



# AmWatch

Equity Research Team  
(603- 2070 2444)

3 August 2020

## BURSA MALAYSIA

KLCI	1,603.75 (-7.67)
52-Week Range	1,207.80 – 1,648.71
Mkt Cap (RM bil)	1,579.59
Daily Volume (mil shares)	2,622.58
Daily Value (RM mil)	2,943.07

## TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
ADVENTA	2.86	0.47
VITROX	12.28	0.44
F&N	32.50	0.44
CAREPLS	3.65	0.35
AYER	6.00	0.35

## TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
PBBANK	17.00	-0.54
BLDPLNT	6.00	-0.40
ALLIANZ	13.40	-0.38
KOSSAN	17.60	-0.32
BURSA	9.29	-0.31

## REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,603.75	-0.5	0.9
Singapore	2,529.82	-1.7	-21.5
Thailand	1,328.53	1.0	-15.9
Philippines	5,928.45	-0.6	-24.1
Indonesia	5,149.63	0.8	-18.3
Hong Kong	24,595.35	-0.5	-12.8
Korea	2,245.48	-0.2	2.2
Taiwan	12,664.80	-0.5	5.6
Japan	21,710.00	-2.8	-8.2
Dow Jones	26,428.32	0.4	-7.4
Nasdaq	10,745.27	1.5	19.8

## ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.2413	0.0	3.7
OPR (%)	1.75	0.0	-41.7
BLR (% Maybank)	5.40	0.0	-18.8
NYMEX Crude oil			
US spot (US\$/barrel)	40.27	0.9	-34.0
CPO spot price (RM/tonne)	2677.50	-1.1	-11.2

## STOCK FOCUS OF THE DAY

### YTL Hospitality REIT: FY20 NPI falls 7% YoY but distributable income better than expected **BUY**

We maintain our **BUY** recommendation on YTL Hospitality REIT (YTL REIT) with a lower fair value of RM1.31 from RM1.36 based on an unchanged target yield of 5%. We lower our payout ratio to 90% from 100% following management's guidance. We make no changes to our FY21–FY22 numbers while introducing FY23 distributable income forecasts at RM136.9mil.

YTL REIT reported an FY20 distributable income of RM127.1mil (-5.3% YoY), above our and market expectations 114% and 116% of our and consensus full-year forecast respectively. FY20 revenue fell by 13.1% YoY mainly due to travel restrictions in Australia which have impacted the tourism and hospitality business in the country. However, this was mitigated by businesses in Malaysia and Japan which are largely unaffected due to their master lease arrangements.

Nonetheless, its net property income (NPI) dropped by 7.1% to RM235.2mil for the same period due to tight cost-saving measures. Correspondingly, distributable income slid by 5.3% to RM127.1mil. YTL REIT declared a distribution of 2.84 sen per unit for 2HFY20, bringing the total distribution to 6.71 sen per unit, representing a payout ratio of 90% for FY20.

#### Others:

**CIMB Group** : Provisions trending higher; headwinds to Niaga's asset quality **Hold**  
**Digi.com** : Halving entry-level postpaid prices **Hold**  
**Pos Malaysia** : Wider suspension in international services **Hold**  
**Tune Protect Group** : Still not out of the woods yet for travel insurance **Sell**  
**Plantation** : News flow for week 27 – 31 July **Neutral**

## RETAIL RESEARCH

**Stocks On Radar**: Notion VTec, Oceancash Pacific

## NEWS HIGHLIGHTS

**Covid-19** : Wear face mask or face RM1,000 fine  
**Bursa Malaysia** : Hartalega overtakes Public Bank as third most valuable listed firm  
**Covid-19** : WHO reports largest single-day increase in cases across globe  
**Air travel** : Hong Kong, Singapore on list of 10 airports with the most parked jets

**DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA**

<b>Stock</b>	<b>Quantity (’000)</b>	<b>Price (RM)</b>	<b>Turnover (RM’000)</b>
ECOWLD	77,824	0.440	34,242
MYEG-C87	50,0005	0.075	3,750
HUBLINE	20,000	0.053	1,070
WIDAD	14,100	0.630	5,451
DOLPHIN-OR	14,019	0.005	708
MYEG	14,017	1.400	19,848
LKL	10,000	0.700	7,000
SEACERA	3,000	0.250	750
GOPENG	2,500	0.670	1,675
TOMYPAK	2,206	0.716	1,5799
HEKTAR	1,450	0.700	1,015
APPASIA	1,400	0.350	490
GUNUNG	740	0.670	496
SHANG	60	4.170	252

## News Highlights

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### *Covid-19*

#### *Wear face mask or face RM1,000 fine*

Beginning Saturday, Aug 1, wearing a face mask, especially in crowded areas and places as well as on public transport, has been made compulsory by the government to curb the spread of Covid-19. With effect to that, most people can be said to abide by the latest regulation, or risk being slapped with a RM1,000 fine under the Prevention and Control of Infectious Diseases Act 1988 if they are caught not wearing it. — Bernama

### *Bursa Malaysia*

#### *Hartalega overtakes Public Bank as third most valuable listed firm*

Hartalega Holdings Bhd overtook Public Bank Bhd to become Malaysia third most valuable listed company on July 2020's final trading day on Thursday (30 July) when the rubber glove manufacturer's market capitalisation of about RM69.51 billion surpassed Public Bank's estimated RM66 billion. On Thursday, Hartalega's share price closed up 16 sen or 0.8% at RM20.28 while Public Bank shares fell 54 sen or 3.08% to RM17.

Malaysia's most-valuable listed entity is Malayan Banking Bhd (Maybank) followed by Top Glove Corp Bhd. — theedgemarkets.com

### *Covid-19*

#### *WHO reports largest single-day increase in cases across globe*

Almost 300,000 new coronavirus cases were reported to the World Health Organization over the last 24 hours, marking the largest single-day increase ever, the agency said Friday.

More than half the 292,527 new cases reported on Thursday came from the Americas, which had 171,946 cases, according to data from the WHO. Southeast Asia reported the second-highest number of cases, with 60,113 reported infections, followed by Europe, with 25,241, according to the WHO. — CNBC.com

### *Air travel*

#### *Hong Kong, Singapore on list of 10 airports with the most parked jets*

Hong Kong and Singapore's airports are among 10 in the world with the largest number of grounded aircraft, reflecting the devastating effect of the Covid-19 pandemic on carriers Cathay Pacific and Singapore Airlines. Hong Kong was ranked sixth, and Singapore ninth, by aviation data company Cirium, which tracked parked jets. It found 131 aircraft at Hong Kong International Airport in July, and 124 at Singapore's Changi Airport.

Topping the list was Roswell International Air Centre in New Mexico, with 374 grounded jets. Marana Pinal Airpark in Arizona (285) and Victorville Southern California Logistics Airport (219) came in second and third respectively. — SCMP.com

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