back of higher sales and foreign exchange gains. Revenue increased by 9.2% YoY to RM75.5mn. *(Bursa Malaysia)*

**Priceworth International Bhd's** (PWI) plan to undertake logging operations within Sabah's Forest Management Unit 5 compartments 57 and 58 in Trus Madi has been approved by the Sabah Forestry Department. In view of the approval and as agreed by parties to the Log Extraction and Timber Sale Agreement, PWI will immediately commence operations for the extraction and removal of all commercial logs and merchantable timber. *(Bursa Malaysia)*

**Focus Lumber Bhd's** 1QFY17's revenue declined by 10.2% YoY to RM47.8mn mainly due to lower sales volume as well as lower selling price in US dollar. Net profit however increased by 88.9% YoY to RM6.3mn due to improved production recovery rate, lower production cost per cubic metre and a significant decrease in losses from foreign currency transactions. *(Bursa Malaysia)*

ACE Market-bound building contractor **Inta Bina Group Bhd's** initial public offering for the public portion has received an oversubscription rate of 42.7 times. *(The Edge)*

**SCH Group Bhd** entered into three separate memorandum of understanding (MoU) with Sewara Engineering Sdn Bhd, Stigma Impiana Sdn Bhd and Dataran 888 Sdn Bhd. The MoU sets forth the general understanding between the parties in respect of the exclusive collaboration on the excavation and removal and subsequent distribution and sale of the deposits from the Bohol Retention Pond, Nanyang Retention Pond and Permaisuri Retention Pond in Kuala Lumpur. The deposits are materials which can be used, amongst others, for mixing with cements, bitumen, lime, gypsum, or other adhesive to form concrete or mortar that includes but is not limited to quarry sand, gravel, crushed stone and slag. *(Bursa Malaysia)*

**Anzo Holdings Bhd's** 4QFY17 revenue increased by 441.1% YoY to RM7.6mn and returned to the black with a net profit of RM1.3mn compared to a net loss of RM3.8mn in 4QFY16. The improvement is mainly due to construction billings from Porto De Melaka project amounting to RM5.7mn, the reversal on provision for doubtful debts of RM1.3mn and no further inventory write down in the quarter. For FY17, revenue increased by 100.6% YoY to RM12.3mn and losses declined to RM4.6mn from RM10.9mn in FY16. *(Bursa Malaysia)*

**Eversafe Rubber Bhd's** 1QFY17 revenue and net profit respectively came in at RM18.7mn and RM1.0mn. An interim dividend of 1.8sen for FYE17 was declared. *(Bursa Malaysia)*

## News In Brief

### Economy

#### Asia **Malaysia Inflation Eases More-than Expected in April 2017**

Malaysia's Consumer Price Index (CPI) eased at a faster-than-expected pace in April, figures from the Department of Statistics (DoS) showed. The consumer price index climbed 4.4% YoY in April 2017, slower than the 5.1% YoY rise in the previous price month, which was the strongest inflation since November 2008. Consensus had expected a 4.5% increase for the month. Transport costs alone surged 16.7% annually in April 2017 (March 2017: 23% YoY) while prices of food & non-alcoholic beverages grew by 4.1% YoY, the same pace like in the previous month. On a monthly basis, consumer prices dropped 0.3% from March. To-date, inflation increased by 4.3% YoY. (DoS)

#### **Japan Core Machine Orders Gain 1.4% in March 2017**

Core machine orders in Japan climbed a seasonally adjusted 1.4% on month in March, the Cabinet Office said - coming in at 862.3 billion yen. That missed expectations for an increase of 2.5% following the 1.5% gain in February. On a yearly basis, core machine orders fell 0.7%, missing forecasts for a gain of 1.2% following the 5.6% spike in the previous month. The total value of machine orders, which includes volatile ones for ships and electric power companies, climbed 1.3% on month but dropped 11.9% on year to 2,235.5 billion yen. Manufacturing orders gained 0.6% on month and lost 4.9% on year to 352.9 billion yen in March, while non-manufacturing orders dropped 3.9% on month and added 2.2% on year to 496.4 billion yen. Government orders jumped 15.0% on month and tumbled 24.1% on year to 263.7 billion yen. Orders from overseas slipped 2.8% on month and 2.6% on year to 846.2 billion yen. Orders from agencies shed 3.1% on month and gained 5.8% on year to 124.4 billion yen.

Separately, Japan's industrial production declined less than initially estimated in March. Industrial production fell 1.9% month-over-month in March instead of a 2.1% decrease reported earlier. In February, production had risen 3.2%. Shipments dropped 0.8% over the month, slower than the 1.1% decrease seen in the flash data published on April 28. At the same time, inventories grew 1.5%, revised down slightly from 1.6%. On a yearly basis, industrial production growth eased to 3.5% in March from 4.7% in February. (RTT News)

#### **Australia Needs Housing Slowdown for Stability on AAA, S&P Says**

Australia's prized AAA rating will only rest on a firm footing once there's a "meaningful moderation" in housing and credit, S&P Global Ratings said as it maintained a negative outlook on the country's sovereign score. The country's rating was affirmed by the credit assessor after the latest federal government budget projected a return to surplus by 2021, although S&P noted that revenue could disappoint and lawmakers may struggle to implement fiscal repair policies. It also highlighted risks stemming from Australia's high level of external indebtedness. S&P has maintained a negative outlook on the country since last July when it issued a warning in the wake of a knife-edge federal election. Home prices in Sydney and Melbourne have surged in the wake of unprecedented interest-rate cuts by the Reserve Bank of Australia as the country navigates its way through the aftermath of a mining boom. Regulators have progressively tightened lending restrictions amid concerns about financial stability. (Bloomberg)

#### **Australia's Consumer Sentiment Weakens In May**

Australia's consumer confidence deteriorated in May, data from the Westpac Bank showed Wednesday. The Westpac-Melbourne Institute Index of Consumer Sentiment dropped to 98.0 in May from 99.0 in April. A reading below 100 indicates pessimists outnumber optimists. Respondent's confidence on property market as well as expectations for house purchases weakened sharply. (RTT News)

#### United States **Full Employment Confronts Trump, Fed With Tougher Trade-Offs**

In April, when the unemployment rate dropped to 4.4%, it marked the completion of a slow and joyless recovery from the Great Recession. Eight years on, the U.S. has effectively

returned to “full employment,” meaning unemployment can’t go sustainably lower. In reaching this milestone, the U.S. has closed one troubled chapter for the economy while opening a fresh one with tricky new trade-offs for the Federal Reserve and President Donald Trump. For years, low interest rates and hefty government budget deficits, whatever their downsides, had one clear upside: They created more jobs in an economy that desperately needed them. That is no longer true. At full employment, those economic policy choices become harder. The Fed and Trump administration could try to push unemployment even lower and see what happens, but history isn’t encouraging. Unemployment has been this low only twice since 1990 and both times an asset bubble and inflation pressures emerged and recession soon followed. Unemployment of 4.4% today may not mean what it did in previous decades since it has been pushed down by an exodus of working-age people from the labor force. Some economists think those workers might flood back when conditions are right, serving as a hidden reserve of labor to keep growth humming even when official unemployment seems low. Employment as a share of the working age population is still nearly 3 percentage points below its 2007 level. But this is deceptive. The share of workers over 54 years old, and thus more likely to retire early and drop out of the labor force, has grown since then. (The Wall Street Journal)

### *Europe and United Kingdom*

#### **UK Wage Growth Falls Behind Inflation even as Jobless Rate Sinks to 42-year Low**

The unemployment rate in the period between January and March unexpectedly fell to its lowest level in nearly 42 years at 4.6%. Economists polled by Reuters had expected the rate to remain at 4.7%. And the number of people in work rose by a strong 122,000, taking the employment rate to a new record of 74.8%, the Office for National Statistics said. The BOE is watching closely for signs of a pick-up in wages that could add to inflation that seems to be heading for around 3% due to the fall in the value of the pound since the Brexit referendum and as oil prices rise. So far the central bank believes there is little pressure on most employers to raise pay sharply that could feed a more permanent inflation problem. Instead, the Bank has softened its previous forecasts for a rise in unemployment that it expects to stand at 4.7% this year, still above the level, which it considers inflationary. The ONS said workers' total earnings including bonuses rose by an annual 2.4% in the first quarter of 2017, edging up from growth of 2.3% in the three months to February and in line with the forecast in the Reuters poll of economists. The BoE expects wages to rise by 2% this year before picking up in 2018 and 2019. Data released showed consumer price inflation picked up speed in April to hit 2.7% and many economists think it will reach 3% soon. The ONS said the number of unemployment benefit claimants rose by 19,400 to just under 793,000 in April, slower than an increase of 33,500 in March. (CNBC)

#### **Eurozone inflation confirmed at 1.9%**

Inflation in the Eurozone rebounded to 1.9% in April, the EU statistics agency has confirmed. Final readings from Eurostat confirmed earlier estimates of both inflation and core inflation – which excludes volatile oil and food prices and has lagged behind the main measure in recent months. Year on year core inflation rose from 0.7% in March to 1.2%. Inflation was highest in the Baltics, with Estonia, Lithuania and Latvia all seeing annual price increases of more than 3%. Romania, Ireland and Slovakia lagged behind, with year on year rates less than 1%. Higher transport, package holiday and heating oil costs were the biggest drivers of the increase, with telecoms and clothing prices declining.

Separately, Eurozone Construction output dropped 1.1% in March from February, when it grew 5.5%. Building construction fell 1.7% on a monthly basis, in contrast to February's 5.1% increase. At the same time, growth in civil engineering eased to 1.1% from 7.1%. Year-on-year, construction output growth came in at 3.6% versus 5.5% in February. In the EU28, construction output dropped 0.8% from previous month, while it grew 3.7% from prior year. (Financial Times, RTT News)

**Share Buy-Back: 17 May 2017**

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
TEXCHEM	1,000	1.47	1.48/1.44	2,544,200

*Source: Bursa Malaysia*

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**SNAPSHOT OF STOCKS UNDER COVERAGE**

Company	Share Price (RM)	Target Price (RM)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
				FY17	FY18	FY17	FY18	FY17	FY18	High Price	% Chg	Low Price	% Chg	
				17-May-17										
<b>AUTOMOBILE</b>														
BAUTO	2.06	2.36	0.96	10.8	15.8	19.1	13.1	5.8	7.6	2.44	-15.6	1.95	5.6	-3.3
MBMR	2.42	2.04	0.59	22.7	23.8	10.7	10.2	3.7	3.7	2.70	-10.4	1.95	24.1	13.1
UMW	5.80	5.12	1.22	17.7	27.6	32.8	21.0	1.9	3.1	7.00	-17.1	4.43	30.9	26.9
<b>BANKS &amp; FINANCIAL SERVICES</b>														
AFG	4.44	4.10	1.30	35.8	37.7	12.4	11.8	3.4	3.4	4.49	-1.1	3.60	23.3	19.4
AFFIN	2.88	3.40	0.95	29.4	33.1	9.8	8.7	2.8	2.8	3.00	-4.0	2.08	38.5	20.5
AMBANK	5.50	5.40	1.33	46.4	50.6	11.8	10.9	2.9	3.3	5.70	-3.5	3.90	41.0	27.6
CIMB	5.95	6.10	1.34	50.6	55.6	11.8	10.7	3.4	3.7	5.99	-0.7	4.11	44.7	31.9
HLBANK	14.08	15.80	0.67	101.3	109.8	13.9	12.8	2.9	2.9	14.28	-1.4	12.70	10.9	4.3
MAYBANK	9.34	9.20	0.96	73.6	82.6	12.7	11.3	5.4	5.4	9.68	-3.5	7.50	24.5	13.9
PBBANK	20.04	22.10	0.80	136.6	140.4	14.7	14.3	2.8	2.9	20.58	-2.6	18.72	7.1	1.6
RHBBANK	5.46	4.70	1.31	49.0	51.7	11.2	10.6	2.2	2.2	5.59	-2.3	4.46	22.4	15.9
BURSA	10.00	10.00	0.71	40.3	39.0	24.8	25.6	3.4	3.4	10.38	-3.7	8.20	22.0	13.0
<b>CONSTRUCTION</b>														
BPURI	0.44	0.49	0.80	5.7	5.7	7.7	7.7	0.0	2.3	0.51	-13.7	0.36	22.2	1.1
GADANG	1.31	1.62	0.67	14.6	13.5	9.0	9.7	2.1	2.1	1.35	-3.1	0.80	64.6	24.8
GAMUDA	5.45	5.49	1.06	31.6	36.4	17.3	15.0	2.2	2.2	5.48	-0.5	4.65	17.2	14.0
IJM	3.50	3.27	1.09	16.8	20.9	20.8	16.7	2.7	2.7	3.61	-3.0	3.07	14.0	9.4
SENDAI	0.89	0.68	1.20	10.4	11.4	8.6	7.8	1.1	1.1	1.05	-15.7	0.41	118.5	53.9
SUNCON	2.04	1.90	na	12.6	12.5	16.1	16.3	2.7	2.7	2.13	-4.2	1.42	43.7	20.0
WCT	2.31	1.50	1.11	11.9	11.8	19.5	19.6	1.3	1.3	2.49	-7.2	1.41	63.8	33.5
LITRAK	5.85	5.58	0.13	44.3	45.8	13.2	12.8	4.3	4.3	6.13	-4.6	5.20	12.5	-0.5
<i>Building Materials</i>														
WTHORSE	2.03	2.00	0.47	15.4	15.6	13.2	13.0	4.9	4.9	2.40	-15.4	1.93	5.2	1.0
<b>CONSUMER</b>														
<i>Brewery</i>														
CARLSBG	14.80	17.84	0.55	74.8	81.3	19.8	18.2	5.0	5.5	15.30	-3.3	12.84	15.3	6.3
HEIM	18.44	21.08	0.57	93.1	101.9	19.8	18.1	4.5	5.0	18.74	-1.6	14.60	26.3	12.6
<i>Retail</i>														
AEON	2.33	2.23	0.49	6.5	7.5	35.9	30.9	0.8	1.0	3.00	-22.3	2.11	10.4	-9.3
AMWAY	7.75	8.62	0.35	26.4	30.5	29.4	25.4	3.9	4.5	9.29	-16.5	7.30	6.2	5.7
F&N	25.30	27.41	0.35	120.5	148.1	21.0	17.1	2.8	3.0	27.00	-6.3	22.44	12.7	7.8
NESTLE	82.10	88.66	0.37	293.6	326.2	28.0	25.2	3.3	3.4	83.68	-1.9	74.12	10.8	5.0
PADINI	3.41	3.76	0.50	22.3	24.7	15.3	13.8	4.4	5.0	3.63	-6.1	2.13	60.1	33.7
POHUAT	1.84	2.74	0.68	25.1	25.3	7.3	7.3	4.3	4.3	2.04	-9.8	1.43	28.7	6.4
QL	4.90	4.17	0.46	12.7	15.8	38.6	31.1	0.9	1.0	5.00	-2.0	4.14	18.3	13.1
SIGN	1.03	1.10	0.58	9.3	12.8	11.1	8.1	4.9	4.9	1.07	-3.7	0.78	32.1	29.6
<i>Tobacco</i>														
BAT	45.00	52.08	1.06	198.6	187.4	22.7	24.0	4.4	4.4	55.64	-19.1	40.61	10.8	1.9
<b>GAMING</b>														
<i>Casino</i>														
GENTING	9.97	11.53	1.35	49.4	55.6	20.2	17.9	0.5	0.6	10.00	-0.3	7.50	33.0	25.5
GENM	5.76	6.58	1.28	25.7	27.9	22.4	20.7	1.4	1.6	6.07	-5.1	4.17	38.0	27.5
<i>NFO</i>														
BJTOTO	2.73	3.81	0.73	22.1	24.6	12.3	11.1	5.9	7.0	3.42	-20.2	2.70	1.1	-7.8
LUSTER	0.15	0.10	1.31	0.2	0.3	73.5	48.0	0.0	0.0	0.15	-3.3	0.05	190.0	190.0
<b>HEALTHCARE</b>														
<i>Hospitals</i>														
IHH	6.00	6.40	0.78	13.9	17.9	43.2	33.4	0.7	0.7	6.73	-10.8	5.78	3.8	-5.5
KPJ	4.18	4.61	0.52	13.3	16.5	31.4	25.4	1.5	1.8	4.37	-4.3	3.85	8.6	0.0
<i>Rubber Gloves</i>														
HARTA	5.76	6.05	0.61	19.5	24.4	29.6	23.6	1.4	1.9	5.85	-1.5	3.91	47.3	19.3
KOSSAN	6.35	6.80	0.16	35.8	40.5	17.7	15.7	2.8	3.2	7.07	-10.2	5.62	13.0	-3.6
SUPERMX	2.07	1.90	0.31	16.2	18.3	12.7	11.3	2.3	2.6	2.69	-23.0	1.88	10.1	-1.9
TOPGLOV	5.22	5.05	-0.22	26.6	30.2	19.6	17.3	2.6	2.9	5.45	-4.2	4.20	24.3	-2.4
KAREX	2.16	2.55	0.28	4.3	7.1	50.4	30.6	0.5	0.8	2.64	-18.2	1.96	10.2	-8.5
<b>INDUSTRIAL</b>														
SCIENXTX	8.69	9.69	0.59	54.4	66.4	16.0	13.1	2.4	2.8	8.99	-3.3	5.96	45.8	29.7
SKPRES	1.36	1.75	0.49	9.1	14.1	15.0	9.7	3.2	5.0	1.44	-5.6	1.12	21.4	5.4
<b>MEDIA</b>														
ASTRO	2.70	3.20	1.04	13.2	14.5	20.4	18.7	4.6	4.8	3.01	-10.3	2.56	5.5	3.8
MEDIA PRIMA	1.10	0.65	0.67	4.3	5.0	25.7	22.1	3.1	3.6	1.52	-27.6	1.00	10.0	-4.3
STAR	2.48	1.75	0.68	10.6	9.1	23.5	27.4	7.3	7.3	2.70	-8.1	2.20	12.7	10.7
<b>OIL &amp; GAS</b>														
EATECH	0.60	0.44	1.05	11.5	11.9	5.2	5.0	0.0	0.0	1.18	-49.6	0.45	33.7	-4.0
MHB	0.95	0.95	1.85	-1.2	1.3	na	72.5	0.0	0.0	1.23	-22.8	0.84	13.1	3.8
MISC	7.62	7.65	0.83	56.8	54.7	13.4	13.9	3.9	3.9	7.90	-3.5	7.03	8.4	3.7
PANTECH	0.64	0.69	1.28	4.1	5.0	15.3	12.7	2.8	3.1	0.67	-4.5	0.44	46.0	42.7
PCHEM	7.31	7.91	1.06	39.2	41.6	18.7	17.6	2.9	3.0	7.80	-6.3	6.16	18.7	4.7
SENERGY	1.94	2.02	2.43	5.3	4.6	36.9	41.8	0.0	0.0	2.10	-7.6	1.29	50.4	19.8
UMWOG	0.62	0.80	2.03	-12.0	-3.6	na	na	0.0	0.0	1.04	-40.4	0.61	2.5	-29.1
<i>Note: UMWOG proposed 14 for 5 rights issue shares. Ex-Target price RM0.43. For more details please refer to 08.05.17 report.</i>														
UZMA	1.79	1.40	1.40	11.3	12.2	15.9	14.6	0.0	0.0	2.02	-11.4	1.30	37.7	5.3

**SNAPSHOT OF STOCKS UNDER COVERAGE**

Company	Share Price (RM)	Target Price (RM)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
				FY17	FY18	FY17	FY18	FY17	FY18	High Price	% Chg	Low Price	% Chg	
<b>PLANTATIONS</b>														
FGV	1.99	1.53	1.81	6.3	11.1	31.4	17.9	2.5	2.5	2.52	-21.0	1.31	51.9	28.4
UMPLNT	3.15	3.88	0.46	13.7	15.7	23.0	20.0	2.2	2.5	3.70	-14.9	3.00	5.0	-7.4
IOICORP	4.60	4.15	1.08	18.7	21.1	24.5	21.8	2.2	2.6	4.81	-4.4	4.10	12.2	4.5
KLK	24.90	22.75	0.93	111.8	119.1	22.3	20.9	2.2	2.4	25.50	-2.4	22.72	9.6	3.8
SIME	9.32	8.24	1.25	30.8	35.3	30.3	26.4	2.4	3.0	9.55	-2.4	7.30	27.7	15.1
UMCCA	6.13	7.52	0.50	32.7	34.5	18.7	17.8	2.6	2.8	6.51	-5.8	5.53	10.8	2.2
<b>PROPERTY</b>														
GLOMAC	0.69	0.69	0.66	3.4	7.0	20.0	9.8	5.8	5.8	0.83	-16.4	0.68	1.5	-0.7
HUAYANG	1.07	1.07	0.66	17.2	17.4	6.2	6.1	3.7	3.3	1.43	-25.3	1.05	1.9	-5.3
IBRACO	0.86	1.00	0.30	7.3	11.2	11.8	7.7	4.1	4.7	1.05	-18.1	0.84	2.4	-14.0
IOIPG	2.11	2.26	0.93	14.7	15.3	14.3	13.8	3.3	3.6	2.46	-14.2	1.85	14.2	8.2
MAHSING	1.53	1.67	0.70	14.5	13.9	10.5	11.0	3.9	3.9	1.70	-10.0	1.34	14.2	7.0
SNTORIA	0.83	0.80	0.31	6.4	9.7	13.0	8.5	1.2	1.2	1.00	-17.5	0.69	19.6	3.1
SPSETIA	3.63	4.10	0.67	25.6	22.8	14.2	15.9	3.9	3.9	3.77	-3.7	2.80	29.6	16.0
SUNWAY	3.50	3.40	0.49	27.2	29.1	12.9	12.0	3.4	3.4	3.66	-4.4	2.84	23.2	16.7
<b>REIT</b>														
SUNREIT	1.72	1.86	0.54	8.9	10.1	19.4	17.0	5.2	5.9	1.84	-6.5	1.60	7.5	0.0
CMMT	1.50	1.72	0.59	8.1	8.6	18.6	17.4	5.6	6.0	1.72	-12.8	1.44	4.2	-2.0
<b>POWER &amp; UTILITIES</b>														
MALAKOF	1.19	1.45	0.70	6.6	6.1	18.1	19.4	5.9	5.9	1.80	-33.9	1.14	4.4	-13.1
PETDAG	24.40	20.19	0.75	98.4	102.3	24.8	23.9	3.0	3.1	25.70	-5.1	22.78	7.1	2.5
PETGAS	19.04	19.60	0.77	88.2	101.3	21.6	18.8	3.3	3.7	22.66	-16.0	18.10	5.2	-10.6
TENAGA	13.94	17.37	1.01	131.9	130.8	10.6	10.7	3.2	3.3	14.90	-6.4	13.00	7.2	0.3
YTLPWR	1.52	1.81	0.60	8.8	10.6	17.4	14.4	6.6	6.6	1.64	-7.3	1.38	10.1	2.0
<b>TELECOMMUNICATIONS</b>														
AXIATA	5.40	5.25	1.26	16.7	17.6	32.3	30.7	1.6	1.7	5.99	-9.8	4.11	31.4	14.4
DIGI	5.02	4.95	0.95	20.8	21.1	24.1	23.8	4.2	4.2	5.19	-3.3	4.40	14.1	3.9
MAXIS	6.52	5.95	0.71	25.1	25.4	26.0	25.6	3.1	3.1	6.60	-1.2	5.36	21.6	9.0
TM	6.45	6.95	0.68	21.4	22.3	30.1	28.9	3.0	3.1	6.90	-6.5	5.81	11.0	8.4
<b>TECHNOLOGY</b>														
<i>Semiconductor &amp; Electronics</i>														
IRIS	0.20	0.14	1.43	-1.2	0.9	na	22.1	0.0	0.0	0.24	-16.7	0.10	100.0	81.8
INARI	2.17	2.40	0.80	10.3	12.6	21.1	17.2	3.7	2.3	2.23	-2.7	1.28	69.2	30.7
MPI	12.90	13.15	0.54	94.2	115.7	13.7	11.2	2.1	2.1	13.28	-2.9	7.02	83.8	74.1
UNISEM	3.40	3.55	0.83	26.9	29.1	12.6	11.7	3.5	3.5	3.70	-8.1	2.20	54.5	44.1
<b>TRANSPORTATION</b>														
<i>Airlines</i>														
AIRASIA	3.47	3.02	1.13	33.5	34.9	10.3	10.0	1.2	1.4	3.59	-3.3	2.12	63.7	51.5
AIRPORT	8.17	8.10	1.47	17.2	17.5	47.4	46.7	1.2	1.2	8.34	-2.0	5.76	41.8	34.8
<i>Freight &amp; Tankers</i>														
TNLOGIS	1.69	1.88	0.81	15.4	21.5	10.9	7.9	3.3	4.1	1.87	-9.6	1.23	37.4	6.3
WPRTS	3.90	4.51	0.68	19.3	17.4	20.2	22.4	3.7	3.3	4.59	-15.0	3.74	4.3	-9.3

**SNAPSHOT OF FOREIGN STOCKS UNDER COVERAGE**

Company	Share Price (\$)	Target Price (\$)	Beta	EPS (cent)		PER (X)		Div Yield (%)		52week		52week		% Chg YTD
				FY17	FY18	FY17	FY18	FY17	FY18	High Price	% Chg	Low Price	% Chg	
<b>BANKS &amp; FINANCIAL SERVICES</b>														
DBS	20.80	23.30	1.23	173.8	190.2	12.0	10.9	2.9	2.9	21.0	-1.0	14.72	41.3	20.0
OCBC	10.42	12.00	1.13	87.8	92.5	11.9	11.3	5.7	6.7	10.7	-2.2	8.84	26.8	16.8
UOB	23.14	25.40	1.09	195.7	209.4	11.8	11.0	3.0	3.0	24.0	-3.7	17.41	32.9	13.4
<b>PLANTATIONS</b>														
WILMAR	3.75	3.72	0.91	28.9	31.1	13.0	12.0	2.1	2.4	4.0	-6.3	2.96	26.7	4.5
IFAR	0.50	0.53	1.12	3.9	4.3	12.6	11.6	1.9	2.1	0.6	-16.8	0.44	12.5	-5.7

**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 7% is defined as the yield for one-year Malaysian government treasury plus assumed equity risk premi