

3 May 2021

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- Singapore urges banks to give finance criminals another chance
- Singapore banks gear up to promote green finance

INDONESIA NEWS HIGHLIGHTS

- Improving Outlook for Indonesia's Sharia Banking Sector
- Payments Firm 2C2P Partners Brankas to Bring Open Banking to Indonesia

THAILAND NEWS HIGHLIGHTS

- Thai auto exports roar ahead in March
- PayNow links up with Thailand's PromptPay in a world first for cross-border fast payments

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,445.0	-0.55%
USD/SGD	1.33	0.29%
USD/THB	31.16	-0.75%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,218.3	0.76%
FSTFN	1,055.37	2.04%
FSTCG	518.03	0.54%
FSTTC	630.1	-1.19%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	5,995.6	-0.35%
JAKFIN	1,361.2	-1.57%
JAKAGRI	1,577.2	0.03%
JAKINFR	1,036.5	-0.31%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,583.1	1.90%
SETBANK	380.8	-0.26%
SETAGRI	351.3	4.21%
SETCOMUN	142.5	0.15%



Singapore's Corporate News

- **Singapore urges banks to give finance criminals another chance**

Singapore's financial regulator is urging the nation's banks to give customers with a past history of financial crimes a second chance. In an effort to ensure the sector remains "inclusive", banks should allow these clients to open limited bank accounts for their daily needs, Assistant Managing Director Loo Siew Yee of the Monetary Authority of Singapore said Tuesday in a speech at a conference on anti-money laundering. "Even as we maintain our vigilance against financial crimes, we should ensure that the banking system stays inclusive, and does not unfairly shut out Singaporeans previously convicted or suspected of financial crimes, or their families and close associates," Loo said. (Source: *The Edge*)

- **Singapore banks gear up to promote green finance**

Singapore banks are busy rolling out various loan packages amid the coronavirus pandemic to shore up the role of green finance in the city-state. The latest drive came from DBS Bank, Singapore's biggest lender which launched a green renovation loan last weekend for property owners looking for more eco-friendly home solutions such as switching to green electricity retailers or installing green energy sources like solar panels. The bank provided a checklist of requirements for getting the loan on its website. (Source: *The Star*)

Indonesia's Corporate News

- **Improving Outlook for Indonesia's Sharia Banking Sector**

A better economic environment, continuing regulatory forbearance, and a sustained policy push from the government underpins the improving outlook for Indonesia's Islamic banking sector, says Fitch Ratings. These tailwinds should spur financing growth, which will continue to outpace conventional peers. Financing growth of around 8% in 2020 (2019: 11%) outperformed the conventional banks whose loans contracted by nearly 4%. The sector's market share is growing, but was still just 7% of the banking industry (2019: 6%). It will also receive a boost from the formation of PT Bank Syariah Indonesia Tbk following the merger of the three largest state-owned Indonesian banks' sharia subsidiaries, and the conversion of two regional banks - Bank Pembangunan Daerah Riau Kepri (A(idn)/Stable) and Bank Nagari - to sharia banks. (Source: *Fitch Ratings*)

- **Payments Firm 2C2P Partners Brankas to Bring Open Banking to Indonesia**

Brankas, an Indonesian open banking provider, announced a strategic partnership with payments firm 2C2P to introduce their modern open banking solution to Indonesia. Through Brankas' API integration, customers of 2C2P's merchants will be directly connected to major Indonesian banks including Bank Central Asia (BCA), Bank Mandiri, Bank Negara Indonesia and Bank Rakyat Indonesia. Built on the principles of open banking, the partnership allows Indonesian businesses to offer customers a direct debit option during the checkout process to make payments from their personal banking accounts with the aforementioned banks immediately. (Source: *Fintech News*)

Thailand's Corporate News

▪ Thai auto exports roar ahead in March

Vehicle exports in March accelerated to 104,006 units, increasing 16.38 per cent year on year – the highest in the past two years thanks to a slowly recovering global economy, the Federation of Thai Industries (FTI) reported. “Overseas markets are steadily recovering, especially Australia, New Zealand, Asia and Europe, which are expanding around 40-50 per cent compared to the previous year, ” said Surapong Paisitpattanapong, vice president and spokesman of the automobile chapter of the FTI. “Motorcycle exports in March also jumped, to 101,634 units, increasing 16.53 per cent year on year, ” he said. *(Source: The Star)*

▪ PayNow links up with Thailand's PromptPay in a world first for cross-border fast payments

The local PayNow system that lets individuals transfer money using just a mobile number is now linked to Thailand's PromptPay version, the Monetary Authority of Singapore (MAS) and Bank of Thailand (BOT) said in a joint statement on Thursday (April 29). The linkage between the two countries' national fast payment systems is the first of its kind in the world, they said. Three of Singapore's 12 PayNow banks are participating in the scheme - DBS Bank, OCBC Bank and UOB - together with four banks in Thailand - Bangkok Bank, Kasikorn Bank, Krung Thai Bank and Siam Commercial Bank. *(Source: The Straits Times)*

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 April 2021	Market Cap (USDm)	CY20 P/E (x)	CY21 P/E (x)	Current EPS	CY21 EPS	PBV (x)	CY20 ROE	CY21 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
BANK CENTRAL ASIA TBK PT	32,025	54725.3	25.3	21.8	1039.5	1160.3	4.4	16.2	17.0	53941.6	1.7	1.7
BANK RAKYAT INDONESIA PERSER	4,050	34617.8	16.2	12.6	263.7	283.0	2.5	14.6	17.1	11574.8	2.9	2.4
BANK MANDIRI PERSERO TBK PT	6,175	19972.7	11.8	9.3	515.2	586.1	1.6	12.3	14.5	25215.8	4.1	3.6
BANK NEGARA INDONESIA PERSER	5,700	7367.4	11.3	7.1	821.3	836.6	0.9	8.3	12.0	9470.0	1.7	0.8
BANK DANAMON INDONESIA TBK	2,600	1761.2	8.5	6.8	431.6	389.4	0.6	6.4	7.6	6380.4	2.5	7.2
Simple Average			14.6	11.5				11.6	13.6			3.1
Singapore												
DBS GROUP HOLDINGS LTD	29.91	57479.3	12.6	11.5	2.2	2.5	1.4	11.1	11.6	110.2	3.7	2.9
OVERSEA-CHINESE BANKING CORP	12.20	40999.2	12.2	10.9	1.1	1.1	1.1	9.0	9.7	48.1	3.9	3.6
UNITED OVERSEAS BANK LTD	26.59	33480.0	12.2	10.6	2.4	2.6	1.2	9.1	10.0	106.8	4.0	4.3
Simple Average			12.3	11.0				9.7	10.4			3.6
Thailand												
SIAM COMMERCIAL BANK PUB CO	105.0	11434.9	11.2	10.0	12.7	12.9	0.8	7.5	8.0	418.8	4.0	6.0
BANGKOK BANK PUBLIC CO LTD	121.5	7438.2	8.8	7.9	18.9	19.3	0.5	5.7	6.2	475.3	3.9	2.1
KASIKORNBANK PCL	132.0	10030.5	9.1	8.4	16.1	16.2	0.7	7.6	7.8	329.1	2.5	1.9
KRUNG THAI BANK PUB CO LTD	11.3	5065.1	8.6	7.4	2.1	2.1	0.5	5.2	5.9	44.2	3.9	2.4
BANK OF AYUDHYA PCL	37.5	8846.7	10.7	10.5	3.4	4.3	N.A.	8.8	8.1	69.5	1.9	1.2
Simple Average			9.7	8.9				7.0	7.2			2.7
Regional Average			12.2	10.4				9.4	10.4			3.1
Malaysia												
MALAYAN BANKING BHD	8.23	22973.1	12.6	11.0	0.7	0.7	1.1	8.6	9.5	49.5	6.0	1.6
CIMB GROUP HOLDINGS BHD	4.14	10139.1	10.6	8.5	0.5	0.5	0.7	6.7	8.1	16.7	4.0	1.2
PUBLIC BANK BERHAD	4.15	19700.3	14.8	13.5	0.3	0.3	1.7	11.3	11.7	14.4	3.5	3.1
HONG LEONG BANK BERHAD	17.82	9447.0	13.4	12.0	1.2	1.3	1.3	9.9	10.2	44.5	2.5	2.0
AMMB HOLDINGS BHD	2.98	2410.9	N.A.	7.3	0.4	0.5	0.5	-11.2	7.7	0.6	0.2	2.4
RHB BANK BHD	5.21	5109.4	8.5	7.5	0.6	0.6	0.8	8.8	9.4	27.0	5.2	1.9
ALLIANCE BANK MALAYSIA BHD	2.60	984.4	10.4	8.8	0.3	0.4	0.6	6.3	7.3	7.4	2.8	N.A.
Simple Average			11.7	9.8				5.7	9.1			2.0

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 April 2021	Market Cap (USDm)	CY20 P/E (x)	CY21 P/E (x)	Current EPS	CY21 EPS	PBV (x)	CY20 ROE	CY21 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
ASTRA AGRO LESTARI TBK PT	9,325	1244.0	14.4	14.3	832.7	317.6	0.9	6.6	6.1	17361.2	1.9	2.1
PP LONDON SUMATRA INDONES PT	1,305	617.1	12.6	12.8	82.9	36.8	1.0	7.1	7.0	3411.7	2.6	1.1
SAMPOERNA AGRO TBK PT	1,890	247.6	11.9	10.4	109.3	66.0	0.9	4.1	7.0	1300.0	0.7	N.A.
EAGLE HIGH PLANTATIONS TBK P	115	251.3	N.A.	N.A.	N.A.	N.A.	1.1	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	113	19.6	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			13.0	12.5				5.9	6.7			1.6
Singapore												
WILMAR INTERNATIONAL LTD	5.22	24767.4	15.4	14.7	0.2	0.2	1.3	8.3	8.4	10.9	2.8	3.7
GOLDEN AGRI-RESOURCES LTD	0.25	2385.4	7.0	5.4	0.0	0.0	0.6	6.7	5.7	0.9	4.8	2.3
OLAM INTERNATIONAL LTD	1.74	4197.3	N.A.	N.A.	0.1	0.2	1.1	N.A.	N.A.	N.A.	N.A.	4.3
Simple Average			11.2	10.0				7.5	7.1			3.5
Regional Average			12.3	11.5				6.6	6.8			2.7
Malaysia												
SIME DARBY BERHAD	2.26	3759.8	13.5	12.9	0.1	0.1	1.0	7.7	7.4	12.1	5.4	6.2
IOI CORP BHD	4.09	6260.9	25.7	24.3	0.2	0.1	2.7	10.8	10.6	10.0	2.4	2.1
KUALA LUMPUR KEPONG BHD	22.00	5802.9	21.5	21.4	0.9	0.6	2.2	10.0	9.8	61.0	2.8	2.3
GENTING PLANTATIONS BHD	8.73	1915.5	21.9	21.4	0.3	0.2	1.6	6.7	6.9	20.9	2.4	3.0
IJM PLANTATIONS BHD	1.81	389.8	14.4	14.1	0.1	0.0	1.2	7.9	8.3	3.4	1.9	1.1
TA ANN HOLDINGS BERHAD	2.83	304.8	10.6	11.5	0.2	0.1	0.9	8.6	8.2	12.9	4.6	5.3
Simple Average			18.0	17.6				8.6	8.5			3.3

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 April 2021	Market Cap (USDm)	CY20 P/E (x)	CY21 P/E (x)	Current EPS	CY21 EPS	CY20 EV/EBITDA	CY21 EV/EBITDA	PBV (x)	CY20 ROE	CY21 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia														
TELEKOMUNIKASI INDONESIA PER	3,200	21971.1	14.4	13.1	198.0	207.9	5.1	4.8	3.1	19.9	21.3	17287.7	5.4	4.8
XL AXIATA TBK PT	2,090	1553.5	23.6	15.0	4.1	61.3	3.9	3.6	1.1	4.5	6.5	2687.8	1.3	1.0
INDOSAT TBK PT	6,575	2476.3	N.A.	650.9	-345.6	-242.4	5.0	4.7	3.0	-2.5	-0.8	0.0	0.0	N.A.
Simple Average			19.0	226.3			4.7	4.4		7.3	9.0			2.9
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.50	31036.7	20.0	16.6	0.2	0.2	13.9	13.3	1.5	7.2	9.7	10.5	4.2	4.2
STARHUB LTD	1.35	1756.9	17.3	15.9	0.1	0.1	7.1	6.7	6.9	27.4	28.3	6.0	4.4	3.5
M1 LTD	N.A.	N.A.	N.A.	N.A.	0.1	0.1	N.A.	N.A.	N.A.	22.6	N.A.	9.3	N.A.	N.A.
Simple Average			18.7	16.2			10.5	10.0		19.0	19.0			3.9
Thailand														
ADVANCED INFO SERVICE PCL	171.0	16307.8	18.8	17.4	10.2	10.8	7.2	6.9	7.1	33.9	33.6	671.8	3.9	4.0
TOTAL ACCESS COMMUNICATION	32.75	2487.0	19.8	20.0	0.6	2.7	5.1	4.9	3.9	15.8	16.5	141.1	4.3	9.1
Simple Average			19.3	18.7			6.1	5.9		24.9	25.1			6.6
Regional Average			19.0	107.0			6.8	6.4		16.1	16.5			4.4
Malaysia														
MAXIS BHD	4.60	8800.9	24.9	22.9	0.3	0.2	11.7	11.2	5.1	20.3	22.1	17.6	3.8	3.7
AXIATA GROUP BERHAD	3.87	8681.4	33.7	28.0	0.1	0.1	5.5	5.3	2.0	6.1	7.4	9.5	2.5	1.8
DIGI.COM BHD	4.19	7967.0	27.7	26.2	0.2	0.2	12.6	12.4	55.1	195.4	200.2	15.0	3.6	3.7
TELEKOM MALAYSIA BHD	5.71	5269.7	19.7	18.4	0.1	0.3	6.5	6.3	3.0	14.5	14.6	15.5	2.7	2.5
Simple Average			26.5	23.9			9.1	8.8		59.1	61.1			2.9

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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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