

27 December 2021

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- Singapore central bank urges prudence in bank finances amid pandemic recovery
- Singapore Nov headline prices rise 3.8%, fastest in nine years

INDONESIA NEWS HIGHLIGHTS

- Indonesia central bank says new payment system to slash money transfer costs
- Indonesia c.bank predicts 50 bps bond yield increase in 2022

THAILAND NEWS HIGHLIGHTS

- Thai central bank to test retail digital currency later than planned
- Thai central bank holds fire on rates, flags Omicron risk

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,197.0	-1.10%
USD/SGD	1.36	-0.64%
USD/THB	33.40	0.15%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,108.3	-0.11%
FSTFN	1,064.61	0.08%
FSTCG	437.15	0.19%
FSTTC	596.7	-1.60%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,562.9	-0.59%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,637.2	-0.27%
SETBANK	402.2	-1.65%
SETAGRI	290.7	0.08%
SETCOMUN	188.9	1.81%



Singapore's Corporate News

- **Singapore central bank urges prudence in bank finances amid pandemic recovery**

Singapore's central bank urged banks on Monday to keep their finances strong and resilient to "shocks", in case of an abrupt rise in unemployment and business insolvencies due to the COVID-19 pandemic. Although the economic outlook had improved recently, there remained a risk of a further deterioration in the ability of individuals and companies to repay debt, if the pandemic continued to cause prolonged disruptions to economic activity, the Monetary Authority of Singapore (MAS) said in its annual financial stability review. (Source: *The Star*)

- **Singapore Nov headline prices rise 3.8%, fastest in nine years**

Singapore's November headline prices rose by their fastest pace in nearly nine years on higher private transport and services costs, while the government also slightly increased its 2021 outlook for the measure. Headline inflation rose by 3.8%, exceeding economists' forecast of 3.35% and 3.2% in October. That is the most it has risen since February 2013. The core inflation rate — the central bank's favoured price measure — rose to 1.6% in November on a year-on-year basis, the highest since January 2019, versus 1.5% in the prior month. A Reuters poll of economists had forecast a 1.5% increase. Core inflation is projected to average 0.9% for 2021 with headline inflation at 2.3%, the Monetary Authority of Singapore and ministry of trade and industry said in a joint statement. (Source: *Reuters*)

Indonesia's Corporate News

- **Indonesia central bank says new payment system to slash money transfer costs**

Indonesia's central bank on Tuesday launched a new retail payment system that its governor said will slash the cost of money transfers and support the country's booming digital economy. The COVID-19 pandemic has accelerated growth in Indonesia's digital finance, with digital banking transactions rising 47% on a yearly basis in November to reach 3,877 trillion rupiah (\$269.5b) and e-money transactions up 62% to 31.3 trillion rupiah, according to Bank Indonesia's (BI) data. (Source: *The Star*)

- **Indonesia c.bank predicts 50 bps bond yield increase in 2022**

The Federal Reserve is expected on Wednesday to announce that it is speeding the end of its pandemic-era bond purchases and signal a turn to interest rate increases next year as a guard against surging inflation. The identification of the Omicron coronavirus variant last month has added a new level of uncertainty for U.S. central bank officials who, after steadily discounting the impact of the pandemic on the economy's performance, must now assess how the new strain's faster spread may influence consumers, businesses, and the path of growth and inflation. (Source: *Reuters*)

Thailand's Corporate News

- **Thai central bank to test retail digital currency later than planned**

Thailand's central bank said on Friday it expects to test its retail central bank digital currency (CBDC) for the public in late 2022, later than planned, as an alternative payment option. The pilot project, previously planned for the second quarter of 2022, will evaluate the use of the CBDC in cash-like activities within a limited scale, deputy central bank director Kasidit Tansanguan told a news conference. The project will involve transactions such as deposits, withdrawals, and fund transfers by financial institutions and around 10,000 users. *(Source: The Edge Market)*

- **Thai central bank holds fire on rates, flags Omicron risk**

Thailand's central bank left its key interest rate unchanged at a record low for a 13th straight meeting on Wednesday, to support a tourism-reliant economy facing fresh risks from the spread of the Omicron coronavirus variant. The Bank of Thailand's (BOT) monetary policy committee unanimously voted to hold the one-day repurchase rate at 0.5%, as expected by all 22 economists in a Reuters poll. While the BOT expected the Thai economy to continue to recover, it flagged the risk from the spread of the Omicron coronavirus variant. *(Source: The Edge Market)*

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 Dec 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	7,300	63454.2	29.4	25.3	207.9	232.1	4.5	15.8	16.6	11587.7	1.6	1.5
BANK RAKYAT INDONESIA PERSER	4,070	43414.0	20.2	14.6	258.1	276.1	2.2	11.7	14.0	10655.1	2.6	2.4
BANK MANDIRI PERSERO TBK PT	7,050	23198.4	12.9	10.3	515.2	586.1	1.7	13.1	14.9	28910.2	4.1	3.1
BANK NEGARA INDONESIA PERSER	6,725	8843.1	12.6	8.4	821.3	836.6	1.0	8.5	11.7	11095.9	1.6	0.7
BANK DANAMON INDONESIA TBK	2,390	1647.1	10.6	7.7	431.6	389.4	0.5	5.2	6.7	3934.5	1.6	1.5
Simple Average			17.1	13.2				10.9	12.8			1.8
Singapore												
DBS GROUP HOLDINGS LTD	32.61	61637.9	12.2	11.8	2.2	2.5	1.5	12.5	12.2	116.4	3.6	3.1
OVERSEA-CHINESE BANKING CORP	11.34	37485.8	10.2	9.5	1.1	1.1	1.0	9.9	10.2	51.1	4.5	3.6
UNITED OVERSEAS BANK LTD	26.89	33087.9	11.3	10.2	2.4	2.6	1.1	9.7	10.4	120.5	4.5	3.7
Simple Average			11.2	10.5				10.7	10.9			3.5
Thailand												
SIAM COMMERCIAL BANK PUB CO	123.0	12505.3	11.9	10.6	12.7	12.9	1.0	8.2	8.8	393.5	3.2	3.0
BANGKOK BANK PUBLIC CO LTD	118.0	6744.0	8.4	7.4	18.9	19.3	0.5	5.9	6.3	466.8	4.0	3.0
KASIKORNBANK PCL	138.0	9789.7	9.2	8.2	16.1	16.2	0.7	7.8	8.3	351.2	2.5	2.2
KRUNG THAI BANK PUB CO LTD	12.9	5398.1	8.5	7.8	2.1	2.1	0.5	5.9	6.3	47.7	3.7	2.1
BANK OF AYUDHYA PCL	34.5	7598.2	7.6	9.4	3.4	4.3	0.8	10.8	8.2	78.2	2.3	2.2
Simple Average			9.1	8.7				7.7	7.6			2.5
Regional Average			12.7	10.8				9.6	10.4			2.5
Malaysia												
MALAYAN BANKING BHD	8.25	23360.6	12.1	11.7	0.7	0.7	1.1	9.0	9.1	53.6	6.5	8.1
CIMB GROUP HOLDINGS BHD	5.36	13060.1	11.3	10.7	0.5	0.5	0.9	8.0	8.2	21.4	4.0	2.8
PUBLIC BANK BERHAD	4.12	19063.7	14.3	14.0	0.3	0.3	1.7	11.5	11.2	14.4	3.5	5.0
HONG LEONG BANK BERHAD	18.50	9559.7	12.7	10.9	1.2	1.3	1.3	9.9	10.9	55.5	3.0	2.7
AMMB HOLDINGS BHD	3.17	2502.6	8.4	7.1	0.4	0.5	0.7	7.8	8.6	7.6	2.4	N.A.
RHB BANK BHD	5.32	5254.0	8.2	8.2	0.6	0.6	0.8	9.3	9.1	28.2	5.3	4.3
ALLIANCE BANK MALAYSIA BHD	2.85	1051.8	8.9	7.6	0.3	0.4	0.7	7.7	8.6	13.1	4.6	4.9
Simple Average			10.8	10.0				9.0	9.4			4.6

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 Dec 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	9,550	1296.1	8.0	8.8	832.7	317.6	0.9	11.5	9.3	19512.3	2.0	2.7
PP LONDON SUMATRA INDONES PT	1,195	574.9	7.8	8.1	82.9	36.8	0.8	10.7	10.0	4092.8	3.4	1.7
SAMPOERNA AGRO TBK PT	2,000	266.5	N.A.	N.A.	109.3	66.0	0.9	N.A.	N.A.	N.A.	N.A.	N.A.
EAGLE HIGH PLANTATIONS TBK P	72	160.0	N.A.	72.0	N.A.	N.A.	1.3	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	109	19.2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			7.9	29.7				11.1	9.6			2.2
Singapore												
WILMAR INTERNATIONAL LTD	4.09	18947.8	11.3	11.0	0.2	0.2	1.0	8.7	8.5	11.1	3.7	5.0
GOLDEN AGRI-RESOURCES LTD	0.24	2195.1	5.4	6.9	0.0	0.0	0.5	9.2	7.0	0.8	4.6	4.3
OLAM INTERNATIONAL LTD	1.69	4590.1	N.A.	N.A.	0.1	0.2	1.0	N.A.	N.A.	N.A.	N.A.	4.7
Simple Average			8.3	9.0				8.9	7.8			4.7
Regional Average			8.1	21.4				10.0	8.7			3.7
Malaysia												
SIME DARBY PLANTATION BERHAD	3.71	6116.2	10.9	15.4	0.1	0.1	1.8	15.5	10.8	18.4	5.0	4.2
IOI CORP BHD	3.73	5524.6	17.7	19.7	0.2	0.1	2.4	12.5	11.0	10.7	2.9	2.8
KUALA LUMPUR KEPONG BHD	21.42	5503.8	15.8	18.1	0.9	0.6	1.9	11.8	10.5	64.8	3.0	2.6
GENTING PLANTATIONS BHD	6.76	1445.8	15.0	14.5	0.3	0.2	1.2	7.8	7.0	22.0	3.3	3.8
IJM PLANTATIONS BHD	3.10	650.7	14.1	13.5	0.1	0.0	1.8	12.9	13.9	N.A.	N.A.	3.2
TA ANN HOLDINGS BERHAD	3.41	358.0	6.7	9.0	0.2	0.1	0.9	15.8	10.4	31.1	9.1	4.4
Simple Average			13.4	15.0				12.7	10.6			3.5

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 Dec 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	4,110	28708.6	17.2	15.7	198.0	207.9	6.2	5.8	3.9	21.6	22.0	17981.8	4.4	4.1
XL AXIATA TBK PT	3,080	2329.1	27.3	24.6	4.1	61.3	4.8	4.5	1.7	6.1	7.0	2992.6	1.0	1.0
INDOSAT TBK PT	5,525	2116.9	21.2	23.1	-345.6	-242.4	3.7	3.1	1.7	35.8	7.1	100971.8	18.3	31.6
Simple Average			21.9	21.2			4.9	4.5		21.2	12.0			12.3
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.32	28188.6	17.1	14.1	0.2	0.2	12.5	12.0	1.4	8.2	9.5	10.2	4.4	3.0
STARHUB LTD	1.35	1719.0	15.7	14.7	0.1	0.1	6.9	6.5	N.A.	30.0	30.0	6.4	4.7	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.
Simple Average			16.4	14.4			9.7	9.2		20.3	19.8			3.3
Thailand														
ADVANCED INFO SERVICE PCL	224.0	19945.5	24.9	23.2	10.2	10.8	8.8	8.5	8.9	34.0	33.0	708.2	3.2	3.2
TOTAL ACCESS COMMUNICATION	44.75	3172.5	26.9	24.7	0.6	2.7	6.0	5.7	5.3	17.3	20.6	183.2	4.1	7.1
Simple Average			25.9	24.0			7.4	7.1		25.6	26.8			5.1
Regional Average			21.5	20.0			7.0	6.6		21.9	18.5			7.7
Malaysia														
MAXIS BHD	4.37	8152.8	24.8	24.1	0.3	0.2	11.2	10.8	5.1	19.5	20.9	17.7	4.1	3.9
AXIATA GROUP BERHAD	3.69	8070.5	28.4	25.1	0.1	0.1	5.4	5.2	1.9	6.6	7.4	9.5	2.6	2.4
DIGI.COM BHD	3.90	7228.2	26.0	24.8	0.2	0.2	11.7	11.5	47.4	192.2	193.6	14.9	3.8	3.7
TELEKOM MALAYSIA BHD	5.34	4803.7	17.9	17.2	0.1	0.3	6.1	5.9	2.7	15.0	14.4	15.8	3.0	2.6
Simple Average			24.3	22.8			8.6	8.3		58.3	59.1			3.2

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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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