

20 June 2022

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- Citi banks on digital payment solutions for clients in Asia-Pacific, including S'pore
- Singtel to pay SGD330.0m to raise stake in Thai telco Intouch in deal with Temasek

INDONESIA NEWS HIGHLIGHTS

- Indonesia central bank says "plenty" of FX offers after rupiah falls
- Indonesia's Protelindo owner weighing USD1.0b stake sale

THAILAND NEWS HIGHLIGHTS

- KBank to transform Make app into digital bank
- Mazda to study EV plan in Thailand

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	14,825.0	1.87%
USD/SGD	1.39	0.19%
USD/THB	35.22	1.41%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,098.1	-2.63%
FSTFN	1,028.91	-1.75%
FSTCG	440.75	-3.15%
FSTTC	621.1	-1.86%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,937.0	-2.11%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,559.4	-4.49%
SETBANK	372.7	-1.50%
SETAGRI	268.1	-3.07%
SETCOMUN	178.6	-7.60%

Singapore's Corporate News

- **Citi banks on digital payment solutions for clients in Asia-Pacific, including S'pore**

Citigroup has become the latest financial player to widen digital payment offerings to Singapore and the region. The Spring by Citi service - for corporate clients - will be expanded to key markets in the Asia-Pacific, including Australia, Hong Kong and Singapore, the United States bank said on Wednesday (June 15). This means that consumers in these markets will now be able to pay for transactions online in more ways, including via local payment methods such as cards, e-wallets and bank transfers. *(Source: The Straits Times)*

- **Singtel to pay SGD330.0m to raise stake in Thai telco Intouch in deal with Temasek**

Singtel on Thursday (June 16) proposed to raise its stake in Intouch Holdings to 25.0% from 21.2% by acquiring an additional 3.8% stake from Temasek's wholly owned subsidiary Anderton Investments. Singtel will pay SGD330.0m in cash, which represents a 5.0% discount to the volume-weighted average price for each Intouch share on the Stock Exchange of Thailand calculated for 20 trading days before the date of the share purchase agreement. *(Source: The Straits Times)*

Indonesia's Corporate News

- **Indonesia central bank says "plenty" of FX offers after rupiah falls**

Indonesia's central bank sees plenty of foreign exchange offers in the market, the head of its monetary management department said, even as the rupiah dropped around 0.7% in early trading on Monday (June 13). "I see that in the market until now, even though (the rupiah) is weakening, offers remain plenty," he said in a text message. "We're continuing to monitor. (Bank Indonesia) will be in the market if (there are) uneven market mechanisms or bids-offers (are) uneven," he added, noting that the drop in the rupiah was in response to high U.S. inflation. *(Source: Channel News Asia)*

- **Indonesia's Protelindo owner weighing USD1.0b stake sale**

PT Sarana Menara Nusantara is considering selling a minority stake in its telecommunication tower unit PT Profesional Telekomunikasi Indonesia and is seeking as much as USD1.0b. Profesional Telekomunikasi, or Protelindo, as it is known, is working with a financial adviser on the sale of a 15.0% to 20.0% stake. The potential sale is targeting pension and infrastructure funds. *(Source: The Edge Markets)*

Thailand's Corporate News

- **KBank to transform Make app into digital bank**

Kasikornbank (KBank) plans to turn its Make by KBank mobile banking app into a purely digital bank and apply for a virtual banking licence from the Bank of Thailand (BoT). Kattiya Indaravijaya, KBank chief executive, said KBank was interested in applying for such a licence for the Make app if the central bank makes it available. KBank is awaiting clarity on the virtual banking licence after the central bank said it would be issued for new players, including virtual banks, to enter the local banking business. *(Source: Bangkok Post)*

- **Mazda to study EV plan in Thailand**

Mazda Sales (Thailand) Co is conducting a feasibility study into its plan to launch plug-in hybrid electric vehicles (PHEVs) and hybrid electric vehicles (HEVs) in Thailand, and expects to debut new car models within five years to serve the growing market. The Hiroshima-based company wants to seize the opportunity to market its EVs as the Thai government is promoting the use of more environmentally friendly cars as part of its efforts to reduce carbon dioxide emissions. *(Source: Bangkok Post)*

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20 June 2022

Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 17 June 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	7,500	62306.3	25.1	22.0	207.9	232.1	4.7	17.3	17.9	15633.6	2.1	1.9
BANK RAKYAT INDONESIA PERSER	4,370	44633.3	14.9	12.5	258.1	276.1	2.4	14.9	16.4	19866.5	4.5	4.0
BANK MANDIRI PERSERO TBK PT	8,075	25394.8	10.8	9.3	515.2	586.1	1.9	16.5	17.7	41332.3	5.1	4.5
BANK NEGARA INDONESIA PERSER	8,175	10273.8	9.6	7.7	821.3	836.6	1.2	12.3	13.7	20701.3	2.5	1.8
BANK DANAMON INDONESIA TBK	2,360	1554.4	6.1	N.A.	431.6	389.4	0.5	8.1	8.4	N.A.	N.A.	2.4
Simple Average			13.3	12.9				13.8	14.8			2.9
Singapore												
DBS GROUP HOLDINGS LTD	29.89	55352.2	10.4	8.9	2.2	2.5	1.4	12.8	14.2	141.8	4.7	4.6
OVERSEA-CHINESE BANKING CORP	11.42	36928.3	9.5	8.3	1.1	1.1	1.0	10.2	11.1	57.4	5.0	4.6
UNITED OVERSEAS BANK LTD	26.83	32330.5	10.3	8.5	2.4	2.6	1.0	10.4	12.0	131.1	4.9	4.5
Simple Average			10.1	8.5				11.1	12.4			4.6
Thailand												
SIAM COMMERCIAL BANK PUB CO	106.0	10114.9	8.9	8.2	12.7	12.9	0.8	8.9	9.2	463.0	4.4	3.8
BANGKOK BANK PUBLIC CO LTD	136.0	7357.1	8.4	7.7	18.9	19.3	0.5	6.1	6.4	519.4	3.8	2.6
KASIKORNBANK PCL	150.0	10072.0	8.4	7.7	16.1	16.2	0.7	8.5	8.8	449.1	3.0	2.2
KRUNG THAI BANK PUB CO LTD	15.6	6178.8	8.2	7.5	2.1	2.1	0.6	7.2	7.1	60.6	3.9	2.7
BANK OF AYUDHYA PCL	32.0	6670.8	8.4	7.8	3.4	4.3	0.7	8.4	8.7	79.8	2.5	2.7
Simple Average			8.5	7.8				7.8	8.0			2.8
Regional Average			10.7	9.7				10.9	11.6			3.2
Malaysia												
MALAYAN BANKING BHD	8.88	24180.7	12.4	10.7	0.7	0.7	1.3	9.5	10.8	55.7	6.3	6.5
CIMB GROUP HOLDINGS BHD	4.92	11723.3	9.9	8.1	0.5	0.5	0.8	8.3	9.5	24.7	5.0	4.7
PUBLIC BANK BERHAD	4.49	19826.7	15.0	12.5	0.3	0.3	1.8	11.8	13.2	15.3	3.4	3.4
HONG LEONG BANK BERHAD	21.00	10355.8	13.5	11.6	1.2	1.3	1.5	10.5	11.5	57.9	2.8	2.5
AMMB HOLDINGS BHD	3.73	2810.5	8.0	7.4	0.4	0.5	0.7	9.0	9.0	15.0	4.0	N.A.
RHB BANK BHD	5.88	5634.2	9.0	7.5	0.6	0.6	0.9	9.3	10.6	34.6	5.9	6.8
ALLIANCE BANK MALAYSIA BHD	3.40	1197.4	8.0	7.4	0.3	0.4	0.8	9.9	10.2	19.7	5.8	5.4
Simple Average			10.8	9.3				9.8	10.7			4.9

20 June 2022

Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 17 June 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	10,050	1303.5	6.7	6.6	832.7	317.6	0.9	12.9	11.8	13820.0	1.4	4.6
PP LONDON SUMATRA INDONES PT	1,170	538.0	5.9	6.2	82.9	36.8	0.8	12.5	11.1	5820.0	5.0	1.7
SAMPOERNA AGRO TBK PT	2,120	259.8	N.A.	N.A.	109.3	66.0	0.8	N.A.	N.A.	N.A.	N.A.	6.4
EAGLE HIGH PLANTATIONS TBK P	70	148.7	N.A.	N.A.	N.A.	N.A.	1.2	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	124	20.9	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			6.3	6.4				12.7	11.5			4.2
Singapore												
WILMAR INTERNATIONAL LTD	4.01	18111.8	9.9	9.5	0.2	0.2	0.9	9.4	9.5	12.4	4.3	3.9
GOLDEN AGRI-RESOURCES LTD	0.28	2509.5	4.4	7.1	0.0	0.0	0.5	15.7	10.5	1.5	7.6	5.8
OLAM INTERNATIONAL LTD	1.53	4230.6	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	5.6
Simple Average			7.1	8.3				12.6	10.0			5.1
Regional Average			6.7	7.4				12.6	10.7			4.7
Malaysia												
SIME DARBY PLANTATION BHD	4.46	7016.7	10.9	15.8	0.1	0.1	1.8	17.8	11.5	23.3	5.2	4.5
IOI CORP BHD	4.04	5710.1	14.4	15.8	0.2	0.1	2.4	17.3	14.2	15.1	3.7	3.0
KUALA LUMPUR KEPONG BHD	23.40	5739.3	10.9	13.3	0.9	0.6	1.9	18.8	14.1	103.5	4.4	4.3
GENTING PLANTATIONS BHD	6.70	1367.5	10.4	13.8	0.3	0.2	1.2	10.1	7.2	33.5	5.0	4.5
TA ANN HOLDINGS BERHAD	4.38	438.9	5.4	7.6	0.2	0.1	1.1	21.5	12.8	31.6	7.2	3.4
Simple Average			10.4	13.3				17.1	12.0			3.9

20 June 2022

Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 17 June 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														
TELKOM INDONESIA PERSERO TBK	4,120	27504.3	15.5	14.2	198.0	207.9	5.7	5.4	3.2	20.8	21.5	20266.5	4.9	3.6
PT XL AXIATA TBK	2,330	1684.0	20.3	16.1	4.1	61.3	4.2	3.9	1.2	6.1	7.1	4908.3	2.1	2.2
INDOSAT TBK PT	6,400	3477.4	51.5	27.4	-345.6	-242.4	5.5	5.0	2.0	4.0	6.3	3050.7	0.5	27.3
Simple Average			29.1	19.2			5.1	4.8		10.3	11.6			11.0
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.47	29352.5	16.3	14.3	0.2	0.2	12.6	12.2	1.4	8.7	9.6	11.5	4.7	2.8
STARHUB LTD	1.24	1544.6	19.7	14.9	0.1	0.1	6.8	5.8	5.5	17.1	23.7	5.4	4.4	5.2
Simple Average			18.0	14.6			9.7	9.0		12.9	16.7			4.0
Thailand														
ADVANCED INFO SERVICE PCL	202.0	17026.3	21.3	19.1	10.2	10.8	7.7	7.4	7.9	33.4	35.0	798.7	4.0	3.8
TOTAL ACCESS COMMUNICATION	44.5	2986.1	28.1	24.6	0.6	2.7	6.0	5.8	5.7	18.6	21.1	160.2	3.6	4.7
Simple Average			24.7	21.8			6.9	6.6		26.0	28.1			4.3
Regional Average			24.7	18.7			6.9	6.5		15.5	17.8			7.1
Malaysia														
MAXIS BHD	3.22	5732.9	19.4	17.1	0.3	0.2	8.8	8.5	3.8	19.1	22.1	17.9	5.6	5.6
AXIATA GROUP BERHAD	2.75	5741.0	20.1	17.1	0.1	0.1	4.7	4.5	1.5	5.9	7.2	10.8	3.9	3.5
DIGI.COM BHD	3.18	5624.6	22.9	19.5	0.2	0.2	9.7	9.5	43.7	167.6	188.5	13.9	4.4	4.5
TELEKOM MALAYSIA BHD	5.06	4343.9	17.0	14.9	0.1	0.3	5.3	5.2	2.5	14.2	14.9	16.0	3.2	2.6
Simple Average			19.8	17.2			7.1	6.9		51.7	58.2			4.0

20 June 2022

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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