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At a Glance

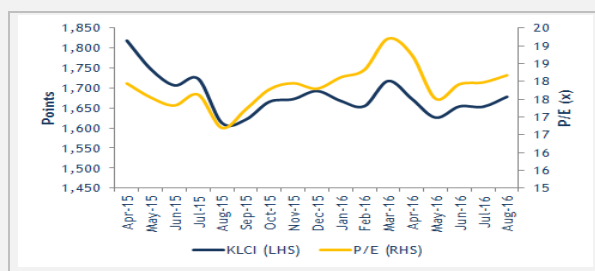
The FBM KLCI inched up 0.22 points to 1,634.52 as while the ringgit weakened against the US dollar as investors evaluated the attacks in Germany, Switzerland and Turkey.....(See full report next page)

Corporate Highlights

- **Bland (CP: RM0.56):** 2Q profit dips 13% partly due to Sports Toto's higher opex, prize payout
- **UMW (CP: RM4.83):** Inks agreement with PNB to consolidate Serendah land bank
- **Yinson (CP: RM2.88):** Posts weaker 3Q profit on unfavourable forex movements

Economic Update

- **Libya:** Pipeline restart cuts into oil price rally
- **Japan:** Central Bank Keeps Policy Unchanged, Upgrades Economic Outlook
- **Turkey:** Unexpectedly Holds Rates as Post-Coup Growth Falters



Bursa Malaysia

	Close	Change+/-	(+/- %)
FBMKLCI	1,634.52	0.22	0.01
FBMEMAS	11,433.30	1.29	0.01
FBMEMAS SHA	11,995.19	30.11	0.25
FBM100	11,155.22	-0.21	0.00
Volume (mn)	1,287.08	-46.57	-3.49
Value (RMmn)	1,411.62	56.65	4.18
FBMKLCI YTD Chg			-3.43

Daily Trading Position (RM'mn)

	Participation (%)	Net(RMm)
Institution	64.2	5.3
Retail	14.9	13.0
Foreign	20.9	-18.3

Top Gainers

	Close	Change+/-	(+/- %)
DUTCH LADY MILK	55.84	-0.16	-0.29
FAR EAST HLDGS	8.20	0.43	5.53
TECK GUAN PERD	2.77	0.56	25.34

Top Losers

	Close	Change+/-	(+/- %)
UNITED PLANTAT	27.00	-0.50	-1.82
SHELL REFINING	2.11	-0.24	-10.21
HONG LEONG FIN	14.80	0.02	0.14

World Indices

	Close	Change+/-	(+/- %)
DJIA	19,974.62	91.56	0.46
NASDAQ	5,483.94	26.50	0.49
S&P 500	2,270.76	8.23	0.36
FTSE 100	7,043.96	26.80	0.38
DAX	11,464.74	38.04	0.33
Nikkei 225	19,494.53	60.42	0.31
HSI	21,729.06	-103.62	-0.47
KOSPI	2,041.94	10.31	0.50
STI	2,911.31	-1.77	-0.06
KLCI Futures	1,640.50	2.50	0.00
USDMYR 3M	13.20	0.04	0.00
USDMYR 6M	13.25	0.03	0.00
USDMYR 12M	12.83	0.02	0.00

Other Key Economics Data

	Close	Change+/-	(+/- %)
WTI (USD/bbl)	54	0.2	0.4%
Brent (USD/bbl)	55.4	0.4	0.8%
Gold(USD/ounce)	1,131	-1.2	-0.1%
Coal (USD/mt)	87.0	0.8	0.9%
CPO (RM/mt)	3,093	-49.0	-1.6%
Rubber	230	2.5	1.1%
RM/USD	4.48	-0.0027	0.06%
EUR/USD	0.96	-0.0004	-0.04%
YEN/USD	117.90	0.04	-0.03%

What To Expect

U.S. Market

- The Dow Jones Industrials Average gained 91.56 points to 19,974.62 along with both S&P 500 and Nasdaq closed 8.23 points and 26.50 points higher at 2,270.76 and 5,483.94 points, respectively. U.S. stocks rose on Tuesday with the Dow nearing 20,000, a level it has never breached, in a rally fueled by optimism about President-elect Donald Trump's policies. The Nasdaq and the Dow Jones industrial average had hit fresh intra-day records, with the blue-chip index just 37 points short of scaling the historic mark.
- Bond yields and the dollar rose to their highest levels in years during the week as the Fed raised interest rates for the first time in a year and signaled a quicker-than-expected pace of increases in 2017. Many investors have been concerned about the rapid appreciation of the dollar, which could hamper a widely expected U.S. earnings recovery and make it harder to pay back the trillions in dollar-denominated debt around the world.

- The FBM KLCI inched up 0.22 points to 1,634.52 as while the ringgit weakened against the US dollar as investors evaluated the attacks in Germany, Switzerland and Turkey. There were 348 gainers and 360 decliners in total value traded of RM1.41 billion.
- Among the decliners on Bursa Malaysia were Dutch Lady which increased 82 cent to RM55.84, Far East gained 43 cent to RM8.20 and Teck Guan was up 41 cent to RM2.77.

Strategy

- Our 2016 year-end FBMKLCI target is 1,790 based on PER of 17.1x. FBMKLCI is NEUTRAL. We have OVERWEIGHT call on construction, telco and oil and gas respectively. We predict Malaysia to grow by 4.3% in 2016.

CORPORATE HIGHLIGHTS

Bland (CP: RM0.56): 2Q profit dips 13% partly due to Sports Toto's higher opex, prize payout

Berjaya Land Bhd's (Bland) net profit for the second quarter ended Oct 31, 2016 (2QFY17) slipped 13.3% to RM180.47 million or RM3.62 a share, from RM208.3 million or RM4.17 per share a year earlier. The group attributed the fall to higher prize payout and operating expenses incurred by Sports Toto Malaysia Sdn Bhd (STMSB), lower profit contribution from the property sector and investment business from lower progress billings, amortisation of gaming rights allocated to the Philippines leasing of online lottery equipment business segment as well as lower investment-related income. (Source: The Edge)

Greenyard (CP: RM0.23): Appoints MD's son as ED

Greenyard Bhd, which reported a 96% dive in earnings in its first quarter, has appointed the son of its group managing director, Tham Kin On, as its executive

director, with immediate effect. Kin On is the son of the MD Tham Foo Keong and his spouse, Twong Yoke Peng, who is also the group's substantial shareholder, according to Greenyield's bourse filing today. The 28-year-old joined the family-run business in 2014, holds an economics and finance degree from Melbourne University, Australia, and is a chartered financial analyst (CFA). *(Source: The Edge)*

UMW (CP: RM4.83): Inks agreement with PNB to consolidate Serendah land bank

UMW Holdings Bhd has proposed to consolidate its shareholding in 51%-owned subsidiary UMW Development Sdn Bhd (UMWD) with the aim of consolidating its land bank in Serendah for future development. In a filing today, the group said its wholly-owned subsidiary UMW Corporation Sdn Bhd (UMWC) and UMWD have entered into a share sale and purchase agreement with Permodalan Nasional Bhd (PNB). The agreement will see UMWC acquiring PNB's 780,000 shares in UMWD, as well as the investment fund's 3.12 million 7.4% cumulative redeemable preference shares in UMWD for a total consideration of RM17.74 million. *(Source: The Edge)*

Yinson (CP: RM2.88): Posts weaker 3Q profit on unfavourable forex movements

Yinson Holdings Bhd's net profit fell 26% year-on-year in its third quarter ended Oct 31, 2016 (3QFY17) as it saw less favourable foreign exchange (forex) movements during the quarter. The group's earnings for the quarter came in at RM63.11 million or 5.79 sen per share, compared with RM85.74 million or 8.03 sen per share a year ago, its bourse filing today showed, though revenue grew 16% to RM127.94 million from RM110.72 million. The quarter recorded exchange differences on translation of foreign operations of RM62.93 million versus RM154.02 million in the same period last year. *(Source: The Edge)*

Lay Hong (CP: RM0.795): To double capacity to tap export markets

Lay Hong Bhd expects to double its monthly processed food output capacity to 4,000 tonnes as the poultry company prepares to tap export markets to grow earnings. Lay Hong executive director Yap Chor How said presently, Lay Hong's processed food products were mostly catered for the Malaysian market. Via 49%-owned associate NHF Manufacturing (M) Sdn Bhd, Yap said Lay Hong aimed to export halal frozen food to Middle East countries, Singapore and Japan. Yap said NHF was seen contributing "significantly" to Lay Hong's earnings by financial year ending March 31, 2019 (FY19). *(Source: The Edge)*

KFM (CP: RM0.085): Felcra explains retraction of interest in KFM

The retraction of interest by Felcra Bhd in Kuantan Flour Mills Bhd (KFM) was made to avoid further public misconception. Felcra in a statement yesterday said it did not enter into any definitive agreement with KFM, nor did it definitively plan to undertake a reverse takeover (RTO). It said an RTO was merely one of the methods by which Felcra was anticipating in its potential collaboration with KFM. Felcra also refuted claims of alleged collaboration with certain parties as part of a plan to increase KFM's share price. *(Source: The Edge)*

Boustead (CP: RM2.44): Plans RM333m mixed development near Bukit Jalil City

Boustead Holdings Bhd is buying multiple pieces of leasehold commercial land measuring a collective 10.74 acres (4.35ha) next to Bukit Jalil City to develop a mixed project with an estimated gross development value of RM333 million. The group is acquiring the land from its single largest shareholder, the Armed Forces Fund Board (LTAT), which controls 60.92% of the group, for RM172.78 million, to be satisfied entirely by proceeds from a rights issue it completed on June 23. The lands comprise a parcel of vacant commercial land (5.75 acres), a vacant car park lot (0.96 acre) and 70 parcels of vacant, terraced commercial shop plots (4.03 acres). All land leases expire on April 25, 2095. (Source: *The Edge*)

ECONOMIC UPDATES**Libya: Pipeline restart cuts into oil price rally**

Oil prices rose on Tuesday but settled below session highs after Libya announced the reopening of pipelines after a two-year blockade that ended earlier this month. Benchmark Brent crude futures settled up 43 cents, or 0.8 percent, to \$55.35 a barrel after touching an intraday high of \$55.92. U.S. crude futures rose 11 cents to \$52.23 a barrel. Prices came off highs in the afternoon after Libya's National Oil Corp said pipelines from its western fields had been reopened. It expects to add 270,000 barrels a day in state production in the next three months. Protesters agreed last week to end a longstanding blockade. (Source: *Bloomberg*)

Japan: Central Bank Keeps Policy Unchanged, Upgrades Economic Outlook

The Bank of Japan closed a tumultuous year for monetary policy with an upgrade to its assessment of the economy while keeping its yield-curve and asset-purchase programs unchanged. Following the board's first policy meeting since Donald Trump's election victory, the central bank forecast a moderate recovery trend to continue amid a pickup in exports, better business sentiment and resilience in private consumption. However, inflation expectations remain weak and risks to the outlook abound, ranging from developments in the Chinese and U.S. economies to Brexit and geopolitical uncertainties. (Source: *Bloomberg*)

Turkey: Unexpectedly Holds Rates as Post-Coup Growth Falters

Turkey's central bank unexpectedly kept all of its three main interest rates unchanged, a decision viewed by analysts as an attempt to support an economy that has slowed sharply since July's failed military coup. The bank kept its one-week repurchase, overnight lending and borrowing rates unchanged at 8 percent, 8.5 percent and 7.25 percent respectively, it said in a statement on Tuesday. Economists surveyed by Bloomberg forecast a 25-basis point increase to the overnight lending rate and no change to the other two. (Source: *Bloomberg*)

Saudi Arabia: Considers Rise in Retail Fuel Prices in 2017

Saudi Arabia is considering increasing retail gasoline and diesel prices in 2017 for the second year in a row, as the world's top crude exporter pursues a plan to cut its dependence on oil revenue, according to a person familiar with the matter. The rise in domestic fuel prices is expected to be announced before the end of the year, according to the person, who asked not to be identified because the plan isn't public. The government is looking into two scenarios for the hike: either linking local fuel prices to benchmark oil prices or to the average of gasoline and diesel fuel prices on the international market, the person said. Media officials at the energy ministry in Riyadh weren't immediately available for comment. *(Source: Bloomberg)*

India: To offer tax benefits to promote cashless economy

India will offer tax incentives to small businesses engaged in cashless transactions, Finance Minister Arun Jaitley told reporters on Tuesday, as part of the government's fight against the cash economy. Jaitley said the move would enable businesses with annual turnover of 20 million rupees (\$294,000) to save up to 30 percent in tax payments. Since Prime Minister Narendra Modi's shock move last month to scrap old 500 and 1,000 rupee notes, New Delhi has taken a raft of measures to encourage cashless transactions. *(Source: Reuters)*

Pakistan: Senate proposes scrapping the biggest currency note, government opposes

Pakistan's Senate has recommended scrapping of the 5,000 rupee (\$48) banknote, despite government opposition and warnings that removal of the country's highest denomination bill could destabilize the economy. A resolution, which is not binding, called for the government to remove the banknote to "reduce illicit money flow, encourage the use of bank accounts and reduce the size of undocumented economy". The resolution, passed on Monday, comes less than two months after Indian Prime Minister Narendra Modi surprisingly scrapped his country's two biggest currency bills - the 1,000 rupee (\$15) and 500 rupee notes - in a move that led to acute currency shortages and threatens to slow India's short-term economic growth. *(Source: Reuters)*

Brazil: Tax revenues stable in November as recession lingers

Brazil collected 102.245 billion reais (\$28.4 billion) in federal taxes in November, remaining stable from a year earlier as Latin America's largest economy continues to reel from its worst recession in nearly a century. Tax collection surged to 148.699 billion reais in October thanks to extraordinary revenues from a program that gave amnesty to Brazilians who held undeclared assets abroad. November tax revenue had been expected to total 99 billion reais, according to the median forecast in a Reuters poll. *(Source: Reuters)*

M&A Securities

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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