

MALAYSIA


Malaysia Daybreak

| 23 July 2014

Key Metrics

FBMKLCI Index



FBMKLCI

| | | |
|---------------------|---------|--------------------|
| 1871.36 | 2.72pts | 0.15% |
| July Futures | | Aug Futures |
| 1871 - (0.27%) | | 1870 - (1.00%) |

| | | |
|----------------|---------------|------------------|
| Gainers | Losers | Unchanged |
| 474 | 380 | 320 |

Turnover

2569.7m shares / RM2070.948m
 3m avg volume traded 1729.83m shares
 3m avg value traded RM2000.50m

Regional Indices

| | | | | |
|----------------|--------------|------------|------------|------------|
| FBMKLCI | FSSTI | JCI | SET | HSI |
| 1,871 | 3,317 | 5,084 | 1,521 | 23,782 |

Market Indices

| | Close | % chg | YTD % chg |
|------------|-----------|-------|-----------|
| FBMKLCI | 1,871.36 | 0.1 | 0.2 |
| FBM100 | 12,645.27 | 0.2 | 0.4 |
| FBMSC | 18,744.23 | 0.2 | 19.4 |
| FBMMES | 6,988.13 | 1.1 | 23.1 |
| Dow Jones | 17,113.54 | 0.4 | 3.2 |
| NASDAQ | 4,456.02 | 0.7 | 6.7 |
| FSSTI | 3,316.91 | 0.1 | 4.7 |
| FTSE-100 | 6,795.34 | 1.0 | 0.7 |
| SENSEX | 26,025.80 | 1.2 | 22.9 |
| Hang Seng | 23,782.11 | 1.7 | 2.0 |
| JCI | 5,083.52 | (0.9) | 18.9 |
| KOSPI | 2,028.93 | 0.5 | 0.9 |
| Nikkei 225 | 15,343.28 | 0.8 | (5.8) |
| PCOMP | 6,869.94 | (0.1) | 16.6 |
| SET | 1,520.81 | (1.2) | 17.1 |
| Shanghai | 2,075.48 | 1.0 | (1.9) |
| Taiwan | 9,499.36 | 0.6 | 10.3 |

Top Actives

| | Close | % chg | Vol. (m) |
|-----------------|-------|-------|----------|
| MAS | 0.230 | 15.0 | 291.6 |
| TALAM TRANSFORM | 0.120 | 9.1 | 283.3 |
| SUMATEC | 0.410 | (2.4) | 145.5 |
| PDZ HOLDINGS | 0.170 | 13.3 | 64.1 |
| AIRASIA X | 0.815 | 7.2 | 47.5 |
| IRIS CORP | 0.445 | 3.5 | 30.8 |
| HOVID | 0.455 | 3.4 | 28.2 |
| FRONTKEN CORP | 0.160 | 6.7 | 27.8 |

Economic Statistics

| | Close | % chg |
|-------------------------------------|----------|--------|
| US\$/Euro | 1.3467 | 0.01 |
| RM/US\$ (Spot) | 3.1762 | (0.04) |
| RM/US\$ (12-mth NDF) | 3.2412 | (0.09) |
| OPR (%) | 3.24 | 0.31 |
| BLR (% , CIMB Bank) | 6.85 | 0.00 |
| GOLD (US\$/oz) | 1,307.30 | 0.07 |
| WTI crude oil US spot (US\$/barrel) | 104.42 | (0.16) |
| CPO spot price (RM/tonne) | 2,360.00 | (0.51) |

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What's on the Table...

Maxis Berhad - Still not out of the woods yet

1H14 core net profit formed 61% of our full-year estimate (49% of consensus), beating our expectation due to higher revenue and EBITDA margin. As such, we raise our FY14/15 core net profit by 10.3%/4.0%. Correspondingly, we increase our DCF-based target price (WACC: 7.0%) by 5.1% to RM6.20. We maintain a Reduce on Maxis as its annual 40 sen DPS is not sustainable and we expect this to be cut to 31-34 sen in FY15-16 once it starts paying dividends based on FCF. We believe Maxis's transformation exercise will take time to bear results and earnings growth will remain lacklustre in the next two years. We prefer DiGi for its stronger earnings growth profile, attractive yields and potential move to set up a business trust structure.

British American Tobacco - Thanks to higher selling prices

BAT's 1HFY14 net profit was above expectations at 56% of our and 54% of consensus full-year forecasts. Sales volume decline was lower than expected, thanks to the government's aggressive effort in clamping down the illicit market recently. Despite continual local and export sales volume decline, 1H revenue and net profit rose by 5.7% and 14.1% yoy, respectively, thanks to higher selling prices. Given the better-than-expected results, we lift our EPS forecasts by 7-8% to factor in lower sales volume decline. This raises our DCF-based target price. Nonetheless, we maintain our Reduce call as we think that legal cigarette volume will continue to be under pressure, in view of the projected weaker consumer spending and high illicit trade, while its dividend yield is too low for the risks. BAT declared a second interim dividend of 78 sen per share, in line with our forecast. We prefer Gudang Garam.

News of the Day...

- Tenaga signs PPA with Jimah East Power for the 2,000MW coal-fired power plant
- WCT Holdings secures RM341.9m contract at Petronas Rapid site in Pengerang
- Abric board looking to divest its core business
- Dagang NeXchange has formalised a collaboration agreement with Maybank
- Axiata among 4 shortlisted as potential buyers in Tata's controlled Viom Networks?
- Joko Widodo has won the Indonesia presidential election by more than 6% pts
- US house prices climbed 0.4% on a seasonally adjusted basis from April

Global Economic News...

US house prices climbed 0.4 percent on a seasonally adjusted basis from April, the Federal Housing Finance Agency said. Most analysts estimated a 0.2% increase. More homeowners are listing their properties, giving buyers more choices. Purchases of previously owned houses rose to an eight-month high in June, the National Association of Realtors said today. The number of homes on the market climbed 6.5 percent from May. (Bloomberg)

US consumer prices rose in June as the cost of gasoline surged, but the underlying trend remained consistent with a gradual build-up of inflationary pressures. The Consumer Price Index increased 0.3 percent last month, with gasoline accounting for two-thirds of the gain, after May's 0.4 percent rise. In the 12 months through June, the CPI increased 2.1 percent after a similar rise in May. (Bloomberg)

At the end of the first quarter of 2014, the **government debt to GDP ratio in the euro area (EA18)** stood at 93.9%, compared with 92.7% at the end of the 4Q of 2013. This increase comes after two consecutive quarters of decrease. (Focus News)

UK's budget shortfall was little changed in June as increased spending offset a jump in tax receipts, casting doubt over whether Chancellor of the Exchequer George Osborne can meet his deficit-reduction goal. Net borrowing was 11.4 billion pounds (\$19.5 billion) compared with 11.5 billion pounds a year earlier. That compares with a forecast of 11.1 billion most analysts expected. Government revenue rose 4.7 percent and spending grew 3.9 percent. (Bloomberg)

The **Japanese government** trimmed its **economic growth forecast** for the current fiscal year ending in Mar to 1.2% from 1.4% in its Jan projection but said that it won't give up on its long battle to bring its debt issuance under control. The forecast reflects weak export growth, stronger-than-expected imports and a pullback in private consumption following the first major sales tax increase in 17 years. (WSJ)

President Benigno Aquino III signed a law removing restrictions on **foreign ownership of Philippine banks**. Foreign banks were previously allowed to own a maximum of 60% of Philippine banks, but that has now been raised to 100%. A cap on the number of wholly-owned overseas lenders permitted to operate in the country—formerly fixed at 10—has also been abolished. (WSJ)

Japan's leading index fell to 104.8 in May (106.5 in Apr). The latest reading was the lowest since Jan 2013, when the score was 102.9. (RTT)

Japan's entire industry activity index rose 0.6% mom in May (-4.6% mom in Apr). (RTT)

Joko Widodo has won the **Indonesia presidential election** by more than 6% pts with a total of 71m valid votes nationwide, according to the General Elections Commission, or KPU. That gives Widodo, 53, a mandate to govern from Oct until 2019. (Bloomberg)

Indonesian presidential election candidate Prabowo Subianto has said he is withdrawing from the election process, alleging massive fraud. Early projections have put Joko Widodo in the lead. But Mr Subianto told reporters there was massive systemic fraud and vowed to challenge the results in court. Prabowo's move to withdraw from the vote count while calling the process undemocratic raises the prospect of weeks of uncertainty, including a potential constitutional court challenge.

- Ensuring a smooth transfer of power when current president Susilo Bambang Yudhoyono steps down will be a test for a country that held its first direct election for president just a decade ago. (BBC, Bloomberg)

India's new government has called for reforms to the World Bank structure to reflect the "emerging" clout of developing nations in a meeting with visiting bank chief Jim Yong Kim. The government, which took office in May, said in a statement late Tuesday that Finance Minister Arun Jaitley stressed at an evening meeting with Kim the need for significant changes to the way the World Bank operates. (Channel News Asia)

The People's Bank of China (PBOC) will use unconventional monetary tools such as re-lending and pledged supplementary lending to maintain relatively loose liquidity, rather than turning to conventional tools including lowering interest rates or the reserve requirement ratio, said some analysts. The PBOC has developed two or three monetary tools to guide short-and medium-term interest rates via an effective monetary policy transmission mechanism, said PBOC Governor Zhou Xiaochuan on the sidelines of the China-US Strategic and Economic Dialogue in Beijing on July 10. (People Daily)

Taiwan's unemployment rate rose to 3.92% last month, from the 3.85% recorded last month, following the influx of a large number of first-time jobseekers to the job market during the graduation season, the Directorate-General of Budget, Accounting and Statistics (DGBAS) said yesterday. (Taipei Times)

To reduce risk of failure of large banks, **Reserve Bank of India (RBI)** today released a framework for identifying domestic systemically important banks, which would be required to provide additional equity capital for their risk weighted assets. "Based on their systemic importance scores in ascending order, banks will be plotted into four different buckets and will be required to have additional Common Equity Tier 1 capital requirement ranging from 0.20 per cent to 0.80 per cent of risk weighted assets. (India Times)

Australia's ANZ-Roy Morgan consumer confidence index rose to 113.5 in the week ended Jul 20 from 108.7 in the previous week. (RTT)

Vietnam had a trade surplus of US\$1.46 billion by July 15. The department reported that the country's export and import turnover in the period reached \$152.03 billion, up 12.9 per cent year on year. Of the total, export accounted for \$76.75 billion, up 14.7 per cent. (Vietnam News)

Vietnam has approved a new development strategy for the auto industry to enable it to meet domestic demand and join world production. Vehicles defined in the strategy include trucks, cars with more than 10 seats, cars with up to nine seats, and specialised vans. Small and multifunctional vans for agricultural use and serving customers in rural and mountainous areas will also be encouraged.

- The support industry for the sector will use advanced technologies and enter partnerships with leading world manufacturers to be eligible to supply spare parts for global vehicles. By 2020, the auto support industry is expected to be able to meet about 35% of the demand for domestic spare parts and accessories. It should also be able to satisfy more than 65% of local needs between 2026 and 2035. (Vietnam News)

Malaysian Economic News...

Bank Negara Malaysia's international reserves amounted to RM423.8bn (equivalent to US\$131.9bn) as at Jul 14, 2014. "The reserves position is sufficient to finance 8.9 months of retained imports and is 1.3 times the short-term external debt," the central bank said in a statement. The main components of the international reserves are foreign currency reserves (US\$120.3bn), International Monetary Fund reserves position (US\$1bn), Special Drawing Rights (US\$2bn), gold (US\$1.5bn) and other reserve assets (US\$7.1bn). (Bernama)

iCarnegie Global Learning, a strategy product and services business powered by Carnegie Mellon University, and Eduspec Holdings Sdn Bhd have signed a strategic collaboration agreement. In a joint statement today, iCarnegie Global Learning and Eduspec said the agreement aimed to deliver a cutting-edge STEM (science, technology, engineering and mathematics) education curriculum focused on robotics and computer programming education for primary and secondary schools in the Asian Market.

- The programme would be launched in 2015 and would initially target Eduspec's current market of approximately 720,000 Chinese school students, the statement said. (Bernama)

Bank Negara Malaysia (BNM) is likely to maintain the current **overnight policy rate (OPR)** for the rest of the year, says the Malaysian Institute of Economic Research (MIER). Its executive director, Dr Zakariah Abdul Rashid, said the recent increase of 25bp was timely to curb the rising inflation and high household debt.

- "I don't think there will be a new increase in the immediate future. We have to monitor it closely because the upward adjustment of 25bp was only done in July. "Let's see how the economic environment react to it," he said.
- Inflation is expected to be at three per cent in 2014, driven by several factors including the implementation of goods and services tax, increase in OPR and continuous subsidy rationalisation, said Zakariah.
- "All these will add to inflationary pressures. Everybody has factored in goods and services tax, even it is not being implemented yet," he said.
- He said the Malaysian economy was likely to achieve a growth of between 5-5.2% growth in the second half of 2014, driven by domestic demand. "The external economy is still growing but it is still fragile," he said.
- On the currency, he said, the ringgit was likely to continue its upward momentum for the rest of the year in line with economic fundamentals and strong demand for exports, especially from the US and eurozone. (Bernama)

The **International Greentech and Eco Products Exhibition and Conference Malaysia (IGEM) 2014** to held in Oct is expected to generate RM1.2bn worth of business leads. Themed, "Generating Green Wealth", the business leads could later be translated into business transactions. "They can result in product orders, business joint ventures or investment in manufacturing of green technology," said Malaysian Green Technology Corporation Chief Executive Officer Ahmad Hadri Haris. (Bernama)

Malaysian Institute of Economic Research (Mier) 2Q14 Consumer Sentiments Index rose 3.3 points to edge past the 100-point benchmark to settle at 100.1 in the period under review, while the **Business Conditions Index** rose 9.9 points to 113. (StarBiz)

Political News...

Tan Sri Khalid Ibrahim envisages completing his term as **Menteri Besar** in three years' time before retiring and taking care of his grandchildren. The Selangor Menteri said he considered the job an enjoyable task, but it was up to the people to decide if they wanted him replaced by his party chief Datuk Seri Dr Wan Azizah Wan Ismail.

- Earlier yesterday, a defiant Abdul Khalid said he was not budging from his menteri besar post, even if PKR proposed Dr Wan Azizah for the post. The Selangor MB said he stood by the state constitution which has mapped out special processes to replace a state leader. "Until all the processes are complete, I will continue to do my job as the menteri besar with responsibility as requested by the Selangor people," Khalid said in a statement. (Malaysian Insider)

Datuk Seri Anwar Ibrahim has outlined a seven-point plan if Pakatan Rakyat captured Putrajaya, focusing on ties between the federal and state governments, particularly between Sabah and Sarawak. The opposition leader said priority is the current federal-state arrangement to share petroleum wealth.

- In the revamp, petroleum-producing states would be given a better say in how Petronas is managed, he said. This would be by appointing a director each from Sarawak, Sabah and the other petroleum-producing states to the national oil company's board.
- "This is in recognition of the injustice in the marginalisation and poverty suffered by Sarawak and Sabah despite their rich resources, as a result of corruption, nepotism and cronyism by both the federal and state governments," Anwar said at a gathering marking Sarawak's 51st year of independence in Kuching yesterday. (Malaysian Insider)

Corporate News...

Tenaga Nasional has sealed a power purchase agreement (PPA) with Jimah East Power Sdn Bhd for the 2,000MW coal-fired power plant in Mukim Jimah, Negeri Sembilan. Tenaga said Jimah East Power is a joint venture comprising of 1Malaysia Development Bhd and Mitsui & Co. Ltd which will design, construct, own, operate and maintain the plant.

- This PPA, which is for 25 years, was a result of the Track 3B competitive bidding organised by the Suruhanjaya Tenaga (Energy Commission) to meet the generation requirements in Peninsular Malaysia at the most competitive rates. The PPA has expected commercial operation dates of Nov 15, 2018 and May 15, 2019 respectively. (StarBiz)

Dagang NeXchange Bhd (DNex) has formalised a collaboration agreement with **Malayan Banking Bhd (Maybank)** to provide centralised online trade financing service by year-end. DNex said under the collaboration, Maybank will use its online trade financing service to extend credit to exporters at competitive price. "The online trade financing service is aimed at providing timely and efficient electronic trade finance service for exporters," it said. (BT)

Axiata Group Bhd is among four companies shortlisted as potential stake buyers in **Tata Teleservices Ltd (TTSL)**-controlled **Viom Networks**, India's largest independent telecom tower company. Indian English daily *The Economic Times* reported that Axiata, together with private equity funds Carlyle and Providence as well as American Tower, are bidding to clinch stakes in Viom.

- The report said Axiata has been scouting the tower business in India over the past one year as it aims to consolidate its presence in telecom infrastructure across Asia, where India is currently missing from its portfolio. The company has reportedly approached all tower companies in India, including Bharti Infratel Ltd. (Financial Daily)

WCT Holdings Bhd has been awarded a RM341.9m contract for the provision of package 20C1 that entails the common construction access and permanent roads within the **Refinery and Petrochemical Integrated Development (Rapid) site in Pengerang, Johor**. WCT subsidiary WCT Bhd had recently accepted a letter of award from Petronas Refinery and Petrochemical Corporation Sdn Bhd. (StarBiz)

The **Malaysian Automotive Association (MAA)** has revised upwards its total industry volume (TIV) forecast to 680,000 units for 2014, on the back of improving economic conditions.

- MAA's original projection for 2014's TIV was 670,000 units. The association forecast 693,500 units in 2015, 708,000 units in 2016, 723,700 units in 2017 and 740,400 in 2018, Aishah said. For the first six months of 2014, TIV of new vehicles increased by 6.3%, or 19,654 units, to 333,142 units over the same period last year.
- MAA president, Datuk Aishah Ahmad, said the economy was expected to maintain its growth momentum in the second half of the year in line with the forecast growth rate of between 5-5.5 per cent for 2014 as announced by the government. "Consumer sentiment is expected to remain positive owing to the stability of the employment market and aggressive promotional campaigns by car companies.
- "However, we still don't know how the recent increase in the overnight policy rate (OPR) could have an impact on the industry," she said in a preview of the market in the first half of 2014. (BT)

Sales of **Ford** vehicles in Malaysia rose 25% to 6,520 units in the first six months. Franchise holder **Sime Darby Auto Connexion** said Ford Malaysia's sales had gone up 270 per cent from 2010 to 2013, with the latter year being the company's best annual performance in 20 years. Last year, Ford Malaysia's total sales rose 50% to 10,660 units. Ford Ranger pick-up truck made up half of that sales figure, while the Fiesta accounted for 30% and remaining models were made up by the Focus, Focus ST, Kuga, Mondeo, S-Max and Everest. (BT)

BMW Malaysia has delivered a total of 4,274 vehicles to its customers in the first half of the year, a 13% sales increase from 3,795 vehicles delivered in the same period last year. Of the total delivery for the period under review, 3,724 vehicles were of the BMW brand, 296 MINI and the remaining 254 were BMW Motorrads. Chief executive officer Dr Gerhard Pils said 2014 was already shaping to be another positive year for the company.

- "The BMW 3 Series and the BMW 5 Series continued to be strong contributors, with 2,056 units and 792 units, respectively, registered in the first half of 2014, accounting for over 66% of the company's total sales in Malaysia," he said in a statement today. In June, sales of the BMW 3 Series increased 29% with a total of 328 units delivered while 115 units of the BMW 5 Series were delivered, charting a 50% increase as compared to the same period in last year. (BT)

The **Selangor state government** would set to **revise terms** in the **water consolidation exercise**, should **Datuk Seri Dr Wan Azizah Wan Ismail** take over as menteri besar (MB) from **Tan Sri Abdul Khalid Ibrahim**. "When Kak Wan (Wan Azizah) comes in the entire Selangor water restructuring deal will need to be relooked at, including the Langkat 2 project that was signed in a hurry by the state government headed by Khalid," said PKR strategic director Rafizi Ramli. Rafizi said that the state government was planning to review all of the water agreements with the concessionaires including the memorandum of understanding that was signed between both the federal and state governments in February. (Financial Daily)

Boustead Plantations has announced that Affin Investment Bank Bhd, as its stabilising manager, has purchased 1.38m of the company's shares. The price of purchase stood at RM1.60 a Boustead Plantation share. (BT)

Oldtown Bhd has incorporated a wholly foreign-owned enterprise Shenzen OldTown White Coffee Trading Co Ltd with a registered capital of US\$1m in Shenzen, China. (StarBiz)

I-Berhad, the developer of i-City, is eyeing more joint ventures with local partners to undertake urban development projects in its next phase of growth plan. **I-Berhad deputy chairman Datuk Eu Hong Chew** said the company was scouring for landowners, owning between 12 and 20ha of land, to jointly develop the Malaysian MSC and tourism-concept development projects.

- Asserting that I-Berhad will not be buying land anymore, he said instead it will enter into partnership with potential landowners. "We are interested in projects that can be carried out over 20 years, thus ensuring landowners derive benefits from their land that will gradually go up in value," he said. (BT)

The board of **Abric Bhd** is looking to divest its core business and explore other opportunities, given the entry of a foreign party who is interested in its security sealing solutions business. A source said if the board agreed to the foreign party's offer terms post the due diligence exercise, Abric would go ahead and unlock the value of its entire business in manufacturing and selling security seals.

- "Abric will become a Practice Note 16 cash counter. The board will decide what to do with the money later as there is no concrete plan at the moment," the source said, adding that part of the divestment proceeds would be distributed to shareholders while a portion would be kept by the board for future ventures. If Abric's divestment goes through, it will have six months to regularise and decide on its next course. (StarBiz)

Kumpulan Jetson plans to dispose of 60% of its stake in Asian Corp Ltd for RM3.52m to Hong Kong Oriental Rich & Force Investment Co Ltd. The company said its unit, Jetson Development (Asia) Sdn Bhd entered into a share sale agreement with Hong Kong Oriental to sell its 14.57m ordinary shares of HK\$1.00 each in Asian Corporation. (BT)

Mass Rapid Transit Corp Sdn Bhd (MRT Corp) has voiced its concerns on the integration issue between its Sungai Buloh–Kajang (SBK) Line and the proposed third Light Rapid Transit (LRT 3) line. LRT 3 is slated to start in Bandar Utama, Damansara and cut across Shah Alam towards its final destination in Klang. The proposed 36km LRT 3 is estimated to cost RM9bn and should be undertaken by Syarikat Prasarana Negara Bhd.

- The news caught MRT Corp by surprise especially on the integration point in Bandar Utama. StarBiz had highlighted this issue several times quoting sources. According to MRT Corp, it has yet to open any discussion with Prasarana on any integration between its SBK Line and LRT 3 line. (StarBiz)

The **Securities Commission Malaysia (SC)** has launched a legal action against businessman **Datuk Kenneth Vun** and six other individuals for **manipulating DVM Technology Bhd** shares over a one-week period in 2006. This is the second time the regulator is taking legal action against Vun. In November 2009, the authorities obtained an order from the High Court requiring Vun to make a restitution of RM2.5m to FTEC Resources Bhd for using a portion of FTEC's public issue proceeds for his own benefit. Vun is a former managing director and shareholder of FTEC.

- The SC said it is seeking a disgorgement of all profits earned by the defendants as a result of the manipulation, which is sought to be used to compensate affected investors. The SC is also claiming a civil penalty of RM1m from each of the seven defendants. Other orders sought are that the defendants be barred from being directors of public-listed companies and from trading on the stock exchange for a period of five years. (Financial Daily)

BMSB: Changes in shareholdings

| 22-Jul-14 | Date | Type of transaction | No of securities | Company | Ave Price (RM) |
|---|-------------|----------------------------|-------------------------|-------------------------|-----------------------|
| EPF | 9/7-17/7 | Disposed | 6,468,300 | PERDANA PETROLEUM | |
| EPF | 17/7 | Disposed | 3,000,000 | AMMB HOLDINGS | |
| EPF | 17/7 | Disposed | 2,850,000 | SP SETIA | |
| EPF | 17/7 | Disposed | 2,700,000 | IJM LAND | |
| EPF | 10/7-16/7 | Disposed | 2,025,800 | UMW HOLDINGS | |
| EPF | 8/7-17/7 | Disposed | 1,452,700 | MALAYSIA AIRPORTS | |
| EPF | 17/7 | Disposed | 1,282,800 | IHH HEALTHCARE | |
| EPF | 17/7 | Disposed | 1,000,000 | AFG | |
| EPF | 17/7 | Disposed | 612,400 | IOI PROPERTIES GROUP | |
| EPF | 17/7 | Disposed | 400,100 | CAHYA MATA SARAWAK | |
| EPF | 17/7 | Disposed | 356,300 | MAXIS | |
| EPF | 17/7 | Disposed | 352,900 | BERJAYA AUTO | |
| EPF | 17/7 | Disposed | 352,900 | BERJAYA AUTO | |
| EPF | 16/7 | Disposed | 308,900 | PETRONAS GAS | |
| EPF | 17/7 | Disposed | 296,300 | IOI CORPORATION | |
| EPF | 17/7 | Disposed | 214,200 | YINSON HOLDINGS | |
| EPF | 17/7 | Disposed | 201,700 | GENTING PLANTATIONS | |
| EPF | 17/7 | Disposed | 200,000 | YTL POWER INTERNATIONAL | |
| EPF | 17/7 | Disposed | 140,900 | AEON CO. (M) | |
| EPF | 11/7-17/7 | Disposed | 109,500 | PETRONAS CHEMICALS | |
| EPF | 17/7 | Disposed | 83,600 | FELDA GLOBAL VENTURES | |
| EPF | 16/7 | Disposed | 68,900 | TA ANN HOLDINGS | |
| EPF | 17/7 | Disposed | 24,000 | BAT | |
| EPF | 17/7 | Disposed | 12,000 | MBM RESOURCES | |
| Skim Amanah Saham Bumiputera | 17/7 | Disposed | 429,000 | UMW HOLDINGS | |
| Kumpulan Wang Persaraan | 14/7 | Disposed | 1,446,400 | IJM CORPORATION | |
| Kumpulan Wang Persaraan | 14/7-17/7 | Disposed | 250,200 | PETRONAS GAS | |
| Kumpulan Wang Persaraan | 14/7-16/7 | Disposed | 161,900 | GAMUDA | |
| ASSAR Industri Sdn. Bhd. | 21/7 | Disposed | 500,000 | WEIDA (M) | |
| Hong Leong Manufacturing Group S/B | 16/7 | Disposed | 97,300 | NARRA INDUSTRIES | |
| Lem Kemajuan Perusahaan Pertanian N. Pahang | 17/7 | Disposed | 24,174,000 | TANAH MAKMUR | 1.25 |
| TASTU BINA SDN BHD | 11/7 | Disposed | 2,716,900 | TANAH MAKMUR | 1.25 |
| TAS INDUSTRIES SDN BHD | 11/7 | Disposed | 8,282,900 | TANAH MAKMUR | 1.25 |
| Aberdeen Asset Management PLC | 21/7 | Disposed | 20,100 | SHANGRI-LA HOTELS | |
| EPF | 17/7 | Acquired | 3,283,300 | DIGI.COM | |
| EPF | 17/7 | Acquired | 2,760,000 | TELEKOM MALAYSIA | |
| EPF | 17/7 | Acquired | 1,612,000 | GAMUDA | |
| EPF | 17/7 | Acquired | 1,351,800 | KNM GROUP | |
| EPF | 17/7 | Acquired | 1,257,200 | PUBLIC BANK | |
| EPF | 17/7 | Acquired | 1,245,700 | SAPURAKENCANA | |
| EPF | 17/7 | Acquired | 919,400 | MAH SING GROUP | |
| EPF | 17/7 | Acquired | 800,000 | SIME DARBY | |
| EPF | 17/7 | Acquired | 731,300 | MALAYAN BANKING | |
| EPF | 16/7-17/7 | Acquired | 435,000 | KPJ HEALTHCARE | |
| EPF | 17/7 | Acquired | 413,100 | DIALOG GROUP | |
| EPF | 17/7 | Acquired | 300,000 | TOP GLOVE | |
| EPF | 17/7 | Acquired | 243,700 | BURSA MALAYSIA | |
| EPF | 17/7 | Acquired | 166,500 | WAH SEONG CORPORATION | |
| EPF | 17/7 | Acquired | 128,700 | WCT HOLDINGS | |
| EPF | 17/7 | Acquired | 95,800 | IJM CORPORATION | |
| EPF | 16/7-17/7 | Acquired | 88,400 | PETRONAS DAGANGAN | |
| EPF | 17/7 | Acquired | 64,900 | BUMI ARMADA | |
| EPF | 17/7 | Acquired | 35,000 | POS MALAYSIA | |
| EPF | 9/7 | Acquired | 22,400 | PANASONIC MANUFACTURING | |
| EPF | 17/7 | Acquired | 16,100 | TAN CHONG MOTOR | |
| EPF | 17/7 | Acquired | 15,500 | KUALA LUMPUR KEPONG | |
| EPF | 17/7 | Acquired | 4,500 | UNITED MALACCA | |
| EPF | 17/7 | Acquired | 3,000 | ORIENTAL HOLDINGS | |

SOURCES: BMSB

BMSB: Changes in shareholdings

| 22-Jul-14 | Date | Type of transaction | No of securities | Company | Ave Price (RM) |
|--------------------------------------|-----------|---------------------|------------------|-----------------------|----------------|
| Skim Amanah Saham Bumiputera | 17/7 | Acquired | 2,148,000 | SIME DARBY | |
| Skim Amanah Saham Bumiputera | 17/7 | Acquired | 1,851,100 | MAXIS | |
| Permodalan Nasional Berhad | 16/7 | Acquired | 834,200 | UMW HOLDINGS | |
| Kumpulan Wang Persaraan | 16/7-17/7 | Acquired | 6,130,000 | SP SETIA | |
| Kumpulan Wang Persaraan | 14/7 | Acquired | 697,800 | DAYANG ENTERPRISE | |
| Kumpulan Wang Persaraan | 16/7 | Acquired | 638,100 | GAMUDA | |
| Kumpulan Wang Persaraan | 14/7 | Acquired | 497,700 | IGB REIT | |
| Kumpulan Wang Persaraan | 14/7 | Acquired | 200,000 | AXIS REIT | |
| Mondrain Investment Partners Limited | 18/7 | Acquired | 8,000 | APM AUTOMOTIVE | 6.03 |
| MAGNUM | 22/7 | Shares Buy Back | 50,000 | MAGNUM | 3.06 |
| BERJAYA SPORTS TOTO | 22/7 | Shares Buy Back | 50,000 | WAH SEONG CORPORATION | 1.87 |

SOURCES: BMSB

BMSB: Off-market transactions

| 22-Jul-14 | Vol |
|-----------|------------|
| APFT | 10,000,000 |
| BHS | 6,000,000 |
| ALAM | 5,500,000 |
| MUIIND | 4,030,000 |
| PJASUKGB | 4,000,000 |
| CNASIA | 4,000,000 |
| MASTEEL | 2,000,000 |
| XINGHE | 2,000,000 |
| SIGN | 1,500,000 |
| SURIA | 1,480,000 |
| BERTAM | 1,000,000 |
| BJAUTO | 1,000,000 |
| HOHUP-PB | 783,202 |
| WATTA | 684,800 |
| ARMADA | 620,000 |
| ETITECH | 550,000 |
| MNC | 500,000 |

Notes:CN-Crossing deal on board lots
MN-Married deal on board lots
MO-Married deal on odd lots
SOURCES: BMSB

BMSB: Dividends

| Company | Particulars | Gross DPS (Sen) | Ann Date | Ex-Date | Lodgement | Payment |
|----------------------|------------------------------------|-----------------|-----------|-----------|-----------|-----------|
| CMMT | Income distribution | 4.53 | 17-Jul-14 | 31-Jul-14 | 4-Aug-14 | 29-Aug-14 |
| PAVILION REIT | Interim income distribution | 3.84 | 17-Jul-14 | 1-Aug-14 | 5-Aug-14 | 25-Aug-14 |
| BURSA MALAYSIA | Interim dividend - single tier | 16.00 | 17-Jul-14 | 1-Aug-14 | 5-Aug-14 | 14-Aug-14 |
| BURSA MALAYSIA | Special dividend - single tier | 20.00 | 17-Jul-14 | 1-Aug-14 | 5-Aug-14 | 14-Aug-14 |
| DIGI.COM | 2nd interim dividend - single tier | 6.40 | 17-Jul-14 | 5-Aug-14 | 7-Aug-14 | 5-Sep-14 |
| MUDAJAYA GROUP | 2nd interim dividend - single tier | 3.00 | 10-Jun-14 | 6-Aug-14 | 8-Aug-14 | 5-Sep-14 |
| BAT | 2nd interim dividend - single tier | 78.00 | 22-Jul-14 | 7-Aug-14 | 11-Aug-14 | 29-Aug-14 |
| MUHIKBAH ENGINEERING | 1st & final dividend - single tier | 4.50 | 3-Jun-14 | 13-Aug-14 | 15-Aug-14 | 25-Aug-14 |
| MAXIS | Interim dividend - single tier | 8.00 | 22-Jul-14 | 27-Aug-14 | 29-Aug-14 | 26-Sep-14 |

SOURCES: BMSB

BMSB: Proposed cash calls & trading of rights...

| 23-Jul-14 | Ann Date | Proposed |
|------------------|-----------------|---|
| ECO WORLD | 25-Apr-14 | 1 Rights @ 2 , 4 Free Warrants @ 5, Private Placement |
| SBC CORP | 27-May-14 | Bonus issue 1:2 |
| BUMI ARMADA | 12-Jun-14 | Bonus issue 1:2, 1 Rights @ 2 |

SOURCES: BMSB

BMSB: New Listing

| Company | Issue price | No of shares | | | Listing sought | Tentative listing date |
|---------------------|--------------------|---------------------|-----------------------|--------------------------|-----------------------|-------------------------------|
| | | Public Issue | Offer for sale | Private placement | | |
| SASBADI HOLDINGS | 1.19 | 21,200,000 | 35,950,000 | 32,400,000 | Main Market | 23-Jul-14 |
| HENG HUAT RESOURCES | 0.45 | 46,500,000 | 14,660,000 | 26,860,000 | ACE Market | 25-Jul-14 |

SOURCES: BMSB

Corporate Actions

July 2014

| SUN | MON | TUE | WED | THU | FRI | SAT |
|-----------|-------------------------------|---|---|---|--|-----------|
| | | 1 Cypark 2Q | 2 | 3 | 4 MPI's Analyst Day, External Trade | 5 |
| 6 | 7 External Reserves | 8 | 9 | 10 IPI, BNM rate | 11 | 12 |
| 13 | 14 | 15 Nuzul Al-Quran | 16 Tenaga 3Q & briefing, CPI | 17 DiGi 2Q, Bursa 2Q, Pavilion REIT 2Q, CMMT 2Q | 18 | 19 |
| 20 | 21 | 22 Maxis 2Q, BAT 2Q & briefing, External Reserves (mid-month data) | 23 Daibochi 2Q | 24 Daibochi 2Q briefing | 25 | 26 |
| 27 | 28 Hari Raya Puasa | 29 Hari Raya Puasa | 30 | 31 Money supply | | |

Source: Company, BNM, DOS, CIMB estimates

SOURCES: Company, BNM, DOS, CIMB estimates

Corporate Actions

August 2014

| SUN | MON | TUE | WED | THU | FRI | SAT |
|--------------------|-----------|---|--|--|---|-----|
| 31 National Day | | | | | 1 | 2 |
| 3 | 4 | 5 Hartalega 1Q | 6 External Trade | 7 F&N 3Q, External Reserve (month-end data) | 8 | 9 |
| 10 | 11 IPI | 12 Nestle 2Q | 13 Nestle 2Q briefing, GDP, BoP Current Account Balance | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 CPI | 21 Eco World 3Q, Guinness 4Q, QL 1Q | 22 External Reserves (mid-month data) | 23 |
| 24 | 25 | 26 UOA Dev 2Q, E&O 1Q, Carlsberg 2Q | 27 UEM Sunrise 2Q | 28 | 29 Mah Sing 2Q, Money supply | 30 |

Source: Company, BNM, DOS, CIMB estimates

SOURCES: Company, BNM, DOS, CIMB estimates

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CIMB Recommendation Framework #1

| Stock Ratings | Definition |
|---------------|---|
| Add | The stock's total return is expected to exceed 10% over the next 12 months. |
| Hold | The stock's total return is expected to be between 0% and positive 10% over the next 12 months. |
| Reduce | The stock's total return is expected to fall below 0% or more over the next 12 months. |

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock.

Stock price targets have an investment horizon of 12 months.

| Sector Ratings | Definition |
|--------------------|--|
| Overweight | An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation. |
| Neutral | A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation. |
| Underweight | An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation. |

| Country Ratings | Definition |
|--------------------|--|
| Overweight | An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark. |
| Neutral | A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark. |
| Underweight | An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark. |

CIMB Stock Recommendation Framework #2 *

| | |
|---------------------|---|
| Outperform | The stock's total return is expected to exceed a relevant benchmark's total return by 5% or more over the next 12 months. |
| Neutral | The stock's total return is expected to be within +/-5% of a relevant benchmark's total return. |
| Underperform | The stock's total return is expected to be below a relevant benchmark's total return by 5% or more over the next 12 months. |
| Trading Buy | The stock's total return is expected to exceed a relevant benchmark's total return by 3% or more over the next 3 months. |
| Trading Sell | The stock's total return is expected to be below a relevant benchmark's total return by 3% or more over the next 3 months. |

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CIMB Stock Recommendation Framework #3 **

| | |
|---------------------|--|
| Outperform | Expected positive total returns of 10% or more over the next 12 months. |
| Neutral | Expected total returns of between -10% and +10% over the next 12 months. |
| Underperform | Expected negative total returns of 10% or more over the next 12 months. |
| Trading Buy | Expected positive total returns of 10% or more over the next 3 months. |
| Trading Sell | Expected negative total returns of 10% or more over the next 3 months. |

** This framework only applies to stocks listed on the Korea Exchange, Hong Kong Stock Exchange and China listings on the Singapore Stock Exchange. Occasionally, it is permitted for the total expected returns to be temporarily outside the prescribed ranges due to extreme market volatility or other justifiable company or industry-specific reasons.

Corporate Governance Report of Thai Listed Companies (CGR). CG Rating by the Thai Institute of Directors Association (IOD) in 2013.

AAV – Good, **ADVANC** - Excellent, **AMATA** - Very Good, **ANAN** – Good, **AOT** - Excellent, **AP** - Very Good, **BANPU** - Excellent, **BAY** - Excellent, **BBL** - Excellent, **BCH** – Good, **BCP** - Excellent, **BEC** - Very Good, **BGH** - not available, **BJC** – Very Good, **BH** - Very Good, **BIGC** - Very Good, **BTS** - Excellent, **CCET** – Very Good, **CENDEL** – Very Good, **CK** - Excellent, **CPALL** - Very Good, **CPF** – Excellent, **CPN** - Excellent, **DELTA** - Very Good, **DTAC** - Excellent, **EGCO** – Excellent, **GLOBAL** - Good, **GLOW** - Very Good, **GRAMMY** – Excellent, **HANA** - Excellent, **HEMRAJ** - Excellent, **HMPRO** - Very Good, **INTUCH** – Excellent, **ITD** – Very Good, **IVL** - Excellent, **JAS** – Very Good, **KAMART** – not available, **KBANK** - Excellent, **KKP** – Excellent, **KTB** - Excellent, **LH** - Very Good, **LPN** - Excellent, **MAJOR** – Very Good, **MAKRO** – Very Good, **MCOT** - Excellent, **MINT** - Excellent, **PS** - Excellent, **PSL** - Excellent, **PTT** - Excellent, **PTTGC** - Excellent, **PTTEP** - Excellent, **QH** - Excellent, **RATCH** - Excellent, **ROBINS** - Excellent, **RS** – Excellent, **SAMART** – Excellent, **SC** – Excellent, **SCB** - Excellent, **SCC** - Excellent, **SCCC** - Very Good, **SIRI** – Very Good, **SPALI** - Excellent, **STA** - Good, **STEC** - Very Good, **TCAP** - Excellent, **THAI** - Excellent, **THCOM** – Excellent, **TICON** – Very Good, **TISCO** - Excellent, **TMB** - Excellent, **TOP** - Excellent, **TRUE** - Excellent, **TTW** – Excellent, **TUF** - Very Good, **VGI** – Excellent, **WORK** – Good.