

13 September 2021

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## Research Highlights

### SINGAPORE NEWS HIGHLIGHTS

- DBS named world's best bank, world's best digital bank by Euromoney
- Standard Chartered strikes deal to launch digital-only bank in Singapore

### INDONESIA NEWS HIGHLIGHTS

- Indonesia to lead massive reduction of bank branches in SEA
- Indonesia and China begin using local currencies for bilateral transactions

### THAILAND NEWS HIGHLIGHTS

- Thai central bank and banker's association are offering more help for pandemic-hit debtors
- Going electric still a remote prospect

#### Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,203.0	-0.42%
USD/SGD	1.34	0.02%
USD/THB	32.73	0.77%

#### Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,098.8	0.48%
FSTFN	1,041.27	0.99%
FSTCG	450.82	-0.35%
FSTTC	608.0	0.54%

#### Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,094.9	-0.52%
JAKFIN	N.A.	N.A.
JAKAGRI	N.A.	N.A.
JAKINFR	N.A.	N.A.

#### Thailand

Indices	Today	1-Week Chg (%)
SET	1,635.4	-0.91%
SETBANK	358.4	-0.62%
SETAGRI	326.3	-1.24%
SETCOMUN	162.3	-0.25%



## Singapore's Corporate News

- **DBS named world's best bank, world's best digital bank by Euromoney**

DBS has been named the world's best bank by UK-based financial publication Euromoney, making it the fourth consecutive year it has gained the accolade from a financial publication. The Singapore-headquartered bank was also named the world's best digital bank, making it the first time a bank worldwide has held both titles concurrently, it said in a statement on Friday. (Source: *The Business Times*)

- **Standard Chartered strikes deal to launch digital-only bank in Singapore**

Standard Chartered has agreed a joint venture deal to launch a digital-only bank in Singapore with the country's National Trades Union Congress (NTUC). A Standard Chartered vehicle will take a 60% stake in the venture, worth 144m Singapore dollars (\$107.3m), with the NTUC's enterprise arm taking the remaining 40% stake, worth S\$96m, the London-listed bank said on Monday. (Source: *CNBC*)

## Indonesia's Corporate News

- **Indonesia to lead massive reduction of bank branches in SEA**

Indonesia is projected to lead a significant reduction of bank branches in Southeast Asia (SEA) over the coming 10 years as customers shift from physical to digital banking services, according to Roland Berger. The Munich-based management consultancy estimates that the number of bank branches in SEA will shrink by 18 percent in the next decade. That figure is equivalent to some 11,000 branches being shut in the region, with almost 7,000 located in Indonesia. (Source: *The Jakarta Post*)

- **Indonesia and China begin using local currencies for bilateral transactions**

The Bank of Indonesia (BI) and the People's Bank of China (PBC) on Monday (Sept 6) officially started the implementation of cooperation in the settlement of bilateral transactions with local currencies (LCS) between Indonesia and China. The framework for the cooperation includes the use of direct exchange rate quotations and relaxation of certain regulations in foreign exchange transactions between the rupiah and the yuan, Vietnam News Agency (VNA) quoted BI's official statement. It was prepared based on a memorandum of understanding that was agreed and signed by BI Governor Perry Warjiyo with PBC Governor Yi Gang on Sept 30, 2020, it said. (Source: *The Star*)

## Thailand's Corporate News

- **Thai central bank and banker's association are offering more help for pandemic-hit debtors**

Thailand's central bank and its bankers' association has announced they would offer more support measures for debtors affected by the coronavirus pandemic. "We want debtors, SMEs and individuals who were impacted to receive the necessary fixes in the face of uncertainty," central bank deputy governor Ronadol Numnonda told a news conference, adding that debt restructuring measures will help with

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liquidity. Commercial banks remain strong and able to support debtors he said, and measures will be fair to creditors and debtors and will avoid creating moral hazards, said Ronadol. *(Source: The Star)*

- **Going electric still a remote prospect**

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Earlier this year, the government laid out a plan to sell only zero-emission vehicles in the country by 2035. The policy, announced by the National EV Policy Committee in March, is highly ambitious, bringing forward the original target by five years. The plan also targets 50% of total vehicle production being EVs by 2030. While the government's policy looks inspiring and encourages manufacturers in the energy sector and auto industry, getting people to buy electric cars isn't just going to happen naturally. There must be incentives and a lot more "revving up" from the government. The success of this target is rooted in what the government does. *(Source: Bangkok Post)*

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## Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Sept 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
<b>Indonesia</b>												
BANK CENTRAL ASIA TBK PT	32,600	56455.2	26.9	22.8	1039.5	1160.3	4.3	15.6	16.6	54424.1	1.7	1.6
BANK RAKYAT INDONESIA PERSER	3,780	32743.4	16.6	12.5	258.1	276.1	2.4	13.5	16.3	10765.9	2.8	2.6
BANK MANDIRI PERSERO TBK PT	6,200	20322.6	12.0	9.5	515.2	586.1	1.5	12.3	14.3	27306.3	4.4	3.6
BANK NEGARA INDONESIA PERSER	5,450	7138.8	11.2	6.8	821.3	836.6	0.9	7.9	11.8	8370.9	1.5	0.8
BANK DANAMON INDONESIA TBK	2,530	1736.8	10.2	7.6	431.6	389.4	0.6	5.9	7.3	3744.5	1.5	1.4
<b>Simple Average</b>			<b>15.4</b>	<b>11.9</b>				<b>11.0</b>	<b>13.2</b>			<b>2.0</b>
<b>Singapore</b>												
DBS GROUP HOLDINGS LTD	30.44	58316.8	11.6	11.2	2.2	2.5	1.4	12.2	12.1	116.7	3.8	2.9
OVERSEA-CHINESE BANKING CORP	11.76	39510.3	10.7	9.9	1.1	1.1	1.0	10.0	10.2	51.7	4.4	3.5
UNITED OVERSEAS BANK LTD	25.74	32178.9	11.1	9.9	2.4	2.6	1.1	9.6	10.3	119.6	4.6	3.8
<b>Simple Average</b>			<b>11.1</b>	<b>10.3</b>				<b>10.6</b>	<b>10.9</b>			<b>3.4</b>
<b>Thailand</b>												
SIAM COMMERCIAL BANK PUB CO	103.5	10745.7	10.6	9.6	12.7	12.9	0.8	7.9	8.2	375.4	3.6	3.6
BANGKOK BANK PUBLIC CO LTD	112.0	6536.7	8.5	7.5	18.9	19.3	0.5	5.5	6.0	413.5	3.7	3.1
KASIKORNBANK PCL	121.0	8765.6	8.5	7.8	16.1	16.2	0.6	7.5	7.8	328.2	2.7	2.5
KRUNG THAI BANK PUB CO LTD	11.0	4700.6	8.2	7.2	2.1	2.1	0.4	5.4	5.7	40.9	3.7	2.5
BANK OF AYUDHYA PCL	32.5	7309.4	8.3	9.6	3.4	4.3	0.8	9.7	7.6	61.2	1.9	2.3
<b>Simple Average</b>			<b>8.8</b>	<b>8.4</b>				<b>7.2</b>	<b>7.1</b>			<b>2.8</b>
<b>Regional Average</b>			<b>11.9</b>	<b>10.2</b>				<b>9.5</b>	<b>10.3</b>			<b>2.6</b>
<b>Malaysia</b>												
MALAYAN BANKING BHD	8.29	23434.7	12.0	10.8	0.7	0.7	1.1	9.0	9.8	53.4	6.4	6.3
CIMB GROUP HOLDINGS BHD	4.85	11741.5	10.5	9.1	0.5	0.5	0.8	8.2	8.6	20.2	4.2	1.0
PUBLIC BANK BERHAD	4.10	19239.4	14.2	12.8	0.3	0.3	1.7	11.5	12.0	14.4	3.5	3.2
HONG LEONG BANK BERHAD	18.80	9852.1	12.2	11.1	1.2	1.3	1.3	10.4	10.7	53.4	2.8	1.8
AMMB HOLDINGS BHD	3.23	2587.8	8.0	7.4	0.4	0.5	0.7	8.3	8.6	9.6	3.0	N.A.
RHB BANK BHD	5.45	5360.2	8.8	7.8	0.6	0.6	0.8	8.9	9.5	27.4	5.0	3.2
ALLIANCE BANK MALAYSIA BHD	2.56	958.1	8.6	7.5	0.3	0.4	0.6	7.1	7.7	10.4	4.1	2.3
<b>Simple Average</b>			<b>10.6</b>	<b>9.5</b>				<b>9.1</b>	<b>9.6</b>			<b>3.0</b>

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## Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Sept 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
<b>Indonesia</b>												
ASTRA AGRO LESTARI TBK PT	8,500	1149.1	10.3	11.7	832.7	317.6	0.8	8.8	7.2	21818.2	2.6	2.3
PP LONDON SUMATRA INDONES PT	1,080	517.6	8.2	8.5	82.9	36.8	0.8	9.8	9.0	4090.3	3.8	1.9
SAMPOERNA AGRO TBK PT	1,805	239.6	N.A.	N.A.	109.3	66.0	0.8	N.A.	N.A.	N.A.	N.A.	N.A.
EAGLE HIGH PLANTATIONS TBK P	76	168.3	N.A.	N.A.	N.A.	N.A.	1.3	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	114	20.0	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>9.3</b>	<b>10.1</b>				<b>9.3</b>	<b>8.1</b>			<b>2.1</b>
<b>Singapore</b>												
WILMAR INTERNATIONAL LTD	4.18	19662.0	12.5	11.7	0.2	0.2	1.0	8.2	8.4	10.5	3.4	4.9
GOLDEN AGRI-RESOURCES LTD	0.24	2224.9	6.7	7.6	0.0	0.0	0.5	7.1	6.1	0.8	4.6	2.0
OLAM INTERNATIONAL LTD	1.63	4487.1	N.A.	N.A.	0.1	0.2	1.0	N.A.	N.A.	N.A.	N.A.	4.8
<b>Simple Average</b>			<b>9.6</b>	<b>9.6</b>				<b>7.7</b>	<b>7.2</b>			<b>3.9</b>
<b>Regional Average</b>			<b>9.4</b>	<b>9.9</b>				<b>8.5</b>	<b>7.7</b>			<b>3.2</b>
<b>Malaysia</b>												
SIME DARBY BERHAD	3.91	6537.0	13.7	19.3	0.1	0.1	1.9	12.9	9.1	15.8	4.0	3.0
IOI CORP BHD	3.91	5891.6	21.5	22.6	0.2	0.1	2.4	11.0	10.2	9.9	2.5	2.7
KUALA LUMPUR KEPONG BHD	20.98	5467.0	17.3	19.3	0.9	0.6	1.9	11.7	9.9	64.3	3.1	2.6
GENTING PLANTATIONS BHD	7.23	1568.2	18.4	19.8	0.3	0.2	1.3	7.0	5.8	20.2	2.8	3.6
IJM PLANTATIONS BHD	3.10	659.9	17.1	19.6	0.1	0.0	1.9	10.8	8.8	8.8	2.8	3.2
TA ANN HOLDINGS BERHAD	3.00	319.4	7.6	10.2	0.2	0.1	0.9	11.8	8.1	15.3	5.1	5.0
<b>Simple Average</b>			<b>15.9</b>	<b>18.5</b>				<b>10.9</b>	<b>8.7</b>			<b>3.3</b>

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## Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Sept 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
<b>Indonesia</b>														
TELEKOMUNIKASI INDONESIA PER	3,330	23170.4	14.6	13.3	198.0	207.9	5.1	4.8	3.4	21.0	22.1	17589.9	5.3	5.0
XL AXIATA TBK PT	2,690	2026.4	23.3	17.5	4.1	61.3	4.5	4.3	1.5	6.2	7.8	3565.4	1.3	1.2
INDOSAT TBK PT	6,675	2547.7	93.1	33.9	-345.6	-242.4	4.4	4.1	2.1	19.3	6.2	1858.0	0.3	N.A.
<b>Simple Average</b>			<b>43.6</b>	<b>21.6</b>			<b>4.7</b>	<b>4.4</b>		<b>15.5</b>	<b>12.0</b>			<b>3.1</b>
<b>Singapore</b>														
SINGAPORE TELECOMMUNICATIONS	2.40	29559.9	17.3	14.6	0.2	0.2	13.0	12.5	1.5	8.4	9.6	10.1	4.2	3.1
STARHUB LTD	1.22	1575.7	14.9	14.5	0.1	0.1	6.5	6.2	5.9	26.0	25.9	6.1	5.0	4.1
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.
<b>Simple Average</b>			<b>16.1</b>	<b>14.6</b>			<b>9.8</b>	<b>9.4</b>		<b>19.0</b>	<b>17.7</b>			<b>3.6</b>
<b>Thailand</b>														
ADVANCED INFO SERVICE PCL	190.0	17276.5	21.4	20.2	10.2	10.8	7.9	7.6	7.2	33.5	32.6	681.7	3.6	3.8
TOTAL ACCESS COMMUNICATION	38.5	2787.3	22.2	21.6	0.6	2.7	5.6	5.4	4.2	18.1	19.7	187.6	4.9	8.2
<b>Simple Average</b>			<b>21.8</b>	<b>20.9</b>			<b>6.7</b>	<b>6.5</b>		<b>25.8</b>	<b>26.2</b>			<b>6.0</b>
<b>Regional Average</b>			<b>29.5</b>	<b>19.4</b>			<b>6.7</b>	<b>6.4</b>		<b>19.4</b>	<b>17.7</b>			<b>4.2</b>
<b>Malaysia</b>														
MAXIS BHD	4.66	8816.7	25.6	23.7	0.3	0.2	11.9	11.4	5.2	20.0	21.7	17.6	3.8	3.6
AXIATA GROUP BERHAD	4.11	9113.9	36.4	29.1	0.1	0.1	5.8	5.7	2.1	5.6	7.1	8.8	2.1	1.7
DIGI.COM BHD	4.48	8420.6	30.1	28.5	0.2	0.2	13.4	13.1	57.4	192.4	194.8	14.9	3.3	3.3
TELEKOM MALAYSIA BHD	6.04	5510.3	20.0	18.5	0.1	0.3	6.8	6.6	3.1	15.3	15.3	16.1	2.7	1.2
<b>Simple Average</b>			<b>28.0</b>	<b>25.0</b>			<b>9.5</b>	<b>9.2</b>		<b>58.3</b>	<b>59.7</b>			<b>2.5</b>

**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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