

Daily Brief

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

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Market View *Blue Chips to Extend Consolidation*

Blue chips stayed in profit-taking consolidation mode on Wednesday, as the local market has been perceived as overheated from the recent rally, in tandem with key regional markets as investors booked profits in high-tech shares, ahead of the corporate earnings season. The KLCI lost 4.03 points to end at 1,822.92, off a high of 1,830.63 and low of 1,821.27, as losers edged gainers 630 to 426 on higher turnover totaling 5.74bn shares worth RM3.77bn.

Key Uptrend Supports at 1,820 & 1,796

The recent run-up in the local market is likely to be overstretched as the key index has risen over 100 points over the past month. Blue chips is expected to extend profit-taking consolidation from the recent rally, while rotational interest focus on lower liners and ACE Markets stocks. Immediate resistance for the index stays at 1,840, Tuesday's high matching the 123.6%FP, followed by 1,867, the April 2017 peak matching the 138.2%FP, followed by the all-time high of 1,896 on July 2014. Important uptrend support in this profit-taking correction remains at 1,820 and 1,796, the breakout level.

Take Profit Ekovest & WCT Holdings

Further rise on Ekovest should meet stronger profit-taking resistance towards the 76.4%FR (RM1.28) and the peak of 13/01/17 (RM1.52), while support is at 50%FR (RM1.02), reinforced by the 30-day ma (RM0.96). WCT Holdings should stage further profit-taking correction due to hook down momentum indicators, with better chart supports from the 23.6%FR (RM1.65) and lower Bollinger band (RM1.39). Immediate resistance is capped at 50%FR (RM1.93).

Most Asian Markets Ease Ahead of Earnings Season

Some Asian stock markets pulled back Wednesday, despite a solid lead from Wall Street overnight, as investor's sentiment turn cautious ahead of corporate earnings season. Information technology shares led the decline with a 1.4 percent fall as Samsung Electronics extended losses. The tech company's profit guidance disappointed investors and raised worries the memory chip boom may be coming to an end. Japan's Nikkei share average took a breather on Wednesday, with some index-heavy stocks losing ground after the index hit a 26-year high. The Nikkei fell 0.3 percent to 23,798.90, staying slightly below its 26-year high of 23,951.61. Over in Seoul, the benchmark Kospi index edged down 0.42 percent to end at 2,499.75. Australia's S&P/ASX 200 also shed 0.64 percent to finish at 6,096.7 as most sectors recorded losses. Meanwhile, China shares extended their rally to close at the highest in seven weeks, climbing for a nine straight session, led by banking and consumer stocks. The Shanghai Composite index was up 8.24 points or 0.24 percent at 3,422.14.

China and Nafta Concerns Drag Wall Street Lower

The three major U.S. stock indexes ended lower on Wednesday after a choppy trading session as investors worried that China would slow U.S. government bond purchases and the U.S. pulling out of NAFTA. The S&P and the Nasdaq snapped a six-day rally after Bloomberg reported that China, the world's biggest holder of U.S. Treasuries, could slow or stop buying the government bonds. The report also notes that Chinese officials think U.S. debt is becoming less attractive compared to other assets, adding that trade tensions between the two countries could provide a reason to slow down or halt the purchases. Meanwhile, a media

report that Canada is increasingly convinced Trump will soon announce a U.S. exit from the North American Free Trade Agreement. It cited two unnamed government sources. The Nafta news damped risk appetite in the U.S., halting a comeback for stocks that began the day on the wrong foot thanks to the news out of China.

The Dow Jones Industrial Average fell 16.67 points, or 0.07 percent, to 25,369.13, the S&P 500 lost 3.06 points, or 0.11 percent, to 2,748.23 and the Nasdaq Composite dropped 10.01 points, or 0.14 percent, to 7,153.57.

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As of Thursday, January 11, 2018, 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*

AirAsia Bhd is looking at an IPO for its India unit, where it would be seeking approval at the next AirAsia India board meeting to pick a banker to start the preliminary process for the IPO. (Bernama)

MY E.G. Services Berhad's sub-subsidiary, MY E.G. Alternative Payment Services Sdn Bhd, had received the approval from Bank Negara Malaysia to issue electronic money via its iPayEasy e-wallet with a maximum wallet limit of RM1,500 per customer.

OSK Property Holdings Bhd plans to launch three projects with a cumulative GDV of RM4.7bn this year. The three projects are Ryan & Miho (RM593mn), Iringan Bayu in Seremban (RM3.6bn) and Hika in Cheras (RM460mn). (The Edge)

Malaysia Airports Holdings Berhad's network of airports reported a 7.8% YoY increase in total passenger movements for 2017 – its highest ever recorded. Based on prevailing economic conditions and the additional airlines seat capacity offered, Malaysia passenger traffic in 2018 is expected to grow at 6.3% YoY. (Bursa)

Tan Chong Motor Holdings Berhad entered into an exclusive distributorship agreement with Xiamen King Long United Automotive Industry Co., Ltd. It will be appointed as the sole and exclusive distributor, assembler and after-sales service provider of King Long XMQ6829Y coach model, in both completely assembled form and in its bare chassis form in Vietnam. (Bursa)

Ewein Berhad confirmed that its Group Managing Director has been remanded by Suruhanjaya Pencegahan Rasuah Malaysia to facilitate and assist in an investigation currently being conducted. Based on newspaper reports, the investigation relates to the Penang undersea tunnel project. In a separate filing, **Vertice Berhad** confirmed the role of Consortium Zenith Construction Sdn Bhd (a 13.2% associate of Vertice) as the main contractor for the project will continue as previously planned. (Bursa)

Tiger Synergy Berhad has proposed a 4-into-1 share consolidation and issuance of redeemable convertible notes of up to RM150.0mn. It intends to utilise up to RM125.3mn of proceeds to finance its ongoing property development projects, which include Telaris Alam Impian Project, Telaris Gombak Project, The Aster Residence Project and Affordable Housing Project. (Bursa)

Accsoft Technology Berhad proposed a 10-into-25 share split. (Bursa)

AYER Holdings Bhd, recently rebranded from TAHPS Group Bhd, expects to complete the revision of its Bukit Puchong township master plan in a couple of months, before the developer proceeds with product launches. To date, the group has developed about half of its 1,290 acres of freehold land in Bukit Puchong and will be developing more projects comprising landed and high-rise residential units. (The Edge)

Berjaya Corporation Bhd is projecting its retail segment growth to be between 3.0-5.0% for FY18, driven by an improvement in the retail sales and economic outlook. It had been previously been under pressure due to the weaker ringgit, weak consumer sentiment and intense competition. (Bernama)

LPI Capital Bhd reported a 28.2% YoY decline in its FY17 net profit to RM313.8mn. Excluding one-off gains in 2016, profit would have increased by 9.4% YoY. Gross premium income increased by 11.2% YoY – underpinned by a continued expansion of its agency force and the contribution from its global partners. Separately, it also announced a 1-for-5 bonus issue, aimed at rewarding shareholders. (Bursa)

News In Brief *Economy*

Global **World Bank Raises Global Growth Projections**

The World Bank raised its global growth projections, saying 2018 is on track for the first time since the financial crisis to operate at or near full capacity. The global economy is forecast to grow 3.1 percent this year instead of 2.9 percent projected in June, the bank said in its Global Economic Prospects, released Wednesday. The outlook for 2019 was lifted to 3.0 percent from 2.9 percent. For 2020, the bank forecast 2.9 percent expansion. "The broad-based recovery in global growth is encouraging, but this is no time for complacency," World Bank Group President Jim Yong Kim said. "If policy makers around the world focus on these key investments, they can increase their countries' productivity, boost workforce participation, and move closer to the goals of ending extreme poverty and boosting shared prosperity." Barring major additional policy changes, U.S. growth is expected to reach 2.5 percent in 2018, above previous expectations, and then to moderate to an average of 2.1 percent in 2019-20.

Eurozone GDP growth is expected to be 2.1 percent in 2018, down from 2.4 percent in previous year but notably stronger than previously projected 1.5 percent. It was then forecast to average 1.6 percent in 2019-20. Japan's growth is expected to slow to 1.3 percent in 2018, as fiscal stimulus is withdrawn and export growth moderates. GDP growth was seen at 0.8 percent in 2017 and 0.5 percent in 2020. The lender said China's growth reached 6.8 percent in 2017, up from the previous projection of 6.5 percent. Growth was forecast to edge down in 2018 to 6.4 percent as policies tighten, and average 6.3 percent in 2019-20. India's GDP growth was expected to rise to 7.3 percent in 2018 and then to 7.5 percent each in 2019 and 2020. The estimate for 2018 was revised down from 7.5 percent and that for 2019 from 7.7 percent. (RTT News)

Asia **Malaysia's Petrol Prices Down, No Change for Diesel**

Petrol prices down from Jan 11 to Jan 17, while there is no change in the price of diesel. The price of RON95 is down three sen to RM2.26 per litre (from RM2.29 per litre), while RON97 goes down by three sen to RM2.53 per litre (from RM2.56 per litre). The price of diesel remains at RM2.32 per litre. The new prices, which were announced on RTM1 will take effect from 12.01am on Jan 11 until Jan 17, 2018. The weekly fuel pricing mechanism came into effect in April last year and the prices of petrol and diesel had been placed on a managed monthly float system since Dec 1, 2014 following the removal of fuel subsidies. (The Star)

China's Annual Producer Price Growth Hits 9-Year High in 2017

Producer prices in China rose at the slowest pace in more than a year last month but still came in slightly above expectations. That brought annual price growth for 2017 to the highest level since 2008. China's producer price index registered year-on-year growth of 4.9% in December, according to the National Bureau of Statistics, markedly slower from November's rise of 5.8% but barely besting a median forecast of 4.8% growth from economists polled by Reuters. The latest monthly reading brought annual producer price growth for 2017 to 6.3%, marking the fastest pace of annual inflation since 2007 and marking a clean break after five straight years of contraction. The statistics bureau said 6.13 percentage points of that annual rise was thanks to growth in the price of produced materials. Prices for oil and natural gas extraction rose 29% annually, while those for coal extraction and washing climbed 28.2% and those for ferrous metals smelting and processing jumped 27.9%. China's official consumer price index rose 1.8% in December, coming in just below a median forecast of 1.9% growth but edging up from 1.8% growth in November. An 8.3% fall in pork prices helped pull down headline inflation by 0.23 percentage points for the period. In contrast to producer prices, annual consumer inflation actually slowed 0.4% from the previous year to 2% in 2017, which the stats bureau attributed mainly to falls in pork and fresh vegetable prices. Those also helped produce the first annual fall in food prices for Chinese consumers since 2003. The upshot is that China closed out 2017 with little sign that

producer price inflation was feeding through to consumer prices. That suggests policymakers still have plenty of room to continue pushing forward with capacity cuts to old-growth industries without having to worry about stoking inflationary fires on the consumer side as 2018 gets underway. (Financial Times)

Moody's: APAC Sovereign Outlook for 2018 Stable

Moody's Investors Service says that a favourable growth environment underpins its stable outlook for sovereign creditworthiness in Asia Pacific (APAC) over the next 12 to 18 months, although high leverage remains a key credit constraint. Robust economic strength in the region and high levels of trade openness leave the region's sovereigns well-positioned to benefit from stronger global GDP growth. Moody's expects APAC emerging markets to grow by 6.5% in 2018, frontier economies by 5.9% and advanced economies by 1.8%. Moody's conclusions are contained in its just-released report "Sovereigns - Asia Pacific: 2018 outlook stable as upturn in growth balances high Leverage". The international rating agency said India and China remain the fastest growth economies in the region. A gradual moderation in growth in China (A1 stable) and temporary slowdown in India (Baa2 stable) will be balanced by robust growth trends in other Asian economies. Nevertheless, it said a slower pace of cross-border economic integration will constrain improvements in growth potential compared with the past two decades. (The Star)

United States **U.S. Import Prices Post Smallest Gain in Five Months; Inventories Rise**

U.S. import prices recorded their smallest increase in five months in December and underlying imported price pressures were muted amid declining costs for food and consumer goods. The Labor Department said on Wednesday import prices edged up 0.1 percent last month after an upwardly revised 0.8 percent rise in November. That was the smallest gain since July and was well below economists' expectations for a 0.5 percent increase. Import prices were previously reported to have increased 0.7 percent in November. In the 12 months through December, prices increased 3.0 percent, slowing from November's 3.3 percent jump. They rose 3.0 percent in 2017, the biggest calendar year increase since 2011, after advancing 1.9 percent in 2016. The data was released ahead of producer and consumer price reports later this week, which could offer fresh clues on the near-term inflation outlook. Economists are optimistic that recent dollar depreciation and a tightening labor market will help to lift inflation toward the Federal Reserve's 2 percent target this year. (Reuters)

U.S. Wholesale Inventories Climb Slightly More than Expected in November

Wholesale inventories in the U.S. increased by slightly more than anticipated in the month of November, according to a report released by the Commerce Department on Wednesday. The Commerce Department said wholesale inventories climbed by 0.8 percent in November after falling by a revised 0.4 percent in October. Economists had expected wholesale inventories to increase by 0.7 percent compared to the 0.5 percent drop originally reported for the previous month. The bigger than expected increase in wholesale inventories was partly due to a rebound in inventories of non-durable goods, which surged up by 1.3 percent in November after slumping by 1.0 percent in October. Inventories of petroleum and farm products showed significant increases, while inventories of groceries showed a notable decline. The report said inventories of durable goods also rose by 0.5 percent in November after coming in unchanged in the previous month. The increase in durable goods inventories reflected notable growth in inventories of electrical products, metals, and machinery. (RTT News)

Europe and United Kingdom **UK Manufacturing Expands for 7th Consecutive Month**

A growing global economy and a cheap currency helped Britain's manufacturing sector expand for a seventh consecutive month in November, according to figures published on Wednesday by the Office for National Statistics. The sector grew 0.4 per cent in November compared with the previous month, up from a monthly growth rate of 0.1 per cent during October and higher than consensus expectations of 0.3 per cent growth. The seven-month

streak marked the longest period of monthly expansion in the sector since 1997. During the three months to the end of November, manufacturing output was 3.9 per cent higher than the same period a year ago. The sector's growth has largely been supported by stronger global growth, especially in the eurozone, and the post-Brexit referendum fall in the value of sterling. The expansion has been driven by greater production of investment goods — including computer, electronic and optical goods — machinery and transport equipment. Manufacturing accounts for about 10 per cent of UK production output. (Financial Times)

UK Visible Trade Deficit Widens in November

The UK visible trade deficit widened in November, data published by the Office for National Statistics showed Wednesday. The visible trade deficit rose to GBP 12.23 billion in November from GBP 11.67 billion in October. The expected level of shortfall was GBP 10.95 billion. The deficit with EU countries totaled GBP 7.56 billion and that with non-EU countries was GBP 4.67 billion. The total trade deficit came in at GBP 2.80 billion versus GBP 2.27 billion shortfall in the previous month. Data also showed that trade deficit narrowed by GBP 2.1 billion to GBP 6.2 billion in the three months to November. This was due mainly to goods exports, which increased 2.6 percent to GBP 87.6 billion. (RTT News)

UK Growth Forecast Raised as Manufacturers Power Ahead

The UK economy has exceeded expectations for its performance at the end of last year, prompting a leading economic thinktank to upgrade its growth estimate for 2017. GDP grew by 0.6pc in the final quarter of last year, according to the National Institute of Economic and Social Research, an improvement on its previous forecast of 0.5pc. Based on this estimate, the UK economy expanded by 1.8pc in 2017. This upward revision followed official data showing that manufacturing picked up pace and the gap between imports and exports narrowed towards the end of the 2017. Industrial production - a measure of output from manufacturing, energy and mining industries - grew by 1.2pc in the three months to November. Growth was largely driven by manufacturing, which expanded by 0.4pc in November. The three-month average showed the best performance for the sector in nearly a decade, with output 3.9pc higher than in the same three months of 2016. It was the first time since 1997 that output from the sector had increased for seven consecutive months. Ole Black of the Office for National Statistics said growth was "strong and widespread" across manufacturing. Mr Black added that renewable energy projects, boats, planes and cars were also strong performing areas for exporting activity. (Telegraph)

Share Buy-Back: 10 January 2018

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
E&O	80,000	1.44	1.47/1.43	22,913,747
HAIO	12,700	5.24/5.23	5.35/5.22	8,704,288
JCBNEXT	30,000	1.77	1.77/1.74	101,400
KPJ	50,000	0.99/0.965	0.99/0.965	16,987,000
MUDAJYA	150,000	0.91/0.90	0.91/0.895	14,763,300
SCGM	21,000	2.35/2.29	2.37/2.28	724,500
UNIMECH	10,000	1.06/1.05	1.06/1.05	6,441,910

Source: Bursa Malaysia

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SNAPSHOT OF STOCKS UNDER COVERAGE																
Company	Share Price (RM)	Target Price (RM)	Recom	Market Cap. (RMm)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
						FY18	FY19	FY18	FY19	FY18	FY19	High Price	% Chg	Low Price	% Chg	
AUTOMOBILE																
	10-Jan-18															
BAUTO	2.35	2.50	Buy	2,713	0.73	14.3	19.9	16.4	11.8	4.9	5.1	2.47	-4.9	1.84	27.7	6.8
MBMR	2.40	2.32	Hold	938	0.80	23.2	23.9	10.4	10.1	1.9	2.0	2.60	-7.7	2.01	19.4	9.1
PECCA	1.59	1.69	Buy	294	na	11.1	12.5	14.3	12.7	3.5	3.8	1.70	-6.5	1.28	24.2	2.6
SIME	2.70	1.97	Hold	18,362	1.56	12.0	12.7	22.6	21.3	1.1	1.2	2.96	-8.8	1.93	40.0	22.2
UMW	6.42	4.37	Sell	7,500	1.38	20.7	36.9	31.0	17.4	1.6	2.8	6.45	-0.5	4.24	51.4	23.5
BANKS & FINANCIAL SERVICES																
ABMB	4.12	4.20	Buy	6,378	1.36	30.6	35.6	13.5	11.6	3.9	3.9	4.49	-8.2	3.62	13.8	1.0
AFFIN	2.49	2.50	Hold	4,838	0.88	24.2	28.1	10.3	8.9	3.2	3.2	2.98	-16.3	2.22	12.1	7.8
AMBANK	4.56	5.10	Buy	13,745	1.29	48.6	52.0	9.4	8.8	3.9	3.9	5.70	-20.0	4.06	12.3	3.4
CIMB	6.74	7.00	Buy	62,180	1.47	50.9	56.0	13.2	12.0	3.8	4.2	7.08	-4.8	4.71	43.1	3.1
HLBANK	17.34	17.50	Buy	35,471	0.68	114.2	120.9	15.2	14.3	2.6	2.6	17.80	-2.6	13.06	32.8	2.0
MAYBANK	9.84	9.70	Hold	106,100	1.05	70.9	77.7	13.9	12.7	5.1	5.1	9.86	-0.2	8.05	22.2	0.4
PBBANK	20.84	23.60	Buy	80,474	0.63	142.4	149.8	14.6	13.9	2.8	2.9	21.08	-1.1	19.66	6.0	0.3
RHBBANK	5.12	5.20	Hold	20,531	1.62	52.2	53.8	9.8	9.5	2.9	2.9	5.59	-8.4	4.71	8.7	2.4
BURSA	10.74	11.10	Buy	5,773	0.93	39.0	41.5	27.6	25.9	3.2	3.2	10.98	-2.2	8.08	32.9	6.1
<i>Note: BURSA proposed bonus issue of shares on the basis of 1 for 2. Ex-Target price RM7.04</i>																
CONSTRUCTION																
GADANG	1.13	1.73	Buy	744	0.98	14.3	18.2	7.9	6.2	2.7	2.7	1.37	-17.5	1.01	11.9	1.8
GAMUDA	5.06	6.00	Buy	12,426	0.85	34.5	35.7	14.7	14.2	2.4	2.4	5.52	-8.3	4.58	10.5	2.0
IJM	3.03	2.89	Sell	10,994	0.87	13.7	18.2	22.1	16.7	3.1	3.1	3.61	-16.1	2.71	11.8	-0.7
PESONA	0.51	0.55	Buy	351	0.86	5.8	4.8	8.7	10.6	3.0	3.0	0.74	-31.3	0.44	16.1	12.2
SENDAI	0.88	0.58	Sell	683	1.23	9.6	9.0	9.2	9.7	1.1	1.1	1.39	-37.1	0.51	73.3	1.2
SUNCON	2.59	2.65	Buy	3,347	0.51	14.7	16.4	17.6	15.8	2.1	2.3	2.64	-1.9	1.67	55.1	3.2
WCT	1.75	1.64	Hold	2,462	1.06	12.6	11.2	13.8	15.7	1.7	1.7	2.48	-29.3	1.46	19.9	8.0
LITRAK	5.85	6.26	Hold	3,087	0.32	45.6	47.1	12.8	12.4	4.3	4.3	6.15	-4.9	5.40	8.3	5.4
<i>Building Materials</i>																
ANNJOO	3.75	4.40	Buy	1,933	1.29	45.3	49.2	8.3	7.6	5.9	6.9	3.98	-5.8	2.27	65.2	-2.8
CHINHIN	1.20	1.49	Buy	668	1.13	12.4	12.0	9.6	10.0	4.2	5.0	1.49	-19.5	0.86	39.5	-0.8
ENGTEX	1.12	1.38	Buy	477	0.70	14.2	16.1	7.9	7.0	3.7	4.9	1.52	-26.3	1.07	4.7	1.8
CONSUMER																
<i>Brewery</i>																
CARLSBG	15.88	18.06	Buy	4,885	0.74	86.2	88.7	18.4	17.9	5.4	5.6	16.00	-0.7	13.90	14.2	3.8
HEIM	19.14	19.14	Buy	5,782	0.43	84.0	88.3	22.8	21.7	3.9	4.2	19.58	-2.2	15.78	21.3	1.3
<i>Retail</i>																
AEON	1.70	1.97	Sell	2,387	0.39	6.7	7.7	25.4	22.1	2.4	2.6	2.70	-37.0	1.64	3.7	-3.4
AMWAY	7.51	8.18	Buy	1,235	0.39	43.9	45.2	17.1	16.6	5.1	5.3	8.18	-8.2	7.04	6.7	1.8
F&N	27.98	28.55	Hold	10,256	0.21	155.7	182.7	18.0	15.3	2.1	2.3	28.52	-1.9	22.64	23.6	3.6
HUPSENG	1.12	1.25	Hold	896	0.43	5.4	5.6	20.6	20.2	4.0	4.5	1.28	-12.5	1.08	3.7	2.8
JOHOTIN	1.24	1.70	Buy	385	0.72	12.5	12.6	9.9	9.9	4.0	4.4	1.76	-29.5	1.16	6.9	2.5
NESTLE	103.20	120.50	Buy	24,200	0.40	330.1	373.8	31.3	27.6	2.9	3.2	105.00	-1.7	74.12	39.2	0.0
PADINI	5.28	4.67	Sell	3,474	0.86	27.0	30.0	19.6	17.6	2.4	2.5	5.50	-4.0	2.26	133.6	0.0
POHUAT	1.69	2.37	Buy	371	0.56	25.3	25.5	6.7	6.6	4.7	4.7	2.07	-18.3	1.62	4.3	-5.6
QL	4.79	3.26	Sell	7,771	0.42	12.8	14.7	37.4	32.5	0.9	1.0	4.81	-0.4	3.26	47.1	10.1
SIGN	0.73	0.92	Buy	166	0.94	6.9	9.2	10.4	7.9	3.4	4.8	1.07	-32.2	0.69	5.1	2.8
<i>Tobacco</i>																
BAT	35.00	52.08	Buy	9,994	1.41	187.4	175.4	18.7	19.9	5.7	5.7	51.04	-31.4	34.06	2.8	-12.5
GAMING																
<i>Casino</i>																
GENTING	9.40	11.53	Buy	35,959	1.57	54.4	59.8	17.3	15.7	1.7	1.7	10.00	-6.0	8.10	16.0	2.2
GENM	5.57	6.51	Buy	31,573	1.58	27.0	30.6	20.6	18.2	1.6	1.8	6.38	-12.7	4.64	20.1	-1.1
<i>NFO</i>																
BJTOTO	2.30	3.34	Buy	3,098	0.81	21.5	26.0	10.7	8.8	7.0	7.8	3.00	-23.3	2.23	3.1	2.7
HEALTHCARE																
<i>Hospitals/ Pharmaceutical</i>																
CCMDBIO	2.79	2.70	Buy	778	0.86	15.0	16.1	18.6	17.4	3.5	3.7	2.80	-0.4	1.90	46.8	10.3
IHH	5.85	6.40	Buy	48,202	0.74	11.9	15.0	49.2	39.1	0.5	0.6	6.44	-9.2	5.42	7.9	-0.2
KPJ	0.98	1.12	Buy	4,179	0.48	3.8	4.2	25.9	23.3	2.1	2.3	1.14	-14.0	0.90	8.9	1.0
<i>Rubber Gloves</i>																
HARTA	10.88	7.30	Sell	17,984	0.87	25.8	30.5	42.2	35.7	1.1	1.3	11.40	-4.6	4.53	140.2	1.9
KOSSAN	8.50	8.80	Buy	5,435	0.09	38.3	43.0	22.2	19.8	2.3	2.5	8.70	-2.3	5.62	51.2	4.8
SUPERMX	2.29	1.80	Sell	1,501	0.46	15.3	17.9	15.0	12.8	2.3	2.7	2.39	-4.2	1.69	35.5	14.5
TOPGLOV	9.00	7.00	Sell	11,296	0.09	33.7	36.4	26.7	24.7	1.9	2.0	9.25	-2.7	4.56	97.4	12.6
KAREX	1.31	1.00	Sell	1,313	0.66	2.8	5.2	47.4	25.2	0.5	1.0	2.52	-48.0	1.20	9.2	0.8
INDUSTRIAL																
SCIENTX	9.00	9.84	Buy	4,353	0.56	68.2	74.9	13.2	12.0	2.3	2.9	9.85	-8.6	6.69	34.5	3.9
SKPRES	2.21	2.20	Hold	2,763	0.67	10.4	14.8	21.3	14.9	2.3	3.3	2.35	-6.0	1.24	78.2	-3.1
MEDIA																
ASTRO	2.68	3.10	Buy	13,973	1.07	14.0	13.7	19.2	19.6	4.9	5.0	2.94	-8.8	2.45	9.4	1.1
MEDIA PRIMA	0.74	0.45	Sell	821	1.14	-3.8	-1.7	na	na	0.0	0.0	1.28	-42.2	0.58	27.6	-2.6
STAR	1.49	1.25	Sell	1,099	1.10	6.7	6.7	22.2	22.2	8.1	8.1	2.22	-32.8	1.31	13.7	-9.7

SNAPSHOT OF STOCKS UNDER COVERAGE

Company	Share Price (RM)	Target Price (RM)	Recom	Market Cap. (RMm)	BETA	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg YTD
						FY18	FY19	FY18	FY19	FY18	FY19	High Price	% Chg	Low Price	% Chg	
OIL & GAS																
DNEK	0.53	0.72	Buy	930	1.37	4.2	4.5	12.6	11.7	1.9	1.9	0.69	-23.2	0.27	96.3	9.3
LCTITAN	5.10	6.66	Buy	11,592	na	63.4	68.2	8.0	7.5	4.9	5.3	6.53	-21.9	4.14	23.2	8.5
MHB	0.91	0.78	Sell	1,448	1.82	-0.5	0.3	na	266.7	0.0	0.0	1.16	-22.0	0.63	44.8	9.7
MISC	7.53	6.56	Sell	33,612	1.09	46.8	52.3	16.1	14.4	4.0	4.0	7.90	-4.7	6.89	9.3	1.5
PANTECH	0.68	0.69	Sell	506	1.13	6.1	6.8	11.1	9.9	4.0	4.5	0.74	-8.1	0.45	51.1	5.4
PCHEM	8.11	8.05	Hold	64,880	1.03	49.8	52.6	16.3	15.4	2.7	2.8	8.27	-1.9	6.80	19.3	5.3
SAPNRG	0.91	1.25	Buy	5,423	2.44	-6.5	-4.9	na	na	0.0	0.0	2.10	-56.9	0.67	36.1	27.5
SERBADK	3.40	3.40	Sell	4,539	na	25.7	27.8	13.2	12.2	2.3	2.4	3.60	-5.6	1.51	125.2	4.9
UMWOG	0.41	0.51	Buy	3,368	1.90	0.4	1.2	101.5	33.1	0.0	0.0	0.90	-54.3	0.27	51.9	34.4
UZMA	1.51	1.56	Hold	483	0.99	13.2	14.4	11.4	10.5	0.0	0.0	1.98	-23.7	1.26	19.8	18.0
PLANTATIONS																
FGV	2.04	2.01	Sell	7,442	1.75	3.7	4.5	55.1	44.9	2.5	2.5	2.18	-6.4	1.51	35.1	20.7
IJMLNT	2.67	2.69	Sell	2,351	0.19	9.1	12.5	29.3	21.3	3.0	3.4	3.60	-25.8	2.66	0.4	-2.6
IOICORP	4.66	4.12	Sell	29,283	1.15	21.0	21.8	22.1	21.3	3.4	3.6	4.81	-3.1	4.31	8.1	2.6
KFIMA	1.64	1.89	Buy	463	0.56	13.3	14.5	12.3	11.3	5.5	5.5	1.96	-16.3	1.56	5.1	4.5
KLK	25.14	26.18	Hold	26,773	0.81	120.7	126.3	20.8	19.9	2.4	2.5	25.50	-1.4	23.00	9.3	0.6
SIMEPLT	5.58	6.25	Buy	37,949	na	21.0	22.1	26.5	25.3	2.5	2.7	6.00	-7.0	4.58	21.8	-7.0
TMH	1.66	2.10	Buy	2,292	0.71	9.3	9.6	17.8	17.3	1.4	1.5	1.94	-14.4	1.56	6.4	0.6
UMCCA	6.60	6.73	Sell	1,383	0.40	22.8	34.8	29.0	18.9	2.6	2.7	7.08	-6.8	5.76	14.5	1.4
PROPERTY																
GLOMAC	0.62	0.50	Sell	444	0.66	3.0	4.4	20.8	13.9	3.3	3.3	0.75	-17.4	0.58	6.0	0.8
HUAYANG	0.63	0.59	Sell	222	0.90	1.8	3.4	34.4	18.5	0.8	0.8	1.21	-47.9	0.60	5.9	3.3
IBRACO	0.89	0.92	Hold	442	na	9.1	12.4	9.8	7.2	4.5	5.6	0.99	-10.1	0.76	17.9	9.2
IOIPG	1.94	2.02	Hold	10,682	0.80	16.5	16.3	11.7	11.9	3.1	3.1	2.22	-12.6	1.79	8.4	4.9
MAHSING	1.46	1.69	Buy	3,542	0.89	13.0	12.6	11.2	11.6	4.5	4.5	1.64	-11.0	1.38	5.8	0.7
SIMEPROP	1.63	1.61	Sell	11,085	na	9.2	9.1	17.7	17.9	1.2	1.2	1.78	-8.4	1.04	56.7	-8.4
SNTORIA	0.65	0.76	Buy	368	0.19	8.3	8.6	7.9	7.6	1.5	1.5	0.91	-28.5	0.60	8.3	-6.5
<i>Note: SNTORIA proposed bonus issue of warrants & right issue of shares. For more details please refer to</i>																
SPB	4.95	5.28	Hold	1,701	0.65	21.2	26.1	23.4	18.9	2.4	2.4	5.50	-10.0	4.32	14.5	1.0
SPSETIA	3.41	3.77	Buy	10,314	0.94	21.3	21.9	16.0	15.6	3.5	3.5	4.38	-22.2	3.06	11.5	-14.8
SUNWAY	1.73	1.74	Hold	8,471	0.80	11.9	12.6	14.5	13.7	2.9	3.5	1.96	-11.7	1.27	35.9	6.1
REIT																
SUNREIT	1.72	1.87	Hold	5,066	0.84	10.0	10.7	17.1	16.1	5.8	6.2	1.90	-9.5	1.64	4.9	-9.5
CMMT	1.45	1.72	Buy	2,955	0.71	8.6	8.9	16.8	16.3	6.2	6.4	1.83	-20.8	1.39	4.3	-20.8
POWER & UTILITIES																
MALAKOF	1.02	1.16	Buy	5,098	0.81	6.0	6.8	17.0	15.0	6.9	6.9	1.39	-26.6	0.86	18.6	4.1
PETDAG	25.04	22.08	Sell	24,876	0.45	105.1	105.7	23.8	23.7	3.1	3.2	25.70	-2.6	21.00	19.2	3.2
PETGAS	19.00	19.10	Buy	37,596	0.97	98.8	99.5	19.2	19.1	3.6	3.7	21.08	-9.9	15.82	20.1	8.7
TENAGA	15.86	17.38	Buy	89,863	0.70	129.9	127.9	12.2	12.4	2.9	2.9	15.94	-0.5	13.00	22.0	3.9
YTLPOWR	1.29	1.17	Sell	10,226	0.88	9.6	10.1	13.4	12.8	3.9	3.9	1.50	-14.0	1.11	16.2	0.0
TELECOMMUNICATIONS																
AXIATA	5.62	5.75	Hold	50,850	1.36	16.0	19.5	35.1	28.8	1.4	2.8	5.82	-3.4	4.24	32.5	2.4
DIGI	4.80	5.20	Buy	37,320	0.79	20.0	20.6	24.0	23.2	4.2	4.3	5.19	-7.5	4.36	10.1	-5.9
MAXIS	5.99	6.10	Hold	46,785	0.72	26.2	25.7	22.8	23.3	3.3	3.3	6.60	-9.2	5.48	9.3	-0.3
TM	6.03	7.20	Buy	22,660	0.49	23.2	24.9	26.0	24.2	3.5	3.7	6.69	-9.9	5.85	3.1	-4.3
TECHNOLOGY																
<i>Semiconductor & Electronics</i>																
ELSOFT	2.74	2.70	Hold	754	0.66	15.0	15.7	18.3	17.4	3.8	4.0	2.95	-7.1	1.36	100.8	1.5
IRIS	0.24	0.25	Buy	581	2.05	0.6	0.7	42.5	35.2	0.0	0.0	0.25	-4.1	0.12	104.3	27.0
INARI	3.48	3.35	Hold	7,140	0.87	14.2	15.9	24.5	21.9	2.9	3.2	3.82	-8.9	1.72	102.2	2.4
MPI	12.30	12.95	Hold	2,446	0.60	105.5	121.2	11.7	10.1	2.6	2.6	14.52	-15.3	7.63	61.2	-2.5
UNISEM	3.25	3.25	Sell	2,385	1.02	27.1	28.7	12.0	11.3	3.7	3.7	4.25	-23.5	2.37	37.1	-11.0
TRANSPORTATION																
<i>Airlines</i>																
AIRASIA	3.78	3.83	Buy	12,632	1.26	38.3	39.8	9.9	9.5	1.3	1.6	3.80	-0.5	2.17	74.2	12.8
AIRPORT	9.01	8.47	Sell	14,949	1.39	19.7	20.1	45.6	44.7	1.1	1.3	9.45	-4.7	6.02	49.7	2.5
<i>Freight & Tankers</i>																
PTRANS	0.30	0.44	Buy	377	na	2.3	3.6	13.2	8.4	2.3	3.6	0.38	-21.4	0.15	106.3	7.1
TNLOGIS	1.32	1.80	Buy	603	1.14	13.6	14.0	9.7	9.4	3.8	3.8	1.83	-28.0	1.29	2.3	-1.5
WPRTS	3.41	4.02	Hold	11,628	0.72	15.5	20.0	22.0	17.1	3.4	4.4	4.31	-20.9	3.34	2.1	-7.8

SNAPSHOT OF FOREIGN STOCKS UNDER COVERAGE

Company	Share Price (S\$)	Target Price (S\$)	Recom	Market Cap. (S\$m)	Beta	EPS (cent)		PER (X)		Div Yield (%)		52week		52week		% Chg YTD
						FY18	FY19	FY18	FY19	FY18	FY19	High Price	% Chg	Low Price	% Chg	
BANKS & FINANCIAL SERVICES																
DBS	26.56	23.30	Sell	67,931	1.25	189.1	214.6	14.0	12.4	2.3	2.3	26.6	-0.1	17.99	47.6	6.9
OCBC	12.86	13.50	Buy	53,828	1.22	104.1	110.6	12.4	11.6	6.7	7.7	13.0	-1.2	9.21	39.6	3.8
UOB	27.68	26.90	Hold	46,033	1.06	215.4	229.3	12.8	12.8	2.5	2.5	27.8	-0.4	20.38	35.8	4.7
PLANTATIONS																
WILMAR	3.20	3.63	Hold	20,475	0.83	29.9	31.8	10.7	10.1	2.5	2.8	4.0	-20.0	3.06	4.6	3.6
IFAR	0.41	0.53	Hold	588	1.02	5.2	5.7	7.9	7.2	3.1	3.4	0.6	-29.3	0.37	12.3	5.1

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.