



AmWatch

Equity Research Team
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BURSA MALAYSIA

KLCI	1,525.20 (+6.77)
52-Week Range	1,207.80 – 1,618.01
Mkt Cap (RMb)	1,666.11
Daily Volume (m shares)	6,169.12
Daily Value (RMmil)	4,087.36

TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
F&N	33.38	1.08
RUBEREX	7.40	0.92
NESTLE	140.00	0.90
COMFORT	4.39	0.53
PETDAG	20.00	0.50

TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
DLADY	38.00	-0.38
CARLSBG	19.50	-0.20
MISC	6.85	-0.14
MULPHA	1.21	-0.13
AEONCR	10.08	-0.12

REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,525.20	0.4	-4.0
Singapore	2,567.65	0.6	-20.3
Thailand	1,273.43	0.5	-19.4
Philippines	5,923.23	-0.2	-24.2
Indonesia	5,132.57	0.8	-18.5
Hong Kong	24,649.68	2.2	-12.6
Korea	2,403.15	0.0	9.3
Taiwan	12,947.13	-0.1	7.9
Japan	23,601.78	0.2	-0.2
Dow Jones	28,679.81	-0.5	0.5
Nasdaq	11,863.90	-0.1	32.2

ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.1410	-0.2	1.2
OPR (%)	1.75	0.0	-41.7
BLR (% Maybank)	5.40	0.0	-18.8
NYMEX Crude oil			
US spot (US\$/barrel)	40.20	2.0	-34.2
CPO spot price (RM/tonne)	3,058.00	1.7	1.4

STOCK FOCUS OF THE DAY

MISC: Brazilian coming-of-age

Hold

We maintain our HOLD call on MISC with an unchanged sum-of-parts-based fair value of RM7.70/share, which implies an FY20F EV/EBITDA of 9x – 1 standard deviation below its 2-year average of 10.4x.

Following an engagement session on the Mero-3 floating, production, storage and offloading (FPSO) project with MISC's management team yesterday, we retain our FY20F–FY22F earnings, which are 13%–21% below consensus.

After 3 abortive bids for Petrobras' Sepia, Buzios 5 and Mero 2, MISC's successful tender for the charter of the huge Mero 3 (to be named Marechal Duque de Caxias) vessel heralds a breakthrough for the group in the FPSO market which involves the undertaking of a substantively more complex project on its own.

The stock currently trades at a fair FY21F EV/EBITDA of 9x, which translates to a premium of 1.6x – 1.51ppt below the average 2-year premium of 2.7ppt to AP Moller Maersk's 7.4x.

RETAIL RESEARCH

Stocks On Radar: RGT, Notion VTec

NEWS HIGHLIGHTS

Plantation: China to purchase 1.7mil tonnes of Malaysia's palm oil until 2023

Symphony Life: To sell six parcels of land in Ulu Langat for RM250mil

Reservoir Link: Bags mechanical heating equipment contract from PTTEP

Tech: Apple reveals 4 iPhone 12 models, heralding 'new era' for 5G

DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (’000)	Price (RM)	Turnover (RM’000)
WIDAD	101,500	0.621	63,000
SEM	51,120	1.301	66,510
BJFOOD	15,000	1.127	16,910
G3	10,590	3.500	37,060
ACOSTEC	8,930	0.235	2,100
PESTECH	4,000	0.730	2,920
CNI	2,380	0.029	69
KAB	2,000	0.940	1,880
G3-WA	1,850	3.303	6,110
AME	1,000	1.950	1,950
DYNACIA	495	0.100	50
HONGSENG	414	1.000	414
YNHPROP	134	2.700	362
AMTEL	133	0.850	113
ATAIMS	50	1.650	83

News Highlights

Plantation

China to purchase 1.7mil tonnes of Malaysia's palm oil until 2023

China has expressed its commitment to purchase 1.7mil tonnes of palm oil from Malaysia until 2023, said Datuk Seri Hishammuddin Hussein. The foreign minister announced this in a joint news conference following bilateral meetings with his visiting Chinese counterpart Wang Yi yesterday.

According to the Malaysian Palm Oil Council, Malaysia's palm oil exports to China increased by 438,747 metric tonnes – or 31.1% – to 1,848,433 metric tonnes for the period from January through August of 2020. — *Bernama*

Symphony Life (RM0.555)

To sell six parcels of land in Ulu Langat for RM250mil

Symphony Life Bhd's wholly-owned unit Prestige Capital Sdn Bhd is planning to sell six parcels of industrial development land in Ulu Langat, Selangor to Perdana Park City Sdn Bhd for RM250mil, which is more than two-thirds of Symphony Life's market capitalisation.

In a filing with the local stock exchange, Symphony Life said Prestige Capital has accepted a letter of offer dated Sept 8 from Perdana Park City, to acquire the adjoining plots. The proposed disposal of the parcels, which have a total provisional land area of 17.31mil sq ft, is expected to result in a gain after tax of RM74.24mil for the group. — *The Edge CEO Morning Brief*

Reservoir Link (RM0.39)

Bags mechanical heating equipment contract from PTTEP

Reservoir Link Energy Bhd said its 60%-owned subsidiary has bagged a contract from Thailand's national petroleum company PTT Exploration and Production Public Company Ltd (PTTEP).

In a filing to Bursa Malaysia, Reservoir Link said Reservoir Link Solutions Sdn Bhd received the award letter from PTTEP's subsidiaries PTTEP HK Offshore Ltd, PTTEP Sabah Oil Ltd and PTTEP Sarawak Oil Ltd. The group said the contract is valid for two years until 27 Aug, 2022. — *The Edge CEO Morning Brief*

Tech

Apple reveals 4 iPhone 12 models, heralding 'new era' for 5G

Apple Inc unveiled four iPhone 12 models capable of connecting to a much faster 5G cellular network, bringing new attention to the wireless technology that investors are betting will lead millions of customers to upgrade their devices.

The iPhone 12 offered a new physical appearance from last year's smartphone, moving from a rounded design to a flatter-edged look reminiscent of the iPhone 4. Prices for the new phones were roughly in line with last year's, though a smaller 5.4-inch iPhone 12 Mini became the least expensive new version, starting at US\$699. — *WSJ.com*

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