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Thursday, August 25, 2016

Report of the Day

Result Review: RHB 2Q16 – “Recovery in Decent Traction”

At a Glance

FBMKLCI stayed in the red by losing 1.01 points to close at 1,682.06 as blue chips eked out small gains and ended mix at the broader market.....(See full report next page)

Daily Equity Market Strategy

“Cautiousness Prevails”

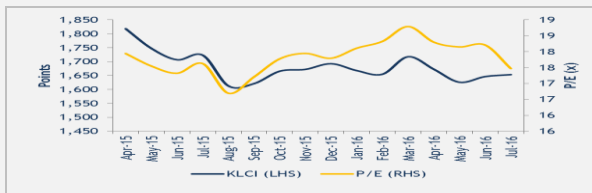
Cautious tone was prevailed over the prospect of upcoming Janet Yellen speech in Jackson Hole symposium on Friday.....(See full report next page)

Corporate Highlights

- **RHB, BUY (TP: RM5.80):** 2Q net profit down on Singapore bond impairment, declares 5 sen dividend
- **IJM Corp, BUY (TP: RM4.20):** Q1 net profit down 65.7%
- **GKent (CP: RM2.56):** MRT Corp awards RM1.01b trackworks package to CCCC-George Kent JV

Economic Update

- **Malaysia:** B10 biodiesel programme to start in 4Q – minister
- **Africa:** Next Big Devaluation Is Seen Unfolding in Egypt
- **China:** PBoC injects cash via 14-day reverse repo for 1st time since Feb as bonds sell-off



KEY ECONOMIC RELEASE					
Date	Local Time	Event	Survey	Actual	
US	22-Aug	8:30 PM	Chicago Fed Net Activity Index	--	0.16
JP	22-Aug	1:00 PM	Supermarket Sales YoY	--	-0.50%
JP	22-Aug	3:00 PM	Convenience Store Sales YoY	--	0.80%
US	23-Aug	9:45 PM	Markit US Manufacturing PMI	--	52.9
US	23-Aug	10:00 PM	Richmond Fed Manufact. Index	5	10
CN	23-Aug	9:45 AM	MNI August Business Indicator	--	--
CN	23-Aug	9:00 PM	Conference Board China July Leading Economic Index	--	--
US	24-Aug	9:00 PM	House Price Purchase Index QoQ	--	1.30%
US	24-Aug	9:00 PM	FHFA House Price Index MoM	0.30%	0.20%
JP	24-Aug	--	Cabinet Office Monthly Economic Report for August	--	--
US	25-Aug	8:30 PM	Durables Ex Transportation	0.30%	-0.40%
US	25-Aug	8:30 PM	Cap Goods Orders Nondef Ex Air	0.00%	0.40%
US	25-Aug	8:30 PM	Cap Goods Ship Nondef Ex Air	--	-0.20%
US	25-Aug	9:45 PM	Bloomberg Consumer Comfort	--	--
US	25-Aug	11:00 PM	Kansas City Fed Manf. Activity	--	-6
CN	25-Aug	9:00 AM	Swift Global Payments CNV	--	1.72%
CN	25-Aug	10:00 AM	Bloomberg Aug. China Economic Survey	--	--
JP	25-Aug	7:50 AM	Japan Buying Foreign Bonds	--	¥1297.5b
JP	25-Aug	7:50 AM	Japan Buying Foreign Stocks	--	¥141.4b
JP	25-Aug	7:50 AM	Foreign Buying Japan Bonds	--	¥474.8b
JP	25-Aug	7:50 AM	Foreign Buying Japan Stocks	--	¥94.7b
US	26-Aug	8:30 PM	Advance Goods Trade Balance	-\$62.3b	-\$63.3b
US	26-Aug	8:30 PM	Personal Consumption	--	4.20%
US	26-Aug	8:30 PM	GDP Price Index	2.20%	2.20%
US	26-Aug	8:30 PM	Core PCE QoQ	--	1.70%
US	26-Aug	10:00 PM	U. of Mich. Current Conditions	--	106.1
US	26-Aug	10:00 PM	U. of Mich. Expectations	--	80.3
US	26-Aug	10:00 PM	U. of Mich. 1 Yr Inflation	--	2.50%
US	26-Aug	10:00 PM	U. of Mich. 5-10 Yr Inflation	--	2.60%
JP	26-Aug	7:30 AM	Natl CPI YoY	-0.50%	-0.40%
JP	26-Aug	7:30 AM	Natl CPI Ex Fresh Food YoY	-0.50%	-0.50%
JP	26-Aug	7:30 AM	Natl CPI Ex Food, Energy YoY	0.40%	0.40%
JP	26-Aug	7:30 AM	Tokyo CPI YoY	-0.40%	-0.40%
JP	26-Aug	7:30 AM	Tokyo CPI Ex-Fresh Food YoY	-0.40%	-0.40%
JP	26-Aug	7:30 AM	Tokyo CPI Ex Food, Energy YoY	0.30%	0.30%
JP	26-Aug	1:00 PM	Natl CPI Ex Fresh Food, Energy YoY	--	0.80%

Bursa Malaysia

	Close	Change+/-	(+/- %)
FBMKLCI	1,682.06	-1.01	-0.06
FBMEMAS	11,797.50	-19.17	-0.16
FBMEMAS SHA	12,430.56	-13.19	-0.11
FBM100	11,509.06	-16.69	-0.14
Volume (mn)	1,896.44	60.55	3.30
Value (RMmn)	1,769.53	34.01	1.96
FBMKLCI YTD Chg			-0.62

Daily Trading Position (RM'mn)

	Participation (%)	Net(RMm)
Local Institution	65.3	-3.0
Local Retail	19.1	34.4
Foreign Investors	15.6	-31.4

Top Gainers

	Close	Change+/-	(+/- %)
DKSH HOLDINGS	5.18	0.58	1.70
AJINOMOTO	14.04	-0.30	-2.09
GENTING BHD	8.20	0.14	1.74

Top Losers

	Close	Change+/-	(+/- %)
DUTCH LADY MILK	59.52	-0.48	-0.80
PANASONIC	37.50	-0.50	-1.32
CARLSBERG	14.70	-0.28	-1.87

World Indices

	Close	Change+/-	(+/- %)
DJIA	18,481.48	-65.82	-0.35
NASDAQ	5,217.70	-42.38	-0.81
S&P 500	2,175.44	-11.46	-0.52
FTSE 100	6,835.78	-32.73	-0.48
DAX	10,622.97	30.09	0.28
Nikkei 225	16,597.30	99.94	0.61
HSI	22,820.78	-178.15	-0.77
KOSPI	2,043.76	-6.17	-0.30
STI	2,850.43	17.03	0.60
KLCI Futures	1,668.00	1.00	0.00
USDMYR 3M	11.55	0.02	0.00
USDMYR 6M	11.46	0.01	0.00
USDMYR 12M	11.34	0.00	0.00

Other Key Economics Data

	Close	Change+/-	(+/- %)
WTI (USD/bbl)	47	0.0	0.1%
Brent (USD/bbl)	49.1	-0.9	-1.8%
Gold(USD/ounce)	1,326	1.7	0.1%
Coal (USD/mt)	67.0	-0.1	-0.1%
CPO (RM/mt)	2,600	22.0	0.9%
Rubber	160	-1.0	-0.6%
RM/USD	4.04	0.0065	-0.16%
EUR/USD	0.89	0.0001	0.01%
YEN/USD	100.53	0.08	-0.08%

What To Expect

U.S. Market

- The Dow Jones Industrials Average weakened 65.82 points to 18,481.48 while S&P 500 dropped by 11.46 points to 2,175.44. Nasdaq also fell by losing 42.38 points to 5,217.70. Stocks closed lower Wednesday, with health care shedding more than 1.5 percent, while investors eagerly awaited a speech from Federal Reserve Chair Janet Yellen.
- Yellen is scheduled to speak on the U.S. economy and monetary policy Friday at 11 a.m. ET against a backdrop of recent hawkish rhetoric from two of her top lieutenants, New York Fed President William Dudley and Fed Vice Chairman Stanley Fischer.

The Local Market

- FBMKLCI stayed in the red by losing 1.01 points to close at 1,682.06 as blue chips eked out small gains and ended mix at the broader market. There were 253 gainers and 519 decliners in total value traded of RM1.76 billion.
- Among the losers on Bursa Malaysia were Dutch Lady declined 182 cent to RM57.70, Panasonic lost 50 cent to RM37.50, Carlsberg fell 28 cent to RM14.70 and Heineken dropped 22 cent to RM18.40.

Strategy

- **“Cautiousness Prevails”**
Wall Street ended its midweek trading in lower note, hampered by disappointing July existing home sales and the downturn in oil price. **S&P 500** and **DJIA** lost **11.46 (-0.52%)** and **65.82 (-0.35%)** points to end at **2,175.44** and **18,481.48** respectively. US July existing home sales declined 3.2% to a seasonally adjusted annual rate of 5.39 million from June's unrevised sales pace of 5.57 million, suggesting uneven performance in the US housing market. Additionally, crude oil extended its loss after the US Department of Energy confirmed disappointing inventory data. The EIA disclosed that US crude oil stockpiles rose by 2.50 million barrels (consensus: -0.45 million) while gasoline inventories increased by 0.03 million barrels (consensus: -1.66 million). As a result, WTI crude ended its day lower by 2.9% to end at USD46.76 per barrel, extending its week-to-date loss to 4.7%. Finally, cautious tone was prevailed over the prospect of upcoming Janet Yellen speech in Jackson Hole symposium on Friday. Suffice to say lack of catalyst could weigh on sentiment today.
- Our 2016 year-end FBMKLCI target is 1,790 based on PER of 17.1x. FBMKLCI is NEUTRAL. We have OVERWEIGHT call on construction, telco and oil and gas respectively. We predict Malaysia to grow by 4.3% in 2016.

CORPORATE HIGHLIGHTS

RHB, BUY (TP: RM5.80): 2Q net profit down on Singapore bond impairment, declares 5 sen dividend

RHB Bank Bhd reported a 37% drop in second quarter net profit from a year earlier mainly on higher bad loan allowance and impairment on a corporate bond in Singapore. In a statement to Bursa Malaysia today, RHB said net profit fell to RM350.17 million in the second quarter ended June 30, 2016 (2QFY16) from RM559.03 million. Revenue was, however, higher at RM2.69 billion compared to RM2.65 billion. During 2QFY16, bad loan allowance rose to RM59.74 million while the Singapore corporate bond impairment amounted to RM251.99 million, according to RHB's income statement. *(Source: The Edge)*

IJM Corp, BUY (TP: RM4.20): Q1 net profit down 65.7%

IJM Corp Bhd's net profit for the first quarter ended June 30, 2016 plunged 65.71% to RM115.52 million from RM336.87 million a year ago due in the absence of a one-off gain that was recorded a year ago. The one-off gain was from the disposal of a 74% equity interest in Jaipur-Mahua Tollway Private Ltd totalling RM168.7 million. In a filing with Bursa Malaysia yesterday, IJM Corp said the lower earnings was also due to lower contributions from property development, manufacturing and quarrying, and infrastructure divisions, which were further dampened by net unrealised foreign exchange losses totaling RM5.9 million during the quarter compared with a net unrealised foreign exchange gain of RM27 million a year ago. Revenue for the quarter rose 11.08% to RM1.31 billion from RM1.18 billion a year ago due to higher revenue contributed by the construction division. *(Source: The Sun)*

GKent (CP: RM2.56): MRT Corp awards RM1.01b trackworks package to CCCC-George Kent JV

A joint venture between George Kent (M) Bhd and China Communications Construction Company Ltd (CCCC) has won the RM1.01 billion work package for trackworks, maintenance vehicles and work trains for the mass rapid transit (MRT) Line 2. Mass Rapid Transit Corporation Sdn Bhd (MRT Corp) announced this in a statement today, confirming a report in The Edge Financial Daily on Aug 16 that the CCCC-George Kent JV was the front runner for the project. MRT Corp chief executive officer Datuk Seri Shahril Mokhtar said this work package is one of the major ones for the construction of the Line 2, also known as the Sungai Buloh-Serdang-Putrajaya (SSP) Line. *(Source: The Edge)*

Daiman Development (CP: RM2.12): FY16 net profit down 27% on lower development profit

Daiman Development Bhd's net profit for the fourth quarter ended June 30, 2016 (4QFY16) fell 56.36% to RM5.86 million or 2.78 sen per share from RM13.43 million or 6.38 sen per share last year. However, revenue expanded 54.06% to RM39.72 million in 4QFY16 compared to RM25.78million a year ago, Daiman said in a bourse filing today. The board recommended a first and final single tier dividend of five sen per share today for the financial year ended June 30, 2016 (FY16). The dividend, subject to shareholders' approval, will be paid on Dec 30, 2016. For FY16, Daiman's net profit slipped 27.15% to RM18.92 million

or 8.99 sen per share versus RM25.98 million or 12.34 sen per share in FY15, while revenue fell 15.3% to RM156.83 million from RM185.22 million in a year ago. (Source: *The Edge*)

UOA Development (CP: RM2.39): 2Q net profit up 80% on revenue from ongoing developments

UOA Development Bhd's net profit for the second quarter ended June 30, 2016 (2QFY16) surged 80.2% to RM124.2 million or 8.17 sen per share from RM68.9 million or 4.82 sen per share a year ago mainly due to ongoing development projects. Revenue fell 17.77% to RM294.8 million in 2QFY16 from RM325.7 million last year, it told Bursa Malaysia in a filing today. "The group's revenue and profit attributable to the company for 2QFY16 were mainly derived from the progressive recognition of its ongoing development projects such as Desa Green Serviced Apartments, Scenaria @ North Kiara Hills, South View Serviced Apartments, Southbank Residence, Sentul Village and The Vertical Office Suites and Corporate Towers," UOA said. (Source: *The Edge*)

Boustead (CP: RM2.25): 2Q net profit surges to RM226m on disposal gain, declares 4 sen dividend

Boustead Holdings Bhd's net profit for the second quarter ended June 30, 2016 (2QFY16) surged to RM225.8 million from RM2.9 million a year earlier, mainly due to the gains on disposal of Jendela Hikmat Sdn Bhd and plantation land. Its 2QFY16 revenue declined to RM2.07 billion from RM2.21 billion a year earlier. Boustead declared a second interim dividend of 4 sen per share to be paid on Sept 30. For the six months ended June 30 (1H FY16), Boustead's net profit jumped to RM204.3 million from RM3 million a year earlier, while revenue slipped to RM3.93 billion from RM4.1 billion a year earlier. (Source: *The Edge*)

Perisai Petroleum (CP: RM0.20): Q2 results hit by charter rate discounts

Perisai Petroleum Teknologi Bhd, which posted a second quarter net loss of RM2.68 million for the period ended June 30, 2016, said its interest cover ratio, which gauges the company's ability to make payment for the interest expense on outstanding debt, fell "slightly" below the required minimum. The company is in talks with its bondholders on the settlement of US\$700 million (RM2.8 billion) multi-currency, medium-term note maturing on Oct 3, 2016. In the current quarter, all covenants relating to financial ratios as applying to the group were fully complied with, with the exception of the interest cover ratio. As at the financial period ended June 30, 2016, the ratio for interest cover was slightly below the required minimum. The group has and is taking active steps in addressing this slight deviation. (Source: *The Sun*)

Hibiscus Petroleum (CP: RM0.20): Looking at options to monetise Anasuria Cluster

Hibiscus Petroleum Bhd, which swung to the black for the fourth quarter ended June 30, 2016, is looking to monetise and unlock the value of its Anasuria Cluster in the North Sea. Managing director Ken Pereira explained that this is due to a huge gap between the company's market capitalisation of about RM250 million and the value of the Anasuria Cluster of RM851 million. Apart from that, he said, its 20 sen share price demonstrates a significant discount to its net asset per share of 45 sen as at June 30, 2016. "We are considering

various options to monetise the value of the asset and typically by allowing new investors to come into the asset. But, at the moment, there is no stake sale being considered for our stake in Hibiscus or Anasuria. Hibiscus Petroleum completed the acquisition of a 50% stake in the Anasuria Cluster last March. (Source: The Sun)

Inari (CP: RM3.06): 4Q net profit slips 1.13% to RM39.9m, pays 2.2 sen dividend

Inari Amertron Bhd's net profit for the fourth quarter ended June 30, 2016 (4QFY16) fell 1.13% to RM39.92 million, from RM40.38 million a year earlier, mainly due to an increase in taxation. Revenue also saw a small fall to RM254.97 million, from RM255.02 million in 4QFY15, the group said in a filing today. Inari declared a fourth interim single tier dividend of 2.2 sen per share, which brings the total payout for the current financial year (FY16) to 8.4 sen, which translates into a yield of 2.75%. The dividend will go ex on Sept 13 and is payable on Oct 6. For FY16, the group said net profit declined 2.81% to RM148.25 million, from RM152.54 million in FY15, mainly due to higher taxation. Revenue breached the RM1 billion mark to RM1.04 billion, 11.55% more than the RM933.10 million recorded in FY15. The higher revenue was mainly due to higher trading volumes in radio frequency business. (Source: The Edge)

Parkson (CP: RM0.775): Loss widens to RM95.8m in 4Q on declining sales in China

Subdued consumer sentiment and growing competition in China has dragged Parkson Holdings Bhd deeper into the red for the fourth quarter ended June 30, 2016 (4QFY16). This marked the group's third straight quarterly loss. Net loss widened to RM95.8 million or 9.09 sen per share, from RM87.19 million or 8.39 sen a share in 4QFY15, as its retailing business in China reported a loss of RM41.79 million compared with a profit of RM11.58 million previously. Parkson's property and others segments' losses also deepened to RM15.49 million from RM5.28 million a year earlier. In a filing to Bursa Malaysia, the department store operator said 4QFY16 revenue grew 2.8% to RM884.09 million from RM860 million, driven by higher sales registered by its Malaysia and Indonesian retailing business. No dividend was declared for the quarter. (Source: The Edge)

QL Resources (CP: RM4.38): Sees flattish net profit growth in 1Q

QL Resources Bhd's net profit for the first quarter ended June 30, 2016 (1QFY17) grew by 2.93% to RM42.13 million from RM40.93 million in the same corresponding quarter a year ago, mainly due to improved integrated livestock farming (ILF) business. The Group's revenue also edged up slightly by 2.17% to RM669.54 million from RM655.3 million in 1QFY16, according to QL Resources filing to Bursa Malaysia. In the marine product manufacturing (MPM) segment, QL Resources saw its 1QFY17 earnings decrease 4% mainly due to lower surimi and surimi-based products margin. This was despite the MPM segment's revenue growing by 16% year-on-year (y-o-y) on higher surimi-based products and fishmeal contribution. (Source: The Edge)

Protasco (CP: RM1.55): Partners Kelantan state govt-linked firm for road maintenance works

Protasco Bhd is teaming up with Kelantan state government-linked firm, Kijang Kuari Sdn Bhd, to jointly undertake road maintenance work in the state, over a two-year period for RM25.7 million. In a filing with Bursa Malaysia, the construction outfit said its subsidiary, HCM Engineering Sdn Bhd, has entered into an agreement with Kijang Kuari to jointly undertake the project on a 60:40 basis, via a new company to be set up. Protasco said Kijang Kuari has been awarded a 10-year road maintenance contract by the Kelantan Public Works Department. Kijang Kuari is tasked to supply, deliver and pave asphaltic concrete and crusher run for the state road, as well as to do all incidental works necessary from the quarry to the site. The contract sum of the maintenance work for the first two years has been fixed at RM25.7 million, Protasco said. "The subsequent contract sum shall be reviewed by the Public Works Department every two years, based on the prevailing market price of the material and labour costs in the state of Kelantan. (Source: The Edge)

ECONOMIC UPDATES**Malaysia: B10 biodiesel programme to start in 4Q – minister**

Malaysia will delay the implementation of a higher biodiesel mandate to the fourth quarter from its earlier plan of July, the minister of plantation industries and commodities said on Wednesday. "We are discussing with all stakeholders to implement (the programme) smoothly," Datuk Mah Siew Keong said at a press conference, without giving any reason for the delay. The so-called B10 programme, which requires a minimum bio content of 10% in biodiesel for the transport sector, has already been delayed twice this year. It was initially scheduled for implementation in June before being postponed to July. A higher biodiesel mandate would increase demand for palm oil, which is used as a component of biodiesel. (Source: The Edge)

Africa: Next Big Devaluation Is Seen Unfolding in Egypt

According to Egypt's president, the country's future is at stake. With its currency trading near a record low in the black market, reserves to cover just three months of imports and a widening current-account deficit, pressure is mounting on the most populous Arab state to devalue the pound to alleviate a dollar shortage that prompted officials to seek help from the International Monetary Fund. Egypt is moving to end the exchange-rate problem within "months" as part of its plan to implement economic reforms, President Abdel-Fattah El-Sisi said in an interview published this week. Egypt may follow Nigeria's example. Africa's last big currency devaluation started in June, when policy makers relented to market pressure and ended the naira's almost 16-month peg to the dollar. (Source: Bloomberg)

China: PBoC injects cash via 14-day reverse repo for 1st time since Feb as bonds sell-off

China's central bank on Wednesday injected cash into money markets through 14-day reverse repurchase agreements for the first time since February amid signs of a sell-off in the bond market and growing worries on leverage. The People's Bank of China (PBoC) injected 90 billion yuan (US\$13.55 billion) into money markets through seven-day reverse bond repurchase agreements (repos) and an additional 50 billion yuan through 14-day reverse repos on Wednesday, traders said. Analysts say that in addition to signs of tightening liquidity in the fixed income markets linked to lower expectations on easing, regulators may be concerned about rising leverage in the bond market. (Source: *The Star*)

Europe: EU says Greek debt statistics not manipulated in 2010-2015

The European Union's Employment Commissioner Marianne Thyssen said on Wednesday the Greek statistics office did not manipulate data on the country's debt in 2010-2015 and that she had sent a letter to Athens asking it to refute any such suggestions. Thyssen, who oversees the Eurostat EU statistics office, said she has sent the joint letter with the EU's economics commissioners Valdis Dombrovskis and Pierre Moscovici. "For the Commission and Eurostat it is absolutely clear that data on Greek Government debt during 2010-2015 have been fully reliable and accurately reported to Eurostat," she said. (Source: *CNBC*)

German: grows faster than expected, but economy is still a mixed bag

Strong foreign trade and buoyant consumption drove Germany's economy, Europe's largest, to better than expected growth in the second quarter, federal statistics office Destatis said on Wednesday. Gross domestic product (GDP) grew by 0.4% between April and June, adjusted for seasonal, calendar and price effects — twice as fast as analysts surveyed by Factset predicted. However, the final figure, which confirmed a preliminary Destatis reading earlier in August, represented a slow-down from the unexpectedly strong 0.7% expansion in the first quarter. "Compared with the previous quarter, the positive impulses above all came from foreign trade," Destatis said in a statement. (Source: *BD Live*)

Indonesia: Govt eyes US\$800m in transactions at Trade Expo Indonesia

The government aims to match 1,100 Indonesian traders with 14,700 potential international buyers and book US\$800 million in transactions in the upcoming 31st Trade Expo Indonesia (TEI). According to the Trade Ministry's director general for export development, Arlinda Imbang Jaya, 4,000 buyers have registered to attend the exhibition. Nigeria is sending the most buyers with 443 registrants followed by Saudi Arabia (93), India (83), Lebanon (49) and Kuwait (28). "We will launch regional discussions, business counseling and business matching. We target US\$800 million in transactions," she said at the Trade Ministry in Jakarta on Wednesday. The high number of Nigeria registrants was due to the high number of Indonesian primary goods shipped there, such as soap and noodles, she explained. (Source: *Jakarta Post*)

U.K.: Investors pull over \$6 billion out of UK funds after Brexit vote

U.K.-domiciled investment funds hemorrhaged £4.7 billion (\$6.2 billion) in July, the biggest monthly net outflow for at least three years. Equity funds were the worst hit, with net outflows of £5.7 billion last month, according to data from investment research provider Morningstar. Also hard hit were U.K. property funds, with net outflows of £438 million. This followed the U.K.'s surprise vote to leave the European Union on June 23. The news rocked London-listed and global stocks, plus sterling. The internationally focused FTSE 100 index has recovered, however, with the weaker pound helping companies that largely report in U.S. dollar terms. (Source: CNBC)

U.K.: Consumer Loan Growth Hits Decade High After Brexit

U.K. consumer credit rose the fastest in almost a decade in July, as shoppers hit the stores for summer goods and took advantage of low interest rates on loans. The British Bankers' Association said credit rose 6.4 percent compared with a year earlier, up from 6.3 percent in June and the quickest pace since December 2006. Business lending climbed 2.6 percent, the most since early 2015. The weak spot was housing, where the number of mortgage approvals for house purchase fell about an annual 19 percent in July to 37,662. That tallies with surveys showing both property demand and sales fell. In the year so far, approvals are up 2 percent. (Source: Bloomberg)

M&A Securities

STOCK RECOMMENDATIONS

BUY	Share price is expected to be $\geq +10\%$ over the next 12 months.
TRADING BUY	Share price is expected to be $\geq +10\%$ within 3-months due to positive newsflow.
HOLD	Share price is expected to be between -10% and $+10\%$ over the next 12 months.
SELL	Share price is expected to be $\geq -10\%$ over the next 12 months.

SECTOR RECOMMENDATIONS

OVERWEIGHT	The sector is expected to outperform the FBM KLCI over the next 12 months.
NEUTRAL	The sector is expected to perform in line with the FBM KLCI over the next 12 months.
UNDERWEIGHT	The sector is expected to underperform the FBM KLCI over the next 12 months.

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