

Equity Research Team
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BURSA MALAYSIA

KLCI	1,490.12 (-6.60)
52-Week Range	1,207.80 – 1,618.01
Mkt Cap (RMb)	1,605.84
Daily Volume (m shares)	8,584.38
Daily Value (RMmil)	5,514.72

TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
KLK	22.90	0.58
TIMECOM	11.72	0.32
TENAGA	11.50	0.32
PPB	18.70	0.22
QL	9.75	0.21

TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
SUPERMX	6.10	-1.38
KOSSAN	9.70	-1.26
HARTA	11.88	-1.12
TOPGLOV	6.45	-0.70
COMFORT	3.23	-0.57

REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,490.12	-0.4	-6.2
Singapore	2,492.09	-0.3	-22.7
Thailand	1,290.89	-0.2	-18.3
Philippines	5,902.39	-0.5	-24.5
Indonesia	4,891.46	-5.0	-22.4
Hong Kong	24,313.54	-0.6	-13.8
Korea	2,388.25	-0.3	8.7
Taiwan	12,691.75	0.7	5.8
Japan	23,235.47	0.9	-1.8
Dow Jones	27,534.58	-1.5	-3.6
Nasdaq	10,919.59	-2.0	21.7

ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.1628	0.0	1.8
OPR (%)	1.75	0.0	-41.7
BLR (% Maybank)	5.40	0.0	-18.8
NYMEX Crude oil			
US spot (US\$/barrel)	37.30	-2.0	-38.9
CPO spot price (RM/tonne)	2899.00	-0.7	-3.9

STOCK FOCUS OF THE DAY

Bermaz Auto: Looking beyond 1QFY21 with better earnings ahead

BUY

We maintain our BUY call on Bermaz Auto (BAuto) with a lower fair value of RM1.61 based on an unchanged FY21F PE of 13x. We revise our FY21–23F net profit forecasts downwards by 10%, 14% and 14% respectively after factoring in lower sales volume assumptions for the group's domestic market.

BAuto's 1QFY21 core net profit of RM8.9mil missed expectations, accounting for only 6% of both ours and consensus full-year forecasts respectively. Core earnings were down 83% YoY, attributed to a slid in revenue to RM448.9mil (-16% YoY), higher finance cost and share of losses from associates.

However, we believe that the worst is now over for BAuto. With the implementation of the SST holiday, we expect BAuto to maintain a sales and production volume of about 1.1K units/month in the next two quarters with a favourable product mix – i.e. the CX-5 CKD. Post-revision, we are still expecting a stellar growth of 35% in earnings for FY21F for the group.

Others:

MISC : Quiet for the rest of the year

Plantation Sector : Inventory flat MoM at 1.7mil tonnes in August

Hold Neutral

RETAIL RESEARCH

Stocks On Radar: Axiata Group, RHB Bank

ECONOMIC REPORTS

Malaysia – Has BNM put a stop to rate cut?

NEWS HIGHLIGHTS

Bursa Malaysia : Glove makers buy back shares as prices plummet

Gets Global : Bus operator says RM226mil needed to fund new glove biz

Ho Wah Genting : Ties up with Xinkexian to produce Covid-19 vaccines

US : Citigroup's Fraser to be first woman CEO of Wall Street bank

DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (‘000)	Price (RM)	Turnover (RM’000)
PHB	135,000	0.015	2,020
MMAG-WB	25,200	0.530	13,360
CME-LA	10,000	0.020	200
MMAG	4,980	0.604	3,010
MYSCM	2,100	1.181	2,480
WIDAD	1,110	0.450	499
MICROLN	800	1.325	1,060
VIVOCOM	750	0.050	38
YTLPOWR	718	0.650	467
ECOFIRS	600	0.300	180
MMAG-PA	524	0.505	265
HCK	339	1.150	390
VIZIONE	250	0.440	110
YNHPROP	230	2.700	621
BIOHLDG	200	0.290	58
MQTECH	100	0.160	16
PECCA	100	1.150	115
RGTBHD	100	0.450	45
YINSON	100	5.090	509
FSBM	80	0.150	12

News Highlights

Bursa Malaysia

Glove makers buy back shares as prices plummet

Two glove manufacturers, Top Glove Corp Bhd and Supermax Corp Bhd, have started their share buyback schemes as their share prices plummeted after the meteoric rise over the past five months. Top Glove, whose share price has slipped 32% from the peak of RM9.47, spent nearly RM100mil to buy back 14.93mil shares at between RM6.12 and RM7.40 on Wednesday, according to its filing with the stock exchange. — The Edge CEO Morning Brief

Gets Global (RM0.825)

Bus operator says RM226mil needed to fund new glove biz

Bus operator Gets Global Bhd says an estimated RM226mil, an amount that is double of its current market capitalisation, is needed for its planned diversification into the glove-making business, which it said will be funded via a combination of bank borrowings and cash.

This comprises RM100mil for the estimated construction cost of a glove-manufacturing plant, and RM126mil for the fabrication, installation and commissioning of 12 new double-former glove dipping lines, it said in a stock exchange filing yesterday. — The Edge CEO Morning Brief

Ho Wah Genting (RM0.70)

Ties up with Xinkexian to produce Covid-19 vaccines

Ho Wah Genting Bhd's wholly-owned subsidiary, HWGB Biotech Sdn Bhd, has entered into a memorandum of understanding (MoU) with China-based firm Xinkexian (Beijing) Biotechnology Co, Ltd (XKX) to explore its appointment as a non-exclusive manufacturer to produce vaccines in relation to Covid-19 virus. However, the appointment of XKX is dependent on the successful completion of clinical trials that E-Mo Biology Inc (EBI) will be undertaking to evaluate the effectiveness of polio vaccines in preventing Covid-19 infections. — Focus Malaysia

US

Citigroup's Fraser to be first woman CEO of Wall Street bank

Citigroup Inc named consumer banking head Jane Fraser as its next chief executive on Thursday, making her the first woman to lead a major Wall Street bank. Fraser, 53, has been a rising star in the financial industry, with a career that spans investment banking, wealth management, troubled mortgage workouts and strategy in Latin America – a key geography for Citigroup. She will take the reins from CEO Michael Corbat in February, the bank said. — Reuters

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