

Daily Brief

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

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Market View *Small Caps and Oil & Gas Stocks on Play*

Blue chips extended sideways consolidation Tuesday, with most investors sidelined amid political uncertainties in the US and Europe, while rotational plays highlighted small caps and ACE Market stocks. The KLCI slipped 2.9 points to settle at 1,761.13, off an early high of 1,762.64 and low of 1,758.54, as losers edged gainers 418 to 400 on total trade of 2.78bn shares worth RM1.65bn.

Resistance at 1,771, Support From 1,750

Given the external uncertainties, blue chips are likely to stay range bound as rotational interest focus on small caps and lower liners, specifically in the oil & gas sector. Immediate resistance for the index stays at 1,771, matching the overhead 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 1,740.

Buy Malakoff & Westports

Malakoff remains in base building mode pending recovery to RM1.14, with a confirmed breakout to aim for RM1.22 and the 76.4%FR (RM1.30) ahead. Support from the 14/8/17 low (99.5sen) and 123.6%FP (98sen) limits downside risk. Fresh daily stochastics and DMI buy signals on Westports implied good rebound potential towards the 61.8%FR (RM3.96), with tougher hurdle seen from the 50%FR (RM4.08), while key chart supports are from the lower Bollinger band (RM3.68) and 10/8/17 low (RM3.58).

South Korea's Kospi Leading Asian Market Gains

South Korean equities led broad gains across the Asia-Pacific region on Tuesday, as investors assessed political developments in Washington before the start of earnings season and the release of minutes from the most recent Federal Reserve meeting. In Washington, a top Republican senator sparred verbally with President Donald Trump, raising some concern that planned tax reform may be stalled. Global stocks are trading near a record high and Treasury yields have climbed off the September lows as traders bet the Fed will lift rates in December. South Korea's Kospi rallied more than 1 percent on their first day of trading this month, as tech shares led by Samsung Electronics Co Ltd caught up with gains made by global stock markets after a long break. Seoul markets were closed last week and on Monday for public holidays.

Meanwhile, Japan's Nikkei share average moved closer to a 21-year high after a three-day weekend as expectations for continued strength in the U.S. economy supported sentiment, but Kobe Steel's shares plunged when it said it had fabricated data. The Nikkei rose 0.6 percent to 20,823.51 after hitting a fresh two-year high of 20,823.66 and moving closer to a 21-year pinnacle. China stocks also edged up on Tuesday, erasing early losses thanks mainly to gains in consumer and healthcare shares as investors awaited third-quarter economic data and earnings reports. The blue-chip CSI300 index, which at one point was down 0.7 percent, rose 0.2 percent, to 3,889.86 points. Elsewhere in the region, Australia's S&P ASX/200 close flat at 5,738.10, with a 0.69 percent decline in the energy sub-index offsetting moderate gains seen in most other sectors.

Dow Hit New Highs as Wal-Mart Rally

All main U.S. stock indexes closed higher on Tuesday, with the Dow finishing at its 47th record for 2017, helped by a surge in Wal-Mart Stores, while investors focused on upcoming quarterly reports. Wal-Mart contributed roughly 25 points to the Dow industrials' daily gain after company executives said the retailer would keep U.S. store openings to a minimum, while focusing more on e-commerce and launching locations overseas to increase sales. Shares of Wal-Mart jumped 4.5 percent, to USD84.13 to notch its highest close since February 2015. The company also led gains in the S&P 500's consumer-staples sector, which rose 1 percent. Meanwhile, third-quarter corporate reporting season kicks into high gear on Thursday with results from JPMorgan Chase and Citigroup. With the S&P 500 up 14 percent in 2017, investors are betting on strong earnings growth across the S&P 500.

The Dow Jones Industrial Average rose 69.61 points, or 0.31 percent, to close at 22,830.68, the S&P 500 gained 5.91 points, or 0.23 percent, to 2,550.64 and the Nasdaq Composite added 7.52 points, or 0.11 percent, to 6,587.25.

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As of Wednesday, October 11, 2017, the chartist, Stephen Soo, who prepared this report, has interest in the following securities covered in this report:
(a) nil

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News In Brief *Corporate*

Malaysia Airports Holdings Bhd recorded a 4.7% YoY growth in passenger traffic in September with combined passenger volume of 10.8mn in all its airports including Istanbul Sabiha Gokcen International Airport. However, overall average load factor stood at 73.1% in September, down 3.1 ppt YoY. *(Bursa Malaysia)*

Sunway Bhd is buying out Kuwait Finance House (M) Bhd's (KFH) 20% stake in the 123-acre Sunway South Quay project in Bandar Sunway, Petaling Jaya, for RM136.7mn. In addition, Sunway Lagoon Sdn Bhd - the Sunway Bhd unit that directly owns project developer Sunway South Quay Sdn Bhd (SSQ) - will repay RM73.4mn in cash to settle the musyarakah capital invested by KFH in SSQ. *(Bursa Malaysia)*

Comment: *Sunway South Quay has a remaining GDV of RM3.0bn. The total consideration of RM210mn to acquire the additional 20% stake translates to an effective land cost-to-GDV ratio of 35%. This came higher than the general rule of thumb of 20%. We are largely neutral on this acquisition despite the high acquisition cost. As Sunway has been prudent in the past acquisitions, we believe the company can further enhance the value of Sunway South Quay. We make no changes to our earnings forecasts for now pending the completion of the acquisition. Maintain **SELL** with an unchanged target price of **RM1.78** based on SOP valuation.*

Mega First Corp Bhd secured a USD150mn (RM634.9mn) loan to part-finance the construction of the Don Sahong hydropower project in Laos. The loan comprises conventional term-loan facilities of USD85mn and an Islamic financing scheme of up to USD65mn. *(Bursa Malaysia)*

KNM Group Bhd secured Chinese utility contractor China Western Power Industrial Co Ltd as the long-awaited financier for the first phase of its Green Energy Project power plant in Peterborough, UK. It awarded the Chinese company the engineering, procurement, construction and commissioning contract worth GBP346mn (RM1.9bn) for Phase I of the biomass waste-to-energy plant, which will have a capacity of 36MW. *(Bursa Malaysia)*

PRG Holdings Bhd is set to develop its first affordable housing development in Ipoh, Perak with Syarikat Perumahan Negara Bhd once it has acquired the parcels of land there for the remaining sum of RM8.6mn. *(The Edge)*

Muhibbah Engineering (M) Bhd clinched a RM168mn contract to undertake infrastructure works for the Kertih Biopolymer Park in Terengganu. The contract from the East Coast Economic Region Development Council is for the construction of major earthworks, road and drainage works, utility services and other associated works. *(Bursa Malaysia)*

AWC Bhd's RM130mn contract awarded by the federal government to maintain the Integrated Transport Terminal at Bandar Tasik Selatan, has been terminated. The government made no payment to AWC during the contract period as it did not perform any maintenance works since it was first awarded the contract. *(Bursa Malaysia)*

TH Heavy Engineering Bhd's oil and gas fabrication unit has once again been barred by Petronas from various job scopes due to its "non-performance" in a Sabah project, this time without a specified timeline. *(Bursa Malaysia)*

Ireka Corp Bhd won a RM60.8mn contract to conduct refurbishment and improvement works for two hospital blocks at Pantai Hospital Kuala Lumpur. The job includes refurbishment of the 12-storey Block B, and improvement and additional works for the six-storey Block A. *(Bursa Malaysia)*

Scomi Group Bhd's subsidiaries, **Scomi Engineering Bhd** and **Scomi Energy Services Bhd** have deliberated on the content of the proposal for a three-way merger. Following the deliberation, the two subsidiaries have decided to present the scheme of arrangement to their respective shareholders for approval at a general meeting. (*The Edge*)

Vizione Holdings Bhd secured a RM465mn contract to build five blocks of affordable homes and shoplots in Setapak. It accepted a letter of award from Hektar Aneka Sdn Bhd to build 2,400 units of the affordable homes and 14 shoplots. (*Bursa Malaysia*)

D&O Green Technologies Bhd is buying more shares in its subsidiary Dominant Opto Technologies Sdn Bhd for RM107.4mn from its controlling shareholders. It is buying 12mn shares, which is equivalent to a 10.91% stake in Dominant Opto, from Golden Horizon Resources Ltd. The purchase will be satisfied through the issuance of some 176.07mn irredeemable convertible preference shares. (*Bursa Malaysia*)

News In Brief *Economy*

Global **IMF Raises Global Economic Outlook for This Year and 2018**

The world economy's acceleration so far this year has been stronger than earlier estimates, with an upswing under way across nearly all the world's major economies, the International Monetary Fund said ahead of a meeting of the world's finance chiefs in Washington this week. In its flagship report, known as the World Economic Outlook, the IMF raised its forecast for growth to 3.6% this year and 3.7% next year, an acceleration from the 3.2% growth recorded in 2016. That is up 0.1 percentage point in each year from the most recent round of forecasts, released in July. The upturn has been heralded by many policy makers and economists. The IMF agreed that in the short-term, the global economy has achieved a degree of momentum that has eluded the world for many years. But the organization also cautioned that recovery from the financial crisis of 2007-09 remains incomplete, and that latent risks could return within a few years. "Policy makers should seize the moment: the recovery is still incomplete in important respects, and the window for action the current cyclical upswing offers will not be open forever," Mr. Obstfeld said. With only three months remaining, it has become clear that 2017 will be a year that bucks the trend of the past decade, in which economic forecasters repeatedly started the year optimistic about growth prospects but then continually marked them down. The improvements haven't been large, but have been witnessed nearly everywhere, with increases of 0.1 or 0.2 percentage points in the U.S., euroarea, Japan and China. Canada's growth forecast has notched up 0.5 points since the July estimate, and other advanced economies were up 0.3 points. (The Wall Street Journal)

Asia **Business Confidence Among Malaysian Firms Improves**

Business sentiment among Malaysian companies improved further for the third consecutive quarter in the fourth quarter (Q417), reaching its new peak in six consecutive quarters. According to Dun & Bradstreet (D&B) Malaysia's Business Optimism Index (BOI) study, overall BOI climbed from +3.40 percentage points in Q3 17 to +5.52 percentage points in Q417. On a year-on-year (y-o-y) basis, BOI rose from +3.83 percentage points in Q416 to +5.52 percentage points in Q4 2017. Dun & Bradstreet Malaysia CEO Audrey Chia said it expect the outlook for Malaysian businesses to end off on a relatively good note for 2017. This is largely attributed to positive growth within the construction sector as well as an increase in electronics, food and beverage manufacturing activities over the recent months. The six business indicators under the quarterly BOI study include volume of sales, net profits, selling price, inventory level, employees and new orders. (The Star)

Japan Inc.'s Overseas Profits and Tourism Buoy Current Account

Japan's current-account surplus widened slightly in August from a month earlier, supported by investment and dividends from overseas and the tourism boom. It was a record surplus for the month of August with 2.380 trillion Yen, the Ministry of Finance said, versus a forecast of 2.22 trillion Yen and following a surplus of 2.32 trillion Yen in July. The trade surplus came in at 318.7 billion Yen, beating forecasts for 264.9 billion Yen and down from 566.6 billion Yen in the previous month. The primary income surplus was 2.24 trillion Yen, with services hit record for August. Tourism and intellectual property boost income from services.

Separately, A measure of peoples' assessment of the Japanese economy improved more-than-expected in September to the strongest level in nine months, survey figures from the Cabinet Office showed. The current index of Economy Watchers' survey came in at 51.3 in September, up from 49.7 in August. Economists had expected the index to rise to 50.2. Moreover, the latest reading was the highest since December 2016, when it marked 51.4. Any reading above 50 indicates optimism and a score below 50 suggests pessimism. (Bloomberg, RTT News)

NAB Australian Business Conditions Index Remains Strong in September

Australian business conditions remained strong in September, with business confidence nudging higher, but significant concerns continue to hang over consumer spending with firms not passing on wage increases, and household debt burdens crimping demand. The National Australia Bank's monthly business conditions index held steady at a strong net balance of +14 points in September, nearly three times its historic average. Meanwhile, NAB's Business Confidence index rose to a net balance of +7 in September, up from +5 in August. The solid business conditions data comes despite a report last week showing the biggest fall in retail sales in over four years in August of 0.6% on-month. (Fox Business)

Europe and United Kingdom**'Signs of a Revival': UK Industrial Production Comfortably Beats Forecasts**

Output in the UK's industrial sector improved for a third straight month in August, with a much better than expected improvement in manufacturing pushing growth to its highest level since February. Overall industrial production increased 1.6% year on year, twice as fast as the 0.8% rate economists had predicted. Manufacturing – the biggest sub-sector of the overall figures – was the main force behind the improvement, with annual growth rising from 1.9% to 2.8%. Production of cars dipped after a shift to new models drove a large increase at the start of the third quarter, but the decline was more than offset by growth in pharmaceuticals and metal product production. The ONS said the biggest contributor to manufacturing growth over the three months to August was "other manufacturing and repair", which includes high-value repair and maintenance contracts for items such as aircraft and ships. (Financial Times)

Clothing and Food Price Rises Deliver Retail Sales Growth

Rising clothing and food prices helped UK retailers enjoy an uptick in sales growth last month, latest industry figures show. Like-for-like sales grew by 1.9% in September compared to the same month last year, according to the British Retail Consortium (BRC)-KPMG Retail Sales Monitor. That was the strongest pace of growth - excluding distortions caused by the timing of Easter - since January last year. The BRC said consumers focused on essentials with products such as back to school items and warm winter coats doing well. Big ticket items such as furniture and electrical appliances struggled. BRC chief executive Helen Dickinson said the overall pace of growth should be welcome for retailers and the economy. (Sky News)

Germany Trade Surplus Rises in August

Germany's foreign trade surplus increased in August, as exports grew faster than imports, data from Destatis showed. Exports climbed a calendar and seasonally adjusted 3.1% month-over-month in August, well above the 0.2% rise in July. Imports rose at a slower pace of 1.2% after a 2.4% gain in the preceding month. As a result, the trade surplus increased to EUR 21.6 billion in August from EUR 19.3 billion in the prior month. Economists had expected the surplus to rise to EUR 19.5 billion. On a yearly basis, export growth eased to 7.2% from 8.0%. Similarly, imports grew 8.5% after expanding 9.6%. The unadjusted trade surplus rose to EUR 20.0 billion from EUR 19.6 billion. The current account of the balance of payments showed a surplus of EUR 17.8 billion in August versus EUR 16.9 billion in the corresponding month last year. The expected surplus was EUR 17.0 billion. (RTT News)

Share Buy-Back: 10 October 2017

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
AMPROP	120,000	0.80	0.80/0.79	15,066,200
BKAWAN	14,500	19.20	19.22/19.18	33,105,731
BORNOIL	23,000,000	0.10	0.095/0.09	39,900,000
E&O	15,000	1.58/1.57	1.59/1.55	6,712,247
FFHB	18,500	0.655/0.645	0.655/0.645	476,800
FITTERS	487,500	0.37	0.375/0.365	24,190,000
GRANFLO	30,000	0.25/0.245	0.25/0.24	7,509,000
KOMARK	41,000	0.25	0.25/0.245	5,140,700
KSL	263,100	1.27	1.28/1.26	11,393,700
TOMYPAK	15,000	0.95	0.945/0.94	105,000
TROP	30,000	0.95/0.945	0.95/0.94	6,167,142
UNIMECH	9,200	1.04	1.04	5,791,510

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	
	10-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	5.55	5.04	1.32	19.7	30.6	28.1	18.1	2.3	3.6	6.08	-8.7	4.09	35.6	31.4
BANKS & FINANCIAL SERVICES														
ABMB	3.88	4.80	1.31	33.1	30.6	11.7	12.7	4.1	4.1	4.49	-13.6	3.60	7.8	4.3
AFFIN	2.59	3.70	0.89	29.4	33.6	8.8	7.7	3.1	3.1	3.00	-13.7	2.14	21.0	8.4
AMBANK	4.43	5.70	1.18	43.9	48.6	10.1	9.1	4.0	4.1	5.70	-22.3	3.90	13.6	2.8
CIMB	6.28	8.00	1.51	49.6	55.2	12.6	11.4	4.0	4.4	7.08	-11.3	4.49	39.9	39.2
HLBANK	15.90	17.50	0.61	104.9	114.2	15.2	13.9	2.8	2.8	16.30	-2.5	12.80	24.2	17.8
MAYBANK	9.54	10.20	0.98	69.6	75.9	13.7	12.6	5.2	5.2	9.86	-3.2	7.59	25.7	16.3
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	5.08	5.80	1.36	50.6	55.0	10.0	9.2	3.0	3.0	5.59	-9.1	4.53	12.1	7.9
BURSA	10.04	11.10	0.71	40.2	39.0	25.0	25.8	3.4	3.4	10.98	-8.5	8.08	24.2	15.1
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	5.28	6.00	0.99	27.8	34.5	19.0	15.3	2.3	2.3	5.52	-4.3	4.65	13.5	10.5
IJM	3.34	3.50	0.87	15.3	20.2	21.9	16.5	2.2	2.8	3.61	-7.5	3.07	8.8	4.4
PESONA	0.55	0.78	0.89	4.9	5.7	11.1	9.6	4.5	4.5	0.74	-25.2	0.41	34.1	-9.1
SENDAI	0.92	0.58	1.35	8.2	9.6	11.2	9.6	1.1	1.1	1.39	-33.8	0.46	102.2	60.0
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	1.75	1.61	0.90	11.5	12.5	15.2	14.1	1.7	1.7	2.48	-29.3	1.65	6.1	1.8
LITRAK	5.78	6.26	0.35	41.9	45.7	13.8	12.7	4.3	4.3	6.15	-6.0	5.57	3.8	-1.7
<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	15.06	18.06	0.56	79.3	86.2	19.0	17.5	5.2	5.7	15.30	-1.6	13.72	9.8	8.2
HEIM	18.46	19.14	0.45	79.6	84.0	23.2	22.0	3.9	4.1	19.58	-5.7	15.56	18.6	12.7
<i>Retail</i>														
AEON	1.98	2.23	0.44	6.5	7.5	30.4	26.3	2.0	2.4	2.91	-32.0	1.97	0.5	-23.0
AMWAY	7.20	8.62	0.32	30.6	38.7	23.5	18.6	4.5	4.9	8.40	-14.2	7.05	2.1	-1.8
F&N	24.74	27.41	0.20	121.1	150.9	20.4	16.4	2.8	3.0	26.00	-4.8	22.44	10.2	5.4
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	4.47	4.67	0.48	23.5	27.0	19.1	16.6	2.6	2.8	4.65	-3.9	2.26	97.7	76.0
POHUAT	1.93	2.46	0.73	27.4	27.4	7.0	7.0	3.1	4.1	2.06	-6.3	1.53	26.1	11.6
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	17.5
SIGN	0.85	1.23	0.84	8.9	12.1	9.5	7.0	3.0	4.1	1.07	-21.0	0.78	8.3	6.3
<i>Tobacco</i>														
BAT	42.86	52.08	1.22	198.6	187.4	21.6	22.9	4.7	4.7	51.04	-16.0	40.61	5.6	-3.0
GAMING														
<i>Casino</i>														
GENTING	9.63	11.51	1.46	44.7	53.3	21.5	18.1	1.5	1.7	10.00	-3.7	7.50	28.4	21.2
GENM	5.36	6.53	1.48	22.0	28.4	24.3	18.9	1.5	1.7	6.38	-16.0	4.42	21.3	18.6
<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	5.71	6.41	0.75	7.9	13.1	72.0	43.6	0.6	0.6	6.60	-13.5	5.54	3.1	-10.1
KPJ	1.02	1.17	0.40	3.3	4.1	30.8	25.1	6.0	7.4	1.14	-10.5	0.96	6.0	-2.4
<i>Rubber Gloves</i>														
HARTA	6.93	6.87	0.60	17.1	24.6	40.4	28.2	1.2	1.6	7.40	-6.4	4.53	53.0	43.5
KOSSAN	6.93	7.35	0.10	33.9	40.0	20.4	17.3	2.4	2.9	7.36	-5.8	5.62	23.3	5.2
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	1.57	1.60	0.24	2.8	4.6	56.3	33.9	1.3	0.7	2.62	-40.1	1.37	14.6	-33.5
INDUSTRIAL														
SCIENTX	8.69	9.38	0.41	52.3	64.9	16.6	13.4	1.8	2.1	9.85	-11.8	6.50	33.7	29.7
SKPRES	1.58	1.75	0.57	8.3	10.4	19.1	15.2	2.6	3.3	1.64	-3.7	1.24	27.4	22.5
MEDIA														
ASTRO	2.86	3.40	1.21	13.2	14.6	21.6	19.7	4.4	4.5	2.94	-2.7	2.47	15.8	10.0
MEDIA PRIMA	0.86	0.60	0.35	0.9	2.8	100.9	30.5	0.8	2.6	1.34	-35.8	0.66	31.3	-25.2
STAR	1.71	1.00	0.61	3.3	4.0	51.6	42.3	24.6	10.5	2.22	-22.9	1.63	4.9	-12.2
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	5.34	6.88	na	44.1	65.0	12.1	8.2	3.4	6.0	6.53	-18.2	4.14	29.0	-17.8
MHB	0.75	0.78	1.66	-2.0	-0.5	na	na	0.0	0.0	1.16	-35.3	0.63	20.0	-18.0
MISC	7.20	6.56	1.02	56.3	46.9	12.8	15.4	4.2	4.2	7.90	-8.9	7.03	2.4	-2.0
PANTECH	0.70	0.69	1.11	4.0	6.1	17.6	11.4	2.6	3.9	0.71	-1.4	0.44	60.9	57.3
PCHEM	7.34	7.62	1.01	44.3	44.7	16.6	16.4	2.6	2.7	7.80	-5.9	6.54	12.2	5.2
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	2.50	2.77	na	22.1	25.2	11.3	9.9	2.7	3.0	2.50	0.0	1.51	65.6	66.7
UMWOG	0.30	0.80	1.63	-12.0	-3.5	na	na	0.0	0.0	0.92	-67.5	0.27	9.8	-64.9
UMZA	1.39	1.55	1.23	11.3	12.3	12.3	11.3	0.0	0.0	1.98	-29.8	1.28	8.6	-18.2

Note: UMWOG proposed rights issue of shares. Ex-Target price RM0.43. For more details please refer to 08.05.17 report.

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	1.76	1.52	1.87	1.0	2.5	178.0	69.1	2.8	2.8	2.45	-28.2	1.42	23.9	13.5
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	4.52	4.14	1.28	17.3	21.0	26.1	21.5	2.1	3.5	4.81	-6.0	4.30	5.1	2.7
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	9.14	9.80	1.48	34.2	37.3	26.7	24.5	2.5	2.5	9.70	-5.8	7.71	18.5	12.8
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	46.0	13.2	4.1	4.1	0.80	-16.9	0.61	9.0	-4.3
HUAYANG	0.82	0.96	0.57	17.3	10.2	4.8	8.0	4.9	2.4	1.33	-38.3	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	2.02	2.23	1.02	18.9	16.9	10.7	12.0	3.0	3.0	2.37	-14.7	1.85	9.3	3.6
MAHSING	1.51	1.76	0.96	14.3	13.5	10.5	11.2	4.3	4.3	1.65	-8.5	1.34	12.7	5.6
SNTORIA	0.78	0.98	0.28	6.2	10.3	12.6	7.5	1.3	1.3	1.00	-22.5	0.69	12.3	-3.1
<i>Note: SNTORIA proposed bonus issue of warrants & right issue of shares. For more details please refer to 25.09.17 report.</i>														
SPB	4.75	5.98	0.54	25.6	22.8	13.5	15.2	2.5	2.5	5.19	-8.5	4.32	9.9	7.4
SPSETIA	3.46	4.10	0.91	11.6	12.5	15.7	14.6	4.0	4.0	4.50	-23.1	3.10	11.6	10.5
SUNWAY	1.82	1.78	0.62	15.8	15.3	12.8	13.3	2.7	2.7	1.96	-7.1	1.24	46.9	41.6
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	1.42	1.72	0.42	8.1	8.6	17.6	16.5	5.9	6.3	1.72	-17.4	1.40	1.4	-7.2
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	24.28	21.47	0.71	98.2	102.3	24.7	23.7	3.0	3.1	25.70	-5.5	23.00	5.6	2.0
PETGAS	18.58	19.37	0.86	87.6	100.1	21.2	18.6	3.4	3.8	22.50	-17.4	17.80	4.4	-12.8
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	5.32	5.40	1.29	15.7	16.9	34.0	31.5	1.5	1.6	5.40	-1.5	4.11	29.4	12.7
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	5.90	5.85	0.72	24.5	24.7	24.1	23.9	3.4	3.4	6.60	-10.6	5.48	7.7	-1.3
TM	6.22	7.40	0.63	22.7	23.4	27.4	26.6	3.3	3.4	6.79	-8.4	5.81	7.1	4.5
TECHNOLOGY														
<i>Semiconductor & Electronics</i>														
ELSOFT	2.55	3.00	0.54	11.3	14.1	22.6	18.1	3.1	3.9	2.95	-13.6	1.25	103.6	81.6
IRIS	0.18	0.25	1.59	-1.3	0.6	na	32.5	0.0	0.0	0.22	-18.2	0.10	80.0	63.6
INARI	2.58	2.75	0.84	11.3	13.0	22.9	19.8	3.8	3.5	2.65	-2.4	1.59	61.9	55.7
MPI	14.06	15.40	0.12	89.5	110.2	15.7	12.8	1.9	1.9	14.30	-1.7	7.20	95.3	89.7
UNISEM	3.98	4.30	0.65	26.9	32.1	14.8	12.4	3.0	3.0	4.25	-6.4	2.27	75.3	68.6
TRANSPORTATION														
<i>Airlines</i>														
AIRASIA	3.40	3.76	0.95	44.0	37.6	7.7	9.0	1.2	1.5	3.59	-5.3	2.16	57.4	48.5
AIRPORT	8.27	8.10	1.22	17.3	17.7	47.7	46.7	1.2	1.2	9.45	-12.5	5.91	39.9	36.5
<i>Freight & Tankers</i>														
TNLOGIS	1.54	1.80	0.89	12.8	15.9	12.0	9.7	2.8	3.2	1.83	-16.0	1.48	4.0	-1.2
WPRTS	3.83	4.05	0.79	17.1	15.1	22.3	25.3	3.4	3.0	4.45	-13.9	3.58	7.0	-10.9

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	21.50	23.30	1.23	172.9	189.2	12.4	11.4	2.8	2.8	22.3	-3.4	14.80	45.3	24.0
OCBC	11.36	12.00	1.19	87.7	92.4	13.0	12.3	5.7	6.7	11.5	-1.1	8.84	36.4	27.4
UOB	24.22	25.40	1.05	192.9	206.5	12.6	11.7	2.9	2.9	24.6	-1.5	17.98	34.7	18.7
PLANTATIONS														
WILMAR	3.37	3.72	0.88	28.9	31.1	11.6	10.8	2.4	2.7	4.0	-15.8	3.08	9.4	-6.1
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.