



AmWatch

Equity Research Team
(603- 2070 2444)

18 May 2020

BURSA MALAYSIA

KLCI	1,403.44 (+6.19)
52-Week Range	1,207.80 – 1,694.55
Mkt Cap (RMb)	1,484.62
Daily Volume (m shares)	9,334.57
Daily Value (RMmil)	3,910.99

TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
PPB	16.54	0.44
DLADY	46.16	0.36
KLK	20.16	0.34
HLFG	12.90	0.28
DUFU	4.76	0.26

TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
SIMEPLT	4.61	-0.14
HAPSENG	7.00	-0.10
PBBANK	15.34	-0.08
TAANN	2.15	-0.08
HARTA	9.11	-0.08

REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,403.44	0.4	-11.7
Singapore	2,523.55	0.0	-21.7
Thailand	1,280.76	0.0	-18.9
Philippines	5,541.95	-2.0	-29.1
Indonesia	4,507.61	-0.1	-28.4
Hong Kong	23,797.47	-0.1	-15.6
Korea	1,927.28	0.1	-12.3
Taiwan	10,814.92	0.3	-9.9
Japan	20,037.47	0.6	-15.3
Dow Jones	23,685.42	0.3	-17.0
Nasdaq	9,014.56	0.8	0.5

ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.3510	0.3	6.4
OPR (%)	2.00	0.0	-33.3
BLR (% Maybank)	5.65	0.0	-15.0
NYMEX Crude oil			
US spot (US\$/barrel)	29.43	6.8	-51.8
CPO spot price (RM/tonne)	2,033.50	-0.3	-32.6

STOCK FOCUS OF THE DAY

Pentamaster Corp: *Project deliveries lower but growth prospects positive* **Buy**

We maintain our BUY recommendation on Pentamaster Corporation (Pentamaster) with a higher fair value of RM 5.39/share (previously RM4.45/share), pegged to a higher FY21F PE of 23x (previously 19x), having reflected the updated sector weighted-average forward PE.

Pentamaster's 1QFY20 results came in line with expectations at RM16mil. This is after excluding net one-off gains amounting RM1mil, as unrealized forex losses were offset by gains in FV of forex forward contracts. Despite accounting for 16% of our full-year forecasts and 17% of consensus estimates, we consider the results to be in line as we expect the group's 2HFY20 to be stronger amid expectations of a gradual easing of Covid-19 containment measures which may alleviate production constraints.

We continue to like Pentamaster due to its positive growth prospects despite expectations of a weak 1H, impacted by Covid-19 as we anticipate a recovery in earnings in subsequent quarters.

Others:

M Flour: *Hit by fall in live bird prices; to do better in FY21F* **Buy**

QUICK TAKE

Plantation Sector: *News flow for week 11 – 15 May* **Underweight**

RETAIL RESEARCH

Stocks On Radar: *Uzma, Bahvest Resources*

NEWS HIGHLIGHTS

Covid-19: *18 clusters linked to inter-state travel*

US: *Fed's Powell says economy faces long, Uncertain recovery*

Airlines: *Emirates considers cutting 30,000 jobs, retire A380s faster*

DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (’000)	Price (RM)	Turnover (RM’000)
MYSCM	30,860	0.100	3,086
KTC	18,000	0.190	3,420
FOCUS	11,500	0.700	8,050
MUIIND	11,200	0.115	1,288
GADANG	7,120	0.430	3,062
BJFOOD	4,500	1.100	4,950
TA	4,220	0.430	1,817
SCIB	4,200	2.000	8,400
MRCB	3,940	0.510	2,008
AGES	3,300	0.155	512
MATRIX	1,900	1.740	3,306
ETH	1,500	0.190	285
SOLID	1,030	0.350	361
EKOVEST	700	0.505	354
YLI	700	0.170	119
ACOSTEC	500	0.400	200
ASTRO	200	0.965	193
PA	200	0.055	11
SHCHAN	134	0.260	35

News Highlights

Covid-19

18 clusters linked to inter-state travel

The Ministry of Health has expressed concern over the growing number of people trying to travel between states ahead of Aidilfitri, despite government restriction to stop another wave of Covid-19 outbreak. Health Director-General Datuk Dr Noor Hisham Abdullah noted that police reported 508 cases of vehicles attempting to travel between states to “balik kampung” on Friday alone. — *theedgemarkets.com*

US

Fed's Powell says economy faces long, Uncertain recovery

Federal Reserve chairman Jerome Powell said the US economy could take more than a year to recover from the coronavirus-induced shock, in an interview broadcast on Sunday. “It’s going to take a while for us to get back,” Powell said in a rare television interview on the CBS News “60 Minutes” programme. “The economy will recover. It may take a while. It may take a period—it could stretch through the end of next year. We really don’t know.” — *WSJ.com*

Airlines

Emirates considers cutting 30,000 jobs, retire A380s faster

Emirates Group is considering slashing about 30,000 jobs, the deepest cuts yet in a global airline industry that’s been forced into near-hibernation by the coronavirus pandemic. The world’s biggest long-haul carrier could shrink a payroll that stood at 105,000 in March by as much as 30% as it reduces costs and realigns its operation to cope with a travel downturn expected to last for years, according to people familiar with the matter. The state-owned group raised US\$1.2bil in new financing in the first quarter and is seeking aid from Dubai. — *Bloomberg*

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