

27 March 2023

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Research Highlights

SINGAPORE NEWS HIGHLIGHTS

- OCBC Bank opens Wuhan branch
- Singtel users grapple with slower network speeds after submarine cables damaged; other telcos unaffected

INDONESIA NEWS HIGHLIGHTS

- BIS to trial Asian instant payments link
- SIG implements surface mining to support sustainable mining

THAILAND NEWS HIGHLIGHTS

- EV price war in Thailand heats up as Bangkok Motor Show commences
- Thailand's smartphone market declined by 21.0% in 2022 to 16.6m units

Currency Exchange

Currency	Today	1-Week Chg (%)
USD/IDR	15,153.0	-1.25%
USD/SGD	1.33	-0.75%
USD/THB	34.22	0.44%

Singapore

Indices	Today	1-Week Chg (%)
FSSTI	3,212.6	0.92%
FSTFN	1,120.25	2.01%
FSTCG	438.32	-0.15%
FSTTC	593.4	-1.35%

Indonesia

Indices	Today	1-Week Chg (%)
JCI	6,762.3	1.26%

Thailand

Indices	Today	1-Week Chg (%)
SET	1,591.9	1.80%
SETBANK	371.5	0.47%
SETAGRI	226.3	1.54%
SETCOMUN	168.2	2.49%

Singapore's Corporate News

- **OCBC Bank opens Wuhan branch**

Singapore-based OCBC Bank on Tuesday (March 21) officially opened a branch in Wuhan, the capital of Hubei Province in Central China, under its wholly-owned China banking subsidiary OCBC Wing Hang Bank (China) Limited. The launch of the branch in Wuhan, one of China's largest transport, industrial and manufacturing hubs, supports OCBC Bank's ambitions to capture the growing trade and investment flows between Greater China and Asean. The Wuhan branch brings OCBC Wing Hang China's network in the country to 19 branches across 14 cities. *(Source: The Asset)*

- **Singtel users grapple with slower network speeds after submarine cables damaged; other telcos unaffected**

Singtel users have experienced a slowdown in network speeds when connecting to websites and servers in the United States after a few submarine cables were damaged in February. In response to queries, a Singtel spokesman on Tuesday (March 21) said the cables, owned by a consortium of global telcos, were damaged in the course of fishing-related activities and seabed movements caused by earthquakes. Cables had to be shut down for repairs and that, too, affected some of the cables, she added. *(Source: The Straits Times)*

Indonesia's Corporate News

- **BIS to trial Asian instant payments link**

Five central banks from South-east Asia will work with the Bank for the International Settlements to connect their instant payment systems (IPS) for cross-border payments. The BIS said its network prototype, called Nexus, aims to create a standardised way to link different countries' IPS. The central banks of Indonesia, Malaysia, the Philippines, Singapore and Thailand will work with the BIS on the project. They plan to set up a panel, consisting of central banks and payment system operators. *(Source: Central Banking)*

- **SIG implements surface mining to support sustainable mining**

State-run cement producer PT Semen Indonesia (Persero) Tbk, or SIG, through a statement, stated that the company continues to implement surface mining technique in its operations to support the government's efforts to realize sustainable mining. SIG's Corporate Secretary, Vita Mahreyni, stated that the implementation of surface mining had begun since 2012 as a form of improvisation in SIG's mining activities. This aims to handle the direct impact of explosive mining at locations within 500-700 m of residential areas. *(Source: ANTARA News)*

Thailand's Corporate News

- **EV price war in Thailand heats up as Bangkok Motor Show commences**

The electric vehicle price war has reached Thailand, with Chinese, Japanese and South Korean automakers offering steep discounts on new models at the kingdom's annual international motor show, which opened this week. At the Bangkok Motor Show, BYD, China's leading electric vehicle maker, launched its new low-priced electric hatchback at THB799.9k (USD23.5k), half the global average price for an electric vehicle. BYD began taking orders for the Dolphin on Tuesday (March 21), promising that orders made by April 30 will be delivered in July, said BYD's Asia-Pacific general manager. *(Source: Nikkei Asia)*

- **Thailand's smartphone market declined by 21.0% in 2022 to 16.6m units**

According to the International Data Corporation (IDC) Worldwide Quarterly Mobile Phone Tracker, the Thai smartphone market declined by 21.0% ending 2022 with 16.6m shipments marking the lowest number of units sold in a year since 2014. Shipments fell 23.0% year over year (YoY) or to 4.2m units in 4Q22. The lack of government stimulus campaigns in 2022 which increased smartphone adoption in the previous year, coupled with the economic and inflationary pressures contributed to the steep decline in shipments, particularly in the entry-level smartphone segment (<USD200) which shrank to 59.0% of the market, down from 64.0% a year ago. The average selling price (ASP) increased to USD329, rising 15.0% YoY in 2022. *(Source: IDC)*

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Regional Banking peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 March 2023	Market Cap (USDm)	CY22 P/E (x)	CY23 P/E (x)	Current EPS	CY22 EPS	PBV (x)	CY22 ROE	CY23 ROE	Est. DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
BANK CENTRAL ASIA TBK PT	8,825	71761.4	23.6	21.4	316.0	374.3	4.9	19.6	19.5	19286.1	2.2	1.8
BANK RAKYAT INDONESIA PERSER	4,770	47687.1	12.5	11.2	325.4	382.4	2.4	18.3	19.2	27889.9	5.8	6.0
BANK MANDIRI PERSERO TBK PT	10,900	33553.2	11.0	9.9	847.2	994.6	2.2	19.1	19.4	54729.6	5.0	4.9
BANK NEGARA INDONESIA PERSER	9,625	11839.9	8.3	7.4	945.0	1155.2	1.3	15.0	15.3	34008.2	3.5	1.5
BANK DANAMON INDONESIA TBK	2,830	1824.5	7.5	6.9	325.2	378.3	0.6	7.7	7.9	11300.0	4.0	2.0
Simple Average			12.6	11.3				15.9	16.3			3.2
Singapore												
DBS GROUP HOLDINGS LTD	33.37	64614.7	8.8	8.6	3.1	3.8	1.5	16.9	16.4	180.3	5.4	4.3
OVERSEA-CHINESE BANKING CORP	12.36	41710.7	8.1	8.0	1.4	1.5	1.0	12.5	12.1	77.8	6.3	4.5
UNITED OVERSEAS BANK LTD	29.29	36843.8	8.7	8.2	2.8	3.4	1.2	12.9	12.9	161.0	5.5	4.1
Simple Average			8.6	8.3				14.1	13.8			4.3
Thailand												
SIAM COMMERCIAL BANK PUB CO	102.5	10099.5	7.8	7.2	11.9	13.1	0.7	9.3	9.6	498.2	4.9	4.0
BANGKOK BANK PUBLIC CO LTD	153.0	8546.3	7.9	7.2	16.1	19.4	0.6	7.1	7.3	602.0	3.9	2.6
KASIKORNBANK PCL	131.5	9117.3	7.2	6.5	17.9	18.2	0.6	8.1	8.7	479.2	3.6	2.5
KRUNG THAI BANK PUB CO LTD	16.9	6911.8	6.7	6.4	2.4	2.5	0.6	9.0	9.0	81.6	4.8	2.5
BANK OF AYUDHYA PCL	29.0	6242.3	6.6	6.3	4.1	4.4	0.6	8.8	8.9	106.5	3.7	2.9
Simple Average			7.2	6.7				8.5	8.7			2.9
Regional Average			9.6	8.9				12.6	12.8			3.4
Malaysia												
MALAYAN BANKING BHD	8.43	22762.5	10.7	10.2	0.7	0.8	1.2	10.7	10.9	61.3	7.3	6.9
CIMB GROUP HOLDINGS BHD	5.19	12399.1	8.3	7.7	0.5	0.6	0.9	10.1	10.3	32.6	6.3	5.0
PUBLIC BANK BERHAD	3.90	16957.5	10.9	10.5	0.3	0.4	1.5	13.3	12.9	18.2	4.7	4.4
HONG LEONG BANK BERHAD	19.98	9701.9	10.7	10.0	1.6	1.9	1.3	12.1	12.0	67.2	3.4	2.9
AMMB HOLDINGS BHD	3.62	2681.7	7.1	6.7	0.4	0.5	0.7	9.6	9.6	17.2	4.8	3.3
RHB BANK BHD	5.44	5175.8	7.2	6.7	0.6	0.8	0.8	10.6	10.8	44.2	8.1	7.4
ALLIANCE BANK MALAYSIA BHD	3.26	1130.5	7.4	7.1	0.4	0.4	0.8	10.4	10.4	20.8	6.4	6.8
Simple Average			8.9	8.4				11.0	11.0			5.2

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Regional Plantation peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 March 2023	Market Cap (USDm)	CY22 P/E (x)	CY23 P/E (x)	Current EPS	CY22 EPS	PBV (x)	CY22 ROE	CY23 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia												
ASTRA AGRO LESTARI TBK PT	7,950	1009.3	9.7	9.7	832.7	317.6	0.7	7.7	7.8	28850.0	3.6	5.6
PP LONDON SUMATRA INDONES PT	1,005	452.3	7.5	8.0	82.9	36.8	0.6	8.0	7.3	5310.8	5.3	5.1
SAMPOERNA AGRO TBK PT	2,080	249.5	N.A.	N.A.	109.3	66.0	0.8	N.A.	N.A.	N.A.	N.A.	10.8
EAGLE HIGH PLANTATIONS TBK P	56	116.5	N.A.	N.A.	N.A.	N.A.	0.9	N.A.	N.A.	N.A.	N.A.	N.A.
BAKRIE SUMATERA PLANTATIO PT	114	18.8	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Simple Average			8.6	8.8				7.9	7.6			7.1
Singapore												
WILMAR INTERNATIONAL LTD	4.18	19593.0	10.2	9.4	0.2	0.2	1.0	9.5	9.6	13.5	4.3	3.9
GOLDEN AGRI-RESOURCES LTD	0.29	2761.4	7.0	8.1	0.0	0.0	0.6	11.1	7.1	1.0	4.6	5.5
OLAM INTERNATIONAL LTD	1.49	4293.9	N.A.	N.A.	0.1	0.1	0.8	N.A.	N.A.	N.A.	N.A.	5.7
Simple Average			8.6	8.7				10.3	8.4			5.1
Regional Average			8.6	8.8				9.1	8.0			6.1
Malaysia												
SIME DARBY PLANTATION BHD	4.22	6537.4	17.1	18.8	0.1	0.1	1.6	10.0	8.8	14.1	3.3	5.3
IOI CORP BHD	3.78	5255.8	15.2	18.3	0.2	0.1	2.1	13.8	10.8	13.2	3.5	3.7
KUALA LUMPUR KEPONG BHD	20.80	5024.7	13.7	16.7	0.9	0.6	1.6	11.2	9.3	75.9	3.6	4.8
GENTING PLANTATIONS BHD	5.90	1185.8	13.7	14.5	0.3	0.2	1.0	6.7	6.4	24.1	4.1	5.8
TA ANN HOLDINGS BERHAD	3.05	300.9	6.8	8.0	0.2	0.1	0.8	10.6	9.5	23.1	7.6	13.1
Simple Average			13.3	15.3				10.5	9.0			6.5

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Regional Telco peers comparison based on Bloomberg estimation

Company Names	Local Share Price @ 24 March 2023	Market Cap (USDm)	CY22 P/E (x)	CY23 P/E (x)	Current EPS	CY22 EPS	CY21 EV/EBITDA	CY21 EV/EBITDA	PBV (x)	CY22 ROE	CY23 ROE	Best DPS (sen)	Est. Yield (%)	Historical 12 Mth Div Yield
Indonesia														
TELKOM INDONESIA PERSERO TBK	4,070	26595.2	14.6	13.6	247.7	207.9	5.4	5.1	3.1	20.4	20.7	18799.3	4.6	3.7
PT XL AXIATA TBK	2,000	1732.0	18.0	14.5	4.1	61.3	4.2	4.0	1.0	5.7	6.5	4132.1	2.1	2.6
INDOSAT TBK PT	7,050	3749.5	21.4	15.8	632.5	270.6	4.8	4.4	2.0	9.7	10.9	16907.8	2.4	3.5
Simple Average			18.0	14.6			4.8	4.5		11.9	12.7			3.3
Singapore														
SINGAPORE TELECOMMUNICATIONS	2.38	29494.4	17.5	15.0	0.2	0.2	12.3	11.7	1.4	7.9	9.0	13.2	5.5	5.0
STARHUB LTD	1.02	1325.1	15.2	12.8	0.1	0.1	6.1	5.5	5.3	22.6	25.5	5.4	5.3	6.3
Simple Average			16.4	13.9			9.2	8.6		15.2	17.3			5.6
Thailand														
ADVANCED INFO SERVICE PCL	213.0	18517.1	22.0	20.1	10.2	10.8	8.0	7.6	7.4	32.4	33.9	815.3	3.8	3.6
TRUE CORP PCL/NEW	8.55	8635.0	38.9	32.8	0.1	0.4	9.8	10.1	N.A.	13.7	17.6	19.5	2.3	3.9
Simple Average			30.4	26.4			8.9	8.9		23.0	25.7			3.8
Regional Average			18.1	15.3			6.8	6.4		16.5	17.8			4.1
Malaysia														
MAXIS BHD	3.98	6980.9	22.1	21.2	0.3	0.2	10.0	9.8	4.9	21.8	22.8	19.4	4.9	5.0
AXIATA GROUP BERHAD	2.99	6147.8	20.8	19.2	0.1	0.1	5.9	5.6	1.1	4.8	5.6	11.2	3.7	4.7
DIGI.COM BHD	4.27	11221.2	27.5	25.0	0.2	0.2	10.1	9.9	N.A.	10.8	43.1	14.5	3.4	2.9
TELEKOM MALAYSIA BHD	4.81	4118.0	13.6	13.3	0.1	0.3	4.8	4.7	2.3	15.8	14.6	18.0	3.7	3.4
Simple Average			21.0	19.6			7.7	7.5		13.3	21.5			4.0

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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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Published by:

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