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Daily Brief

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

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Market View *Lower on Weak Risk Appetite*

Blue chips closed lower Wednesday after rising for six consecutive trading sessions, as profit-taking and regional weakness sparked by mounting geopolitical tensions over North Korea dampened sentiment. The KLCI shed 3.71 points to end at 1,777.94, after swinging within a tight range bordering early high of 1,779.77 and low of 1,775.99, as losers beat gainers 452 to 317 on slower trade totaling 1.42bn shares worth RM1.73bn.

Support at 1,763, Resistance at 1,782
The local market will likely move into profit-taking consolidation mode, given the intensifying geopolitical tensions on North Korea and weaker investor risk appetite. Immediate support for the index stays at the 100-day moving average at 1,763, with next major support at 1,729, matching a key support in April. Resistance will be at 1,782, the recent high matching the 76.4%FR of the April 2015 high of 1,867 to the Aug 2015 low of 1,503, followed by the 16 June peak of 1,796.

SELL AMMB & RHBBANK
Further selloff on AMMB shares below the 200-day ma (RM4.72) could extend correction towards the 38.2%FR (RM4.58) or 23.6%FR (RM4.32) prior to an oversold rebound, while immediate overhead resistance is from the 61.8%FR (RM5.01). Likewise, a selloff on RHBBank shares below the 61.8%FR (RM4.92) could aggravate losses towards the 50%FR (RM4.72), with stronger support from the 38.2%FR (RM4.52), while overhead resistance is from the 76.4%FR (RM5.18).

Geopolitical Tensions Weigh Down Asian Markets
Asian stock markets traded mostly lower on Wednesday as tensions on the Korean peninsula escalated, with Pyongyang saying it is considering plans to attack Guam. The Nikkei shares average fell 257.30 points or 1.29 percent to 19,738.71. Korean Kospi ended lower by 1.10 percent to 2,368.39, dragged by Samsung Electronics. Meanwhile, investors digested the release of China inflation data for July. China consumer price index rose 1.4 percent on year, just shy of the 1.5 percent figure forecast in a Reuters poll. The producer price index rose 5.5 percent, compared with the previous year, in line with analyst expectations. Financials pull down China stocks but consumer staples left major indexes only slightly lower. The blue-chip CSI300 index fell 0.03 percent to 3,731.04 points, while the Shanghai Composite Index lost 0.19 percent to 3,275.57 points. In down under, the benchmark ASX200 ended higher by 0.38 percent to close at 5,765.70, driven by gains in its heavily-weighted financials sub-index. The Singapore market was closed for the National Day public holiday.

Wall Street Lower amid North Korea Worries
U.S stock markets traded slightly lower on Wednesday as tensions between North Korea and the U.S heated up. Selloff was relatively mild, with the market paring declines toward the close. The consumer discretionary index was one of the biggest losers with a 0.47 percent drop. Walt Disney contributed the most losses, tumbling 3.9 percent after the media giant reported a worse-than-expected drop in operating income from its cable networks business

and announced plans to end its distribution deal with Netflix. Meanwhile, U.S defense stocks rallied. Shares of Raytheon, which manufactures Tomahawk cruise missiles added 2.6 percent, while defense contractor Lockheed Martin rose 1.7 percent. In economic news, productivity in the second quarter rose 0.9 percent, more than the expected gain of 0.7 percent. Mortgage applications rose by 3 percent last week, boosted by a drop in rates. The Dow Jones Industrial Average fell 36.64 points, or 0.17 percent, to 22,048.70, the S&P 500 lost 0.90 points to 2,474.02 and the Nasdaq Composite fell 18.13 points or 0.28 percent at 6,352.33.

News In Brief

Corporate

Reach Energy Bhd decided to abort the RM180mn private placement which was proposed in May 2016 due to prevailing market conditions. The group states that it is challenging to execute the placement at an issue price that is in the best interest of the company and its shareholders and the company will continue to explore other avenues of fundraising and make the necessary announcements in due course. *(Bursa Malaysia)*

Telekom Malaysia Bhd will be offering its customers access to popular internet television network Netflix by October 2017, as the group expands its content proposition. For those who subscribe for the service will become Netflix members and shall be able to enjoy unlimited viewing of content of a huge library of licensed shows, TV series, films, and documentaries. *(The Edge)*

Scientex Bhd has entered into a Sale and Purchase Agreement with Medius Developments Sdn Bhd for the proposed acquisition of 26.44 hectares of freehold land in Rawang, Selangor for a total cash consideration of RM85.38mn. The land is proposed to be developed into a mixed property development. The proposed acquisition will be funded by internally generated funds and/or bank borrowings and shall be completed in 1H2018. *(Bursa Malaysia)*

TA Global Bhd has entered into a Put and Call Option Deed with Karimbla Properties Pty Limited for the proposed disposal of the property located at 1406-1408 Anzac Parade, Little Bay, New South Wales, Australia for a cash consideration of RM832.19mn (AUD245mn). The proceed from the disposal will be used for on-going property development projects, acquisition of properties and businesses, repayment of bank borrowings, and expenses in relation to this proposed disposal. The proposal is expected to be completed by 4Q2017. *(Bursa Malaysia)*

Minetech Resources Bhd has entered into into a Sub-Contract Agreement with MMC-Gamuda KVMRT to perform construction and completion of excavation works, rock strengthening, steel strutting, and other associated works for MRT Line 2 project. The value of the sub-contract works is RM35.19mn and shall commence on 15 August 2017. *(Bursa Malaysia)*

ManagePay Systems Bhd (MPSB) has entered into a joint venture agreement with Contracts Rise Sdn Bhd (CRSB) to procure Mobile Virtual Network Operator (MVNO) licence from Malaysian Communication and Multimedia Commission and to launch and promote self-branded MVNO Starter Pack in Malaysia. CRSB is responsible to secure a project up to 200k users while MPSB will empower each user with e-money capabilities via MPay E-Wallet, including but not limited to issuing a MasterCard Virtual Card Number. Under the agreement, MPSB will hold 60% of stake in the joint venture company while CRSB holds the remaining 40%. The proposed joint venture is expected to be completed within the first 5 years from the date of agreement. *(Bursa Malaysia/The Edge)*

Sasbadi Holdings Bhd has entered into a Memorandum of Understanding (MoU) with Animasia Studio Sdn. Bhd, the creator of the award winning animated TV show, Chuck Chicken, to adapt the popular animation into a series of books that it intends to sell worldwide. Under the MoU, the group will produce, publish, distribute, market, and sell the printed materials spun off from the animation. *(Bursa Malaysia/The Edge)*

Straits Inter Logistics Bhd is targeting to start its oil bunkering services by 4Q2017 following the acquisition of its first two vessels for RM6mn. The group will mainly focus on the oil bunkering operations in Pasir Gudang Port, Johor at the inception and subsequently, it will be expanded to Kemaman, Kuantan, and Labuan Port. *(The Edge)*

MISC Bhd's net profit for 2QFY17 slipped 58.67% YoY to RM556.50mn due to lower revenue contribution from petroleum shipping, oil and gas structure construction, and asset impairment. Revenue for the quarter dropped slightly of 3.76% YoY to RM2.3bn as the petroleum and heavy engineering segments posted weaker revenue in the current quarter. The group declared a tax-exempt dividend of 7.0sen per share. *(Bursa Malaysia/The Star)*

Boustead Heavy Industries Corp Bhd reported a 5.24% decline YoY in its net profit to RM23.94mn for 2QFY17 while the revenue plunged 37.24% to RM43.77mn. This was partly mitigated by higher share of results from the group's joint ventures and associates. For 1HFY17, the net profit grew 4 times to RM26.65mn from RM6.22mn in 1HFY16 even though the revenue dropped 9% to RM120.61mn. The group stated that the joint venture companies posted higher profit was mainly due to favourable exchange translations from trade payables and lower effective tax rate due to tax allowances and exemption as well as higher profit contribution from defence-related ship repair segment. *(Bursa Malaysia/The Edge)*

Cepatwawasan Group Bhd's net profit and revenue in 2QFY17 grew 91.04% and 37.20% YoY to RM9.68mn and RM70.35mn respectively due to increase in sales volume and average selling price for crude palm oil, palm kernel, and fresh fruit bunches together with better milling margin and higher contribution from power plant business. *(Bursa Malaysia/The Edge)*

Daibochi Plastic and Packaging Industry Bhd's net profit for 2QFY17 declined 16.97% YoY to RM5.05mn due to lower revenue contribution and increasing of raw material costs. Revenue for the quarter dropped 10.51% YoY to RM86.84mn because of reduction in exports due to temporary disruptions of a key customer's manufacturing line in Philippines. The group declared a second interim single tier dividend of 1.00sen per share. *(Bursa Malaysia)*

DKSH Holdings Bhd's posted a 19.89% YoY declined of net profit to RM16.36mn for 2QFY17 even though the revenue grew by 2.86% to RM1.39bn due to higher cost of goods sold and operating cost. *(Bursa Malaysia)*

KKB Engineering Bhd posted a net loss of RM7.20mn in 2QFY17 compared to a net profit of RM374k in 2QFY16 due to highly competitive environment, increasing of cost due to the weakening of exchange rates, volatility of global raw material prices, and direct overhead cost in the steel fabrication division, which collectively led to the reduction in profit margins. Meanwhile, quarterly revenue surged 72.46% YoY to RM46.87mn was mainly attributed to higher revenue recognition from the civil construction division. *(Bursa Malaysia)*

Heng Huat Resources Group Bhd's net profit in 2QFY17 surged 28.59% YoY to RM1.03mn due to increase in gross profit in line with the enhanced sales performance as the quarterly revenue rose 52.41% YoY to 28.65mn which was driven by higher sales volume and average selling price of oil palm fibre together with additional revenue contribution from sales of bio-oil. *(Bursa Malaysia)*

News In Brief

Economy

Asia

Fuel Prices Up Again Across the Board

Pump prices for both grades of petrol as well as diesel increased with an increase of five sen and seven sen for RON95 and RON 97, respectively. According to Putrajaya's weekly price announcement, RON95 rose by five sen to RM2.12 per litre while RON97 will climbed by seven sen to RM2.39 per litre. Diesel price up by one sen to RM2.06 per litre. This is the second straight week of increase after RON95 and RON97 went up by four sen and diesel by six sen in the previous week. The prices were announced by the Domestic Trade, Cooperatives and Consumerism Ministry as part of the weekly price-setting structure that it said would be maintained for the time being. Putrajaya began the weekly announcements for the ceiling prices of fuel on March 29, after it discarded the monthly managed float system. (Domestic Trade, Cooperatives and Consumerism Ministry)

China Factory Inflation Holds Up on Steady Demand, Capacity Cuts

China's producer price gains held steady on surging commodity prices, as demand stayed resilient and the government's drive to reduce industrial capacity takes hold. The producer price index rose 5.5% in July from a year earlier, compared with an estimated 5.6% in a Bloomberg survey and the 5.5% reading in June. The consumer price index increased 1.4%, versus a forecast of 1.5% and way below the government ceiling of 3%, the statistics bureau said. Soaring prices of commodities such as coal, steel and cement extended a sweet spot for industrial firms, which have enjoyed solid profits and, through China's massive supply chains, have underpinned global reflation since last year. The government's drive to reduce industrial capacity capped supply of raw materials while demand from property and infrastructure projects has held up so far. (Bloomberg)

Indian Cities to See Fastest Growth in Asia Over Five Years

Delhi will have the fastest growth of any city in Asia, with the economy to be almost 50% larger in 2021, than it was at the end of last year. Indian cities are set to expand the most across the region, with growth speeding up from the past 5 years, according to a new study from Oxford Economics, which ranked Asia's 30 largest cities. With financial and business services projected to be the fastest growing sector in India, Delhi's dominance in this industry will lead to higher growth and higher incomes. Mark Britton, lead economist wrote on a report stating that limits on foreign ownership of Indian companies are gradually being reduced or eliminated. In the short term this is conducive to strong growth in Delhi's professional services sector, as overseas investors seek advice on possible deals, while long term it should mean steady income streams for such businesses. Consumer companies such as Japan's Muji are also betting on that change. (The Edge Markets)

RBA's Kent Says Strength in Australian Dollar Suggests Weakness in The US

The recent appreciation of the Australian dollar reflects the broad-based weakness in the U.S. dollar rather than any domestic factor in the economy, Reserve Bank of Australia Assistant Governor Christopher Kent said. Kent said the bond markets helped the mining companies to finance their activity during the boom. But the larger-than-expected declines in commodity prices had marked effect on bond market pricing. Consequently, mining companies reined in their costs significantly, the banker noted. Cutbacks across the resources sector, in addition to the planned reductions in mining investment, had a very noticeable effect on aggregate demand in Western Australia and Queensland over recent years, Kent said. He observed that the associated reductions in spending allowed the mining companies to reduce the extent of their debt, and repayment of bonds has played an important role in that process. (RTT News)

Australia Home Loans Gain 0.5% in June

The total number of home loans issued in Australia was up a seasonally adjusted 0.5% in June, the Australian Bureau of Statistics said - coming in at 54,404. That missed forecasts for a gain of 1.5% following the 1.0% gain in May. The value of loans added 0.3% to A$20.738bn, slowing from 2.9% in the previous month. Investment lending climbed 1.6%

to A$12.523bn after slipping 1.4% a month earlier.

<u>Other news in Australia:</u>

- The Australia economy lost steam in August, the latest survey from Westpac Bank showed as its leading index sank 1.2% on month. That follows the 0.4% increase in July. The August reading came in at 95.5, down from 96.6 in the previous month.

- The Westpac Melbourne Institute Index of Consumer Sentiment dropped to 95.5 in August from 96.6 in July. The index components signaled clear pressure on family finances. The index tracking 'finances vs. a year ago' fell to 78.1, the lowest level since June 2014.Nonetheless, consumer expectations were more upbeat. The sub-index tracking expectations for 'finances over the next 12 months' firmed 2.1% to 100.4 in August. (RTT News)

Japan M2 Money Stock Rises to 4.0% in July

The M2 money stock in Japan was up 4.0% on year in July, the Bank of Japan said - coming in at 978.5 trillion yen. That exceeded expectation for 3.9%, which would have been unchanged from the June reading. The M3 money stock was up an annual 3.4% to Y1,305.1tn. That also topped forecasts for 3.3%, which would again have been unchanged. The L money stock was up 3.4% to Y1,704.7tn, following the 3.1% gain in the previous month. (RTT News)

United States

U.S. Productivity Rose at 0.9% Rate in Second Quarter

U.S. worker productivity picked up in the second quarter but has remained worryingly sluggish throughout the current economic expansion. Nonfarm business-sector productivity, measured as the goods and services produced per hour worked, increased at a 0.9% seasonally adjusted annual rate in the second quarter, up from a 0.1% growth rate for the first three months of 2017, the Labor Department said. Economists surveyed by The Wall Street Journal had expected a 0.6% growth rate for the latest quarter. Output rose at a 3.4% rate from the first quarter, while hours worked were up at a 2.5% pace. Compared with a year earlier, productivity was up 1.2% in the second quarter as output rose faster than hours worked. Productivity data tend to be volatile from quarter to quarter, and the report included revisions going back several years. The productivity trend was slightly stronger than earlier estimated in 2014 and 2015, and slightly weaker than initially thought in 2016. Productivity fell 0.1% last year, the first calendar-year decline since 1982. Annual growth averaged 1.2% from 2007 to 2016, well below the long-term average of 2.1%. Unit labor costs at nonfarm businesses rose at a 0.6% rate in the second quarter; economists had expected a 1.0% growth pace. From a year earlier, unit labour costs fell 0.2%. (The Wall Street Journal)

Share Buy-Back: 09 August 2017

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
DAIBOCI	17,000	2.20/2.19	2.20/2.18	217,800
GLBHD	120,000	0.60/0.595	0.60/0.595	8,388,800
GRANFLO	10,000	0.24	0.24/0.235	6,639,800
HAIO	6,400	4.04/3.97	4.22/3.95	9,269,288
SALCON	60,000	0.45/0.445	0.47/0.445	2,690,062
TNLOGIS	200,000	1.72/1.70	1.72/1.70	11,158,700
TROP	30,000	0.945/0.94	0.95/0.94	3,527,042
UNIMECH	12,000	1.06/1.05	1.06/1.05	5,385,010

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SNAPSHOT OF STOCKS UNDER COVERAGE

Company	Share Price (RM)	Target Price (RM)	BETA	EPS (sen) FY17	EPS (sen) FY18	PER (X) FY17	PER (X) FY18	Div Yield (%) FY17	Div Yield (%) FY18	52weeks High Price	52weeks % Chg	52weeks Low Price	52weeks % Chg	% Chg YTD
	09-Aug-17													
AUTOMOBILE														
BAUTO	1.96	2.37	0.86	10.3	15.8	19.0	12.4	5.9	8.1	2.44	-19.7	1.88	4.3	-8.0
MBMR	2.20	2.28	0.56	24.1	25.3	9.1	8.7	4.1	4.1	2.70	-18.5	2.08	5.8	2.8
UMW	5.69	5.04	1.32	19.7	30.6	28.8	18.6	2.3	3.5	6.47	-12.0	4.09	39.0	34.7
BANKS & FINANCIAL SERVICES														
AFG	3.87	4.80	1.25	33.6	30.5	11.5	12.7	4.1	4.1	4.49	-13.8	3.60	7.5	4.0
AFFIN	2.55	3.70	0.87	29.4	33.6	8.7	7.6	3.1	3.1	3.00	-15.0	2.08	22.6	6.7
AMBANK	4.72	5.70	1.34	43.9	48.4	10.7	9.7	3.7	3.8	5.70	-17.2	3.90	21.0	9.5
CIMB	6.76	8.00	1.45	49.6	55.2	13.6	12.2	3.0	3.3	6.87	-1.6	4.45	51.9	49.9
HLBANK	15.62	17.50	0.62	105.2	115.5	14.8	13.5	2.6	2.6	16.30	-4.2	12.70	23.0	15.7
MAYBANK	9.82	11.00	0.90	71.4	80.7	13.8	12.2	5.1	5.1	9.84	-0.2	7.50	30.9	19.8
PBBANK	20.62	23.60	0.78	137.2	142.4	15.0	14.5	2.7	2.8	20.76	-0.7	19.38	6.4	4.6
RHBBANK	4.88	5.80	1.32	50.7	54.5	9.6	9.0	2.5	2.5	5.59	-12.7	4.53	7.7	3.6
BURSA	10.20	11.10	0.72	40.2	39.0	25.4	26.2	3.3	3.3	10.98	-7.1	8.08	26.2	17.0
CONSTRUCTION														
BPURI	0.34	0.45	0.61	5.5	5.5	6.2	6.2	0.0	0.0	0.51	-33.3	0.34	0.0	-21.8
GADANG	1.26	1.75	0.46	15.3	14.3	8.3	8.8	2.4	2.4	1.37	-8.0	0.89	42.4	20.0
GAMUDA	5.42	6.00	1.03	27.9	34.6	19.5	15.7	2.2	2.2	5.52	-1.8	4.65	16.6	13.4
IJM	3.44	3.50	1.07	15.3	20.2	22.5	17.0	2.2	2.8	3.61	-4.7	3.07	12.1	7.5
PESONA	0.61	0.78	0.84	4.9	5.7	12.3	10.7	4.1	4.1	0.74	-17.0	0.38	60.5	0.8
SENDAI	1.12	0.58	1.10	8.3	9.6	13.5	11.6	0.9	0.9	1.39	-19.4	0.41	176.5	94.8
SUNCON	2.19	2.26	na	12.7	12.5	17.3	17.5	2.5	2.5	2.23	-1.8	1.56	40.4	28.8
WCT	1.88	1.49	0.96	11.5	11.6	16.3	16.2	1.6	1.6	2.48	-24.0	1.53	22.8	9.3
LITRAK	5.95	6.26	0.16	42.0	45.7	14.2	13.0	4.2	4.2	6.15	-3.3	5.57	6.8	1.2
Building Materials														
CHINHIN	1.32	1.58	na	8.6	11.8	15.3	11.2	3.0	4.5	1.49	-11.4	0.85	56.2	51.7
WTHORSE	1.97	2.00	0.43	11.0	11.5	17.9	17.1	5.1	5.1	2.19	-10.0	1.93	2.1	-2.0
CONSUMER														
Brewery														
CARLSBG	14.74	17.84	0.47	74.8	81.3	19.7	18.1	5.1	5.5	15.30	-3.7	13.72	7.4	5.9
HEIM	18.10	19.14	0.46	79.6	84.0	22.7	21.6	4.0	4.2	19.10	-5.2	15.56	16.3	10.5
Retail														
AEON	2.02	2.23	0.53	6.7	7.9	30.1	25.6	2.0	2.4	3.00	-32.7	2.02	0.0	-21.4
AMWAY	7.10	8.62	0.31	26.4	40.6	26.9	17.5	1.4	2.1	8.85	-19.8	7.10	0.0	-3.1
F&N	24.78	27.41	0.25	121.1	151.0	20.5	16.4	2.8	3.0	26.00	-4.7	22.44	10.4	5.5
HUPSENG	1.21	1.50	0.37	6.5	6.6	18.6	18.4	5.0	5.0	1.30	-6.8	1.13	7.0	5.1
NESTLE	84.02	88.66	0.37	290.1	327.7	29.0	25.6	3.3	3.3	85.20	-1.4	74.12	13.4	7.4
PADINI	3.90	4.10	0.50	22.3	24.7	17.5	15.8	3.8	4.4	4.03	-3.2	2.26	72.5	53.6
POHUAT	1.99	2.46	0.57	27.4	27.0	7.3	7.4	3.0	4.0	2.06	-3.4	1.50	32.7	15.0
QL	4.93	4.32	0.26	15.7	16.7	31.4	29.6	0.9	0.9	5.00	-1.4	4.14	19.0	13.8
SIGN	0.88	1.23	0.20	8.1	11.6	10.9	7.6	2.8	4.0	1.07	-17.8	0.78	12.8	10.7
Tobacco														
BAT	43.00	52.08	0.97	198.6	187.4	21.7	22.9	4.7	4.7	51.50	-16.5	40.61	5.9	-2.7
GAMING														
Casino														
GENTING	9.77	11.51	1.40	49.3	54.7	19.8	17.8	0.5	0.6	10.00	-2.3	7.50	30.3	23.0
GENM	5.92	6.54	1.32	25.7	27.7	23.0	21.3	1.4	1.5	6.38	-7.2	4.22	40.2	31.0
NFO														
BJTOTO	2.30	3.34	0.76	19.3	23.2	11.9	9.9	6.1	7.0	3.42	-32.7	2.28	0.9	-22.3
LUSTER	0.12	0.13	1.17	0.4	0.4	31.7	31.9	0.0	0.0	0.16	-28.1	0.05	130.0	130.0
HEALTHCARE														
Hospitals														
IHH	6.00	6.39	0.74	9.5	14.9	62.9	40.2	0.6	0.6	6.73	-10.8	5.54	8.3	-5.5
KPJ	4.16	4.70	0.49	13.3	16.4	31.3	25.3	1.5	1.8	4.37	-4.8	3.85	8.1	-0.5
Rubber Gloves														
HARTA	6.93	6.87	0.50	19.5	24.6	35.6	28.1	1.2	1.6	7.40	-6.4	4.21	64.6	43.5
KOSSAN	7.18	7.60	0.02	35.8	40.0	20.0	18.0	2.5	2.8	7.36	-2.4	5.62	27.8	9.0
SUPERMX	1.87	1.80	0.10	12.4	15.1	15.1	12.4	2.0	2.4	2.38	-21.4	1.86	0.5	-11.4
TOPGLOV	5.72	6.05	-0.38	26.4	29.8	21.6	19.2	2.3	2.6	5.94	-3.7	4.20	36.2	6.9
KAREX	1.44	2.20	0.15	3.7	5.5	38.6	26.2	0.6	1.0	2.64	-45.5	1.39	3.6	-39.0
INDUSTRIAL														
SCIENTX	8.56	9.28	0.41	55.1	66.6	15.5	12.8	2.1	2.3	8.99	-4.8	6.01	42.4	27.8
SKPRES	1.40	1.75	0.37	8.6	10.6	16.3	13.2	3.0	3.7	1.45	-3.4	1.15	21.7	8.5
MEDIA														
ASTRO	2.66	3.50	1.13	13.2	14.5	20.1	18.4	4.7	4.9	3.01	-11.6	2.47	7.7	2.3
MEDIA PRIMA	0.81	0.60	0.60	1.7	2.8	47.2	28.5	1.7	2.8	1.47	-45.2	0.80	1.3	-30.0
STAR	2.25	1.40	0.63	7.1	6.5	31.7	34.7	8.0	8.0	2.65	-15.1	2.19	2.7	0.4
OIL & GAS														
DNEX	0.50	0.76	0.89	3.7	4.6	13.5	10.8	2.0	2.0	0.69	-28.3	0.21	141.5	94.1
LCTITAN	4.43	6.88	na	43.1	64.9	10.3	6.8	3.8	7.0	6.53	-32.2	4.14	7.0	-31.8
MHB	0.69	0.78	1.97	-2.0	-0.5	na	na	0.0	0.0	1.16	-40.5	0.68	1.5	-24.6
MISC	7.33	6.56	0.87	56.3	46.9	13.0	15.6	4.1	4.1	7.90	-7.2	7.03	4.3	-0.3
PANTECH	0.64	0.69	1.20	4.0	6.1	16.1	10.4	2.8	4.3	0.68	-5.9	0.44	47.1	43.8
PCHEM	7.01	7.74	1.07	39.2	40.5	17.9	17.3	3.0	3.1	7.80	-10.1	6.48	8.2	0.4
SENERGY	1.49	1.71	2.50	6.6	4.0	22.5	37.6	0.7	0.7	2.10	-29.0	1.33	12.0	-8.0
SERBADK	1.93	2.77	na	22.1	25.2	8.7	7.7	3.4	3.9	2.30	-16.1	1.51	27.8	28.7
UMWOG	0.29	0.80	2.00	-12.0	-3.5	na	na	0.0	0.0	1.04	-72.1	0.28	3.6	-66.9
Note: UMWOG proposed rights issue of shares. Ex-Target price RM0.43. For more details please refer to 08.05.17 report.														
UZMA	1.48	1.55	1.52	10.9	11.5	13.6	12.9	0.0	0.0	1.98	-25.3	1.30	13.8	-12.9

For Internal Circulation Only

SNAPSHOT OF STOCKS UNDER COVERAGE

Company	Share Price	Target Price	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg
	(RM)	(RM)		FY17	FY18	FY17	FY18	FY17	FY18	High Price	% Chg	Low Price	% Chg	YTD
PLANTATIONS														
FGV	1.56	1.55	1.89	4.2	8.5	37.0	18.3	3.2	3.2	2.52	-38.1	1.42	9.9	0.6
IJMPLNT	3.12	3.88	0.43	12.3	15.7	25.4	19.8	2.2	2.6	3.70	-15.7	2.95	5.8	-8.2
IOICORP	4.48	4.15	1.15	18.8	21.1	23.9	21.2	2.2	2.7	4.81	-6.9	4.30	4.2	1.8
KLK	24.82	26.19	0.85	111.7	119.1	22.2	20.8	2.2	2.4	25.50	-2.7	23.00	7.9	3.4
SIME	9.41	10.02	1.26	34.0	37.5	27.7	25.1	2.7	3.3	9.70	-3.0	7.56	24.5	16.2
UMCCA	6.36	7.52	0.34	37.5	34.5	16.9	18.5	3.6	2.7	6.55	-2.9	5.50	15.6	6.5
PROPERTY														
GLOMAC	0.68	0.70	0.39	1.6	6.3	42.7	10.8	4.0	4.0	0.83	-17.6	0.61	11.5	-2.2
HUAYANG	0.81	0.96	0.55	17.3	10.2	4.7	7.9	4.9	2.5	1.43	-43.5	0.81	0.0	-28.3
IBRACO	0.88	1.00	0.47	5.2	11.1	16.7	7.9	4.0	4.6	1.05	-16.7	0.76	15.9	-12.5
IOIPG	2.11	2.25	0.89	17.4	17.4	12.1	12.1	3.3	3.6	2.46	-14.2	1.85	14.2	8.2
MAHSING	1.57	1.76	0.76	14.3	13.5	11.0	11.6	4.1	4.1	1.70	-7.6	1.34	17.2	9.8
SNTORIA	0.82	0.98	0.20	6.2	10.3	13.2	7.9	1.2	1.2	1.00	-18.5	0.69	18.1	1.9
SPB	4.85	5.98	0.56	25.6	22.8	12.7	14.3	2.5	2.5	5.19	-6.6	4.32	12.2	9.7
SPSETIA	3.26	4.10	0.69	11.6	12.5	36.5	34.0	4.3	4.3	4.50	-27.6	3.06	6.5	4.2
SUNWAY	4.23	4.16	0.45	15.5	15.6	17.4	17.2	1.2	1.2	4.40	-3.9	2.84	48.9	41.0
Note: SUNWAY proposed bonus issue of shares and warrants. Ex-Target price RM1.69. For more details please refer to 15.06.17 report.														
REIT														
SUNREIT	1.72	1.88	0.48	8.9	10.2	19.4	16.9	5.2	5.9	1.84	-6.5	1.63	5.5	0.0
CMMT	1.48	1.72	0.53	8.1	8.6	18.3	17.2	5.7	6.0	1.72	-14.0	1.45	2.1	-3.3
POWER & UTILITIES														
MALAKOF	1.05	1.13	0.70	7.1	6.4	14.8	16.4	6.7	6.7	1.80	-41.7	1.01	4.0	-23.4
PETDAG	23.80	21.47	0.73	98.5	102.4	24.2	23.3	3.1	3.2	25.70	-7.4	22.96	3.7	0.0
PETGAS	18.78	19.60	0.79	88.2	101.3	21.3	18.5	3.3	3.8	22.50	-16.5	18.10	3.8	-11.8
TENAGA	14.22	17.38	0.92	131.9	130.6	10.8	10.9	3.1	3.2	14.90	-4.6	13.00	9.4	2.3
YTLPOWR	1.41	1.45	0.50	8.2	10.6	17.1	13.3	5.0	3.5	1.64	-14.0	1.38	2.2	-5.4
TELECOMMUNICATIONS														
AXIATA	4.87	5.20	1.39	14.5	15.9	33.5	30.5	1.5	1.6	5.99	-18.7	4.11	18.5	3.2
DIGI	4.80	4.90	0.98	20.0	20.4	24.0	23.5	4.2	4.2	5.19	-7.5	4.63	3.7	-0.6
MAXIS	5.78	5.85	0.75	24.5	24.7	23.6	23.4	3.5	3.5	6.60	-12.4	5.48	5.5	-3.3
TM	6.40	7.50	0.65	21.4	22.3	29.8	28.7	3.0	3.1	6.90	-7.2	5.81	10.2	7.6
TECHNOLOGY														
Semiconductor & Electronics														
IRIS	0.16	0.28	1.20	-2.3	-0.3	na	na	0.0	0.0	0.24	-33.3	0.10	60.0	45.5
INARI	2.48	2.30	0.70	10.2	12.3	24.3	20.2	3.2	2.0	2.58	-3.9	1.50	65.7	49.4
MPI	13.80	15.60	0.13	94.2	112.9	14.7	12.2	2.0	2.0	14.28	-3.4	7.20	91.7	86.2
UNISEM	3.90	4.30	0.47	26.9	32.1	14.5	12.1	3.1	3.1	4.25	-8.2	2.27	71.8	65.3
TRANSPORTATION														
Airlines														
AIRASIA	3.31	3.34	0.95	37.6	37.1	8.8	8.9	1.2	1.5	3.59	-7.8	2.16	53.2	44.5
AIRPORT	8.80	8.10	1.41	17.2	17.5	51.1	50.3	1.1	1.1	9.45	-6.9	5.91	48.9	45.2
Freight & Tankers														
TNLOGIS	1.72	2.05	0.67	12.4	19.7	13.9	8.7	2.5	4.1	1.87	-8.0	1.47	17.0	8.2
WPRTS	3.63	4.05	0.72	17.1	15.1	21.2	24.0	3.5	3.1	4.59	-20.9	3.61	0.6	-15.6

SNAPSHOT OF FOREIGN STOCKS UNDER COVERAGE

Company	Share Price	Target Price	Beta	EPS (cent)		PER (X)		Div Yield (%)		52week		52week		% Chg
	(S$)	(S$)		FY17	FY18	FY17	FY18	FY17	FY18	High Price	% Chg	Low Price	% Chg	YTD
BANKS & FINANCIAL SERVICES														
DBS	21.02	23.30	1.22	172.9	189.2	12.2	11.1	2.9	2.9	22.3	-5.5	14.72	42.8	21.2
OCBC	11.20	12.00	1.16	87.7	92.4	12.8	12.1	5.7	6.7	11.5	-2.5	8.84	34.5	25.6
UOB	24.27	25.40	1.08	192.9	206.5	12.6	11.8	2.9	2.9	24.6	-1.3	17.51	38.6	19.0
PLANTATIONS														
WILMAR	3.42	3.72	0.91	28.9	31.1	11.8	11.0	2.3	2.6	4.0	-14.5	3.03	12.9	-4.7
IFAR	0.48	0.53	1.11	4.9	5.2	9.9	9.2	2.5	2.7	0.6	-19.3	0.44	9.1	-8.6

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. Gross dividend is excluded from total return if dividend discount model valuation is used to avoid double counting.*

Required Rate *of Return of 7% is defined as the yield for one-year Malaysian government treasury plus assumed equity risk premiu*