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Daily Brief

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

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Market View Limited Upside on Cautious Momentum

Blue chips rose on Monday, helped by utility, banks and oil & gas heavyweights and regional gains as US stock index futures recovered further in Asian trade. The KLCI ended up 10.35 points at 1,830.17, off an early low of 1,824.89 and high of 1,834.45, but losers edged gainers 484 to 453 on slow turnover of 1.8bn shares worth RM2.26bn.

Resistance at 1,840, Crucial Support at 1,796

Given the cautious buying momentum at current levels, profit-taking resistance should likely increase towards 1,840, mirroring the 9 Jan high, with the 2 Feb peak of 1,880 acting as a formidable hurdle. Continue to watch the crucial resistance-turn-support level at 1,796, the June 2017 peak matching the recent low, which must hold to prevent further correction potential towards next support from 1,778, the 38.2%FR of the 1,614 low of Nov 2016 to the recent 1,880 high.

Buy Dips on Gadang & Kimlun

Gadang shares appear to be building double-bottom support above the 23.6%FR (RM1.00) pending recovery towards the 50%FR (RM1.13), with a confirmed breakout to aim for the 61.8%FR (RM1.18) ahead. Any price weakness on Kimlun shares towards the 50%FR (RM2.06) support will be attractive to bargain for recovery towards the 76.4%FR (RM2.25), while tougher hurdles are from the upper Bollinger band (RM2.34) and 13/11/17 high (RM2.43).

S&P Futures Lift Most Asian Markets Higher

Most Asian share markets found a semblance of calm on Monday as S&P futures extended their bounce in Asian trading, though bond investors were still fretting about the risks from looming U.S. inflation data. U.S. index futures implied a positive Monday open for stocks stateside after last week's volatile trade. The moves came after U.S. indexes rebounded on Friday, although the Dow still had its worst week in two years. Both the Dow and S&P 500 declined 5.2 percent on the week on investor concerns over rising interest rates. Particularly challenging will be U.S. consumer price data on Wednesday given it was fears of faster inflation, and thus more aggressive rate rises, that triggered the global rout in the first place. Trading volumes are expected to be lower in many Asian stock markets this week due to the coming Lunar New Year holiday.

China stocks rebounded on Monday, led by small-caps, as some investors hunted for bargains after last week's ferocious sell-off. The Shanghai Composite index was up 23.71 points or 0.76 percent at 3,153.56. South Korea's Kospi also advanced 0.91 percent, helped by a rise in heavily weighted technology stocks. Samsung Electronics rebounded 2.64 percent and SK Hynix gained 0.41 percent. Over in Australia, the S&P/ASX 200 slipped 0.30 percent as earnings season continued Down Under. Australian retailers were in the red, with Myer underperforming its peers in the sector and trading down 7.26 percent. Japanese markets is closed for a holiday.



Wall Street Rebound After Turbulent Weeks

Wall Street's three major indexes rebounded on Monday as investors waded back into the market, hunting for bargains amid signs of stability after one of the worst weeks for equity benchmarks in two years. Gains were broad, with increases seen in oil companies, regional banks and utilities firms. The trading session lacked the volatility that characterized last week's stumble. Investors also digested the newly released plan by the Trump administration to revamp the nation's infrastructure against the backdrop of mounting worries about accelerating inflation. The Trump administration unfurled a plan to spend USD200 billion over 10 years on grants to states and cities to improve highways, airports, bridges and tunnels and other infrastructure.

Still, some investors and analysts warned that the market's attempt to rebound could be tested as early as Wednesday, when the Bureau of Labor Statistics is expected to release fresh data on consumer prices. Concerns that a faster-than-expected pickup in inflation could push the Federal Reserve to pick up its pace of interest-rate increases have pushed government bond yields higher throughout the year, with the yield on the benchmark 10-year U.S. Treasury note settling Monday at its highest level since January 2014. The S&P materials sector was the biggest percentage gainer with a 2.1 percent rise followed by a 1.8 percent gain in information technology.

The Dow Jones Industrial Average rose 410.37 points, or 1.70 percent, to 24,601.27, the S&P 500 gained 36.45 points, or 1.39 percent, to 2,656.00 and the Nasdaq Composite added 107.47 points, or 1.56 percent, to 6,981.96.

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As of Tuesday, February 13, 2018, the chartist, Stephen Soo, who prepared this report, has interest in the following securities covered in this report:

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News in Brief Corporate

Ajinomoto (M) Bhd has proposed to acquire a 188.6 ha plot of land at the Techpark@Enstek, Bandar Baru Enstek, Negeri Sembilan, from Lembaga Tabung Haji and THP Enstek Development Sdn Bhd for RM86.1 mn. In filing to Bursa Malaysia, Ajinomoto said the acquisition was in line with its long-term plans of growing its operations and expanding manufacturing facilities to keep up with growing demand for its products. (*Bernama | Bursa Malaysia*)

George Kent (Malaysia) Bhd which had initially said it would work with Siemens to bid for the Kuala Lumpur High Speed Rail project, today announced three more players in its consortium, namely Alstom, Ferrovie dello Stato Italiane and PORR for the AssetsCo tender. The companies will work to prepare a joint offer encompassing engineering, procurement and construction and operations & maintenance. This partnership shall result in a powerful team combining European technology and project experience with the best local expertise. (The Sun Daily)

Two years after announcing the proposal, **Ranhill Holdings Bhd** has received a conditional letter of award (CLOA) from the Energy Commission to build a 300-megawatt combined cycle gas turbine power plant in Sandakan, Sabah. The CLOA was issued to the consortium including SM Hydro Energy Sdn Bhd, which is a wholly-owned subsidiary of Ranhill Capital Sdn Bhd, which in turn is wholly-owned by Ranhill. Ranhill said SM Hydro Energy is currently evaluating the terms and conditions of the CLOA and Ranhill will make the necessary announcement to Bursa as and when the decision to accept the award is made by SM Hydro Energy. (*The Edge Markets / Bursa Malaysia*)

Car distributor **MBM Resources Bhd** plans to raise its shareholding in wheels producer Oriental Metal Industries Sdn Bhd (OMI) to 100% by buying up the remaining 22% stake for RMI.7mn. This would facilitate the decision-making process, and open up opportunities and flexibility by OMI in choosing and initiating new working relationships with other parties. (*The Edge Markets / Bursa Malaysia*)

Comments: We are rather neutral on the acquisition as OMI's crown jewel, i.e. the alloy wheel plant is still loss making at this juncture. However, the alloy wheel plant is expected to breakeven this year as a result of the Perodua Myvi launch. Going forward, MBM will be the sole shareholder of OMI. We place MBM Under Review pending quarterly results release and briefing which will be held later this month.

The number of passengers passing through the 39 airports Malaysia Airports Holdings Bhd (MAHB) manages in the country rose by 1.5% YoY to 8.1mn in January 2018 — a new record for the month. MAHB said international traffic rose 9% YoY to 4.4mn passengers, while domestic traffic fell 6.4% YoY to 3.6mn passengers. The Kuala Lumpur International Airport in Sepang handled 5.1mn passengers in January 2018, 4.8% higher YoY. Systemwide including its Istanbul operations in Turkey, MAHB handled 10.8mn passengers, an increase of 6.5% YoY, in January 2018. Istanbul Sabiha Gokcen International Airport's passenger traffic grew 25.3% YoY in January 2018 as it saw international and domestic traffic increase YoY by 21.7% and 27% respectively. (The Edge Markets)

The long-drawn legal battle between **Parkson Holdings Bhd**'s 55%-owned unit Parkson Retail Group Ltd and Chinese parties involving the shareholding of department store Anshan Parkson, has come to a close with a settlement agreement. The agreement involves proposed disposal by Serbadagang Holdings Sdn Bhd of entire 60% equity interest in Dalian Tianhe Parkson to Dashang Group Co Ltd at disposal consideration of one yuan. (Financial Daily / Bursa Malaysia)



Thong Guan Industries Bhd executive director Ang See Ming has joined the board of directors of D'nonce Technology Bhd as its independent and non-executive director effective immediately. In a filing with Bursa Malaysia, D'nonce said Ang, 48, also sits on the board of a few private limited companies involved in property development, commodity trading, investment holding and solar power generation. He is currently a central committee member of the Malaysian Plastics Manufacturers Association and the chairman of MPMA, Northern Branch. (Financial Daily | Bursa Malaysia)

CSC Steel Holdings Bhd's net profit more than doubled to RM14.8mn in the fourth quarter ended Dec 31, 2017 (4QFY17) from RM6.2mn a year ago, as it enjoyed higher sale margins for all its steel products. Quarterly revenue grew 28% YoY to RM367.2mn, due to the significant rise in the selling price of its steel products, and a marginal increase in sales volume. The group proposed to pay a final dividend of five sen per share for FY17. For the full FY17, the group's net profit fell 13% YoY to RM59.8mn despite revenue growing 28% YoY to RM1.3bn. (The Edge Markets / Bursa Malaysia)

Hektar Real Investment Trust's (Hektar REIT) net property income rose 12% YoY to RM20.9mn in the fourth quarter ended Dec 31, 2017 (4QFY17), largely due to the REIT having acquired the ISegamat Shopping Centre in September last year. Revenue for 4QFY17 grew 7% YoY to RM33.4mn. Net income for the quarter was almost flat at RM12.1mn. It declared a final income distribution of 3.3 sen per unit, to be paid on March 15, up 22% YoY. For the full FY17, however, Hektar REIT's NPI retreated a marginal 1% YoY to RM73.7mn. Revenue, however, rose about 1% YoY to RM125.5mn. Net income for FY17 declined 24% YoY to RM32.7mn. (*The Edge Markets I Bursa Malaysia*)

Kuala Lumpur Kepong Bhd's net profit fell 11% YoY to RM320.6mn its first financial quarter ended Dec 31, 2017 (IQFY18), as both its plantation and property segments registered weaker earnings. Its quarterly revenue declined 6% YoY to RM5.2bn. (*The Edge Markets / Bursa Malaysia*)

Batu Kawan Bhd's first quarter net profit fell 9.9% YoY to RM177.9mn, on lower contribution from the plantation and property development segments. Quarterly revenue slipped 5.1% YoY to RM5.3bn. (*The Edge Markets / Bursa Malaysia*)

Higher retail sales helped **Tomei Consolidated Bhd** deliver a net profit of RM4.4mn for the fourth quarter ended Dec 31, 2017 (4QFY17), up 18 folds from RM226,000 a year ago. Quarterly revenue rose 17.5% YoY to RM150.1mn "mainly due to year-end festivities". For the full FY17, Tomei's net profit rose to RM16.2mn from RM4.7mn in FY16, largely attributed to higher revenue. Full-year revenue rose 36% YoY to RM617.0mn due mainly to increase in demand, said Tomei. The jeweller has recommended a one sen dividend per share. It paid no dividend for FY16. (*The Edge Markets / Bursa Malaysia*)

Hexza Corp Bhd's net profit shrank 84.0% YoY to RMI.5mn for the second quarter ended Dec 31, 2017 (2QFY18), dragged by its resins and investment segments. Quarterly revenue slipped 2.3% YoY to RM26.2mn. Hexza attributed the lower contribution from the resins segment to the lower sales volume and margin compression, as the rise in average raw material costs outpaced the increase in average selling price for resin products. For the 6MFY18, Hexza posted a net loss of RM23.8mn compared to a net profit of RM24.3mn in 6MFY17. While its revenue slipped 16.2% YoY to RM51.3mn. (The Edge Markets / Bursa Malaysia)



News In Brief Economy

Asia Malaysia Palm Oil Stocks Fall 5.72% in January

Malaysia's total palm oil stocks in January 2018 fell 6.75% to 2.55 million tonnes from 2.73 million tonnes recorded in December last year, said the Malaysian Palm Oil Board (MPOB). In a statement, MPOB said crude palm oil (CPO) stocks decreased 5.72% to 1.57 million tonnes during the month under review from 1.67 tonnes registered a month earlier. Stocks of processed palm oil reduced 8.37% to 973,965 tonnes from 1.06 million previously. On production, MPOB said, CPO output declined 13.49% to 1.59 million tonnes in January from 1.83 million tonnes recorded in December 2017. Palm kernel output was 10.03% lower at 418,422 tonnes in January versus December's production of 465,062 tonnes, it said. It added that exports rose 6.01% to 1.51 million tonnes in January from 1.43 million tonnes recorded in December. Exports of oleochemicals declined 3.52% to 255,21 tonnes, during the month under review, from 264,532 tonnes recorded in December. Palm kernel oil exports contracted 40.03% to 72,296 tonnes in January from 120,563 tonnes recorded in the previous month and that of palm kernel cake eased 1.72% to 217,817 tonnes from 221,622 tonnes, previously, it added. (The Star)

BNM Governor: Using Disguise of Being Tied by Regulations Not Valid Excuse

Financial institutions which view that regulation makes market players "boring" have become too complacent in their comfort zone and should undertake a reality check, says Bank Negara Malaysia (BNM) Governor Tan Sri Muhammad Ibrahim. He said financial institutions must be aware of innovations that would be relentless in accessing and penetrating the traditional market long enjoyed by the banks. Muhammad said Malaysia's financial institutions especially must not lay idle as innovations will be relentless in accessing and penetrating the traditional market long enjoyed by the banks. "Using the disguise of being tied by regulations is not a valid excuse," he said in his keynote address "Public policy perspective – Some thoughts and contemplations from a central banker," at the 40th Harvard Business School Alumni Club Malaysia anniversary dinner. (The Star)

Services Producer Price Index Records 0.4% Increase in Q4

The Services Producer Price Index (SPPI) compiled by the Department of Statistics Malaysia shows that prices charged by the local services industry increased an average of 0.4% over the last quarter of 2017. In a press statement, the department said the subsectors that contributed positively to the growth were Arts, Entertainment and Recreation (1%), Accommodation and Food & Beverage Service Activities (0.8%), Transportation (0.3%), Professional (0.3%), and the combined subsectors of Real Estate Activities and Health (0.1%). On a year-on-year basis, the SPPI recorded an increase of 1.6% with positive growth in Accommodation and Food & Beverage Service Activities (4.2%); Education (2.3%); Health (2.1%); Real Estate Activities (1.6%); Arts, Entertainment and Recreation (0.9%), Professional (0.6%); Transportation (0.4%) and Information & Communication (0.1%). (The Star)

'Flat and Stable' Property Market Expected for 2018

The Malaysian property market is expected to be "flat and stable" this year, as consumers continue to adopt a "wait and see approach" in light of the challenging environment, said property consultancy Rahim & Co. "Looking forward, 2018 will be yet another challenging year for our property market, but many are hoping that the results of the forthcoming general elections will give a firmer direction for the nation - hence reigniting the momentum in the property sector," it said in a statement. "Although it may be too soon to say that the market has bottomed out, we do not expect the market in 2018 to be much worse off than in 2017." Rahim & Co, which launched its Property Market Review 2017 / 2018, added that the residential sector is expected to see more projects within the "affordable housing" range, defined by prices of up to RM500,000 in the Klang Valley and lower in other less urbanised states. In the office sector, Rahim & Co said oversupply concerns continue to lurk as Klang Valley's supply reached 131 million sqft. In the retail market, a similar picture is seen against



the backdrop of passive consumer spending. The industrial sector meanwhile is expected to see a rise in demand as the proliferation of e-commerce is anticipated to place properties within this segment under the radar of many logistics and warehousing players. (The Star)

Singapore Retail Sales Up 4.6% in December

Surging car sales as well as a brisk trade in mobile devices helped the retail sector end 2017 on a robust note. Total retail takings grew 4.6% in December compared with the same month a year earlier, according to latest data by the Singapore Department of Statistics. This came as motor vehicle sales soared 26% year on year, while sales of computer and telecommunications equipment went up 15.2%. Excluding motor vehicles, retail sales inched up just 0.6% year on year. Other segments fared less well. Sales of watches and jewellery declined 8.2% in December over a year earlier, while takings at minimarts and convenience stores slid 2.7%. The data also showed that takings in food and beverage services rose 3.1% year on year in December, with sales rising at restaurants, fast food outlets and other eating places such as cafes. (The Business Times)

Singapore May Impose E-commerce Tax

Singapore may unveil an e-commerce tax in next week's budget, setting the tone for a region that's grappling with online retail's assault on brick-and-mortar vendors. Eight of the 12 economists in a Bloomberg survey said the Feb. 19 budget will contain a new tax on online vendors, with another betting that cross-border digital transactions will now be included in the goods-and-services tax regime. Thailand, Indonesia, and Malaysia -- where governments are funding ambitious infrastructure programs -- are also considering similar plans. Southeast Asian governments are seeking to level the playing field for traditional vendors given the rapid growth of online retailing on platforms such as Lazada, controlled by Alibaba Group Holding Ltd., and Amazon.com Inc. (The Star)

United States

Trump seeks 10 More Years to Balance US Budget

The White House on Monday proposed taking an additional decade to balance the US budget as it delivered a spending plan that relies on aggressive growth predictions to close a yawning budget gap, drawing increased scrutiny from financial markets. The new \$4.4tn proposal for next year, which includes a plan for \$200bn in new infrastructure spending over the next decade, came just days after Donald Trump signed off on a two-year spending bill that includes large increases in defence and domestic programmes which are included in the new budget proposal. Mr. Trump's push for freer spending is aspirational as Congress rather than the president ultimately controls the US purse strings. But it coincides with growing anxiety in financial markets over the prospect of rising interest rates and the wisdom of injecting fiscal stimulus into an economy at or near full employment. The benchmark 10-year Treasury bond on Monday traded at four-year lows, reflecting investor nervousness that the Federal Reserve may need to put a brake on an over-heating economy. Although Republicans control both houses of Congress, the Trump administration has sought to blame Democrats for the \$1.2tn budget deficit next year that will result from last week's two-year deal. But in the spending plan for fiscal 2019, the White House abandoned a pledge, included in its first budget last year, to close the deficit within a decade. Instead, it said its new plan would see the budget in deficit until fiscal 2039. (Financial Times)

The U.S. Budget Gap Widens

The U.S. budget deficit widened in the first four months of the fiscal year as growth in spending exceeded revenue. The U.S. fiscal gap increased by 11% to \$175.7 billion between October and January from the same period a year earlier, the Treasury Department said in a report. Outlays rose by 5% to \$1.3 trillion, while receipts increased by 4% to \$1.1 trillion. The budget deficit widened the last fiscal year to the largest since 2013. The gap is expected to keep increasing as an aging population boosts spending on healthcare and retirement programs and from tax cuts enacted this year that are expected to cut revenue by up to \$1.5 trillion over the next decade. The U.S. posted a surplus of \$49.2 billion in January, about \$2 billion less than the surplus a year earlier, according to the Treasury statement. Surpluses in



January are boosted by shifts in certain payments normally made on the first day of the month, but are moved because of the New Year's holiday, the Congressional Budget Office said in a report on Feb. 7. While the Internal Revenue Service released guidelines for 2018 withholding taxes to reflect the new tax cuts on Jan. 11, employers are only required to begin using them on Feb. 15, according to the CBO. (Bloomberg)

Share Buy-Back: 12 February 2018

Company	Bought Back	Price (RM)	Hi/Lo (RM)	Total Treasury Shares
FITTERS	400,000	0.405/0.40	0.415/0.40	30,838,500
GRANFLO	20,000	0.22	0.22/0.215	8,623,000
KPJ	262,000	0.925/0.87	0.925/0.87	64,009,600
LIENHOE	1,000	0.35	0.395/0.345	19,786,500
MALAKOF	1,000,000	0.92/0.915	0.925/0.91	12,076,800
NYLEX	50,000	0.80/0.79	0.80/0.79	5,873,324
PECCA	40,000	1.35/1.34	1.44/1.33	3,280,800
SNTORIA	140,000	0.605/0.585	0.605/0.585	3,171,000
UNIMECH	32,600	1.05/1.00	1.05/0.99	6,742,810

Source: Bursa Malaysia

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SNAPSHOT OF STOCKS UNDER COVERAGE Target Price Div Yield (%) % Chg Share Price Market Cap. EPS (sen) PER (X) 52weeks 52weeks BETA % upside Recom (RMm) FYI8 FYI9 FYI8 FYI9 FY18 FY19 High Price % Chg Low Price % Chg (RM) (RM) YTD 12-Feb-18 AUTOMOBILE 2.17 2.50 15.2% 2.514 0.48 14.3 19.9 15.2 5.5 2.47 -12.1 1.84 17.9 -1.4 BAUTO Buy 10.9 5.3 MBMR 2.32 0.75 23.2 2.1 2.60 -12.3 2.01 2.28 1.8% Under Revie 23.9 2.0 13.4 3.6 891 9.8 9.5 PECCA 1.35 1.86 37.8% Buy 249 0.41 11.1 12.5 12.1 10.8 4.1 4.5 1.70 -20.6 1.28 5.5 -12.9 SIME 2.68 1.97 -26.5% Hold 18,226 1.57 12.0 12.7 22.4 21.2 1.1 1.2 3.06 -12.4 2.03 32.3 21.3 UMW 6.61 4.37 -33.9% Sell 7,722 1.29 20.7 36.9 32.0 17.9 1.5 2.7 6.98 -5.3 4.70 40.6 27.1 BANKS & FINANCIAL SERVICES 4.60 11.4% 6.394 1.29 35.6 13.5 11.6 -8.0 3.62 14.1 1.2 ABMB 4.13 Hold 30.6 3.9 3.9 4.49 2.70 24.2 2.98 2.22 AFFIN 2.53 6.7% Hold 4,916 0.93 28.1 3.2 3.2 -15.0 13.9 9.5 10.4 9.0 AMBANK 4.39 5.50 25.3% 13,232 1.38 52.0 5.70 -23.0 4.06 48.6 9.0 8.4 4.1 4.1 8.1 -0.5 Buy 6.90 7.50 8.7% Hold 63,656 1.65 50.8 56.0 13.6 12.3 4.2 7.36 -6.3 4.91 40.5 5.5 HI RANK 1796 19 30 7.5% Hold 36,739 0.83 114.2 120.9 15.7 14.9 2.5 2.5 18.80 -4.5 13.26 35.4 5.6 MAYBANK 10.06 10.50 4 4% Hold 108.884 1.02 70.6 77.4 14.3 13.0 5.0 5.0 10.24 -1.8 8.31 21.1 2.7 PBBANK 21.94 25.10 14.4% Buy 84.721 0.69 142.4 149.8 15.4 14.6 2.6 2.7 22.62 -3.0 19.66 11.6 5.6 RHBBANK 5.17 5.70 10.3% Hold 20.732 1.58 52.2 53.8 9.9 9.6 2.9 2.9 5.61 -7.8 4.71 9.8 3.4 11.80 3.3 -3.9 10.86 8.7% 5.837 0.93 43.9 24.8 24.1 3.3 11.30 8.08 7.3 BURSA Buy 45.0 34.4 Note: BURSA proposed bonus issue of shares on the basis of I 2. Ex-Target price RM7.04 BUILDING MATERIALS ANNIOO 3 41 4.40 29.0% Buy 1.762 1.30 45.1 48 9 7.6 7.0 7.6 3.98 -14.3 2.27 50.2 -117 CHINHIN 1.03 1.36 32.0% Buy 573 1.09 12.4 12.0 8.3 8.6 4.9 5.8 1.49 -30.9 0.90 14.4 -14.9 ENGTEX 1.04 1.38 32.7% Buy 442 0.83 14.2 16.1 7.3 6.5 4.0 5.3 1.52 -31.6 1.01 3.0 -5.5 CONSTRUCTION 1.05 1.69 61.0% 693 1.12 14.2 18.1 2.9 1.37 -23.4 1.01 4.0 GADANG 7.4 5.8 -5.4 Buy GAMUDA 4.85 6.00 23.7% 11,913 13.6 2.5 -12.1 -2.2 Buy 0.88 34.5 35.7 14.1 2.5 5.52 4.58 5.9 2.69 2.89 7.4% Sell 9,760 1.07 13.7 18.2 19.6 14.8 3.5 3.5 3.61 -25.5 2.66 -118 KAB 0.25 0.38 50.0% Buy 31.4 37.3 0.8 0.7 4.0 4.8 0.33 -24.2 0.25 2.0 -16.7 PESONA 0.40 0.55 39.2% Buy 274 1.11 5.8 4.8 6.8 8.3 3.8 3.8 0.74 -46.3 0.40 0.0 -12.2 SENDAI 0.80 0.55 -30.8% Sell 621 1.19 9.1 8.5 8.8 9.4 1.3 1.3 1.39 -42.8 0.51 57.4 -8.1 SUNCON 2.43 2.65 9.1% Buy 3,140 0.62 16.5 14.8 2.3 2.5 -8.0 1.70 42.9 -3.2 14.7 16.4 2.64 10.1% 11.2 2.48 -39.8 WCT 1.64 Hold 2,096 0.86 12.6 11.8 13.4 2.0 2.0 1.46 1.49 2.1 -8.0 LITRAK 5.75 6.26 8.9% Hold 3,035 0.36 45.6 47.1 12.6 12.2 4.3 4.3 6.15 -6.5 5.40 6.5 3.6 CONSUMER Brewery CARLSBG 16.36 18.06 10.4% Buy 5.033 0.76 86.2 88.7 19.0 18.4 5.3 5.4 16.60 -1.4 13.98 17.0 6.9 HEIM 20.04 84.0 20.30 19.14 -4.5% Buy 6.054 0.37 88.3 23.9 22.7 3.8 4.0 -1.3 15.86 26.4 6.0 Retai AEON 1.57 1.97 25.5% 2,204 0.43 7.7 23.5 2.9 2.70 -41.9 1.55 -10.8 Sell 20.4 2.5 1.3 AMWAY 1,249 45.2 17.3 7.60 8.18 7.6% Buy 0.48 43.9 16.8 5.0 8.18 -7.I 7.04 F&N 29.94 33.74 12.7% Buy 10,974 0.21 122.7 145.8 24.4 20.5 2.7 3.2 30.30 -1.2 22.64 32.2 10.9 HUPSENG 1.10 1.25 13.6% Buy 880 0.41 5.7 5.9 19.3 18.6 5.5 5.5 1.28 -14.1 1.05 4.8 0.9 IOHOTIN 1.18 1.75 48.3% Buy 366 0.73 12.8 13.5 9.2 8.8 4.2 4.6 1.76 -33.0 1.16 1.7 -2.5 2.9 NESTLE 116.30 120.50 3.6% Buy 27.272 0.49 325.4 368.7 35.7 31.5 2.5 117.00 -0.6 75.40 54.2 12.7 Sell PADINI 4.67 -7.3% 0.75 2.5 2.39 110.9 5.04 3,316 28.0 30.4 18.0 16.6 2.6 5.50 -8.4 -4.5 POHUAT 1.50 2.01 34.0% 22.9 2.07 -27.5 -16.2 Buy 330 0.49 25.4 6.5 5.9 5.3 5.3 1.45 3.4 4.77 3.26 -31.7% Se 7,739 0.53 12.8 14.7 37.2 32.4 1.0 4.84 3.26 46.5 9.7 SIGN 0.59 0.92 55.9% Buy 135 0.78 6.9 9.2 8.5 4.2 5.9 1.07 -44.9 0.58 1.7 -16.3 Tobacco 17.1 BAT 32.12 52.08 62.1% Buy 9.171 1.41 187.4 175.4 18.3 6.2 6.2 51.04 -37.1 31.40 2.3 -19.7 GAMING Casino 11.53 31.0% 33,716 10.00 -12.0 GENTING 8.80 Buy 1.49 54.4 59.8 14.7 GENM 5.25 6.51 24.0% Buy 29,709 1.50 27.0 30.6 17.1 1.9 -17.7 4.87 7.8 -6.7 NEO вітото 2.21 3.34 51.1% Buy 2,977 0.68 21.5 26.0 10.3 8.5 7.2 8.1 3.00 -26.3 2.20 0.5 -1.3 HEALTHCARE Hospitals/ Pharmaceutical 2.70 CCMDBIO 2.80 -3.6% Buy 781 0.87 17.4 3.7 3.03 -7.6 1.97 10.7 49,438 6.00 6.40 6.7% Buy 0.76 11.9 15.0 50.5 0.5 0.6 6.34 -5.4 5.42 10.7 0.88 1.12 28.0% 3,691 0.51 3.7 4.2 23.4 21.0 2.4 2.6 1.14 -23.2 0.87 -9.8 KPJ Buy 0.6 Rubber Gloves HARTA 11.06 7.80 -29.5% Sell 18.300 1.17 25.2 28.9 43.9 38.3 1.4 1.6 12.18 -9.2 4.67 136.8 3.6 KOSSAN 8.50 8.80 3.5% Buy 5.435 0.54 38.3 43.0 22.2 19.8 2.3 2.5 8.79 -3.3 5.62 51.2 4.8 Sell 2.17 1.80 -17.1% SUPERMX 1,423 0.41 15.3 17.9 14.2 12.1 2.4 2.8 2.50 -13.2 1.69 28.4 8.5 Sell 11,552 TOPGLOV 9.20 9.35 1.6% 0.56 41.6 50.8 22.1 18.1 1.6 1.9 10.00 -8.0 4.56 101.8 15.1 Sell 5.2 1.03 KAREX 1.05 1.00 -4.8% 1,052 0.61 2.8 38.0 20.2 0.7 1.2 -56.4 1.9 -19.2 INDUSTRIAL SCIENTX 8.22 9.84 19.7% Buy 4.019 0.84 67.5 74.1 12.2 11.1 2.2 2.3 9.85 -16.5 6.89 19.3 -5.1 SKPRES 1.66 2.20 32.5% Buy 2.075 0.80 10.4 14.8 16.0 11.2 3.1 4.4 2.35 -29.4 1.24 33.9 -27.2 MEDIA ASTRO 2.58 3.10 20.2% Buy 13,452 0.91 14.0 13.7 18.5 18.9 5.0 5.2 2.94 -12.2 7.5 -2.6 MEDIA PRIMA 0.60 0.45 -25.0% Sell 1.35 -3.8 -1.7 0.0 1.28 -53.1 0.58 3.4 -21.1 STAR 1.37 1.25 -8.8% Sell 1,011 1.09 20.4 20.4 8.8 8.8 2.22 -38.2 1.31 -17.0 6.7 6.7 4.6





SNAPSHOT	OF STO	CKS UND	ER CO	OVERAG	E												
Company	Share Price	Target Price			Market Cap.	EPS (sen)		PER (X)		Div Yield (%)		52weeks		52weeks		% Chg	
. ,	(RM)	(RM)	% upside	Recom	(RMm)	BETA	FY18	FY19	FY18	FY19	FY18	FY19	High Price	% Chg	Low Price	% Chg	YTD
	,	, ,			` ′								8				
OIL & GAS																	
DNEX	0.43	0.72	67.4%	Buy	755	1.47	4.2	4.5	10.3	9.5	2.3	2.3	0.69	-37.7	0.29	50.9	-11.3
LCTITAN	5.21	6.10	17.1%	Buy	11,842	na	56.3	60.9	9.2	8.6	4.8	5.2	6.53	-20.2	4.14	25.8	10.9
МНВ	0.85	0.10	-4.1%	Sell	1,352	1.38	0.5	1.7	175.6	50.6	0.0	0.0	1.16	-27.2	0.63	35.2	2.4
MISC	7.13	6.48	-9.1%		31,827	1.17	46.3	51.7	15.4	13.8	4.2	4.2	7.90	-9.7	6.89	3.5	-3.9
				Sell													
PANTECH	0.59	0.69	17.9%	Buy	436	1.23	6.1	6.8	9.6	8.6	4.7	5.2	0.74	-20.9	0.47	25.8	-9.3
PCHEM	7.98	7.96	-0.3%	Hold	63,840	0.90	49.8	52.6	16.0	15.2	2.8	2.9	8.28	-3.6	6.80	17.4	3.6
SAPNRG	0.68	1.25	83.8%	Buy	4,075	2.01	-6.5	-5.0	na	na	0.0	0.0	2.10	-67.6	0.67	2.3	-4.2
SERBADK	3.46	4.16	20.2%	Buy	5,081	na	27.7	32.7	12.5	10.6	2.3	2.9	3.66	-5.5	1.52	127.6	6.8
UMWOG	0.31	0.51	67.2%	Buy	2,506	1.73	0.4	1.2	75.5	24.6	0.0	0.0	0.70	-56.3	0.27	13.0	0.0
UZMA	1.34	1.56	16.4%	Sell	429	0.92	13.1	14.2	10.3	9.4	0.0	0.0	1.98	-32.3	1.26	6.3	4.7
PLANTATIONS																	
FGV	1.83	2.01	9.8%	Sell	6,676	1.52	3.7	4.5	49.4	40.3	2.7	2.7	2.18	-16.1	1.51	21.2	8.3
IJMPLNT	2.30	2.69	17.0%	Sell	2,025	0.19	9.1	12.5	25.2	18.3	3.5	3.9	3.50	-34.3	2.30	0.0	-16.1
IOICORP	4.68	4.12	-12.0%	Sell	29,408	0.89	21.0	21.7	22.2	21.6	3.4	6.4	4.81	-2.7	4.31	8.6	3.1
KFIMA	1.46	1.89	29.5%	Buy	412	0.66	13.3	14.5	11.0	10.1	6.2	6.2	1.96	-25.5	1.45	0.7	-7.0
KLK	25.24	27.07	7.3%	Hold	26,880	0.62	120.7	125.7	20.9	20.1	2.4	2.5	25.40	-0.6	23.66	6.7	1.0
SIMEPLT	5.57	6.25	12.2%	Buy	37,881	na	21.0	22.1	26.5	25.2	2.5	2.7	6.00	-7.2	4.58	21.6	-7.2
TSH	1.60	2.10	31.3%	Buy	2,209	0.60	9.3	9.6	17.2	16.7	1.5	1.5	1.93	-17.1	1.56	2.6	-3.0
UMCCA	6.28	6.73	7.2%	Sell	1,317	0.39	22.7	34.8	27.6	18.0	2.7	2.9	7.08	-11.3	5.76	9.0	-3.5
PROPERTY																	
GLOMAC	0.52	0.46	-11.5%	Sell	413	0.65	3.0	4.4	17.6	11.8	3.8	3.8	0.67	-22.7	0.50	5.1	-6.2
HUAYANG	0.59	0.58	-0.9%	Sell	206	0.89	0.7	3.4	89.5	17.2	0.9	0.9	1.21	-51.7	0.58	1.7	-4.1
IBRACO	0.76	0.92	21.9%	Hold	375	na	9.1	12.4	8.3	6.1	5.3	6.6	0.98	-22.6	0.50	51.0	-7.4
IOIPG	1.96	2.02	3.1%	Hold	10,792	0.85	16.5	16.3	11.8	12.0	3.1	3.1	2.22	-11.7	1.79	9.5	5.9
MAHSING	1.30	1.69	30.0%	Buy	3,156	0.98	13.0	12.6	10.0	10.4	5.0	5.0	1.64	-20.7	1.29	0.8	-10.3
SIMEPROP	1.47	1.61	9.5%	Sell	9,997	na	9.2	9.1	16.0	16.1	1.4	1.4	1.78	-17.4	1.04	41.3	-17.4
SNTORIA	0.59	0.76	29.9%		330	0.14	8.3	8.6	7.1		1.7	1.7	0.91	-35.7	0.57	3.5	-15.8
				Buy						6.8							
SPB	4.78	5.28	10.5%	Hold	1,642	0.66	21.2	26.1	22.6	18.3	2.5	2.5	5.50	-13.1	4.39	8.9	-2.4
SPSETIA	3.30	3.77	14.2%	Buy	12,385	0.94	21.3	21.9	15.5	15.1	3.6	3.6	4.38	-24.7	3.07	7.5	-17.5
SUNWAY	1.64	1.74	6.1%	Hold	8,029	0.92	11.9	12.6	13.8	13.0	3.0	3.7	1.96	-16.3	1.31	25.1	0.6
REIT																	
SUNREIT	1.73	1.87	8.1%	Hold	5,095	0.86	10.0	10.7	17.2	16.2	5.8	6.2	1.90	-8.9	1.64	5.5	-8.9
CMMT	1.28	1.64	28.1%	Buy	2,608	0.74	7.9	8.6	16.2	14.8	6.4	7.0	1.83	-30.1	1.25	2.4	-30.1
POWER & UTILITIES	S																
MALAKOF	0.92	1.16	26.1%	Buy	4,584	0.85	6.0	6.8	15.3	13.5	7.6	7.6	1.32	-30.3	0.86	7.0	-6.1
PETDAG	25.00	22.08	-11.7%	Sell	24,836	0.39	105.1	105.7	23.8	23.6	3.1	3.2	26.20	-4.6	21.00	19.0	3.1
PETGAS	17.76	19.10	7.5%	Buy	35,142	0.87	98.8	99.5	18.0	17.8	3.9	3.9	21.04	-15.6	15.82	12.3	1.6
TENAGA	15.76	18.33	16.3%	Buy	89,296	0.57	131.3	127.5	12.0	12.4	4.3	4.1	16.12	-2.2	13.44	17.3	3.3
YTLPOWR		1.17	-2.5%			0.87	9.8	10.3	12.0	11.7	4.2	4.2	1.50	-20.0		8.1	-7.0
TILPOVVK	1.20	1.17	-2.5%	Sell	9,329	0.87	7.8	10.3	12.2	11.7	4.2	4.2	1.50	-20.0	1.11	8.1	-7.0
TELECOMMUNICAT																	
AXIATA	5.58	6.50	16.5%	Buy	50,489	1.55	15.9	19.5	35.0	28.7	1.4	2.8	5.82	-4.1	4.24	31.6	1.6
DIGI	4.84	5.15	6.4%	Hold	37,631	0.93	19.7	20.4	24.6	23.8	4.1	4.2	5.19	-6.7	4.36	11.0	-5.1
MAXIS	5.94	6.05	1.9%	Sell	46,395	1.06	25.2	25.0	23.6	23.7	3.2	3.2	6.60	-10.0	5.48	8.4	-1.2
TM	6.13	7.20	17.5%	Buy	23,036	0.62	23.2	24.9	26.4	24.7	3.4	3.7	6.69	-8.4	5.85	4.8	-2.7
TECHNOLOGY																	
Semiconductor & Elect	ronics																
ELSOFT	2.56	2.70	5.5%	Hold	704	0.76	13.4	15.3	19.1	16.8	3.7	4.2	2.95	-13.2	1.54	66.0	-5.2
IRIS	0.18	0.25	42.9%	Buy	433	2.46	0.6	0.7	31.6	26.2	0.0	0.0	0.25	-13.2	0.12	52.2	-5.2 -5.4
				· ·													
INARI	3.21	3.35	4.4%	Under Review	6,626	0.71	14.0	15.7	22.9	20.5	3.1	3.5	3.82	-16.0	1.83	75.8	-5.6
Note: INARI proposed bon	ì				1	0 ==	70.0	00.5		16.	2 -		14-0		0.01		26.2
MPI	9.05	10.70	18.2%	Hold	1,800	0.75	73.9	86.9	12.3	10.4	3.5	3.5	14.52	-37.7	8.91	1.6	-28.3
UNISEM	2.77	3.25	17.3%	Under Review	2,033	1.16	19.0	20.3	14.6	13.6	4.3	4.3	4.25	-34.8	2.65	4.5	-24.1
TRANSPORTATION																	
Airlines																	
AIRASIA	4.15	3.83	-7.7%	Buy	13,869	1.31	38.3	39.8	10.8	10.4	1.2	1.4	4.34	-4.4	2.57	61.5	23.9
AIRPORT	9.12	8.64	-5.3%	Sell	15,132	1.39	19.7	20.1	46.2	45.3	2.0	1.3	9.45	-3.5	6.35	43.6	3.8
Freight & Tankers																	
PTRANS	0.28	0.46	67.3%	Buy	346	na	2.4	3.8	11.5	7.3	2.5	3.9	0.38	-28.0	0.15	89.1	-1.8
TNLOGIS	1.12	1.80	60.7%	Buy	512	1.14	13.6	14.0	8.2	8.0	4.5	4.5	1.83	-38.9	1.12	0.0	-16.4
						0.49											
WPRTS	3.70	4.06	9.7%	Buy	12,617	0.47	15.6	20.0	23.7	18.5	1.0	1.3	4.19	-11.7	3.12	18.6	0.0

Company Shar	Share Price	nare Price Target Price	% upside	Recom	Market Cap. (\$\$m)	Beta	EPS (cent)		PER (X)		Div Yield (%)		52week		52week		% Ch
	(S\$)	(S\$)					FY18	FY19	FY18	FY19	FY18	FY19	High Price	% Chg	Low Price	% Chg	YTE
BANKS & FINANCIA	AL SERVICES																
DBS	27.31	30.50	11.7%	Buy	70,019	1.18	212.8	246.6	12.8	11.1	2.4	2.6	27.4	-0.3	18.12	50.7	9.9
OCBC	12.26	13.50	10.1%	Buy	51,318	1.21	104.1	110.6	11.8	11.1	6.7	7.7	13.3	-8.0	9.38	30.7	-1.0
UOB	26.35	26.90	2.1%	Hold	43,821	1.16	215.4	229.3	12.2	12.2	2.7	2.7	28.5	-7.4	20.63	27.7	-0.4
PLANTATIONS																	
WILMAR	3.03	3.63	19.8%	Hold	19,388	18.0	29.9	31.8	10.1	9.5	2.6	3.0	4.0	-23.5	2.97	2.0	-1.9
IFAR	0.35	0.53	51.4%	Hold	502	1.01	5.2	5.7	6.7	6.1	3.6	4.0	0.6	-39.7	0.35	0.0	-10.3

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.