

12 June 2022

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- OCBC prices US\$750m of tier 2 subordinated notes with 4.6% p.a. coupon
- StarHub launches travel insurance and doubles your roaming data

INDONESIA NEWS HIGHLIGHTS

- BRI and Tokopedia join forces to increase digital access in Indonesia
- XL Axiata Partners with Juniper Networks to Accelerate the Rollout of 5G Services to Support Indonesia's Digital Economy

THAILAND NEWS HIGHLIGHTS

- Thai central bank to hold rates until end-2022, calls for earlier hike grow louder
- Thai govt slices excise tax for vehicles

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,553.0	0.83%
USD/SGD	1.39	0.86%
USD/THB	34.73	1.04%

Singapore

Indices	Today	1-Week Chg (%)
FSTI	3,181.7	-1.55%
FSTFN	1,047.28	-2.87%
FSTCG	455.08	-0.65%
FSTTC	632.9	-1.96%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	7,086.6	-1.34%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,632.6	-0.91%
SETBANK	378.3	1.34%
SETAGRI	276.6	-3.40%
SETCOMUN	193.3	-0.97%

Singapore's Corporate News

- **OCBC prices US\$750m of tier 2 subordinated notes with 4.6% p.a. coupon**

Oversea-Chinese Banking Corporation (OCBC) has priced US\$750m (\$1b) worth of fixed rate subordinated notes, which are to be drawn down under its US\$30b global medium term note programme. The USD-denominated notes are expected to qualify as the bank's Tier 2 capital under the Monetary Authority of Singapore's (MAS) requirements. The notes are priced at 100% and will carry a coupon of 4.6% per annum (p.a.) from the issue date to the call date on June 15, 2027. *(Source: The Edge Singapore)*

- **StarHub launches travel insurance and doubles your roaming data**

StarHub customers planning overseas holidays can do so with peace of mind by taking up TravelProtection, a travel insurance plan that is underwritten by Chubb Insurance Singapore Limited and covers subscribers from medical expenses (up to \$200,000) including Covid-19 to loss of or damage to baggage, travel delay, trip cancellation, and more. *(Source: Asiaone)*

Indonesia's Corporate News

- **BRI and Tokopedia join forces to increase digital access in Indonesia**

PT Bank Rakyat Indonesia (BRI), in collaboration with Tokopedia (part of GoTo Group), has launched Tokopedia Card, a new credit-card catering to payments for marketplace purchases. "This collaboration is one of BRI's forms of ongoing support for the government's mission to increase financial inclusion -- by increasing non-cash transactions," said BRI's director of consumer business. She added that the partnership is based on shared values between the two companies and that this is proof that bank institutions can increase digital access to the country by using technology. *(Source: The Jakarta Post)*

- **XL Axiata Partners with Juniper Networks to Accelerate the Rollout of 5G Services to Support Indonesia's Digital Economy**

Juniper Networks (NYSE: JNPR), a leader in secure, AI-driven networks, announced today that XL Axiata, one of the leading mobile telecommunications companies in Indonesia, will implement Juniper's Segment Routing over IPv6 (SRv6) and MX Series Universal Routing Platforms to enhance its existing network infrastructure. With upgrades from Juniper, XL Axiata will have a stronger networking foundation to support the growing demand for 5G services and Indonesia's burgeoning digital economy. *(Source: Business Wire)*

Thailand's Corporate News

- **Thai central bank to hold rates until end-2022, calls for earlier hike grow louder**

Thailand's central bank will leave interest rates unchanged at their record low for the rest of the year to support economic recovery, but there are growing calls for an earlier rate rise amid inflationary risks, a Reuters poll found. Driven by higher food and energy prices, inflation in Thailand rose to 4.7% in April and was expected to stay over 5% in the coming months, well above the Bank of Thailand's (BOT) target range of 1% to 3%. Despite those price pressures, economists forecast the central bank will keep policy accommodative to support growth until the end of 2022. *(Source: Reuters)*

- **Thai govt slices excise tax for vehicles**

The Royal Gazette website on Wednesday (June 8) published an announcement by the Finance minister on the new excise tax rate for passenger vehicles with less than 10 seats, pickup trucks and motorcycles. The announcement, signed by Minister of Finance, stipulated that the move aims to promote the automotive industry and vehicle safety standards plus reduce carbon dioxide emissions which add to air pollution. *(Source: The Edge)*

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Jun 2022	Market Cap (USDm)	CY21 P/E (x)	CY22 P/E (x)	Current EPS	CY22 EPS	PBV (x)	CY21 ROE	CY22 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
BANK CENTRAL ASIA TBK PT	7,350	61966.3	24.6	21.6	207.9	232.1	4.7	17.3	17.9	15633.6	2.1	2.0
BANK RAKYAT INDONESIA PERSER	4,400	45606.6	15.0	12.6	258.1	276.1	2.4	14.9	16.4	20037.5	4.6	4.0
BANK MANDIRI PERSERO TBK PT	8,175	26090.8	11.0	9.4	515.2	586.1	2.0	16.5	17.7	41332.3	5.1	4.4
BANK NEGARA INDONESIA PERSER	8,300	10585.7	9.7	7.8	821.3	836.6	1.2	12.3	13.7	20701.3	2.5	1.8
BANK DANAMON INDONESIA TBK	2,500	1671.0	6.4	N.A.	431.6	389.4	0.5	8.1	8.4	N.A.	N.A.	2.3
Simple Average			13.3	12.8				13.8	14.8			2.9
Singapore												
DBS GROUP HOLDINGS LTD	30.13	55897.2	10.5	9.0	2.2	2.5	1.4	12.8	14.2	141.8	4.7	4.6
OVERSEA-CHINESE BANKING CORP	11.61	37618.4	9.7	8.4	1.1	1.1	1.0	10.2	11.1	57.4	4.9	4.6
UNITED OVERSEAS BANK LTD	27.68	33414.9	10.6	8.7	2.4	2.6	1.1	10.4	12.0	134.6	4.9	4.3
Simple Average			10.3	8.7				11.1	12.4			4.5
Thailand												
SIAM COMMERCIAL BANK PUB CO	111.5	10810.0	9.3	8.6	12.7	12.9	0.8	8.9	9.2	463.0	4.2	3.6
BANGKOK BANK PUBLIC CO LTD	134.5	7392.4	8.3	7.6	18.9	19.3	0.5	6.1	6.4	519.4	3.9	2.6
KASIKORNBANK PCL	149.5	10199.1	8.4	7.7	16.1	16.2	0.7	8.5	8.7	449.2	3.0	2.2
KRUNG THAI BANK PUB CO LTD	15.8	6358.2	8.3	7.6	2.1	2.1	0.6	7.1	7.1	60.6	3.8	2.6
BANK OF AYUDHYA PCL	32.5	6883.5	8.5	7.9	3.4	4.3	0.7	8.4	8.7	79.8	2.5	2.6
Simple Average			8.6	7.9				7.8	8.0			2.7
Regional Average			10.8	9.7				10.9	11.6			3.2
Malaysia												
MALAYAN BANKING BHD	8.75	23813.2	12.2	10.5	0.7	0.7	1.2	9.6	10.8	55.9	6.4	6.6
CIMB GROUP HOLDINGS BHD	5.04	12002.4	10.2	8.3	0.5	0.5	0.9	8.2	9.5	24.5	4.9	4.6
PUBLIC BANK BERHAD	4.53	19991.9	15.2	12.7	0.3	0.3	1.8	11.7	13.1	15.2	3.4	3.4
HONG LEONG BANK BERHAD	20.80	10251.4	13.5	11.6	1.2	1.3	1.5	10.5	11.4	57.1	2.7	2.6
AMMB HOLDINGS BHD	3.82	2877.9	8.2	7.6	0.4	0.5	0.8	9.0	9.0	15.0	3.9	N.A.
RHB BANK BHD	5.90	5557.4	9.1	7.6	0.6	0.6	0.9	9.3	10.6	34.3	5.8	6.8
ALLIANCE BANK MALAYSIA BHD	3.58	1260.1	8.4	7.8	0.3	0.4	0.9	9.9	10.2	19.7	5.5	3.9
Simple Average			10.9	9.4				9.7	10.6			4.6

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Jun 2022	Market Cap (USDm)	CY21 P/E (x)	CY22 P/E (x)	Current EPS	CY22 EPS	PBV (x)	CY21 ROE	CY22 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
ASTRA AGRO LESTARI TBK PT	11,000	1447.9	7.3	7.2	832.7	317.6	1.0	12.9	11.8	13820.0	1.3	4.2
PP LONDON SUMATRA INDONES PT	1,290	601.9	6.5	6.9	82.9	36.8	0.8	12.5	11.1	5820.0	4.5	1.6
SAMPOERNA AGRO TBK PT	2,190	272.4	N.A.	N.A.	109.3	66.0	0.8	N.A.	N.A.	N.A.	N.A.	6.2
EAGLE HIGH PLANTATIONS TBK P	72	155.2	N.A.	N.A.	N.A.	N.A.	1.3	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	121	20.7	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			6.9	7.0				12.7	11.5			4.0
Singapore												
WILMAR INTERNATIONAL LTD	4.14	18766.7	10.2	9.8	0.2	0.2	0.9	9.4	9.5	12.4	4.2	3.7
GOLDEN AGRI-RESOURCES LTD	0.29	2605.4	4.6	7.3	0.0	0.0	0.6	15.7	10.5	1.5	7.3	5.6
OLAM INTERNATIONAL LTD	1.62	4487.5	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	5.2
Simple Average			7.4	8.6				12.6	10.0			4.9
Regional Average			7.1	7.8				12.6	10.7			4.4
Malaysia												
SIME DARBY PLANTATION BERHAD	4.64	7295.8	11.3	16.5	0.1	0.1	1.9	17.8	11.5	23.3	5.0	4.4
IOI CORP BHD	4.09	5777.5	14.6	16.0	0.2	0.1	2.4	17.3	14.2	15.1	3.7	2.9
KUALA LUMPUR KEPONG BHD	24.98	6123.4	11.7	14.2	0.9	0.6	2.0	18.8	14.1	103.5	4.1	4.0
GENTING PLANTATIONS BHD	7.17	1462.6	11.1	14.7	0.3	0.2	1.3	10.1	7.1	33.5	4.7	4.2
TA ANN HOLDINGS BERHAD	4.90	490.7	6.1	8.5	0.2	0.1	1.3	22.0	12.7	31.6	6.4	3.1
Simple Average			11.0	14.0				17.2	11.9			3.7

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 10 Jun 2022	Market Cap (USDm)	CY21 P/E (x)	CY22 P/E (x)	Current EPS	CY22 EPS	CY21 EV/EBITDA	CY21 EV/EBITDA	PBV (x)	CY21 ROE	CY22 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia														
TELEKOMUNIKASI INDONESIA PER	4,020	27235.0	15.2	13.8	198.0	207.9	5.6	5.2	3.1	20.9	21.6	20801.7	5.2	3.7
XL AXIATA TBK PT	2,560	1877.7	22.3	17.7	4.1	61.3	4.4	4.1	1.3	6.1	7.1	4908.3	1.9	2.0
INDOSAT TBK PT	6,625	3653.1	53.3	28.4	-345.6	-242.4	5.6	5.1	2.1	4.0	6.3	3050.7	0.5	26.4
Simple Average			30.3	20.0			5.2	4.8		10.3	11.7			10.7
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.52	30000.6	16.6	14.6	0.2	0.2	12.9	12.4	1.5	8.7	9.5	11.5	4.6	2.7
STARHUB LTD	1.25	1559.9	19.8	15.1	0.1	0.1	6.8	5.9	5.6	17.1	23.7	5.4	4.3	5.1
Simple Average			18.2	14.8			9.9	9.1		12.9	16.6			3.9
Thailand														
ADVANCED INFO SERVICE PCL	208.0	17812.7	21.8	19.5	10.2	10.8	7.9	7.5	8.2	33.5	35.2	801.5	3.9	3.7
TOTAL ACCESS COMMUNICATION	44.75	3051.0	27.4	23.5	0.6	2.7	6.0	5.8	5.8	19.1	22.3	158.6	3.5	4.7
Simple Average			24.6	21.5			6.9	6.6		26.3	28.7			4.2
Regional Average			25.2	18.9			7.0	6.6		15.6	18.0			6.9
Malaysia														
MAXIS BHD	3.39	6032.1	20.4	18.0	0.3	0.2	9.1	8.8	4.0	19.1	22.1	17.9	5.3	5.3
AXIATA GROUP BERHAD	2.96	6175.9	21.6	18.4	0.1	0.1	4.8	4.7	1.6	6.4	7.3	10.8	3.6	3.2
DIGI.COM BHD	3.17	5603.7	23.0	19.7	0.2	0.2	9.7	9.5	43.6	167.6	188.6	13.7	4.3	4.5
TELEKOM MALAYSIA BHD	5.05	4332.9	16.9	14.9	0.1	0.3	5.3	5.2	2.5	14.2	14.9	16.0	3.2	2.6
Simple Average			20.5	17.8			7.3	7.0		51.8	58.2			3.9

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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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