



## The Strategist

### Long staples, short discretionary

**Long China consumer staples, short China consumer discretionary.** We reiterate this relative value trade. Staples' index performance relative to discretionary is near support levels and has started to turn around. Valuations and earnings upgrades are also more favourable to staples. Our cover chart shows that on a PB basis, auto appears relatively expensive to food, beverage & tobacco. Negative news on staples should also be priced-in. Our regional stock screening tool has found nine stocks to BUY in staples and three stocks to SELL in discretionary. Our analysts suggest: BUY Want Want China & China Modern Dairy, SELL GAC Group & BAIC Motor.

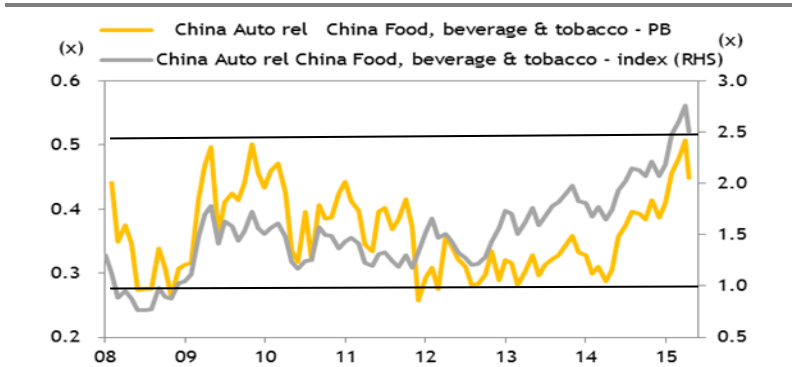
**Rising volatility in A-shares.** The government has tried to cool down the A-share market. Many brokers have increased their collateral ratios and reduced the number of stocks under the collateral lists for margin trading. The government has also allowed more capital raising activities to absorb market liquidity – the amount in the first three months is already 160% more than the total in 2014.

**Low rates, weak economy?** While the latest macro data remains soft, the good news is the yield curve is a lot less inverted. However, corporate funding costs have not improved.

**The debt swap program and its implications.** The government has announced policy guidelines to carry out a debt swap from local government debt into new provincial government bonds. This can lower the interest burden on local governments and ease banks' NPL problem. The yield curve could steepen because short-dated bond yields may fall.

However, credit risk is only being rolled over rather than removed. And the economic impact remains unclear. There would be another CNY9-12t of new local government bond issuances in the next few years. It is likely the credit quality of this group may not be better than the first batch of issuances totaling CNY1t. Therefore we maintain NEUTRAL on China and long China banks.

Auto rel food, beverage & tobacco, relative PB



Source: Bloomberg, Maybank Kim Eng Research

#### Analysts

Willie Chan  
 (852) 2268-0631  
 williechan@kimeng.com.hk

Sadiq Currimbhoy  
 (65) 6231 5836  
 sadiq@maybank-ke.com.sg

Figure 1: Summary of recent ideas

Theme	Trades	Recent data/updated ideas
USD strength & higher forex volatility	Selective Asia - Sell S&P 500	Poor corporate earnings are going to put pressure on the S&P500. We still have relatively high forex, oil, bond market implied vol, but low equity implied vol. The biggest risk is a USD deleveraging cycle. Still expect Asian forex to weaken, the RMB too.
Structurally positive	Long India	Improving macro fundamentals. Also, beneficiary of falling inflation, which is still happening and we think is needed to maintain rich valuations.
	Long Vietnam	Vietnam came off in March. Low global bond yields mean a preference for duration assets and Vietnam, a frontier market, is enjoying contained inflation.
	Long Philippines	Growth spreading to second and third-tier cities. Need to watch the local money markets as short rates are rising.
Cyclical concerns	Avoid Indonesia	Currency concerns but interest rates have encouragingly remained low. Protectionist sentiment is a long-term worry.
	Long China, short Taiwan	Relative value of China is bottoming out vs Taiwan; technology sector dominates weighting within MSCI Taiwan.
Relative value in Asia ex Japan	Long financials, short non-financials	Relative PB bouncing off historical low. Getting concerned about this trade given the flattening of yield curves.
	Long banks, short tech	We remain negative on the tech sector given most of their valuations are expensive and it is a crowded trade. We are also concerned about their coming earnings and profit margins.
	Long consumer goods, short tech	Another trade impacted by strong tech. Staples are looking interesting vs auto.
	Long Singapore, short Thailand	Thailand, while less owned by foreigners, is still relatively expensive vs Singapore and the baht is weakening.
	Long Hong Kong H-index, short Shanghai A index	A-shares now at 22x PER, and the premium is at 27%.
Policy ease	Long China consumer staples, short China consumer discretionary	Relative index performance between staples and discretionary is near support levels and has started to turn around. Valuations and earnings upgrades are also more favourable to staples than discretionary. Profit margin for consumer staples has also started to improve because of lower input costs.
	Long Chinese banks, fade property	The PBoC is still behind the curve. We need to see much stronger easing by China for the banks to do much better. Property sales have started to pick up in the first-tier cities but remain sluggish in the second and third cities. Inventory is still a concern.
	Sell China's machinery, materials and energy	These three sectors have already been overbought with negative earnings revision. Energy's earnings revision and 2015 EPS growth had the biggest drop within China.

Source: Maybank Kim Eng

## Long China consumer staples, short China consumer discretionary

We reiterate our long China consumer staples and short China consumer discretionary call. Staples' index performance relative to discretionary is near support levels and could be starting to turn around.

Furthermore, relative value is also returning to China consumer staples vs China consumer discretionary. From an earnings upgrade perspective, the Street has started to upgrade staples' earnings more than discretionary.

Fundamentally, the April auto sales data has already showed that China's auto market has entered the slow season (April to September). The following chart shows that the PB valuation for auto relative to food, beverage & tobacco has hit the top-end of the range and auto has also outperformed food, beverage & tobacco by 43% YoY. Therefore we believe the reasons for weak retail sales and no top-line growth should have already been priced-in. Given the A-share market has a strong rally and the government has raised salaries for civil servants sharply this year, retail sales are likely to pick up in the coming months. ([The circle game: a wealth effect by retail, for retail, 16 Apr 2015](#))

Figure 2: Staples rel discretionary, index performance



Source: MSCI, Factset, Maybank Kim Eng Research

Figure 3: Staples rel discretionary, up/downgrade ratio



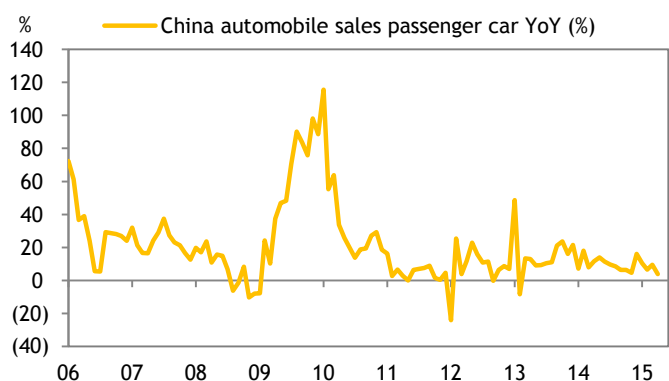
Source: MSCI, Factset, Maybank Kim Eng Research

Figure 4: Staples rel discretionary, relative PB



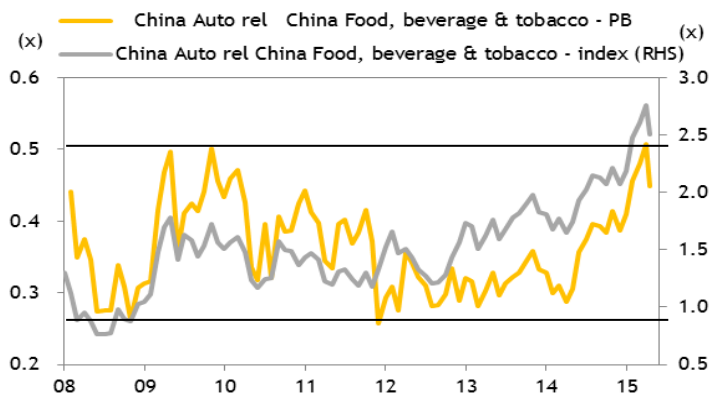
Source: MSCI, Factset, Maybank Kim Eng Research

Figure 5: China auto sales YoY (%)



Source: Bloomberg, Maybank Kim Eng Research

Figure 6: Auto rel food, beverage & tobacco, relative PB



Source: MSCI, Factset, Maybank Kim Eng Research

Based on Maybank Kim Eng’s stock coverage, we apply different screening criteria to filter out stocks to buy in consumer staples and stocks to sell in consumer discretionary.

In the consumer staples sector, we looked for stocks with BUY recommendation, potential share price upside of more than 10% based on our analysts’ target price, market cap bigger than USD500m, 2015 PER of less than 30x, EPS growth of more than 10% and RoE of more than 15%.

In the consumer discretionary sector, we looked for stocks with SELL recommendation, potential share price downside of more than 10% based on our analysts’ target price, market cap bigger than USD500m, 2015 PE of more than 10x, EPS growth of less than 20% and RoE of less than 30%.

Based on the above stock screening criteria, we get the following results:

Figure 7: Stock screening results

Ticker	Country	Name	Mkt Cap (USDm)	3m T/O (USDm)	Price	Rating	Up/down TP	-side (%)	PE (x)		PB (x)		DY (%)		EPS growth (%)		RoE (%)		
									15e	16e	15e	16e	15e	16e	15e	16e	15e	16e	
<b>Consumer Staples</b>																			
1117 HK	China	China Modern Dairy	1,999	6	3.2	Buy	3.6	12	9	8	1.6	1.4	0.9	1.1	52	21	19	20	
151 HK	China	Want Want China	14,339	30	8.5	Buy	10.3	22	19	18	5.8	5.0	2.6	2.8	22	7	34	31	
600887 CH	China	Inner Mongolia Yili	17,312	335	35.1	Buy	44.3	26	19	15	5.1	4.4	2.6	3.3	21	24	27	30	
GGRM IJ	Indonesia	Gudang Garam	6,577	5	45,050	Buy	70,000	55	16	14	2.6	2.3	1.3	1.5	14	11	17	17	
ICBP IJ	Indonesia	Indofood CBP	6,083	4	13,750	Buy	16,000	16	27	24	5.1	4.5	1.2	1.4	18	15	20	20	
INDF IJ	Indonesia	Indofood Sukses	4,697	6	7,050	Buy	9,100	29	13	14	2.2	2.0	2.5	2.3	22	(7)	17	14	
SSG SP	Singapore	Sheng Siong	957	2	0.8	Buy	1.0	12	22	19	4.7	4.6	4.1	4.7	11	13	22	24	
SUPER SP	Singapore	Super Group	1,059	2	1.3	Buy	1.6	27	22	19	3.2	3.0	3.0	3.0	24	17	15	17	
VNM VN	Vietnam	Vinamilk	4,819	1	105,000	Buy	154,750	47	13	11	5.5	4.9	4.2	4.6	13	18	43	46	
<b>Consumer Discretionary</b>																			
1958 HK	China	BAIC Motor	10,681	9.3	10.9	Sell	7.9	(28)	11	9	1.8	1.6	4.5	5.3	7	18	16	18	
2238 HK	China	GAC	10,291	11.9	7.8	Sell	5.4	(31)	12	10	1.2	1.1	2.7	3.2	16	18	10	11	
ASII IJ	Indonesia	Astra int’l	23,191	21.1	7,550	Sell	5,500	(27)	17	16	3.1	2.8	2.3	2.3	(4)	2	19	18	

Source: Bloomberg, Maybank Kim Eng

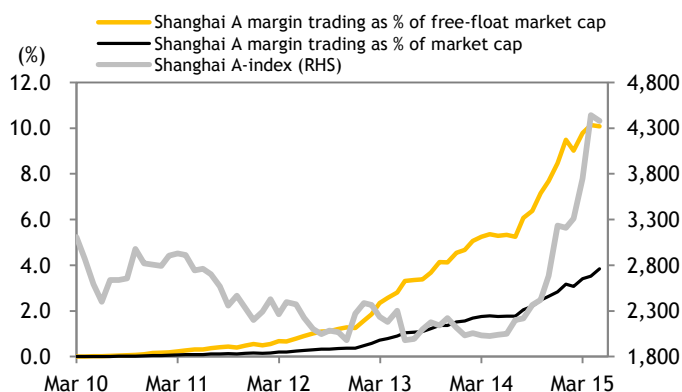
Within the consumer staples sector, our analysts Jacqueline Ko and Benjamin Ho favour [Want Want China](#) and [China Modern Dairy](#). They think falling material costs will continue to improve Want Want China's profit margins and product-mix upgrade will continue to increase its ASP. Within the dairy sector, they favour upstream over downstream. Our analysts expect the price of domestic raw milk will increase in 2H15 and companies that produce quality raw milk should be rewarded because they have the flexibility of moving into value-added categories such as branded pasteurized milk. Besides, pricing in downstream is very competitive because structurally high costs and cheap imports threaten market share. Our analysts believe the key catalysts for China Modern Dairy are recovering raw milk price in 2H15 HoH, on-track volume output and normalizing downstream ex-factory ASP.

Within the consumer discretionary sector, our analyst KL Lo has sell ratings on [GAC Group](#) and [BAIC Group](#). He expects Japanese brands will face stiffer pricing pressure in the coming quarters and GAC is trading at much higher PER valuation than its peer Dongfeng ([China Auto OEM, 18 May 2015](#)). KL also has a non-consensus SELL rating on BAIC Group. While he thinks Beijing Hyundai is a strong cash generator for the company and Benz's operation and earnings are poised to improve on the back of rising scale, the company's proprietary brand strategy remains a drag. He believes the company will continue to be loss-making in 2015-17E on rising investment and additional R&D expenses which will likely offset the benefits from scale and cost reduction.

### Risky A-shares

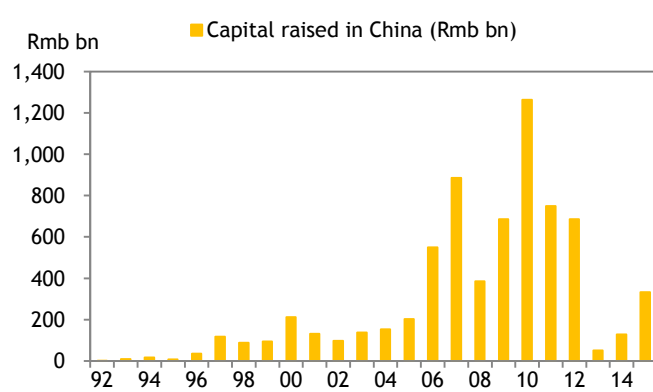
The government has tried to cool down the market after margin financing has reached record highs. Margin financing is still 10.1% of Shanghai A's free float market cap. Many brokers have also increased their collateral ratios and reduced the number of stocks under the collateral lists for margin trading. The government has also allowed more capital raising activities (including IPOs) to draw out market liquidity. YTD (up to March), CNY332b has been raised in the market. This amount is 160% more than the total amount of capital raised last year. We expect A-share market volatility will continue to increase going forward.

Figure 8: % of margin trading in Shanghai



Source: Bloomberg, Wind, Maybank Kim Eng Research

Figure 9: Capital raised in China

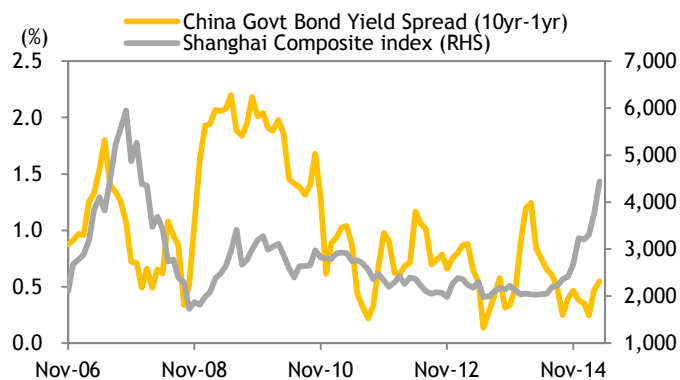


Source: CEIC, Maybank Kim Eng Research

**Economy remains weak**

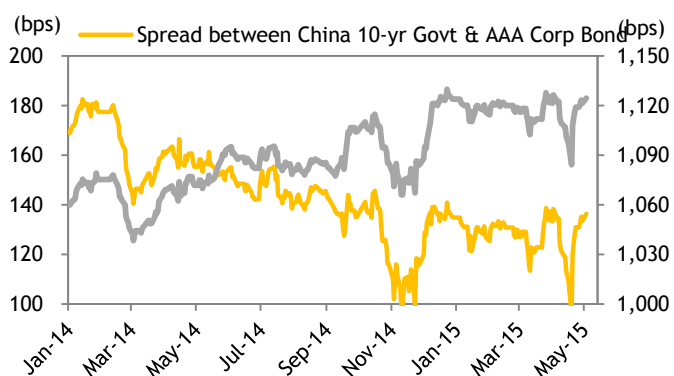
The PBoC has already cut interest rates by 90bps and RRR by 150bps since last November. However the following charts show the government may still be behind the curve. The latest PMI data and flattened yield curve have signaled that the economy remains weak. In addition, the widening spread between China 10-year & AAA corporate bond yields and 10-year & BBB+ corporate bond yields show that the corporate funding costs have shown little improvement.

**Figure 10: China bond curve and equities**



Source: Bloomberg, Maybank Kim Eng Research

**Figure 11: Spread between 10-yr gov't & AAA, BBB+ corp bonds**



Source: Bloomberg, Wind, Maybank Kim Eng Research

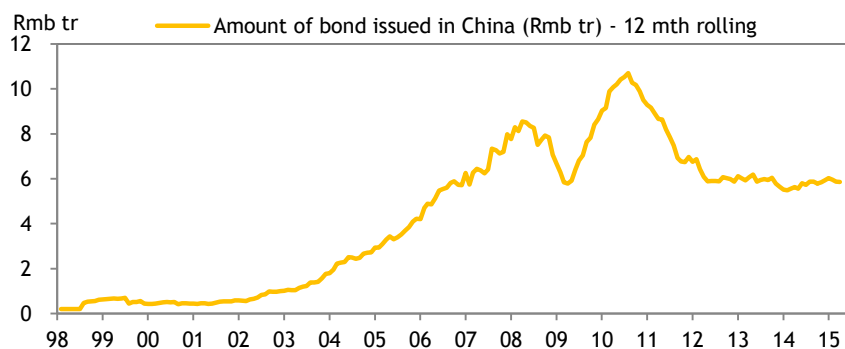
**The debt swap program and its implications**

To prepare for the coming local government bond issuances, the government announced policy guidelines to carry out debt swap from local government debt into new provincial government bonds. This guideline has not revealed the size of the debt swap program nor the size of Local Government Financing Vehicle (LGFV) debts.

However, according to the media, the first batch of local government debt swaps could be CNY1t through targeted private placements to existing creditors. Adding up the maturing local government bonds totaling CNY171b this year and CNY600b MoF approved municipal bond issuances, the total municipal gross issuance is about CNY1.77t this year. The size of LGFV debts in 1H13 was CNY18t. If the MoF plans to convert half to two-thirds of the debt into muni bonds, there would be at least CNY9-12t of new issuances over the next few years.

Given the size of China's bond market is only around CNY6t, targeted private placement is necessary because it can reduce the risk of liquidity shock in the public markets which would push up the yields. In addition, not only banks but also insurance companies, QFII and private equity firms will be able to take up the coming local government bonds. It can free up creditors' balance sheets and improve liquidity. PBoC will also allow the local government bonds to be used as collateral for Standing Lending Facility (SLF), Medium-term Lending Facility (MLF), the Relending, and Pledged Supplementary Lending (PSL) operations.

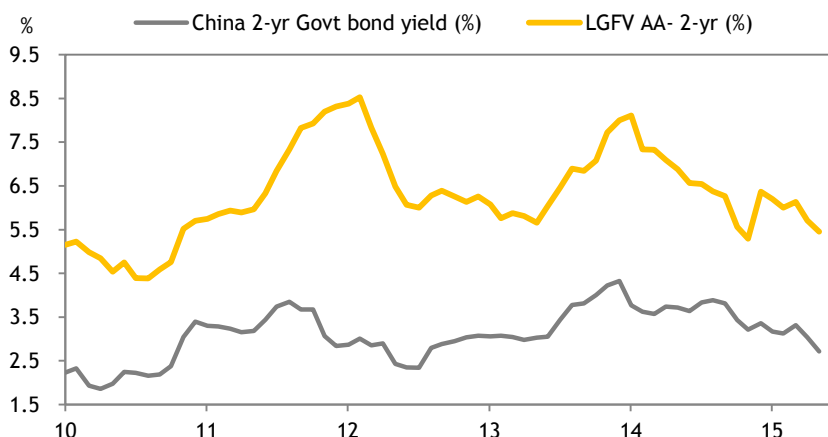
Figure 12: Amount of bonds issued in China



Source: CEIC, Maybank Kim Eng Research

Under the new rule, local government debt can be swapped from high-interest rate, short-term debt to lower-interest rate, longer-term municipal bonds. This can lower the interest burden on local governments and ease banks' NPL problem. The whole yield curve could also steepen as this may result in lower short-dated bond yields. Ultimately, the plan is to lower the overall funding costs in the economy. We stay OVERWEIGHT on banks.

Figure 13: Government 2-yr and LGFV AA- 2-yr yield



Source: Bloomberg, Wind, Maybank Kim Eng Research

However even after the debt-swap program, bond default risk is only getting rolled over rather than being removed from the system. In that sense, there remains an overhang on the overall economy. Besides, there would be at least another CNY9-12t of new local government bond issuances over the next few years. It is likely that their credit quality would not be as good as the first batch of issuances totaling CNY1t. Therefore we maintain NEUTRAL on China.

## Performance and valuation summary

Figure 14: Equity performance by country (in local currency terms)

Name	Index level	FX rate	--- Absolute performance (local currency) ---							
			-1w	-1m	-3m	-6m	-1y	MTD	QTD	YTD
MSCI All Country World	443		1	1	3	5	7	1	4	6
MSCI Emerging Market	1,041		1	0	6	5	1	(1)	7	9
MSCI Asia Pac (inc JP)	153		1	0	7	8	9	0	5	11
MSCI Asia Pac x JP	507		1	(1)	5	6	4	(1)	4	9
MSCI Asia x JP	624		1	(1)	7	9	10	(1)	6	11
MSCI Far East x JP	591		0	(0)	8	10	11	(2)	7	12
MSCI Emerging Asia	506		1	(1)	7	10	10	(1)	5	11
MSCI EM Latin America	2,711		(1)	3	2	(7)	(19)	1	11	(1)
MSCI EMEA	300		2	4	4	(1)	(9)	1	9	11
MSCI Frontie	599		0	(0)	1	(7)	(10)	(1)	2	(2)
MSCI Asia x JP Small Cap	1,185		3	3	13	13	12	1	10	16
China - Shanghai Composite	4,283	6.2	2	5	34	73	112	(4)	14	32
China - H-shares	13,926	7.8	(1)	(4)	17	29	40	(3)	13	16
Hong Kong - HSI	27,591	7.8	0	(0)	12	15	21	(2)	11	17
Taiwan - TAIEX	9,606	30.4	(1)	1	1	7	8	(2)	0	3
Korea - KOSPI	2,114	1,086	1	(0)	8	9	5	(1)	4	10
Singapore - STI	3,460	1.3	0	(2)	1	4	6	(1)	0	3
Malaysia - KLCI	1,823	3.6	1	(1)	1	1	(3)	0	(0)	4
Thailand - SET	1,510	33.3	(0)	(2)	(7)	(4)	8	(1)	0	1
Indonesia - JCI	5,238	13,137	1	(3)	(3)	4	5	3	(5)	0
Philippines - PSEi	7,910	44.5	2	0	2	10	15	3	(0)	9
India - Sensex	27,687	63.7	2	(4)	(5)	(1)	16	3	(1)	1
Vietnam - Ho Chi Minh	529	21,792	(5)	(6)	(10)	(12)	1	(6)	(4)	(3)
Australia ASX 200	5,659	1.2	0	(4)	(4)	4	3	(2)	(4)	5
New Zealand - NZX50	5,773	1.4	1	(1)	(0)	5	11	(0)	(1)	4
Japan - Nikkei 225	19,890	119.8	3	0	11	14	39	2	4	14
Japan - TOPIX	1,627	119.8	2	2	12	16	38	2	5	16
S&P 500	2,129	1.0	1	1	2	4	14	2	3	3
Russell 2000	1,258	1.0	2	(1)	3	7	15	3	0	4
FTSE 100	6,969	1.6	(1)	(2)	1	5	2	0	3	6
Euro Stoxx	3,589	1.1	(2)	(6)	4	17	13	(1)	(3)	14

Source: Maybank Kim Eng, Factset, MSCI, data as of 18 May 2015



Figure 15: Equity performance by country (in USD terms)

Name	Index level	FX rate	--- Absolute performance (USD) ---							QTD	YTD
			-1w	-1m	-3m	-6m	-1y	MTD			
MSCI All Country World	443		1	1	3	5	7	1	4	6	
MSCI Emerging Market	1,041		1	0	6	5	1	(1)	7	9	
MSCI Asia Pac (inc JP)	153		1	0	7	8	9	0	5	11	
MSCI Asia Pac x JP	507		1	(1)	5	6	4	(1)	4	9	
MSCI Asia x JP	624		1	(1)	7	9	10	(1)	6	11	
MSCI Far East x JP	591		0	(0)	8	10	11	(2)	7	12	
MSCI Emerging Asia	506		1	(1)	7	10	10	(1)	5	11	
MSCI EM Latin America	2,711		(1)	3	2	(7)	(19)	1	11	(1)	
MSCI EMMEA	300		2	4	4	(1)	(9)	1	9	11	
MSCI Frontie	599		0	(0)	1	(7)	(10)	(1)	2	(2)	
MSCI Asia x JP Small Cap	1,185		3	3	13	13	12	1	10	16	
China - Shanghai Composite	4,283	6.2	2	5	34	71	112	(4)	14	32	
China - H-shares	13,926	7.8	(1)	(4)	17	29	40	(3)	13	16	
Hong Kong - HSI	27,591	7.8	0	(0)	12	15	21	(2)	11	17	
Taiwan - TAIEX	9,606	30.4	(0)	3	4	8	7	(2)	3	7	
Korea - KOSPI	2,114	1,086	2	1	9	10	(1)	(2)	6	12	
Singapore - STI	3,460	1.3	1	1	4	2	0	(1)	4	3	
Malaysia - KLCI	1,823	3.6	2	3	2	(6)	(12)	0	3	1	
Thailand - SET	1,510	33.3	1	(5)	(9)	(5)	5	(2)	(2)	(0)	
Indonesia - JCI	5,238	13,137	1	(5)	(5)	(4)	(9)	2	(6)	(6)	
Philippines - PSEi	7,910	44.5	2	0	1	11	13	3	0	10	
India - Sensex	27,687	63.7	3	(6)	(7)	(4)	8	2	(3)	(0)	
Vietnam - Ho Chi Minh	529	21,792	(5)	(7)	(12)	(14)	(2)	(7)	(5)	(5)	
Australia ASX 200	5,659	1.2	2	1	(1)	(5)	(12)	(1)	1	2	
New Zealand - NZX50	5,773	1.4	(0)	(3)	(1)	(1)	(5)	(3)	(2)	(2)	
Japan - Nikkei 225	19,890	119.8	3	(0)	10	11	18	2	4	14	
Japan - TOPIX	1,627	119.8	2	2	11	13	17	2	5	16	
S&P 500	2,129	1.0	1	1	2	4	14	2	3	3	
Russell 2000	1,258	1.0	2	(1)	3	7	15	3	0	4	
FTSE 100	6,969	1.6	1	4	3	5	(5)	2	9	7	
Euro Stoxx	3,589	1.1	(0)	1	4	7	(6)	1	3	7	

Source: Maybank Kim Eng, Factset, MSCI, data as of 18 May 2015

Figure 16: Equity performance by country - relative performance

Name	Index level	FX rate	--- Relative performance to MSCI Asia x Japan ---							
			-1w	-1m	-3m	-6m	-1y	MTD	QTD	YTD
MSCI All Country World	443		0	2	(3)	(4)	(4)	3	(2)	(5)
MSCI Emerging Market	1,041		(0)	1	(1)	(4)	(9)	1	1	(2)
MSCI Asia Pac (inc JP)	153		1	1	0	(1)	(1)	1	(1)	1
MSCI Asia Pac x JP	507		0	0	(2)	(4)	(6)	0	(1)	(2)
MSCI Asia x JP	624									
MSCI Far East x JP	591		(0)	1	1	1	0	(0)	1	1
MSCI Emerging Asia	506		(0)	(0)	(0)	1	(0)	(0)	(0)	0
MSCI EM Latin America	2,711		(2)	4	(4)	(16)	(30)	2	5	(11)
MSCI EMMEA	300		1	4	(3)	(10)	(19)	3	4	0
MSCI Frontie	599		(1)	1	(6)	(17)	(21)	0	(3)	(13)
MSCI Asia x JP Small Cap	1,185		2	3	7	4	2	2	5	6
China - Shanghai Composite	4,283	6.2	1	6	28	62	102	(2)	8	22
China - H-shares	13,926	7.8	(2)	(3)	10	20	29	(2)	7	6
Hong Kong - HSI	27,591	7.8	(1)	1	5	5	11	(1)	5	6
Taiwan - TAIEX	9,606	30.4	(1)	4	(3)	(2)	(3)	(0)	(3)	(3)
Korea - KOSPI	2,114	1,086	1	1	2	1	(11)	(1)	0	1
Singapore - STI	3,460	1.3	(0)	1	(4)	(7)	(11)	0	(2)	(8)
Malaysia - KLCI	1,823	3.6	1	4	(5)	(15)	(23)	1	(2)	(9)
Thailand - SET	1,510	33.3	(0)	(4)	(15)	(15)	(5)	(1)	(8)	(11)
Indonesia - JCI	5,238	13,137	0	(4)	(12)	(13)	(19)	3	(11)	(16)
Philippines - PSEi	7,910	44.5	2	1	(6)	2	3	4	(6)	(1)
India - Sensex	27,687	63.7	2	(5)	(14)	(13)	(3)	4	(8)	(11)
Vietnam - Ho Chi Minh	529	21,792	(6)	(6)	(19)	(23)	(13)	(6)	(11)	(16)
Australia ASX 200	5,659	1.2	1	1	(8)	(14)	(23)	0	(5)	(8)
New Zealand - NZX50	5,773	1.4	(1)	(3)	(8)	(11)	(15)	(2)	(8)	(13)
Japan - Nikkei 225	19,890	119.8	2	0	3	1	7	3	(2)	3
Japan - TOPIX	1,627	119.8	2	3	4	4	7	3	(0)	5
S&P 500	2,129	1.0	(0)	2	(5)	(5)	3	3	(3)	(7)
Russell 2000	1,258	1.0	1	(1)	(4)	(2)	4	4	(5)	(6)
FTSE 100	6,969	1.6	(0)	5	(4)	(4)	(15)	3	3	(4)
Euro Stoxx	3,589	1.1	(1)	2	(3)	(2)	(16)	2	(3)	(4)

Source: Maybank Kim Eng, Factset, MSCI, data as of 18 May 2015

Figure 17: Equity performance by MSCI Asia ex Japan sector

Name	Index	--- Absolute performance ---							QTD	YTD
		-1w	-1m	-3m	-6m	-1y	MTD			
MSCI Asia ex Japan	624	1	(1)	7	9	10	(1)	6	11	
Energy	600	(1)	(3)	5	1	(9)	(3)	9	8	
Materials	321	(0)	1	9	9	1	(1)	9	12	
Industrials	189	1	(3)	10	11	7	(2)	7	14	
Capital goods	175	1	(3)	12	10	3	(2)	8	15	
Transportation	236	0	(2)	5	12	21	(4)	5	9	
Consumer discretionary	512	(0)	(2)	1	(5)	(14)	(1)	2	1	
Automobiles & Components	816	(2)	(4)	0	(3)	(15)	(3)	(2)	(0)	
Retailing	325	6	4	17	10	8	4	14	16	
Consumer staples	476	4	3	7	10	8	4	7	14	
Food/staples retail	126	3	8	9	8	(2)	3	12	11	
Food/beverage/tobacco	393	4	1	1	1	(6)	3	4	4	
Health care	865	3	(4)	13	11	38	2	5	19	
Financials	368	0	(0)	11	16	25	(1)	9	13	
Banks	290	1	(2)	8	10	16	(1)	7	8	
Diversified financials	746	(0)	0	30	30	55	(4)	22	31	
Insurance	354	0	2	17	30	49	(0)	11	21	
Real estate	218	(0)	2	9	13	18	(2)	8	14	
Technology	388	1	(1)	3	8	8	(2)	1	9	
Software services	1,941	4	(2)	7	5	21	0	2	19	
Tech hardware	193	0	(3)	1	10	14	(4)	(1)	5	
Semiconductors/equipment	390	1	4	2	8	6	(1)	2	7	
Telecoms	165	(0)	(1)	1	6	17	(2)	4	10	
Utilities	248	2	2	6	2	9	(0)	5	5	

Source: Maybank Kim Eng, Factset, MSCI, data as of 18 May 2015

Figure 18: Equity performance by MSCI Asia ex Japan sector - relative performance

Name	Index	--- Relative performance MSCI Asia ex Japan ---							
		-1w	-1m	-3m	-6m	-1y	MTD	QTD	YTD
<b>MSCI Asia ex Japan</b>	<b>624</b>								
<b>Energy</b>	<b>600</b>	(2)	(2)	(2)	(9)	(20)	(2)	3	(2)
<b>Materials</b>	<b>321</b>	(1)	2	2	0	(9)	0	3	2
<b>Industrials</b>	<b>189</b>	(0)	(2)	3	1	(3)	(1)	2	3
Capital goods	175	0	(2)	5	1	(8)	(1)	2	4
Transportation	236	(1)	(1)	(2)	3	11	(2)	(1)	(2)
<b>Consumer discretionary</b>	<b>512</b>	(1)	(1)	(6)	(14)	(24)	0	(4)	(9)
Automobiles & Components	816	(3)	(3)	(7)	(13)	(26)	(2)	(7)	(11)
Retailing	325	5	5	10	1	(2)	5	9	5
<b>Consumer staples</b>	<b>476</b>	4	4	(0)	1	(3)	5	1	3
Food/staples retail	126	3	8	2	(1)	(13)	4	6	(0)
Food/beverage/tobacco	393	3	2	(6)	(9)	(17)	4	(2)	(6)
<b>Health care</b>	<b>865</b>	3	(3)	6	2	27	3	(1)	8
<b>Financials</b>	<b>368</b>	(0)	0	4	7	14	(0)	3	2
Banks	290	(0)	(2)	1	1	5	(0)	1	(3)
Diversified financials	746	(1)	1	23	21	44	(2)	17	20
Insurance	354	(0)	2	10	20	38	1	6	10
Real estate	218	(1)	3	2	4	8	(1)	2	3
<b>Technology</b>	<b>388</b>	1	(0)	(4)	(1)	(2)	(0)	(5)	(1)
Software services	1,941	3	(1)	(0)	(4)	10	2	(4)	8
Tech hardware	193	(0)	(2)	(6)	1	3	(2)	(7)	(5)
Semiconductors/equipment	390	0	5	(5)	(1)	(5)	1	(4)	(3)
<b>Telecoms</b>	<b>165</b>	(1)	(0)	(6)	(3)	7	(1)	(2)	(0)
<b>Utilities</b>	<b>248</b>	1	3	(1)	(7)	(2)	1	(1)	(5)

Source: Maybank Kim Eng, Factset, MSCI, data as of 18 May 2015

Figure 19: MSCI country valuation

	PER (x)			EPS growth YoY (%)			RoE(%)			PB (x)			DY (%)		
	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F
Asia-ex-Japan	13.6	13.3	12.0	7	9	10	12	11	12	1.6	1.5	1.4	2.6	2.5	2.7
China	10.9	12.6	11.0	6	3	14	14	13	13	1.5	1.6	1.4	3.0	2.4	2.8
Hong Kong	13.5	17.7	16.2	30	(17)	9	10	8	8	1.3	1.4	1.3	3.3	2.7	2.8
Taiwan	14.6	13.0	12.2	28	12	6	13	13	13	1.9	1.7	1.6	2.9	3.5	3.9
Korea	12.3	9.9	9.4	(8)	31	6	9	10	10	1.1	1.0	0.9	1.4	1.5	1.6
Singapore	15.8	14.3	13.1	1	0	9	9	10	10	1.4	1.4	1.3	3.5	3.6	3.8
Malaysia	17.3	16.2	14.9	4	11	8	12	11	12	2.0	1.8	1.7	3.0	3.1	3.3
Thailand	18.3	14.5	12.7	(23)	26	14	12	14	15	2.2	2.0	1.8	2.8	3.0	3.3
Indonesia	17.3	15.6	13.8	11	8	13	20	19	19	3.5	2.9	2.6	2.2	2.4	2.6
Philippines	22.7	20.8	18.7	23	12	11	14	14	14	3.3	3.0	2.7	2.0	1.9	2.1
India	21.3	18.2	15.5	9	14	18	15	15	16	3.2	2.8	2.5	1.4	1.6	1.8
Japan	17.2	16.4	14.7	19	13	11	9	9	9	1.5	1.4	1.3	1.7	1.8	2.0
US	18.3	18.0	16.0	5	5	12	14	15	16	2.8	2.8	2.6	2.0	2.0	2.2
Europe	19.0	15.4	13.8	13	39	12	9	8	9	1.5	1.6	1.5	3.7	3.4	3.7

Source: Maybank Kim Eng, Factset, MSCI, Bloomberg data as of 18 May 2015

Figure 20: MSCI Asia ex-Japan sector valuation

	PER (x)			EPS growth YoY (%)			RoE(%)			PB (x)			DY (%)		
	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F	2014F	2015F	2016F
<b>Asia-ex-Japan</b>	<b>13.4</b>	<b>13.5</b>	<b>12.3</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>12</b>	<b>11</b>	<b>12</b>	<b>1.6</b>	<b>1.5</b>	<b>1.4</b>	<b>2.6</b>	<b>2.4</b>	<b>2.7</b>
<b>Energy</b>	<b>12.3</b>	<b>15.9</b>	<b>11.9</b>	<b>(20)</b>	<b>(14)</b>	<b>34</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>1.1</b>	<b>1.2</b>	<b>1.1</b>	<b>3.1</b>	<b>2.2</b>	<b>2.9</b>
<b>Materials</b>	<b>18.9</b>	<b>14.8</b>	<b>12.9</b>	<b>(13)</b>	<b>47</b>	<b>15</b>	<b>6</b>	<b>8</b>	<b>9</b>	<b>1.1</b>	<b>1.2</b>	<b>1.1</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>
<b>Industrials</b>	<b>20.1</b>	<b>16.3</b>	<b>14.4</b>	<b>14</b>	<b>45</b>	<b>13</b>	<b>7</b>	<b>9</b>	<b>9</b>	<b>1.3</b>	<b>1.4</b>	<b>1.3</b>	<b>2.8</b>	<b>2.0</b>	<b>2.2</b>
Capital goods	18.3	15.6	13.6	15	40	14	7	9	9	1.3	1.3	1.2	3.0	1.9	2.1
Transportation	25.2	28.0	18.0	16.7	10	67	8	6	9	9	1.6	1.6	1.5	2.1	2.3
<b>Consumer discretionary</b>	<b>11.1</b>	<b>12.0</b>	<b>11.7</b>	<b>10.5</b>	<b>(5)</b>	<b>9</b>	<b>12</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>1.7</b>	<b>1.6</b>	<b>1.4</b>	<b>2.3</b>	<b>2.2</b>
Automobiles & Components	8.3	8.7	8.5	7.6	(5)	10	11	15	14	14	1.3	1.2	1.1	1.7	1.8
Retailing	18.0	17.5	15.5	(2)	22	13	8	9	10	1.5	1.6	1.5	1.8	1.6	1.8
<b>Consumer staples</b>	<b>25.3</b>	<b>26.5</b>	<b>24.5</b>	<b>21.2</b>	<b>5</b>	<b>20</b>	<b>16</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>3.1</b>	<b>3.1</b>	<b>2.8</b>	<b>1.8</b>	<b>1.8</b>
Food/staples retail	25.3	26.7	24.7	20.2	(16)	37	22	7	8	9	2.0	1.9	1.8	1.8	1.8
Food/beverage/tobacco	22.5	23.1	21.1	18.5	6	17	14	12	12	13	2.6	2.5	2.3	2.1	2.1
<b>Health care</b>	<b>29.3</b>	<b>29.4</b>	<b>24.4</b>	<b>28</b>	<b>20</b>	<b>21</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>4.2</b>	<b>4.6</b>	<b>4.0</b>	<b>0.8</b>	<b>0.8</b>	<b>0.9</b>
<b>Financials</b>	<b>10.8</b>	<b>11.6</b>	<b>10.6</b>	<b>14</b>	<b>5</b>	<b>9</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>1.2</b>	<b>1.3</b>	<b>1.2</b>	<b>3.1</b>	<b>2.9</b>	<b>3.1</b>
Banks	8.8	9.1	8.5	9	6	8	14	13	13	1.2	1.2	1.1	3.9	3.6	3.9
Diversified financials	15.3	15.9	19.1	17.1	51	7	12	12	12	13	2.0	2.3	2.2	2.3	2.2
Insurance	17.1	18.1	16.1	41	9	12	12	11	11	2.0	2.0	1.8	1.3	1.3	1.5
Real estate	12.5	13.4	12.4	7	(0)	9	7	6	7	0.9	0.9	0.8	3.1	3.0	3.2
<b>Technology</b>	<b>14.3</b>	<b>13.5</b>	<b>12.3</b>	<b>6</b>	<b>11</b>	<b>10</b>	<b>16</b>	<b>16</b>	<b>15</b>	<b>2.3</b>	<b>2.1</b>	<b>1.9</b>	<b>1.8</b>	<b>2.0</b>	<b>2.2</b>
Software services	29.3	32.0	29.1	23.9	28	22	21	25	25	24	7.9	7.2	5.8	0.8	0.8
Tech hardware	10.8	10.8	10.7	9.9	37	6	8	13	13	13	1.4	1.4	1.2	2.1	2.2
Semiconductors/equipment	13.2	13.8	11.7	10.9	48	17	7	20	21	19	2.8	2.4	2.1	2.2	2.9
<b>Telecoms</b>	<b>18.8</b>	<b>18.0</b>	<b>16.6</b>	<b>0</b>	<b>8</b>	<b>8</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>2.3</b>	<b>2.2</b>	<b>2.1</b>	<b>3.2</b>	<b>3.3</b>	<b>3.5</b>
<b>Utilities</b>	<b>9.4</b>	<b>11.6</b>	<b>13.3</b>	<b>100</b>	<b>(14)</b>	<b>(12)</b>	<b>16</b>	<b>13</b>	<b>11</b>	<b>1.6</b>	<b>1.5</b>	<b>1.4</b>	<b>2.8</b>	<b>2.9</b>	<b>3.1</b>

Source: Maybank Kim Eng, Factset, MSCI, Bloomberg data as of 18 May 2015

## Research Offices

### REGIONAL

**Sadiq CURRIMBHOY**  
Regional Head, Research & Economics  
(65) 6231 5836 [sadiq@maybank-ke.com.sg](mailto:sadiq@maybank-ke.com.sg)

**WONG Chew Hann, CA**  
Regional Head of Institutional Research  
(603) 2297 8686 [wchewh@maybank-ib.com](mailto:wchewh@maybank-ib.com)

**ONG Seng Yeow**  
Regional Head of Retail Research  
(65) 6432 1453  
[ongsengyeow@maybank-ke.com.sg](mailto:ongsengyeow@maybank-ke.com.sg)

### ECONOMICS

**Suhaimi ILIAS**  
Chief Economist  
Singapore | Malaysia  
(603) 2297 8682 [suhaimi\\_ilias@maybank-ib.com](mailto:suhaimi_ilias@maybank-ib.com)

**Luz LORENZO**  
Philippines  
(63) 2 849 8836  
[luz\\_lorenzo@maybank-atrke.com](mailto:luz_lorenzo@maybank-atrke.com)

**Tim LEELAHAPHAN**  
Thailand  
(66) 2658 6300 ext 1420  
[tim.l@maybank-ke.co.th](mailto:tim.l@maybank-ke.co.th)

**JUNIMAN**  
Chief Economist, BI  
Indonesia  
(62) 21 29228888 ext 29682  
[Juniman@bankbii.com](mailto:Juniman@bankbii.com)

### STRATEGY

**Sadiq CURRIMBHOY**  
Global Strategist  
(65) 6231 5836 [sadiq@maybank-ke.com.sg](mailto:sadiq@maybank-ke.com.sg)

**Willie CHAN**  
Hong Kong / Regional  
(852) 2268 0631 [williechan@kimeng.com.hk](mailto:williechan@kimeng.com.hk)

### MALAYSIA

**WONG Chew Hann, CA Head of Research**  
(603) 2297 8686 [wchewh@maybank-ib.com](mailto:wchewh@maybank-ib.com)  
• Strategy

**Desmond CH'NG, ACA**  
(603) 2297 8680  
[desmond.chng@maybank-ib.com](mailto:desmond.chng@maybank-ib.com)  
• Banking & Finance

**LIAW Thong Jung**  
(603) 2297 8688 [tjliaw@maybank-ib.com](mailto:tjliaw@maybank-ib.com)  
• Oil & Gas Services - Regional

**ONG Chee Ting, CA**  
(603) 2297 8678 [ct.ong@maybank-ib.com](mailto:ct.ong@maybank-ib.com)  
• Plantations - Regional

**Mohshin AZIZ**  
(603) 2297 8692 [mohshin.aziz@maybank-ib.com](mailto:mohshin.aziz@maybank-ib.com)  
• Aviation - Regional • Petrochem

**YIN Shao Yang, CPA**  
(603) 2297 8916 [samuel.y@maybank-ib.com](mailto:samuel.y@maybank-ib.com)  
• Gaming - Regional • Media

**TAN Chi Wei, CFA**  
(603) 2297 8690 [chiwei.t@maybank-ib.com](mailto:chiwei.t@maybank-ib.com)  
• Power • Telcos

**WONG Wei Sum, CFA**  
(603) 2297 8679 [weisum@maybank-ib.com](mailto:weisum@maybank-ib.com)  
• Property

**LEE Yen Ling**  
(603) 2297 8691 [lee.yl@maybank-ib.com](mailto:lee.yl@maybank-ib.com)  
• Building Materials • Glove • Ports • Shipping

**CHAI Li Shin, CFA**  
(603) 2297 8684 [lshin.c@maybank-ib.com](mailto:lshin.c@maybank-ib.com)  
• Plantation • Construction & Infrastructure

**Ivan YAP**  
(603) 2297 8612 [ivan.yap@maybank-ib.com](mailto:ivan.yap@maybank-ib.com)  
• Automotive • Semiconductor • Technology

**Kevin WONG**  
(603) 2082 6824 [kevin.wong@maybank-ib.com](mailto:kevin.wong@maybank-ib.com)  
• REITs • Consumer Discretionary

**LIEW Wei Han**  
(603) 2297 8676 [weihan.l@maybank-ib.com](mailto:weihan.l@maybank-ib.com)  
• Consumer Staples

**LEE Cheng Hooi Regional Chartist**  
(603) 2297 8694  
[chenghooi.lee@maybank-ib.com](mailto:chenghooi.lee@maybank-ib.com)

**Tee Sze Chiah Head of Retail Research**  
(603) 2297 6858 [szechiah.t@maybank-ib.com](mailto:szechiah.t@maybank-ib.com)

### HONG KONG / CHINA

**Howard WONG Head of Research**  
(852) 2268 0648  
[howardwong@kimeng.com.hk](mailto:howardwong@kimeng.com.hk)  
• Oil & Gas - Regional

**Alexander LATZER**  
(852) 2268 0647  
[alexanderlatzer@kimeng.com.hk](mailto:alexanderlatzer@kimeng.com.hk)  
• Metals & Mining - Regional

**Benjamin HO**  
(852) 2268 0632 [benjaminho@kimeng.com.hk](mailto:benjaminho@kimeng.com.hk)  
• Consumer & Auto

**Jacqueline KO, CFA**  
(852) 2268 0633 [jacquelineko@kimeng.com.hk](mailto:jacquelineko@kimeng.com.hk)  
• Consumer Staples & Durables

**Jessica NG**  
(852) 2268 0678 [jessicang@kimeng.com.hk](mailto:jessicang@kimeng.com.hk)  
• Utilities & Renewable Energy

**Ka Leong LO, CFA**  
(852) 2268 0630 [klo@kimeng.com.hk](mailto:klo@kimeng.com.hk)  
• Consumer Discretionary & Auto

**Mitchell KIM**  
(852) 2268 0634 [mitchellkim@kimeng.com.hk](mailto:mitchellkim@kimeng.com.hk)  
• Internet & Telcos

**Osbert TANG, CFA**  
(86) 21 5096 8370  
[osberttang@kimeng.com.hk](mailto:osberttang@kimeng.com.hk)  
• Transport & Industrials

**Ricky WK NG, CFA**  
(852) 2268 0689 [rickyng@kimeng.com.hk](mailto:rickyng@kimeng.com.hk)  
• Utilities & Renewable Energy

**Steven ST CHAN**  
(852) 2268 0645 [stevenchan@kimeng.com.hk](mailto:stevenchan@kimeng.com.hk)  
• Banking & Financials - Regional

**Warren LAU**  
(852) 2268 0644  
[warrenlau@kimeng.com.hk](mailto:warrenlau@kimeng.com.hk)  
• Technology - Regional

### INDIA

**Jigar SHAH Head of Research**  
(91) 22 6632 2632 [jigar@maybank-ke.co.in](mailto:jigar@maybank-ke.co.in)  
• Oil & Gas • Automobile • Cement

**Anubhav GUPTA**  
(91) 22 6623 2605 [anubhav@maybank-ke.co.in](mailto:anubhav@maybank-ke.co.in)  
• Metal & Mining • Capital Goods • Property

**Vishal MODI**  
(91) 22 6623 2607 [vishal@maybank-ke.co.in](mailto:vishal@maybank-ke.co.in)  
• Banking & Financials

**Abhijeet KUNDU**  
(91) 22 6623 2628 [abhijeet@maybank-ke.co.in](mailto:abhijeet@maybank-ke.co.in)  
• Consumer

**Neerav DALAL**  
(91) 22 6623 2606 [neerav@maybank-ke.co.in](mailto:neerav@maybank-ke.co.in)  
• Software Technology • Telcos

**Ritesh POLADIA**  
(91) 22 6623 2612 [ritesh@maybank-ke.co.in](mailto:ritesh@maybank-ke.co.in)  
• Media & Entertainment

### SINGAPORE

**NG Wee Siang Head of Research**  
(65) 6231 5838 [ngweesiang@maybank-ke.com.sg](mailto:ngweesiang@maybank-ke.com.sg)  
• Banking & Finance

**Gregory YAP**  
(65) 6231 5848 [gyap@maybank-ke.com.sg](mailto:gyap@maybank-ke.com.sg)  
• SMID Caps  
• Technology & Manufacturing • Telcos

**YEAK Chee Keong, CFA**  
(65) 6231 5842  
[yeakcheekeong@maybank-ke.com.sg](mailto:yeakcheekeong@maybank-ke.com.sg)  
• Offshore & Marine

**Derrick HENG, CFA**  
(65) 6231 5843 [derrickheng@maybank-ke.com.sg](mailto:derrickheng@maybank-ke.com.sg)  
• Transport • Property • REITs (Office)

**Joshua TAN**  
(65) 6231 5850 [joshuatn@maybank-ke.com.sg](mailto:joshuatn@maybank-ke.com.sg)  
• REITs (Retail, Industrial)

**WEI Bin**  
(65) 6231 5844 [weibin@maybank-ke.com.sg](mailto:weibin@maybank-ke.com.sg)  
• Commodity • Logistics • S-chips

**John CHEONG**  
(65) 6231 5845 [johncheong@maybank-ke.com.sg](mailto:johncheong@maybank-ke.com.sg)  
• Small & Mid Caps • Healthcare

**TRUONG Thanh Hang**  
(65) 6231 5847 [hang.truong@maybank-ke.com.sg](mailto:hang.truong@maybank-ke.com.sg)  
• Small & Mid Caps

### INDONESIA

**Isnaputra ISKANDAR Head of Research**  
(62) 21 2557 1129  
[isnaputra.iskandar@maybank-ke.co.id](mailto:isnaputra.iskandar@maybank-ke.co.id)  
• Strategy • Metals & Mining • Cement

**Rahmi MARINA**  
(62) 21 2557 1128  
[rahmi.marina@maybank-ke.co.id](mailto:rahmi.marina@maybank-ke.co.id)  
• Banking & Finance

**Aurellia SETIABUDI**  
(62) 21 2953 0785  
[aurellia.setiabudi@maybank-ke.co.id](mailto:aurellia.setiabudi@maybank-ke.co.id)  
• Property

**Isnaputra ISKANDAR**  
(62) 21 2557 1129  
[isnaputra.iskandar@maybank-ke.co.id](mailto:isnaputra.iskandar@maybank-ke.co.id)  
• Metals & Mining • Cement

**Pandu ANUGRAH**  
(62) 21 2557 1137  
[pandu.anugrah@maybank-ke.co.id](mailto:pandu.anugrah@maybank-ke.co.id)  
• Infra • Construction • Transport • Telcos

**Janni ASMAN**  
(62) 21 2953 0784  
[janni.asman@maybank-ke.co.id](mailto:janni.asman@maybank-ke.co.id)  
• Cigarette • Healthcare • Retail

**Adhi TASMIN**  
(62) 21 2557 1209  
[adhi.tasmin@maybank-ke.co.id](mailto:adhi.tasmin@maybank-ke.co.id)  
• Plantations

### PHILIPPINES

**Luz LORENZO Head of Research**  
(63) 2 849 8836  
[luz\\_lorenzo@maybank-atrke.com](mailto:luz_lorenzo@maybank-atrke.com)  
• Strategy  
• Utilities • Conglomerates • Telcos

**Lovell SARREAL**  
(63) 2 849 8841  
[lovell\\_sarreal@maybank-atrke.com](mailto:lovell_sarreal@maybank-atrke.com)  
• Consumer • Media • Cement

**Rommel RODRIGO**  
(63) 2 849 8839  
[rommel\\_rodrigo@maybank-atrke.com](mailto:rommel_rodrigo@maybank-atrke.com)  
• Conglomerates • Property • Gaming  
• Ports/Logistics

**Katherine TAN**  
(63) 2 849 8843  
[kat\\_tan@maybank-atrke.com](mailto:kat_tan@maybank-atrke.com)  
• Banks • Construction

**Ramon ADVIENTO**  
(63) 2 849 8845  
[ramon\\_adviento@maybank-atrke.com](mailto:ramon_adviento@maybank-atrke.com)  
• Mining

**Michael BENGSON**  
(63) 2 849 8840  
[michael\\_bengson@maybank-atrke.com](mailto:michael_bengson@maybank-atrke.com)  
• Conglomerates

**Jaclyn JIMENEZ**  
(63) 2 849 8842  
[jaclyn\\_jimenez@maybank-atrke.com](mailto:jaclyn_jimenez@maybank-atrke.com)  
• Consumer

**Arabelle MAGHIRANG**  
(63) 2 849 8838  
[arabelle\\_maghirang@maybank-atrke.com](mailto:arabelle_maghirang@maybank-atrke.com)  
• Banks

### THAILAND

**Maria LAPIZ Head of Institutional Research**  
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399  
[Maria.L@maybank-ke.co.th](mailto:Maria.L@maybank-ke.co.th)  
• Consumer • Materials • Ind. Estates

**Sittichai DUANGRATTANACHAYA**  
(66) 2658 6300 ext 1393  
[Sittichai.D@maybank-ke.co.th](mailto:Sittichai.D@maybank-ke.co.th)  
• Services Sector • Transport

**Sukit UDOMSIRIKUL Head of Retail Research**  
(66) 2658 6300 ext 5090  
[Sukit.u@maybank-ke.co.th](mailto:Sukit.u@maybank-ke.co.th)

**Mayuree CHOWVIKARAN**  
(66) 2658 6300 ext 1440  
[mayuree.c@maybank-ke.co.th](mailto:mayuree.c@maybank-ke.co.th)  
• Strategy

**Padon VANNARAT**  
(66) 2658 6300 ext 1450  
[Padon.v@maybank-ke.co.th](mailto:Padon.v@maybank-ke.co.th)  
• Strategy

**Surachai PRAMUALCHAROENKIT**  
(66) 2658 6300 ext 1470  
[Surachai.p@maybank-ke.co.th](mailto:Surachai.p@maybank-ke.co.th)  
• Auto • Conmat • Contractor • Steel

**Suttatip PEERASUB**  
(66) 2658 6300 ext 1430  
[suttatip.p@maybank-ke.co.th](mailto:suttatip.p@maybank-ke.co.th)  
• Media • Commerce

**Sutthichai KUMWORACHAI**  
(66) 2658 6300 ext 1400  
[sutthichai.k@maybank-ke.co.th](mailto:sutthichai.k@maybank-ke.co.th)  
• Energy • Petrochem

**Termporn TANTIVIVAT**  
(66) 2658 6300 ext 1520  
[termporn.t@maybank-ke.co.th](mailto:termporn.t@maybank-ke.co.th)  
• Property

**Jaroonpan WATTANAWONG**  
(66) 2658 6300 ext 1404  
[jaroonpan.w@maybank-ke.co.th](mailto:jaroonpan.w@maybank-ke.co.th)  
• Transportation • Small cap

**Chatchai JINDARAT**  
(66) 2658 6300 ext 1401  
[chatchai.j@maybank-ke.co.th](mailto:chatchai.j@maybank-ke.co.th)  
• Electronics

### VIETNAM

**NGUYEN Thi Ngan Tuyen, Head of Retail Research**  
(84) 8 44 555 888 x 8081  
[tuyen.nguyen@maybank-kimeng.com.vn](mailto:tuyen.nguyen@maybank-kimeng.com.vn)  
• Food & Beverage • Oil&Gas • Banking

**TRINH Thi Ngoc Diep**  
(84) 4 44 555 888 x 8208  
[diep.trinh@maybank-kimeng.com.vn](mailto:diep.trinh@maybank-kimeng.com.vn)  
• Technology • Utilities • Construction

**PHAM Nhat Bich**  
(84) 8 44 555 888 x 8083  
[bich.pham@maybank-kimeng.com.vn](mailto:bich.pham@maybank-kimeng.com.vn)  
• Consumer • Manufacturing • Fishery

**NGUYEN Thi Sony Tra Mi**  
(84) 8 44 555 888 x 8084  
[mi.nguyen@maybank-kimeng.com.vn](mailto:mi.nguyen@maybank-kimeng.com.vn)  
• Port operation • Pharmaceutical  
• Food & Beverage

**APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES****DISCLAIMERS**

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "MKE") and consequently no representation is made as to the accuracy or completeness of this report by MKE and it should not be relied upon as such. Accordingly, MKE and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. MKE expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

MKE and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. MKE may, to the extent permitted by law, act upon or use the information presented herein, or the research or analysis on which they are based, before the material is published. One or more directors, officers and/or employees of MKE may be a director of the issuers of the securities mentioned in this report.

This report is prepared for the use of MKE's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of MKE and MKE and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

**Malaysia**

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

**Singapore**

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Kim Eng Research Pte. Ltd. ("Maybank KERPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact Maybank KERPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), Maybank KERPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

**Thailand**

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. Maybank Kim Eng Securities (Thailand) Public Company Limited ("MBKET") does not confirm nor certify the accuracy of such survey result.

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of MBKET. MBKET accepts no liability whatsoever for the actions of third parties in this respect.

**US**

This research report prepared by MKE is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Kim Eng Securities USA Inc ("Maybank KESUSA"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Maybank KESUSA in the US shall be borne by Maybank KESUSA. All resulting transactions by a US person or entity should be effected through a registered broker-dealer in the US. This report is not directed at you if MKE is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Maybank KESUSA is permitted to provide research material concerning investments to you under relevant legislation and regulations.

**UK**

This document is being distributed by Maybank Kim Eng Securities (London) Ltd ("Maybank KESL") which is authorized and regulated, by the Financial Services Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.



## DISCLOSURES

### Legal Entities Disclosures

**Malaysia:** This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938-H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This material is issued and distributed in Singapore by Maybank KERPL (Co. Reg No 197201256N) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Kim Eng Securities (“PTKES”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the BAPEPAM LK. **Thailand:** MBKET (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank ATRKES (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Kim Eng Securities JSC (License Number: 71/UBCK-GP) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** KESHK (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** Kim Eng Securities India Private Limited (“KESI”) is a participant of the National Stock Exchange of India Limited (Reg No: INF/INB 231452435) and the Bombay Stock Exchange (Reg. No. INF/INB 011452431) and is regulated by Securities and Exchange Board of India. KESI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) **US:** Maybank KESUSA is a member of/ and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank KESL (Reg No 2377538) is authorized and regulated by the Financial Services Authority.

### Disclosure of Interest

**Malaysia:** MKE and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

**Singapore:** As of 21 May 2015, Maybank KERPL and the covering analyst do not have any interest in any companies recommended in this research report.

**Thailand:** MBKET may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MBKET, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

**Hong Kong:** KESHK may have financial interests in relation to an issuer or a new listing applicant referred to as defined by the requirements under Paragraph 16.5(a) of the Hong Kong Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.

As of 21 May 2015, KESHK and the authoring analyst do not have any interest in any companies recommended in this research report.

MKE may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

## OTHERS

### Analyst Certification of Independence

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

### Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of MKE.



Ong Seng Yeow | Executive Director, Maybank Kim Eng Research

### Definition of Ratings

Maybank Kim Eng Research uses the following rating system

<b>BUY</b>	Return is expected to be above 10% in the next 12 months (excluding dividends)
<b>HOLD</b>	Return is expected to be between - 10% to +10% in the next 12 months (excluding dividends)
<b>SELL</b>	Return is expected to be below -10% in the next 12 months (excluding dividends)

### Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

 **Malaysia**

Maybank Investment Bank Berhad  
(A Participating Organisation of  
Bursa Malaysia Securities Berhad)  
33rd Floor, Menara Maybank,  
100 Jalan Tun Perak,  
50050 Kuala Lumpur  
Tel: (603) 2059 1888;  
Fax: (603) 2078 4194

Stockbroking Business:  
Level 8, Tower C, Dataran Maybank,  
No.1, Jalan Maarof  
59000 Kuala Lumpur  
Tel: (603) 2297 8888  
Fax: (603) 2282 5136

 **Philippines**

Maybank ATR Kim Eng Securities Inc.  
17/F, Tower One & Exchange Plaza  
Ayala Triangle, Ayala Avenue  
Makati City, Philippines 1200

Tel: (63) 2 849 8888  
Fax: (63) 2 848 5738

 **South Asia Sales Trading**

Kevin Foy  
Regional Head Sales Trading  
kevinfoy@maybank-ke.com.sg  
Tel: (65) 6336-5157  
US Toll Free: 1-866-406-7447

**Malaysia**

Rommel Jacob  
rommeljacob@maybank-ib.com  
Tel: (603) 2717 5152

**Indonesia**

Harianto Liong  
harianto.liong@maybank-ke.co.id  
Tel: (62) 21 2557 1177

**New York**

Andrew Dacey  
adacey@maybank-keusa.com  
Tel: (212) 688 2956

**Vietnam**

Tien Nguyen  
thuytien.nguyen@maybank-kimeng.com.vn  
Tel: (84) 44 555 888 x8079

 **Singapore**

Maybank Kim Eng Securities Pte Ltd  
Maybank Kim Eng Research Pte Ltd  
50 North Canal Road  
Singapore 059304

Tel: (65) 6336 9090

 **Hong Kong**

Kim Eng Securities (HK) Ltd  
Level 30,  
Three Pacific Place,  
1 Queen's Road East,  
Hong Kong

Tel: (852) 2268 0800  
Fax: (852) 2877 0104

 **Thailand**

Maybank Kim Eng Securities  
(Thailand) Public Company Limited  
999/9 The Offices at Central World,  
20<sup>th</sup> - 21<sup>st</sup> Floor,  
Rama 1 Road Pathumwan,  
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)  
Tel: (66) 2 658 6801 (research)

 **North Asia Sales Trading**

Alex Tsun  
alextsun@kimeng.com.hk  
Tel: (852) 2268 0228  
US Toll Free: 1 877 837 7635

**Thailand**

Tanasak Krishnasreni  
Tanasak.K@maybank-ke.co.th  
Tel: (66)2 658 6820

**India**

Manish Modi  
manish@maybank-ke.co.in  
Tel: (91)-22-6623-2601

**Philippines**

Keith Roy  
keith\_roy@maybank-atrke.com  
Tel: (63) 2 848-5288

 **London**

Maybank Kim Eng Securities  
(London) Ltd  
5<sup>th</sup> Floor, Aldermay House  
10-15 Queen Street  
London EC4N 1TX, UK

Tel: (44) 20 7332 0221  
Fax: (44) 20 7332 0302

 **Indonesia**

PT Maybank Kim Eng Securities  
Plaza Bapindo  
Citibank Tower 17<sup>th</sup> Floor  
Jl Jend. Sudirman Kav. 54-55  
Jakarta 12190, Indonesia

Tel: (62) 21 2557 1188  
Fax: (62) 21 2557 1189

 **Vietnam**

Maybank Kim Eng Securities Limited  
4A-15+16 Floor Vincom Center Dong  
Khoi, 72 Le Thanh Ton St. District 1  
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888  
Fax : (84) 8 38 271 030

 **New York**

Maybank Kim Eng Securities USA  
Inc  
777 Third Avenue, 21st Floor  
New York, NY 10017, U.S.A.

Tel: (212) 688 8886  
Fax: (212) 688 3500

 **India**

Kim Eng Securities India Pvt Ltd  
2nd Floor, The International 16,  
Maharishi Karve Road,  
Churchgate Station,  
Mumbai City - 400 020, India

Tel: (91) 22 6623 2600  
Fax: (91) 22 6623 2604

 **Saudi Arabia**

*In association with*  
**Anfaal Capital**  
Villa 47, Tujjar Jeddah  
Prince Mohammed bin Abdulaziz  
Street P.O. Box 126575  
Jeddah 21352

Tel: (966) 2 6068686  
Fax: (966) 26068787