

26 July 2021

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- OCBC enables viewing and payment of taxes via digital banking
- StarHub offers \$120 discount for new sign-ups who give up illegal set-top boxes

INDONESIA NEWS HIGHLIGHTS

- Digital banking: BCA joins the fray with planned IPO
- Vale Indonesia's nickel matte output down 20 percent in Q2

THAILAND NEWS HIGHLIGHTS

- Bank of Thailand weighs up consumer loans rate cut
- Toyota says suspends Thailand vehicle production amid parts shortage

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,493.00	-0.03%
USD/SGD	1.36	0.27%
USD/THB	32.94	0.42%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,157.05	0.15%
FSTFN	1,060.08	0.42%
FSTCG	461.65	-1.24%
FSTTC	575.98	-0.76%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,101.69	0.48%
JAKFIN	N.A.	N.A.
JAKAGRI	N.A.	N.A.
JAKINFR	N.A.	N.A.

Thailand

Indices	Today	1-Week Chg (%)
SET	1,545.10	-1.86%
SETBANK	328.28	-2.41%
SETAGRI	322.91	-1.07%
SETCOMUN	146.22	1.66%



Singapore's Corporate News

- **OCBC enables viewing and payment of taxes via digital banking**

OCBC Bank customers can now view and pay their income and property taxes through the bank's digital banking platform, OCBC Financial OneView. The bank on Thursday (July 22) said it has integrated the Inland Revenue Authority of Singapore's payment application programming interface with the bank's digital platform. The new feature leverages the Singapore Financial Data Exchange (SGFinDex), a joint initiative by the Monetary Authority of Singapore and the Smart Nation and Digital Government Group. SGFinDex allows the sharing of personal financial information across participating banks and government agencies. (Source: *The Straits Times*)

- **StarHub offers \$120 discount for new sign-ups who give up illegal set-top boxes**

From Saturday (July 24), those using illegal set-top boxes that can stream free pirated movies and television shows will be able to exchange them at a discount for non-infringing ones to watch legitimate content offered by StarHub. Users will have to pay a flat subscription fee of \$30 a month to watch legal content. StarHub said this includes TV series and blockbuster films from Disney+ and HBO Go. However, whether this move will be successful could depend on whether consumers believe StarHub's offering is value for money, compared with other legal offerings and the free but illegal alternatives, according to consumers and legal experts. (Source: *The Straits Times*)

Indonesia's Corporate News

- **Digital banking: BCA joins the fray with planned IPO**

Bank Central Asia (BCA) plans to list digital banking arm BCA Digital on the Indonesia Stock Exchange (IDX) within one or two years as the country's top private lender seeks to capitalize on stock market enthusiasm for such banks. BCA president director said the parent company planned to inject additional capital to make BCA Digital more "sizable" in luring investors ahead of the digital bank's Initial Public Offering (IPO). (Source: *Jakarta Post*)

- **Vale Indonesia's nickel matte output down 20 percent in Q2**

Publicly listed PT Vale Indonesia, one of Indonesia's largest nickel-mining companies, has reported a sharp decline in its nickel matte production as a result of maintenance work. Vale Indonesia reported nickel matte output of 15,048 tons in the April to June period, down nearly 20 percent year-on-year (yoy), due to planned maintenance at its processing plant. (Source: *Jakarta Post*)

Thailand's Corporate News

- **Bank of Thailand weighs up consumer loans rate cut**

The Bank of Thailand (BoT) is debating a reduction in interest rates for some consumer loans amid fears that lenders will reject high-risk borrowers and drive them towards loan sharks, an assistant governor said Wednesday. Last month, Prime Minister asked the Bank of Thailand to review the ceiling of interest rates for credit cards and personal loans to help debtors and tackle high household debt, a move which has added pressure on banks. (Source: *Bangkok Post*)

- **Toyota says suspends Thailand vehicle production amid parts shortage**

Japanese automaker Toyota Motor Corp (7203.T) has since earlier this week suspended vehicle production at three of its manufacturing plants in Thailand due to a parts shortage, the company said on Thursday. Toyota Motors Thailand temporarily suspended vehicle production at its Ban Pho Plant on Tuesday, and at its Samrong and Gateway Plants on Wednesday, the company said in a statement. Toyota has a production capacity in Thailand of 550,000 vehicles per year, according to its website. (Source: *Reuters*)

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 26 Jul 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	30,175	51382.3	24.5	20.7	1039.5	1160.3	4.0	15.7	16.7	54179.6	1.8	1.8
BANK RAKYAT INDONESIA PERSER	3,870	32962.7	15.6	12.3	263.7	283.0	2.5	14.2	16.4	11888.6	3.1	2.6
BANK MANDIRI PERSERO TBK PT	5,975	19257.8	11.4	8.9	515.2	586.1	1.5	12.4	14.4	26304.0	4.4	3.7
BANK NEGARA INDONESIA PERSER	5,075	6536.5	10.3	6.3	821.3	836.6	0.8	8.0	11.8	8868.9	1.7	0.9
BANK DANAMON INDONESIA TBK	2,230	1505.3	9.3	6.0	431.6	389.4	0.5	6.5	7.2	4048.0	1.8	1.6
Simple Average			14.2	10.9				11.4	13.3			2.1
Singapore												
DBS GROUP HOLDINGS LTD	30.21	57055.7	12.1	11.2	2.2	2.5	1.4	11.5	11.8	114.8	3.8	2.4
OVERSEA-CHINESE BANKING CORP	12.12	40189.7	11.1	10.3	1.1	1.1	1.1	9.8	10.1	50.7	4.2	2.6
UNITED OVERSEAS BANK LTD	26.01	32075.2	11.3	10.1	2.4	2.6	1.0	9.4	10.1	111.3	4.3	3.0
Simple Average			11.5	10.5				10.2	10.7			2.7
Thailand												
SIAM COMMERCIAL BANK PUB CO	95.0	9790.4	9.8	9.0	12.7	12.9	0.8	7.8	8.0	399.4	4.2	2.4
BANGKOK BANK PUBLIC CO LTD	104.0	6025.1	7.7	6.7	18.9	19.3	0.4	5.6	6.2	447.0	4.3	2.4
KASIKORNBANK PCL	105.5	7586.4	7.4	6.8	16.1	16.2	0.5	7.5	7.7	338.9	3.2	2.4
KRUNG THAI BANK PUB CO LTD	10.5	4453.8	7.9	6.8	2.1	2.1	0.4	5.4	5.8	42.4	4.0	2.6
BANK OF AYUDHYA PCL	30.0	6697.4	7.5	8.6	3.4	4.3	0.7	9.7	7.9	62.6	2.1	1.2
Simple Average			8.1	7.6				7.2	7.1			2.2
Regional Average			11.2	9.5				9.5	10.3			2.3
Malaysia												
MALAYAN BANKING BHD	8.03	22217.4	11.6	10.4	0.7	0.7	1.1	8.9	9.8	51.8	6.5	6.5
CIMB GROUP HOLDINGS BHD	4.51	10686.4	10.9	8.9	0.5	0.5	0.8	7.6	8.3	19.2	4.3	1.1
PUBLIC BANK BERHAD	4.02	18463.2	13.6	12.6	0.3	0.3	1.7	11.9	12.1	14.8	3.7	3.2
HONG LEONG BANK BERHAD	18.40	9437.6	13.3	12.0	1.2	1.3	1.3	10.2	10.5	45.1	2.5	1.9
AMMB HOLDINGS BHD	2.90	2274.0	7.2	6.6	0.4	0.5	0.6	8.2	8.4	8.0	2.8	2.5
RHB BANK BHD	5.18	4986.4	8.3	7.5	0.6	0.6	0.8	9.0	9.5	26.9	5.2	3.4
ALLIANCE BANK MALAYSIA BHD	2.40	879.1	8.4	7.1	0.3	0.4	0.6	6.9	7.7	10.2	4.3	2.4
Simple Average			10.5	9.3				9.0	9.5			3.0

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 23 Jul 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	8,125	1080.1	11.8	10.8	832.7	317.6	0.8	6.7	6.4	17881.6	2.2	2.4
PP LONDON SUMATRA INDONES PT	1,120	527.8	9.8	10.3	82.9	36.8	0.8	7.9	7.4	3918.4	3.5	1.3
SAMPOERNA AGRO TBK PT	1,750	228.4	5.5	5.7	109.3	66.0	0.8	13.3	11.2	N.A.	N.A.	N.A.
EAGLE HIGH PLANTATIONS TBK P	90	196.0	N.A.	N.A.	N.A.	N.A.	1.3	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	110	19.0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			9.0	9.0				9.3	8.3			1.9
Singapore												
WILMAR INTERNATIONAL LTD	4.53	21005.1	13.3	12.6	0.2	0.2	1.1	8.2	8.4	11.4	3.4	4.3
GOLDEN AGRI-RESOURCES LTD	0.21	1960.1	7.0	7.7	0.0	0.0	0.5	6.2	5.3	0.7	4.5	2.3
OLAM INTERNATIONAL LTD	1.38	3327.6	N.A.	N.A.	0.1	0.2	0.9	N.A.	N.A.	N.A.	N.A.	5.3
Simple Average			10.1	10.1				7.2	6.9			3.9
Regional Average			9.5	9.4				8.5	7.8			3.1
Malaysia												
SIME DARBY BERHAD	2.18	3508.9	12.5	12.0	0.1	0.1	0.9	7.6	7.1	12.9	5.9	6.4
IOI CORP BHD	3.71	5475.4	21.4	21.7	0.2	0.1	2.4	11.5	10.7	10.0	2.7	2.3
KUALA LUMPUR KEPONG BHD	19.66	5016.0	18.2	18.9	0.9	0.6	1.9	10.6	9.7	56.8	2.9	2.8
GENTING PLANTATIONS BHD	6.70	1422.3	18.4	17.6	0.3	0.2	1.2	5.8	5.9	17.9	2.7	3.1
IJM PLANTATIONS BHD	3.01	627.2	18.0	21.0	0.1	0.0	1.8	10.2	7.8	8.0	2.7	3.3
TA ANN HOLDINGS BERHAD	2.74	285.6	9.0	10.1	0.2	0.1	0.8	9.0	7.6	13.1	4.8	5.5
Simple Average			16.2	16.9				9.1	8.2			3.9

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 23 Jul 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 XL AXIATA TBK PT	3,170	21688.5	13.8	12.7	198.0	207.9	5.0	4.7	2.9	20.7	21.7	17516.9	5.5	5.3
	2,450	1814.7	29.6	21.0	4.1	61.3	4.3	4.0	1.3	4.5	5.8	2544.0	1.0	1.3
INDOSAT TBK PT	5,950	2233.0	96.2	37.1	-345.6	-242.4	4.7	4.3	2.7	6.4	6.8	19789.0	3.3	N.A.
Simple Average			46.6	23.6			4.6	4.3		10.6	11.5			3.3
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.25	27324.4	16.2	13.9	0.2	0.2	12.4	11.9	1.4	8.8	10.1	10.1	4.5	4.7
STARHUB LTD	1.20	1528.0	14.8	14.3	0.1	0.1	6.6	6.2	6.1	27.0	28.4	6.0	5.0	4.2
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			15.5	14.1			9.5	9.0		19.5	19.3			4.4
Thailand														
ADVANCED INFO SERVICE PCL	176.5	15930.6	19.5	18.1	10.2	10.8	7.4	7.1	7.3	33.9	33.4	673.9	3.8	3.9
TOTAL ACCESS COMMUNICATION	32.5	2335.5	18.7	18.4	0.6	2.7	5.1	5.0	3.6	18.2	19.7	165.6	5.1	9.2
Simple Average			19.1	18.2			6.2	6.0		26.1	26.6			6.6
Regional Average			29.8	19.4			6.5	6.2		17.8	18.0			4.8
Malaysia														
MAXIS BHD	4.39	8129.4	23.7	21.8	0.3	0.2	11.3	10.8	4.9	20.3	22.1	17.7	4.0	3.9
AXIATA GROUP BERHAD	3.87	8399.4	34.9	28.2	0.1	0.1	5.6	5.5	2.0	5.5	7.0	8.9	2.3	1.8
DIGI.COM BHD	4.19	7708.2	28.5	26.5	0.2	0.2	12.7	12.4	53.7	192.0	195.7	14.8	3.5	3.5
TELEKOM MALAYSIA BHD	6.01	5366.4	20.0	18.7	0.1	0.3	6.7	6.6	3.2	15.3	15.2	16.3	2.7	2.4
Simple Average			26.8	23.8			9.1	8.8		58.3	60.0			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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