

Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- StanChart to set up forex e-trading, pricing engine in Singapore
- Singtel says it has 'right ingredients' to win a 5G license in Singapore
- Circles.Life plans to hire tech talent with latest government-linked investment

INDONESIA NEWS HIGHLIGHTS

- Rate cut will depend on timing: Bank Indonesia deputy governor

THAILAND NEWS HIGHLIGHTS

- Bank of Thailand to allow biometrics for identification
- Thailand launches blockchain letters of guarantee network for 22 banks

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,269.0	0.00%
USD/SGD	1.36	-0.93%
USD/THB	31.27	-0.83%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,166.3	1.56%
FSTFN	963.53	1.80%
FSTCG	463.56	2.00%
FSTTC	823.7	2.39%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,209.1	N.A.
JAKFIN	1,253.1	N.A.
JAKAGRI	1,398.7	N.A.
JAKINFR	1,154.0	N.A.

Thailand

Indices	Today	1-Week Chg (%)
SET	1,653.5	2.05%
SETBANK	510.6	1.40%
SETAGRI	187.9	4.17%
SETCOMUN	158.8	1.67%

Singapore's Corporate News

- **StanChart to set up forex e-trading, pricing engine in Singapore**

Standard Chartered Bank (StanChart) plans to launch a foreign exchange (FX) e-trading and pricing engine in Singapore, with support from the Monetary Authority of Singapore (MAS), by the first quarter of 2020. The lender said on Monday (June 3) that the e-trading engine will offer its clients FX e-trading of 130 currencies and more than 5,000 currency pairs in spot, forward, swaps, non-deliverable forwards (NDFs) and options. It will also offer commodities e-trading for both precious and base metals. The new Singapore FX e-trading infrastructure adds to StanChart's existing engines in London, New York and Tokyo. It will provide the bank's clients in Asia with more convenient access to liquidity and more efficient FX trading. (Source: *The Straits Times*)

- **Singtel says it has 'right ingredients' to win a 5G license in Singapore**

Telco giant Singtel wants Singapore's telecoms regulator to give out the two 5G mobile network licences for free, a move that would reduce significantly the investments needed to build the new 5G service. But should the Infocomm Media Development Authority (IMDA) decide to assign the 5G airwaves to two winning proposals, Singtel has "all the right ingredients" to win the rights to operate the network, its Singapore consumer chief said on Tuesday (June 4). The two nationwide networks could roll out as early as next year. IMDA is currently holding a public consultation to get feedback from industry players and members of the public on a set of proposed 5G regulatory framework, including how it plans to pick operators. The consultation ends at noon on June 19. It does not plan to hold an airwaves auction; it had said last month. (Source: *The Straits Times*)

- **Circles.Life plans to hire tech talent with latest government-linked investment**

SINGAPORE-BASED telco startup Circles.Life, which will launch in its first overseas market this month, has nabbed more funding - this time from Singapore government investor EDBI. Circles.Life will use the latest funds to hire more tech talent, the mobile virtual network operator (MVNO) - which leases frequency from the recently privatised M1 - told the press on Thursday. It plans to have 165 engineers in Singapore by the end of 2019, up from some 110 now. The startup also said at the time that it would spend more than SGD250m in overseas expansion, with at least five markets earmarked for launch by end-2020. Circles.Life is slated to start with Taiwan in June, then Australia. Indonesia has also been floated as a possible market for entry. (Source: *The Business Times*)



Indonesia's Corporate News

- **Rate cut will depend on timing: Bank Indonesia deputy governor**

Indonesia's central bank is discussing the possibility of cutting interest rates but is waiting for the right time to do so, deputy governor said. Policymakers want to maintain economic stability and a rate cut "will depend on the timing", deputy governor said in an interview with Bloomberg Television in Japan on Friday. Given the uncertainty in financial markets, the central bank needs to be "cautious", he said. He said the policy rate is not the only tool available to the central bank to support the economy. He also said the US-China trade war will hurt growth prospects in Indonesia, although there's the potential for some textile exporters to boost orders to the US. Global central banks are shifting to looser monetary policy to bolster their economies in the face of a growth slowdown. Indonesia's policymakers are treading more carefully to avoid undermining the currency. Bank Indonesia raised interest rates six times last year to bolster the rupiah after it came under attack during an emerging-market rout. (Source: *The Business Times*)

Thailand's Corporate News

- **Bank of Thailand to allow biometrics for identification**

The Bank of Thailand plans to let banks adopt biometric technology to verify identity when opening deposit accounts by the third quarter this year. The central bank expects to gradually permit financial institutions to use biometric technology for electronic Know Your Customer (e-KYC). The service is being tested in the regulatory sandbox, with exits scheduled for the third quarter, said assistant governor for the central bank's payment systems policy and financial group. The biometric technology includes facial recognition and fingerprint scan. Twelve financial institutions, both banks and non-bank firms, are testing out e-KYC in the regulatory sandbox. Siam Commercial Bank, Kasikornbank and Bank of Ayudhya are known to be among them. (Source: *Bangkok Post*)

- **Thailand launches blockchain letters of guarantee network for 22 banks**

The e-LG on blockchain is expected to go live in June under the BOT's regulatory sandbox, before introducing additional beneficiaries in the third quarter of 2019 and providing other blockchain-based services in the future. Over 150 billion baht in venture capital has been invested in the blockchain business worldwide last year, signifying the increased role of blockchain technology. Blockchain Community Initiative Co. issued the world's first electronic letters of guarantee in the third quarter last year and plans to increase the number of electronic letters of guarantee by 50% in three years. Bank of Thailand Governor said the blockchain system uses high technology to efficiently develop businesses as well as the financial sector. (Source: *Thailand Business News*)

10 June 2019

Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 7 June 2019	Market Cap (USDm)	CY19 P/E (x)	CY20 P/E (x)	Current EPS	CY19 EPS	PBV (x)	CY19 ROE	CY20 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
BANK CENTRAL ASIA TBK PT	29,100	50365.8	24.5	21.7	1039.6	1186.1	4.5	18.0	17.7	32932.2	1.1	1.2
BANK RAKYAT INDONESIA PERSER	4,100	35501.4	13.7	11.9	263.7	298.3	2.6	18.8	19.1	12329.9	3.0	3.2
BANK MANDIRI PERSERO TBK PT	7,675	25143.3	12.7	11.2	515.3	602.6	1.9	14.8	15.3	24291.4	3.2	3.1
BANK NEGARA INDONESIA PERSER	8,400	10996.8	9.2	7.9	821.2	913.9	1.4	15.0	15.4	25755.4	3.1	2.4
BANK DANAMON INDONESIA TBK	4,630	3176.7	10.1	9.5	431.6	459.3	1.1	10.3	10.2	16285.4	3.5	3.1
Simple Average			14.1	12.4				15.4	15.6			2.6
Singapore												
DBS GROUP HOLDINGS LTD	24.39	45719.8	10.1	9.5	2.2	2.4	1.2	12.6	12.6	124.2	5.1	4.9
OVERSEA-CHINESE BANKING CORP	10.64	33176.0	9.5	8.9	1.1	1.1	1.0	11.3	11.4	47.7	4.5	4.0
UNITED OVERSEAS BANK LTD	24.23	29653.3	9.6	9.1	2.4	2.5	1.1	11.2	11.3	124.8	5.2	5.0
Simple Average			9.7	9.2				11.7	11.8			4.6
Thailand												
SIAM COMMERCIAL BANK PUB CO	131.0	14218.1	10.8	9.7	12.7	12.1	1.1	10.5	11.0	554.9	4.2	4.2
BANGKOK BANK PUBLIC CO LTD	199.0	12141.9	9.8	8.9	18.9	20.3	0.9	9.1	9.4	724.6	3.6	3.3
KASIKORNBANK PCL	191.0	14611.2	11.1	10.1	16.1	17.1	1.2	10.5	10.8	467.7	2.4	2.1
KRUNG THAI BANK PUB CO LTD	19.2	8577.3	9.2	8.3	2.1	2.1	0.9	9.3	9.3	81.1	4.2	3.7
BANK OF AYUDHYA PCL	37.0	8699.5	8.7	8.3	3.4	4.3	1.1	11.4	10.9	114.0	3.1	2.3
Simple Average			9.9	9.1				10.2	10.3			3.1
Regional Average			11.5	10.4				12.5	12.7			3.3
Malaysia												
MALAYAN BANKING BHD	8.99	23948.1	12.1	11.6	0.7	0.7	1.3	10.6	10.6	57.8	6.4	6.3
CIMB GROUP HOLDINGS BHD	5.28	12382.1	10.3	9.5	0.5	0.5	1.0	9.3	9.4	26.4	5.0	4.7
PUBLIC BANK BERHAD	23.42	21918.9	15.8	15.1	1.5	1.5	2.2	13.5	13.2	71.0	3.0	2.9
HONG LEONG BANK BERHAD	19.00	9369.9	14.5	13.7	1.2	1.3	1.5	11.0	11.0	52.2	2.7	2.5
AMMB HOLDINGS BHD	4.45	3233.6	9.5	9.0	0.4	0.5	0.8	7.9	7.9	19.2	4.3	3.4
RHB BANK BHD	5.75	5558.8	9.6	9.0	0.6	0.6	0.9	9.9	9.9	22.2	3.9	3.6
ALLIANCE BANK MALAYSIA BHD	3.84	1433.2	10.1	9.3	0.3	0.4	1.1	10.0	10.4	17.9	4.7	4.0
Simple Average			11.7	11.0				10.3	10.4			3.9

10 June 2019

Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 7 June 2019	Market Cap (USDm)	CY19 P/E (x)	CY20 P/E (x)	Current EPS	CY19 EPS	PBV (x)	CY19 ROE	CY20 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
ASTRA AGRO LESTARI TBK PT	10,550	1425.4	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	548.4	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	302.5	30.2	26.1	109.3	75.5	1.1	3.4	3.7	513.0	0.2	3.1
EAGLE HIGH PLANTATIONS TBK P	153	338.6	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	17.6	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			19.8	16.6				5.5	6.4			3.4
Singapore												
WILMAR INTERNATIONAL LTD	3.35	15555.4	12.5	11.4	0.2	0.2	0.9	7.4	7.7	8.2	3.3	3.1
GOLDEN AGRI-RESOURCES LTD	0.27	2522.5	28.3	16.5	0.0	0.0	0.6	2.0	3.3	0.4	2.0	2.1
OLAM INTERNATIONAL LTD	1.88	4399.9	12.5	11.8	0.1	0.2	1.1	N.A.	N.A.	7.6	4.0	4.0
Simple Average			17.8	13.2				4.7	5.5			3.1
Regional Average			18.8	14.9				5.2	6.1			3.2
Malaysia												
SIME DARBY BERHAD	2.25	3689.0	16.5	15.4	0.1	0.1	1.1	6.4	6.4	8.3	3.7	3.6
IOI CORP BHD	4.32	6359.9	33.0	27.3	0.2	0.1	2.9	8.7	10.4	9.3	2.2	1.9
KUALA LUMPUR KEPONG BHD	24.60	6315.9	32.3	27.4	0.9	0.8	2.5	7.2	8.3	46.1	1.9	1.8
GENTING PLANTATIONS BHD	10.28	2011.6	34.4	25.0	0.3	0.3	2.0	5.6	6.6	15.1	1.5	1.4
IJM PLANTATIONS BHD	1.48	314.2	31.5	16.6	0.1	0.0	1.0	2.5	3.8	3.5	2.4	3.4
TA ANN HOLDINGS BERHAD	2.40	255.3	13.3	10.8	0.2	0.2	0.8	5.9	6.9	9.4	3.9	4.2
Simple Average			26.8	20.4				6.1	7.1			2.7

10 June 2019

Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 7 June 2019	Market Cap (USDm)	CY19 P/E (x)	CY20 P/E (x)	Current EPS	CY19 EPS	CY19 EV/EBITDA	CY20 EV/EBITDA	PBV (x)	CY19 ROE	CY20 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia														
TELEKOMUNIKASI INDONESIA PER	3,900	27121.3	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	2145.8	61.5	31.0	3.6	46.5	5.6	5.1	1.7	2.4	4.4	2394.9	0.8	N.A.
INDOSAT TBK PT	2,050	782.0	N.A.	N.A.	-345.6	-395.0	4.7	4.2	1.0	-21.1	-25.0	898.3	0.4	3.6
Simple Average			39.7	23.8			5.6	5.1		0.0	-0.4			3.5
Singapore														
SINGAPORE TELECOMMUNICATIONS	3.28	39292.5	17.3	16.0	0.2	0.2	13.5	13.5	1.8	10.3	11.0	18.2	5.5	5.3
STARHUB LTD	1.48	1879.7	13.7	14.9	0.1	0.1	6.5	6.5	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
Simple Average			15.5	15.5			10.0	10.0		27.2	24.3			6.8
Thailand														
ADVANCED INFO SERVICE PCL	194.5	18484.4	18.7	17.8	10.2	10.4	8.6	8.2	10.2	49.0	44.6	730.8	3.8	3.6
TOTAL ACCESS COMMUNICATION	49.75	3765.3	19.9	19.1	0.6	2.5	5.9	5.6	4.9	26.6	23.8	121.0	2.4	2.0
Simple Average			19.3	18.4			7.2	6.9		37.8	34.2			2.8
Regional Average			24.8	19.2			7.3	7.0		19.6	17.5			4.7
Malaysia														
MAXIS BHD	5.56	10477.5	26.4	25.5	0.3	0.2	14.0	13.6	6.1	23.0	23.1	19.6	3.5	3.6
AXIATA GROUP BERHAD	4.66	10255.4	37.3	30.7	0.1	0.1	7.4	7.0	2.5	6.5	7.5	10.2	2.2	2.0
DIGI.COM BHD	4.81	9015.9	24.8	24.1	0.2	0.2	13.6	13.3	58.3	232.7	226.9	19.0	4.0	4.0
TELEKOM MALAYSIA BHD	3.52	3189.0	15.6	15.4	0.1	0.2	5.3	5.3	1.9	11.2	10.5	11.4	3.2	0.6
Simple Average			26.0	23.9			10.1	9.8		68.3	67.0			2.5

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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Published and printed by:

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