

“Smokes Get in Your Eye”

- External factors will weigh on the local market in third quarter. The ensuing wave will be no less than shifting sands and this may move some axis. Issues that could dampen sentiment in the third quarter include Greece debt debacle, US interest rate adjustment, backsliding of commodity prices and currency volatility. Liquidity driven rally period is over and hence, FBMKLCI should trade at normalize PER. Pegging PER of 15.6x to FY16 EPS, FBMKLCI year-end 2015 target is set at 1,660. FBMKLCI is a **NEUTRAL**.
- Greece has a total of 18 debt schedule to meet in third quarter and that number will increase to 24 if fourth quarter debt repayment is included. Greece needs to pay its creditors a total of €20 billion in third quarter and another €6.4 billion in the fourth. IMF, European Investment Bank and various banks in Eurozone will bear most of the brunt if Greece fails to pay up. Failure to meet even one re-payment can be catastrophic. At this juncture, there is more than 50% chance of Greece wanting to be independent again.
- Get ready for the US interest rate adjustment. It will take off in 2H15. Once it is started, it will 1) dent the commodity prices and 2) lift the USD. Depending on the policy space of each country, the lifting of US Federal Funds rate and the strength USD may roll over many victims. This may cause equity, bond and currency market volatility. Risk premia will heighten. De-risk will take center stage.
- All is not lost, however, as we still have three overweight sectors in 3Q15, including auto, construction and telco. Continue to bottom fish as new value has emerged in our top 10 pick. These winners will be the first to rally once FBMKLCI is on fast dial again. Their solid fundamentals, attractive valuation and rock solid financials will be hard to beat. This will be the best fortification against shifting sands.

NEUTRAL

2015 KLCI Target:	1,660
2014 Year End KLCI:	1,761

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Top Picks		
Stock Name	Ticker	Target Price
Berjaya Auto	BAUTO MK	RM3.32
BIMB Holdings	BIMB MK	RM4.84
Digi	DIGI MK	RM6.60
Gamuda	GAM MK	RM5.87
IJM Corp.	IJM MK	RM8.14
Maybank	MAY MK	RM10.70
MBMR	MBM MK	RM4.17
MMC Corp.	MMC MK	RM3.00
Public Bank	PBK MK	RM21.70
SapuraKencana	SAKP MK	RM2.95

M&A Securities Quick Fact Sheet

Index	2015	2014	Call	Y-o-y growth	PER 2015	PER 2014
FBMKLCI	1,660	1,761	Neutral	-5.7%	15.6x	15.8x
Msian Economy	2014			2015F		
GDP	6.0%			5.0%		
OPR	3.25%			3.25%		
Ringgit/USD	RM3.27			RM3.40-RM3.50		
Inflation	3%-4%			2%-3%		
Crude Oil (WTI)	USD93.50 per barrel			USD70-USD80 per barrel		
CPO	RM2,218 per tonne			RM2,300 per tonne		
Loans' growth	9%-10%			9.0%		
Sector	Call			Top Pick	Target Price	Call
Auto	Overweight			BAuto	RM3.32	Buy
Construction				Gamuda	RM5.87	Buy
Telco				Digi	RM6.60	Buy
Top Call	TP	CP*	Upside	Call	Catalyst	
Berjaya Auto	RM3.32	RM2.70	23%	BUY	• 3 new models to lift car sales higher	
BIMB Holdings	RM4.84	RM4.04	19%	BUY	• Ample room for loans growth to grow further	
Digi	RM6.60	RM5.36	23%	BUY	• Gaining traction in both post and prepaid	
Gamuda	RM5.87	RM4.67	26%	BUY	• KVMRT1 & 2 + HSR + PTMP	
IJM Corp.	RM8.14	RM6.52	25%	BUY	• RM7 billion orderbook and increasing	
Maybank	RM10.70	RM9.14	17%	BUY	• Good long term prospect in Indonesia	
MBMR	RM4.17	RM3.48	20%	BUY	• New Sedan, Axia and Myvi to anchor sales	
MMC Corp.	RM3.00	RM2.51	19%	BUY	• Listing of ports segment + 11MP	
Public Bank	RM21.70	RM18.72	16%	BUY	• Solid metrics + steady loans growth	
SapuraKencana	RM2.95	RM2.36	25%	BUY	• RM25 bln orderbook + RM25 bln tenderbook	

*cutoff date 30th June 2015

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2Q15 Review: “Backsliding Continues”

Table 1: World’s Major Index Performance (2Q15 YTD)

No	Index	2014 Closing	2Q15 Closing	YTD Gains	PER (x)
1	DJIA	17,983	17,619	-2%	15
2	S&P 500	2,058	2,063	0.2%	18
3	Stoxx 50	3,146	3,424	9%	19
4	FTSE 100	6,566	6,520	-0.7%	20
5	Nikkei 225	17,450	20,235	16%	23
6	Shanghai Index	3,234	4,277	32%	22
7	Hang Seng Index	23,605	26,250	11%	11
8	FBMKLCI	1,761	1,706	-3%	17
9	STI	3,365	3,317	-1%	15
10	JCI	5,226	4,910	-6%	21

Source: Bloomberg, M&A Securities

Overall view: 2Q15 was not a good quarter for Bursa Malaysia. It was also not a good quarter currency wise, political wise and commodity wise. To begin with, FBMKLCI has ended the quarter in the red, be it q-o-q or y-o-y, even distancing itself from historical high of 1,892. At 2Q15 closing of 1,706.64, Bursa Malaysia bellwether index, FBMKLCI, shed 6.7% q-o-q and 9.3% y-o-y. Against historical high of 1,892, FBMKLCI have tanked by almost 10%. Currency wise, Ringgit has continued it’s back sliding against the Dollar, a phenomena not unique to Ringgit. It is regional problem. Ringgit touched its lowest point of the year of RM3.77 per Dollar in June, a level not seen since the currency crisis erupted in 1997. This is also not far from Malaysia’s pegging level of RM3.80 per Dollar in 1998. Political wise, the brewing storm caused by 1MDB debt debacle has stoked heating political pressure in the country. The government has been put on a defense over this, stoking sense of jitteriness, pushing FBMKLCI to endure foreign investors net selling value totaling RM3.9 billion in 2Q15.

Commodity wise, lethargic commodity prices performance has taken a toll on the country’s export, yet again. Export for month of April tumbled by 8.8% y-o-y. WTI and Brent have failed to show any significant energy with both hardly exceeding USD62 and USD68 per barrel in 2Q15. Q-o-q, WTI has gained by 22.9% in value whilst y-o-y, it dipped by alarming 44%. As for Brent, its price has jumped by 15% q-o-q whilst it shed by a whopping 43% y-o-y. WTI finished the quarter at USD59 per barrel with Brent ended at USD73 per barrel. Multiple factor weighed on FBMKLCI in 2Q15 but the chief culprit was the US looming interest rate adjustment and also the brewing storm caused by Greece debt debacle. As a consolation, however, FBMKLCI is now slim, successfully trimmed its fat after it ended 2Q15 at FY16 forward PER of 16.1x, a level last seen prior to liquidity driven rally that started in 2009. Hence, there is interesting value emerging on Malaysia’s main bellwether index.

As usual, before we pen down what we think may influence the equity market in 3Q15, we would go down the memory lane on 2Q15. Note that the recap of 2Q15 will follow the order of importance. Here goes:

- **Riddle on US next interest rate adjustment**

US Federal Chairman has made it almost official that the US will be adjusting its interest rate in 2H15, the first time since the last 6 years. The inevitable is finally here, much to the chagrin of the global equity market. Now the first hurdle is down, next is the second hurdle. By how much the adjustment would be in 2H15? This has become a major source of uncertainty for global equity market, especially the developing and emerging countries, leading foreign investors to sell the domestic equity market in steady trend. Suffice to say that, the looming adjustment of US interest rate will cause a major tectonic shift in the global equity market.

- **Mighty Dollar stomping over Ringgit**

The investors from the US (i.e. mutual funds, pension funds, hedge funds), after years of being blessed with cheap borrowing rates, have to finally face the inevitable, that is their borrowing cost will escalate in tandem with the adjustment in US Federal Funds rate (FFR). This has unleashed a steady profit taking in the emerging and developing countries (EDC) equity market, equating to steady capital outflow back into the US. The fact that the US FFR normalize rate is very far ahead of 4%++ against 0%-0.25% now has stoked great fear among investors that the EDC equity, bond and currency market will tank precipitously due to the rapid capital outflow. This is what we are seeing and will continue to see in the next 1 year or so. In line with rapid capital outflow, Ringgit has obviously been bashed to its lowest point of the year to RM3.77 per Dollar in June.

- **1MDB - Raising political temperature over government seemingly inertia**

Lack of info, steady bashing and seemingly government's inertia over this issue has stoked some fear over foreign investors. Suffice to say, all the brewing storms over 1MDB has to some extent caused heavy losses in Bursa Malaysia in 2Q15.

- **Grexit - The Drama Continues**

We expect Greek drama over its debt debacle to continue well into 3Q15 after picking up in rapid pace in 2Q15. Of note, Greece has caused much tremor to the global equity market in 2Q15 due to its inability to meet not even 1 of its 2 debt repayment due in June. Note that Greece has 2 debt repayments due in June totaling €1.6 billion and €1.5 billion respectively. Neither 1 can be met by Greece due to its drying fiscal coffers. Added to the misery, Greece has 6 more debt repayment due in July excluding 5 in August and 6 in September. Note that Greece creditors have been seriously asking Greece to tap the Emergency Liquidity Funds set up by ECB but with a catch. Greece has to endure another round of fiscal tightening, something equal to political suicide and loath by the Greeks. This could potentially result in debt hanging by Greece and hence, rising systematic risk for Eurozone.

- **Bursa Malaysia - Capital Outflow Continues to the tune of RM3.9 billion in 2Q15.**

In line with the steady backsliding in FBMKLCI, the index has clocked-in unimpressive foreign investors net selling equating to RM3.9 billion in 2Q15 alone, picking up the same trend in 3Q14, 4Q14, 1Q15 with net selling pressure totaling to RM1.2 billion, RM3.8 billion, and RM3.3 billion respectively. In sum, the selling pressure has been steady. At times sharp.

- **Malaysia 1Q15 GDP - As Good as It Gets**

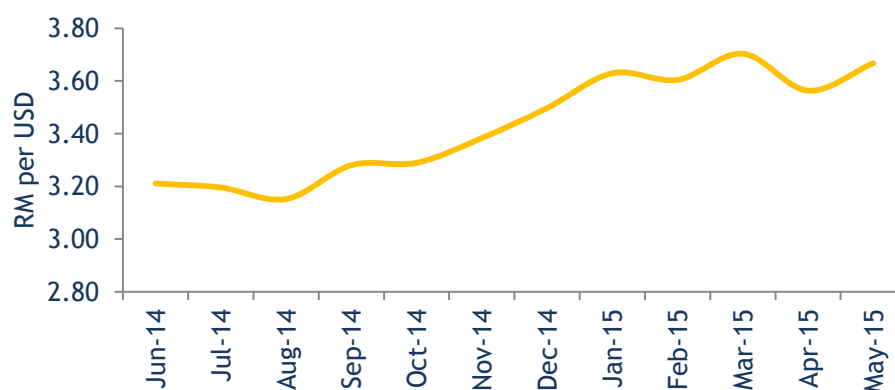
Malaysia's 1Q15 GDP hit an impressive 5.8%, thanks to front loading spending that resulted in purchasing bug among Malaysia. Note that Malaysians were rushing to spend ahead of the 1st April GST implementation. In sum, Malaysia equated a respectable 1Q15 GDP of 5.6% (4Q14: 5.7%; 1Q14: 6.3%), successfully arresting the contraction in export, after private consumption saved the day thanks to sizzling economic spending ahead of GST implementation. The front loading consumption ahead of GST was also supplemented by the flood relief spending at the back of strong private investment performance (1Q15: 11.7%; 1Q14: 14.9%) that vaulted seamlessly thanks to accommodative interest rate environment.

All in, 1Q15 GDP grew by 1.2% q-o-q. At 5.6% growth, 1Q15 GDP was a deceleration against 4Q14 and 1Q14 of 5.7% and 6.3% but still enviable given the sharp decline in export. Recall that Malaysia gross export dropped by 13.5 pps against 1Q14 after 1Q15 gross export came in at a contraction of 2.6%. Although Malaysia was able to hammer an impressive 1Q15 GDP but external issues have been too over whelming for investors to ignore, leading FBMKLCI to remain unchanged at 1,840 during the day of 1Q15 GDP announcement.

Table 2: Trading Pattern by investors (2Q15)

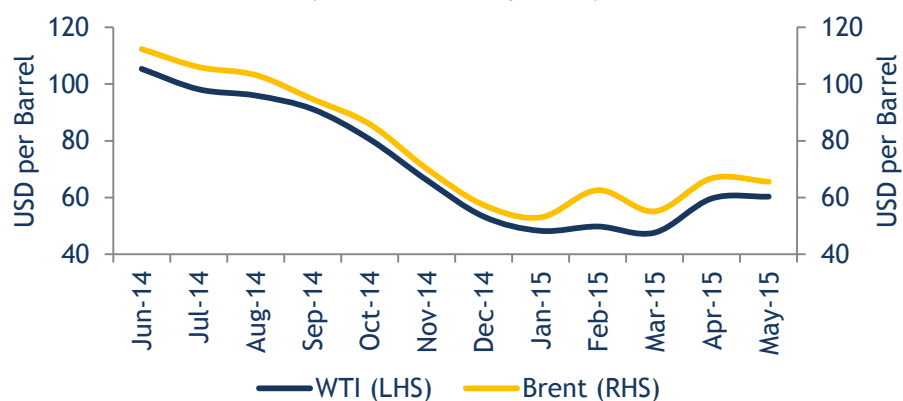
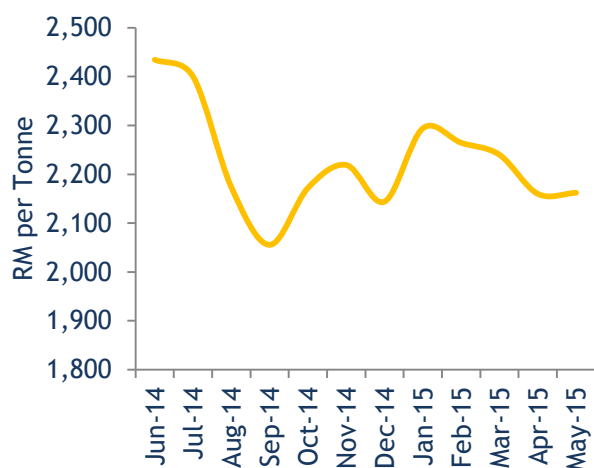
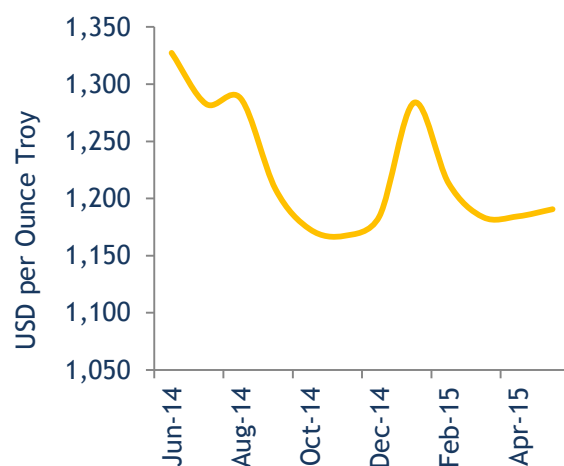
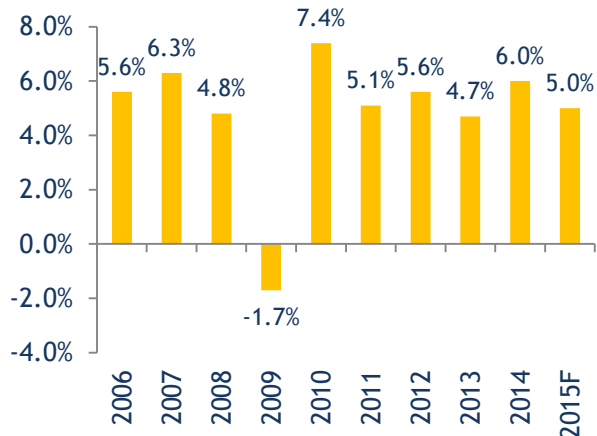
2014	Local Inst.	Foreign Ins.	Retail
1Q	RM4.9 billion	-RM5.3 billion	RM0.5 billion
2Q	-RM3.6 billion	RM4.5 billion	-RM0.8 billion
3Q	RM2.3 billion	-RM1.3 billion	-RM1.0 billion
4Q	RM3.6 billion	-RM3.8 billion	RM0.2 billion
TOTAL 2014	RM7.3 billion	-RM5.9 billion	-RM1.0 billion
1Q15	RM3.8 billion	-RM3.3 billion	-RM0.5 billion
2Q15	RM5.1 billion	-RM3.9 billion	-RM688 million

Ringgit per Dollar Exchange Rate
(June 2014 - May 2015)



Oil Price: WTI & Brent

(June 2014 - May 2015)

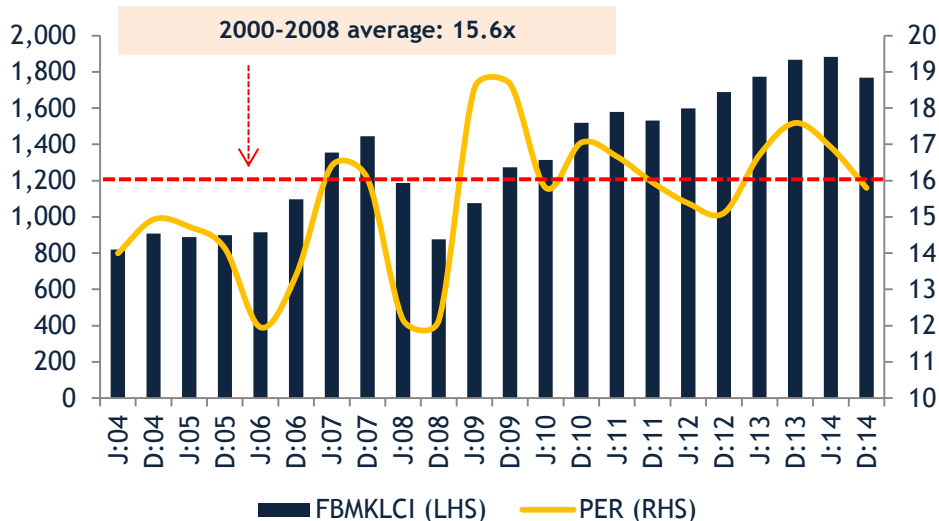
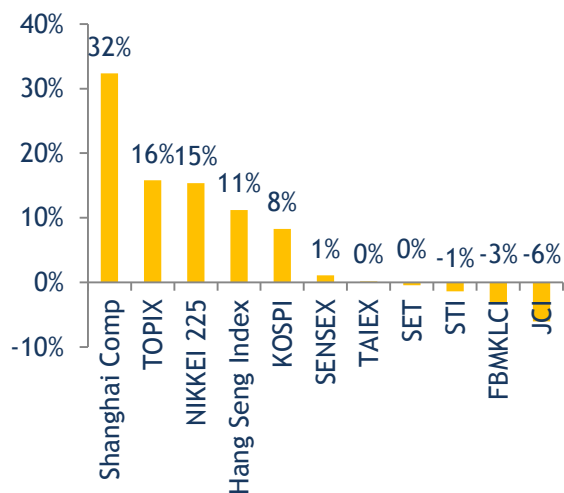
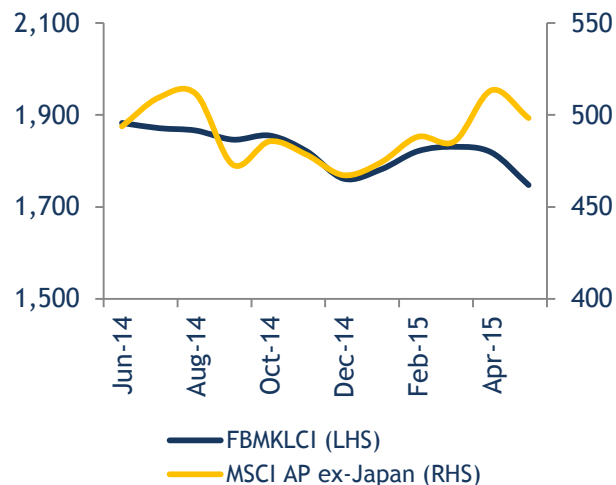
Commodity Price: MPOB average CPO
(June 2014 - May 2015)Commodity Price: Gold
(June 2014 - May 2015)Malaysia Annual GDP Growth
(2006-2015F)Malaysia Quarterly GDP Growth
(3Q12-1Q15)

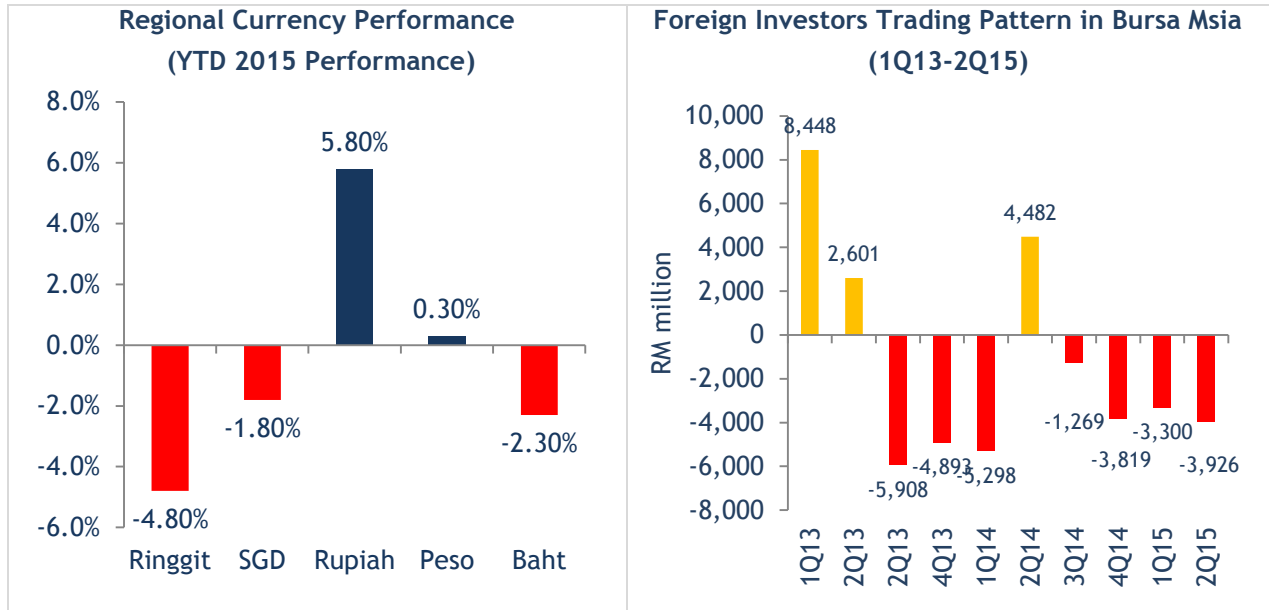
Source: MOS, M&A Securities

Table 3: FBMKLCI Best Performing Stocks (2Q15)

No	Stock	Share Price 2014 (RM)	Share Price 2Q15 (RM)	Gains % (YTD)
1	Westport	3.36	4.23	26%
2	Petronas Dagangan	17.12	20.58	20%
3	IHH Healthcare	4.82	5.66	17%
4	Petronas Chemical	5.45	6.32	16%
5	MISC	7.22	7.72	7%
6	PPB Group	14.3	15.12	6%
7	KLCC Property Stapled	6.71	6.96	4%
8	Genting	4.07	4.20	3%
9	Public Bank	18.30	18.72	2%
10	SapuraKencana	2.32	2.36	2%

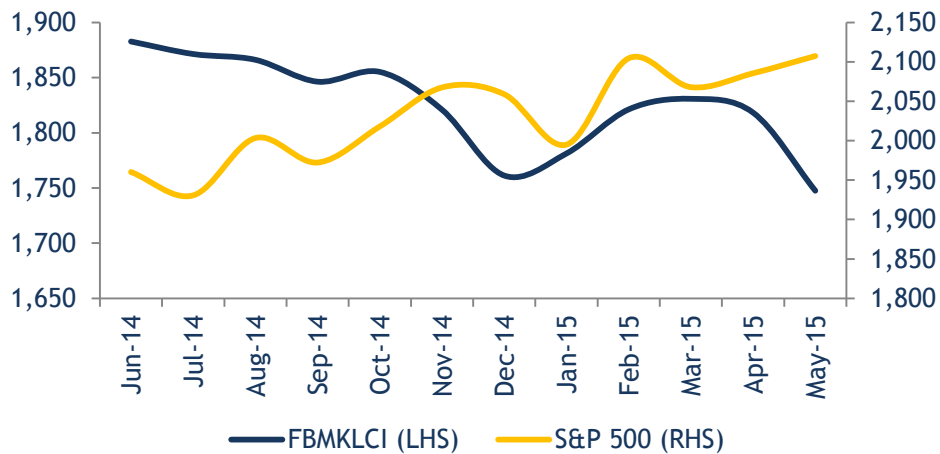
Source: Bursa Malaysia, M&A Securities

FBMKLCI Index and PER
(2004-2014)Regional Market Performance
(2Q15 YTD)KLCI vs. MSCI Asia Pacific ex-Japan
(June 2014 - May 2015)



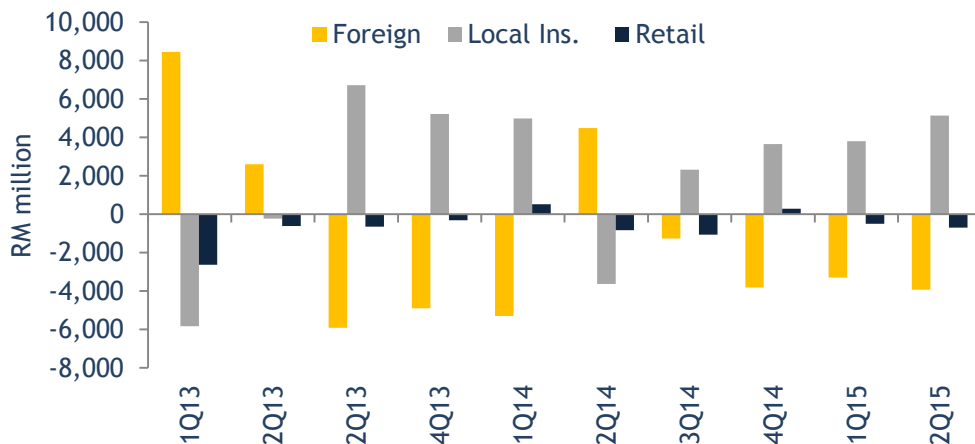
Source: Bloomberg, M&A Securities

M-o-M Performance: FBMKLCI vs. S&P 500
(June 2014 - May 2015)



Source: Bloomberg, M&A Securities

Bursa Malaysia Trading Position by Client
(1Q13-2Q15)



Source: Bloomberg, M&A Securities

3Q15 Equity Strategy

“Smokes Get in Your Eye”

Table 4: FBMKLCI 2015 Target Based on PER Valuation

	PER Based Valuation		
	Floor (1-SD Below Mean)	Base (Mean)	Ceiling (1-SD Above Mean)
Target	1,285	1,660	1,996
Basis	**12.1x	*15.6x	**18.8x
Growth % (y-o-y)	-27%	-5.7%	+13%
FBMKLCI YE: 2014		1,761	

Source: M&A Securities

* average of normalized PER from year 2000-2008

** 1-SD = 3.50

External development will be too overwhelming for Malaysia’s small equity market to fight in 3Q. To begin with, Malaysia may become a direct casualty once the US adjusts its interest rate. Ringgit has been and may continue to be bashed while commodity prices, among Malaysia’s important source of export revenues, may continue to depress. We think the situation could get worse in 3Q once the US snaps its interest rate adjustment, widely predicted in September. Also, the brewing storm from Greece will add to the global equity market volatility. There is a rising possibility that Greece may default in one of its 24 debt schedule repayments in 2H15 (refer table 7 & 8). This is especially when the Greeks are financially fatigue. The Greeks are just not in the mood for more pensions and wage cuts.

In sum, third quarter will not be an easy quarter. Sentiment will continue to be weighed by predictable and unpredictable developments. For one, fasting and Hari Raya months have always been a quiet month for equity market. Aided by uncertain outcome resulting from the brewing storms from US and Greece, investors may want to hold their horses while some may want to switch their bet into the bond and sukuk market. Therefore, a challenging 2H15 outlook and year-end target for FBMKLCI. We are resolute in our view that liquidity driven rally is officially over and we firmly believe that FBMKLCI should trade at normalize PER, where the targeted PER should be the average prior to 2009 (note: liquidity driven rally started in 2009-2014). Pegging PER of 15.6x on FY16 EPS, being the average from year 2000-2008 (note: normalize period excluding 1997-1998 Asian Currency Crisis and year 2009 onwards), FBMKLCI is forecast to end 2015 at 1,660 level. At that ending, FBMKLCI is a **NEUTRAL**.

Given below are the narrations of key events predicted to be the ‘movers and shakers’ for 3Q15:

(I) Greece, Greece, Greece - Source of headache

Greece is technically a bankrupt country. It does not have the money to meet its short term debt let alone its long term obligations. With total debt re-payment valued at €26.4 in 2H15, Greece is running out of time as the first debt repayment is due this 30th June. Greece has said repeatedly that it doesn’t have the money and literally begging on their knees for the ECB to use the €83 billion funds sets aside under the Emergency Liquidity Funding program. Now, we think Greece debt default is imminent especially when it has a total of 24 debt repayment schedule to be met

in 2H15. How on earth would Greece able to meet that, one wonders? Note that Greece opting out of Eurozone is not impossible. The repercussion? 1) Eurozone banks that subscribed to Greece bonds would need to be recapitalized - likely a tremor facing Eurozone banks and hence, global financial market 2) raising systemic risk in Eurozone that could pave the way for other sick members to also get out of the pack (i.e. Portugal, Ireland, Italy, Spain). In sum, Greece opting out of the pact will result in catastrophic losses for many parties and the impact could reverberate and sustain for a prolong period of time.

(II) US First interest rate adjustment since 2008

The US Federal Reserve chairman, Janet Yellen, has finally broken her silence. She has made quite clear recently that the first US interest rate adjustment will be this year. The suspense will be: for how much? how many times? Rumour has it that it may be unleashed in September this year. Note that the US still has 4 more policy meetings left for the year including July, September, October and December. Our bet is that there may be only 1 adjustment this year at manageable dose of 25 basis points. Nonetheless, the start of this will be precursor to 1) heighten currency volatility especially for the developing and emerging countries 2) USD may gain strength at the expense of the rest of the world 3) commodity prices may remain depressed or head southwards. In sum, this tremor could last and prolong given the US normalize policy rate of 4%++ compared to the current rate of 0%-0.25%.

(III) Commodity Price softening

The USD is the currency for most commodities. Hence, when the USD gains strength, it will be costlier for the other party to purchase the same amount of commodity goods. Therefore, the rule of the house is that when USD gains strength, commodity prices will get soften due to sapping demand. This will be dark times for commodity producing countries as their export revenues will dip. Along the way, also, the demand for their domestic currency will ebb, a double edge sword for them.

(IV) Currency volatility

The emerging and developing countries domestic currencies especially the commodity producing countries will bear the most brunt at the time when the US Federal Funds rate is heading north. Capital outflow, which has begun earnestly in 3Q14, will only prolong or at time deepens. In short, expect currency volatility to sustain until it is clear when the US will be reaching its Federal Funds rate normalization level. This will usually take 2 years to finish and hence, how long the currency volatility could last.

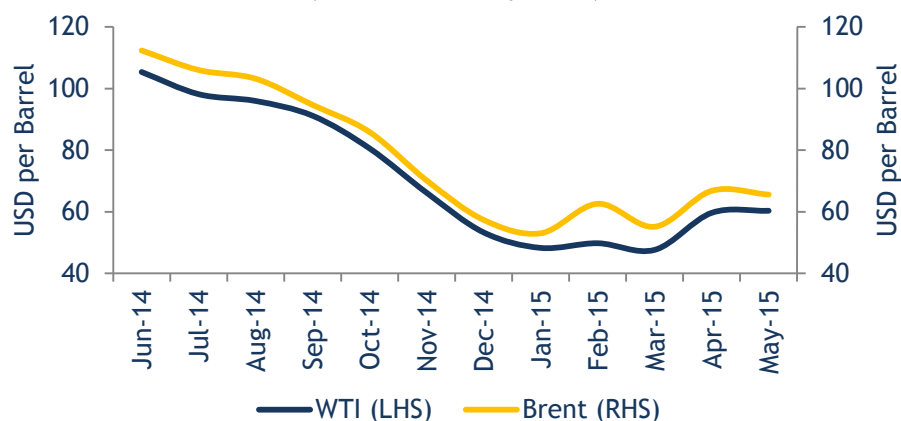
Conclusion and Recommendation

The local market may suffer from gyration every now and then. The jolt and impact could prolong, at times sharp and deep. Nonetheless, key to trading strategy during this volatile time would hinge of stock picking. Of note, our top pick is more of medium to long term basis which we predict would be the first to rally once the market on the fast dial again. Refer to page 1 and table 6 for the whole list.

These stock picking or winners are based on few factors that will not only fortify the company against the broader market onslaught but also to beat the bellwether index performance. We pick them

based on 1) solid fundamentals (e.g. orderbook, operational metrics, dividend metrics) 2) good sets of balance sheet (e.g. lean borrowing, net cash) and also attractive valuation. Equity market wise, we think FBMKLCI has shed lots of fats and is now lean and light, a trait that is likely to appease some investors. That said, we introduce our 2015 FBMKLCI target of 1,660 based on PER of 15.6x. The index is a **NEUTRAL**.

Oil Price: WTI & Brent
(June 2014 - May 2015)



Federal Funds Rate (effective)
1954-06 to 2014-05

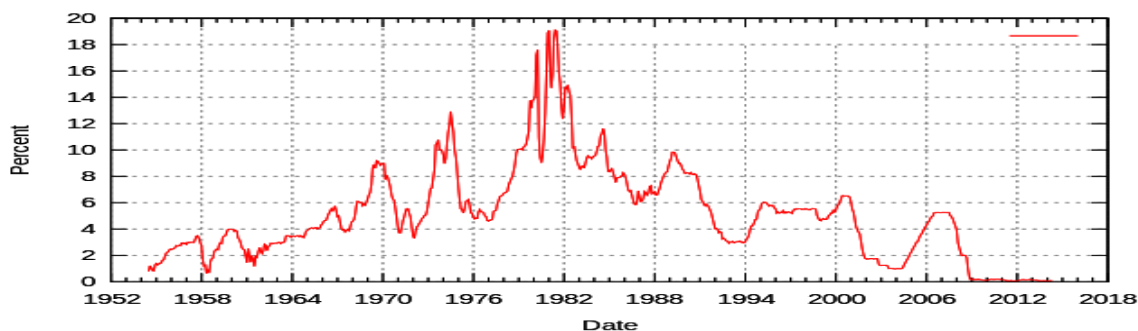


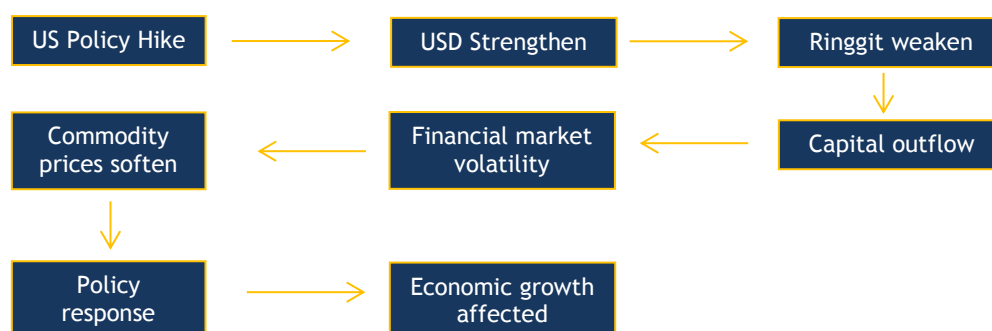
Table 5: US Federal Reserve Historical FFR Monetary Cycle

Economic Cycle	FFR Adjustment	Total quantum of adjustments
July 1990 – Sept 1992	8.00% → 3.00%	500 basis points cut over 2 years
Feb 1995 – Nov 1998	6.00% → 4.75%	125 basis points cut over almost 3 years
May 2000 – June 2003	6.50% → 1.00%	550 basis points cut in 3 years
2004-2006	*1.00% → 5.25%	425 basis points increase in 2 years
June 2006 – Oct 2008	5.25% → 1.00%	425 basis points cut in 2 years plus
Dec, 2008	0.0%-0.25%	75 basis points cut in 3 months

Source: Various, M&A Securities

*17 quarters of increase over 2 years

Chart 1: Interest Rate Parity and International Fisher Effect Impact in Response to US Policy Rate Hike



Note: The above is not in any particular order

Table 6: Top BUYs

	30/6/15 SP (RM)	TP (RM)	EPS (Sen)		EPS Growth (%)		PE (x)		P/BV		Div Yield FY15	ROE FY15
			FY15	FY16	FY15	FY16	FY15	FY16	FY15	FY16		
Big Caps: Market Capitalisation: > RM4 billion												
BIMB Holdings	4.04	4.84	36	38	0.3%	5%	11.5	10.9	1.9	1.7	5%	17%
Digi	5.36	6.60	27	28	3%	4%	20.2	19.3	57.7	54.8	4%	296%
Gamuda	4.67	5.87	31	31	0%	0%	15.2	15.4	1.9	1.8	2%	13%
IJM Corp	6.52	8.14	41	48	24%	17%	16.8	14.3	1.3	1.2	2%	8%
Maybank	9.14	10.70	73	78	-1%	6%	12.6	11.9	1.5	1.5	6%	13%
MMC	2.51	3.00	13	14	-22%	14%	17.9	15.9	0.9	0.9	NA	5%
Public Bank	18.72	21.70	122	132	5%	8%	15.3	14.2	2.4	2.2	3%	16%
SAKP	2.36	2.95	19	20	0%	5%	13.1	12.0	1.1	1.0	1%	13%
Mid Caps: Market Capitalisation: RM1.0-RM4 billion												
Berjaya Auto	2.70	3.32	22	25	16%	14%	11.9	11.0	5.4	4.6	3%	48%
MBMR	3.48	4.17	35	40	21%	14%	10.0	8.9	0.9	0.8	2%	9%

Table 7: Greece Debt Details Version 1.0

	Total Number of Payment	Total Amount Due
2015	25	€26.6 billion
2016	14	€5.8 billion
2017	11	€8.1 billion

Table 8: Greece Debt Details Version 2.0

Creditor	Due Date	Amount	Description	Rate
Treasury bill holders	June 19, 2015	€1,600,000,000	Short-term treasury bills	2.70%
IMF	June 30, 2015	€1,541,712,535	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	July 10, 2015	€2,000,000,000	Short-term treasury bills	2.30%
IMF	July 13, 2015	€451,232,937	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	July 17, 2015	€1,000,000,000	Short-term treasury bills	2.70%
ECB	July 20, 2015	€2,095,880,000	Bonds held by ECB exempted from the 2012 default	3.70%

ECB	July 20, 2015	€1,360,500,000	Bonds held by national central banks exempted from the 2012 default	3.70%
EIB	July 20, 2015	€25,000,000	Bonds held by the European Investment Bank; exempted from the 2012 default	3.70%
Treasury bill holders	August 7, 2015	€1,000,000,000	Short-term treasury bills	2.75%
Treasury bill holders	August 14, 2015	€1,400,000,000	Short-term treasury bills	2.70%
ECB	August 20, 2015	€3,020,300,000	Bonds held by ECB exempted from the 2012 default	6.10%
ECB	August 20, 2015	€168,000,000	Bonds held by national central banks exempted from the 2012 default	6.10%
IMF	Sept. 4, 2015	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	Sept. 4, 2015	€1,400,000,000	Short-term treasury bills	2.97%
Treasury bill holders	Sept. 11, 2015	€1,600,000,000	Short-term treasury bills	2.70%
IMF	Sept. 14, 2015	€338,424,703	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	Sept. 16, 2015	€564,041,171	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	Sept. 21, 2015	€338,424,703	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	Oct. 9, 2015	€1,400,000,000	Short-term treasury bills	2.97%
IMF	Oct. 13, 2015	€451,232,937	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	Nov. 6, 2015	€1,400,000,000	Short-term treasury bills	2.97%
IMF	Dec. 7, 2015	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
Treasury bill holders	Dec. 11, 2015	€2,000,000,000	Short-term treasury bills	2.97%
IMF	Dec. 16, 2015	€564,041,171	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	Dec. 21, 2015	€338,424,703	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	Jan. 13, 2016	€451,232,937	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	March 7, 2016	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	March 16, 2016	€564,041,171	Loan under the IMF's first bailout program for Greece, in 2010.*	
ECB	April 11, 2016	€22,800,000	Bonds held by ECB exempted from the 2012 default	Six-month Euribor + 0.075%
ECB	April 11, 2016	€30,000,000	Bonds held by national central banks exempted from the 2012 default	Six-month Euribor + 0.075%

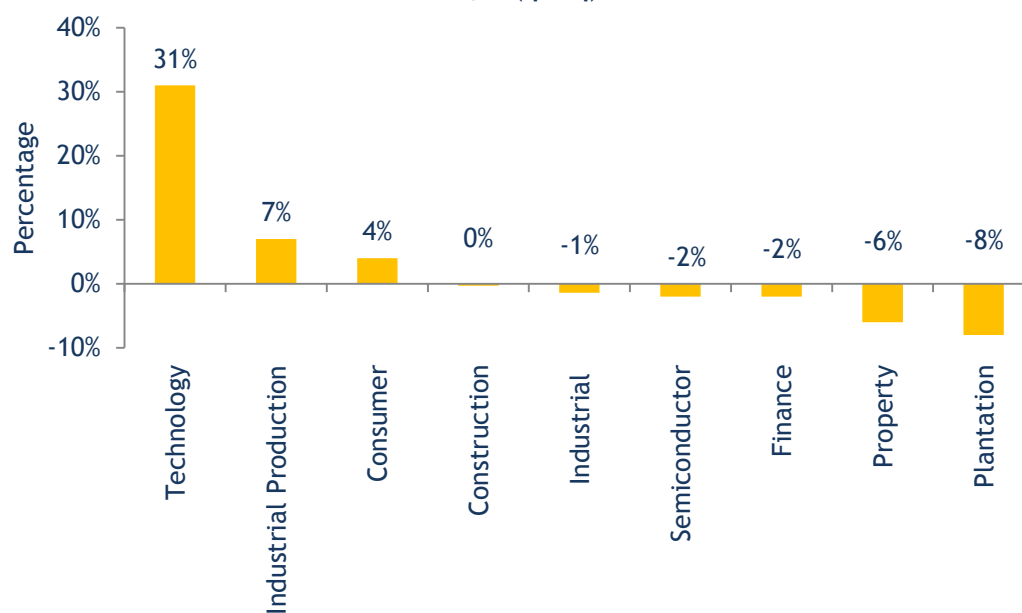
IMF	April 13, 2016	€451,232,937	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	June 7, 2016	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	July 13, 2016	€451,232,937	Loan under the IMF's first bailout program for Greece, in 2010.*	
ECB	July 20, 2016	€1,446,070,000	Bonds held by ECB exempted from the 2012 default	3.60%
ECB	July 20, 2016	€821,800,000	Bonds held by national central banks exempted from the 2012 default	3.60%
EIB	July 20, 2016	€20,000,000	Bonds held by the European Investment Bank; exempted from the 2012 default	3.60%
IMF	Sept. 7, 2016	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	Sept. 19, 2016	€145,956,443	Loan under the IMF's second bailout for Greece, in 2012.†	
IMF	Dec. 7, 2016	€300,821,958	Loan under the IMF's first bailout program for Greece, in 2010.*	
IMF	March 17, 2017	€145,956,443	Loan under the IMF's second bailout for Greece, in 2012.†	
ECB	April 4, 2017	€48,000,000	Bonds held by ECB exempted from the 2012 default	Six-month Euribor + 0.09%
ECB	April 20, 2017	€1,185,800,000	Bonds held by ECB exempted from the 2012 default	5.90%
ECB	April 20, 2017	€168,000,000	Bonds held by national central banks exempted from the 2012 default	5.90%
Private investors	July 17, 2017	€1,500,000,000	Bonds issued by Greece (2014 and later)	
IMF	July 18, 2017	€291,912,887	Loan under the IMF's second bailout for Greece, in 2012.†	
ECB	July 20, 2017	€2,412,206,000	Bonds held by ECB exempted from the 2012 default	4.30%
ECB	July 20, 2017	€1,455,700,000	Bonds held by national central banks exempted from the 2012 default	4.30%
EIB	July 20, 2017	€10,000,000	Bonds held by the European Investment Bank; exempted from the 2012 default	4.30%
IMF	Sept. 19, 2017	€145,956,443	Loan under the IMF's second bailout for Greece, in 2012.†	
IMF	Dec. 4, 2017	€157,191,886	Loan under the IMF's second bailout for Greece, in 2012.	

Source: WSJ, M&A Securities

Table 9: Selected Regional Market Equity Performance (2Q15)

Index	2014 Closing	2Q15 Closing	YTD Gains	PER (x)
NIKKEI 225	17,450	20,235	15%	23
TOPIX	1,407	1,630	16%	19
Shanghai Comp	3,234	4,277	32%	22
TAIEX	9,307	9,323	1%	14
FBMKLCI	1,761	1,706	-3%	17
SENSEX	27,483	27,780	1%	22
Hang Seng Index	23,605	26,250	11%	11
KOSPI	1,915	2,074	8%	18
STI	3,365	3,317	-1%	15
JCI	5,226	4,910	-6%	21
SET	1,497	1,504	-1%	20

Source: Bloomberg, M&A Securities

Bursa Malaysia Sector Performance
2Q15 (q-o-q)

Source: Bloomberg, M&A Securities

Table 10: FBMKLCI Best Performing Stocks 2Q15

No	Stock	Share Price end 2014 (RM)	30 th June 2015 (RM)	Gains % (YTD)
1	Westport	3.36	4.23	26%
2	Petronas Dagangan	17.12	20.58	20%
3	IHH Healthcare	4.82	5.66	17%
4	Petronas Chemical	5.45	6.32	16%
5	MISC	7.22	7.72	7%
6	PPB Group	14.3	15.12	6%
7	KLCC Property Stapled	6.71	6.96	4%
8	Genting	4.07	4.20	3%
9	Public Bank	18.30	18.72	2%
10	SapuraKencana	2.32	2.36	2%
11	Astro	3.03	3.08	2%
12	Maybank	9.17	9.14	-1%
13	CIMB	5.56	5.47	-2%
14	YTL Corp	1.59	1.55	-3%
15	RHB Cap	7.62	7.37	-3%
16	Petronas Gas	22.16	21.26	-4%
17	Hong Leong Bank	13.98	13.4	-4%
18	British American Tobacco	65.10	62.00	-5%
19	Telekom Malaysia	6.88	6.54	-5%
20	Kuala Lumpur Kepong	22.80	21.40	-6%
21	Maxis	6.85	6.37	-7%
22	Sime Darby	9.19	8.52	-7%
23	UMW Holdings	10.96	10.14	-8%
24	Hong Leong Finance	16.52	15.16	-8%
25	Tenaga Nasional	13.80	12.64	-8%
26	Ambank	6.60	6.03	-9%
27	Genting	8.87	8.06	-9%
28	Axiata	7.05	6.40	-9%
29	Digi	6.17	5.36	-13%
30	IOI Corp	4.80	4.06	-15%

Source: Bloomberg, M&A Securities

Table 11: FBM EMAS Best Performing Stocks 2Q15

No	Stock	Share Price end 2014 (RM)	30 th June 2015 (RM)	Gains % (YTD)
1	Wintoni	0.06	0.34	415%
2	Perwaja	0.05	0.25	400%
3	Asdion Bhd	0.48	1.46	204%
4	Only World	0.89	2.69	202%
5	Microlink Solution	0.60	1.75	192%
6	Cybertowers	0.02	0.05	175%
7	Super Enterprise	1.30	3.52	171%
8	JHM Consolidation	0.13	0.33	154%
9	CI Holdings Bhd	0.98	2.44	149%
10	Asia Poly	0.23	0.58	149%
11	Oriented Media	0.13	0.32	146%
12	SLP Resources	0.59	1.44	144%
13	United U-Li	1.76	4.27	143%
14	Mulpha Land	0.39	0.91	133%
15	Jerasia Cap	0.40	0.92	129%
16	EA Technique	0.47	1.06	128%
17	Evergreen Fibreboard	0.61	1.35	123%
18	Oriental Food	2.76	5.86	112%
19	Heveaboard	1.66	3.48	110%
20	Superlon Holdings	0.72	1.49	107%
21	Scc Holdings	1.27	2.60	105%
22	Spring Gallery	0.33	0.67	103%
23	YSP Southeast	1.30	2.62	102%
24	Privasia Technology	0.14	0.27	100%
25	LCTH Corp	0.25	0.50	98%
26	BTM Resources	0.13	0.25	96%
27	SAM Engineering	2.69	5.15	91%
28	Pentamaster Corp	0.38	0.71	91%
29	SKP Resources Bh	0.64	1.22	91%
30	Mieco Chipboard	0.38	0.70	88%

Source: Bloomberg, M&A Securities

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STOCK RECOMMENDATIONS

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

SECTOR RECOMMENDATIONS

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

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