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At a Glance

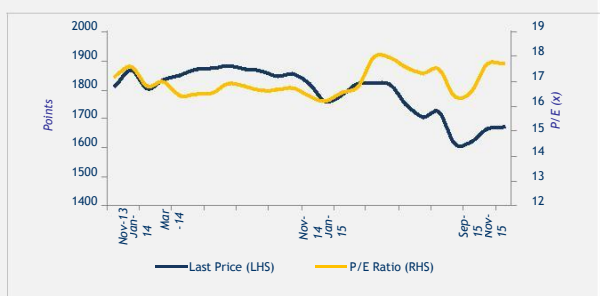
FBMKLCI rose 7.22 points to finish at 1,670.73 lifted by selected blue chips, bucking the trend at most regional markets(See full report next page)

Corporate Highlights

- **Bumi Armada, BUY (TP: 1.20):** Unit gets RM4.8bil facility
- **Mah Sing, HOLD (TP: RM1.34):** Gets RM36mil refund on aborted Seremban land deal
- **Parkson Holding, HOLD (CP: RM1.04):** Retail loses appeal, to pay RM93m in arbitral award

Economic Update

- **Japan:** Factory output slumps as recovery stumbles
- **South Korea:** Dec exports seen falling for 12th month
- **Thailand:** Exports fall for 11th straight month in November



KEY ECONOMIC RELEASE

	Date	Local Time	Event	Survey	Prior
CN	28-31 Dec	-	Leading Index	-	98.36
JP	28-Dec	7:50 AM	Industrial Production MoM	-	1.4%
JP	28-Dec	7:50 AM	Industrial Production YoY	-	-1.4%
JP	28-Dec	7:50 AM	Retail Trade YoY	-	1.8%
JP	28-Dec	7:50 AM	Retail Sales MoM	-	1.1%
US	29-Dec	10:00 PM	S&P/CS Composite-20 YoY	5.50%	5.45%
US	29-Dec	10:00 PM	S&P/CaseShiller 20-City Index	183.28	182.91
US	29-Dec	11:00 PM	Consumer Confidence Index	94.0	90.4
EU	30-Dec	5:00 PM	M3 Money Supply YoY	5.1%	5.3%
US	30-Dec	11:00 PM	Pending Home Sales MoM	0.6%	0.2%
US	31-Dec	9:30 PM	Initial Jobless Claims	-	-
US	31-Dec	9:30 PM	Continuing Claims	-	-
MY	31-Dec	6:00 PM	Money Supply M3 YoY	-	4.0%
CN	1-Jan	9:00 AM	Manufacturing PMI	49.8	49.6
CN	1-Jan	9:00 AM	Non-manufacturing PMI	-	53.6

Bursa Malaysia

	Close	Change+/-	(+/- %)
FBMKLCI	1,670.73	7.22	0.43
FBMEMAS	11,674.09	46.38	0.40
FBMEMAS SHA	12,659.44	53.66	0.43
FBM100	11,346.81	44.36	0.39
Volume (mn)	1,908.83	278.07	17.05
Value (RMmn)	1,715.85	80.87	4.95
FBMKLCI YTD Chg			-5.14

Daily Trading Position (RM'mn)

	Participation (%)	Net(RMm)
Local Retail	23.3	-11.6
Local Institution	52.1	-106.3
Foreign Investors	24.6	117.9

Top Gainers

	Close	Change+/-	(+/- %)
PETDAG	25.00	1.00	4.17
PANASONIC MAN	24.58	0.50	2.08
LPI CAPITAL BHD	15.86	0.36	2.32

Top Losers

	Close	Change+/-	(+/- %)
TOP GLOVE CORP	13.46	-0.18	-1.32
PIE INDUSTRIAL	10.64	-0.16	-1.48
KOSSAN RUBBER	9.10	-0.16	-1.73

World Indices

	Close	Change+/-	(+/- %)
DJIA	17,528.27	-23.90	-0.14
NASDAQ	5,040.99	-7.51	-0.15
S&P 500	2,056.50	-4.49	-0.22
FTSE 100	6,254.64	13.66	0.22
DAX	10,653.91	-73.73	-0.69
Nikkei 225	18,873.35	104.29	0.56
HSI	21,919.62	-218.51	-0.99
KOSPI	1,964.06	-26.59	-1.34
STI	2,873.01	-4.61	-0.16
KLCI Futures	1599.0	9.5	0.0
USDMYR 3M	13.1	-0.04	0.0
USDMYR 6M	13.1	0.0	0.0
USDMYR 12M	13.10	0.02	0.00

Other Key Economics Data

	Close	Change+/-	(+/- %)
WTI (USD/bbl)	37	0.0	-0.1%
Brent (USD/bbl)	36.6	-1.3	-3.4%
Gold(USD/ounce)	1,069	-0.3	0.0%
Coal (USD/mt)	51.4	0.0	0.0%
CPO (RM/mt)	2,449	-38.0	-1.5%
Rubber	120	-3.4	-2.8%
RM/USD	4.30	-0.0255	0.59%
EUR/USD	0.91	-0.0002	-0.02%
YEN/USD	121.69	0.01	-0.01%

What To Expect

U.S. Market

- The Dow Jones Industrials Average eased 23.90 points to 17,528.27 points, S&P 500 was 4.49 points marginally lower at 2,056.50. Nasdaq fell 7.51 points to 5,040.99. Wall Street fell yesterday, hurt by a steep drop oil prices as well as a dip in Apple shares, pushing the S&P 500 back into negative territory for 2015.
- Crude again moved within sight of an 11-year low. Brent settled at \$36.62 and U.S. crude settled at \$36.81 as last week's short-covering dried up and players worried that prices had more room to swoon.

The Local Market

- FBMKLCI rose 7.22 points to finish at 1,670.73 lifted by selected blue chips, bucking the trend at most regional markets. There were 551 gainers and 331 decliners in total value traded of RM1.71 billion.
- Among the gainers on Bursa Malaysia were PetDag gained RM1.00 to RM25.00, Panasonic Manufacturing added 50 cent to RM24.58, LPI Capital increased 36 cent to RM15.86 and Time DotCom up 35 cent to RM7.46.

Strategy

- Our 2015 year-end target is 1,660 based on PER of 15.6x. FBMKLCI is a **NEUTRAL**. We have **OVERWEIGHT** call on construction and telco respectively. We predict Malaysia to grow by 5.0% in 2015.

CORPORATE HIGHLIGHTS

Bumi Armada, BUY (TP: 1.20): Unit gets RM4.8bil facility

Oil and gas services provider Bumi Armada Bhd's wholly-owned subsidiary, Armada Cabaca Ltd, has secured a syndicated facility worth US\$1.12bil (RM4.8bil). It comprised of a term loan facility, a standby letter of credit facility and a bank guarantee facility. The facility's lenders included Credit Industriel et Commercial, Intesa Sanpaolo SpA, KfW IPEX-Bank GmbH, The Korea Development Bank, National Bank of Abu Dhabi PJSC, Natixis, Oversea-Chinese Banking Corp, Societe Generale, Standard Chartered Bank and Sumitomo Mitsui Banking Corp. (Source: *The Edge*)

Mah Sing, HOLD (TP: RM1.34): Gets RM36mil refund on aborted Seremban land deal

Mah Sing Group Bhd, which terminated its proposed RM359.56mil purchase of 425.3ha in Seremban where it had planned a multi-billion-ringgit property project, has received a full deposit refund of RM35.96mil. The property developer, which discovered that a caveat had been lodged on the land, said the vendors had offered to settle the dispute out of court by refunding the deposit

to its unit Grand Prestige Development Sdn Bhd by Dec 31. This was in consideration of Mah Sing and the vendors withdrawing all claims against each other, and with the vendors receiving all interest accrued from the deposit kept with the stakeholder. *(Source: The Star)*

Parkson Holding, HOLD (CP: RM1.04): Retail loses appeal, to pay RM93m in arbitral award

Parkson Holdings Bhd's retail subsidiary in China has lost its final appeal to revoke an arbitral award made in favour of its former landlord and must pay about 141 million yuan (RM93.2mil). The department store operator told Bursa Malaysia on Monday that a Beijing court on Dec 25 rejected the application by Hong Kong-listed Parkson Retail Group Ltd (PRGL), a 53.07% owned subsidiary, to revoke the award issued by China International Economic and Trade Arbitration Commission in March. *(Source: The Edge)*

LPI Capital (CP: RM15.86): Gains RM37.1mil from selling Public Bank shares

General insurance provider LPI Capital Bhd is expected to gain about RM37.1mil after its disposal of 2.5 million Public Bank Bhd (PBB) shares, representing 0.06% of PBB's share capital. LPI said it had on Monday disposed of the PBB shares on the open market for RM45.99mil in cash or RM18.39 per PBB share. PBB shares closed trading at 18.38 on Monday, with 4.046 million shares traded. *(Source: The Star)*

UEM Edgenta (CP: RM3.29): Wins RM109mil S'gor road maintenance contract

UEM Edgenta Bhd has been awarded a five-year road maintenance contract by the Selangor Public Works Department worth RM109.06mil. The facilities and project management company told Bursa Malaysia that its unit Edgenta Propel Bhd (formerly Projek Penyelenggaraan Lebuhraya Bhd) would undertake the contract for the maintenance of Zone 3 state roads in Selangor from Feb 1 next year to Jan 31, 2021. The statement did not elaborate on the locations of Zone 3 in the state. The contract is expected to contribute positively to the group's future earnings and net assets per share. *(Source: The Star)*

Ewein (CP: RM1.28): Buys RM162mil freehold land in Penang

Ewein Bhd has entered into a sales and purchase agreement with Consortium Zenith BUCG Sdn Bhd to acquire a 4.43-acre freehold land in Penang for RM162mil. Its subsidiary Ewein Zenith II Sdn Bhd signed the agreement with Consortium Zenith for the land in Section 1, Bandar Tanjong Pinang, Penang. *(Source: The Edge)*

Poh Huat (CP: RM2.10): Gets RM3.83m interim payment for fire damage

Poh Huat Resources Holdings Bhd said adjuster Crawford Vietnam Co Ltd has proposed an interim payment of VND22 billion (RM3.83 million) as fire damage claim in relation to a fire incident that occurred at Poh Huat's manufacturing facilities in Binh Duong, Vietnam, on Aug 23. Poh Huat said it has received the first portion of VND11 billion on Dec 11 and the second portion of VND11 billion on Dec 23. This follows a fire claim of US\$3.62 million (RM15.57 million) that Poh Huat had submitted to its insurance company, Bao Minh Insurance Corp, on Sept 17. Poh Huat said it is now preparing the fire consequential loss claim. *(Source: The Edge)*

Inix Technologies (CP: RM0.07): Cautious about new venture, focusing on project delivery

Information technology services provider Inix Technologies Holdings Bhd is being cautious about its new foray into the sand dredging and land reclamation business, and is focusing on delivering projects currently under its belt rather than shoring up business. Inix executive director Mohd Anuar Mohd Hanadzlah said today the company is focusing on delivering its projects and is not currently bidding for any projects. (Source: *The Edge*)

Yinson (CP: RM2.90): 3Q net profit slips 1.2% on impairments

Yinson Holdings Bhd saw its net profit slip 1.2% to RM85.74 million in its third financial quarter ended Oct 31, 2015 (3QFY15), from RM86.79 million a year ago, on impairment of available-for-sale financial assets and plant and equipment. Revenue for the quarter fell 3.5% to RM246.41 million, from RM255.22 million in 3QFY14. For the cumulative nine months period (9MFY15), the group's net profit rose 18.1% to RM174.57 million, from RM147.77 million in 9MFY14. Revenue, however, dropped 11.5% to RM734.46 million in 9MFY15, from RM829.8 million a year ago. (Source: *The Edge*)

ASNB: Declares 6.10 sen income distribution for ASN

Amanah Saham Nasional Bhd (ASNB), the wholly-owned unit of Permodalan Nasional Bhd (PNB), on Monday announced an income distribution of 6.10 sen per unit for Amanah Saham Nasional (ASN) for the financial year ended Dec 31, 2015. That compares with 6.45 sen per unit announced in 2014. PNB chairman Tun Ahmad Sarji Abdul Hamid said the income distribution would involve a total payout of RM106.72 million and benefit 1.25 million unitholders who currently hold a combined 1.75 billion ASN units. As of Dec 23, ASN had recorded gross income of RM126.27 million. Of the amount, profit from the sale of shares contributed 63.3%, followed by dividend income from investment in companies (28%) and other instruments (8.7%). (Source: *The Star*)

ECONOMIC UPDATES**Japan: Factory output slumps as recovery stumbles**

Japan's factory output declined in November, official data showed on Monday, falling back after two months of gains as the economy struggles to mount a recovery. The disappointing data - industrial production fell 1% from a month earlier - comes after separate figures last week showed persistently weak inflation and household spending. The numbers underscore Tokyo's challenge in conquering years of deflation and tepid growth with the prime minister's "Abenomics" policy blitz. Monday's decline in factory output was worse than market expectations for a 0.4% contraction. The government forecast stronger figures this month and in January. (Source: *The Star*)

South Korea: Dec exports seen falling for 12th month

South Korea's exports likely fell for a 12th straight month in December, a Reuters survey found, as demand from emerging market economies and China remained poor and global oil prices stayed low. The median forecast from 15 economists is for South Korean exports to fall 10.9% in December in dollar

terms from a year earlier, slumping from a 4.8% decline in November. Such a decline, however, would not be as severe as the 16% fall reported in October, the sharpest contraction in six years. *(Source: The Star)*

Thailand: Exports fall for 11th straight month in November

Thailand's exports fell for an 11th straight month in November and by more than expected, while imports fell again, showing the trade-dependent economy is still sputtering 19 months after the army took power. Although the May 2014 coup ended months of political unrest, South-East Asia's second-largest economy has yet to get out of a rut, with pivotal exports and domestic consumption stubbornly weak. For the third year in a row, exports will shrink in 2015, and the central bank on Friday said it expects zero growth in 2016. In November, exports contracted 7.4% from a year earlier, the Commerce Ministry said on Monday, worse than the 5.1% drop predicted by economists in a Reuters poll though less than October's 8.11% slump. *(Source: The Star)*

U.S.: Holiday retail sales grow a 'solid' 7.9 percent

Strong online sales and demand for furniture and women's apparel helped U.S. retail sales grow by a "solid" 7.9 percent this holiday season, according to MasterCard Advisors SpendingPulse. U.S. retail sales, excluding automobiles and gas, had grown 5.5 percent in the period between Black Friday and Christmas Eve last year. Online sales grew 20 percent in the holiday season this year, MasterCard Advisors, which tracks customer spending, said in a report on Monday. *(Source: Reuters)*

STOCK RECOMMENDATIONS

BUY	<i>Share price is expected to be $\geq +10\%$ over the next 12 months.</i>
TRADING BUY	<i>Share price is expected to be $\geq +10\%$ within 3-months due to positive newsflow.</i>
HOLD	<i>Share price is expected to be between -10% and $+10\%$ over the next 12 months.</i>
SELL	<i>Share price is expected to be $\geq -10\%$ over the next 12 months.</i>

SECTOR RECOMMENDATIONS

OVERWEIGHT	<i>The sector is expected to outperform the FBM KLCI over the next 12 months.</i>
NEUTRAL	<i>The sector is expected to perform in line with the FBM KLCI over the next 12 months.</i>
UNDERWEIGHT	<i>The sector is expected to underperform the FBM KLCI over the next 12 months.</i>