

Daily Brief

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

Chartist: Stephen Soo

Tel: +603-2167-9607

stsoo@ta.com.my

www.taonline.com.my

Market View *Rotational Play on Small Caps to Highlight Trade*

While blue chips traded sideways, lower liners stayed active on rotational plays Monday, encouraged by the firmer regional tone as the flow of economic news remained generally supportive for global growth. The KLCI inched up by 0.03 points to close at 1,764.03, off a high of 1,765.48 and low of 1,762.26, as gainers led losers 430 to 401 on total turnover of 2.83bn shares worth RM1.71bn.

Resistance at 1,771, Support From 1,750

Rotational trading interest should continue to highlight on small caps and ACE Market stocks while blue chips congest in the near-term. Immediate resistance for the index stays at 1,771, matching the 50 and 100-day moving averages, followed by the 8 Aug peak of 1,782, and then the double-top peak of 13 Sept high of 1,793 and 16 June peak of 1,796. Immediate support comes from the recent low of 1,750, while the crucial 200-day ma uptrend support is at 1,738.

Buy MRCB & UEM Sunrise

MRCB would need to overcome the 23.6%FR (RM1.05) to enhance upside momentum and target the 38.2%FR (RM1.15), with a confirmed breakout to challenge the 50%FR (RM1.23), while crucial support cushioning downside is capped at the lower Bollinger band (83sen). Meanwhile, a DMI buy signal on UEM Sunrise implies good rebound potential, with a confirmed breakout above the 50%FR (RM1.18) to target the 61.8%FR (RM1.22), matching the upper Bollinger band, 76.4%FR (RM1.27) and the peak of 18/05/17 (RM1.36) ahead, while key chart support is from the low of 09/11/16 (RM1.00).

China Lead Asia Higher

Markets in the Asia Pacific region started Monday on an upbeat note, led by buying in China after a weeklong holiday there. However, liquidity was muted as Japan and South Korea are on holiday and a partial holiday in the United States where stocks will be open but bonds will be closed. The positive moves in Asian trading came despite reports in North Korean state media that leader Kim Jong Un had defended his nuclear weapons program in a weekend speech. President Donald Trump also tweeted Saturday that "only one thing will work" to rein in Pyongyang's nuclear ambitions, without elaborating.

China's major stock indexes touched 21-month highs on Monday following a week-long holiday, boosted by a coming cut in banks' reserve requirement ratio and last week's stellar performance in global equity markets. Sectors rallied across the board, with gains led by banking and real estate stocks, as investors responded to the central bank's targeted reserve requirement rate cut, to be effective next year, to boost lending to small firms. The banking index jumped as much as 4.1 percent but ended 1 percent higher. The property index also climbed 1 percent. The blue-chip CSI300 index rose 1.2 percent, to 3,882.21 points, while the Shanghai Composite Index gained 0.8 percent to 3,374.38 points. Australia's ASX 200 also rose 0.50 percent, to 5,739.30, on broad-based gains across most sub-indexes. Major miners gave up early gains to trade lower while gold stocks held onto significant gains.

Wall Street Close Lower Ahead of Earnings Season

Wall Street fell from record levels on Monday as investors assessed the latest political developments before the start of earnings season. Political tensions escalated between the U.S. and Turkey, as the two countries on Sunday stopped issuing nonimmigrant visas to each other's citizens after Turkey last week arrested a Turkish employee at the U.S. Consulate in Istanbul. Meanwhile, JPMorgan Chase and Citigroup will report profits on Thursday, kicking third-quarter corporate reporting season into high gear as investors look for strong growth to justify pricey valuations. The S&P 500 has rallied 14 percent in 2017 and last week hit record highs, buoyed by strong company earnings and enthusiasm that President Donald Trump will cut corporate taxes. Shares of health-care and financial companies were among the day's biggest decliners.

The Dow Jones Industrial Average fell 12.60 points, or 0.6 percent, to close at 22,761.07, the S&P 500 eased 4.60 points, or 0.18 percent, to 2,544.73 and the Nasdaq Composite added 10.44 points, or 0.16 percent, to 6,579.73.

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As of Tuesday, October 10, 2017, the chartist, Stephen Soo, who prepared this report, has interest in the following securities covered in this report:
(a) nil

Kaladher Govindan – Head of Research

TA SECURITIES HOLDINGS BERHAD (14948-M)

A Participating Organisation of Bursa Malaysia Securities Berhad

Menara TA One | 22 Jalan P. Ramlee | 50250 Kuala Lumpur | Malaysia | Tel: 603 – 2072 1277 | Fax: 603 – 2031 6608
www.ta.com.my

News In Brief *Corporate*

Serba Dinamik Holdings Bhd inked a joint venture (JV) agreement with water-related solution supplier, Junaco (T) Ltd for the development of a 45 tonnes/day chlorine skid mounted chlor-alkali plant in Tanzania. The group will hold a 25% stake whilst Junaco will own the remainder. The group will also be appointed as the O&M contractor for 10+5 years after the completion of the plant (*Bursa Malaysia*).

Comment: We are largely positive on the new JV as it marks Serba's maiden expansion into the African continent. Furthermore, the long term O&M contract will boost Serba's large outstanding orderbook. Lastly, the group could potentially secure the EPCC contract for the plant valued at approximately RM295.3mn further increasing the group's top and bottomline. That said, there may be capex concerns as construction works would increase capex by circa RM73.3mn on top of the RM600mn capex for Pengerang eco-Industrial Park and Bintulu MRO/IRM centre. Nevertheless, we still believe Serba is qualified to take up additional borrowings given its relatively low net gearing (2Q17: 0.2x). We maintain our earnings forecast until full details are revealed. Maintain BUY on Serba with unchanged TP of RM2.77 based on 11x CY18 PER.

Felda Global Ventures Holdings Bhd (FGV) group president and chief executive officer Datuk Zakaria Arshad, suspended since June 6 pending a probe into certain deals by a subsidiary, will resume his duties next Monday (Oct 16). FGV's special shareholder, The Minister of Finance (Inc) (MoF Inc), had reviewed the findings of a domestic inquiry, and hence would like Datuk Zakaria to return (*Starbiz*).

Axiata Group Bhd's 82.5%-owned unit in Cambodia, Smart Axiata Co Ltd, has entered into an agreement in relation to a proposed investment which will see Smart provide a loan facility of USD1.5mn to Sabay Digital Plus Co Ltd, which is convertible to ordinary shares in Sabay Digital. The agreement also includes a call option agreement (COA) with Sabay Digital and Sabay Digital Group Pte Ltd (SDG) for the acquisition of additional Sabay Digital shares from SDG such that the additional number of Sabay Digital's shares will result with the aggregate number of Sabay Digital's shares held by Smart being equivalent to 30% of the issued and paid-up capital of Sabay Digital (*The Edge*).

TA Global Bhd has scrapped a plan where it would use bulk of its proceeds from the sale of its development property in New South Wales, Australia to acquire either properties, assets or business. The group had scrapped its plans to use the AUD100mn (RM339.67mn) to acquire properties/assets/business. Instead it plans to use AUD180mn (RM595.62mn) to repay the bank borrowings within six months instead of AUD120mn as planned earlier. TA Global also plans to use AUD46mn (RM152.21mn) as working capital for on-going property development projects instead of AUD20mil earlier (*StarBiz*).

Prestariang Bhd (PSSB) has acquired an eight-storey semi-detached signature corporate offices/retail suites worth RM11.41mn from Joyful Star Sdn Bhd. PSSB had entered into eight separate sale and purchase agreements for the said units located in Cyberjaya. The properties will be a strategic location to house the group's varied operations namely SKIN, Educloud, Software and Services, TalentXChange, and its corporate office (*Bernamea*).

Kronologi Asia Bhd is acquiring Quantum Storage (Hong Kong) Ltd for RM45mn in a bid to expand into the enterprise data management (EDM) market, especially in Hong Kong and Taiwan. The purchase price will be satisfied through the issue of up to 40.8mn new Kronologi shares at 98 sen each and a cash payment of up to RM5mn (*The Edge*).

O&C Resources Bhd (OCR) had launched its Isola @ KLCC project along Jalan Yap Kwan Seng, with units carrying a price tag of RM1,900 psf or RM1.2mn each. The project comprises only 140 units, or one unit per floor across four residential blocks, with built-ups ranging from 636 sq ft to 3,390 sq ft. 40% of the units have been sold, while a further 40% of the units have been booked (*The Edge*).

Hovid Bhd has received a conditional voluntary takeover offer from its controlling shareholder, David Ho Sue San who offered to buy all the remaining shares he does not own at 38 sen per share in a bid to take the company private. The offer price represents a 6 sen or 18.75% premium over its last traded price on Friday before the announcement. The takeover offer, which saw Fajar Astoria Sdn Bhd acting as joint offeror, also includes an offer to purchase the group's outstanding five-year warrants at 20 sen per warrant (*The Edge*).

Sanichi Technology Bhd whose share price has been on the decline since April, is proposing a rights issue with warrants to raise some RM59.26mn on base case scenario. The fresh fund raised is to be used mainly for its property development activities. The proposed exercise involves up to 990.59mn new ordinary shares as well as 495.29mn warrants on the basis of two rights shares together with one free Warrant E for every one existing Sanichi share held by the entitled shareholders on an entitlement date to be determined later (*Bursa Malaysia*).

Mudajaya Group Bhd has secured a Light Rail Transit Line 3 (LRT3)-linked RM1.16bn contract from Prasarana Malaysia Bhd. The contract was for the construction and completion of guideway, stations, park and ride, ancillary buildings and other associated works for Package GS01 of the LRT3 project from Bandar Utama to Johan Setia. The project is expected to be completed by February 2021, with a construction period of 39 months (*Bursa Malaysia*).

LPI Capital Bhd (LPI) pre-tax profit for 3Q17 grew by 18.1% yoy to RM115mn from RM97.4mn previously. Revenue for 3Q17 also rose to RM406.78mn from RM363.52mn in 3Q16. The company attributed the vast improvement in profit during the quarter to the profit growth in the general insurance segment (*Bursa Malaysia*).

Protasco Bhd will own a controlling 51% stake in a "new energy business" company under Protasco's internal restructuring to streamline the group's operations. Protasco said Ikram Greentech will initially buy two shares or 100% in dormant company Ikram Infra Bina Sdn Bhd, which will be known as I2 Energy Sdn Bhd, for RM2 (*The Edge*).

News In Brief *Economy*

Global **OECD Indicators Show U.K., Russia as Weak Spots**

The global economy is set for continued strong growth into 2018, but the U.K. and Russia are likely to miss out, according to leading indicators released by the Organization for Economic Cooperation and Development. The Paris-based research body's gauges of future activity, based on data for August, pointed to faster growth in China, Italy and Brazil, while the strong growth experienced over recent months is set to continue in the U.S., the Eurozone as a whole and Japan. The combined output of the Group of 20 leading economies—the countries that account for most of the world's economic activity—was 3.6% higher in the three months through June than in the same period of 2016. That was the strongest expansion since the first three months of 2015. Among advanced economies, growth was also more evenly balanced, with the U.S. and the Eurozone expanding at roughly the same pace, and while Japan still lagged behind, it moved closer. (Wall Street Journal)

Asia **ICAEW: Domestic Demand in Focus, but Exports Hold the Key**

Domestic demand remains the primary driver of Asia's growth despite sharp acceleration in exports growth at the start of the year, according to the Institute of Chartered Accountants in England and Wales (ICAEW) latest report. The Economic Insight: South-East Asia report said exports continue to be an important factor, as healthy foreign trade underpins domestic consumption and investment, particularly in East Asia. The region enjoyed robust gross domestic product (GDP) growth for the first half of 2017, driven mainly by domestic demand. Pick-up in private domestic demand momentum is stronger in economies where export growth has accelerated notably, such as Singapore and Malaysia. This is primarily thanks to the largely export-oriented manufacturing sector in these economies. Hence, improved external demand facilitates production, leading to higher investment, rising incomes and consumers spending more. These factors can also lead to job creation, improved productivity and overall economic prosperity. (The Star)

Malaysians' Median Monthly Household Income Rises to RM5,228 In 2016

The median monthly household income for Malaysians in 2016 improved 6.6% to RM5,228 from RM4,585 in 2014, said chief statistician of Malaysia Dr Mohd Uzir Mahidin. He said the mean monthly household income for Malaysians increased 6.2% to RM6,958 in 2016 from RM6,141 in 2014. "Although the median and mean household income grew higher in 2016, it however moved at a moderate pace due to the slower economic performance compared to 2014," he said at an event to launch the Household Income and Expenditure Statistics, Malaysia 2016 in Putrajaya on Monday. The mean household income for the middle 40 (M40) group had the highest growth of 6.9% a year to RM6,502 in 2016 from RM5,662 in 2014. Overall, the median household income for all groups of Bottom 40 (B40), M40, and Top 20 (T20) increased in 2016 by 6.6%, 6.9% and 6.2%, respectively, versus 2014. Seven states surpassed the national median monthly household income of RM5,228, namely, the Federal Territory (FT) Kuala Lumpur (RM9,073) FT Putrajaya (RM8,275), Selangor (RM7,225), FT Labuan (RM5,928), Johor (RM5,652), Melaka (RM5,588) and Penang (RM5,409). (The Star)

Housing Loan Approval Rates Remain High, Says ABM

The Association of Banks in Malaysia (ABM) refutes allegations published in a local publication that house buyers are finding it harder to obtain a housing loan and that loan approval time is increasing. Housing loan approval rate remains high at 73% of the applications in the second quarter of 2017. 72% of the housing loan borrowers are first-time house owners under the affordable home category. "For the first 8 months of 2017, commercial banks approved over RM42.2bil and disbursed approximately RM39.5 billion in loans for the purchase of residential properties," it said in a statement issued to the media.

According to ABM, members banks take two to nine working days to process a housing loan application with complete documentation submitted by an applicant, and one or two days to inform unsuccessful applicants. This contradicts the allegation in the publication that it takes 60 to 90 days for loans approval. (The Star)

China Services Sector Growth Falls to 21-Month Low in September: Caixin PMI

Business activity in China's services sector grew at its slowest pace in 21 months in September as the pace of new business cooled, a private survey showed. The survey was in sharp contrast to an official gauge of the non-manufacturing sector that showed the services sector expanded at the fastest clip since 2014 in September, blurring the picture on how a key part of the economy is performing. The Caixin/ Markit services purchasing managers' index (PMI) fell to 50.6 in September, the lowest reading since December 2015 and one of the weakest since the survey began in 2005. Although it remains above the 50 mark that divides expansion from contraction. The drop follows a decline in the September Caixin China General Manufacturing Purchasing Managers' Index (PMI) to 51.0 from 51.6 in August, the lowest reading since June. The Caixin China Composite Output Index, which covers manufacturing and services companies, fell to 51.4 last month from 52.4 in August, also a three-month low. (The Star, Caixin)

Separately, China's daily retail sales during the country's Golden Week holiday that ended on Sunday rose at a double-digit pace, data from the commerce ministry showed, steady from a year earlier. Average daily sales of retailers and catering firms increased 10.3 per cent to 1.5 trillion Yuan (\$308 billion) during the eight-day National Day holiday, the ministry said in a statement posted on its website. Daily revenue grew 10.7% in the previous year. The Golden Week break, which ran from Oct 1st to 8th this year as it coincided with the Mid-Autumn Festival, is a peak season for Chinese people to pack their bags for distant and not-too distant travelling. (Business Times)

Europe and United Kingdom

UK Consumer Spending Spikes Up in September, but Trend Gloomy: Visa

British consumer spending jumped in September, but not by enough to halt a year-on-year decline that reflects rising living costs, a survey by payments company Visa showed on Monday. Consumer spending — adjusted for inflation and seasonal effects — rose by 1.4% in September after falling 0.4% month on month in August, Visa said, based on its credit and debit card data. This was the biggest monthly rise since November, but still left overall spending in real terms 0.3% below its level a year ago. Spending has fallen year-on-year for four of the past five months, the longest series of such declines since April 2013. "Rising living costs, muted wage growth, and ongoing uncertainties surrounding Brexit negotiations and the strength of the UK economy continue to act as drags on household spending," said Annabel Fiddes, an economist at financial data company IHS Markit, which compiled the data for Visa. (The Edge Markets)

Germany's Industrial Output Recovers in August

Germany's industrial production rebounded in August, data from Destatis revealed Monday. Industrial output grew 2.6% month-on-month in August, reversing a revised 0.1% fall in July. Production was forecast to gain 0.8 percent. Excluding energy and construction, industrial production climbed 3.2%. Production of capital goods rose 4.8 percent and that of consumer goods gained 2.1 percent. Production of intermediate goods showed a monthly growth of 1.8%. Energy output advanced 1.7 percent, while output of construction sector declined 1.2%. (RTT News)

Share Buy-Back: 09 October 2017

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
BORNOIL	2,100,000	0.10/0.095	0.10/0.09	16,900,000
DAIBOCI	8,000	2.18	2.18	555,600
EKSONS	5,000	0.88	0.88	3,633,000
FFHB	15,700	0.66/0.64	0.66/0.64	458,300
GRANFLO	65,000	0.25/0.245	0.25/0.245	7,479,000
JCBNEXT	30,000	1.72	1.75/1.72	245,300
KOMARK	40,000	0.25	0.25/0.245	5,099,700
KSL	44,100	1.27	1.28/1.26	11,130,600
PWF	289,000	0.14/0.11	0.14/0.09	6,342,718
TOMYPAK	10,000	0.95	0.95/0.945	90,000
TROP	45,000	0.95/0.945	0.95/0.935	6,137,142
UNIMECH	11,000	1.07/1.05	1.07/1.05	5,782,310

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Kaladher Govindan – Head of Research

TA SECURITIES HOLDINGS BERHAD (14948-M)

A Participating Organisation of Bursa Malaysia Securities Berhad

Menara TA One | 22 Jalan P. Ramlee | 50250 Kuala Lumpur | Malaysia | Tel: 603 – 2072 1277 | Fax: 603 – 2031 6608
www.ta.com.my

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	
				09-Oct-17										
AUTOMOBILE														
BAUTO	2.08	2.40	0.95	10.3	16.1	20.1	13.0	5.6	7.7	2.32	-10.3	1.84	13.0	-2.3
MBMR	2.05	2.09	0.93	20.7	23.2	9.9	8.8	2.0	2.3	2.67	-23.2	2.02	1.5	-4.2
PECCA	1.51	1.69	na	7.8	11.1	19.3	13.7	3.3	3.7	2.00	-24.5	1.45	4.1	-5.0
UMW	5.47	5.04	1.32	19.7	30.6	27.7	17.9	2.4	3.7	6.08	-10.0	4.09	33.6	29.5
BANKS & FINANCIAL SERVICES														
ABMB	3.83	4.80	1.31	33.1	30.6	11.6	12.5	4.2	4.2	4.49	-14.7	3.60	6.4	3.0
AFFIN	2.58	3.70	0.89	29.4	33.6	8.8	7.7	3.1	3.1	3.00	-14.0	2.14	20.6	7.9
AMBANK	4.49	5.70	1.18	43.9	48.6	10.2	9.2	3.9	4.0	5.70	-21.2	3.90	15.1	4.2
CIMB	6.42	8.00	1.51	49.6	55.2	12.9	11.6	3.9	4.3	7.08	-9.3	4.49	43.0	42.4
HLBANK	15.82	17.50	0.61	104.9	114.2	15.1	13.9	2.8	2.8	16.30	-2.9	12.80	23.6	17.2
MAYBANK	9.55	10.20	0.98	69.6	75.9	13.7	12.6	5.2	5.2	9.86	-3.1	7.59	25.8	16.5
PBBANK	20.56	23.60	0.64	137.2	142.4	15.0	14.4	2.7	2.8	20.90	-1.6	19.40	6.0	4.3
RHBBANK	5.12	5.80	1.36	50.6	55.0	10.1	9.3	2.9	2.9	5.59	-8.4	4.53	13.0	8.7
BURSA	10.08	11.10	0.71	40.2	39.0	25.1	25.9	3.4	3.4	10.98	-8.2	8.08	24.7	15.6
CONSTRUCTION														
BPURI	0.36	0.38	0.65	4.7	4.6	7.6	7.8	0.0	0.0	0.51	-30.4	0.33	9.2	-18.4
GADANG	1.23	1.75	0.23	15.3	14.3	8.1	8.6	2.4	2.4	1.37	-10.2	0.89	39.0	17.1
GAMUDA	5.29	6.00	0.99	27.8	34.5	19.0	15.3	2.3	2.3	5.52	-4.2	4.65	13.8	10.7
IJM	3.32	3.50	0.87	15.3	20.2	21.8	16.4	2.3	2.9	3.61	-8.0	3.07	8.1	3.7
PESONA	0.56	0.78	0.89	4.9	5.7	11.3	9.8	4.5	4.5	0.74	-23.8	0.41	38.3	-7.4
SENDAI	0.94	0.58	1.35	8.2	9.6	11.3	9.8	1.1	1.1	1.39	-32.7	0.46	105.5	62.6
SUNCON	2.30	2.55	na	12.7	14.2	18.2	16.2	2.4	2.4	2.43	-5.3	1.56	47.4	35.3
WCT	1.76	1.61	0.90	11.5	12.5	15.3	14.1	1.7	1.7	2.48	-28.9	1.65	6.7	2.4
LITRAK	5.73	6.26	0.35	41.9	45.7	13.7	12.6	4.4	4.4	6.15	-6.8	5.57	2.9	-2.6
<i>Building Materials</i>														
CHINHIN	1.29	1.58	na	8.3	11.3	15.6	11.4	3.1	4.7	1.49	-13.4	0.85	52.7	48.3
WTHORSE	1.96	1.67	0.38	6.7	10.0	29.2	19.7	5.1	5.1	2.19	-10.5	1.92	2.1	-2.5
CONSUMER														
<i>Brewery</i>														
CARLSBG	14.98	18.06	0.56	79.3	86.2	18.9	17.4	5.3	5.7	15.30	-2.1	13.72	9.2	7.6
HEIM	18.48	19.14	0.45	79.6	84.0	23.2	22.0	3.9	4.1	19.58	-5.6	15.56	18.8	12.8
<i>Retail</i>														
AEON	1.99	2.23	0.44	6.5	7.5	30.5	26.5	2.0	2.4	2.91	-31.6	1.97	1.0	-22.6
AMWAY	7.19	8.62	0.32	30.6	38.7	23.5	18.6	4.5	4.9	8.45	-14.9	7.05	2.0	-1.9
F&N	25.00	27.41	0.20	121.1	150.9	20.6	16.6	2.8	3.0	26.00	-3.8	22.44	11.4	6.5
HUPSENG	1.16	1.50	0.36	6.5	6.6	17.8	17.5	5.2	5.2	1.28	-9.4	1.13	2.6	0.8
NESTLE	85.20	92.76	0.41	292.7	325.4	29.1	26.2	3.2	3.3	85.98	-0.9	74.12	14.9	9.0
PADINI	4.54	4.67	0.48	23.5	27.0	19.4	16.8	2.5	2.8	4.65	-2.4	2.26	100.8	78.8
POHUAT	1.92	2.46	0.73	27.4	27.4	7.0	7.0	3.1	4.2	2.06	-6.8	1.53	25.5	11.0
QL	3.92	3.26	0.39	12.1	12.8	32.5	30.6	1.1	1.1	4.03	-2.7	3.26	20.4	17.7
SIGN	0.85	1.23	0.84	8.9	12.1	9.6	7.0	2.9	4.1	1.07	-20.6	0.78	9.0	6.9
<i>Tobacco</i>														
BAT	43.00	52.08	1.22	198.6	187.4	21.7	22.9	4.7	4.7	51.04	-15.8	40.61	5.9	-2.7
GAMING														
<i>Casino</i>														
GENTING	9.56	11.51	1.46	44.7	53.3	21.4	17.9	1.5	1.7	10.00	-4.4	7.50	27.5	20.3
GENM	5.47	6.53	1.48	22.0	28.4	24.8	19.3	1.5	1.6	6.38	-14.3	4.42	23.8	21.1
<i>NFO</i>														
BJTOTO	2.37	3.34	0.83	18.4	21.6	12.9	11.0	5.9	6.8	3.30	-28.2	2.25	5.3	-19.9
LUSTER	0.13	0.15	2.11	0.4	0.3	35.6	35.9	0.0	0.0	0.16	-21.9	0.05	150.0	150.0
HEALTHCARE														
<i>Hospitals</i>														
IHH	5.67	6.41	0.75	7.9	13.1	71.5	43.3	0.6	0.6	6.60	-14.1	5.54	2.3	-10.7
KPJ	1.03	1.17	0.40	3.3	4.1	31.1	25.4	6.0	7.3	1.14	-9.6	0.96	7.0	-1.4
<i>Rubber Gloves</i>														
HARTA	6.90	6.87	0.60	17.1	24.6	40.2	28.1	1.2	1.6	7.40	-6.8	4.53	52.3	42.9
KOSSAN	6.92	7.35	0.10	33.9	40.0	20.4	17.3	2.5	2.9	7.36	-6.0	5.62	23.1	5.0
SUPERMX	1.78	1.80	0.31	10.6	15.2	16.8	11.7	1.8	2.5	2.38	-25.2	1.69	5.3	-15.6
TOPGLOV	5.65	6.05	-0.29	26.4	29.8	21.4	18.9	2.4	2.7	5.94	-4.9	4.56	23.9	5.6
KAREX	1.58	1.60	0.24	2.8	4.6	56.7	34.1	1.3	0.7	2.62	-39.7	1.37	15.3	-33.1
INDUSTRIAL														
SCIENTX	8.67	9.38	0.41	52.3	64.9	16.6	13.4	1.8	2.1	9.85	-12.0	6.50	33.4	29.4
SKPRES	1.61	1.75	0.57	8.3	10.4	19.5	15.5	2.6	3.2	1.64	-1.8	1.24	29.8	24.8
MEDIA														
ASTRO	2.85	3.40	1.21	13.2	14.6	21.5	19.6	4.4	4.6	2.94	-3.1	2.47	15.4	9.6
MEDIA PRIMA	0.88	0.60	0.35	0.9	2.8	102.6	31.0	0.8	2.6	1.34	-34.7	0.66	33.6	-23.9
STAR	1.76	1.00	0.61	3.3	4.0	53.1	43.6	23.9	10.2	2.22	-20.6	1.63	8.0	-9.6
OIL & GAS														
DNEX	0.48	0.75	1.19	3.6	4.5	13.3	10.6	2.1	2.1	0.69	-30.4	0.23	113.3	88.2
LCITITAN	5.22	6.88	na	44.1	65.0	11.8	8.0	3.4	6.1	6.53	-20.1	4.14	26.1	-19.7
MHB	0.75	0.78	1.66	-2.0	-0.5	na	na	0.0	0.0	1.16	-35.8	0.63	19.2	-18.6
MISC	7.23	6.56	1.02	56.3	46.9	12.8	15.4	4.1	4.1	7.90	-8.5	7.03	2.8	-1.6
PANTECH	0.69	0.69	1.11	4.0	6.1	17.2	11.2	2.6	4.0	0.71	-3.5	0.44	57.5	53.9
PCHEM	7.33	7.62	1.01	44.3	44.7	16.5	16.4	2.6	2.7	7.80	-6.0	6.54	12.1	5.0
SENERGY	1.47	1.66	2.68	6.6	-0.4	22.2	na	0.7	0.0	2.10	-30.0	1.33	10.5	-9.3
SERBADK	2.33	2.77	na	22.1	25.2	10.5	9.2	2.8	3.2	2.35	-0.9	1.51	54.3	55.3
UMWOG	0.30	0.80	1.63	-12.0	-3.5	na	na	0.0	0.0	0.92	-68.0	0.27	7.9	-65.5
<i>Note: UMWOG proposed rights issue of shares. Ex-Target price RM0.43. For more details please refer to 08.05.17 report.</i>														
UZMA	1.38	1.55	1.23	11.3	12.3	12.2	11.2	0.0	0.0	1.98	-30.3	1.28	7.8	-18.8

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	
PLANTATIONS														
FGV	1.72	1.52	1.87	1.0	2.5	174.0	67.5	2.9	2.9	2.45	-29.8	1.42	21.1	11.0
IJMLNT	2.86	3.58	0.37	12.3	14.1	23.3	20.3	2.4	2.8	3.70	-22.7	2.86	0.0	-15.9
IOICORP	4.53	4.14	1.28	17.3	21.0	26.1	21.5	2.1	3.5	4.81	-5.8	4.30	5.3	3.0
KFIMA	1.69	1.89	0.50	19.9	13.3	8.5	12.7	5.3	5.3	1.96	-13.8	1.65	2.4	-0.6
KLK	24.78	26.18	0.79	103.4	120.4	24.0	20.6	2.1	2.4	25.50	-2.8	23.00	7.7	3.3
SIME	9.12	9.80	1.48	34.2	37.3	26.7	24.4	2.5	2.5	9.70	-6.0	7.71	18.3	12.6
UMCCA	6.55	7.52	0.41	37.5	31.8	17.5	20.6	3.5	2.6	6.83	-4.1	5.50	19.0	9.7
PROPERTY														
GLOMAC	0.67	0.60	0.50	1.4	5.0	46.3	13.3	4.1	4.0	0.80	-16.3	0.61	9.8	-3.6
HUAYANG	0.82	0.96	0.57	17.3	10.2	4.8	8.0	4.9	2.4	1.37	-40.1	0.80	2.5	-27.4
IBRACO	0.92	0.94	na	3.3	10.5	28.1	8.8	2.2	4.4	1.05	-12.9	0.76	21.2	-8.5
IOIPG	2.04	2.23	1.02	18.9	16.9	10.8	12.1	2.9	2.9	2.37	-13.8	1.85	10.4	4.6
MAHSING	1.50	1.76	0.96	14.3	13.5	10.5	11.1	4.3	4.3	1.66	-9.6	1.34	11.9	4.9
SNTORIA	0.78	0.98	0.28	6.2	10.3	12.6	7.6	1.3	1.3	1.00	-22.0	0.69	13.0	-2.5
<i>Note: SNTORIA proposed bonus issue of warrants & right issue of shares. For more details please refer to 25.09.17 report.</i>														
SPB	4.72	5.98	0.54	25.6	22.8	13.5	15.1	2.5	2.5	5.19	-9.1	4.32	9.2	6.8
SPSETIA	3.45	4.10	0.91	11.6	12.5	15.6	14.5	4.1	4.1	4.50	-23.3	3.10	11.3	10.2
SUNWAY	1.81	1.78	0.62	15.8	15.3	12.9	13.3	2.8	2.8	1.96	-7.6	1.24	46.1	40.8
REIT														
SUNREIT	1.73	1.86	0.69	9.2	10.0	18.7	17.2	5.3	5.8	1.84	-6.0	1.63	6.1	0.6
CMMT	1.40	1.72	0.42	8.1	8.6	17.3	16.2	6.0	6.4	1.72	-18.6	1.40	0.0	-8.5
POWER & UTILITIES														
MALAKOF	1.04	1.22	0.65	6.8	6.9	15.2	15.2	6.7	6.7	1.67	-37.7	1.00	4.5	-24.1
PETDAG	24.30	21.47	0.71	98.2	102.3	24.7	23.8	3.0	3.1	25.70	-5.4	23.00	5.7	2.1
PETGAS	18.08	19.37	0.86	87.6	100.1	20.6	18.1	3.5	3.9	22.50	-19.6	17.80	1.6	-15.1
TENAGA	14.24	17.38	0.77	131.8	130.4	10.8	10.9	3.1	3.2	14.80	-3.8	13.00	9.5	2.4
YTLPOWR	1.40	1.40	0.77	8.4	11.4	16.7	12.2	3.6	3.6	1.64	-14.6	1.36	2.9	-6.0
TELECOMMUNICATIONS														
AXIATA	5.33	5.40	1.29	15.7	16.9	34.0	31.5	1.5	1.6	5.40	-1.3	4.11	29.7	12.9
DIGI	4.98	4.90	0.84	20.0	20.4	24.9	24.4	4.0	4.1	5.19	-4.0	4.63	7.6	3.1
MAXIS	5.91	5.85	0.72	24.5	24.7	24.1	23.9	3.4	3.4	6.60	-10.5	5.48	7.8	-1.2
TM	6.30	7.40	0.63	22.7	23.4	27.8	26.9	3.2	3.3	6.79	-7.2	5.81	8.4	5.9
TECHNOLOGY														
<i>Semiconductor & Electronics</i>														
ELSOFT	2.53	3.00	0.54	11.3	14.1	22.4	18.0	3.1	3.9	2.95	-14.2	1.24	104.2	80.2
IRIS	0.19	0.25	1.59	-1.3	0.6	na	33.4	0.0	0.0	0.22	-15.9	0.10	85.0	68.2
INARI	2.60	2.75	0.84	11.3	13.0	23.1	20.0	3.8	3.5	2.65	-1.7	1.59	63.2	56.9
MPI	14.10	15.40	0.12	89.5	110.2	15.8	12.8	1.9	1.9	14.30	-1.4	7.20	95.8	90.3
UNISEM	3.89	4.30	0.65	26.9	32.1	14.4	12.1	3.1	3.1	4.25	-8.5	2.27	71.4	64.8
TRANSPORTATION														
<i>Airlines</i>														
AIRASIA	3.42	3.76	0.95	44.0	37.6	7.8	9.1	1.2	1.5	3.59	-4.7	2.16	58.3	49.3
AIRPORT	8.32	8.10	1.22	17.3	17.7	48.0	47.0	1.2	1.2	9.45	-12.0	5.91	40.8	37.3
<i>Freight & Tankers</i>														
TNLOGIS	1.53	1.80	0.89	12.8	15.9	11.9	9.6	2.8	3.3	1.83	-16.5	1.48	3.4	-1.8
WPRTS	3.77	4.05	0.79	17.1	15.1	22.0	24.9	3.4	3.0	4.45	-15.3	3.58	5.3	-12.3

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	
BANKS & FINANCIAL SERVICES														
DBS	21.47	23.30	1.23	172.9	189.2	12.4	11.3	2.8	2.8	22.3	-3.5	14.80	45.1	23.8
OCBC	11.39	12.00	1.19	87.7	92.4	13.0	12.3	5.7	6.7	11.5	-0.9	8.84	36.7	27.7
UOB	24.36	25.40	1.05	192.9	206.5	12.6	11.8	2.9	2.9	24.6	-1.0	17.98	35.5	19.4
PLANTATIONS														
WILMAR	3.36	3.72	0.88	28.9	31.1	11.6	10.8	2.4	2.7	4.0	-16.0	3.08	9.1	-6.4
IFAR	0.45	0.53	1.06	4.9	5.2	9.3	8.7	2.6	2.8	0.6	-24.4	0.44	3.4	-14.3

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 premium.