

02 January 2020

Plantation

Worst Is Over, Better Days Ahead

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OVERWEIGHT



We upgrade the plantation sector to **OVERWEIGHT** with a higher CY20 CPO price target of **RM2,700/MT** as we believe that the worst is over given: (i) favourable demand-supply dynamics for CPO, and (ii) expected significant sequential earnings improvement (on stronger CPO prices: 4QCY19 +23% QoQ, +29% YoY). We expect to see continued weakness in CPO production for both Malaysia and Indonesia due to dry weather impact, lower fertiliser application and replanting activities during the depressed CPO environment. According to MPOA, **CPO production from 1 Dec to 20 Dec 2019 declined 16.4% MoM (marking its second consecutive double-digit MoM decline), steeper than our expectation (-8% MoM)**. On the other hand, demand dynamics remains robust driven by biodiesel mandates ((B30 in Indonesia; B20/B10 in Malaysia for transport/industrial usage) and strong Chinese and Indian demand. Data from cargo surveyors (AmSpec, Intertek and SGS) for December reveals **better-than-expected palm oil exports, declining 5.8% MoM vs. our expected 9.8%**. With tailwinds ahead such as: (i) significant sequential earnings improvement, and (ii) widening SBO-CPO spread (supporting CPO price), we think that planters' current valuations (*report's cut-off date on 20 Dec 2019*) of -0.5SD to mean PER/PBV are unwarranted and they deserve to trade at +1.0SD valuations. **Historically, most planters were traded at +1.0SD levels in 4QCY17 when CPO price was around RM2,700-2,900/MT (similar to current levels)**. Expected improvement in planters' ROEs also justify higher valuations. Additionally, although YTD CPO price has increased 54%, the KLPLN index is up merely 13%, suggesting that planters could play catch-up to CPO prices. We highlight that over the past 5 years, the KLPLN index and CPO price has a correlation of 72%. All-in, we believe 2020 should spell out a robust year for the sector, hence our upgrade to **OVERWEIGHT**. **Our top picks are GENP (OP; TP: RM12.10) and KLK (OP; TP: RM32.90)**.



The worst is over. We upgrade the plantation sector to **OVERWEIGHT** with a higher CY20 CPO price target of **RM2,700/MT**. We believe that the worst is over for the plantation sector as: (i) demand-supply dynamics for CPO is in favour for price upside due to tight supply (arising from production decline) as well as growing demand (from biodiesel), and (ii) planters are expected to register significant sequential earnings improvement on the back of higher CPO prices (QTD: +23%), after the recent 4QCY19 earnings disappointment.

Stockpiles to decline into 2020 on weak production. Dry weather impact on CPO production which typically lagged by 6-12 months (recall that Malaysia and Indonesia experienced dry weather from June to early October 2019) has already begun. Based on data from Malaysian Palm Oil Board (MPOB), we have started to see double-digit decline in November CPO production (-14.4% MoM) while according to Malaysian Palm Oil Association (MPOA), **CPO production from 1 Dec to 20 Dec 2019 fell 16.4% MoM (Peninsular: -20%, Sabah: -11%, Sarawak: -7%)**, steeper than our expectation (-8% MoM). Alongside lower application of fertiliser and a slowdown in new plantings to manage costs during the depressed CPO price environment in 2018 to mid-2019, we expect the production decline to continue into 2020. On the other hand, data from cargo surveyors (AmSpec, Intertek and SGS) for December reveals better-than-expected palm oil exports registering a 5.8% MoM decline (vs. our expected -9.8% MoM). Furthermore, demand from India in the subsequent months is expected to pick up following its recent move to reduce import taxes on crude (from 40% to 37.5%) and refined palm oil (from 50% to 45%) from ASEAN countries. Overall, we continue to expect demand to outstrip supply in 1QCY20, leading to depleting stockpiles (likely reaching 1.8-2.1m MT level), which should sustain CPO prices.

Biodiesel mandates - the tipping point. Indonesia has recently launched its B30 biodiesel mandate which will be effective 1st Jan 2020. The mandate is expected to increase CPO consumption by an additional 3m MT to a total of 9m MT in 2020 (c.20% of Indonesia's CPO output for 2020). Locally, the Malaysian government targets to implement B20/B10 for the transport/industrial sector by 2020 which is expected to absorb an additional c.0.6m MT to a total of 1.3m MT (c.7% of CPO production). Collectively, the biodiesel mandates (B30 Indonesia; B20/B10 Malaysia for transport/industrial) are estimated to increase global CPO consumption by an extra c.3.6m MT (+4.9% YoY from FY19E global consumption of 72.9m MT). This in essence convinces us that demand for palm oil will remain robust and with production already slowing down, it builds a case for demand growth to outpace supply growth.

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1QCY20 to register significant sequential earnings improvement. After a disappointing 4QCY19 results season, we are banking on a significant sequential earnings improvement in 1QCY20 to continue buoying the plantation sector. Based on MPOB, 4QCY19 average CPO price increased (+23%) to RM2,480/MT (vs. RM2,018/MT in 3QCY19). From our checks, we gathered that most of the planters have done only minimal forward selling, allowing them to capitalize on the CPO price rally.

Planters deserve to trade at +1SD valuations due to CPO price rally. Planters under our coverage are currently (*report's cut-off date on 20-Dec-2019*) trading at -0.5SD to mean PER/PBV. Notwithstanding, we believe that the current low valuations are unwarranted as historically most planters were traded at +1.0SD levels in 4QCY17, when CPO was around RM2,700-2,900/MT (similar to the current situation). **Additionally, the expected improvement in ROEs (see Exhibit 4) should justify higher valuations for planters.** We also underscore that the KLPLN index has also lagged behind the CPO price rally. While YTD CPO price has surged 54%, the KLPLN index is up a mere 13%, suggesting that planters could play catch-up to CPO prices. We highlight that over the past 5 years, the KLPLN index and CPO price has a correlation of 72%.

Soybean oil price rally supports CPO price rally. On 13 December 2019, the U.S. and China announced an interim deal with a key factor being China's commitment to increase U.S. agriculture purchases by USD32b over two years, implying an average USD40b annually (vs. pre-trade war level of USD24b in 2017), which augurs well for soybean oil. According to data from the General Administration of Customs, China's soybean import surged (+54% YoY) to 8.3m MT in November 2019 and consequently, soybean oil rallied (+17%) to USD775/MT. The soybean oil-palm oil (SBO-CPO) spread is currently at c.USD48/MT (vs. MTD average of USD37/MT) and could widen further, lending support to CPO price rally.

Higher CY20 CPO target of RM2,700/MT. We are revising up our CY20 CPO price forecast (from RM2,400/MT) to RM2,700/MT. For 1HCY20, we believe CPO price should trade around the range of RM2,700-3,100/MT and average RM2,700/MT for CY20, supported by: (i) continuous CPO production decline, (ii) robust demand from biodiesel mandates, and (iii) widening soybean oil-crude palm oil (SBO-CPO) premium of USD48/MT (vs. MTD average of USD37/MT). Post-CPO price revision, we upgrade planters' earnings on average for FY20 by 60% (coming from a low base). Consequently, our TPs are revised by average 28% higher with valuations generally pegged at +1.0SD to mean PER/PBV levels, except for CBIP (valued at mean given its plantation's extremely young age profile of 2.9 years, rendering it unlikely to be able to fully capitalise on the CPO price rally), and UMCCA (also valued at mean reflecting its high production cost and loss-making status).

Upgrade the Plantation sector to OVERWEIGHT with a higher 2020 CPO price target of RM2,700/MT. All in, we believe that CPO price outlook remains robust given: (i) production decline is expected to continue into 2020 from the dry weather impact, lower fertilizer application as well as lower replanting, (ii) sturdy demand on top of the implementation of biodiesel mandates (B30 Indonesia; B20/B10 Malaysia for transport/industrial), and (iii) significant earnings improvement ahead from higher CPO prices. As such, we upgrade the plantation sector to OVERWEIGHT (from NEUTRAL) with a higher CY20 CPO price target of RM2,700/MT (from RM2,400/MT) and we now have 8 OUTPERFORM calls, and 5 MARKET PERFORM calls (*refer to exhibit 5 for more details*).

Our Top Picks are:

- (i) **GENP (OP; TP: RM12.10)** – We like GENP for its upstream exposure (c.45%), making it one of the more CPO price sensitive big cap planters. At current price, GENP is only trading at CY20 PER of 25x (5% discount to peers) which we believe is unjustified given: (i) its highest FY20 FFB growth prospect of 4.4% (among big caps), allowing it to fully capitalize on the CPO price rally, (ii) lowest EV/planted Ha of RM62k amongst big cap peers (39% discount to peers; 10% discount to SIMEPLT), (iii) stable contribution from its premium outlets, and (iv) decent dividend yield of 2.2%.
- (ii) **KLK (OP; TP: RM32.90)** – We like KLK as an integrated play (which is similar to IOICORP), providing more stable earnings outlook from both its upstream and downstream portfolio. Despite its integrated status, KLK is only trading at Fwd. PER of 23.9x (c.9% discount to peers), implying only -1.0SD valuations which we think is unwarranted given its: (i) above-average FFB growth of 4.3%, allowing it to capitalize on the CPO price rally, (ii) superior ROE of 10.4% (second only to IOICORP), and (iii) decent dividend yield of 2.0%. Given its integrated status and the merits mentioned above, KLK deserves to trade at a premium.

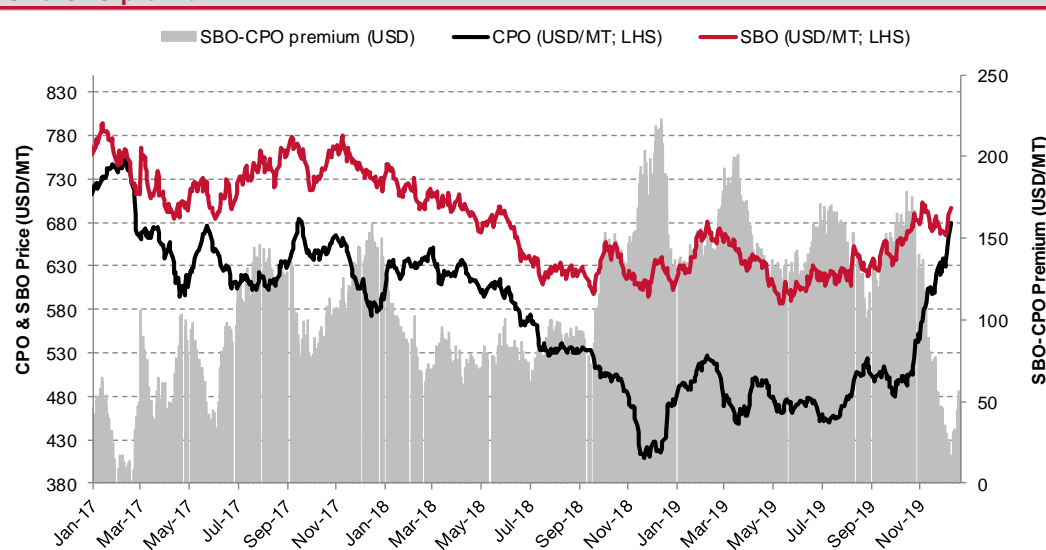
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Exhibit 1: El Nino occurrences

Start/End Year	Duration (months)	Range of above-average SST	Strength of El Nino	Years till next El Nino	Years till next Strong El Nino
1951/1952	8	0.6-1.2	Moderate		
1953/1954	13	0.6-0.8	Weak	2	
1957/1958	16	0.7-1.8	Strong	4	
1958/1959	5	0.5-0.6	Weak	1	
1963/1964	9	0.5-1.4	Moderate	5	
1965/1966	12	0.5-2.0	Strong	2	8
1968/1969	8	0.5-1.1	Moderate	3	
1969/1970	6	0.5-0.9	Weak	1	
1972/1973	11	0.5-2.1	Strong	3	7
1976/1977	6	0.6-0.9	Weak	4	
1977/1978	5	0.6-0.8	Weak	1	
1979/1980	5	0.5-0.6	Weak	2	
1982/1983	15	0.5-2.2	Strong	3	10
1986-1988	18	0.5-1.7	Strong	4	4
1991/1992	14	0.5-1.7	Strong	5	5
1994/1995	7	0.5-1.1	Moderate	3	
1997/1998	13	0.5-2.4	Strong	3	6
2002/2003	9	0.6-1.3	Moderate	5	
2004/2005	8	0.5-0.7	Weak	2	
2006/2007	5	0.5-0.9	Weak	2	
2009/2010	9	0.5-1.6	Strong	3	12
2014-2016	19	0.5-2.6	Strong	5	5
Average	10	N.M.	N.M.	3	7

Source: Kenanga Research; NOAA

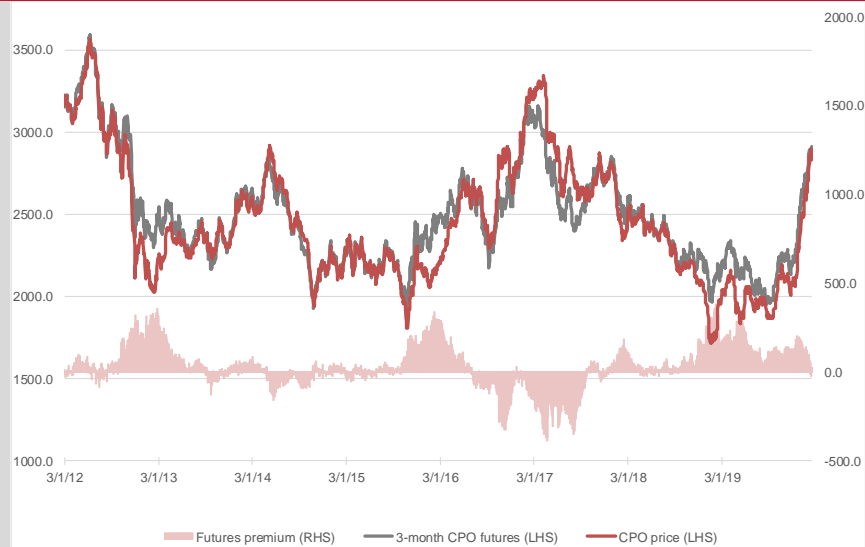
Exhibit 2: SBO-to-CPO premium



Source: Bloomberg; Kenanga Research

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Exhibit 3: CPO Spot vs. Futures (RM/MT)



Source: Bloomberg; Kenanga Research

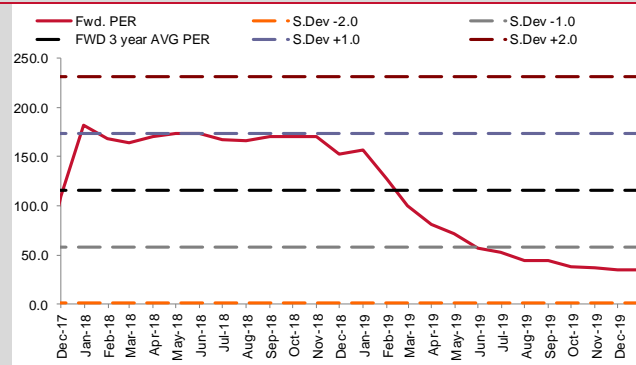
Exhibit 4: ROE trends

	ROE %												
	FY9	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19A/E	FY20E	FY21E
CBIP	16.6	23.4	27.9	49.5	17.9	15.2	14.3	14.8	7.2	6.2	3.0	5.5	
FGV	n.a.	n.a.	22.7	11.5	11.3	5.7	0.5	-3.2	1.9	-4.5	-0.5	8.4	
GENP	9.0	10.9	13.2	8.8	6.3	9.1	4.5	6.6	7.4	3.5	2.8	8.0	
HSPLANT	6.0	9.6	13.5	7.4	5.1	6.6	4.8	6.1	6.4	1.8	0.7	5.0	
IJMLNT	14.8	6.8	11.2	11.9	8.6	6.4	5.4	2.1	6.3	4.0	-0.6	1.8	5.1
IOICORP	15.7	18.7	15.2	9.5	9.0	17.0	16.1	12.6	13.1	10.2	8.2	10.7	11.9
KLK	10.9	14.7	20.8	13.9	11.5	12.0	8.3	10.6	8.3	6.6	6.0	9.7	10.4
PPB	n.a.	n.a.	n.a.	n.a.	6.3	5.6	5.7	5.1	5.8	5.1	5.2	5.5	
SAB	n.a.	n.a.	n.a.	4.9	8.6	8.3	6.0	5.6	7.6	6.6	2.9	4.6	6.3
SIMEPLT	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	8.5	10.2	10.0	1.7	1.6	7.8	
TAANN	9.5	8.9	16.6	6.5	9.0	11.4	14.1	9.5	8.9	5.8	4.4	9.0	
TSH	8.9	8.9	10.4	6.5	13.2	10.6	1.9	5.5	7.2	3.6	3.5	7.1	
UMCCA	8.1	6.4	7.8	8.1	4.4	3.9	2.8	2.7	4.3	2.3	-2.0	-1.5	1.0

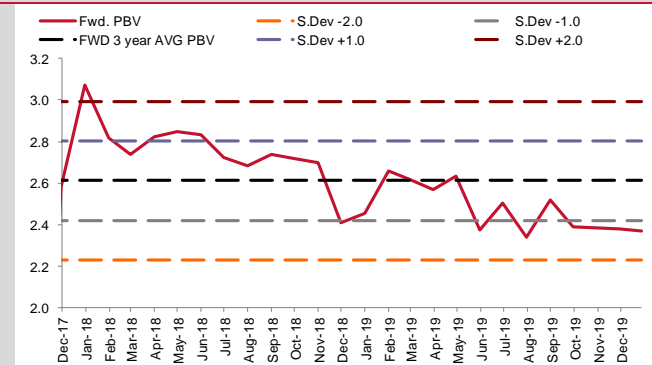
Source: Bloomberg; Kenanga Research

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SIMEPLT – Fwd Core PER Band

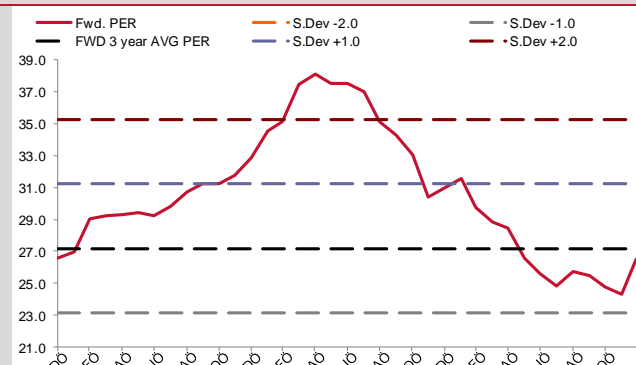


SIMEPLT – Fwd PBV Band

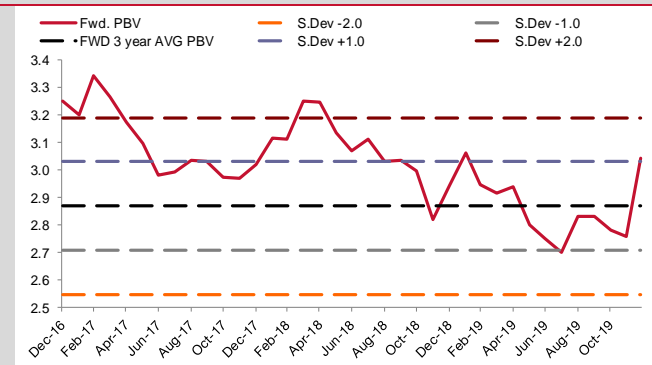


Source: Company, Kenanga Research

IOICORP – Fwd Core PER Band

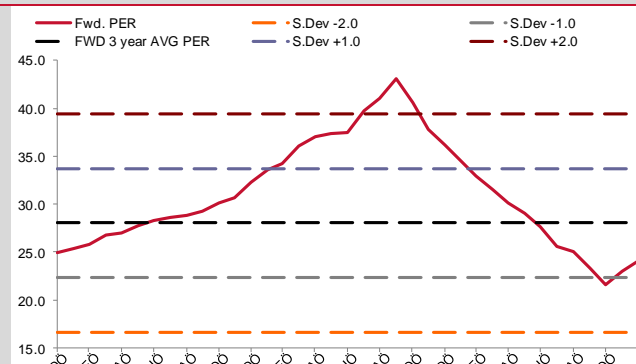


IOICORP – Fwd PBV Band

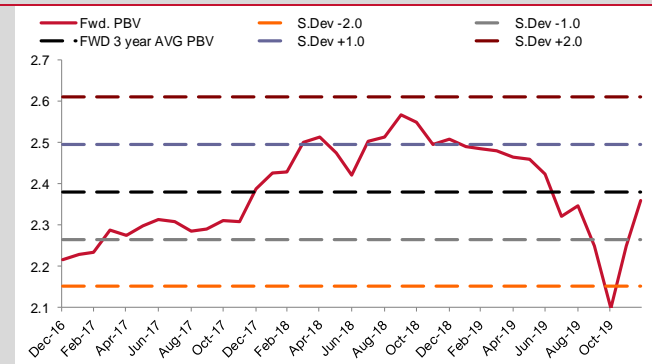


Source: Company, Kenanga Research

KLK – Fwd Core PER Band

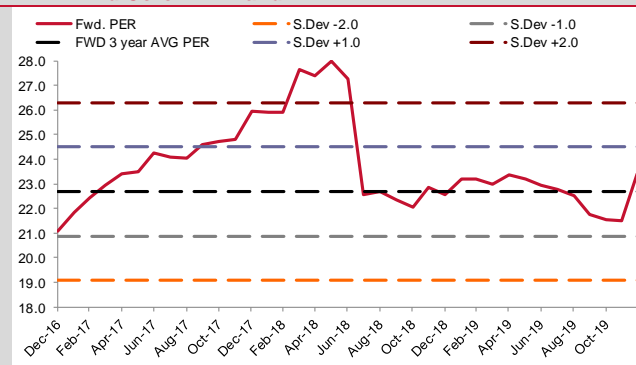


KLK – Fwd PBV Band

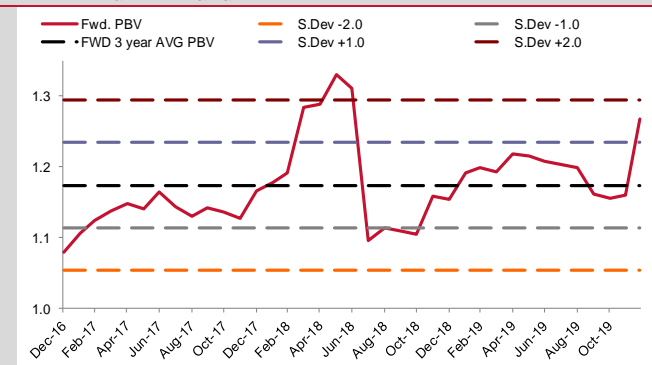


Source: Company, Kenanga Research

PPB – Fwd Core PER Band



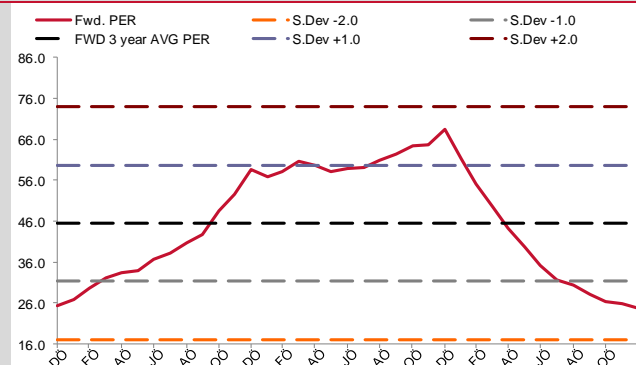
PPB – Fwd PBV Band



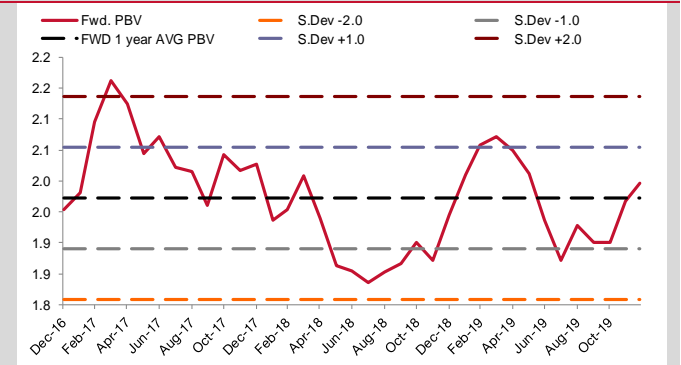
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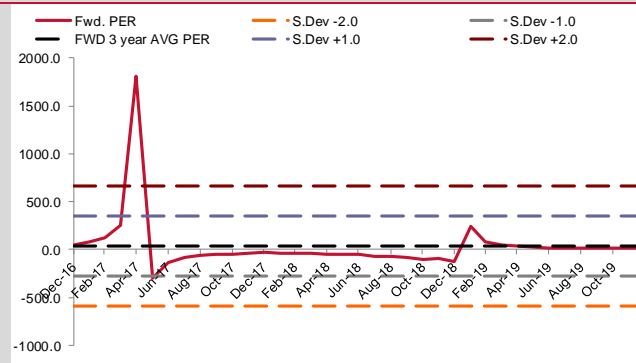
GENP – Fwd Core PER Band



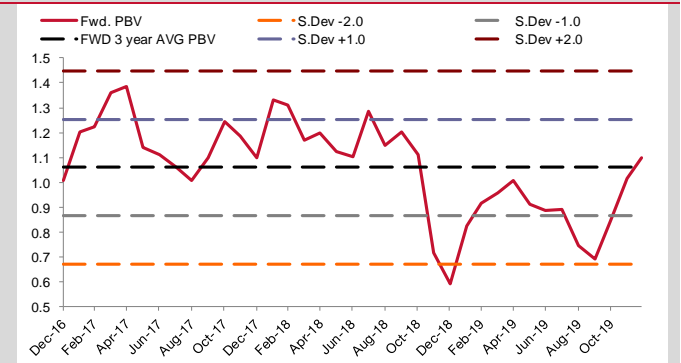
GENP – Fwd PBV Band



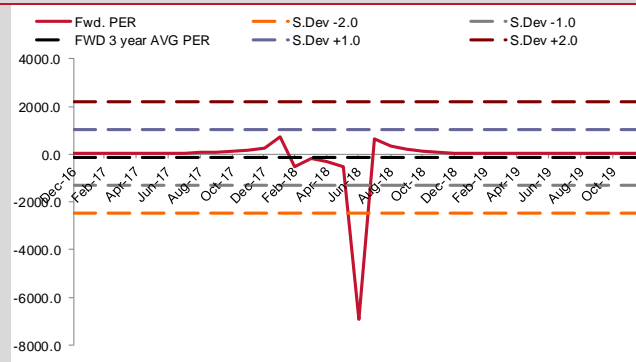
FGV – Fwd Core PER Band



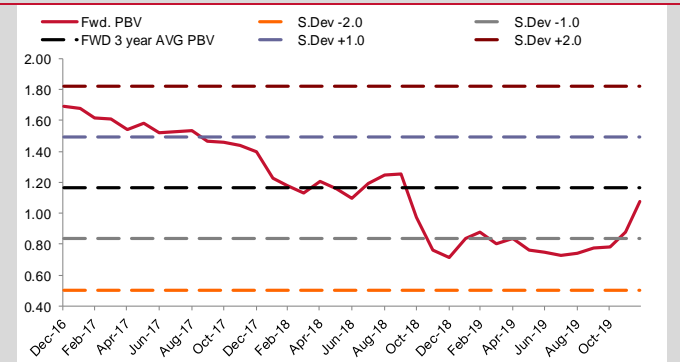
FGV – Fwd PBV Band



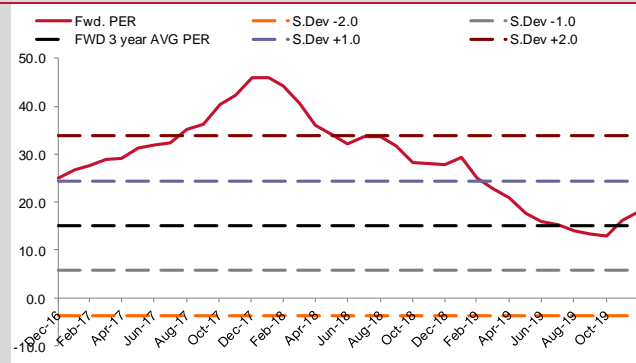
IJMPLNT – Fwd Core PER Band



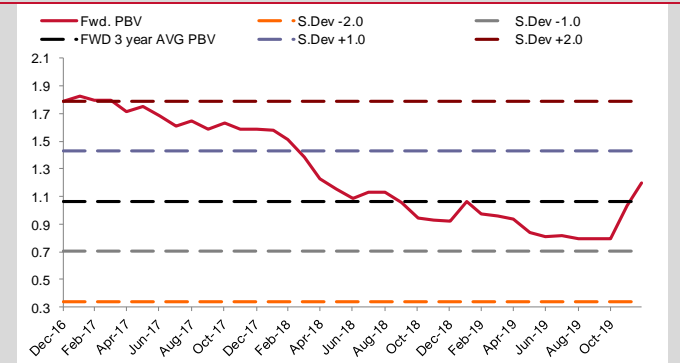
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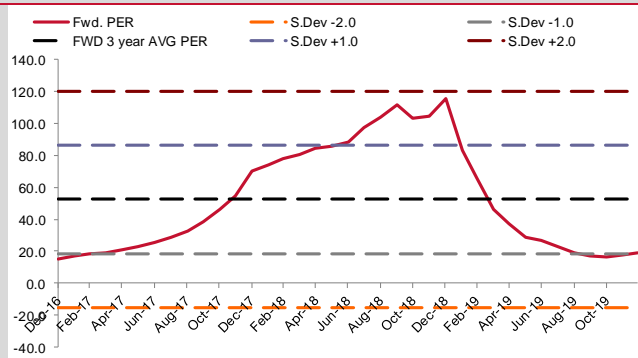
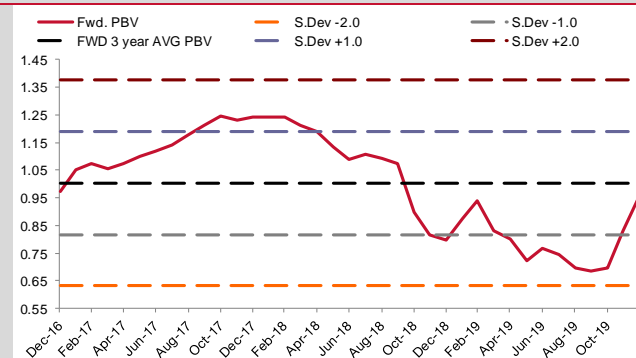
TSH – Fwd Core PER Band



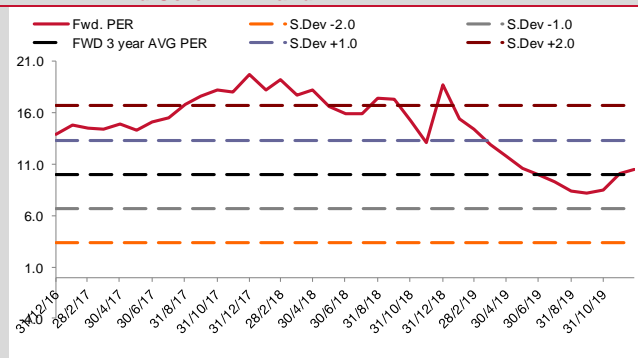
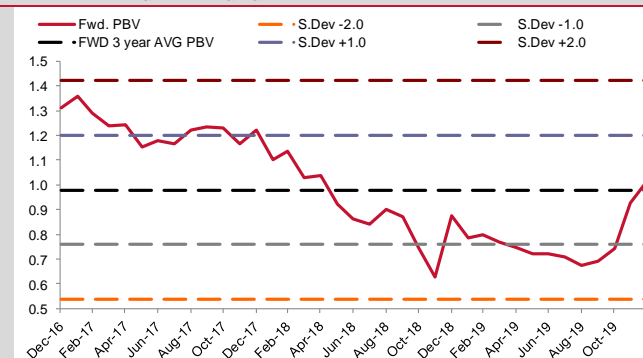
TSH – Fwd PBV Band



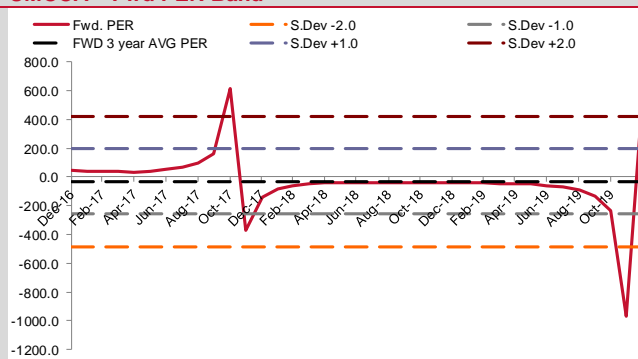
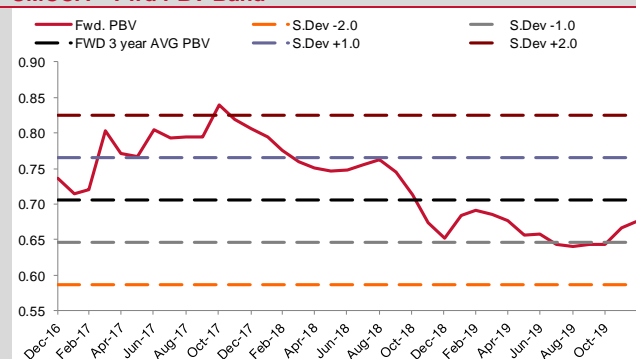
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HSPLANT – Fwd Core PER Band

HSPLANT – Fwd PBV Band


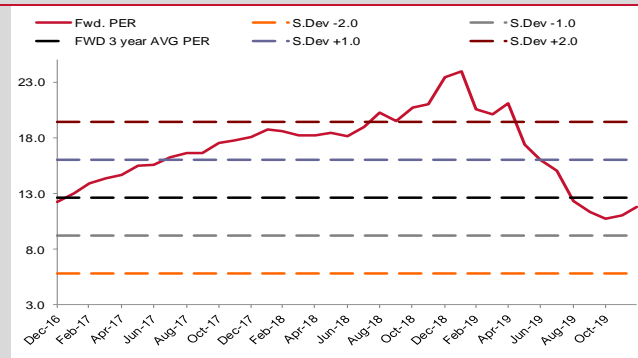
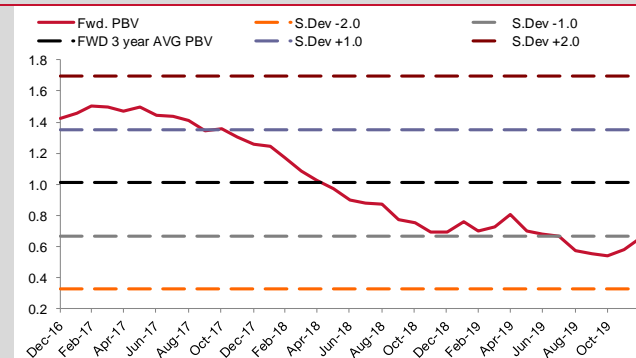
Source: Company, Kenanga Research

TAANN – Fwd Core PER Band

TAANN – Fwd PBV Band


Source: Company, Kenanga Research

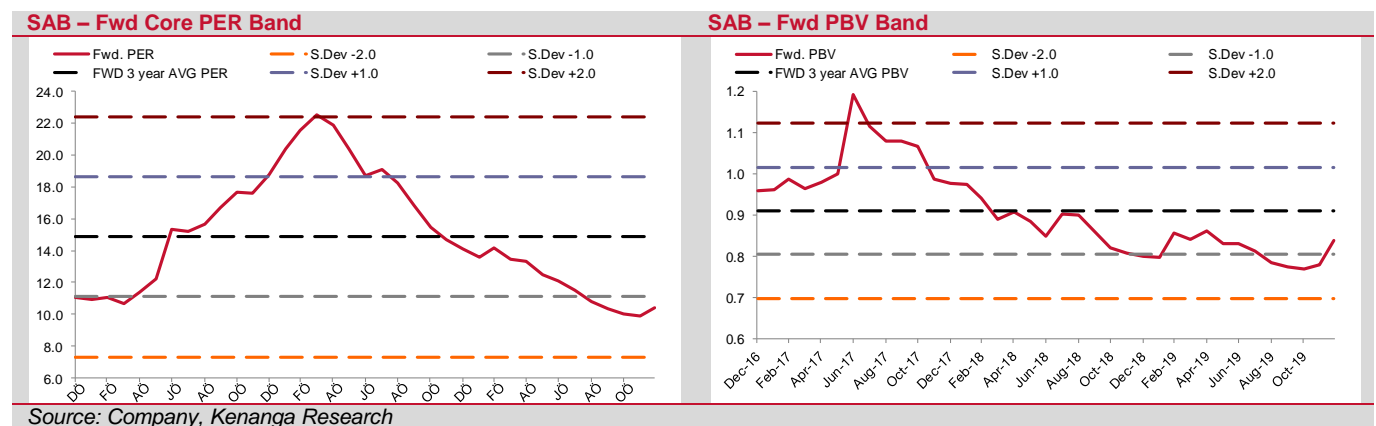
UMCCA – Fwd PER Band

UMCCA – Fwd PBV Band


Source: Company, Kenanga Research

CBIP – Fwd Core PER Band

CBIP – Fwd PBV Band


Source: Company, Kenanga Research

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Exhibit 5: Valuation & Justification For Calls: Pt.1

Company	Last Price (RM) @20-Dec-19	Action	New Call	Previous Call (RM)	New TP (RM)	Previous TP (RM)	Valuation basis (New)	Valuation basis (Old)	FY19/20E Earnings (RM m) - New	FY20/21E Earnings (RM m) - New	FY19/20E Earnings (RM m) - Old	FY20/21E Earnings (RM m) - Old	FY19/20E Earnings Changes (%)	FY20/21E Earnings Changes (%)
CBIP	0.955	Upgrade call, increase TP	MP	UP	1.00	0.860	12.6x PE on CY20E earnings, reflecting mean.	11.5x PE on CY20E earnings, reflecting -1.5SD from mean.	22.1	42.1	22.1	38.8	0%	8%
FGV	1.450	Upgrade call, increase TP	OP	MP	1.700	1.250	1.30x PBV on CY20E book value, reflecting close to +1.0SD from mean.	0.99x PBV on CY20E book value, reflecting close to mean.	-20.1	404.3	-20.1	157.4	0%	157%
GENP	10.50	Upgrade call, increase TP	OP	UP	12.10	9.65	SoP with Plantation segment @ 32.0x CY20E PER and Property division at 30% to RNAV, and Premium Outlets @ 24.0x CY20E PER (average retail sub-sector)	2.15x PBV on CY20E PBV, reflecting mean.	118.5	348.5	118.5	202.5	0%	72%
HSPLANT	2.00	Maintain call, increase TP	OP	OP	2.50	1.90	1.20x PBV on CY20E book value, reflecting +1.0SD from mean	0.91x PBV on CY20E book value, reflecting -0.5SD from mean.	11.4	84.4	11.4	42.0	0%	101%
IJMLNT	2.14	Upgrade call, increase TP	OP	UP	2.90	1.65	1.46x PBV on CY20E book value, reflecting +1.0SD from mean	0.84x PBV on CY20E book value, reflecting -0.5SD from mean.	30.6	89.6	14.8	33.3	107%	169%

Source: Kenanga Research

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Exhibit 5: Valuation & Justification For Calls: Pt.2

Company	Last Price (RM) @20-Dec-19	Action	New Call	Previous Call (RM)	New TP (RM)	Previous TP (RM)	Valuation basis (New)	Valuation basis (Old)	FY19/20E Earnings (RM m) - New	FY20/21E Earnings (RM m) - New	FY19/20E Earnings (RM m) - Old	FY20/21E Earnings (RM m) - Old	FY19/20E Earnings Changes (%)	FY20/21E Earnings Changes (%)
IOICORP	4.82	Upgrade call, increase TP	OP	MP	5.40	4.45	30.0x PER on CY20E earnings, reflecting +1.0SD from mean.	27.7x PER on CY20E earnings, reflecting mean.	1043.3	1216.4	947.4	1,070.6	10%	14%
KLK*	24.60	Maintain call, increase TP	OP	OP	32.90	24.60	32.0x PER on CY20E earnings, reflecting +1.0SD from mean.	2.4x PBV on CY20E book value, reflecting mean.	1055.6	1210.9	902.1	987.6	17%	23%
PPB*	19.96	Maintain call, increase TP	MP	MP	19.60	17.90	SoP with Plantation segment @ 31.0x CY20E PER and Grains segment @ 27.0x CY20E PER (30% discount to QL valuation).	SoP with Plantation segment @ 27.0x CY20E PER and Grains segment @ 27.0x CY20E PER (30% discount to QL valuation).	1108.1	1212.7	1,108.1	1,185.9	0%	2%
SIMEPLT	5.35	Maintain call, increase TP	MP	MP	5.60	5.00	2.80x PBV on CY20E book value, reflecting +1.0SD from mean	2.52x PBV on CY20E book value, reflecting mean.	206.3	1057.4	206.3	857.7	0%	23%

Source: Kenanga Research

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Exhibit 5: Valuation & Justification For Calls: Pt.3

Company	Last Price (RM) @20-Dec-19	Action	New Call	Previous Call (RM)	New TP (RM)	Previous TP (RM)	Valuation basis (New)	Valuation basis (Old)	FY19/20E Earnings (RM m) - New	FY20/21E Earnings (RM m) - New	FY19/20E Earnings (RM m) - Old	FY20/21E Earnings (RM m) - Old	FY19/20E Earnings Changes (%)	FY20/21E Earnings Changes (%)
SAB	3.95	Maintain call, increase TP	MP	MP	4.10	3.65	SoP with plantation segment @ 18x CY20E PER	SoP with plantation segment @ 18x CY20E PER	28.3	41.3	26.0	31.1	9%	32%
TAANN	3.25	Maintain call, increase TP	OP	OP	4.15	3.20	13.3x PER on CY20E reflecting +1.0SD from mean	12.1x PER on CY20E earnings reflecting -0.5SD from mean	64.1	138.0	64.1	86.2	0%	60%
TSH	1.370	Upgrade call, increase TP	OP	MP	1.90	1.20	24.4x PER on CY20E earnings reflecting +1.0SD from mean	1.02x PBV on CY20E book value, reflecting mean.	49.2	106.3	49.2	67.4	0%	58%
UMCCA	5.35	Maintain call, increase TP	MP	MP	5.55	5.15	0.70X PBV on CY20E book value, reflecting mean	0.66x PBV on CY20E book value, reflecting -1.0SD from mean.	-25.3	16.1	-34.3	-5.6	-26%	-386%

Source: Kenanga Research

02 January 2020

Peer Comparison

Name	Last Price	Market Cap	Shariah Compliant	Current FYE	Revenue Growth		Core Earnings Growth		PER (x) - Core Earnings			PBV (x)		ROE (%)	Net Div. Yld. (%)	Target Price (RM)	Rating
	(20/12/19)																
	(RM)	(RM'm)			1-Yr. Fwd.	2-Yr. Fwd.	1-Yr. Fwd.	2-Yr. Fwd.	Hist.	1-Yr. Fwd.	2-Yr. Fwd.	Hist.	1-Yr. Fwd.	1-Yr. Fwd.	1-Yr. Fwd.		
STOCKS UNDER COVERAGE																	
CB INDUSTRIAL PRODUCT HLDG	0.955	482.3	Y	12/2019	-23.4%	16.0%	-57.2%	89.9%	9.6	22.4	11.8	0.7	0.7	3.0%	2.1%	1.00	MP
FGV HOLDINGS BHD	1.45	5,289.8	Y	12/2019	3.8%	6.0%	-1000.3%	5.0%	N.A.	N.A.	13.1	1.2	1.2	-0.5%	0.0%	1.70	OP
GENTING PLANTATIONS BHD	10.50	9,420.6	Y	12/2019	1.5%	23.5%	-17.0%	194.0%	59.2	72.9	24.8	2.0	2.1	2.9%	0.8%	12.10	OP
HAP SENG PLANTATIONS HLDGS	2.00	1,599.4	Y	12/2019	2.1%	29.1%	-61.0%	643.3%	55.0	140.9	19.0	1.0	1.0	0.7%	0.5%	2.50	OP
IJM PLANTATIONS BHD	2.14	1,884.4	N	03/2020	10.0%	18.0%	34.5%	192.8%	N.A.	61.6	21.0	1.1	1.1	1.8%	1.0%	2.90	OP
IOI CORP BHD	4.82	30,292.0	Y	06/2020	3.6%	11.2%	37.2%	16.6%	39.8	29.0	24.9	3.3	3.1	11.0%	2.1%	5.40	OP
KUALA LUMPUR KEPONG BHD	24.60	26,198.2	Y	09/2020	20.4%	16.3%	70.9%	14.7%	42.4	24.8	21.6	2.5	2.4	9.9%	1.8%	32.90	OP
PPB GROUP BERHAD	19.96	28,395.1	Y	12/2019	5.4%	5.6%	17.3%	9.4%	30.1	25.6	23.4	1.3	1.3	5.3%	1.7%	19.60	MP
SIME DARBY PLANTATION BHD	5.35	36,832.5	Y	12/2019	86.1%	17.5%	-6.7%	412.6%	164.6	176.4	34.4	2.8	2.8	1.6%	0.4%	5.60	MP
SOUTHERN ACIDS MALAYSIA BHD	3.95	540.9	Y	03/2020	18.4%	14.8%	63.1%	46.0%	31.2	19.1	13.1	0.9	0.9	4.6%	1.5%	4.10	MP
TA ANN HOLDINGS BERHAD	3.25	1,431.5	Y	12/2019	1.9%	25.3%	-22.4%	115.2%	17.5	22.5	10.5	1.1	1.1	4.7%	1.5%	4.15	OP
TSH RESOURCES BHD	1.37	1,890.8	Y	12/2019	1.0%	24.9%	-1.1%	115.9%	38.2	38.4	17.8	1.3	1.3	3.4%	0.7%	1.90	OP
UNITED MALACCA BHD	5.35	1,122.3	Y	04/2020	26.2%	17.8%	-133.7%	157.0%	N.A.	N.A.	69.6	0.7	0.7	-1.5%	1.5%	5.55	MP
Simple Average					12.1%	17.4%	-82.8%	154.8%	48.8	57.6	23.5	1.5	1.5	3.6%	1.2%		

Source: Bloomberg, Kenanga Research

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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