

03 October 2022

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- Singapore tightens housing loan limits as rates rise
- Singtel completes sale of 3.3% stake in Bharti Airtel

INDONESIA NEWS HIGHLIGHTS

- Indonesia c.bank sees pressure on rupiah as temporary-official
- Structuring exports to promote mineral downstreaming: minister

THAILAND NEWS HIGHLIGHTS

- Thai c.bank raises rates, willing to adjust tightening as necessary
- Thailand's NBTC to issue ruling on DTAC-True merger plan

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	15,227.0	1.26%
USD/SGD	1.44	0.31%
USD/THB	37.85	0.75%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,130.2	-3.00%
FSTFN	1,078.92	-1.54%
FSTCG	406.44	-3.80%
FSTTC	654.1	-0.20%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	7,040.8	-1.92%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,589.5	-2.59%
SETBANK	370.9	-3.12%
SETAGRI	232.5	-4.61%
SETCOMUN	169.4	-0.53%

Singapore's Corporate News

- **Singapore tightens housing loan limits as rates rise**

Singapore has unveiled a package of measures for the property market, including tightening lending limits for housing loans in response to a rise in interest rates, as well as new steps to moderate demand. The move would ensure "prudent borrowing" and "avoid future difficulties" in servicing home loans, said Singapore's central bank, the Ministry of National Development and the Housing & Development Board in a joint statement late on Thursday. The measures - including lowering the amount of government loans available to buy public housing by 5 percentage points - were announced late on Thursday and came into effect from Friday. (Source: *The Star*)

- **Singtel completes sale of 3.3% stake in Bharti Airtel**

Singapore Telecommunications Ltd (Singtel) has concluded its planned sale of a 3.33% stake in Bharti Airtel for around \$1.8b (about Rs 14,400 crore). Bharti Telecom Ltd (BTL), a key promoter company of the Indian telco, has acquired around 3.2% of this stake, while the rest was bought by the public. "Singtel wishes to announce that its indirect wholly owned subsidiaries, Pastel Ltd and Viridian Ltd, have sold and transferred an aggregate of 198m shares of Bharti Airtel, representing approximately 3.3% of the total number of equity shares of the Indian telco," the Southeast Asian carrier said in a regulatory filing on Tuesday. (Source: *The Economic Times*)

Indonesia's Corporate News

- **Indonesia c.bank sees pressure on rupiah as temporary-official**

Pressure on Indonesia's rupiah is expected to be temporary, a senior Bank Indonesia (BI) official said on Thursday, predicting the currency would strengthen to reflect its fundamental value later in the year. Edi Susianto, who heads BI's monetary management department, told Reuters the central bank would prioritise policies that support the market mechanism and saw no need for capital controls. The rupiah hit its weakest since April 2020 on Wednesday, as currencies globally came under pressure amid a rally in the U.S. dollar. (Source: *Reuters*)

- **Structuring exports to promote mineral downstreaming: minister**

Investment Minister Bahlil Lahadalia on Monday outlined some measures to encourage mineral downstreaming, including structuring exports and disbursing investment incentives. "We are still arranging/structuring exports, that's why we are urging more and more companies to quickly establish downstreaming," he said at a press conference here. In order to regulate exports, wherein exports of some commodities will be restricted or prohibited, the government will only allow entrepreneurs who already have a smelter to carry out exports, he added. (Source: *Antara News*)

Thailand's Corporate News

- **Thai c.bank raises rates, willing to adjust tightening as necessary**

Thailand's central bank raised its key interest rate modestly for a second straight meeting on Wednesday to tame 14-year high inflation and said it was willing to adjust the size and timing of rate moves as necessary. The Bank of Thailand's (BOT) monetary policy committee, voted unanimously to increase the one-day repurchase rate (THCBIR=ECL) by 25 basis points to 1.00%. The move was forecast by 22 out of the 25 economists surveyed, with three having predicted a bigger half-point rise. (Source: Reuters)

- **Thailand's NBTC to issue ruling on DTAC-True merger plan**

The National Broadcasting and Telecommunications Commission (NBTC) is expected to rule on the planned merger between True and DTAC at the beginning of October. Pol Col Prawet Moonpramook, secretary to NBTC board's chairman, disclosed that the NBTC will consider the merger plan between True and DTAC on October 12. The NBTC is currently compiling all relevant information on the proposed merger for submission to the board for consideration. If the merger is successfully completed, the new entity will have a 52% market share compared to 44% held by Advanced Info Services (AIS). (Source: Bangkok Post)

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 September 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	8,550	69142.1	28.5	25.1	207.9	232.1	5.2	17.3	17.8	15524.8	1.8	1.7
BANK RAKYAT INDONESIA PERSER	4,490	44640.5	14.4	12.4	258.1	276.1	2.4	15.4	16.7	21136.9	4.7	3.9
BANK MANDIRI PERSERO TBK PT	9,425	28852.9	11.7	10.3	515.2	586.1	2.2	17.2	17.9	41903.3	4.4	3.8
BANK NEGARA INDONESIA PERSER	8,975	10979.5	10.0	8.2	821.3	836.6	1.3	12.9	14.2	21451.7	2.4	1.6
BANK DANAMON INDONESIA TBK	2,540	1628.5	7.8	7.2	431.6	389.4	0.5	7.5	7.8	5600.0	2.2	2.2
Simple Average			14.5	12.7				14.1	14.9			2.7
Singapore												
DBS GROUP HOLDINGS LTD	33.39	59863.2	11.1	9.3	2.2	2.5	1.5	13.4	15.0	146.1	4.4	4.2
OVERSEA-CHINESE BANKING CORP	11.83	37034.7	9.2	8.2	1.1	1.1	1.0	10.9	11.6	59.8	5.1	4.7
UNITED OVERSEAS BANK LTD	26.16	30517.4	9.9	8.2	2.4	2.6	1.1	10.5	12.1	129.5	5.0	4.6
Simple Average			10.1	8.6				11.6	12.9			4.5
Thailand												
SCB X PCL	104.0	9255.4	8.8	7.9	12.7	12.9	0.8	8.8	9.1	470.1	4.5	3.9
BANGKOK BANK PUBLIC CO LTD	136.5	6886.7	8.4	7.3	18.9	19.3	0.5	6.0	6.5	506.4	3.7	2.9
KASIKORNBANK PCL	144.0	9017.7	8.1	7.4	16.1	16.2	0.7	8.6	8.9	454.1	3.2	2.3
KRUNG THAI BANK PUB CO LTD	16.7	6168.9	7.8	7.2	2.1	2.1	0.7	7.9	8.0	69.5	4.2	2.5
BANK OF AYUDHYA PCL	31.5	6124.1	7.9	7.5	3.4	4.3	0.7	8.9	9.0	94.0	3.0	2.7
Simple Average			8.2	7.5				8.0	8.3			2.9
Regional Average			11.1	9.7				11.2	11.9			3.2
Malaysia												
MALAYAN BANKING BHD	8.58	22162.0	12.1	10.3	0.7	0.7	1.2	9.4	10.9	56.4	6.6	6.8
CIMB GROUP HOLDINGS BHD	5.13	11588.9	9.6	8.2	0.5	0.5	0.9	8.7	9.8	26.0	5.1	5.0
PUBLIC BANK BERHAD	4.23	17708.5	13.9	11.7	0.3	0.3	1.7	11.8	13.4	16.0	3.8	3.7
HONG LEONG BANK BERHAD	20.50	9584.2	11.1	10.3	1.2	1.3	1.4	11.8	11.7	67.3	3.3	2.6
AMMB HOLDINGS BHD	3.90	2785.6	8.0	7.5	0.4	0.5	0.8	9.3	9.3	15.9	4.1	1.3
RHB BANK BHD	5.56	5050.9	8.7	7.2	0.6	0.6	0.9	9.1	10.5	32.6	5.9	7.2
ALLIANCE BANK MALAYSIA BHD	3.53	1178.6	8.0	7.4	0.3	0.4	0.9	10.3	10.5	20.5	5.8	5.2
Simple Average			10.2	8.9				10.0	10.9			4.5

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 September 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	8,250	1041.6	7.4	7.7	832.7	317.6	0.8	8.9	7.6	47917.4	5.8	5.6
PP LONDON SUMATRA INDONES PT	1,080	483.4	6.9	7.4	82.9	36.8	0.7	9.6	8.3	4350.0	4.0	4.7
SAMPOERNA AGRO TBK PT	2,100	250.5	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	66	136.5	N.A.	N.A.	N.A.	N.A.	1.1	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	132	21.6	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			7.2	7.5				9.3	7.9			5.6
Singapore												
WILMAR INTERNATIONAL LTD	3.84	16696.2	9.2	9.0	0.2	0.2	0.8	9.4	8.8	12.9	4.8	4.3
GOLDEN AGRI-RESOURCES LTD	0.27	2341.1	3.6	5.6	0.0	0.0	0.5	13.4	8.2	1.8	9.8	6.1
OLAM GROUP LTD	1.31	3506.7	N.A.	N.A.	0.1	0.1	0.8	N.A.	N.A.	N.A.	N.A.	6.5
Simple Average			6.4	7.3				11.4	8.5			5.6
Regional Average			6.8	7.4				10.4	8.2			5.6
Malaysia												
SIME DARBY PLANTATION BHD	4.09	6100.4	10.8	14.6	0.1	0.1	1.5	16.2	11.2	22.2	5.4	5.0
IOI CORP BHD	3.77	5051.2	15.6	17.9	0.2	0.1	2.1	13.5	11.4	12.7	3.4	3.7
KUALA LUMPUR KEPONG BHD	20.70	4813.4	9.5	12.2	0.9	0.6	1.6	17.6	12.4	100.1	4.8	4.8
GENTING PLANTATIONS BHD	5.74	1110.7	8.3	11.9	0.3	0.2	1.0	11.0	7.1	33.4	5.8	5.9
TA ANN HOLDINGS BERHAD	3.23	306.8	4.3	6.3	0.2	0.1	0.8	18.7	10.8	39.0	12.1	15.5
Simple Average			9.7	12.6				15.4	10.6			7.0

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 30 September 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	4,460	28983.0	16.7	15.5	198.0	207.9	6.2	5.8	3.7	20.1	20.2	18156.2	4.1	3.4
PT XL AXIATA TBK	2,460	1730.7	19.6	15.9	4.1	61.3	4.5	4.2	1.3	6.5	7.1	5495.0	2.2	2.1
INDOSAT TBK PT	7,250	3834.6	20.8	33.8	-345.6	-242.4	5.5	5.1	2.0	11.2	6.0	10415.7	1.4	27.5
Simple Average			19.0	21.7			5.4	5.0		12.6	11.1			11.0
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.66	30588.3	18.0	15.3	0.2	0.2	13.4	12.8	1.6	8.6	9.6	11.3	4.2	3.5
STARHUB LTD	1.10	1325.6	17.2	13.4	0.1	0.1	6.6	5.8	5.0	20.2	24.4	5.4	4.9	5.8
Simple Average			17.6	14.4			10.0	9.3		14.4	17.0			4.7
Thailand														
ADVANCED INFO SERVICE PCL	195.0	15329.0	21.4	19.2	10.2	10.8	7.7	7.3	7.0	32.3	34.2	764.3	3.9	3.9
TOTAL ACCESS COMMUNICATION	45.5	2847.5	32.8	28.6	0.6	2.7	6.2	6.0	5.6	16.2	19.4	145.2	3.2	4.2
Simple Average			27.1	23.9			6.9	6.6		24.2	26.8			4.1
Regional Average			20.9	20.2			7.2	6.7		16.4	17.3			7.2
Malaysia														
MAXIS BHD	3.51	5927.6	21.4	19.0	0.3	0.2	9.4	9.0	4.2	18.9	21.8	19.2	5.5	5.4
AXIATA GROUP BERHAD	2.62	5185.7	18.8	16.1	0.1	0.1	5.2	5.0	1.4	6.8	7.7	10.2	3.9	2.1
DIGI.COM BHD	3.38	5667.8	25.6	21.0	0.2	0.2	10.3	9.4	46.9	163.3	182.2	13.4	4.0	4.0
TELEKOM MALAYSIA BHD	5.47	4468.5	16.4	14.4	0.1	0.3	5.5	5.4	2.6	16.0	16.6	17.4	3.2	2.7
Simple Average			20.6	17.6			7.6	7.2		51.2	57.1			3.6

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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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