

29 November 2021

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## Research Highlights

### SINGAPORE NEWS HIGHLIGHTS

- Singapore's DBS Faces Second Day of Digital Banking Outages
- Over half of financial disputes filed in Singapore were against banks, finance companies

### INDONESIA NEWS HIGHLIGHTS

- Indonesian Unicorn Ajaib Acquires Stake In Bank Bumi Arta In Digital Banking Push
- XL Axiata applies 'Smart Massive MIMO' tech in Indonesia

### THAILAND NEWS HIGHLIGHTS

- Telenor and CP plan biggest Thai telecoms group via \$8.6b merger
- Ministry, BoT rule out using drastic measures

#### Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,358.0	0.89%
USD/SGD	1.4	0.77%
USD/THB	33.6	2.58%

#### Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,166.3	-2.04%
FSTFN	1,058.0	-2.32%
FSTCG	459.1	-2.79%
FSTTC	621.4	-1.58%

#### Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,561.6	-2.36%

#### Thailand

Indices	Today	1-Week Chg (%)
SET	1,610.6	-2.09%
SETBANK	400.3	-2.36%
SETAGRI	299.1	1.38%
SETCOMUN	176.1	3.61%



## Singapore's Corporate News

- **Singapore's DBS Faces Second Day of Digital Banking Outages**

DBS Group Holdings Ltd. is facing a second day of outages in its online banking services, marking one of the worst digital disruptions for Southeast Asia's biggest lender in a decade. The disruptions in DBS's digital services — an area where the Singapore-based bank has invested in heavily — started early Tuesday and resurfaced Wednesday. The problems stemmed from the bank's access control servers, resulting in customers' inability to log in to the services, country head Shee Tse Koon said in a video clip on its Facebook page. (*The Malaysian Reserve*)

- **Over half of financial disputes filed in Singapore were against banks, finance companies**

More than half of the claims filed with the Financial Industry Disputes Resolution Centre (Fidrec) for the year ended June 30 were against banks and finance companies. During the period, Fidrec received 1,097 claims, down from 1,227 the year before. It was the third straight year that the number of total claims surpassed the 1,000 mark. Of the claims received, 52% were filed against banks and finance companies, 26 per cent against life insurers and 13% against general insurers, said Fidrec in its annual report released on Friday (Nov 26). (*The Straits Times*)

## Indonesia's Corporate News

- **Indonesian Unicorn Ajaib Acquires Stake In Bank Bumi Arta In Digital Banking Push**

Indonesian online stock trading platform Ajaib—the fastest startup in the country to become a unicorn—acquired a 24% stake in Bank Bumi Arta for 746b rupiah (about \$50m) last week. The deal is the latest in a flurry of acquisitions in the Indonesian banking space by tech companies to tap into the Southeast Asian country's sizeable unbanked population. According to a filing with the Indonesia Stock Exchange on Friday, Ajaib bought 554,000 shares of Bank Bumi Arta on November 17. "We hope to continue helping improve financial inclusion and supporting SMEs in Indonesia through technology," Anderson Sumarli, cofounder and CEO of Ajaib, said in a text message. (*Forbes*)

- **XL Axiata applies 'Smart Massive MIMO' tech in Indonesia**

Indonesia-based mobile telecommunications services operator PT XL Axiata Tbk (XL Axiata) continues to increase network capacity by applying the latest Smart Massive MIMO technology in collaboration with Huawei. Through a series of trials that have been carried out, the application of this technology has succeeded in increasing the quality and capacity of the network by several times, said a press release from the second-largest mobile telecommunications company in Indonesia. Director & Chief Technology Officer XL Axiata, I Gede Darmayusa said, "Along with increasing customer needs for data and internet services, we are required to be able to continue to provide the best experience to customers. The increased usage traffic must be balanced with adequate network capacity so that the quality of service does not decrease. For this reason, we are partnering with Huawei to apply this Smart Massive MIMO technology in areas that require additional network capacity." (*Developing Telecoms*)

## Thailand's Corporate News

- **Telenor and CP plan biggest Thai telecoms group via \$8.6b merger**

Thai conglomerate Charoen Pokphand and Norway's Telenor are to merge their telecom units in the south-east Asian country in a deal that will create the kingdom's dominant provider worth more than \$8.6b. CP, Thailand's biggest conglomerate, has a significant presence in agriculture, food and retail – where it faced a competition review for its \$10.6b takeover of Tesco stores in Thailand and Malaysia last year. (*Financial Times*)

- **Ministry, BoT rule out using drastic measures**

The Finance Ministry and the Bank of Thailand (BoT) have both made clear that they will not use drastic fiscal and monetary measures in mitigating the impact of the prolonged Covid-19 pandemic as such extreme measures might affect economic stability. Finance Minister Arkhom Termpitayapaisith said the government has already introduced two emergency loan decrees to allow it to borrow a combined 1.5t baht to prop up the pandemic-hit economy. (*Bangkok Post*)

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## Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 26 Nov 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	7,275.0	62,184.6	29.5	25.3	207.9	232.1	4.5	15.8	16.6	11,299.1	1.6	1.5
BANK RAKYAT INDONESIA PERSER	4,160.0	43,635.5	20.5	15.0	258.1	276.1	2.3	12.0	14.0	10,706.9	2.6	2.3
BANK MANDIRI PERSERO TBK PT	7,100.0	22,974.2	13.3	10.5	515.2	586.1	1.7	12.7	14.7	26,777.5	3.8	3.1
BANK NEGARA INDONESIA PERSER	6,875.0	8,889.9	12.9	8.5	821.3	836.6	1.1	8.6	11.9	10,226.9	1.5	0.6
BANK DANAMON INDONESIA TBK	2,470.0	1,673.9	12.2	8.7	431.6	389.4	0.5	4.6	6.1	3,699.7	1.5	1.5
<b>Simple Average</b>			<b>17.7</b>	<b>13.6</b>				<b>10.7</b>	<b>12.7</b>			<b>1.8</b>
<b>Singapore</b>												
DBS GROUP HOLDINGS LTD	31.6	59,158.4	11.8	11.4	2.2	2.5	1.4	12.4	12.2	116.4	3.7	3.2
OVERSEA-CHINESE BANKING CORP	11.6	37,877.0	10.4	9.6	1.1	1.1	1.0	9.9	10.2	51.1	4.4	3.5
UNITED OVERSEAS BANK LTD	27.1	33,087.1	11.4	10.2	2.4	2.6	1.1	9.7	10.4	120.5	4.4	3.7
<b>Simple Average</b>			<b>11.2</b>	<b>10.4</b>				<b>10.7</b>	<b>10.9</b>			<b>3.5</b>
<b>Thailand</b>												
SIAM COMMERCIAL BANK PUB CO	127.0	12,782.6	12.4	11.1	12.7	12.9	1.0	8.2	8.8	382.1	3.0	2.9
BANGKOK BANK PUBLIC CO LTD	121.5	6,874.5	8.8	7.7	18.9	19.3	0.5	5.8	6.2	452.1	3.7	2.9
KASIKORNBANK PCL	142.5	10,007.7	9.6	8.6	16.1	16.2	0.7	7.7	8.3	331.4	2.3	2.1
KRUNG THAI BANK PUB CO LTD	11.5	4,764.0	7.8	7.2	2.1	2.1	0.5	5.9	6.1	42.8	3.7	2.4
BANK OF AYUDHYA PCL	34.0	7,413.1	7.8	9.4	3.4	4.3	0.8	10.6	8.1	68.0	2.0	2.2
<b>Simple Average</b>			<b>9.3</b>	<b>8.8</b>				<b>7.6</b>	<b>7.5</b>			<b>2.5</b>
<b>Regional Average</b>			<b>13.0</b>	<b>11.0</b>				<b>9.5</b>	<b>10.3</b>			<b>2.5</b>
<b>Malaysia</b>												
MALAYAN BANKING BHD	8.1	22,690.2	11.8	11.3	0.7	0.7	1.1	9.0	9.2	54.6	6.7	8.2
CIMB GROUP HOLDINGS BHD	5.1	12,299.0	11.2	9.8	0.5	0.5	0.9	8.1	8.4	20.4	4.0	3.0
PUBLIC BANK BERHAD	4.0	18,318.5	14.0	12.6	0.3	0.3	1.6	11.5	12.0	14.6	3.7	5.1
HONG LEONG BANK BERHAD	18.3	9,359.3	12.1	10.8	1.2	1.3	1.3	10.3	10.7	56.8	3.1	2.7
AMMB HOLDINGS BHD	3.2	2,462.1	7.9	6.9	0.4	0.5	0.6	8.0	8.5	8.6	2.7	N/A
RHB BANK BHD	5.3	5,141.4	8.5	7.7	0.6	0.6	0.8	8.9	9.2	27.6	5.2	4.3
ALLIANCE BANK MALAYSIA BHD	2.8	1,008.1	9.3	7.9	0.3	0.4	0.7	7.1	7.9	10.5	3.8	2.1
<b>Simple Average</b>			<b>10.7</b>	<b>9.6</b>				<b>9.0</b>	<b>9.4</b>			<b>4.2</b>

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## Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 26 Nov 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	10,000.0	1,334.6	8.6	9.7	832.7	317.6	1.0	11.1	9.1	21,895.8	2.2	2.6
PP LONDON SUMATRA INDONES PT	1,260.0	596.1	8.5	9.0	82.9	36.8	0.9	10.3	9.6	4,090.3	3.2	1.6
SAMPOERNA AGRO TBK PT	2,250.0	294.9	N/A	N/A	109.3	66.0	1.0	N/A	N/A	N/A	N/A	N/A
EAGLE HIGH PLANTATIONS TBK P	86.0	188.0	N/A	N/A	N/A	N/A	1.6	N/A	N/A	N/A	N/A	N/A
BAKRIE SUMATERA PLANTATIO PT	112.0	19.4	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>8.5</b>	<b>9.3</b>				<b>10.7</b>	<b>9.3</b>			<b>2.1</b>
<b>Singapore</b>												
WILMAR INTERNATIONAL LTD	4.2	19,407.6	11.7	11.4	0.2	0.2	1.0	8.7	8.6	11.4	3.7	4.9
GOLDEN AGRI-RESOURCES LTD	0.3	2,407.7	6.1	7.3	0.0	0.0	0.5	8.8	7.1	1.0	5.3	3.9
OLAM INTERNATIONAL LTD	1.8	4,739.0	N/A	N/A	0.1	0.2	1.1	N/A	N/A	N/A	N/A	4.5
<b>Simple Average</b>			<b>8.9</b>	<b>9.3</b>				<b>8.8</b>	<b>7.9</b>			<b>4.4</b>
<b>Regional Average</b>			<b>8.7</b>	<b>9.3</b>				<b>9.7</b>	<b>8.6</b>			<b>3.5</b>
<b>Malaysia</b>												
SIME DARBY PLANTATION BERHAD	3.7	6,086.0	11.1	15.6	0.1	0.1	1.8	15.4	10.7	18.4	4.9	4.1
IOI CORP BHD	3.8	5,502.2	18.2	19.8	0.2	0.1	2.4	12.7	11.4	11.2	3.0	2.8
KUALA LUMPUR KEPONG BHD	20.6	5,228.6	15.4	17.4	0.9	0.6	1.9	11.7	10.3	64.6	3.1	2.7
GENTING PLANTATIONS BHD	6.8	1,445.8	15.1	14.7	0.3	0.2	1.2	7.7	7.0	22.4	3.3	3.8
IJM PLANTATIONS BHD	3.1	644.0	14.1	13.5	0.1	0.0	1.8	12.9	13.9	N/A	N/A	3.2
TA ANN HOLDINGS BERHAD	3.3	338.8	6.5	9.0	0.2	0.1	0.9	14.4	10.0	31.1	9.5	4.6
<b>Simple Average</b>			<b>13.4</b>	<b>15.0</b>				<b>12.5</b>	<b>10.5</b>			<b>3.5</b>



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## Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 26 Nov 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	4,010.0	27,544.0	17.0	15.4	198.0	207.9	6.1	5.7	3.8	21.7	23.2	18,040.5	4.5	4.2
XL AXIATA TBK PT	2,950.0	2,193.7	26.6	23.8	4.1	61.3	4.7	4.4	1.6	5.6	6.8	2,723.2	0.9	1.1
INDOSAT TBK PT	7,400.0	2,788.2	18.4	35.8	-345.6	-242.4	4.5	4.0	2.3	29.2	7.2	86,210.8	11.7	N/A
<b>Simple Average</b>			<b>20.7</b>	<b>25.0</b>			<b>5.1</b>	<b>4.7</b>		<b>18.8</b>	<b>12.4</b>			<b>2.6</b>
<b>Singapore</b>														
SINGAPORE TELECOMMUNICATIONS	2.4	29,391.4	17.8	15.0	0.2	0.2	13.0	12.5	1.5	8.4	9.6	10.2	4.2	3.1
STARHUB LTD	1.4	1,717.4	16.0	15.5	0.1	0.1	6.9	6.6	N/A	29.4	29.2	6.2	4.6	3.7
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>16.9</b>	<b>15.2</b>			<b>9.9</b>	<b>9.5</b>		<b>20.1</b>	<b>19.4</b>			<b>3.4</b>
<b>Thailand</b>														
ADVANCED INFO SERVICE PCL	205.0	18,070.8	22.9	21.5	10.2	10.8	8.2	8.1	8.2	33.7	32.8	689.1	3.4	3.5
TOTAL ACCESS COMMUNICATION	45.3	3,175.8	26.9	25.2	0.6	2.7	6.1	5.9	5.4	17.6	19.9	187.2	4.1	7.0
<b>Simple Average</b>			<b>24.9</b>	<b>23.4</b>			<b>7.2</b>	<b>7.0</b>		<b>25.7</b>	<b>26.3</b>			<b>5.2</b>
<b>Regional Average</b>			<b>20.8</b>	<b>21.7</b>			<b>7.1</b>	<b>6.7</b>		<b>21.0</b>	<b>18.4</b>			<b>3.7</b>
<b>Malaysia</b>														
MAXIS BHD	4.5	8,346.1	25.4	24.4	0.3	0.2	11.5	11.1	5.2	19.5	21.0	17.5	3.9	3.8
AXIATA GROUP BERHAD	3.9	8,442.2	33.1	28.1	0.1	0.1	5.6	5.4	2.0	5.9	7.3	9.0	2.3	2.3
DIGI.COM BHD	4.2	7,612.7	27.7	26.4	0.2	0.2	12.4	12.1	50.5	192.0	196.8	14.9	3.6	3.5
TELEKOM MALAYSIA BHD	5.4	4,825.6	18.1	17.4	0.1	0.3	6.2	6.0	2.8	15.1	14.7	16.0	3.0	2.6
<b>Simple Average</b>			<b>26.1</b>	<b>24.1</b>			<b>8.9</b>	<b>8.6</b>		<b>58.1</b>	<b>59.9</b>			<b>3.0</b>

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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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