

## Research Highlights

### SINGAPORE NEWS HIGHLIGHTS

- Singapore housing loans shrink again, with overall lending flat in April: MAS data
- Singapore bank sees South-East Asia as 'haven'
- IMDA launches public consultation on 800MHz, 1900MHz and 2100MHz allocation

### INDONESIA NEWS HIGHLIGHTS

- Indonesia launches QR code standards

### THAILAND NEWS HIGHLIGHTS

- Thai Central Bank will not revise loan-to-value (LTV) measures
- Oldest Thai Bank Confirms Ripple's XRP Shortens Money Transfer from Japan to Thailand under 5 Seconds

#### Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,269.0	-0.85%
USD/SGD	1.37	-0.04%
USD/THB	31.53	-0.98%

#### Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,117.8	-1.64%
FSTFN	946.46	-2.74%
FSTCG	454.47	-0.61%
FSTTC	804.4	1.46%

#### Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,209.1	2.51%
JAKFIN	1,253.1	2.40%
JAKAGRI	1,398.7	1.86%
JAKINFR	1,154.0	3.00%

#### Thailand

Indices	Today	1-Week Chg (%)
SET	1,620.2	0.38%
SETBANK	503.6	-0.47%
SETAGRI	180.4	2.42%
SETCOMUN	156.2	0.92%



## Singapore's Corporate News

- **Singapore housing loans shrink again, with overall lending flat in April: MAS data**

HOUSING loans in Singapore shrank for a third month in April, leading a continued contraction in consumer loans, preliminary data from the Monetary Authority of Singapore (MAS) showed on Friday. Mortgages and bridging loans booked in April on a net basis came in at S\$202.76 billion, falling from S\$203.38 billion in March. With housing loans making up roughly three quarters of consumer lending, overall consumer loans stood at S\$264.57 billion, lower than the S\$264.67 billion in March.. (Source: *The Business Times*)

- **Singapore bank sees South-East Asia as 'haven'**

United Overseas Bank Ltd is betting South-East Asia will shield it from the escalating trade war between the United States and China, distancing itself from the approach of its two main rivals that have expanded their focus to Hong Kong and the mainland. "Asean will become a safe haven," chief executive officer Wee Ee Cheong said in an interview at UOB headquarters in Singapore, referring to the Association of South-East Asian Nations. (Source: *The Star*)

- **IMDA launches public consultation on 800MHz, 1900MHz and 2100MHz allocation**

Singapore's independent telecoms watchdog the Info-communications Media Development Authority (IMDA) has opened a public consultation seeking feedback over spectrum allocation for enterprise and public mobile use in the city-state. It is understood that the discussion will revolve around a number of key topics, chief of which is the assignment of dedicated spectrum in the 800MHz and 1900MHz bands to enterprise users 'in order to serve growing demand for enterprise data services'. Meanwhile, IMDA seeks feedback on allocating the 2100MHz frequency band – until now set aside for just 3G – for both 3G and 4G mobile services. As part of the process, the watchdog will canvass industry opinion on how each of these spectrum bands will be assigned, including the auction mechanism, mindful that Singapore wants to optimise its 'scarce spectrum resources' for the Singapore public at large. (Source: *Telegeography*)

## Indonesia's Corporate News

- **Indonesia launches QR code standards**

Bank Indonesia (BI), the country's central bank, has launched its Quick Response Indonesia Standard (QRIS) code system, a new type of QR code standards, aiming to homogenise cashless payments nationwide. QRIS is, overall, a more complex QR pattern and it allows users from one payment service to transfer funds to any rival service under BI's umbrella. The Jakarta Post reports that customers using e-wallet services like LinkAja, for example, could transfer funds to a shopkeeper using OVO, a different e-wallet service. All it needs is that at least one party has a QRIS code. (Source: *Fintech Futures*)

## Thailand's Corporate News

- **Thai Central Bank will not revise loan-to-value (LTV) measures**

Following the implementation of the loan-to-value (LTV) regulation since April this year, mortgage lending has shown signs of slowing down. However, the Bank of Thailand (BOT) reported that the slowdown is caused by the accelerated transactions since the end of last year. The BOT Governor, Veerathai Santiprabhob, said the central bank will not revise the LTV measures at this time because the contraction of the mortgage market is caused by the accelerated transactions and ownership transfers since the fourth quarter of 2018. As a result, the mortgage lending figures for April and May were lower than projected. The BOT will observe the impact of these measures for a period of time before making further decisions. (Source: *Thailand Business News*)

- **Oldest Thai Bank Confirms Ripple's XRapid Shortens Money Transfer from Japan to Thailand under 5 Seconds**

Thailand's largest commercial bank, the Siam Commercial Bank (SCB), which recently conducted a pilot program using Ripple's technology to cut short transaction times from 2 days to 1 minute, has confirmed that it is using Ripple's xRapid technology to speed up transactions, and that transactions from Japan to Thailand take about 2 to 5 seconds. The SCB has also previously said that, regarding the use of the XRP token itself, that users will have to wait for a future announcement for confirmation. The bank has also spoken VeChain in a blog post that discussed the uses of cryptocurrencies in various industries. (Source: *Invest In Blockchain*)

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## Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 31 May 2019	Market Cap (USDm)	CY18 P/E (x)	CY19 P/E (x)	Current EPS	CY19 EPS	PBV (x)	CY18 ROE	CY19 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
<b>Indonesia</b>												
BANK CENTRAL ASIA TBK PT	29,100	50119.5	24.5	21.7	1039.6	1186.3	4.5	18.0	17.7	32938.4	1.1	1.2
BANK RAKYAT INDONESIA PERSER	4,100	35327.8	13.7	11.9	263.7	298.4	2.6	18.8	19.1	12334.9	3.0	3.2
BANK MANDIRI PERSERO TBK PT	7,675	25020.4	12.7	11.2	515.3	602.9	1.9	14.8	15.3	24308.5	3.2	3.1
BANK NEGARA INDONESIA PERSER	8,400	10943.0	9.2	7.9	821.2	914.4	1.4	15.0	15.4	26199.9	3.1	2.4
BANK DANAMON INDONESIA TBK	4,630	3161.1	10.1	9.5	431.6	459.3	1.1	10.3	10.2	16285.4	3.5	3.1
<b>Simple Average</b>			<b>14.1</b>	<b>12.4</b>				<b>15.4</b>	<b>15.6</b>			<b>2.6</b>
<b>Singapore</b>												
DBS GROUP HOLDINGS LTD	24.29	45163.5	10.0	9.5	2.2	2.4	1.2	12.6	12.6	124.4	5.1	4.9
OVERSEA-CHINESE BANKING CORP	10.57	32689.4	9.4	8.8	1.1	1.1	1.0	11.3	11.4	47.5	4.5	4.1
UNITED OVERSEAS BANK LTD	23.50	28521.4	9.3	8.8	2.4	2.5	1.1	11.2	11.3	124.8	5.3	5.1
<b>Simple Average</b>			<b>9.6</b>	<b>9.0</b>				<b>11.7</b>	<b>11.8</b>			<b>4.7</b>
<b>Thailand</b>												
SIAM COMMERCIAL BANK PUB CO	129.5	13934.2	10.7	9.6	12.7	12.1	1.1	10.5	11.0	554.9	4.3	4.2
BANGKOK BANK PUBLIC CO LTD	196.5	11886.0	9.6	8.8	18.9	20.4	0.9	9.1	9.4	724.6	3.7	3.3
KASIKORNBANK PCL	186.5	14144.0	10.9	9.9	16.1	17.1	1.1	10.5	10.8	466.0	2.5	2.1
KRUNG THAI BANK PUB CO LTD	19.1	8459.1	9.1	8.2	2.1	2.1	0.8	9.3	9.4	81.1	4.2	3.8
BANK OF AYUDHYA PCL	36.8	8566.2	8.6	8.2	3.4	4.3	1.1	11.4	10.9	112.8	3.1	2.3
<b>Simple Average</b>			<b>9.8</b>	<b>8.9</b>				<b>10.2</b>	<b>10.3</b>			<b>3.2</b>
<b>Regional Average</b>			<b>11.4</b>	<b>10.3</b>				<b>12.5</b>	<b>12.7</b>			<b>3.3</b>
<b>Malaysia</b>												
MALAYAN BANKING BHD	9.02	23834.9	12.1	11.6	0.7	0.7	1.3	10.6	10.6	57.9	6.4	6.3
CIMB GROUP HOLDINGS BHD	5.27	12259.3	10.3	9.5	0.5	0.5	1.0	9.2	9.3	26.4	5.0	4.7
PUBLIC BANK BERHAD	23.60	21909.9	15.9	15.3	1.5	1.5	2.2	13.5	13.2	70.9	3.0	2.9
HONG LEONG BANK BERHAD	19.00	9294.6	14.5	13.7	1.2	1.3	1.5	11.1	11.0	52.2	2.7	2.5
AMMB HOLDINGS BHD	4.43	3193.2	9.5	8.9	0.4	0.5	0.8	7.8	7.9	19.3	4.4	3.4
RHB BANK BHD	5.83	5590.8	9.7	9.1	0.6	0.6	1.0	9.9	9.9	22.2	3.8	3.5
ALLIANCE BANK MALAYSIA BHD	3.85	1425.3	10.1	9.3	0.3	0.4	1.1	10.1	10.4	17.7	4.6	4.0
<b>Simple Average</b>			<b>11.7</b>	<b>11.1</b>				<b>10.3</b>	<b>10.3</b>			<b>3.9</b>

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## Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 31 May 2019	Market Cap (USDm)	CY18 P/E (x)	CY19 P/E (x)	Current EPS	CY19 EPS	PBV (x)	CY18 ROE	CY19 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
<b>Indonesia</b>												
ASTRA AGRO LESTARI TBK PT	10,550	1418.5	14.3	12.2	773.3	736.0	1.1	7.1	8.0	25932.2	2.5	3.2
PP LONDON SUMATRA INDONES PT	1,145	545.7	14.9	11.6	75.4	77.1	0.9	6.1	7.6	2356.8	2.1	3.9
SAMPOERNA AGRO TBK PT	2,280	301.0	20.6	15.8	109.3	110.9	1.1	5.0	6.0	513.0	0.2	3.1
EAGLE HIGH PLANTATIONS TBK P	153	336.9	N.A.	N.A.	N.A.	N.A.	0.9	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	100	17.5	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Simple Average</b>			<b>16.6</b>	<b>13.2</b>				<b>6.1</b>	<b>7.2</b>			<b>3.4</b>
<b>Singapore</b>												
WILMAR INTERNATIONAL LTD	3.29	15149.9	12.2	11.1	0.2	0.2	0.9	7.4	7.7	8.2	3.4	3.2
GOLDEN AGRI-RESOURCES LTD	0.27	2455.2	27.5	14.8	0.0	0.0	0.6	2.0	3.6	0.4	2.1	2.2
OLAM INTERNATIONAL LTD	1.78	4131.8	11.9	11.1	0.1	0.2	1.1	N.A.	N.A.	7.6	4.3	4.2
<b>Simple Average</b>			<b>17.2</b>	<b>12.4</b>				<b>4.7</b>	<b>5.6</b>			<b>3.2</b>
<b>Regional Average</b>			<b>16.9</b>	<b>12.8</b>				<b>5.5</b>	<b>6.6</b>			<b>3.3</b>
<b>Malaysia</b>												
SIME DARBY BERHAD	2.32	3773.2	16.9	15.9	0.1	0.1	1.1	6.4	6.4	8.3	3.6	3.4
IOI CORP BHD	4.31	6294.2	32.7	26.6	0.2	0.1	2.9	8.8	10.5	9.3	2.2	1.9
KUALA LUMPUR KEPONG BHD	24.80	6316.0	32.0	27.1	0.9	0.8	2.5	7.2	8.3	46.0	1.9	1.8
GENTING PLANTATIONS BHD	10.36	2008.6	34.6	25.2	0.3	0.3	2.0	5.6	6.6	15.1	1.5	1.4
IJM PLANTATIONS BHD	1.50	315.9	31.9	16.9	0.1	0.0	1.0	2.5	3.8	3.5	2.3	3.3
TA ANN HOLDINGS BERHAD	2.27	239.6	12.6	10.2	0.2	0.2	0.7	5.9	6.9	9.4	4.1	4.4
<b>Simple Average</b>			<b>26.8</b>	<b>20.3</b>				<b>6.1</b>	<b>7.1</b>			<b>2.7</b>

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## Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 31 May 2019	Market Cap (USDm)	CY18 P/E (x)	CY19 P/E (x)	Current EPS	CY19 EPS	CY18 EV/EBITDA	CY19 EV/EBITDA	PBV (x)	CY18 ROE	CY19 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
<b>Indonesia</b>														
TELEKOMUNIKASI INDONESIA PER	3,900	26988.7	18.0	16.6	198.1	216.7	6.4	5.9	3.7	18.6	19.4	15746.4	4.0	3.4
XL AXIATA TBK PT	2,860	2135.4	96.5	32.2	3.6	29.7	5.6	5.1	1.7	2.4	4.4	2394.9	0.8	N.A.
INDOSAT TBK PT	2,050	778.2	N.A.	N.A.	-345.6	-395.0	4.7	4.2	1.0	-21.1	-25.0	898.3	0.4	3.6
<b>Simple Average</b>			<b>57.2</b>	<b>24.4</b>			<b>5.6</b>	<b>5.1</b>		<b>0.0</b>	<b>-0.4</b>			<b>3.5</b>
<b>Singapore</b>														
SINGAPORE TELECOMMUNICATIONS	3.20	38014.3	16.8	15.6	0.2	0.2	13.2	13.2	1.8	10.3	11.0	18.2	5.7	5.5
STARHUB LTD	1.49	1876.7	13.8	15.1	0.1	0.1	6.5	6.6	6.8	48.7	42.9	9.1	6.1	9.6
M1 LTD	N.A.	N.A.	N.A.	N.A.	0.1	0.1	N.A.	N.A.	N.A.	22.6	18.8	9.3	N.A.	5.5
<b>Simple Average</b>			<b>15.3</b>	<b>15.3</b>			<b>9.9</b>	<b>9.9</b>		<b>27.2</b>	<b>24.3</b>			<b>6.8</b>
<b>Thailand</b>														
ADVANCED INFO SERVICE PCL	193.0	18183.2	18.6	17.6	10.2	10.4	8.5	8.1	10.1	49.0	44.6	730.8	3.8	3.7
TOTAL ACCESS COMMUNICATION	49	3676.6	19.3	18.5	0.6	2.5	5.8	5.5	4.9	29.5	25.8	122.6	2.5	2.1
<b>Simple Average</b>			<b>18.9</b>	<b>18.1</b>			<b>7.2</b>	<b>6.8</b>		<b>39.3</b>	<b>35.2</b>			<b>2.9</b>
<b>Regional Average</b>			<b>30.5</b>	<b>19.3</b>			<b>7.3</b>	<b>6.9</b>		<b>20.0</b>	<b>17.8</b>			<b>4.7</b>
<b>Malaysia</b>														
MAXIS BHD	5.54	10355.9	26.3	25.4	0.3	0.2	13.9	13.5	6.1	23.0	23.1	19.6	3.5	3.6
AXIATA GROUP BERHAD	4.69	10238.5	36.6	30.1	0.1	0.1	7.5	7.2	2.5	6.5	7.5	10.7	2.3	2.0
DIGI.COM BHD	4.97	9240.9	25.6	24.9	0.2	0.2	14.0	13.7	60.2	232.7	226.9	19.0	3.8	3.8
TELEKOM MALAYSIA BHD	3.61	3244.2	16.5	16.2	0.1	0.2	5.5	5.4	1.9	10.8	10.1	11.0	3.0	0.6
<b>Simple Average</b>			<b>26.2</b>	<b>24.1</b>			<b>10.2</b>	<b>10.0</b>		<b>68.2</b>	<b>66.9</b>			<b>2.5</b>

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**Stock Ratings are defined as follows:****Stock Recommendations**

OUTPERFORM : A particular stock's Expected Total Return is MORE than 10%  
 MARKET PERFORM : A particular stock's Expected Total Return is WITHIN the range of -5% to 10%  
 UNDERPERFORM : A particular stock's Expected Total Return is LESS than -5%

**Sector Recommendations\*\*\***

OVERWEIGHT : A particular sector's Expected Total Return is MORE than 10%  
 NEUTRAL : A particular sector's Expected Total Return is WITHIN the range of -5% to 10%  
 UNDERWEIGHT : A particular sector's Expected Total Return is LESS than -5%

**\*\*\*Sector recommendations are defined based on market capitalisation weighted average expected total return for stocks under our coverage.**

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