

June 2019

# 2H2019 & 2020 Economic Outlook

## Global and Malaysia Economy

Outthink. Outperform.



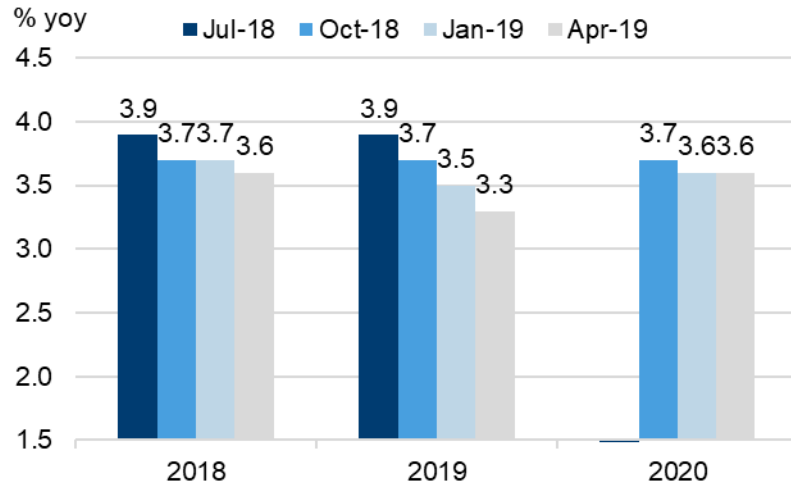
AFFIN HWANG  
CAPITAL

**Alan Tan**  
**Tel: 603 2146 7540**

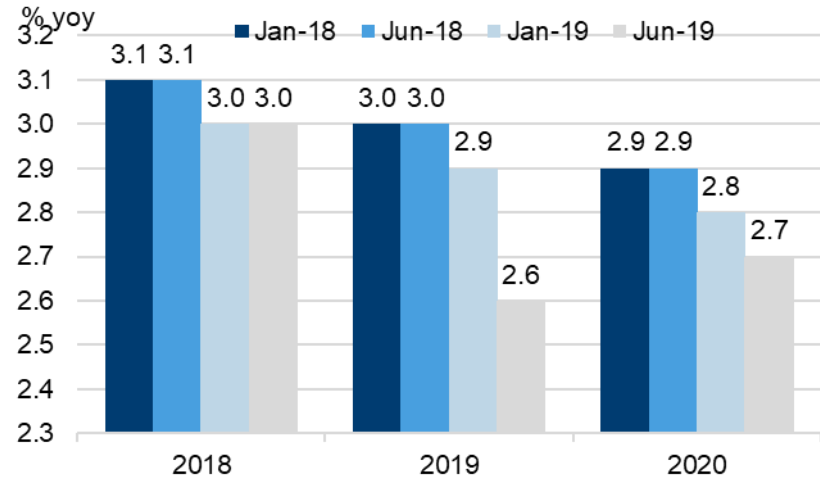
# Global & Malaysia : Economic outlook

# IMF and World Bank cut global growth outlook

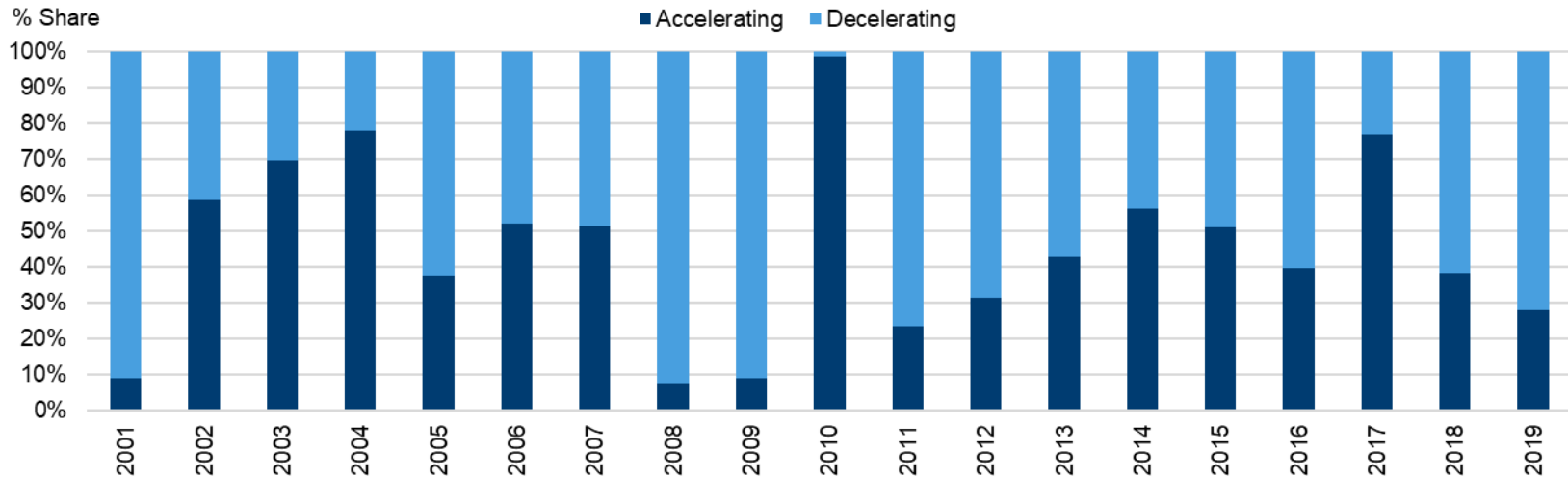
IMF global growth forecasts



World Bank global growth forecasts



## IMF projects 70% of global economy to slowdown in 2019



Source: IMF, World Bank, Quartz

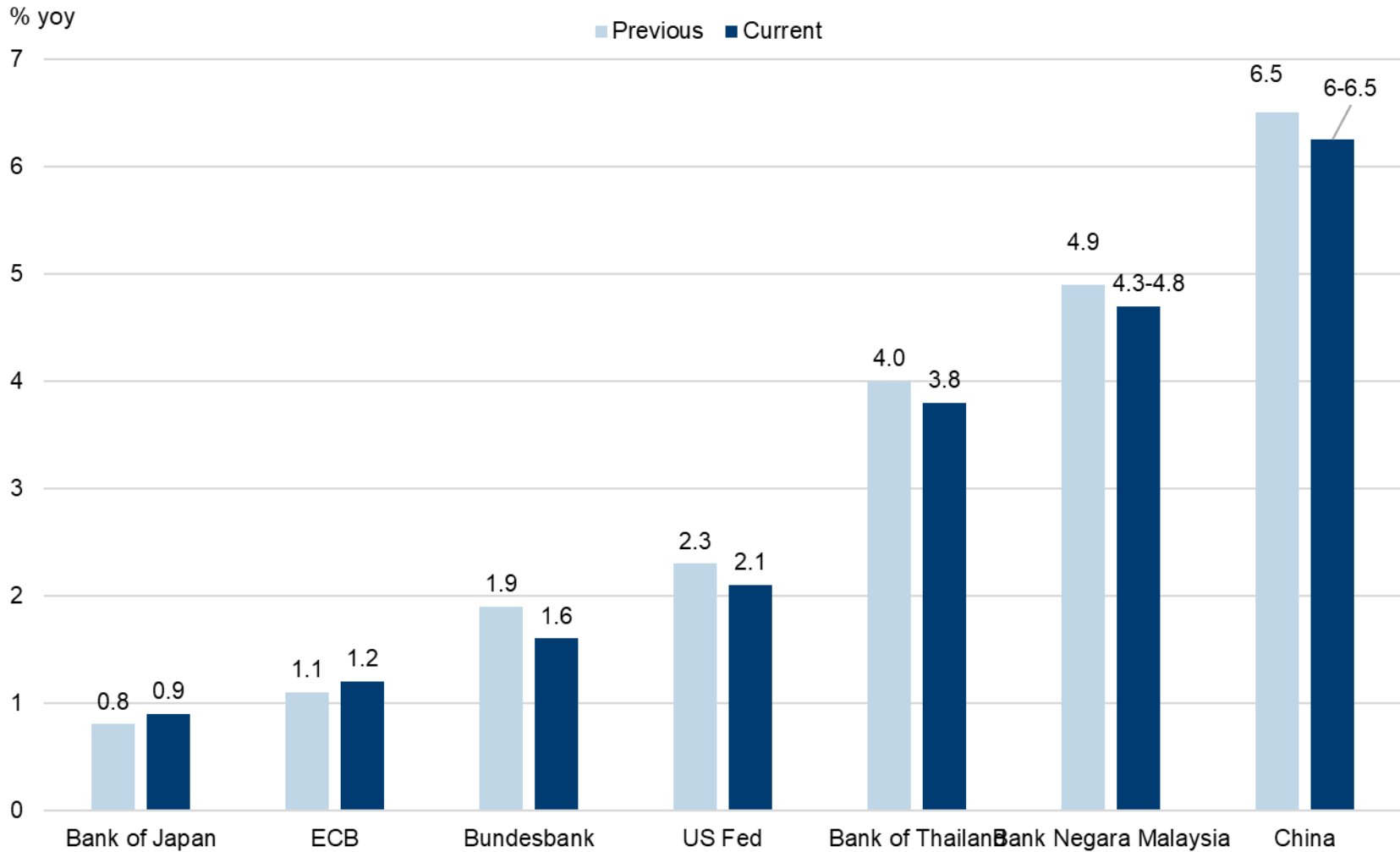
## Global growth forecast comparison

	IMF				World Bank				ADB			
	Forecasts		*Change		Forecasts		*Change		Forecasts		*Change	
	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019
<b>Global</b>	<b>3.6</b>	<b>3.3</b>	<b>0.0</b>	<b>-0.2</b>	<b>3.0</b>	<b>2.6</b>	<b>-0.1</b>	<b>-0.3</b>	-	-	-	-
<b>Advanced economies</b>	<b>2.2</b>	<b>1.8</b>	<b>-0.1</b>	<b>-0.2</b>	<b>2.2</b>	<b>1.7</b>	0.0	<b>-0.3</b>	<b>2.3</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>
US	2.9	2.3	0.0	<b>-0.2</b>	2.9	2.5	0.2	0.0	2.8	2.4	0.1	0.0
Euro Area	1.8	1.3	<b>-0.2</b>	<b>-0.3</b>	1.9	1.2	<b>-0.2</b>	<b>-0.4</b>	2.0	1.9	<b>-0.2</b>	0.0
Japan	0.8	1.0	<b>-0.2</b>	<b>-0.1</b>	0.8	0.8	<b>-0.2</b>	<b>-0.1</b>	1.1	1.0	0.0	0.0
<b>Developing economies</b>	<b>4.5</b>	<b>4.4</b>	<b>-0.1</b>	<b>-0.1</b>	<b>4.2</b>	<b>4.0</b>	<b>-0.3</b>	<b>-0.3</b>	<b>6.0</b>	<b>5.8</b>	<b>0.0</b>	<b>0.0</b>
China	6.6	6.3	0.0	0.1	6.5	6.2	0.0	0.0	6.6	6.3	0.0	<b>-0.1</b>
India	7.1	7.3	0.0	<b>-0.2</b>	7.3	7.5	0.0	0.0	7.3	7.6	0.0	0.0
<b>Asean-5</b>	<b>5.2</b>	<b>5.1</b>	<b>-0.1</b>	<b>0.0</b>	<b>5.1</b>	<b>5.1</b>	<b>-0.3</b>	<b>-0.3</b>	<b>5.1</b>	<b>5.2</b>	<b>-0.1</b>	<b>0.0</b>
Indonesia	-	-	-	-	5.2	5.2	0.0	0.0	5.2	5.3	0.0	0.0
Malaysia	-	-	-	-	4.7	4.6	<b>-0.7</b>	<b>-0.1</b>	5.0	4.8	<b>-0.3</b>	<b>-0.2</b>
Philippines	-	-	-	-	6.4	6.4	<b>-0.3</b>	<b>-0.1</b>	6.4	6.7	<b>-0.4</b>	<b>-0.2</b>
Singapore	-	-	-	-	-	-	-	-	3.1	2.9	0.0	0.0
Thailand	-	-	-	-	4.1	3.5	0.0	<b>-0.3</b>	4.5	4.3	0.3	0.2

Source: IMF (April 2019 WEO), World Bank (June 2019 GEP), ADB (September 2018 update)

# Growth forecasts of major central banks

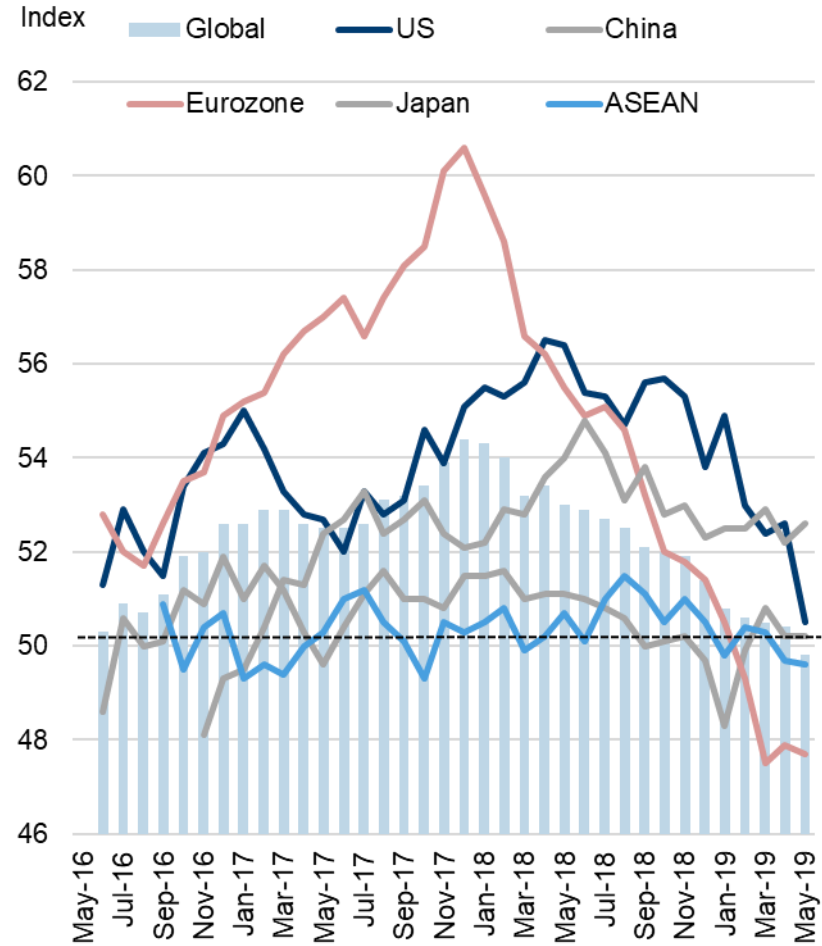
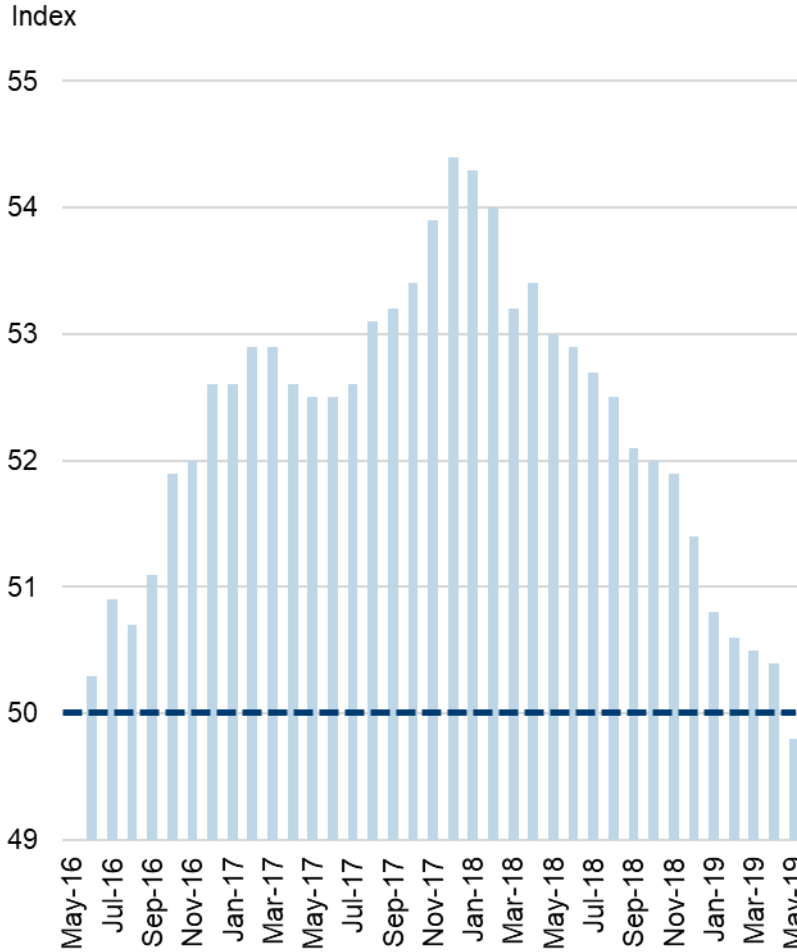
Most other major central banks have lowered 2019 GDP growth forecast



Source: BOJ, ECB, Bundesbank, US Fed, BOT, BNM

# Global PMI fell to its lowest level since October 2012

Production volumes stagnated and new orders declined



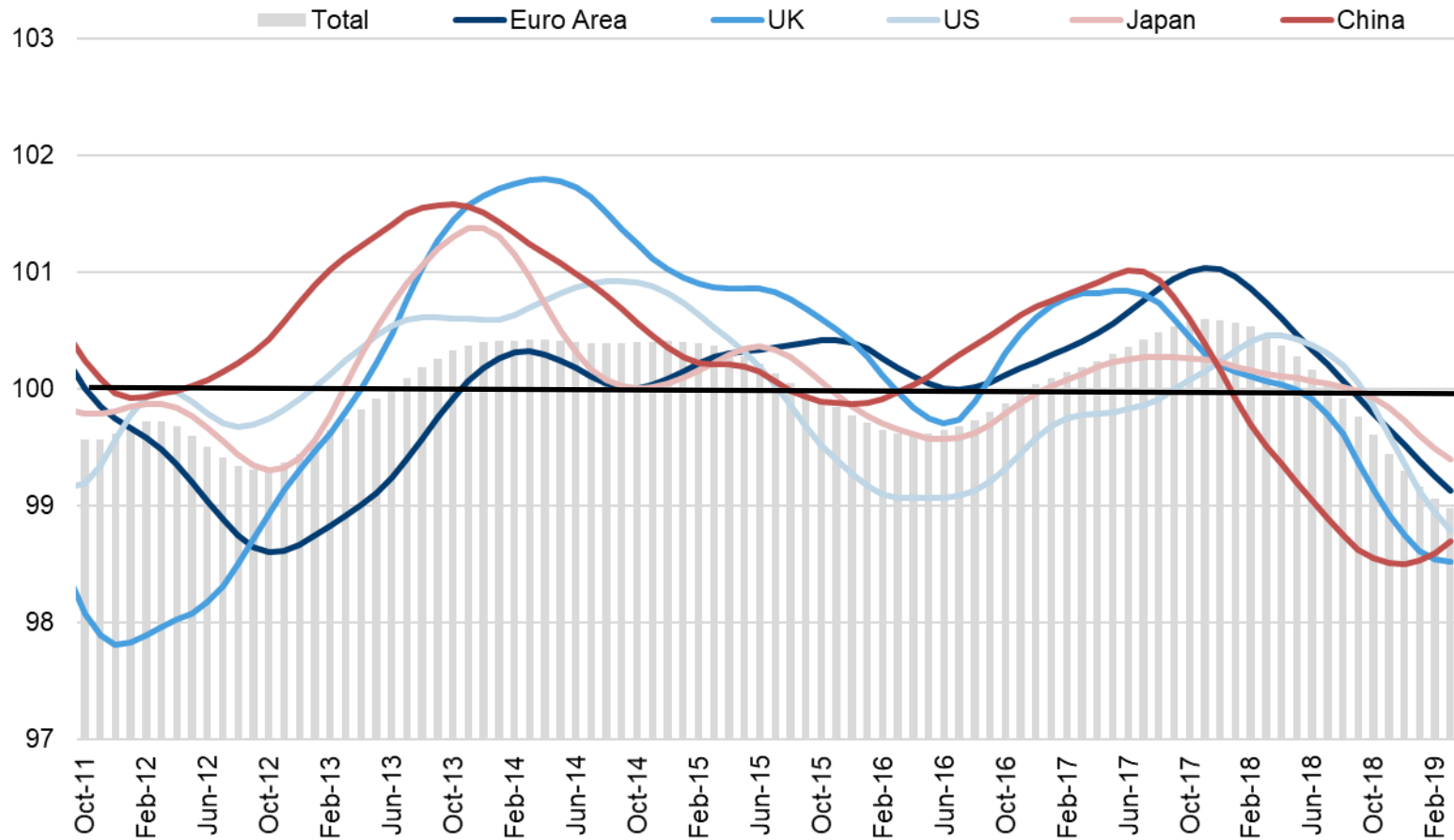
Source: Bloomberg, CEIC



# OECD CLI points to easing growth momentum in most major economies

CLIs designed to anticipate turning points in economic activity relative to trend 6 to 9 months ahead

Index

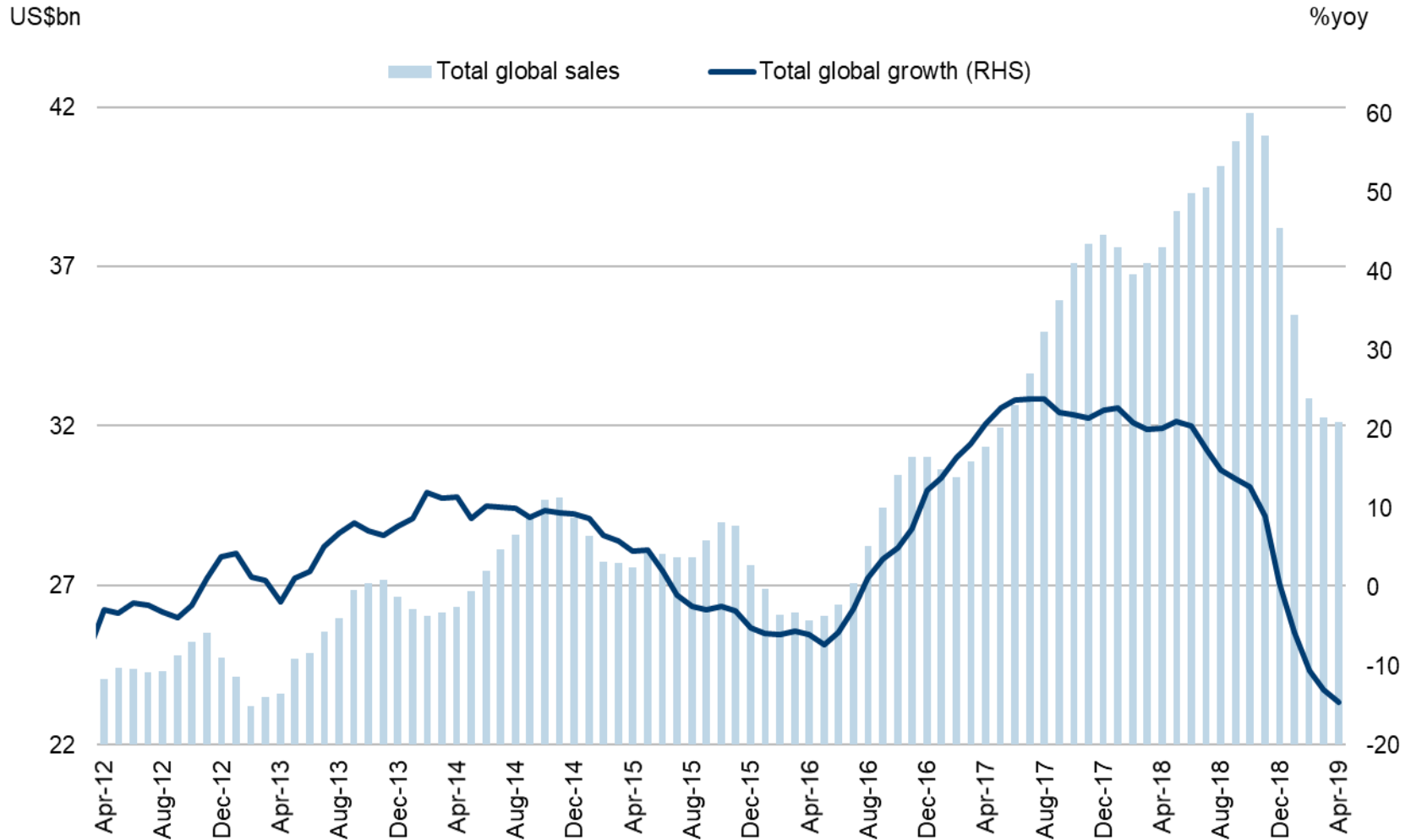


Source: Bloomberg, CEIC



# Worldwide semiconductor sales declining

SIA has also revised downward its forecast for 2019, from a decline of 3.0% projected previously to a sharp decline of 12.1%.



Source: Bloomberg, CEIC



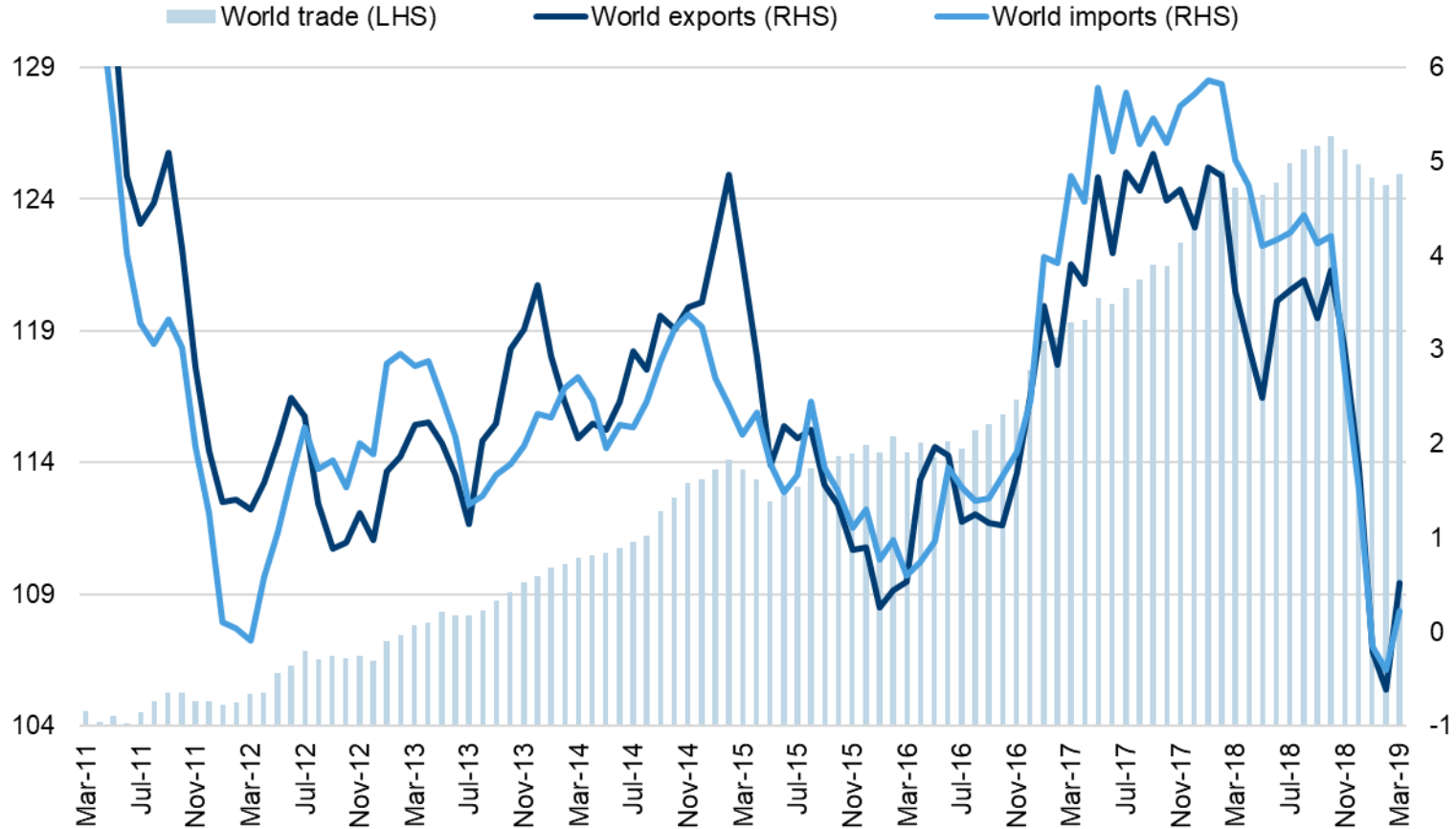


# Volume of world trade remains sluggish

World trade momentum likely to remain soft in the months ahead

3MMA  
Index

3MMA  
%yoy

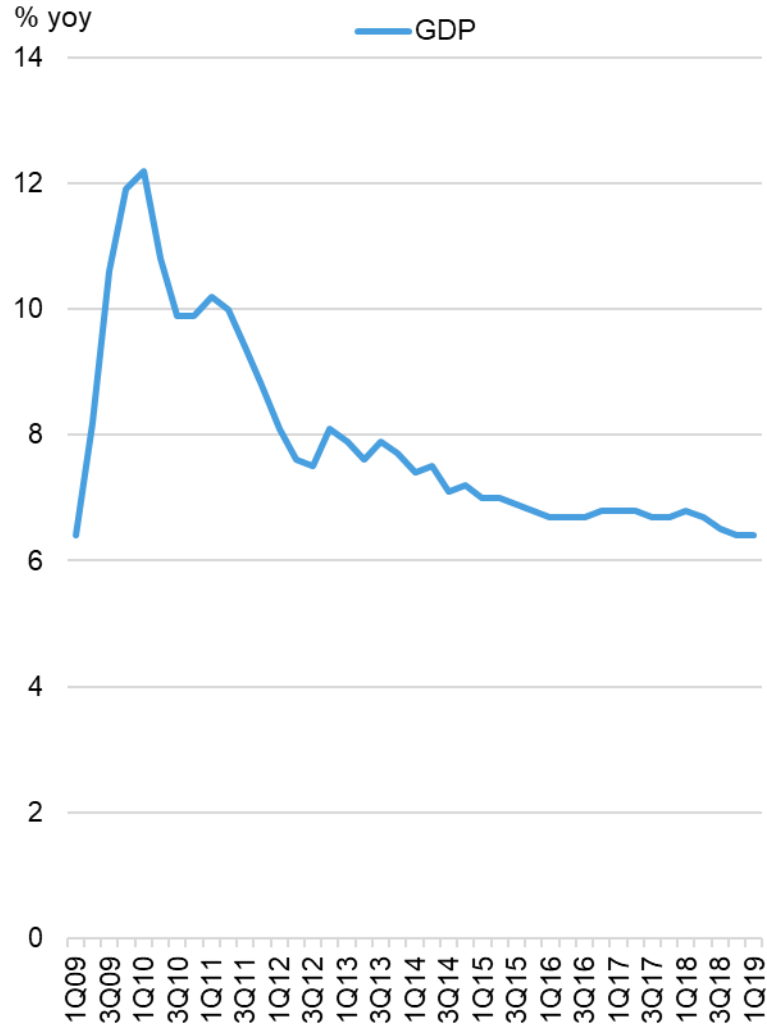


Source: Bloomberg, CEIC



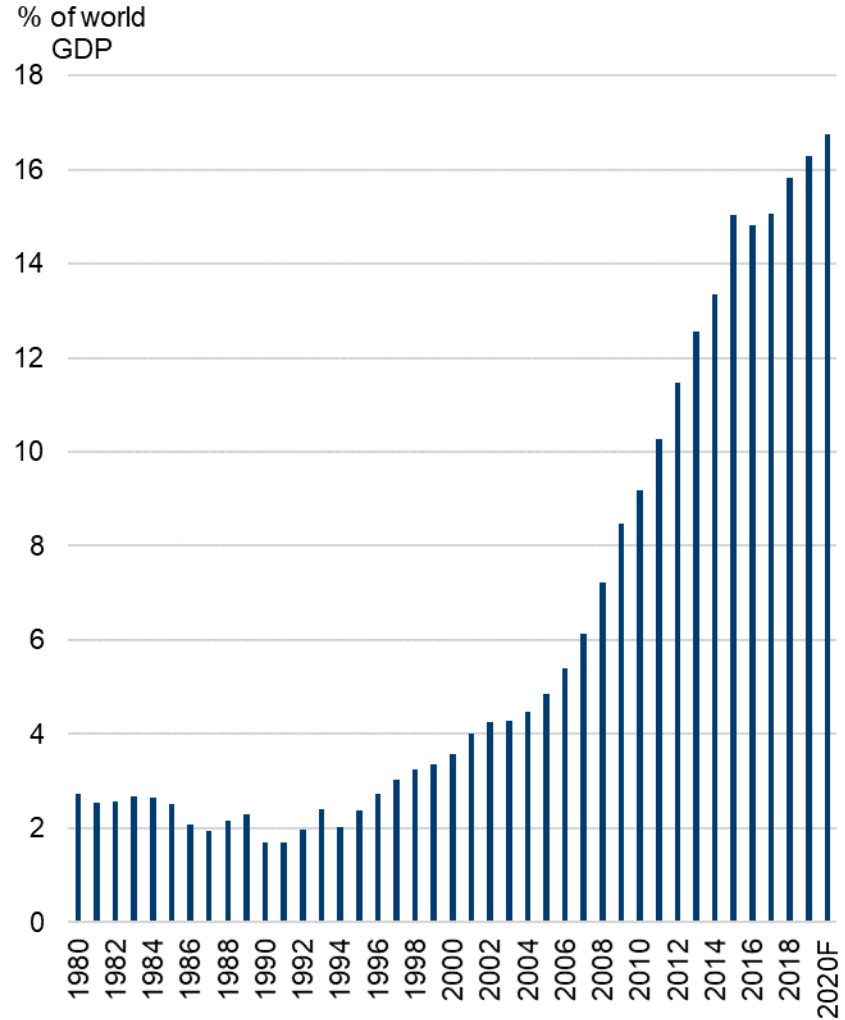
# Slowdown in China to impact global growth and global trade

Slowdown in China's GDP and export growth



Source: IMF, CEIC

China's GDP makes up about 16% of world GDP



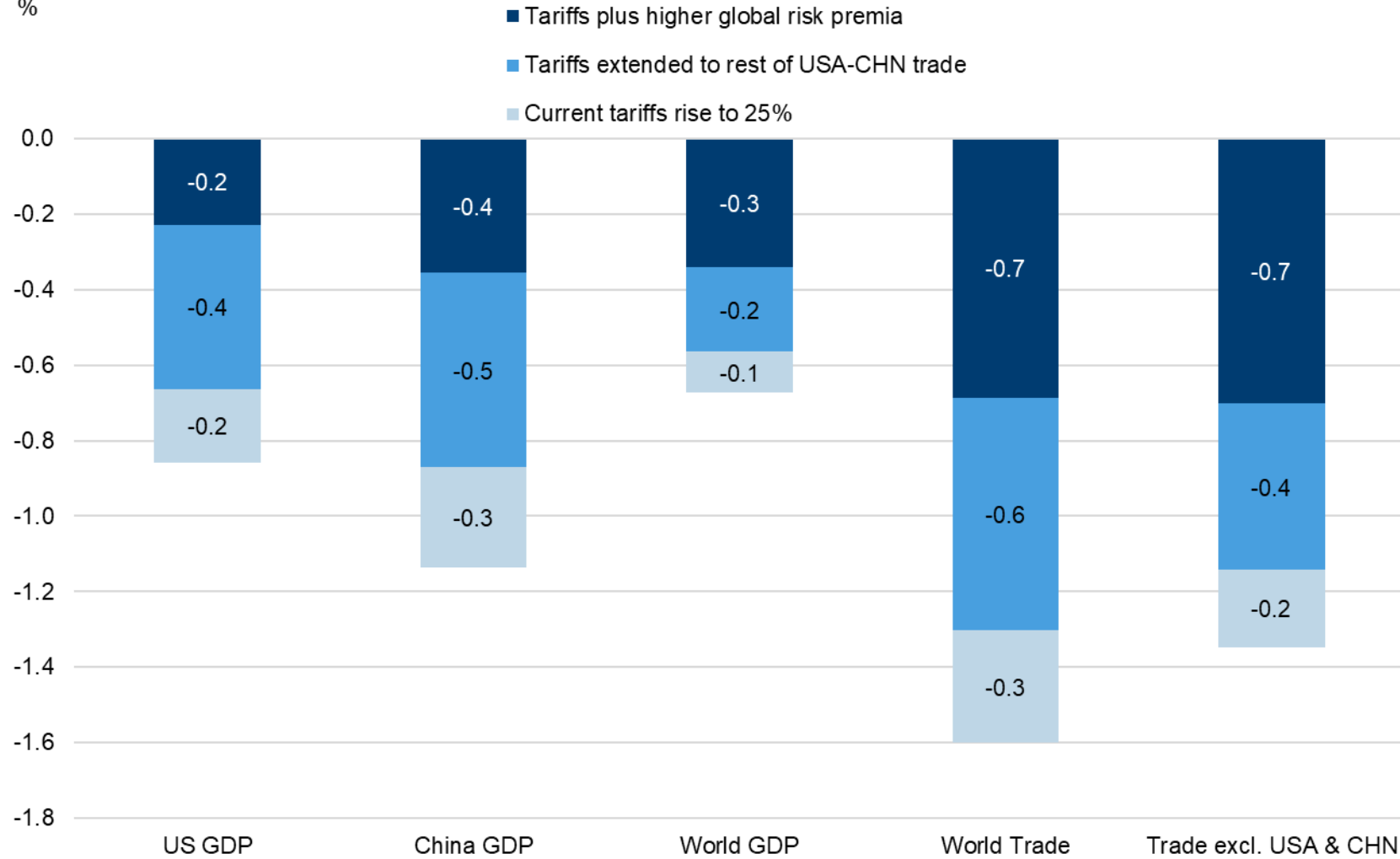
## Trade war timeline

- ▶ February 24: President Trump agrees to extend March 1 tariff deadline
- ▶ March 28-29: Trade talks resume after month-long break
- ▶ March 31: China extends suspension of additional 25% tariffs on US autos and auto parts which were set to come into force on April 1.
- ▶ May 5: President Trump threatens to increase tariffs on US\$200bn worth of Chinese goods from 10% to 25% effective May 10 2019.
- ▶ May 13: China announces it will raise tariffs on US\$60bn worth of US goods from June 1 2019.
- ▶ May 16: Huawei is added to US 'entity list' which bans US companies from selling to Huawei
- ▶ May 31: China announces it will establish own unreliable entities list.
- ▶ June 1: China raises tariffs on US\$60bn worth of US goods

# Trade war impact as forecasted by OECD

If 25% tariffs on remaining US and China trade, global GDP will fall by 0.3%

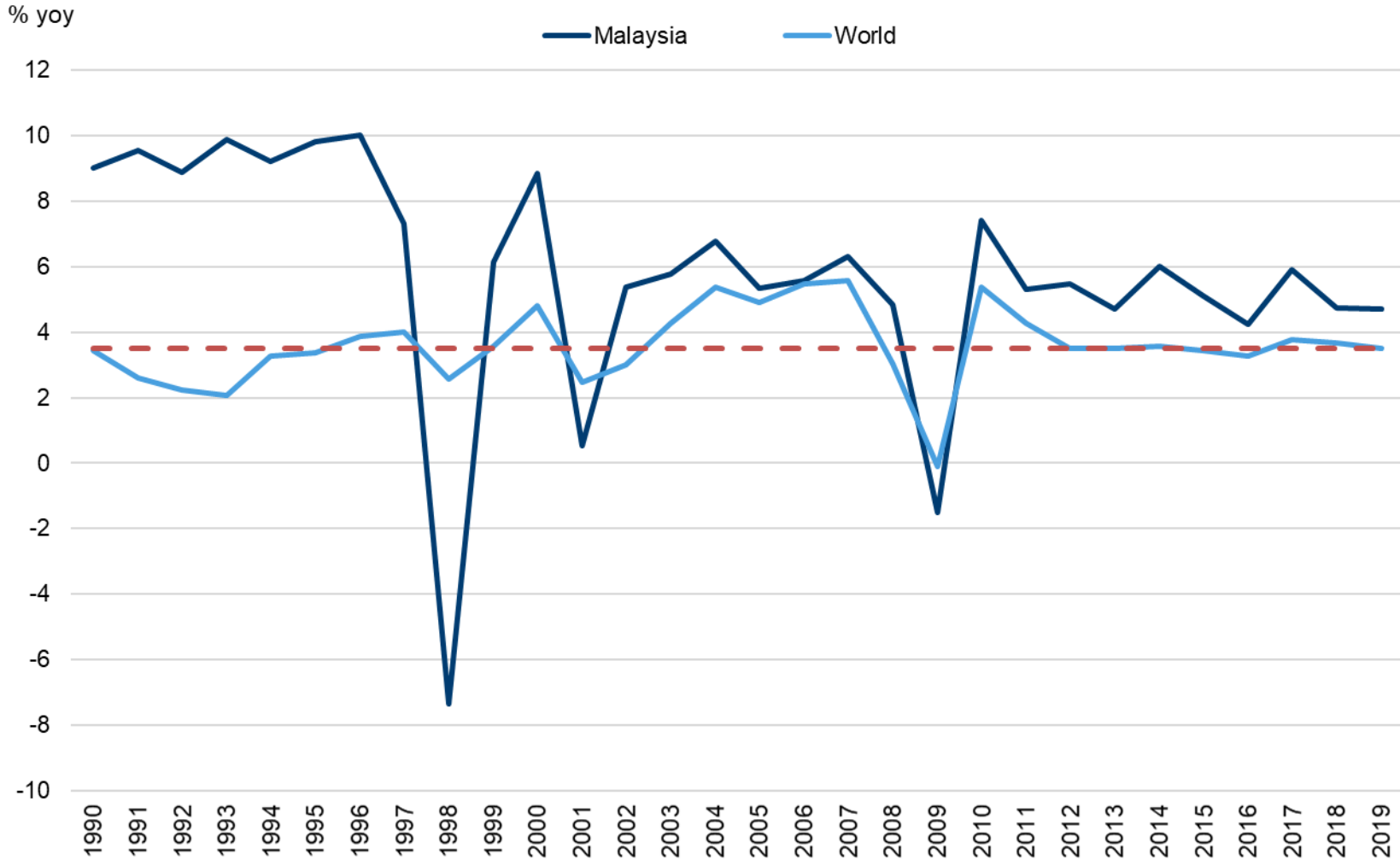
%



Source: OECD

# Growth to remain stable despite challenging global environment

World vs Malaysia GDP growth



Source: BNM

## Malaysia : Economic forecast comparison 2019

Growth to remain steady in 2019

	2016	2017	2018	MOF	BNM	Affin
				2019F		
Private consumption	5.9	6.9	8.0	6.8	6.6	6.5
Public consumption	1.1	5.5	3.3	1.8	1.2	1.5
Private investment	4.5	9.0	4.3	5.0	4.9	4.0
Public investment	-1.0	0.3	-5.0	-5.4	-7.1	-4.5
Domestic demand	4.3	6.5	5.5	4.8	4.4	4.5
Exports of goods and services	1.3	8.7	2.2	1.6	0.1	1.0
Imports of goods and services	1.4	10.2	1.3	1.8	0.0	1.2
<b>GDP</b>	<b>4.4</b>	<b>5.7</b>	<b>4.7</b>	<b>4.9</b>	<b>4.3-4.8</b>	<b>4.5</b>
Agriculture	-3.7	5.8	0.1	3.1	2.8	2.0
Mining and Quarrying	2.2	0.4	-2.6	0.7	0.8	0.5
Manufacturing	4.4	6.0	5.0	4.7	4.8	4.4
Construction	7.5	6.7	4.2	4.7	3.0	3.5
Services	5.7	6.2	6.8	5.9	5.7	5.7
<b>GDP</b>	<b>4.4</b>	<b>5.7</b>	<b>4.7</b>	<b>4.9</b>	<b>4.3-4.8</b>	<b>4.5</b>

Source: BNM, MOF, Affin Hwang estimates

# Affin Hwang economic forecast for 2019

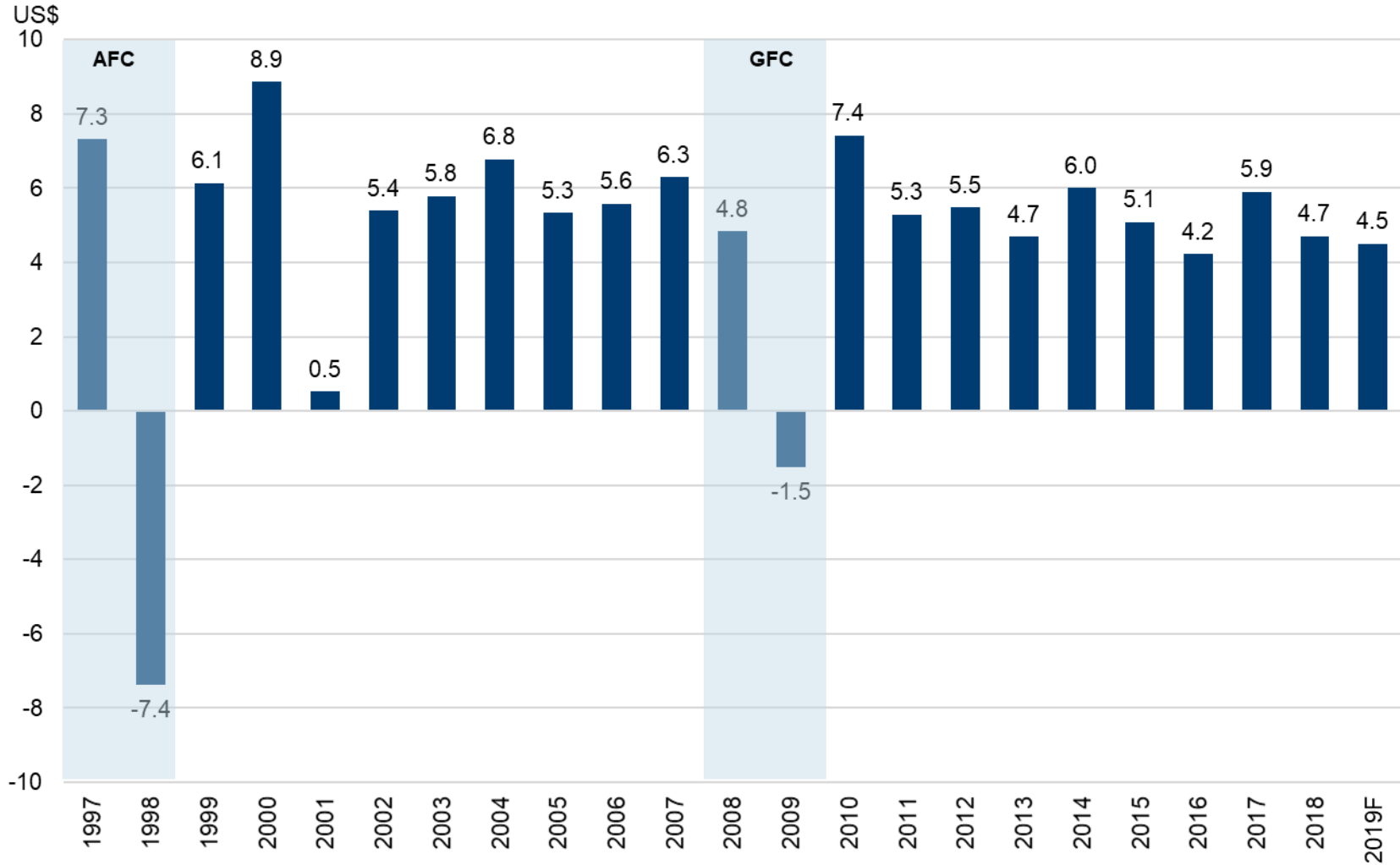
## Growth to remain steady in 2019

	2017	2018	2019F	2017	2018	2019F	2017	2018	2019F
	%yoy			% of GDP			% contribution point to GDP growth		
<b>GDP by Expenditure Components</b>									
Total Consumption	6.6	7.1	5.6	67.9	69.4	70.1	4.4	4.8	3.8
Private consumption expenditure	6.9	8.0	6.5	55.3	57.0	58.0	3.7	4.4	3.7
Public consumption expenditure	5.5	3.3	1.5	12.6	12.5	12.1	0.7	0.4	0.2
Total Investment	6.1	1.4	1.5	25.5	24.6	23.9	1.5	0.3	0.4
Private investment expenditure	9.0	4.3	4.0	17.4	17.3	17.2	1.5	0.7	0.7
Public investment expenditure	0.3	-5.0	-4.5	8.1	7.4	6.7	0.0	-0.4	-0.3
Domestic Demand	6.5	5.5	4.5	93.4	94.1	94.0	6.0	5.2	4.2
Net exports	-3.9	11.4	-0.7	6.6	7.0	6.6	-0.3	0.8	-0.1
Exports	8.7	2.2	1.0	69.2	67.6	65.3	5.8	1.5	0.7
Imports	10.2	1.3	1.2	62.7	60.6	58.6	6.1	0.8	0.7
Changes in inventories	150.8	-2,025.4	-33.0	0.1	-1.1	-0.7	0.0	-1.2	0.3
<b>GDP (2010 real prices)</b>	<b>5.7</b>	<b>4.7</b>	<b>4.5</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>5.7</b>	<b>4.7</b>	<b>4.5</b>
<b>GDP By Kind of Economic Activity</b>									
Agriculture, Forestry and Fishing	5.8	0.1	2.0	7.6	7.3	7.1	0.4	0.0	0.1
Mining and Quarrying	0.4	-2.6	0.5	8.1	7.6	7.3	0.0	-0.2	0.0
Manufacturing	6.0	5.0	4.4	22.3	22.4	22.4	1.3	1.1	1.0
Construction	6.7	4.2	3.5	4.9	4.9	4.8	0.3	0.2	0.2
Services	6.2	6.8	5.7	55.6	56.7	57.3	3.4	3.8	3.2
Import duties	13.0	-11.5	-11.2	1.4	1.2	1.1	0.2	-0.2	0.0
<b>GDP (2010 real prices)</b>	<b>5.7</b>	<b>4.7</b>	<b>4.5</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>5.7</b>	<b>4.7</b>	<b>4.5</b>

Source: CEIC, Affin Hwang estimates

# Ten-year economic cycle, Malaysia GDP growth trends

If History Repeats Itself – Is the Next Global Economic Crisis Around the Corner?

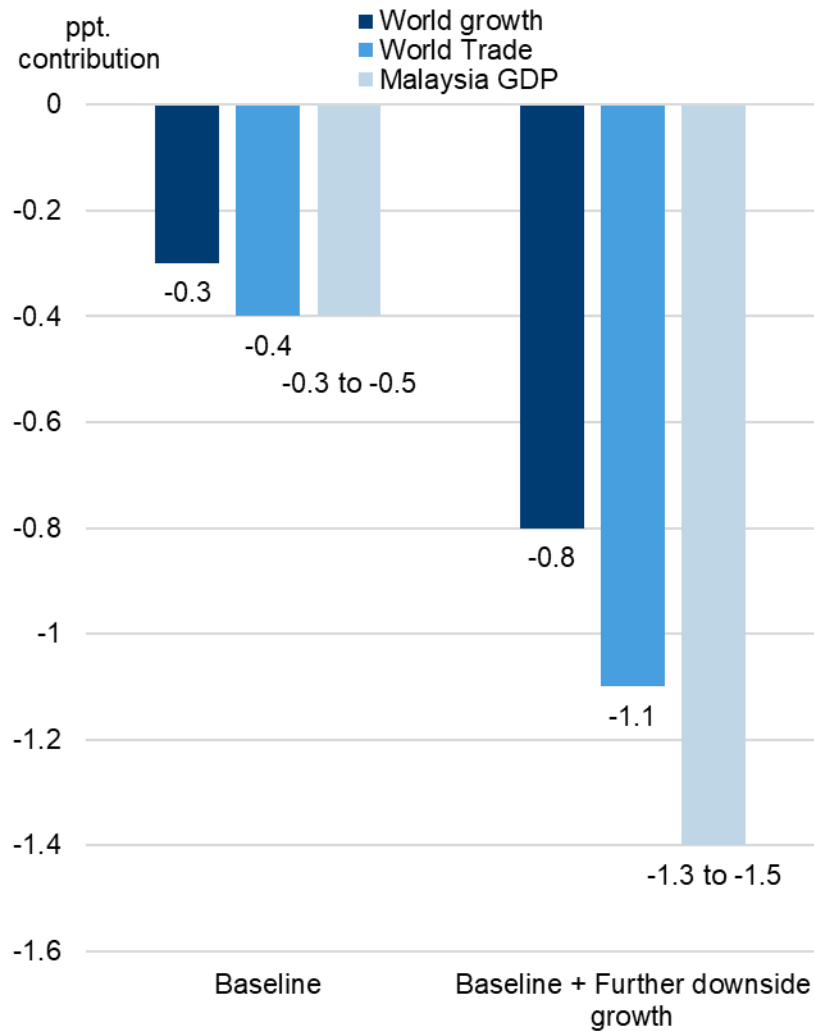


Source: World Bank

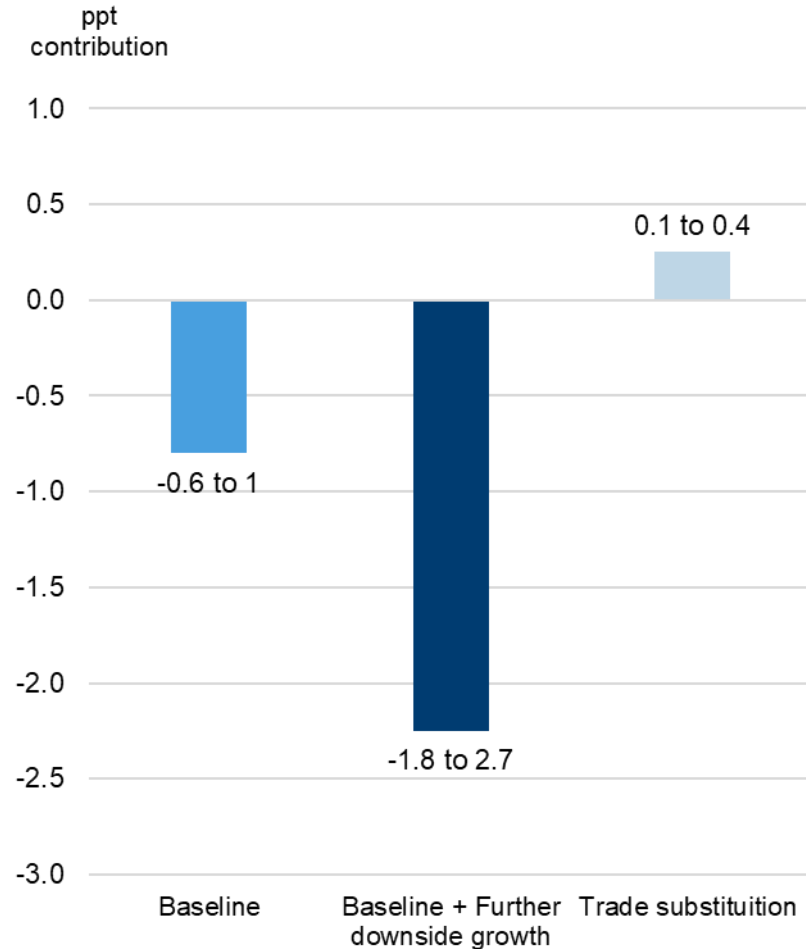


# Impact estimates of trade tensions by BNM

Malaysia's GDP estimated to fall by 1.3 to 1.5 ppts



Malaysia's export growth to benefit from trade substitution



Source: BNM

# Malaysia: Economic fundamentals stays healthy

## Macroeconomic and financial indicators

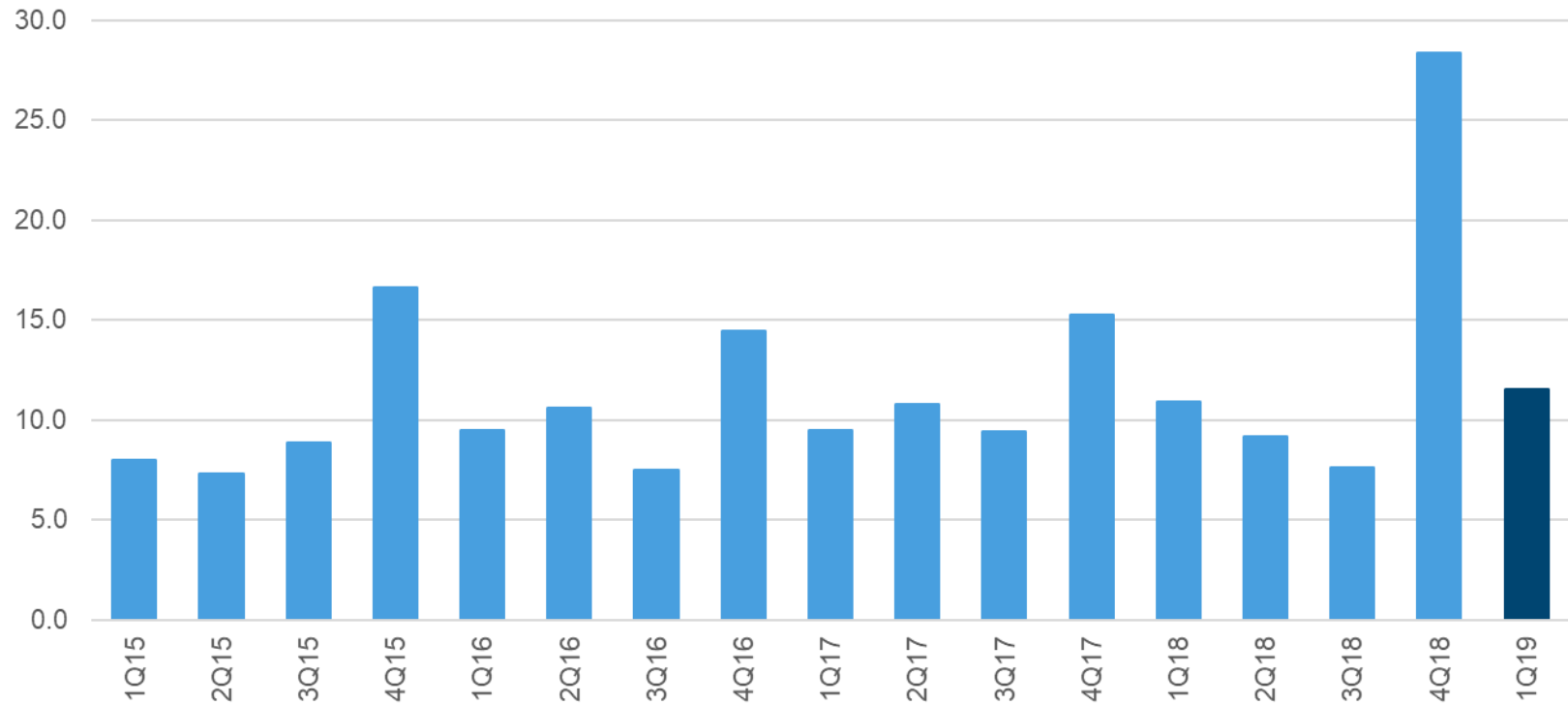
Indicator	Unit	Asia financial crisis		Global financial crisis		Latest
		1997	1998	2008	2009	
Real GDP growth	%	7.3	-7.4	4.8	-1.5	4.5 (1Q19)
Inflation rate	%	2.7	5.3	5.4	0.6	-0.2 (4M19)
Fiscal balance	% of GDP	2.2	-1.6	-4.6	-6.7	-3.7 (2018)
Public debt	% of GDP	29.5	33.7	39.8	50.8	51.8 (2018)
External debt	% of GDP	56.1	55.5	30.7	32.6	64.7 (2018)
Short-term external debt	% of total external debt	25.3	21.1	33.8	33.3	43.8 (2018)
Current account balance	% of GDP	-5.5	12.2	17.1	15.5	2.3 (2018)
International Reserves	US\$bn	21.7	26.2	91.4	96.7	102.3 (May-19)
Gross national savings	% of GNI	40.1	43.2	39.4	34	26.9 (2018)
Total loan growth	%	26.6	-1.7	12.8	7.8	4.9 (Mar-19)
Non performing loans ratio	%	4.1	13.6	2.2	1.8	1.5 (Mar-19)

Source: CEIC

# Government spending on DE in 1Q2019 likely to improve

Lesser spending on development expenditure in 1Q19 vs 4Q18

RM bn



Source: MIDA, BNM

## Federal Government spending on 1Q2019

Government has spend 22.9% over total OE 2019 budget

Budget 2019	Budget 2019 (RM bn)	1Q2019 (RM bn)	% Budget
Revenue	314.6	RM 63.7	<b>20.3%</b>
Operating Expenditure	259.9	RM 59.5	<b>22.9%</b>
Development Expenditure	54.7	RM 11.5	<b>21.0%</b>

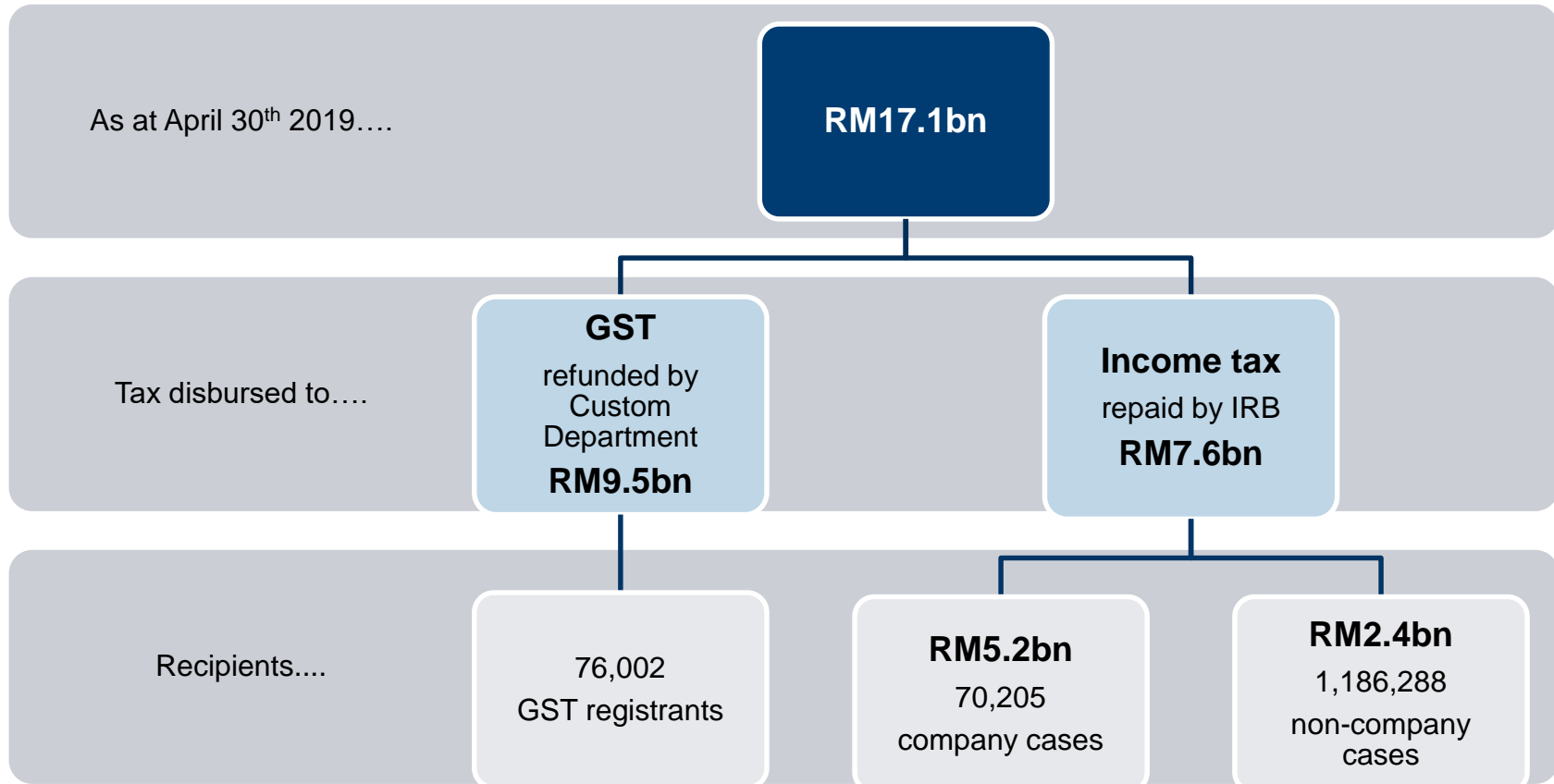
Source: BNM, MOF

## The cost reduction in construction projects

Projects	Before	After	Cost Saving
Light Rail Transit 3 (LRT3)	RM31.6bn	RM16.6bn	RM15.0bn
Mass Rapid Transit 2 (MRT2)	RM39.4bn	RM30.5bn	RM8.9bn
East Coast Railway Train (ECRL)	RM66.0bn	RM44.0bn	RM22.0bn
121 infrastructure projects	RM14.7bn	RM13.9bn	RM806.0m

Source: Various source

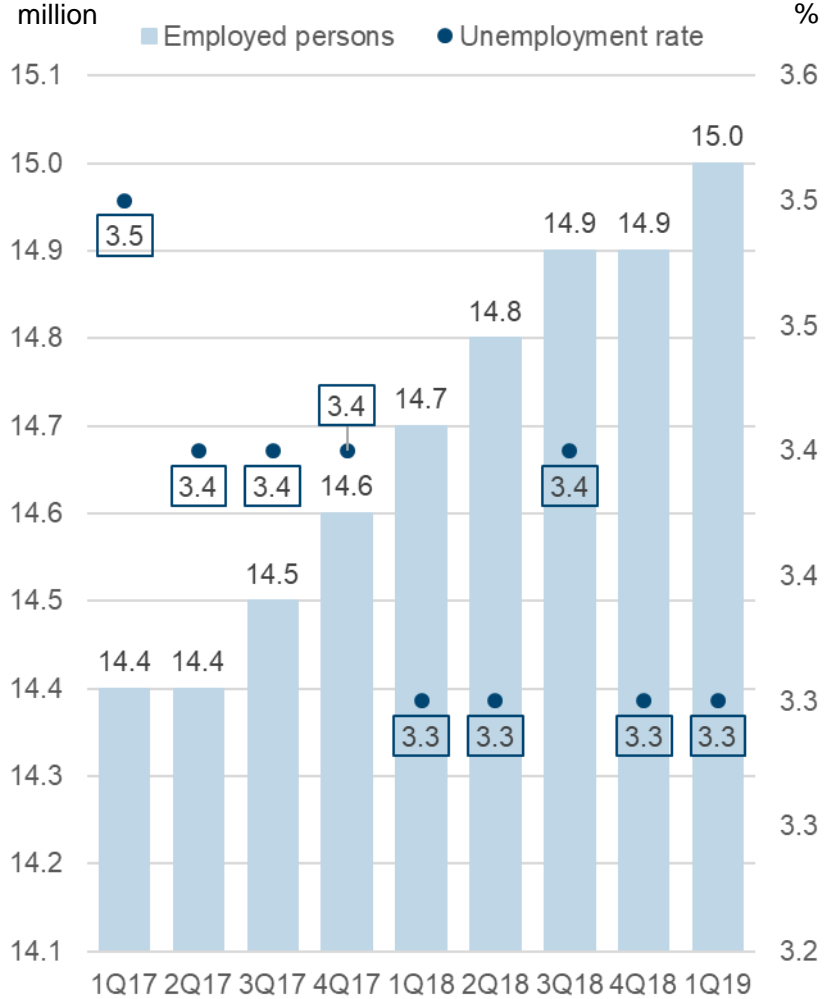
## Disbursement of tax refund of RM37bn



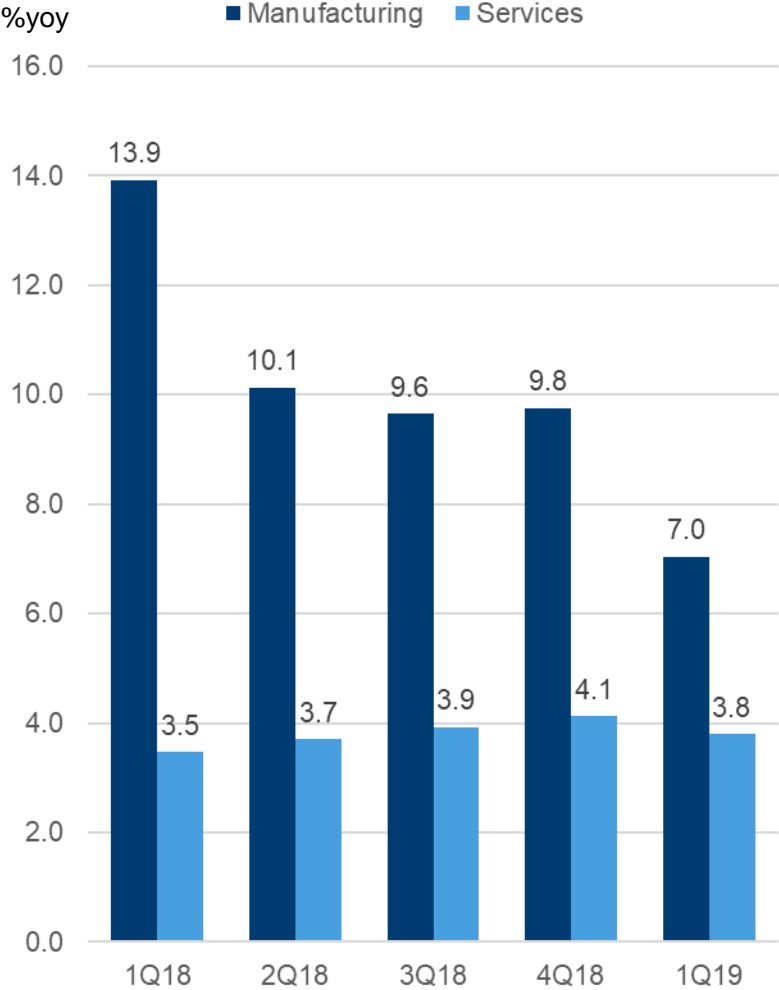
Source: Various sources

# Strong labor market continue to support private consumption

The number of employed persons reached 15.0m in 1Q19



Growth of salaries and wages in manufacturing and services sector



Source: BNM, MOF

# Shared Prosperity to provide a decent standard of living by 2030

## Objectives:

1. Narrow income and wealth gap
2. As a new development model for all
3. Build a brighter Malaysia and one of Asia's leading economic axes

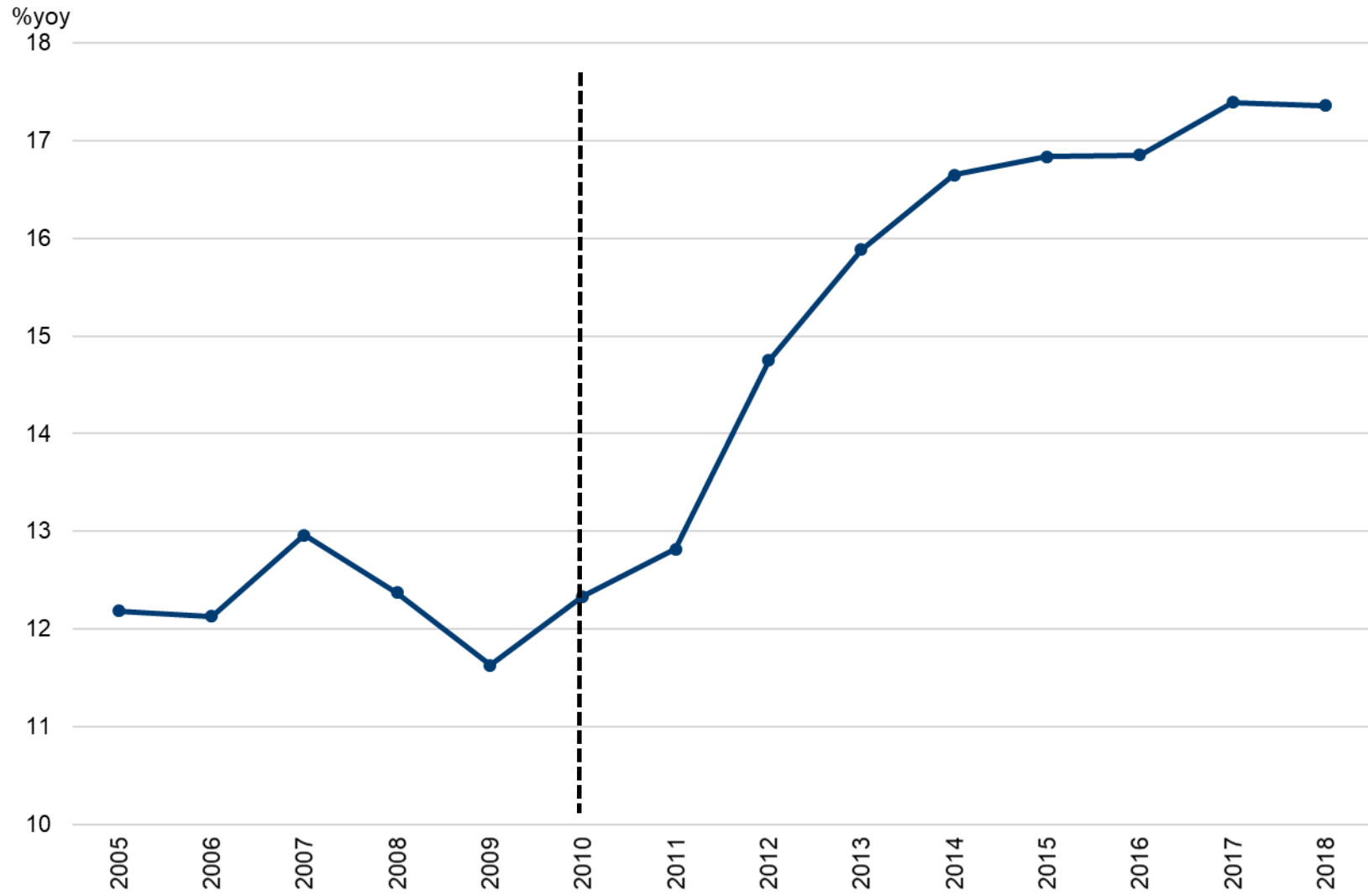
## 7 Core Strategies



Source: Prime Minister Tun Dr. Mahathir Mohamad



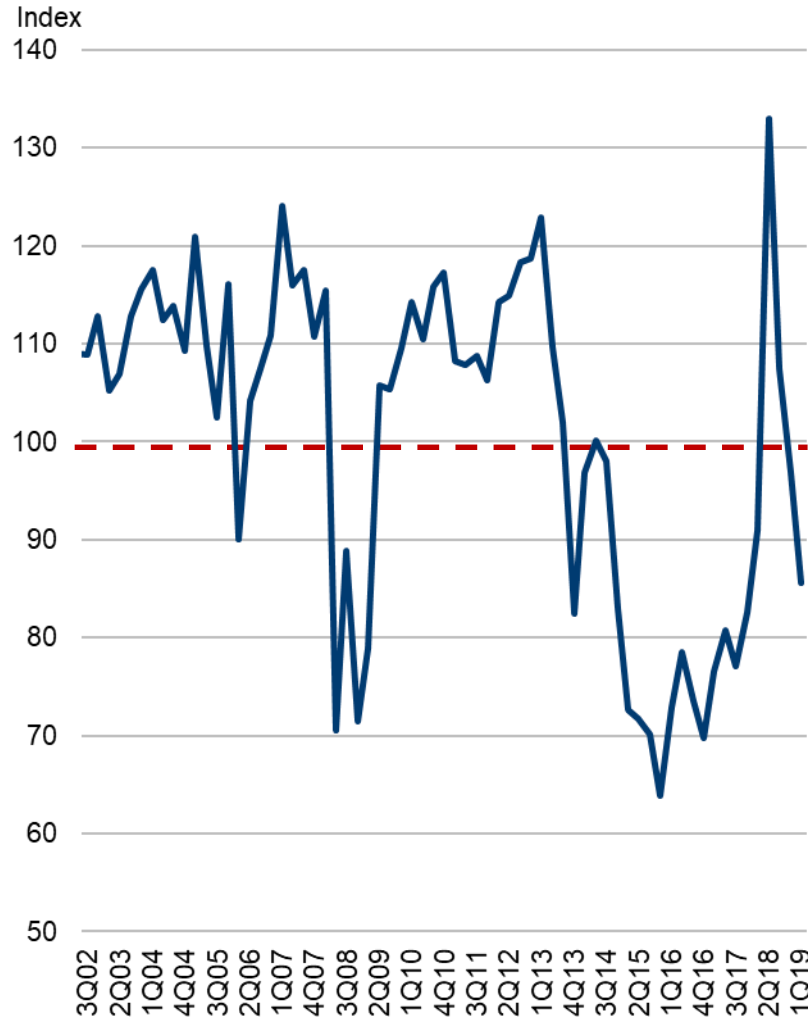
## Private investment as % of GDP



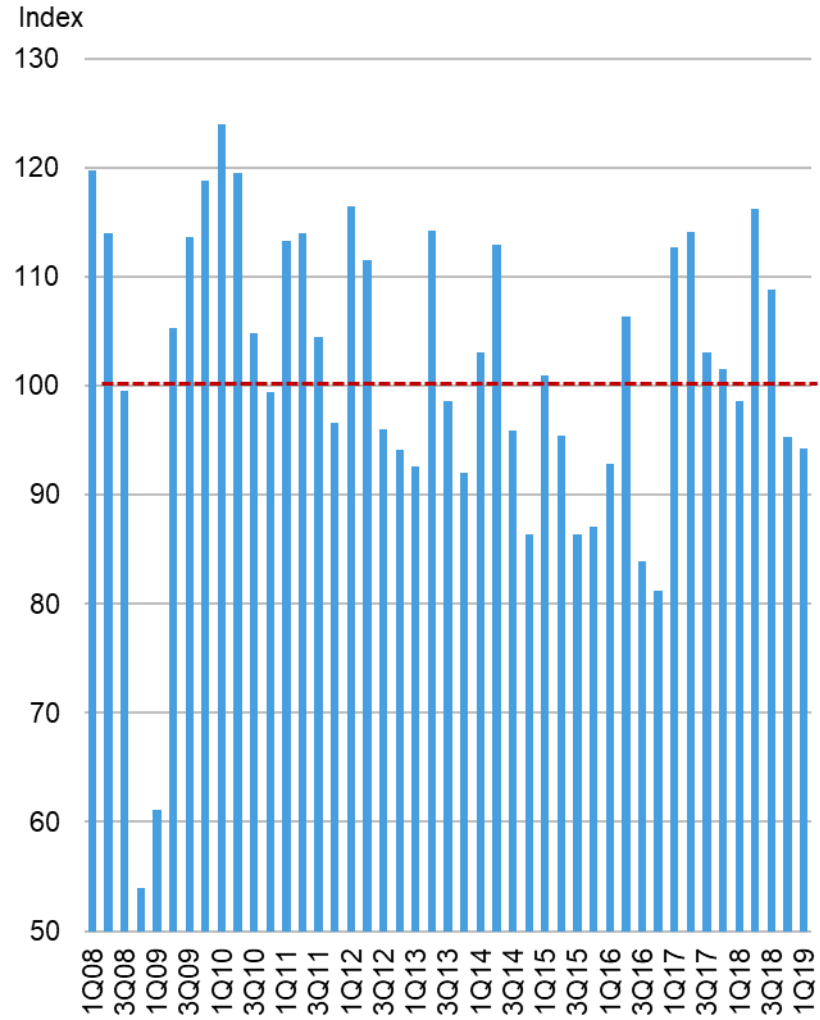
Source: CEIC, DOSM

# Possible recovery in consumer and business confidence

Consumer confidence has dropped since 3Q18



Business sentiment dropped at a near two-year low



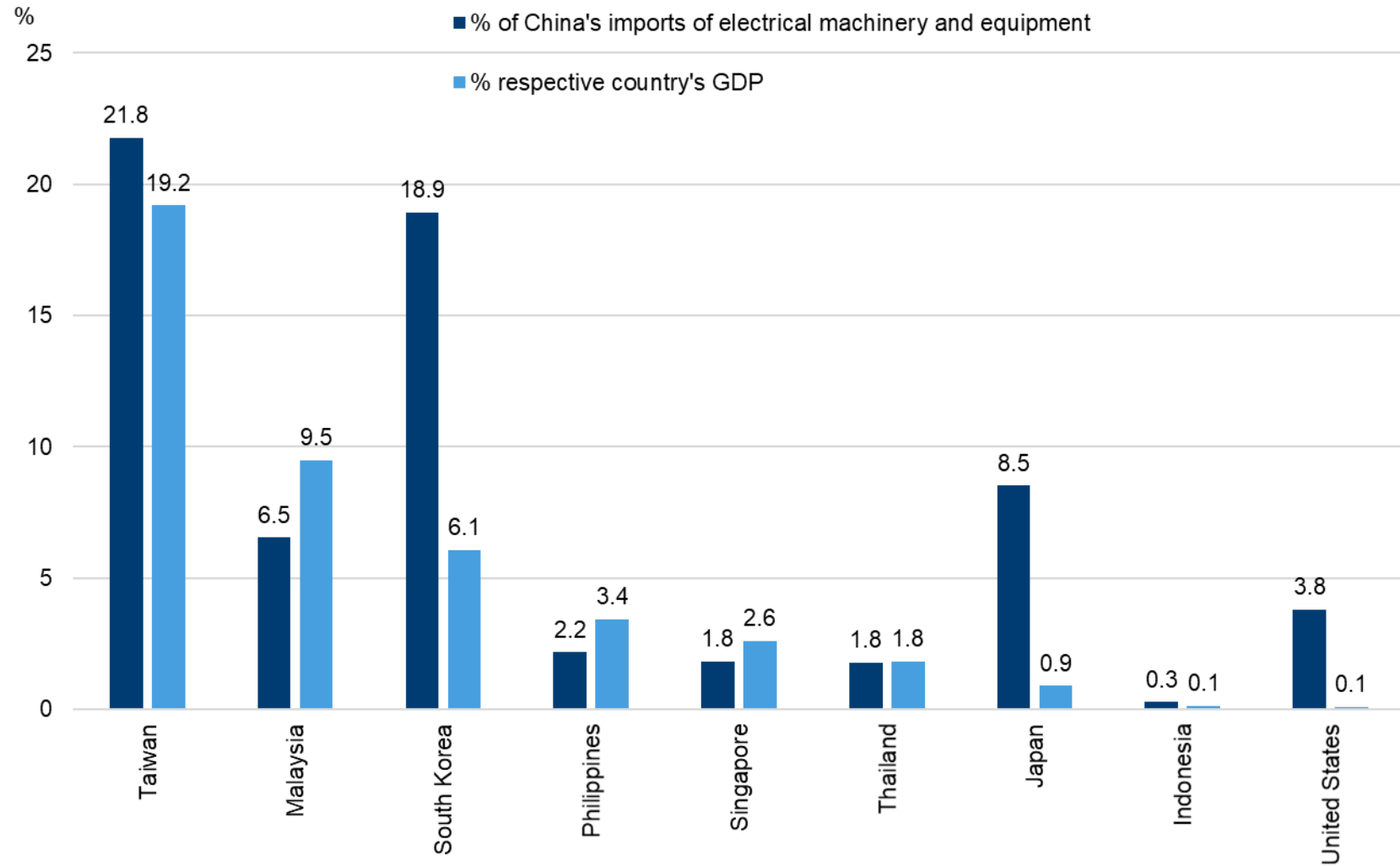
Source: MIER

# Global Macro

## US-China trade war & global monetary policy

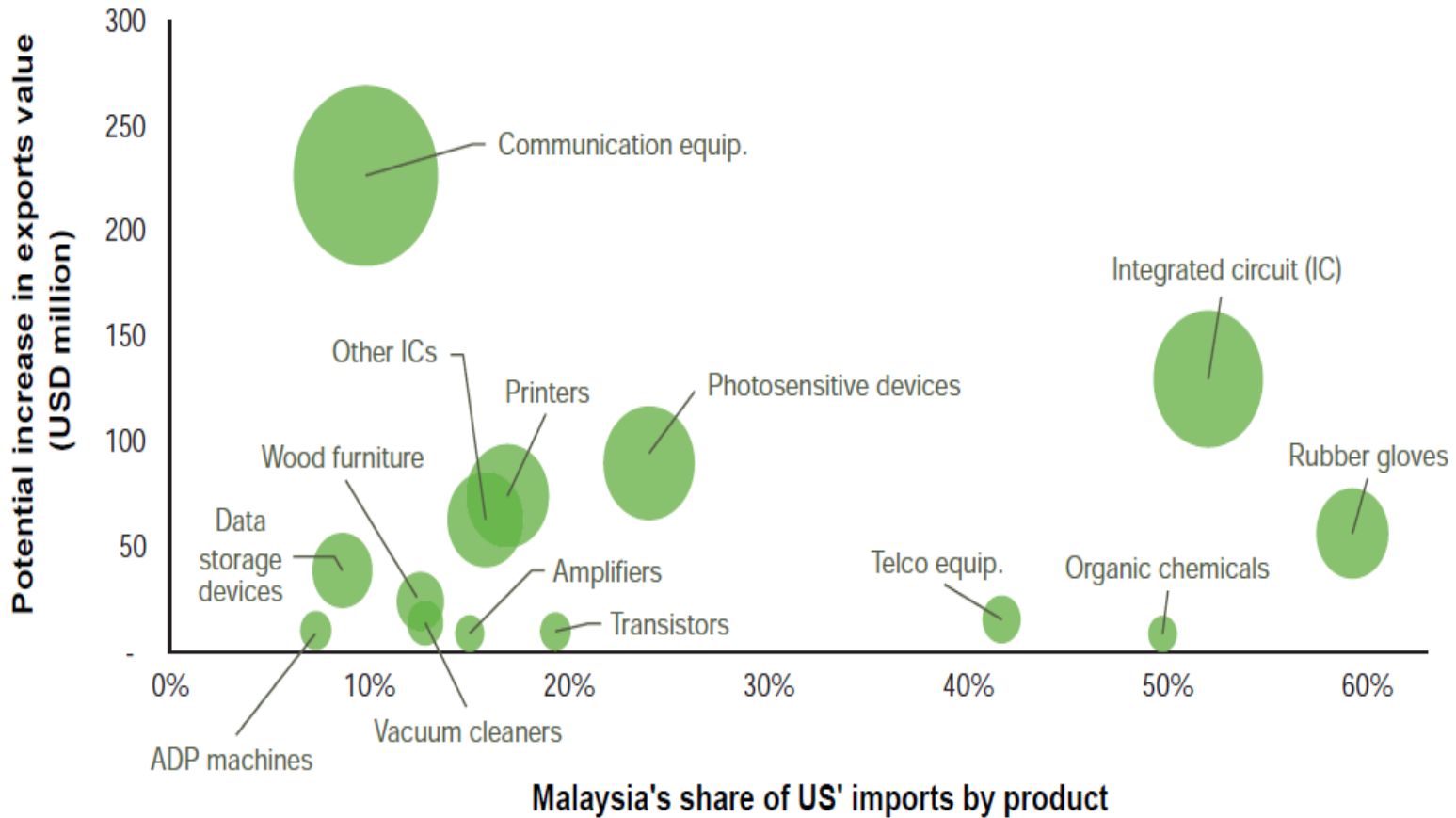
# Asia's electronics supply chain at risk of trade war

Electronics exports make up a big proportion of GDP in Taiwan, Malaysia and South Korea



Source: CEIC

## Malaysia's exports to the US: Potential Gain from Trade Substitution

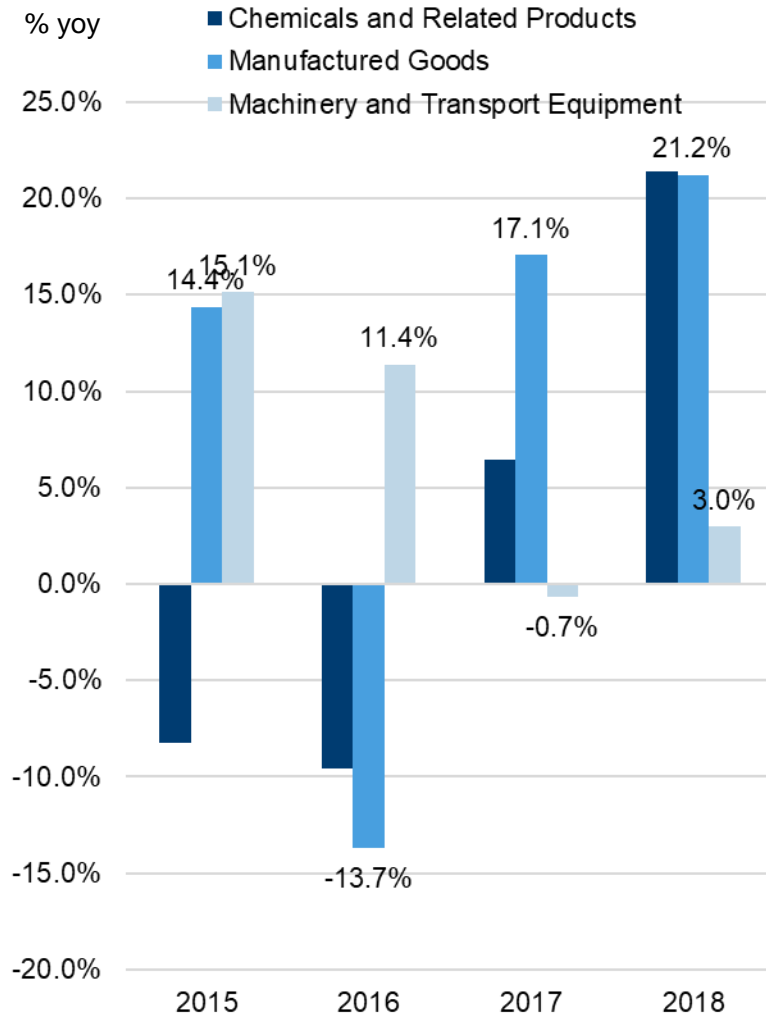


Note: Bubble size reflects potential value of gain. For clarity, chart only illustrates US import products in which at least 5% of those imports are sourced from Malaysia.

Source: ITC Trade Map, Global Trade Atlas, BNM Estimates

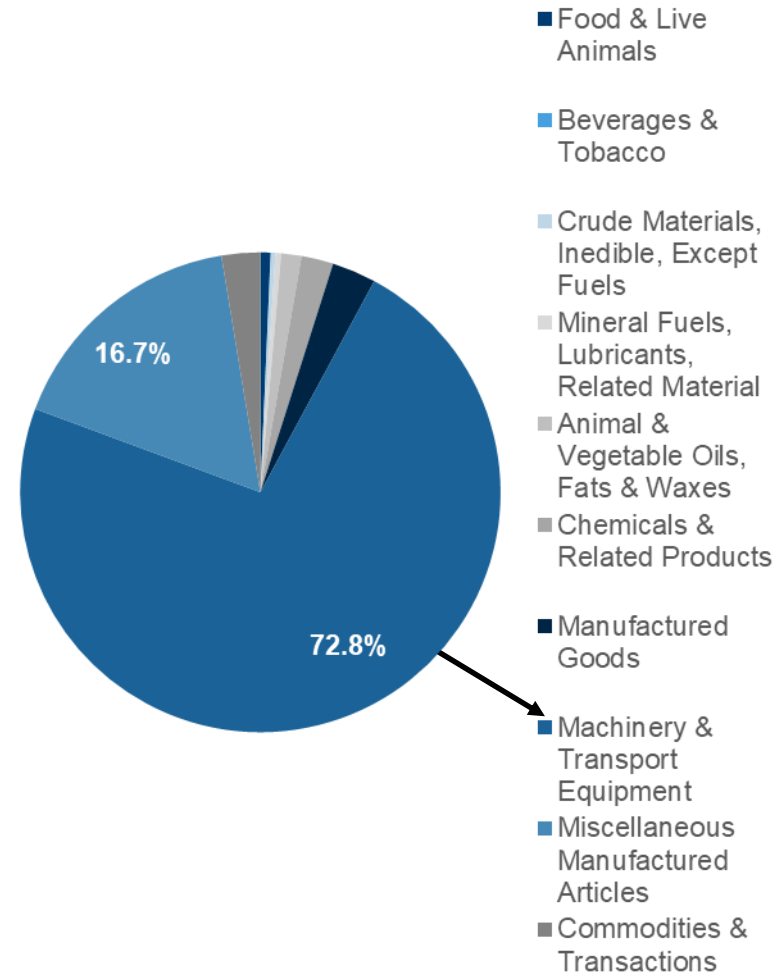
# Main Malaysia's products imported by the US

Increase in import of main products in 2018 amid trade war



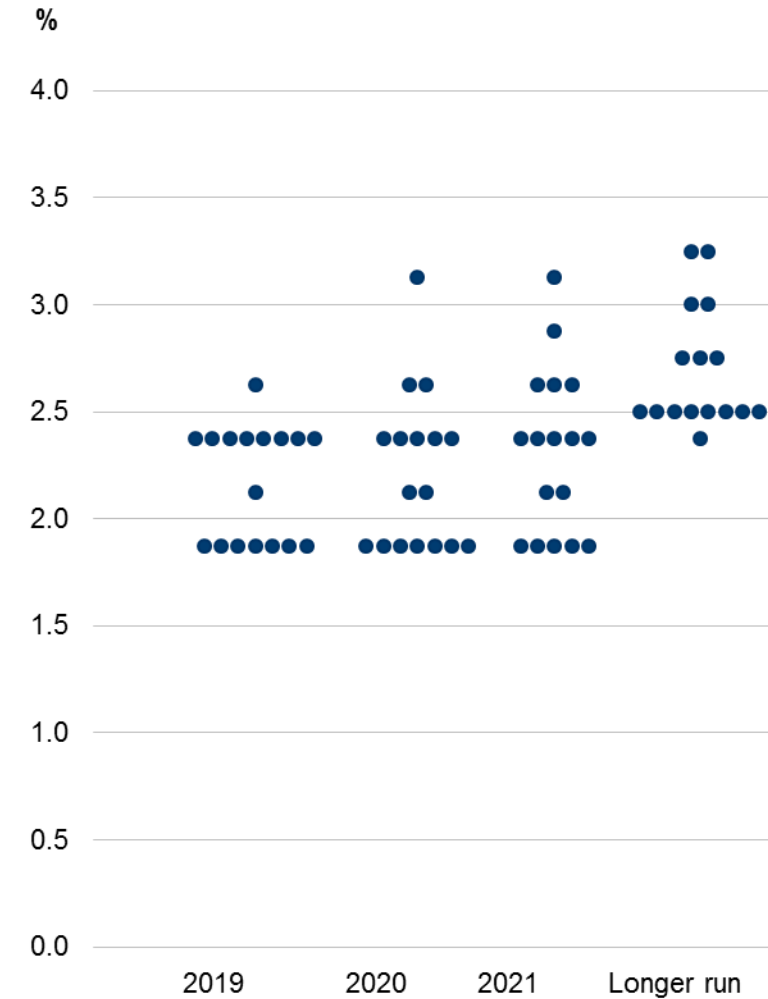
Source: CEIC

Percentage share of import product from Malaysia



# US Fed projects one rate cut in 2020

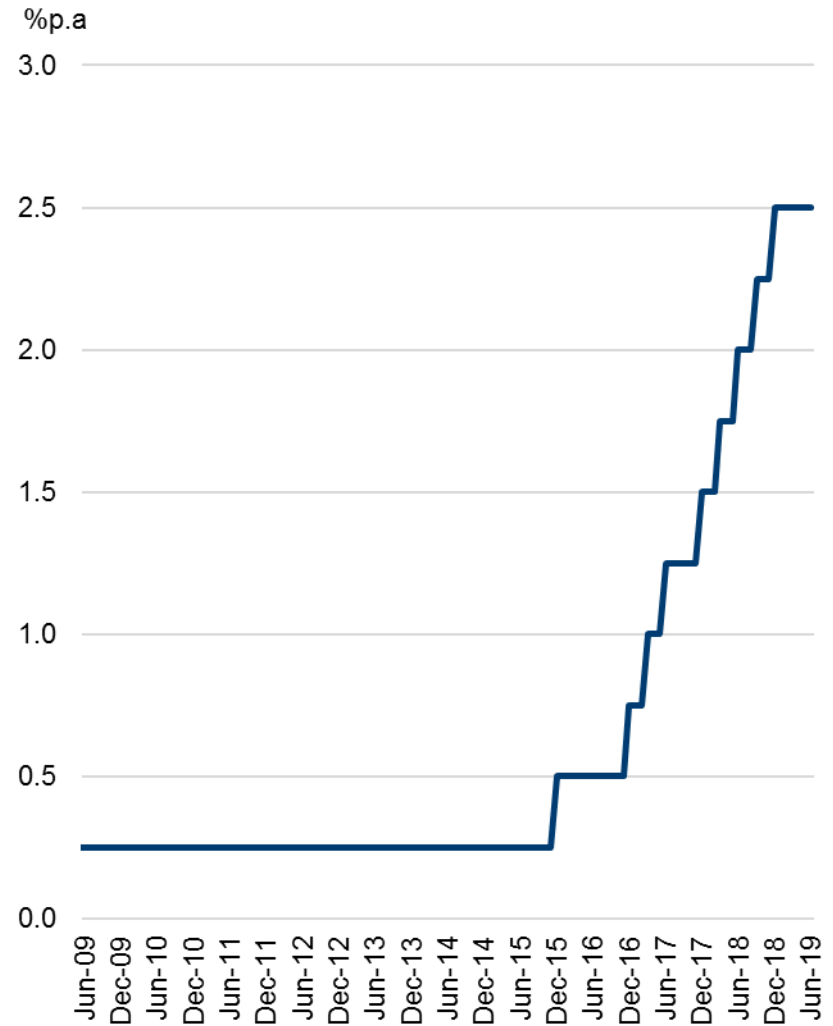
US Fed dot plot



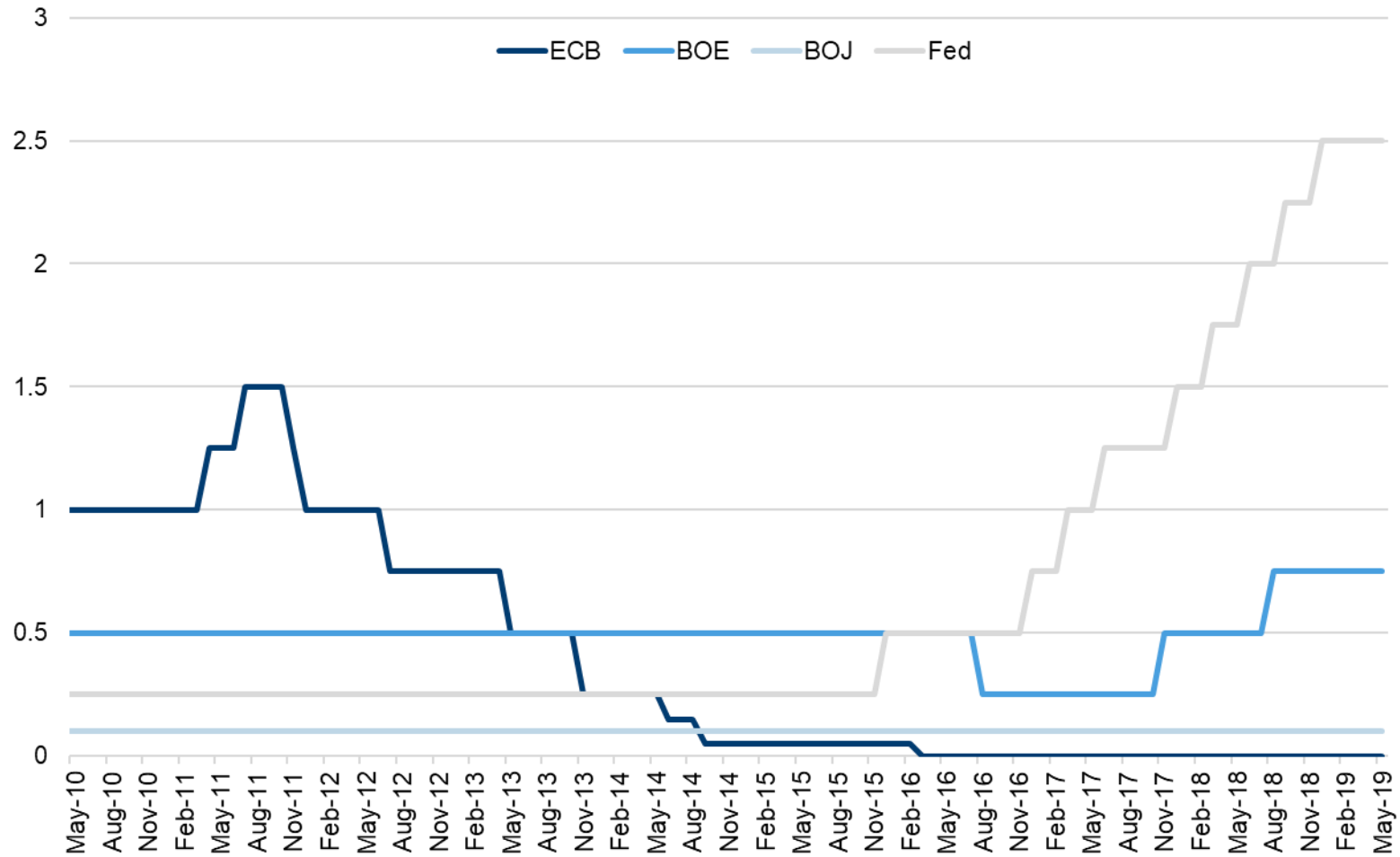
Source: US Fed



Fed fund rate kept at 2.25-2.5% in June FOMC Meeting



# Major central bank policy interest rates



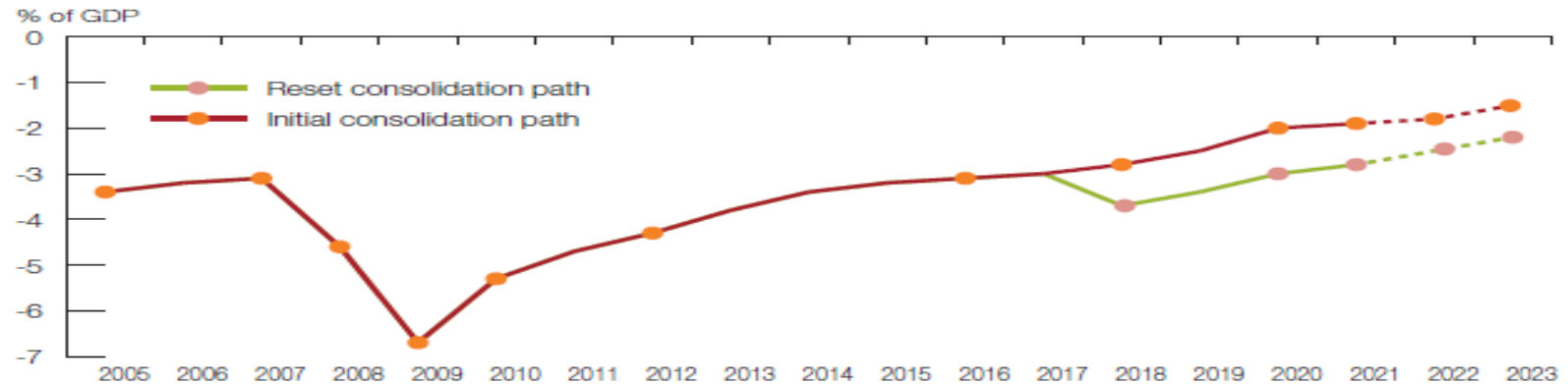
Source: Bloomberg





# Malaysia fundamentals - Focus on fiscal discipline

## Government fiscal 'reset' and consolidation path



Note: 2018: Revised estimate.  
2019: Budget estimate, excluding 2019 Budget measures.  
Source: Ministry of Finance, Malaysia.

	Medium-Term Fiscal Framework 2019-2021	
	RMbn	% of GDP
Revenue	767.9	15.7
Non-oil	584.0	12.0
Oil-related	183.9	3.7
Operating expenditure	754.9	15.5
<b>Current balance</b>	<b>13.0</b>	<b>0.2</b>
Gross development expenditure	164.7	3.4
Less: Loan recoveries	1.9	0.1
Net development expenditure	162.8	3.3
<b>Overall balance</b>	<b>-149.8</b>	<b>-3.1</b>
<b>Underlying assumptions</b>		
Real GDP growth (%)	4.5-5.5	
Nominal GDP growth (%)	6.8-8.2	
Crude oil price (US\$/barrel)	60-70	
Oil production (barrels per day)	600,000	

Source: Mlaysia Budget 2019

## Federal Government fiscal position 2018 - 2019

Fiscal deficit to improve from -3.7% of GDP estimated in 2018 to -3.4% in 2019

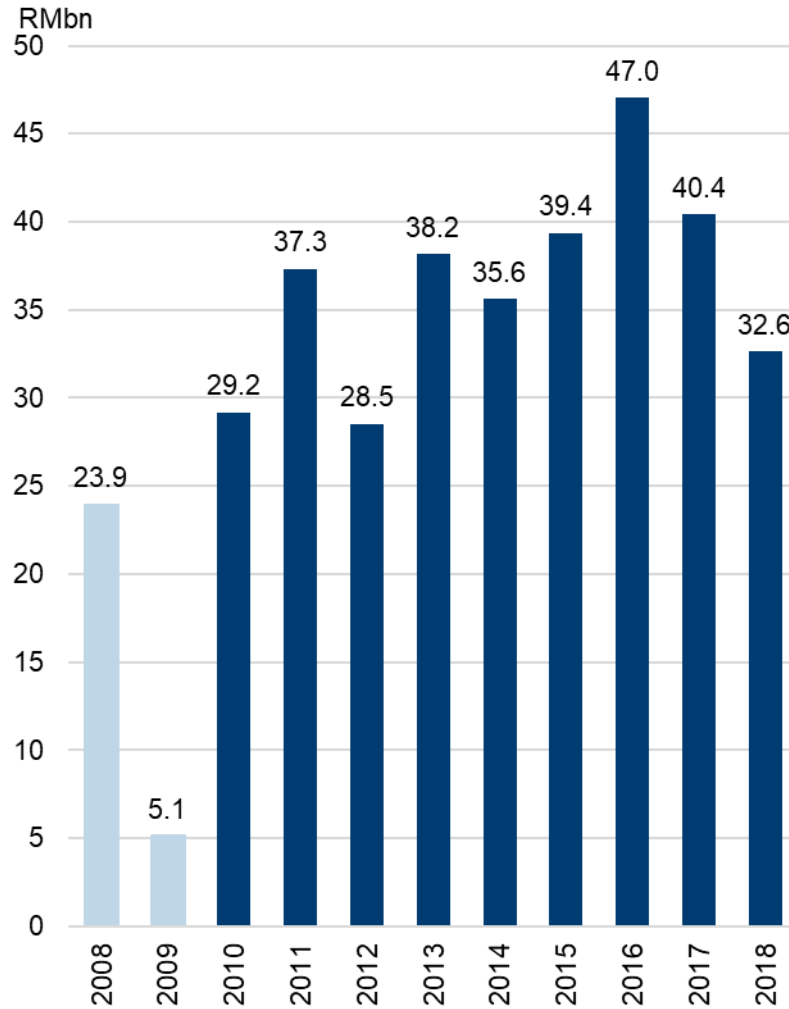
	Unit	2017	2018F	2019F
Oil price	US\$/bbl	50.0	70.0	60 - 70
Total revenue	RMbn	220.4	236.5	261.8
Operating expenditure	RMbn	217.7	235.5	259.9
Operating balance	RMbn	2.7	1.0	2.0
Gross development expenditure	RMbn	44.9	54.9	54.7
Loan recoveries	RMbn	1.9	0.6	0.7
Net development expenditure	RMbn	43.0	54.3	54.0
<b>Fiscal balance</b>	<b>RMbn</b>	<b>-40.3</b>	<b>-53.3</b>	<b>-52.1</b>
	<b>% of GDP</b>	<b>-3.0</b>	<b>-3.7</b>	<b>-3.4</b>

Source: Budget 2019 speech

Note: \* Refer to MOF report 2018/2019,

# The net FDI inflows performance

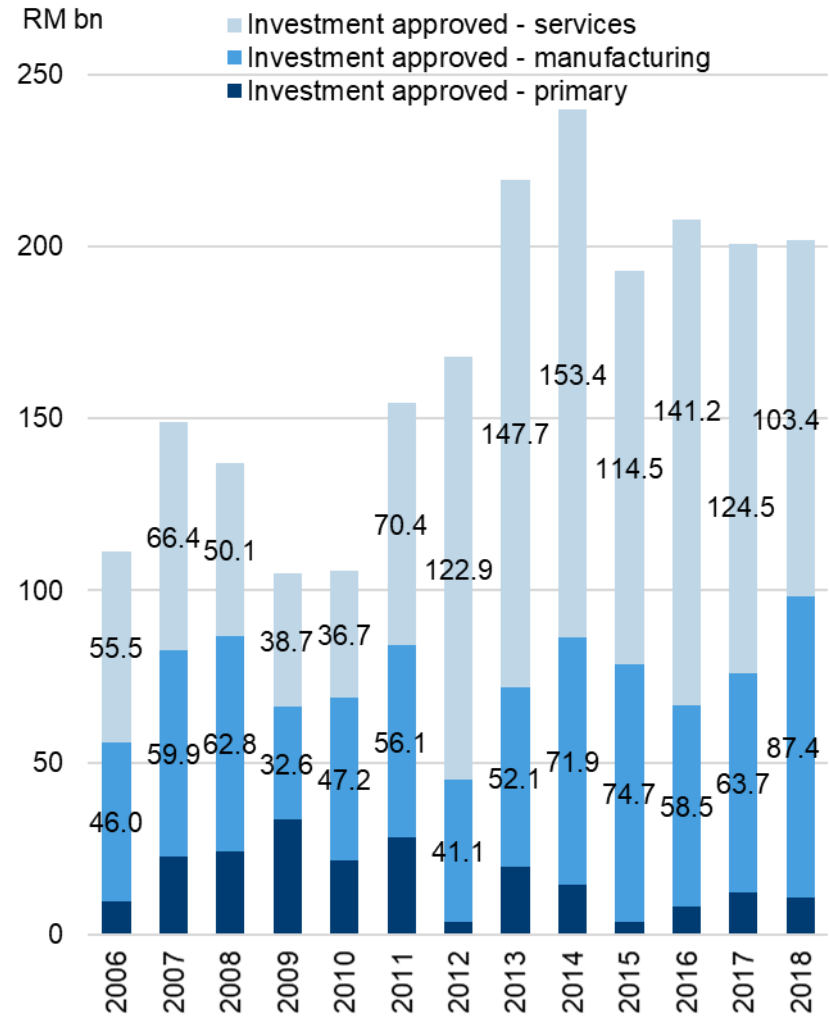
Net FDI inflows above RM25bn since establishment of ETP



Source: CEIC, MIDA

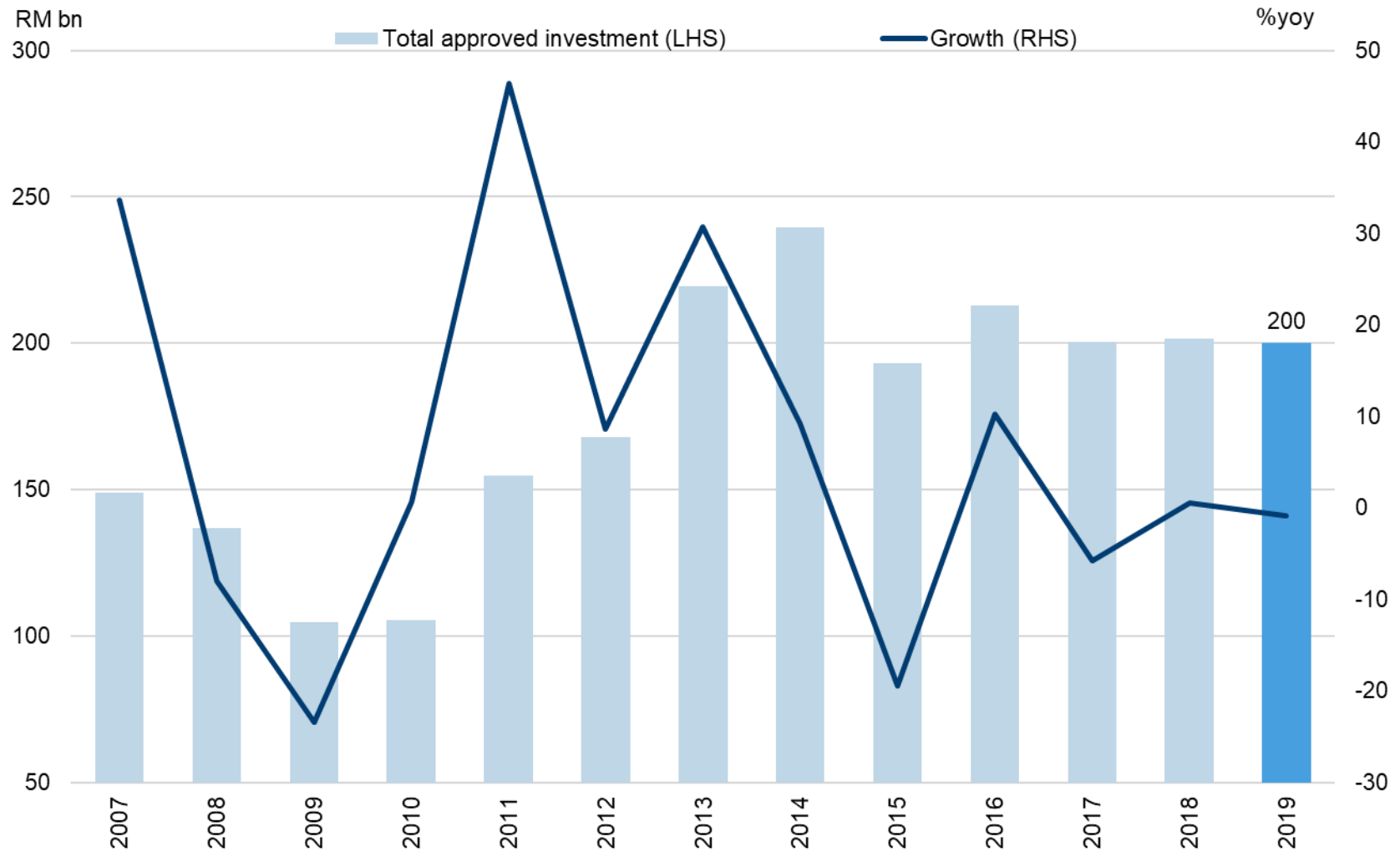


## Rising share of investment approved in services sector



# Total approved investment in 2019 targeted at RM200bn

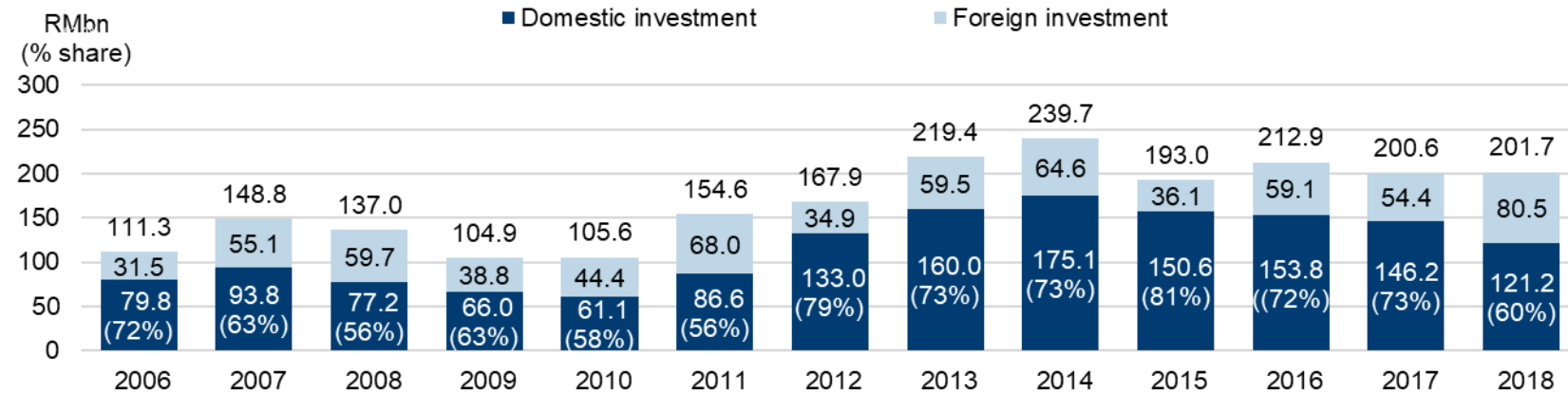
DDI accounted for 60.1% of total approved investments in 2018



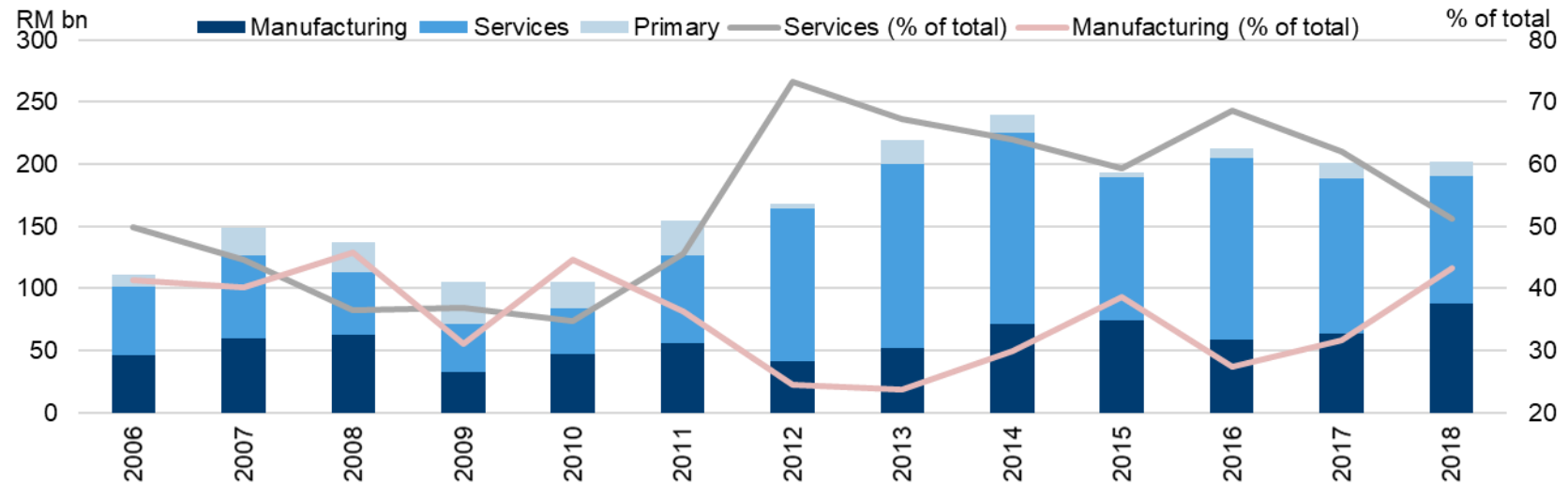
Source: MIDA

# Total approved investment reached RM201.7bn in 2018

DDI accounted for 60.1% of total approved investments in 2018



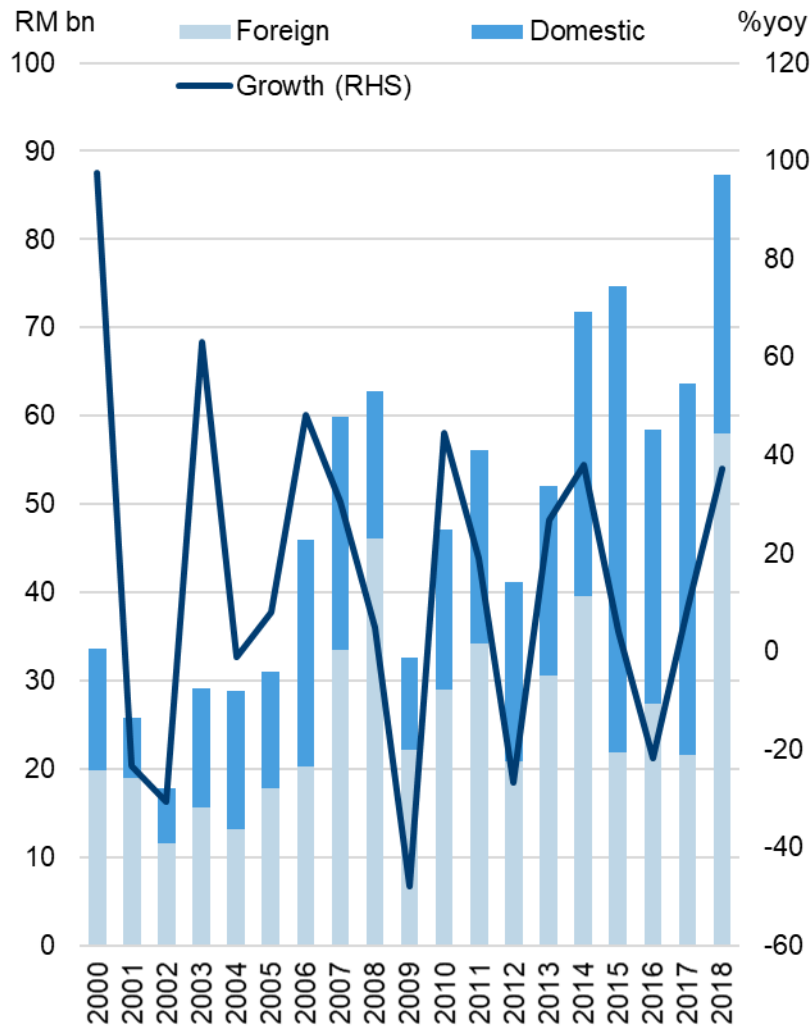
Approved investments in the manufacturing sector registered a growth of 37.2% in 2018



Source: MIDA, BNM

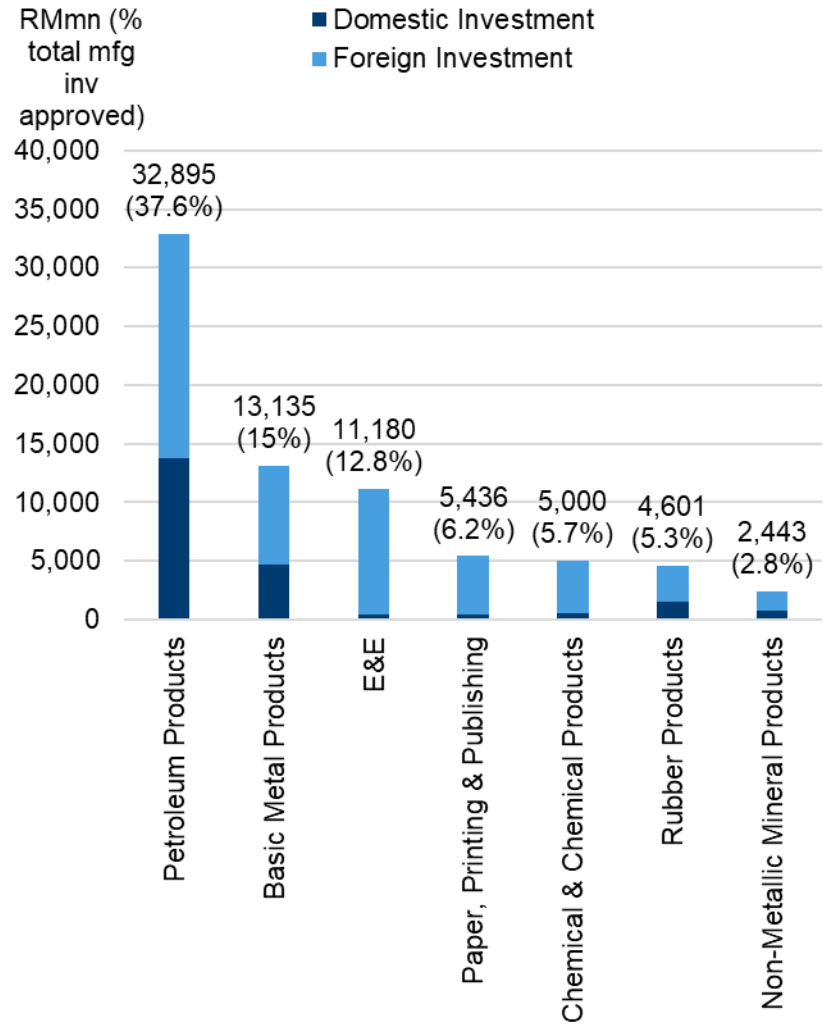
# Strong investment into manufacturing sector in 2018

Approved foreign mfg investment totaled RM58bn in 2018




Source: MIDA

Projects approved mainly in petroleum industry



# Top 10 - IMD World Competitiveness Ranking 2019

Indonesia improved tremendously among ASEAN countries

2019	Country	2018	Change
1	Singapore	3	+2 
2	Hong Kong	2	- -
3	USA	1	-2 
4	Switzerland	5	+1 
5	UAE	7	+2 
6	Netherlands	4	-2 
7	Ireland	12	+5 
8	Denmark	6	-2 
9	Sweden	9	- -
10	Qatar	14	+4 
14	China	13	-1 
16	Taiwan	17	+1 
22	Malaysia	22	- -
25	<b>Thailand</b>	30	+5 
32	<b>Indonesia</b>	43	+11 

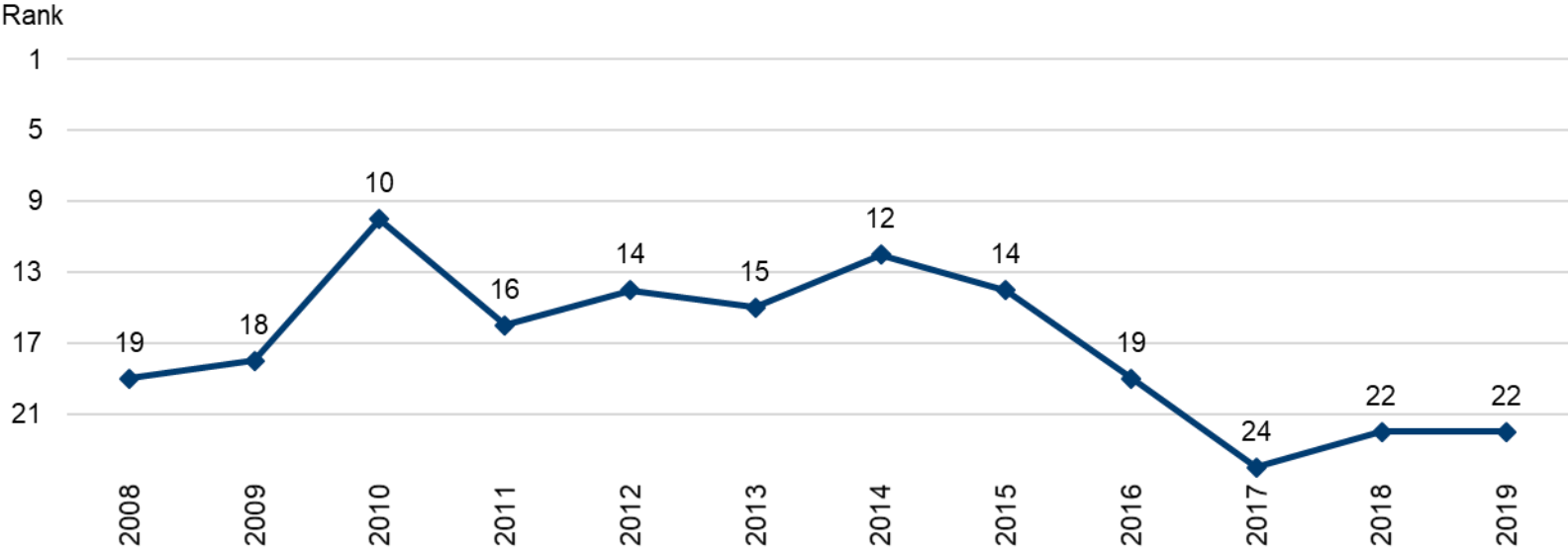
Source: IMD World Competitiveness Ranking



# ASEAN 5 - IMD World Competitiveness Ranking 2019

YEAR	IMD World Competitiveness Rank												Rank change
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
<b>Singapore</b>	2	3	1	3	4	5	3	3	4	3	3	1	2
<b>Malaysia</b>	19	18	10	16	14	15	12	14	19	24	22	22	0
<b>Thailand</b>	27	26	26	27	30	27	29	30	28	27	30	25	5
<b>Indonesia</b>	51	42	35	37	42	39	37	42	48	42	43	32	11
<b>Philippines</b>	40	43	39	41	43	38	42	41	42	41	50	46	4

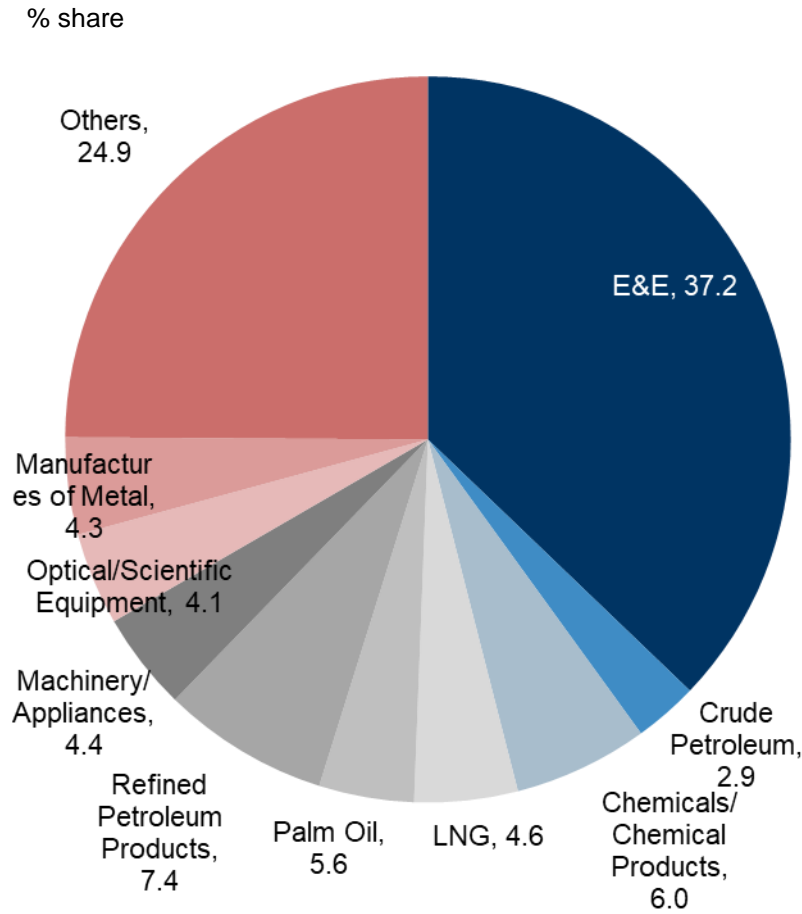
Malaysia competitiveness ranking performance since 2008



Source: IMD World Competitiveness Ranking

# Diversification in export support the current account surplus

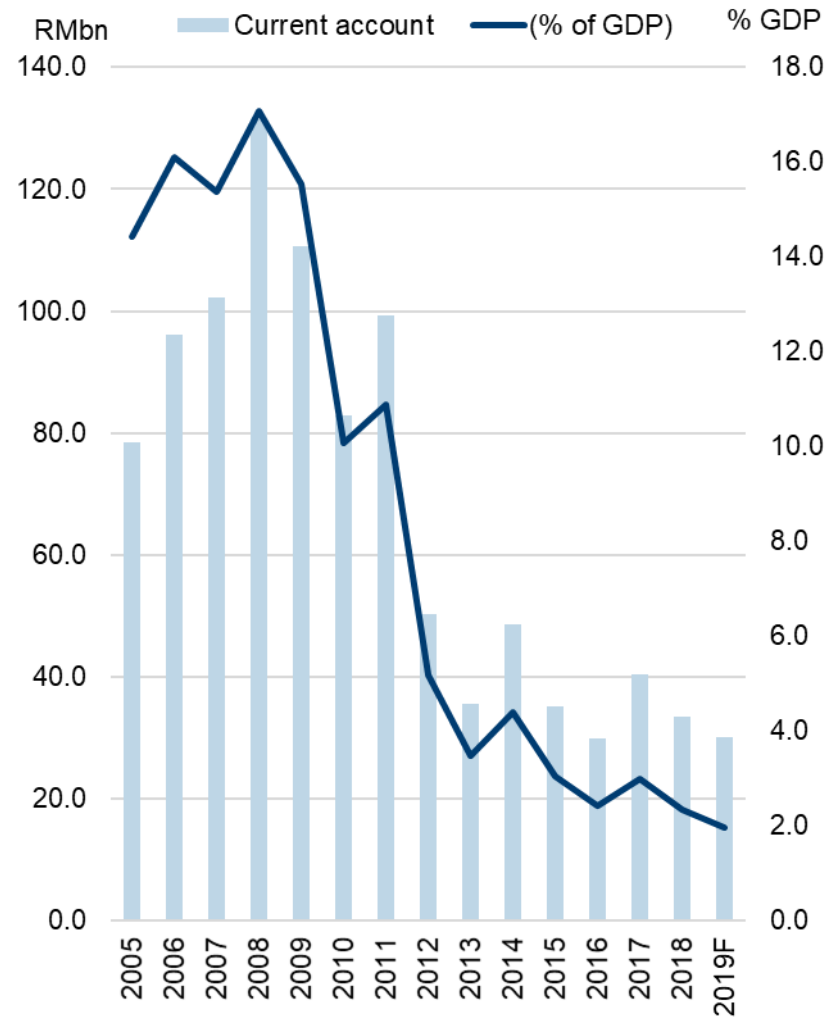
Diversification of export in March 2019



Source: CEIC, DOSM

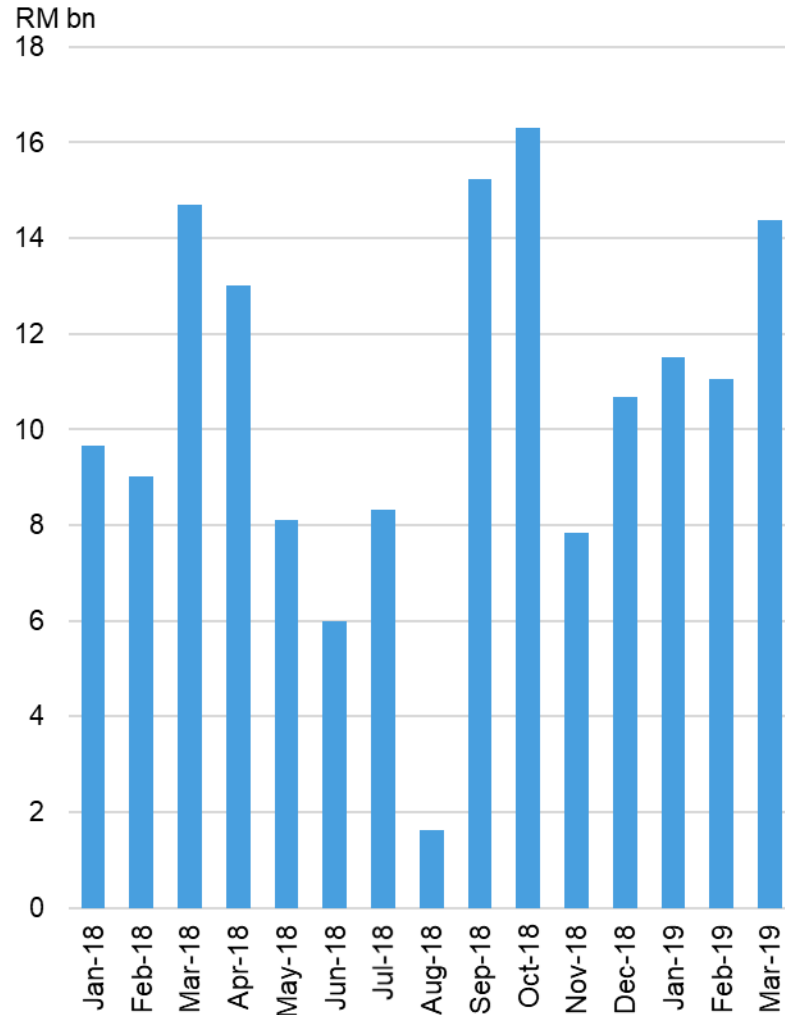


Malaysia has been steadily registering a current account surplus



# Strong trade surplus is foreseen to support the current account

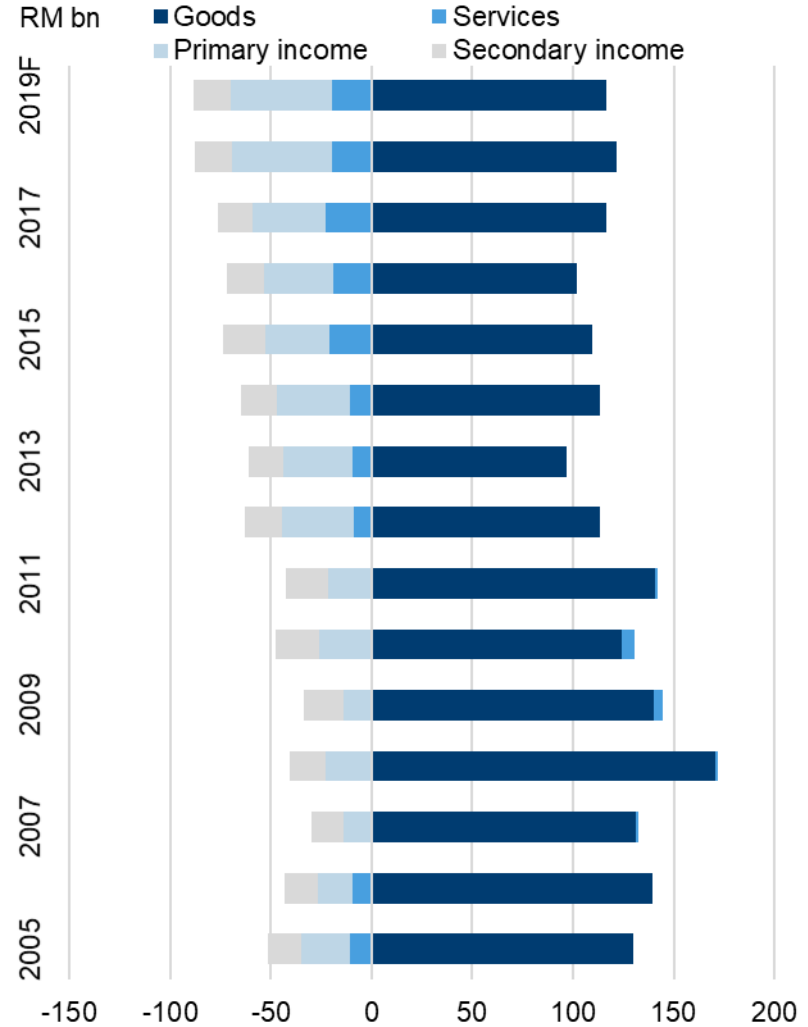
Malaysia has been experiencing a trade surplus since Nov'97



Source: CEIC, DOSM



Steady good account surplus offset the deficit in other accounts



## Credit rating for Malaysia remain stable

Malaysia's sovereign ratings comparison

Malaysia								
Moody's			S&P			Fitch		
Date	Ratings	Outlook	Date	Ratings	Outlook	Date	Ratings	Outlook
24-Sep-02	Baa1	Stable	1-Sep-00	BBB	Positive	7-Aug-02	BBB+	Stable
29-Sep-04	Baa1	Stable	4-Apr-01	BBB	Stable	8-Nov-04	A-	Stable
16-Dec-04	A3	Stable	4-Mar-02	BBB	Positive	20-Nov-06	A-	Stable
24-May-06	A3	Stable	20-Aug-02	BBB+	Stable	22-Jan-08	A-	Stable
20-Nov-13	A3	Positive	8-Oct-03	A-	Positive	30-Jul-13	A-	Negative
11-Jan-16	A3	Stable	15-May-08	A-	Stable	30-Jun-15	A-	Stable

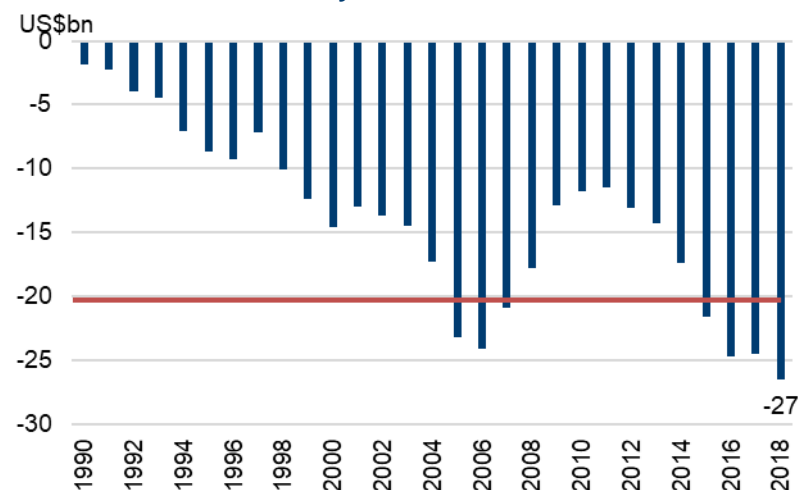
Source: Rating Agencies

# Malaysia added to US Treasury Monitoring List

## New Treasury threshold

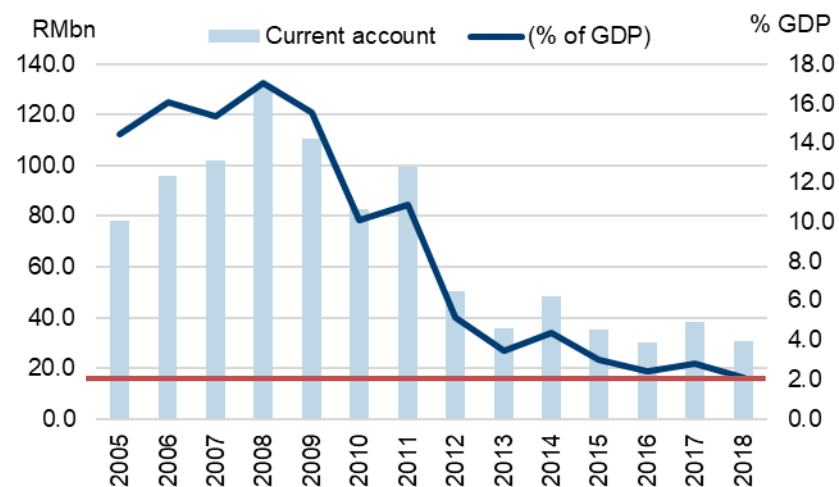
Criteria	Benchmark	Previous threshold	New threshold
Major Trading Partner Coverage	Total Bilateral Goods Trade (Imports plus Exports)	12 largest trading partners	US\$40bn
Significant Bilateral Trade Surplus with the US	Goods Surplus with the US	US\$20bn	US\$20bn
Material Current Account Surplus	Current Account Balance	3% of GDP	2% of GDP
Persistent, One-sided Intervention in Foreign Exchange Markets	Net FX Purchases	2% of GDP	2% of GDP
	Persistence of Net FX Purchases (months)	8 of 12 months	6 of 12 months

US trade deficit with Malaysia amounted to US\$27bn in 2018



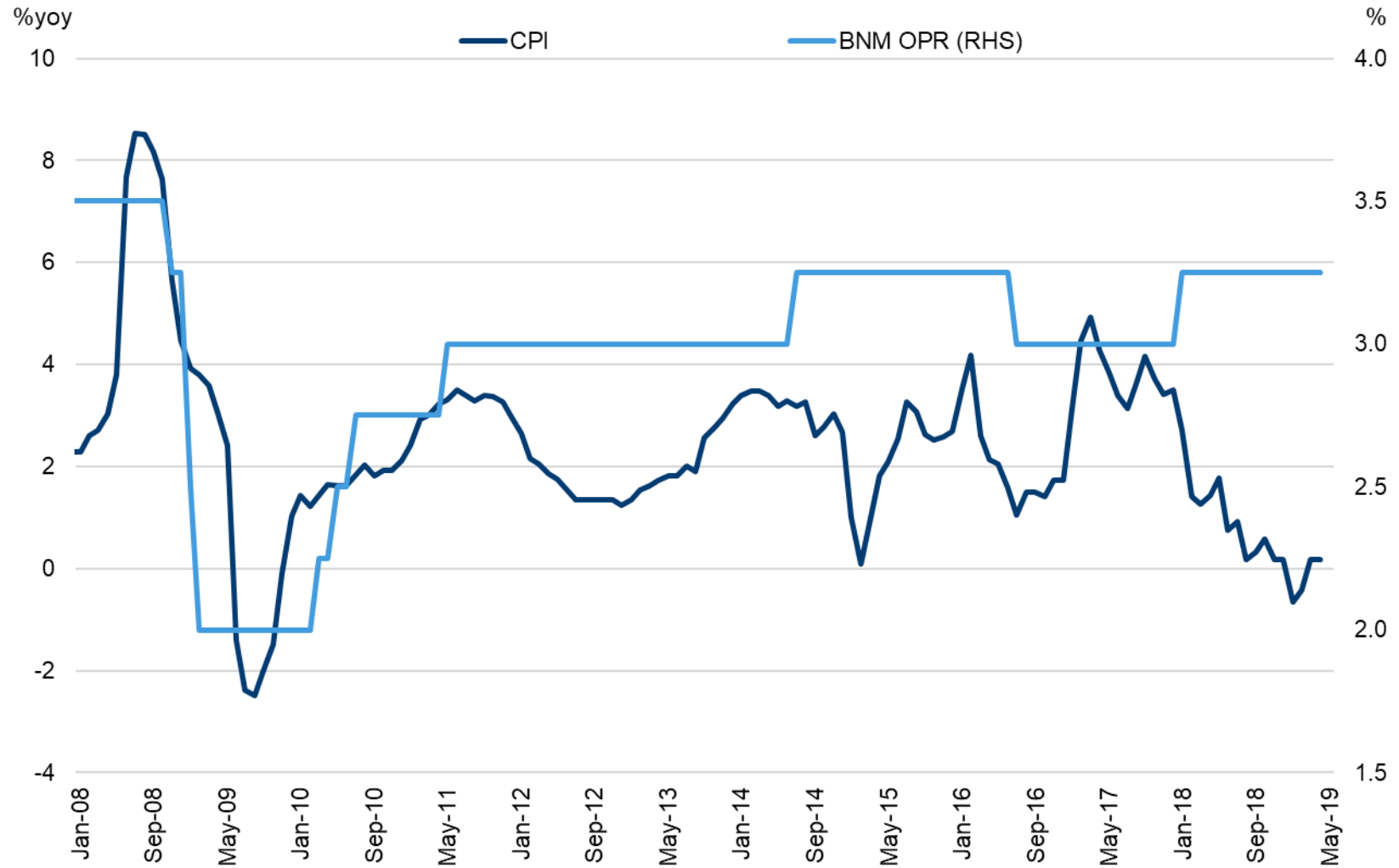
Source: CEIC, US Department of the Treasury

Malaysia's current account surplus was 2.1% of GDP in 2018



# Manageable inflation expected in 2019

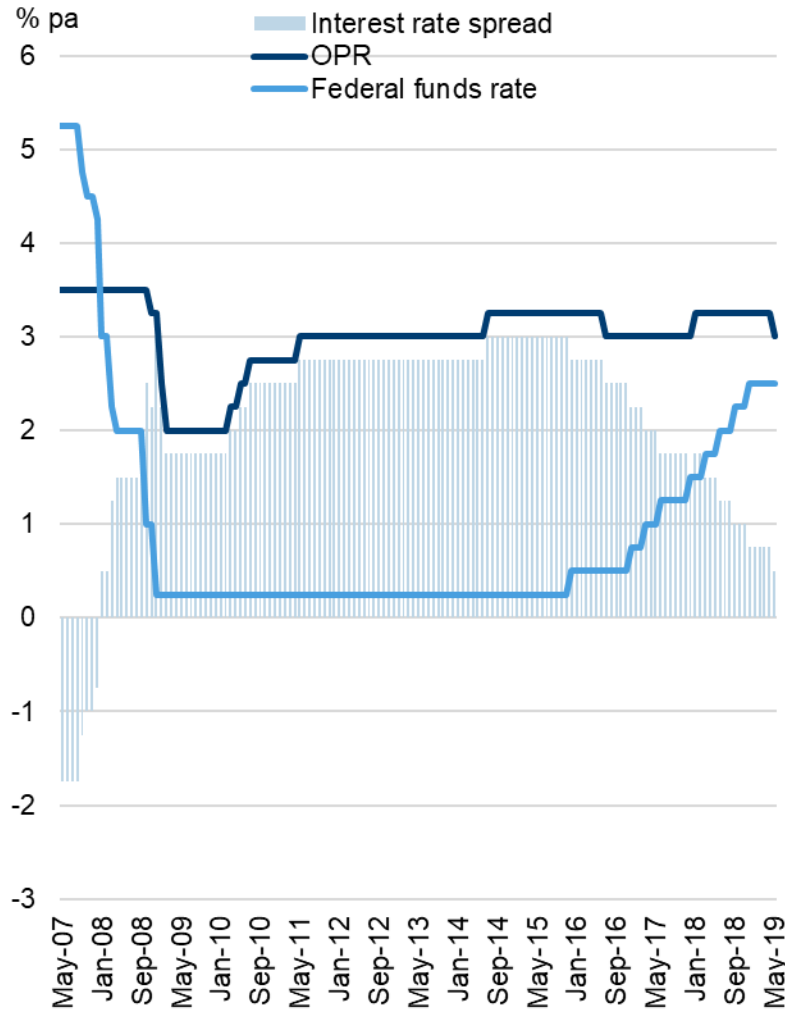
We expect OPR to be maintained at 3% for the rest of 2019



Source: BNM, DOS

# Ringgit to be supported by interest rate differential

Interest rate spread sustained due to Fed rate hike pause



Source: BNM, US Fed, Bloomberg



Ringgit to appreciate to 4.10 against USD by end-2019



# Equity Rating Structure and Disclaimer

## **Equity Rating Structure and Definitions**

<b>BUY</b>	Total return is expected to exceed +10% over a 12-month period
<b>HOLD</b>	Total return is expected to be between -5% and +10% over a 12-month period
<b>SELL</b>	Total return is expected to be below -5% over a 12-month period
<b>NOT RATED</b>	Affin Hwang Investment Bank Berhad does not provide research coverage or rating for this company. Report is intended as information only and not as a recommendation

*The total expected return is defined as the percentage upside/downside to our target price plus the net dividend yield over the next 12 months.*

<b>OVERWEIGHT</b>	Industry, as defined by the analyst's coverage universe, is expected to outperform the KLCI benchmark over the next 12 months
<b>NEUTRAL</b>	Industry, as defined by the analyst's coverage universe, is expected to perform inline with the KLCI benchmark over the next 12 months
<b>UNDERWEIGHT</b>	Industry, as defined by the analyst's coverage universe is expected to under-perform the KLCI benchmark over the next 12 months

---

This report is intended for information purposes only and has been prepared by Affin Hwang Investment Bank Berhad (14389-U) ("the Company") based on sources believed to be reliable and is not to be taken in substitution for the exercise of your judgment. You should obtain independent financial, legal, tax or such other professional advice, when making your independent appraisal, assessment, review and evaluation of the company/entity covered in this report, and the extent of the risk involved in doing so, before investing or participating in any of the securities or investment strategies or transactions discussed in this report. However, such sources have not been independently verified by the Company, and as such the Company does not give any guarantee, representation or warranty (expressed or implied) as to the adequacy, accuracy, reliability or completeness of the information and/or opinion provided or rendered in this report. Facts, information, estimates, views and/or opinion presented in this report have not been reviewed by, may not reflect information known to, and may present a differing view expressed by other business units within the Company, including investment banking personnel and the same are subject to change without notice. Reports issued by the Company, are prepared in accordance with the Company's policies for managing conflicts of interest. Under no circumstances shall the Company, be liable in any manner whatsoever for any consequences (including but are not limited to any direct, indirect or consequential losses, loss of profit and damages) arising from the use of or reliance on the information and/or opinion provided or rendered in this report. Under no circumstances shall this report be construed as an offer to sell or a solicitation of an offer to buy any securities. The Company its directors, its employees and their respective associates may have positions or financial interest in the securities mentioned therein. The Company, its directors, its employees and their respective associates may further act as market maker, may have assumed an underwriting commitment, deal with such securities, may also perform or seek to perform investment banking services, advisory and other services relating to the subject company/entity, and may also make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report. The Company, its directors, its employees and their respective associates, may provide, or have provided in the past 12 months investment banking, corporate finance or other services and may receive, or may have received compensation for the services provided from the subject company/entity covered in this report. No part of the research analyst's compensation or benefit was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. Employees of the Company may serve as a board member of the subject company/entity covered in this report.

Third-party data providers make no warranties or representations of any kind relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data.

This report, or any portion thereof may not be reprinted, sold or redistributed without the written consent of the Company.

This report is printed and published by:

**Affin Hwang Investment Bank Berhad (14389-U)**  
A Participating Organisation of Bursa Malaysia Securities Bhd

22nd Floor, Menara Boustead,  
69, Jalan Raja Chulan,  
50200 Kuala Lumpur, Malaysia.  
T : + 603 2142 3700  
F : + 603 2146 7630  
research@affinhwang.com