

PP14767/09/2012(030761)

Wednesday, January 11, 2017

At a Glance

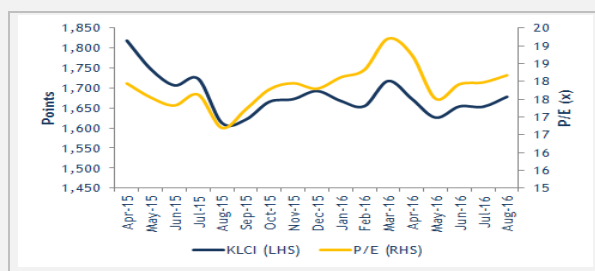
The FBM KLCI lifted 4.15 points to 1,672.05 supported by certain blue-chip gainers such as Maxis, Genting and Hap Seng.....(See full report next page)

Corporate Highlights

- **Muhibbah (CP: RM2.35):** Unit wins RM438mil contract in Qatar
- **Tasco (CP: RM1.60):** Buying Gold Cold Transport for RM186m
- **IFCA MSC (CP: RM0.35):** Bursa Malaysia slaps IFCA with UMA

Economic Update

- **US:** Wholesale inventories post biggest rise in two years
- **China:** Joins Davos as Trump Presidency Vies for Spotlight
- **China:** Factory Prices Rising Fastest in 5 Years Adds to Reflation

**Bursa Malaysia**

	Close	Change+/-	(+/- %)
FBMKLCI	1,672.05	4.15	0.25
FBMEMAS	11,684.98	26.44	0.23
FBMEMAS SHA	12,233.46	2.34	0.02
FBM100	11,391.46	27.71	0.24
Volume (mn)	2,683.74	879.39	48.74
Value (RMmn)	2,107.28	655.15	45.12
FBMKLCI YTD Chg			1.85

Daily Trading Position (RM'mn)

	Participation (%)	Net(RMm)
Institution	60.8	64.8
Retail	16.6	-18.8
Foreign	22.6	-46.0

Top Gainers

	Close	Change+/-	(+/- %)
BRIT AMER TOBAC	46.28	0.98	2.16
PANASONIC MAN	31.30	0.42	1.36
PPB GROUP BERH	16.38	0.28	1.74

Top Losers

	Close	Change+/-	(+/- %)
PETRONAS GAS	20.98	-0.52	-2.42
SHELL REFINING	2.49	0.06	2.47
TENAGA NASION	13.80	-0.14	-1.00

World Indices

	Close	Change+/-	(+/- %)
DJIA	19,855.53	-31.85	-0.16
NASDAQ	5,551.82	20.00	0.36
S&P 500	2,268.90	0.00	0.00
FTSE 100	7,275.47	37.70	0.52
DAX	11,583.30	19.31	0.17
Nikkei 225	19,301.44	54.08	0.28
HSI	22,744.85	186.16	0.83
KOSPI	2,045.12	9.84	0.48
STI	3,006.02	24.48	0.82
KLCI Futures	1,671.00	1.50	0.00
USDMYR 3M	11.22	0.01	0.00
USDMYR 6M	11.52	0.01	0.00
USDMYR 12M	12.17	0.01	0.00

Other Key Economics Data

	Close	Change+/-	(+/- %)
WTI (USD/bbl)	51	0.1	0.3%
Brent (USD/bbl)	53.6	-1.3	-2.4%
Gold(USD/ounce)	1,188	-0.1	0.0%
Coal (USD/mt)	81.5	-0.5	-0.7%
CPO (RM/mt)	3,082	-30.0	-1.0%
Rubber	251	8.7	3.6%
RM/USD	4.47	-0.0017	0.04%
EUR/USD	0.95	-0.0003	-0.03%
YEN/USD	115.78	0.01	-0.01%

What To Expect

U.S. Market

- The Dow Jones Industrials Average fell 31.85 points to 19,855.53 while S&P 500 closed unchanged at 2,268.90 points. Nasdaq increased 20 points to 5,551.82. U.S. stocks declined Monday as investors sold following last week's advance to the precipice of 20,000 on the Dow Jones Industrial Average. Energy stocks slid with crude oil. The S&P 500 Index lost 0.4 percent to 2,268.90 at 4 p.m in New York, after increasing 1.7 percent last week. The benchmark gained 0.4 percent on Friday and reached a record as data showed U.S. wages in December increasing the most since 2009, fueling expectations of stronger economic growth this year.
 - Oil prices fell on Monday on fears that record Iraqi crude exports and growing U.S. output could undermine OPEC's efforts to reduce supply, while sterling slumped on comments by British Prime Minister Theresa May suggesting what could be an aggressive exit from the European Union.
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- The FBM KLCI lifted 4.15 points to 1,672.05 supported by certain blue-chip gainers such as Maxis, Genting and Hap Seng. There were 414 gainers and 368 decliners in total value traded of RM2.10 billion.
 - Among the gainers on Bursa Malaysia were BAT which increased 86 cent to RM46.28, Panasonic Manufacturing rose 42 cent to RM31.30 and PPB Group was up 30 cent to RM16.38.

CORPORATE HIGHLIGHTS

Muhibbah (CP: RM2.35): Unit wins RM438mil contract in Qatar

Muhibbah Engineering (M) Bhd's unit has won a RM438.1mil contract to undertake the construction of road and infrastructure works at a special economic zone in Qatar. In its filings with Bursa Malaysia, the construction group said its 49%-owned Muhibbah Engineering Middle East LLC had on Monday formalised a contract with the Economic Zones Company of Qatar (Manateq) for the works at Um Alhoul Economic Zone (QEZ-3) Phase 2.1 (Portion 2A, Marine Cluster) for a total contract price of 356.7 million Qatari riyal, or RM438.1mil. "The construction works for the project commenced immediately and are expected to be completed by the second quarter of 2018," it said. *(Source: The Edge)*

Tasco (CP: RM1.60): Buying Gold Cold Transport for RM186m

Logistics company Tasco Bhd is buying Gold Cold Transport Sdn Bhd (GCT) – one of the largest cold chain logistics players in Malaysia in terms of storage capacity size – for RM186.08mil as it makes its foray into a new segment of the industry. Tasco said on Tuesday it had signed a sale and purchase agreement

with Chang Kok Fai and Chan Sun Cheong to buy the two million shares in GCT Group for an indicative cash consideration of RM186.08mil. GCT Group is principally involved in the business of transportation, cold room storage facilities, repackaging and value added facilities. (Source: The Edge)

IFCA MSC (CP: RM0.35): Bursa Malaysia slaps IFCA with UMA

IFCA MSC Bhd has been slapped with an unusual market activity (UMA) query from Bursa Malaysia, after the company's share price and volume rose sharply by 34.6% today. At the closing bell, IFCA shares closed 9 sen higher at 35 sen — its highest closing since Nov 16, 2016 — with some 110.07 million shares traded. It was the third most actively-traded stock on the exchange. The exchange requested the company to disclose of any corporate development, rumour, report or any other possible explanation for the unusual trading of its shares. (Source: The Edge)

Pasukhas (CP: RM0.165): Issues RM8.3 mil claim against Emerald Capital for Perak project

Pasukhas Group Bhd's wholly-owned subsidiary Pasukhas Sdn Bhd (PSB) today served a payment claim under Section 5 of the Construction Industry Payment & Adjudication Act 2012 (CIPAA) against Emerald Capital (Ipoh) Sdn Bhd for an outstanding amount of RM8.3 million. The payment claim is related to an 18-storey condominium development project in Perak, the engineering solutions provider said in a bourse filing today. Pasukhas' shares closed unchanged at RM 17 sen, for a market capitalization of RM61.1 million. (Source: The Edge)

Genting Plantations (CP: RM10.96): KWAP reemerges as substantial shareholder

Genting Plantations Bhd said Retirement Fund Inc (KWAP) has reemerged as a substantial shareholder in the company, with 5.1% stake. In a filing with Bursa Malaysia, Genting Plantations said the civil service pension fund bought one million shares in the company in the open market on Dec 30 last year. With this, KWAP owns a total of 40.52 million shares in Genting Plantations. KWAP ceased to hold a notable shareholding in the company, after it sold 500,000 shares on Oct 11 last year. (Source: The Edge)

Paramount Corp (Suspended): To make material announcement

Paramount Corp Bhd has asked for the suspension of trading of its securities on Bursa Malaysia's Main Market on Wednesday pending a material announcement. The property developer and education provider said Bursa Malaysia Securities had approved its request for suspension on the day from 9.00am to 5.00pm. The most recent announcement by Paramount Corp prior to this was on the setting up of a new subsidiary, Paramount Coworking Sdn Bhd (PCW), last month to provide co-working spaces and incubator-related services. (Source: The Edge)

ECONOMIC UPDATES

US: Wholesale inventories post biggest rise in two years

US wholesale inventories in November rose slightly more than previously reported, posting their largest gain in two years and suggesting inventory investment would again support economic growth in the fourth quarter. The Commerce Department said on Tuesday wholesale inventories rose 1.0% after slipping 0.1% in October. That was the largest increase since November 2014. The department reported last month that wholesale inventories rose 0.9% in November. The component of wholesale inventories that goes into the calculation of gross domestic product — wholesale stocks excluding autos — increased 0.7% in November. (Source: *The Edge*)

China: Joins Davos as Trump Presidency Vies for Spotlight

The Davos elite gathering next week behind metal detectors in a concrete bunker in the Swiss Alps to discuss the state of the world will be isolated in more ways than one. The roughly 3,000 business, political and academic leaders attending the World Economic Forum's annual meeting from Jan. 17-20 will find themselves further outside the political consensus than ever before, after a year that saw backlashes against "elites" roil politics on both sides of the Atlantic. Even as equity markets surge on the bet that U.S. president-elect Donald Trump will usher in an era of deregulation, his inauguration on the final day of the Forum will remind attendees of the arrival of an aggressive new populist-in-chief. (Source: *The Edge*)

China: Factory Prices Rising Fastest in 5 Years Adds to Reflation

China's producer price index rose at the fastest pace in more than five years in December as the factory to the world swings from being a drag on global inflation to another potential force pushing prices higher. Only four months out of a multi-year factory deflation, the world's second-largest economy is poised to export inflation around the globe through its supply chains as manufacturers squeezed by higher input costs raise asking prices. Whether that rebound will be sustained hinges on how the global economy fares under a Donald Trump presidency and whether trade tensions flare between the U.S. and China. (Source: *Bloomberg*)

India: Auto Sales Plunge Most in 16 Years on Modi's Bank Note Ban

India's automobile sales fell the most in 16 years last month after Prime Minister Narendra Modi's unprecedented clampdown on cash prompted consumers to delay their purchases of cars, motorcycles and trucks. Automobile sales fell 19 percent to 1.2 million units in December, the biggest drop since the same month in 2000, according to data released by the Society of Indian Automobile Manufacturers in New Delhi. Passenger vehicles sales dropped 1.4 percent while scooters and motorcycles -- a key indicator of rural demand -- fell 22 percent, the biggest monthly contraction on record. (Source: *Bloomberg*)

Taiwan: Exports shrink for second straight year, face headwinds

Taiwan's export growth in December hit a four-year high boosted by demand for technology goods, but was not enough to keep full-year shipments from contracting for the second year in a row and clouding the outlook for the trade-

reliant economy. The island's tech-dominated manufacturers are nervous about the protectionist policies of incoming US President Donald Trump, who has made trade a centrepiece of his campaign and has threatened to raise import tariffs when he takes office on Jan 20. "We cannot assess the exact impact. It is only after he takes office that we will know exactly how he will implement (his policies)," Beatrice Tsai, an official with Taiwan's finance ministry, told a news conference. *(Source: Bloomberg)*

India: PM Modi touts digitized economy to business leaders

Indian Prime Minister Narendra Modi told a gathering of business leaders on Tuesday that the country was on the verge of becoming the world's most digitized economy, and avoided direct mention of the economic hit from demonetization. Speaking at India's biggest investor summit, organized in his home state of Gujarat, the 65-year-old said his government was strongly committed to continue reforming the Indian economy. "We are working to adopt and absorb newer technologies, to bring about transparency, and to end discretion," Modi told the summit, adding that foreign direct investment in the country has topped \$130 billion in his two-and-a-half years in office. *(Source: Reuters)*

World Bank: Sees higher 2017 global growth, uncertainty over U.S. policy

The World Bank on Tuesday said global growth would accelerate slightly as recovering oil and commodity prices ease pressures on emerging-market commodity exporters and painful recessions in Brazil and Russia come to an end. In its latest Global Economic Prospects report, the multilateral lender said it expected 2017 real gross domestic product growth to rebound to 2.7 percent from a post-financial crisis low of 2.3 percent last year. Growth in advanced economies is expected to edge up to 1.8 percent in 2017 from 1.6 percent in 2016, the World Bank said, while emerging and developing economies will see growth accelerate to 4.2 percent this year from 3.4 percent last year. *(Source: Reuters)*

Turkey: Reluctant to hike rates, central bank struggles with lira slide

For some of Turkish President Tayyip Erdogan's aides, the mere suggestion that the central bank should raise interest rates as the lira slides through new record lows amounts to a plot against the state. "It is clear the goal is to bottleneck the country's economy," Erdogan's adviser Bulent Gedikli said on Twitter on Tuesday in response to a statement from the Japan Credit Rating Agency (JCR) indicating investors might welcome a hike. "It is open to debate how right it is to intervene in a floating-rate system, and if it is to be done, should it be just by hiking rates and destroying growth?" he said, suggesting there were other, better ways. *(Source: Reuters)*

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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