



AmWatch

Equity Research Team
(603- 2070 2444)

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BURSA MALAYSIA

KLCI	1,581.48 (-6.48)
52-Week Range	1,461.45 – 1,684.58
Mkt Cap (RM bil)	1,793.94
Daily Volume (mil shares)	6,107.75
Daily Value (RM mil)	3,307.54

TOP 5 GAINERS

	Closing Price (RM)	Chg (RM)
BAT	14.80	0.50
KOBAY	1.83	0.42
CIHLDG	3.43	0.39
DLADY	34.38	0.34
MCOM	0.295	0.245

TOP 5 LOSERS

	Closing Price (RM)	Chg (RM)
NESTLE	134.80	-1.20
F&N	26.30	-0.46
GREATEC	5.39	-0.41
VITROX	15.04	-0.34
PANAMY	32.62	-0.28

REGIONAL MARKETS

Market	Index	1D (%)	YTD (%)
KLCI	1,581.48	-0.4	-2.8
Singapore	3,153.47	-0.4	10.9
Thailand	1,626.27	0.8	12.2
Philippines	6,902.54	1.4	-3.3
Indonesia	6,047.48	0.8	1.1
Hong Kong	28,742.63	-0.1	5.6
Korea	3,216.18	-1.0	11.9
Taiwan	16,966.22	-0.6	15.2
Japan	28,860.80	-0.4	5.2
Dow Jones	34,447.14	-0.4	12.5
Nasdaq	13,911.75	-0.1	7.9

ECONOMIC STATISTICS

	Close	1D (%)	YTD (%)
MYR/USD	4.1170	-0.1	2.4
OPR (%)	1.75	0.0	0.0
BLR (% Maybank)	5.40	0.0	0.0
NYMEX Crude oil			
US spot (US\$/barrel)	69.96	-0.1	44.2
CPO spot price (RM/tonne)	4,177.50	0.9	8.5

STOCK FOCUS OF THE DAY

Yinson Holdings: Pre-FEED for 2 huge FPSO projects

Buy

We maintain BUY on Yinson Holdings (Yinson) with an unchanged fair value of RM7.20/share based on an ESG-adjusted sum-of-parts valuation. This reflects a premium of 3% for our ESG rating of 4 stars given that the group is currently the first oil & gas service provider to proactively invest into renewable energy, and implies an FY22F PE of 15x on par with the FBMKLCI.

Upstream reported that Yinson has been selected by Total to perform preliminary front-end engineering design (pre-FEED) for 2 floating production, storage and offloading (FPSO) projects to be installed in Block 20/21 in Angola, Africa and Block 58 in Suriname, South America. The pre-FEED, the first undertaken by Yinson's Oslo office for a fee, will provide technical and commercial lease & operate proposals to Total within 8 months from the agreement date.

Besides oil & gas projects, Yinson remains on the prowl for additional RE projects in India. As it could opt to recycle RE capital later at lower interest costs post-development, we remain sanguine on Yinson's energy transition strategy that is well ahead of its peers and should garner ESG-supported premium valuations over the longer term against Tesla's forward PE of over 600x.

The stock currently trades at a bargain FY22F PE of only 10x for a globally recognised FPSO player with a healthy balance sheet and a formidable outstanding order book of RM41bil (US\$10bil), translating to a robust 13x FY22F revenue.

Other report:

Top Glove Corp: Weak sales volume and ASPs plague earnings

Hold

RETAIL RESEARCH

Stocks On Radar: Poly Glass Fibre (M), SDS Group

NEWS HIGHLIGHTS

Covid-19 vaccination: Critical economic sectors to get vaccines, says Khairy

M&A: KLK offers to buy IJM Plantations' shares for RM1.53bil

Greatch: Earnings won't be affected by Lordstown Motors' issues, says CEO

Pfizer vaccine: US to donate 500mil doses to the world, say sources

DIRECT BUSINESS TRANSACTIONS ON BURSA MALAYSIA

Stock	Quantity (‘000)	Price (RM)	Turnover (RM’000)
HONGSENG	51,300	1.400	76,665
MAXIM	20,000	0.250	5,000
HIL	12,000	1.000	12,000
TECHNAX	10,000	0.110	1,100
JHM	5,460	1.600	8,736
SIGN	3,500	1.020	3,570
KAB	2,600	0.630	1,638
ZELAN	2,000	0.170	340
SERNKOU	839	0.710	596
SERBADK	100	0.795	80
SUPERMX	55	3.820	210
KPOWER	50	1.200	60

News Highlights

Covid-19 vaccination

Critical economic sectors to get vaccines, says Khairy

The government will be commencing the dispensing of vaccines to critical economic sectors, especially those which are required to operate throughout the movement control order (MCO) 3.0 soon, said National Covid-19 Immunisation Programme Coordinating Minister Khairy Jamaluddin.

In a joint media conference with Health Minister Datuk Seri Dr Adham Baba on the development of the National Covid-19 Immunisation Programme, Khairy said the industrial sector comprises manufacturing, export, logistics, transportation, energy, utilities and other relating industries. — *Bernama*

M&A

KLK offers to buy IJM Plantations' shares for RM1.53bil

Kuala Lumpur Kepong Bhd (KLK) has offered to acquire 494.87mil shares in IJM Plantations Bhd, representing a 56.2% equity stake, from IJM Corp Bhd for RM3.10 apiece or a total RM1.53 billion.

In a filing with the bourse, it said IJM Corp will have to confirm on or before 5pm on 11 June if it is agreeable to finalise the terms and conditions of the draft sale and purchase agreement for the purpose of execution. — *The Edge CEO Morning Brief*

Greatech (RM5.39)

Earnings won't be affected by Lordstown Motors' issues, says CEO

Greatech Technology Bhd said its earnings will not be affected by issues faced by its client Lordstown Motors Corp, which reportedly will not be able to commence full commercial production and there are doubts over whether it could continue as a going concern through the end of the year.

Greatech executive director and chief executive officer (CEO) Tan Eng Kee told theedgemarkets.com that Greatech has communicated with Lordstown Motors, and the latter said it would try to raise funds for commercial production. — *The Edge CEO Morning Brief*

Pfizer vaccine

US to donate 500mil doses to the world, say sources

The Biden administration plans to donate 500mil Pfizer coronavirus vaccine doses to nearly 100 countries over the next two years, three sources familiar with the matter told Reuters on Wednesday.

The US is likely to distribute 200 million shots this year and another 300mil in the first half of next year to 92 lower-income countries and the African Union, they said. The donations will go through the Covax vaccine programme that distributes Covid-19 shots to low- and middle-income countries. — *Reuters*

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