



AmInvestment Bank

AmWatch

Equity Research Team
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BURSA MALAYSIA

KLCI	1,608.50 (+1.82)
52-Week Range	1,372.17 – 1,695.96
Mkt Cap (RMb)	1,844.23
Daily Volume (m shares)	6,754.09
Daily Value (RMmil)	3,922.63

TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
KLK	22.80	1.00
TOCEAN	4.80	0.46
F&N	30.56	0.38
HEIM	25.60	0.36
MALPAC	1.50	0.34

TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
NESTLE	135.60	-0.40
MPI	39.66	-0.34
RAPID	7.95	-0.34
HARTA	10.40	-0.30
CFM	2.75	-0.27

REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,608.50	0.1	-1.1
Singapore	3,221.58	0.1	13.3
Thailand	1,590.46	0.9	9.7
Philippines	6,487.51	0.3	-9.1
Indonesia	6,012.96	0.6	0.6
Hong Kong	29,303.26	0.8	7.6
Korea	3,174.07	-0.2	10.5
Taiwan	17,566.66	0.0	19.2
Japan	29,053.97	0.2	5.9
Dow Jones	34,060.36	0.7	11.3
Nasdaq	14,082.55	0.2	9.3

ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.1038	0.2	2.1
OPR (%)	1.75	0.0	0.0
BLR (% Maybank)	5.40	0.0	0.0
NYMEX Crude oil			
US spot (US\$/barrel)	65.01	1.8	34.0
CPO spot price (RM/tonne)	4,415.00	-0.3	14.7

STOCK FOCUS OF THE DAY

Westports Holdings: 1QFY21 core net profit grows 11% YoY

Buy

We raise our FY21F net profit forecast by 8% while keeping our FY22–FY23F numbers and fair value (FV) of RM5.07 based on 23x FY22F EPS. This is in line with its average historical forward PE with a 3% premium to reflect a 4-star ESG rating as appraised by us. Maintain BUY.

Westports' 1QFY21 core net profit of RM187.5mil (excluding one-off items, particularly, a lumpy insurance recovery) beat expectations slightly at 28% and 27% of our full-year forecast and consensus estimates respectively. We believe the variance against our forecast came largely from higher-than-expected incomes from value-added services (arising from high demand for container storage and reefer services as a result of the global supply chain disruptions). The container yard utilization rate was high at about 90% vs. 75% prior to the pandemic.

In 1QFY21, Westports' container throughput volume increased by 5% YoY. Its core net profit grew by a stronger 11% YoY thanks to the higher incomes from value-added services as mentioned, coupled with lower finance costs.

Westports reiterated its guidance for a low-to-mid single-digit growth in its container throughput volume in FY21F (which is generally in line with our forecasts of 2% in FY21F and a 5% growth in FY22F). While being optimistic of growth prospects, Westports warned of uncertainties during the remainder of the year as supply chain disruptions fuelled by the pandemic have not gone away entirely.

Others:

CIMB Group: Stronger operating income; lower provisions QoQ for Niaga

Buy

Pavilion REIT: 1QFY21 earnings in line with expectations

Buy

IJM Corp: Bag RM328mil new jobs in KL and Penang

Underweight

ECONOMIC REPORT

Malaysia: Exports growth trend to continue

NEWS HIGHLIGHTS

Oil & Gas: Petronas expands global LNG fleet with 3 new vessels

UEM Edgenta: Eyeing new markets

NTPM: Set to raise output capacity by 20%

Automobile: Global chip shortage set to worsen for carmakers

DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (‘000)	Price (RM)	Turnover (RM’000)
BJCORP	135,300	0.340	46,000
BJASSET	12,900	0.310	4,000
ESCERAM	12,300	0.980	12,050
EFORCE	5,500	0.651	3,580
KAB	800	0.950	760
SUPERLN	800	0.930	744
TECFAST	369	0.399	147
YNHPROP	100	2.700	270
INARI	50	4.000	200

News Highlights

Oil & Gas

Petronas expands global LNG fleet with 3 new vessels

Petronas LNG Ltd (PLL) has signed a time charter party (TCP) agreement for three newbuild liquefied natural gas (LNG) vessels with the shipowner, Hyundai LNG Shipping (HLS), bringing its global fleet presence to 27 vessels.

Petronas said the newbuild 174,000 cubic metres vessels are expected to be delivered from the second quarter of 2024 on a staggered basis, and will primarily be used to carry cargoes from LNG Canada — further contributing to the competitive and uninterrupted supply to its customers. — *Bernama*

UEM Edgenta (RM1.85)

Eyeing new markets

The next phase of growth for UEM Edgenta Bhd's healthcare support services (HSS) will come from new markets such as the Middle East and Indonesia, as well as upselling services to existing clients.

Low Chee Yen, who is the group's head of healthcare support (commercial) and chief executive officer of UEMS Pte Ltd said due to the Covid-19 pandemic, demand had grown significantly for HSS in hospitals. — *StarBiz*

NTPM (RM0.595)

Set to raise output capacity by 20%

NTPM Holdings Bhd aims to increase its annual output of tissue paper products by about 20% to over 100,000 tonnes for the financial year ending April 30, 2022 (FY22) to tap into the growing worldwide demand.

To achieve that goal, group chairman and managing director Lee See Jin told StarBiz the company would increase the utilisation of the plants in Penang and Ho Chi Minh City in Vietnam to 80% from May 1. Currently, the group utilises about 60% of the manufacturing facilities to produce 85,000 tonnes of tissue paper each year. — *StarBiz*

Automobile

Global chip shortage set to worsen for carmakers

Global auto makers who had expected the semiconductor supply crisis to subside in the spring are now warning that chips will remain scarce for months while a second-half recovery is fraught with uncertainty.

The main causes of the worsening shortage are the widespread chip manufacturing disruption in Texas from the severe weather in February and a fire at Japan's Renesas Semiconductor Manufacturing Co Ltd on 19 March that halted production, ripping a hole in the global supply. That has left carmakers searching for chips needed for on-board electronics, safety systems such as automatic braking, and infotainment consoles. — *WSJ.com*

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