

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 *Better Sentiment on Improving Local Commitments*

Stocks recovered Thursday with strong gains on BAT (+RM1.50) and core oil & gas heavyweights lifting the benchmark up on renewed local fund buying interest due to the firm global oil prices. The KLCI recouped 2.61 points to settle at 1,746.81, off an early low of 1,742.32 and high of 1,749.31, as gainers narrowly edged losers 431 to 428 on improved turnover totaling 3.09bn shares worth RM2.34bn.

Resistance at 1,750, Support at 1,742

Given the return of local fund buying offsetting foreign selling and improving buying momentum in the small cap and ACE Market sector, the local market should attract more domestic funds and retail participation to improve sentiment ahead of the weekend. On the index, immediate resistance remains the prior 2 Oct pivot low of 1,750, with next hurdle from 1,765, the 100-day moving average, followed by the 8 Aug peak of 1,782. Immediate support is retained at Tuesday's low of 1,742 matching yesterday's low, followed by the pivot low of 1,733, and next from the April low of 1,729.

Buy Binapuri & Gadang

Any selling dips on Binapuri shares towards the lower Bollinger band (35sen) will be attractive to bargain for rebound upside towards the 38.2%FR (40sen), with a confirmed breakout to aim for the 50%FR (42sen) ahead. Crucial chart supports are at 34sen and the 14/8/17 low (32.5sen). Gadang remains in base building mode above the 61.8%FR (RM1.18) support, matching the lower Bollinger band, pending rebound upside to the 76.4%FR (RM1.25), with a confirmed breakout to target RM1.31 and the 3/7/17 peak (RM1.37) going forward.

Asian Markets Fluctuate as Investors Keep an Eye on Trump's Asia Tour

Asian stocks traded mixed Thursday as Japanese stocks erased all the gains they made during morning trade, as traders digested the release of Chinese inflation data and kept an eye on President Donald Trump's stop in Beijing. China October consumer prices rose 1.9 percent compared to one year ago, a touch above the 1.8 percent rise forecast in a Reuter's poll. Producer prices also topped expectations, increasing 6.9 percent on year compared to the 6.6 percent forecast. President Donald Trump's tour of Asia also remained in the spotlight. Trump addressed the U.S.-China trade deficit during a Thursday speech in Beijing and said he would work on fixing "unfair trade practices."

Japanese shares ended down after dramatic intraday swings took the Nikkei and Topix indexes to multi-decade highs only to plunge in the late afternoon as the yen strengthened. The Nikkei 225, which had climbed some 2 percent to trade above the 23,000 mark in the morning, edged down 0.20 percent at 22,868.71 in the late afternoon. Across the Korean Strait, the Kospi shed 0.7 percent, while Australia's S&P/ASX 200 advanced 0.55 percent to close at 6,049.42 as the material sub-index climbed. Meanwhile, China stocks rose, led by the blue-chip index scaling a fresh two-year high, as investors were encouraged by strong inflation data that showed economic momentum remains robust. The blue-chip CSI300 index rose 0.7 percent, to 4,075.90 points, while the Shanghai Composite Index closed up 0.4 percent to 3,427.79 points.

Dow Snaps Winning Streak on Tax-Delay Jitters

U.S. stocks closed lower Thursday in their worst session in two weeks with the Dow snapping a seven-day winning streak on worries over a possible delay in much-anticipated corporate tax cut. However, main indices trimmed losses after the House Ways and Committee approved a bill to overhaul the tax code, setting up a vote by the full House. Stocks were initially battered by fears that tax cuts would be delayed as the Senate Finance Committee on Thursday released its version of a tax plan that would defer implementing a 20 percent corporate tax until 2019, versus next year, as proposed by House Republicans. But some of those jitters were soothed when the House Ways and Committee passed the bill put forth by the Republicans which proposes cutting corporate taxes to 20 percent from 35 percent, repeals the estate tax over time, and revise the existing seven tax brackets into four. The bill will move to the House floor for a vote, possibly as soon as next week. Technology stocks in the S&P 500, the best-performing sector of the year so far, fell 0.9 percent. The group is still up 37 percent this year. Chip makers were among the biggest decliners, with Advanced Micro Devices down 5 percent and Nvidia off 1.8 percent.

The Dow Jones Industrial Average lost 101.42 points, or 0.43 percent to end at 23,461.94, while the S&P 500 declined 9.76 points, or 0.38 percent, to 2,584.62 and the Nasdaq Composite dropped 39.06 points, or 0.58 percent, to 6,750.05.

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As of Friday, November 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 – 2032 5048
www.ta.com.my

News In Brief *Corporate*

Petronas Chemicals Bhd (PetChem) registered 2.5% growth in net profit in the 3QFY17 to RM913mn, thanks to higher production and sales volume achieved upon commissioning of its Sabah Ammonia Urea plant in May this year. For 9MFY17, PetChem posted a 63.1% increase in net profit to RM3.2bn, contributed by better performance by both its core segments. *(Bursa Malaysia/ The Edge)*

S P Setia Bhd announced today an 88.9% surge in its net profit for 3QFY17 at RM253.2mn, riding on its UK power station project. For 9MFY17, the property developer saw its net profit grow 29.1% to RM494.7mn, from RM383.2mn in 9MFY16. *(Bursa Malaysia/ The Edge)*

Gas Malaysia Bhd's pretax profit for 3Q17 decreased to RM55.2mn from RM55.6mn reported in 3Q16. This was mainly due to higher operating expenses despite higher gross profit in line with the increase in volume of gas sold and higher assets contributed by customers. For 9M17, pretax profit increased to RM117.2mn from RM113.3mn reported in 9M16. *(Bursa Malaysia/ Bernama)*

Hong Leong Industries Bhd recorded a higher net profit of RM81.9mn for 1QFY18, up 26.3% from RM64.8mn for the corresponding quarter in the previous year, mainly attributable to higher revenue from the consumer products segment. *(Bursa Malaysia/ The Edge)*

For 9MFY17, **Malayan Flour Mills Bhd** reported a 4% increase in net profit to RM64.6mn, from RM62.1mn, on higher margins in its flour and grains trading segment, arising from net unrealised gain on future and option contracts recorded. *(Bursa Malaysia/ The Edge)*

Tien Wah Press Holdings Bhd remained in the red after posting a net loss of RM7.1mn for 3QFY17, following the cessation of its printing operations in the country. It reported a net loss of RM17.4mn in 9MFY17, compared to a net profit of RM15.9mn a year ago, though revenue grew 31.2% to RM323.4mn. *(Bursa Malaysia/ The Edge)*

Malaysia Smelting Corp Bhd registered a 55.8% drop in net profit for 3QFY17 at RM7.7mn. Its tin smelting segment was less profitable for the quarter under review due to the impact from forex differences, higher production cost and operating expenses. For 9MFY17, net profit came in at RM29.3mn, down 8.3% from RM32.0mn in the corresponding period last year. *(Bursa Malaysia/ The Edge)*

RCE Capital Bhd's 1HFY19 net profit was 19% higher at RM42.7mn, compared with RM35.9mn in the previous period. Revenue grew 9.8% to RM118.7mn. The group said the double-digit growth in its profit was driven by higher net interest income and lower operating expenses, partially offset by higher staff costs arising from share options granted under the employee shares scheme. *(Bursa Malaysia/ The Edge)*

MYEG Services Bhd has proposed to diversify its existing principal activities and its units to include the foreign workers accommodation programme. The programme entailed the setting up and management of centralised and integrated living quarters or hostels for the purpose of housing the foreign workers. *(Bursa Malaysia/ Bernama)*

Tan Sri Mokhzani Mahathir has sold 385.0mn shares in **Sapura Energy Bhd**, marking his exit from the oil and gas firm, some 5 years after the merger of Kencana Petroleum Bhd and Sapuracrest Petroleum Bhd. *(Bursa Malaysia/ The Sun)*

Aeon Co (M) Bhd has filed a suit against **WCT Holdings Bhd's** unit Gemilang Waras Sdn Bhd at the Kuala Lumpur High Court to renew its lease for Aeon Mall Bukit Tinggi. It is seeking court intervention to stop Gemilang Waras and those tied to the company from terminating the lease agreement dated Nov 23, 2007 and from trying to evict the company or its tenants from Aeon Mall Bukit Tinggi, pending the court's decision. *(Bursa Malaysia/ The Sun)*

Independent adviser AmlInvestment Bank deems the takeover offer for **Hovid Bhd** at 38 sen a share and 20 sen a warrant as "fair" and "reasonable", advising shareholders to accept the offer. *(Bursa Malaysia/ The Sun)*

Hibiscus Petroleum Bhd expects oil prices to remain high over the next few months, providing a "sweet spot" for the oil and gas group after undergoing challenging conditions in the last 2 years. Hibiscus hopes to increase oil production at Anasuria Cluster by up to 56% over the next 2 years, to 5,000 bbls/day from 3,204 bbls/day in its FY17. *(Bursa Malaysia/ The Edge)*

Zecon Bhd expects a hospital project it is undertaking to bring in some RM100mn per year over a 10-year period from FY19. Describing the project as a cash cow, Zecon's corporate finance and accounts vice president Jamil Jamaludin said, however, that the group's gearing level is likely to be 3x more from the current 1.36x next year as it hits the peak funding period for the project. *(Bursa Malaysia/ The Edge)*

Sunzen Biotech Bhd aborted plans to buy a 70% interest in Ecolite Biotech Manufacturing Sdn Bhd for RM12mn on issues arising from due diligence conducted on Ecolite and its subsidiaries. The company did, however, state that should those issues be resolved to the satisfaction of the company it may reconsider them after due and careful deliberation by the board. *(Bursa Malaysia/ The Sun)*

The public portion of **Kejuruteraan Asastera Bhd's** IPO received an oversubscription rate of 57.3x. The placement agent confirmed that 56mn issue shares by way of private placement to institutional and selected investors and 32mn existing shares by way of private placement to institutional and selected investors had been fully placed out, respectively. *(Bursa Malaysia/ Bernama)*

SCH Group Bhd has terminated its MoU with Dataran 888 Sdn Bhd in relation to the collaboration on the excavation, removal, distribution and sale of quarry sand and other related deposits from flood mitigation ponds located in Kuala Lumpur. The company and Dataran 888 Sdn Bhd have mutually agreed to terminate the MoU. *(Bursa Malaysia/ The Sun)*

Asia Bioenergy Technologies Bhd's subsidiary Asiabio Petroleum Sdn Bhd has entered a tripartite MoU with Peri Formwork Malaysia Sdn Bhd and AT Engineering Solution Sdn Bhd — a subsidiary of **AT Systematization Bhd** — to research the scaffolding and formwork market in Malaysia. *(Bursa Malaysia/ The Edge)*

News In Brief *Economy*

Asia **BNM Keeps OPR Unchanged at 3.00%**

Bank Negara Malaysia (BNM)'s Monetary Policy Committee (MPC) is keeping the Overnight Policy Rate (OPR) at 3%, as it expects Malaysia's growth to remain strong in 2018, amid a strengthening global economy. In a statement, it said that at the current key rate level, the stance of monetary policy remains accommodative. "Both the domestic and external sectors continue to register strong performance. Growth momentum has been lifted by stronger spillovers from the external sector to the domestic economy as firms invest in productive capacity, raise wages and hire more workers," it said. "For 2018, domestic demand is expected to remain the key source of growth. Private consumption will remain the largest driver of growth, supported by continued improvements in income and overall labor market conditions," it added. (The Edge Market)

Slower Industrial Output in September as Manufacturing Drags

Malaysia's industrial output in September rose at a slower pace of 4.7% from a year ago, which was below a Bloomberg survey of 6.3%, due to slower manufacturing growth. The Statistics Department said that the manufacturing index expanded by 5.7%, mining 2.1% and electricity (2.2%). The department said the major sub-sectors, which recorded an expansion in September 2017 were petroleum, chemical, rubber and plastic products (4.9%); electrical and electronic products (6.6%) and food, beverages and tobacco products (8.0%). As for the mining sector, output increased at a much slower pace of 2.1% in September 2017 compared with August's expansion of 5.3%. It pointed out to a 0.7% increase in the index for crude oil and 3.9% in the index for natural gas. The department said electricity sector output expanded 2.2% in September 2017 on a yearly basis. (The Star)

Chinese Inflation Tops Expectations for October

China's consumer inflation rate accelerated to 1.9% in October from a year earlier, beating market expectations, the National Bureau of Statistics (NBS) said. The consumer price index (CPI) had been expected to rise 1.8% on-year compared with an increase of 1.6% in September. Producer prices rose 6.9% on-year, unchanged from previous month's increase. Analysts had predicted the PPI would rise 6.6%. China's economy recorded better-than-expected growth of nearly 6.9% through the first nine months of this year, buoyed largely by a recovery in its manufacturing and industrial sectors thanks to strong government infrastructure spending, a resilient property market and unexpected strength in exports. (CNBC)

Japan Overall Bank Lending Rises 2.8% in October

Overall bank lending in Japan was up 2.8% on year in October, the Bank of Japan said on Thursday - coming in at 518.090 trillion Yen. That was shy of forecasts for an increase of 3.0% following the downwardly revised 2.9% gain in September (originally 3.0%). Excluding trusts, bank lending again advanced an annual 2.8% to 450.429 trillion yen - also shy of forecasts for 3.0%, which would have been unchanged. Lending from trusts gained 2.6% on year to 67.661 trillion Yen, while lending from foreign banks plummeted 24.5 percent to 2.052 trillion yen. (RTT News)

United States **U.S. Senate Plan Would Delay Corporate Tax Rate Cut Until 2019**

The U.S. Senate Republican tax cut plan being unveiled on Thursday would delay until 2019 a reduction in the corporate tax rate and fully repeal the federal income tax deduction for state and local taxes, two key differences with a House tax plan. President Donald Trump and fellow Republicans who control Congress have promised deep tax cuts that they say would energize the economy, but emerging differences in the Senate and House of Representatives proposals could complicate congressional passage. As the House tax-writing committee put the finishing touches on its bill to provide the biggest U.S. tax-code overhaul in decades, Senate Republicans were set to announce their separate plan later on Thursday.

Congressional Republicans are aiming to pass the legislation by the end of the year. The Senate plan, like the House version, would cut the corporate tax rate to 20 percent from 35 percent, but would delay this by one year until 2019, said Republican Senator Bill Cassidy, a member of the tax-writing Finance Committee. (Reuters)

U.S. Jobless Claims Rose Last Week

The number of Americans filing applications for new unemployment benefits rose last week. Initial jobless claims, a proxy for layoffs across the U.S., increased 10,000 to a seasonally adjusted 239,000 in the week ended Nov. 4, the Labor Department said. Economists surveyed by The Wall Street Journal expected 230,000 new claims last week. In previous weeks, Puerto Rico began processing a backlog of applications the U.S. territory built up in the aftermath of recent hurricanes. Power outages and infrastructure damage in Puerto Rico and the U.S. Virgin Islands caused many applying for unemployment benefits to submit paper applications, causing what usually would have been a spike in claims to slow to a trickle, a Labor Department economist said. Though the ability to process claims has improved in Puerto Rico, the claims-taking procedure remains disrupted in the U.S. Virgin Islands. Nationally, jobless claims are trending near a 44-year low, showing the overall health of the labor market. Claims numbers have remained below 300,000 a week for more than two and a half years. Jobless claims data can be volatile. The four-week moving average, a steadier measure, dropped 1,250 to 231,250 last week, the lowest level since the beginning of 1973. (The Wall Street Journal)

Wholesale Inventories Rise 0.3%, Meeting Expectations

U.S. wholesale inventories increased 0.3% in September, on par with analysts' estimates, while the strong growth in August was revised slightly downward from 0.9% to 0.8%. The component of wholesale inventories that goes into the calculation of gross domestic product - wholesale stocks excluding autos - rose 0.42%. Sales at wholesalers in September rose 1.3%, compared to an upwardly revised 1.9% growth rate in August. The figure is slightly stronger than the 0.9% growth rate expected by economists polled by Reuters. Wholesale auto sales rose 0.7% after surging at a revised 4.4% rate the month before. At the September sales pace it would take wholesalers 1.27 months to clear their stock of goods, down from 1.28 months in August. (CNBC)

Europe and United Kingdom

EU Cuts UK Growth Forecast as Eurozone Motors Ahead

The European commission enters key Brexit talks with the government with the Eurozone economy in its best shape for a decade and activity in the UK weaker than expected six months ago. In its half-yearly health check, the commission sharply cut its forecast for UK growth this year and said it was likely to continue struggling in 2018 and 2019 even on the assumption that trade would not be disrupted by its departure from the EU. Forecasts produced by economists in Brussels said the UK economy would grow by 1.5% this year rather than the 1.8% penciled in when the last assessment was made in May. The International Monetary Fund is expecting UK growth of 1.7% this year, while the Organization for Economic Cooperation and Development is forecasting growth of 1.6%. Brussels believes that the UK economy will slow further to 1.3% in 2018 and 1.1% in 2019 – with growth of just 0.3% in every quarter for the next two years. It is gloomier about the outlook than the Bank of England, which expects growth of 1.7% in both years.

Separately, the weakening outlook for the UK contrasts with the commission's growth upgrade for the Eurozone. Helped by a pick up in the world economy and by the stimulus provided by the European Central Bank, the Eurozone is expected to expand by 2.2% this year, up from 1.7% six months ago. (The Guardian)

German Exports Dip, But Robust Orders Brighten Outlook

Germany's imports and exports both fell in September as its trade surplus widened, highlighting the importance of domestic consumption as a driver of growth in Europe's largest economy. Seasonally adjusted exports fell by 0.4% on the month while imports were

down by 1.0%, Federal Statistics Office data showed. The reading, which followed months of growth in both exports and imports, showed sales of German goods and services abroad barely grew overall in the third quarter. Economists said trade would not make any significant contribution to growth in the quarter, but they were optimistic about the outlook given continuing strong demand for German goods. (Reuters)

Share Buy-Back: 09 November 2017

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
AMPROP	30,600	0.79	0.795/0.78	15,516,800
BORNOIL	500,000	0.10	0.095/0.09	40,400,000
FFHB	15,000	0.67	0.685/0.665	772,800
LIENHOE	100,000	0.35	0.355/0.35	14,146,200
NIHSIN	500,000	0.28	0.28/0.27	22,623,500
PECCA	20,000	1.29/1.28	1.34/1.28	2,120,000
SCGM	50,000	2.76/2.68	2.76/2.65	214,400
UNIMECH	10,000	1.05/1.04	1.05/1.03	6,066,810

Source: Bursa Malaysia

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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 – 2032 5048
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-Nov-17													
AUTOMOBILE														
BAUTO	2.10	2.50	0.81	10.2	14.3	20.6	14.7	5.5	5.5	2.25	-6.7	1.84	14.1	-1.4
MBMR	2.14	2.09	1.00	20.7	23.2	10.4	9.2	1.9	2.2	2.60	-17.7	2.01	6.5	0.0
PECCA	1.30	1.69	na	7.8	11.1	16.6	11.7	3.8	4.2	1.86	-30.1	1.28	1.6	-18.2
UMW	5.18	5.04	1.38	19.7	30.6	26.3	16.9	2.5	3.9	6.08	-14.8	4.09	26.5	22.7
BANKS & FINANCIAL SERVICES														
ABMB	3.70	4.80	1.39	33.1	30.6	11.2	12.1	4.3	4.3	4.49	-17.6	3.60	2.8	-0.5
AFFIN	2.51	3.00	0.88	29.4	33.6	8.5	7.5	3.2	3.2	3.00	-16.3	2.19	14.6	5.0
AMBANK	4.38	5.70	1.20	43.9	48.6	10.0	9.0	4.0	4.1	5.70	-23.2	3.90	12.3	1.6
CIMB	6.21	8.00	1.47	49.6	55.2	12.5	11.2	4.0	4.4	7.08	-12.3	4.49	38.3	37.7
HLBANK	15.96	17.50	0.58	104.9	114.2	15.2	14.0	2.8	2.8	16.48	-3.2	12.80	24.7	18.2
MAYBANK	9.16	10.20	0.97	69.6	75.9	13.2	12.1	5.5	5.5	9.86	-7.1	7.63	20.1	11.7
PBBANK	20.46	23.60	0.60	137.2	142.4	14.9	14.4	2.7	2.8	20.90	-2.1	19.40	5.5	3.8
RHBBANK	4.90	5.80	1.44	50.6	55.0	9.7	8.9	3.1	3.1	5.59	-12.3	4.58	7.0	4.0
BURSA	9.85	11.10	0.78	40.2	39.0	24.5	25.3	3.5	3.5	10.98	-10.3	8.08	21.9	12.9
CONSTRUCTION														
BPURI	0.37	0.38	0.55	4.7	4.6	7.8	8.0	0.0	0.0	0.49	-24.7	0.33	12.3	-16.1
GADANG	1.21	1.75	0.39	15.2	14.3	8.0	8.5	2.5	2.5	1.37	-11.7	0.89	36.7	15.2
GAMUDA	4.81	6.00	0.97	27.8	34.5	17.3	13.9	2.5	2.5	5.52	-12.9	4.65	3.4	0.6
IJM	3.12	3.50	0.89	15.3	20.2	20.4	15.4	2.4	3.0	3.61	-13.6	3.07	1.6	-2.5
PESONA	0.54	0.64	0.68	4.4	6.6	12.3	8.1	4.6	4.6	0.74	-26.5	0.48	13.7	-10.7
SENDAI	0.96	0.58	1.22	8.2	9.6	11.6	10.0	1.0	1.0	1.39	-30.9	0.51	90.1	67.0
SUNCON	2.35	2.55	na	12.7	14.7	18.6	16.0	2.3	2.3	2.43	-3.3	1.58	48.7	38.2
WCT	1.68	1.61	1.01	11.5	12.5	14.6	13.5	1.8	1.8	2.48	-32.1	1.49	12.8	-2.3
LITRAK	5.80	6.26	0.33	41.9	45.7	13.8	12.7	4.3	4.3	6.15	-5.7	5.57	4.1	-1.4
<i>Building Materials</i>														
ANNJOO	3.91	4.40	1.17	41.3	45.4	9.5	8.6	5.3	5.6	3.98	-1.8	1.97	98.5	80.2
CHINHIN	1.30	1.58	na	8.3	11.3	15.7	11.5	3.1	4.6	1.49	-12.8	0.85	53.8	49.4
WTHORSE	1.96	1.67	0.50	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	15.72	18.06	0.65	79.3	86.2	19.8	18.2	5.0	5.5	16.00	-1.7	13.72	14.6	12.9
HEIM	18.60	19.14	0.48	79.6	84.0	23.4	22.1	3.9	4.1	19.58	-5.0	15.56	19.5	13.6
<i>Retail</i>														
AEON	2.00	2.23	0.45	6.5	7.5	30.7	26.6	2.0	2.4	2.85	-29.8	1.95	2.6	-22.2
AMWAY	7.10	8.62	0.33	30.6	38.7	23.2	18.4	4.6	4.9	8.18	-13.2	7.05	0.7	-3.1
F&N	25.44	27.41	0.17	102.6	150.9	24.8	16.9	2.3	2.4	26.00	-2.2	22.44	13.4	8.3
HUPSENG	1.13	1.50	0.37	6.5	6.6	17.3	17.1	5.3	5.3	1.28	-11.7	1.12	0.9	-1.8
JOHOTIN	1.46	1.80	0.43	13.5	15.1	10.8	9.7	2.9	3.4	1.76	-17.0	1.00	46.7	17.7
NESTLE	88.50	92.76	0.39	292.7	325.4	30.2	27.2	3.1	3.2	90.00	-1.7	74.12	19.4	13.2
PADINI	5.10	4.67	0.51	23.5	27.0	21.7	18.9	2.3	2.5	5.23	-2.5	2.26	125.6	100.8
POHUAT	1.98	2.50	0.65	27.3	27.3	7.3	7.3	4.0	4.0	2.08	-4.8	1.55	27.7	14.5
QL	3.94	3.26	0.31	12.1	12.8	32.6	30.7	1.1	1.1	4.03	-2.2	3.26	21.0	18.3
SIGN	0.88	1.08	0.88	6.7	8.6	13.2	10.3	2.8	4.0	1.07	-17.8	0.79	12.1	10.7
<i>Tobacco</i>														
BAT	39.86	52.08	1.30	198.6	187.4	20.1	21.3	5.0	5.0	51.04	-21.9	37.00	7.7	-9.8
GAMING														
<i>Casino</i>														
GENTING	9.48	11.54	1.46	50.2	54.4	18.9	17.4	1.5	1.7	10.00	-5.2	7.50	26.4	19.3
GENM	5.15	6.53	1.53	21.0	27.1	24.5	19.0	1.6	1.7	6.38	-19.3	4.42	16.5	14.0
<i>INFO</i>														
BJTOTO	2.37	3.34	0.79	18.3	21.5	12.9	11.0	5.9	6.8	3.19	-25.7	2.25	5.3	-19.9
LUSTER	0.13	0.15	2.00	0.4	0.4	34.4	34.7	0.0	0.0	0.16	-21.9	0.05	150.0	150.0
HEALTHCARE														
<i>Hospitals/ Pharmaceutical</i>														
CCMDBIO	2.18	2.45	0.58	12.7	13.6	17.2	16.0	3.9	4.1	2.43	-10.3	1.90	14.7	10.1
IHH	5.64	6.41	0.71	7.9	13.1	71.1	43.1	0.6	0.6	6.60	-14.5	5.50	2.5	-11.2
KPJ	1.02	1.17	0.39	3.3	4.1	30.8	25.1	1.5	1.8	1.14	-10.5	0.96	6.0	-2.4
<i>Rubber Gloves</i>														
HARTA	8.30	6.87	0.66	19.4	24.6	42.8	33.8	1.0	1.3	8.38	-1.0	4.53	83.2	71.8
KOSSAN	7.41	7.35	0.03	33.9	40.0	21.8	18.5	2.3	2.7	7.45	-0.5	5.62	31.9	12.4
SUPERMX	1.81	1.80	0.27	10.6	15.2	17.1	11.9	1.8	2.5	2.38	-23.9	1.69	7.1	-14.2
TOPGLOV	6.75	6.00	-0.31	26.4	29.4	25.6	22.9	2.1	2.2	6.89	-2.0	4.56	48.0	26.2
KAREX	1.58	1.60	0.17	2.8	4.6	56.7	34.1	1.3	0.7	2.62	-39.7	1.37	15.3	-33.1
INDUSTRIAL														
SCIENTX	8.92	9.38	0.40	52.3	64.9	17.1	13.7	1.8	2.0	9.85	-9.4	6.63	34.5	33.1
SKPRES	1.96	2.20	0.45	8.3	10.4	23.7	18.9	2.1	2.6	2.02	-3.0	1.24	58.1	51.9
MEDIA														
ASTRO	2.78	3.40	1.32	13.2	14.5	21.0	19.1	4.5	4.7	2.94	-5.4	2.47	12.6	6.9
MEDIA PRIMA	0.83	0.60	0.47	0.9	2.8	96.8	29.3	0.8	2.7	1.28	-35.5	0.66	26.0	-28.3
STAR	1.52	1.00	0.67	3.3	4.0	45.8	37.6	27.6	11.8	2.22	-31.5	1.51	0.7	-22.0

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	
OIL & GAS														
DNEX	0.47	0.75	1.10	3.6	4.5	13.0	10.4	2.1	2.1	0.69	-31.9	0.23	108.9	84.3
LCTITAN	5.34	6.66	na	42.8	63.4	12.5	8.4	4.3	4.7	6.53	-18.2	4.14	29.0	-17.8
MHB	0.92	0.78	1.73	-2.0	-0.5	na	na	0.0	0.0	1.16	-20.7	0.63	47.2	0.5
MISC	7.45	6.56	1.06	57.2	46.8	13.0	15.9	4.0	4.0	7.90	-5.7	6.91	7.8	1.4
PANTECH	0.68	0.69	1.13	4.0	6.1	17.0	11.0	2.7	4.1	0.74	-8.8	0.44	55.2	51.7
PCHEM	7.40	8.05	0.99	52.7	49.8	14.0	14.9	3.1	3.0	7.80	-5.1	6.54	13.1	6.0
SENERGY	1.46	1.66	2.83	6.6	-0.4	22.1	na	0.7	0.0	2.10	-30.5	1.33	9.8	-9.9
SERBADK	2.74	3.40	na	22.9	25.7	12.0	10.6	2.5	2.8	2.79	-1.8	1.51	81.5	82.7
UMWOG	0.33	0.48	1.70	-3.2	-0.9	na	na	0.0	0.0	0.92	-64.8	0.27	20.4	-62.0
<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	1.45	1.55	1.31	11.3	12.3	12.8	11.8	0.0	0.0	1.98	-26.8	1.28	13.3	-14.7
PLANTATIONS														
FGV	1.89	1.52	1.79	1.0	2.5	191.1	74.2	2.6	2.6	2.18	-13.3	1.42	33.1	21.9
IJMLNT	2.87	3.58	0.32	12.3	14.1	23.3	20.4	2.4	2.8	3.60	-20.3	2.83	1.4	-15.6
IOICORP	4.47	4.14	1.29	17.3	21.0	25.8	21.2	2.1	3.6	4.81	-7.1	4.32	3.5	1.6
KFIMA	1.69	1.89	0.46	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	0.78	103.4	120.4	24.0	20.6	2.1	2.4	25.50	-2.8	23.00	7.7	3.3
SIME	9.06	9.80	1.51	34.2	37.3	26.5	24.3	2.5	2.5	9.70	-6.6	7.85	15.4	11.9
UMCCA	7.05	7.52	0.39	37.5	31.8	18.8	22.2	3.3	2.4	7.08	-0.4	5.54	27.2	18.1
PROPERTY														
GLOMAC	0.65	0.60	0.53	1.4	5.0	44.9	12.9	4.2	4.2	0.77	-15.6	0.61	6.6	-6.5
HUAYANG	0.72	0.69	0.65	17.3	1.8	4.2	39.3	5.6	0.7	1.21	-40.5	0.71	1.4	-36.3
IBRACO	0.87	0.94	na	3.3	10.5	26.7	8.3	2.3	4.6	1.05	-17.1	0.76	15.2	-13.0
IOIPG	1.99	2.23	0.81	18.9	16.9	10.5	11.8	3.0	3.0	2.28	-12.5	1.85	7.7	2.1
MAHSING	1.55	1.76	1.00	14.3	13.5	10.8	11.5	4.2	4.2	1.64	-5.5	1.34	15.7	8.4
SNTORIA	0.74	0.98	0.27	6.2	10.3	12.0	7.2	1.4	1.4	1.00	-26.0	0.69	7.2	-7.5
<i>Note: SNTORIA proposed bonus issue of warrants & right issue of shares. For more details please refer to 25.09.17 report.</i>														
SPB	4.75	5.97	0.67	25.6	22.8	12.9	14.5	2.5	2.5	5.19	-8.5	4.32	9.9	7.4
SPSETIA	3.30	4.10	0.91	11.6	12.7	14.4	13.1	4.2	4.2	4.50	-26.7	3.10	6.5	5.4
SUNWAY	1.67	1.83	0.73	15.8	15.2	12.4	12.9	3.0	3.0	1.96	-14.7	1.24	34.8	29.9
REIT														
SUNREIT	1.70	1.87	0.75	9.2	10.0	18.4	16.9	5.4	5.9	1.81	-6.1	1.63	4.3	-1.2
CMMT	1.46	1.72	0.42	8.1	8.6	18.1	16.9	5.8	6.1	1.72	-15.1	1.40	4.3	-4.6
POWER & UTILITIES														
MALAKOF	1.01	1.22	0.61	6.8	6.9	14.8	14.7	6.9	6.9	1.51	-33.1	1.00	1.5	-26.3
PETDAG	21.44	21.47	0.68	98.2	102.3	21.8	21.0	3.4	3.5	25.70	-16.6	21.00	2.1	-9.9
PETGAS	17.70	19.37	0.89	87.6	100.1	20.2	17.7	3.6	4.0	22.16	-20.1	16.64	6.4	-16.9
TENAGA	14.90	17.38	0.77	175.7	130.0	8.5	11.5	3.0	3.0	15.46	-3.6	13.00	14.6	7.2
YTLPOWR	1.33	1.40	0.68	8.2	11.2	16.2	11.9	3.8	3.8	1.50	-11.3	1.28	3.9	-9.0
TELECOMMUNICATIONS														
AXIATA	5.44	5.40	1.35	15.7	16.9	34.7	32.2	1.4	1.6	5.47	-0.5	4.11	32.4	15.3
DIGI	4.87	5.20	0.76	19.5	20.0	24.9	24.4	4.0	4.1	5.19	-6.2	4.63	5.2	0.8
MAXIS	6.00	6.10	0.74	26.0	26.2	23.1	22.9	3.3	3.3	6.60	-9.1	5.48	9.5	0.3
TM	6.15	7.20	0.63	22.6	23.2	27.2	26.5	3.3	3.4	6.69	-8.1	5.81	5.9	3.4
TECHNOLOGY														
<i>Semiconductor & Electronics</i>														
ELSOFT	2.59	3.00	0.57	11.3	14.1	22.9	18.4	3.1	3.8	2.95	-12.2	1.29	101.5	84.5
IRIS	0.17	0.25	1.84	-1.3	0.6	na	30.7	0.0	0.0	0.22	-22.7	0.10	70.0	54.5
INARI	2.90	2.75	0.80	11.3	13.0	25.8	22.4	3.4	3.2	2.95	-1.7	1.61	80.5	75.1
MPI	13.80	15.00	0.16	89.5	105.5	15.4	13.1	2.0	2.3	14.52	-5.0	7.20	91.7	86.2
UNISEM	3.90	3.85	0.77	23.5	27.1	16.6	14.4	3.1	3.1	4.25	-8.2	2.27	71.8	65.3
TRANSPORTATION														
<i>Airlines</i>														
AIRASIA	3.26	3.76	0.92	44.0	37.6	7.4	8.7	1.2	1.5	3.59	-9.2	2.16	50.9	42.4
AIRPORT	8.40	8.10	1.23	17.2	17.5	48.7	48.0	1.2	1.2	9.45	-11.1	5.91	42.1	38.6
<i>Freight & Tankers</i>														
PTRANS	0.30	0.44	na	2.1	2.3	14.6	13.2	2.1	2.3	0.38	-21.4	0.14	112.9	106.3
TNLOGIS	1.43	1.80	1.12	12.0	13.6	11.9	10.5	3.0	3.5	1.83	-22.0	1.43	0.0	-8.3
WPRTS	3.74	4.05	0.87	17.1	15.1	21.8	24.7	3.4	3.0	4.41	-15.2	3.58	4.5	-13.0

SNAPSHOT OF FOREIGN STOCKS UNDER COVERAGE

Company	Share Price (S\$)	Target Price (S\$)	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	24.30	23.30	1.25	172.7	189.1	14.1	12.8	2.5	2.5	0.0	15.4	58.00	40.1	0.0
OCBC	11.84	13.50	1.20	95.5	104.0	12.4	11.4	5.7	6.7	-1.2	8.5	8.84	32.7	0.0
UOB	25.38	26.90	1.07	200.8	215.5	12.6	11.8	2.8	2.8	-0.3	18.6	36.82	24.4	0.0
PLANTATIONS														
WILMAR	3.34	3.72	0.85	28.9	31.1	11.5	10.7	2.4	2.7	-16.5	3.1	8.44	-7.0	0.0
IFAR	0.46	0.53	1.01	4.9	5.2	9.5	8.9	2.6	2.8	-22.7	0.4	5.75	-12.4	0.0

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.