

Today's Highlights

Company Update – YTL REIT (BUY, maintain)

- New Japan hotel cushions soft Australian profit

Company Update – ELK-Desa (BUY, maintain)

- A safe haven in volatile markets

Outside Malaysia

US stocks fall as volatility rules in wild week

Trump expresses optimism for China deal with ties at crossroads

Pending home sales in US declined to four-year low in October

Italy's populists win budget battle, but big wars loom in 2019

ECB's Lautenschlaeger sees possible 2019 rate hike on inflation

PBOC signals monetary policy may not ease as much as some hope

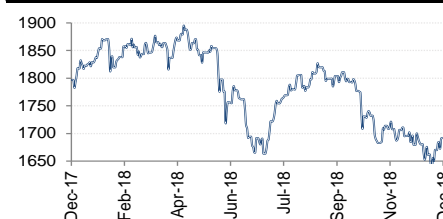
Philippines home prices decline in 3rd quarter as rates climb

Oil extends rally after Trump signals trade thaw with China

Bursa Malaysia

KLCI 52-wk range	1895.18 - 1635.31
Mkt Cap (RMbn)	1,697.99
Vol (m shrs)	1,419.93
Value (RMm)	1,100.20
KLCI futures (spot)	1,687.00
KLCI futures (1-mth)	1,688.50

KLCI Index (12-mth)



Top 5 Gainers

	Price (RM)	chg (RM)	% chg
F&N	33.40	1.04	3.21
UTDPLT	25.64	0.54	2.15
PPB	17.70	0.50	2.91
KLK	24.64	0.50	2.07
BKAWAN	16.68	0.28	1.71

Top 5 Losers

	Price (RM)	chg (RM)	% chg
NESTLE	147.40	-0.60	-0.41
BAT	36.00	-0.36	-0.99
PANAMY	37.58	-0.32	-0.84
HLIND	8.50	-0.20	-2.30
HLBANK	20.52	-0.20	-0.97

Top 5 Value Traded

	Price (RM)	chg (RM)	Val (RMm)
PBBANK	24.88	unch	42.73
VS	0.72	0.02	35.79
MAYBANK	9.43	0.03	32.21
IHH	5.41	-0.04	30.15
AIRASIA	2.97	0.01	29.20

Key Equity Indices

	Close	% chg	Ytd chg (%)
KLCI	1,692.07	0.08	-5.83
Dow Jones	23,062.40	-0.33	-6.70
Nasdaq	6,584.52	0.08	-4.62
FTSE100	6,733.97	2.27	-12.41
East. Europe	2,577.83	2.12	-13.46
Mexico	41,459.15	0.10	-16.00
Shenzen B	1,267.87	0.29	-33.25
Shanghai B	2,493.90	0.44	-24.59
Hong Kong	25,504.20	0.10	-14.76
Korea	2,041.04	0.62	-17.28
Singapore	3,053.43	0.29	-10.27
Indonesia	6,194.50	0.06	-2.54
Philippines	7,466.02	-0.22	-12.76
Thailand	1,563.88	1.00	-10.82
Vietnam	892.54	-0.92	-9.32
India	36,076.72	0.75	5.93
Taiwan	9,727.41	0.89	-8.60

Other Markets Key Indicators

COMMODITIES			CURRENCIES		
	Latest	chg (%)		Latest	Ytd chg (%)
CPO (RM/Tonne)			RM/US\$	4.14	(2.3)
Spot	2,013.0	0.0	RM per 100 Yen	3.75	(4.3)
3-mth futures	2,121.0	0.8	RM/\$	3.03	(0.0)
			Yen/US\$	110.35	2.1
Brent Crude Oil (US\$/bbl)			Eur/US\$	0.87	4.9
Spot	52.2	0.1	RM/AUD	2.92	8.3
1-mth futures	52.2	0.1			
			MALAYSIA INTEREST RATES		
				Latest	Ytd chg (bps)
Gold (US\$/oz)			OPR (%)	3.25	25.0
Spot	1279.9	0.2	3-mth Klibor (%)	3.69	28.0
1-mth futures	1283	0.1	Maybank BR (%)	3.00	-

Outside Malaysia

US stocks fall as volatility rules in wild week

US stocks halted a two-day rally as thin trading added to already-volatile markets ahead of the weekend. The S&P 500 fell by 0.1% to 2,485.74 and the Dow Jones lost 76.42 points (0.3%) to 23,062.40.

Trump expresses optimism for China deal with ties at crossroads

President Donald Trump reported "big progress" in trade talks with his Chinese counterpart Xi Jinping, providing an optimistic start to what could be a make-or-break year for ties between the world's two largest economies. The two presidents spoke at length, with each expressing satisfaction with trade talks initiated after their meeting earlier this month in Argentina. Trump said that negotiations were "moving along very well" toward a comprehensive deal, while Xi believed both sides wanted "stable progress."

Pending home sales in US declined to four-year low in October

Contract signings to purchase previously-owned US homes unexpectedly fell by the most since January, reaching the lowest level since mid-2014 amid mounting evidence that the housing market is struggling. The index of pending home sales dropped 2.6%, after a 0.7% gain the previous month, according to the National Association of Realtors. The gauge was down 4.6% yoy on an unadjusted basis, following a 3.3% decrease.

Italy's populists win budget battle, but big wars loom in 2019

Italy's government survived 2018, passing its budget at the eleventh hour. Ahead lies a year in which deputy premiers Matteo Salvini and Luigi Di Maio, the real powers behind the government, will battle for supremacy while trying to work out how they can deliver on promises of a lower retirement age and welfare benefits when they curtailed the funding earmarked for these pledges.

ECB's Lautenschlaeger sees possible 2019 rate hike on inflation

The European Central Bank (ECB) may increase interest rates next year if inflation picks up, executive-board member Sabine Lautenschlaeger said. While Lautenschlaeger "hopes and expects" there will be a rate change in 2019, it depends on the inflation data in the first and second quarter, she said.

PBOC signals monetary policy may not ease as much as some hope

Senior People's Bank of China (PBOC) officials pushed back against interpretations of its recent moves as signaling significantly looser policy, emphasizing that monetary policy remains prudent -- though it will be more targeted and flexible. "The stance on prudent monetary policy hasn't changed," Sun Guofeng, director of the monetary policy department, told.

Philippines home prices decline in 3rd quarter as rates climb

Philippine home prices declined in the third quarter from the prior three months, reversing a short-lived rebound as interest rates increased. Housing values fell 0.6% qoq, according to Bangko Sentral ng Pilipinas. Prices rose 0.8% gain in 2Q18 following a 0.9% decline in 1Q18. On a year-on-year basis, third-quarter home prices climbed 4.4%, slowing from a 4.8% increase in 2Q18, the central bank said.

Oil extends rally after Trump signals trade thaw with China

Oil extended gains as US President Donald Trump reported progress in trade talks with his Chinese counterpart Xi Jinping. Brent for March settlement was up US\$0.23 to US\$53.44 a barrel.

Source: Bloomberg

(Izzuddin Yussuf; 03-2146 7489; izzuddin.yussuf@affinhwang.com)

Market Summary

Table 1: Off Market transactions

Shares	Price (RM)	Vol (m)	Val (RMm)	Type
OCR	0.30	27.20	8.16	D
KLCC	7.81	4.84	37.79	D
PICHEM	9.34	4.07	38.02	D
AMEDIA	0.15	3.30	0.50	D
WIDAD	0.25	2.80	0.70	D
EWIND	0.75	2.50	1.88	D
MTOUCHE	0.08	2.43	0.18	D
ACOSTEC	0.45	1.97	0.89	D
SANICHI	0.06	1.91	0.11	D
PAVREIT	1.61	1.50	2.42	D
AMBANK	4.35	1.40	6.09	D
MTOUCHE-WC	0.02	1.22	0.02	D

Source: Bursa Malaysia

Table 2: Shares Buyback/ Resale

Company*	Date	Units	Treasury	Transaction
YINSON	28-Dec-18	14,000	11,458,800	Shares Buy Back
MYEG	28-Dec-18	2,600,000	106,652,300	Shares Buy Back
SUNWAY	28-Dec-18	462,400	72,209,562	Shares Buy Back
TAANN	28-Dec-18	100,300	3,299,400	Shares Buy Back
E&O	28-Dec-18	20,000	14,052,996	Shares Buy Back

*Only FBM100 Component Stocks

Source: Bursa Malaysia

Table 3: ESOS

Company*	Date	Units	Transaction
-	-	-	-

*Only FBM100 Component Stocks

Table 4: Entitlements

Company	Entitlement	Ex-Date	Lodgement	Payment
-	-	-	-	-

Source: Bursa Malaysia

Table 5: Bursa Malaysia Trade Statistics

Participant	(%)	Bought (RMm)	Sold (RMm)	Net (RMm)	YTD (RMm)
Local Institution	24.4	262.02	275.41	-13.39	7,452.87
Local Retail	51.7	588.08	548.75	39.33	4,643.27
Foreign	23.9	250.18	276.13	-25.95	-12,096.14
Total	100.0	1,100.28	1,100.29		

Source: Bursa Malaysia

Fig 6: Shareholdings change

Substantial shareholder	Date	Transaction	Units	Company
EPF	28-Dec-18	Disposed	133,500	AEON
AmanahRaya Trustees Bhd	26-Dec-18	Acquired	10,000,000	AXREIT
EPF	24-Dec-18	Acquired	10,000	AXREIT
EPF	24-Dec-18	Acquired	26,200	BAUTO
KWAP	27-Nov-18	Acquired	150,000	BURSA
EPF	21-Dec-18	Disposed	76,500	CMSB
EPF	20-Dec-18	Disposed	75,500	CMSB
EPF	20-Dec-18	Acquired	29,600	CMSB
EPF	24-Dec-18	Disposed	977,200	DIGI
EPF	24-Dec-18	Disposed	200,000	GAMUDA
EPF	24-Dec-18	Disposed	18,700	GENP
EPF	24-Dec-18	Acquired	45,000	HARTA
EPF	24-Dec-18	Acquired	77,200	HLBANK
EPF	24-Dec-18	Disposed	50,000	HLBANK
EPF	24-Dec-18	Acquired	159,500	IHH
EPF	24-Dec-18	Disposed	103,500	IJMCORP
EPF	24-Dec-18	Acquired	347,800	IJMCORP
KWAP	27-Dec-18	Acquired	100,000	INARI
EPF	24-Dec-18	Acquired	123,500	IOICORP
EPF	24-Dec-18	Disposed	768,800	KLK
EPF	24-Dec-18	Acquired	24,800	KLK
EPF	21-Dec-18	Disposed	630,300	KOSSAN
EPF	21 to 24-Dec-18	Acquired	527,200	KOSSAN
EPF	24-Dec-18	Disposed	45,500	PBBANK
EPF	24-Dec-18	Disposed	100,000	PBBANK
EPF	24-Dec-18	Disposed	9,000	PETDAG
EPF	24-Dec-18	Acquired	22,100	PETDAG
EPF	24-Dec-18	Acquired	7,100	PPB
EPF	24-Dec-18	Disposed	593,700	QL
EPF	24-Dec-18	Acquired	83,000	SERBADK
KWAP	27-Dec-18	Acquired	3,000,000	SERBADK
EPF	24-Dec-18	Acquired	61,500	SIMEPLT
EPF	24-Dec-18	Acquired	65,000	SPSETIA
EPF	21-Dec-18	Disposed	50,000	TENAGA
EPF	21-Dec-18	Acquired	27,200	TENAGA
EPF	24-Dec-18	Acquired	25,300	TENAGA
AmanahRaya Trustees Bhd	26-Dec-18	Acquired	404,800	TENAGA
KWAP	27-Dec-18	Acquired	194,300	TIMECOM
EPF	24-Dec-18	Acquired	817,900	TM
EPF	21-Dec-18	Acquired	4,300	UMVH
KWAP	21-Dec-18	Disposed	45,000	UMVH
KWAP	27-Dec-18	Acquired	67,700	UMVH
EPF	24-Dec-18	Acquired	126,200	WPRTS

Source: Bursa Malaysia



Fig 7: Dividend Entitlement

Stocks	Particulars	DPS (sen)	Announce	Ex-Date	Lodge	Payment
HIAPTEK	First and Final Dividend	0.50	16-Nov-18	2-Jan-19	4-Jan-19	25-Jan-19
RUBEREX	Second Interim Dividend	1.00	27-Nov-18	2-Jan-19	4-Jan-19	24-Jan-19
SUPERLN	Interim Dividend	1.15	12-Dec-18	2-Jan-19	4-Jan-19	25-Jan-19
RVIEW	Interim Dividend	2.00	17-Dec-18	2-Jan-19	4-Jan-19	25-Jan-19
GAMUDA	Interim Dividend	6.00	14-Dec-18	3-Jan-19	7-Jan-19	25-Jan-19
HARBOUR	Interim Dividend	1.00	17-Dec-18	3-Jan-19	7-Jan-19	28-Jan-19
GKENT	Second Interim Dividend	1.5	20-Dec-18	4-Jan-19	8-Jan-19	29-Jan-19
BJFOOD	Second Interim Dividend	1.00	5-Dec-18	7-Jan-19	9-Jan-19	25-Jan-19
SYF	First Interim Dividend	1.25	24-Dec-18	7-Jan-19	9-Jan-18	24-Jan-19
CARLSBG	Interim Dividend	16.00	30-Nov-18	8-Jan-19	10-Jan-19	30-Jan-19
P&O	First Interim Dividend	1.00	21-Dec-18	8-Jan-19	10-Jan-18	24-Jan-18
TOPGLOV	Final Dividend	5.00	12-Nov-18	9-Jan-19	11-Jan-19	25-Jan-19
JERASIA	Final Dividend	0.50	21-Nov-18	10-Jan-19	14-Jan-19	13-Feb-19
SEEHUP	Interim Dividend	1.80	26-Dec-18	10-Jan-19	14-Jan-19	28-Jan-19
PWF	Second Interim Dividend	1.50	26-Dec-18	11-Jan-19	15-Jan-19	31-Jan-19
VS	Final Dividend	0.60	29-Nov-18	14-Jan-19	16-Jan-18	31-Jan-18
UMCCA	Interim Dividend	2.00	17-Dec-18	14-Jan-19	16-Jan-19	31-Jan-19
ASIAFLE	Interim Dividend	3.00	27-Dec-18	14-Jan-19	16-Jan-19	14-Feb-19
KESM	Final Dividend	6.00	24-Oct-18	15-Jan-19	17-Jan-19	13-Feb-19
ELKDESA	Interim Dividend	3.50	13-Nov-18	16-Jan-19	18-Jan-19	18-Jan-19
BJTOTO	Interim Dividend	4.00	14-Dec-18	16-Jan-19	18-Jan-19	12-Feb-19
MBWORLD	Interim Dividend	6.90	28-Nov-18	24-Jan-19	28-Jan-19	27-Feb-19
TAMBUN	First Interim Dividend	2.00	28-Nov-18	24-Jan-19	28-Jan-19	19-Feb-19
F&N	Final Dividend	30.50	21-Dec-18	25-Jan-19	29-Jan-19	15-Feb-19
KPJ	Interim Dividend	0.50	29-Nov-18	29-Jan-19	31-Jan-18	15-Feb-18
TMCLIFE	Final Dividend	0.18	26-Dec-18	11-Feb-19	13-Feb-19	27-Feb-19
HOMERIZ	Final Dividend	1.50	27-Dec-18	12-Feb-19	14-Feb-19	8-Mar-19
POHKONG	First and Final Dividend	1.00	29-Nov-18	13-Feb-19	15-Feb-18	8-Mar-18
VS	Interim Dividend	1.00	14-Dec-18	20-Feb-19	22-Feb-19	12-Mar-19
KLK	Final Dividend	30.00	7-Dec-18	21-Feb-19	25-Feb-19	5-Mar-19
BKAWAN	Final Dividend	40.00	7-Dec-18	21-Feb-19	25-Feb-19	6-Mar-19
ASTINO	First and Final Dividend	1.00	29-Nov-18	6-Mar-19	8-Mar-18	17-Apr-18
MELATI	First and Final Dividend	1.00	27-Dec-18	7-Mar-19	11-Mar-19	19-Mar-19

Source: Bursa Malaysia

Equity Rating Structure and Definitions

BUY	Total return is expected to exceed +10% over a 12-month period
HOLD	Total return is expected to be between -5% and +10% over a 12-month period
SELL	Total return is expected to be below -5% over a 12-month period
NOT RATED	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.

OVERWEIGHT	Industry, as defined by the analyst's coverage universe, is expected to outperform the KLCI benchmark over the next 12 months
NEUTRAL	Industry, as defined by the analyst's coverage universe, is expected to perform inline with the KLCI benchmark over the next 12 months
UNDERWEIGHT	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 Berhad

22nd Floor, Menara Boustead,
 69, Jalan Raja Chulan,
 50200 Kuala Lumpur, Malaysia.

T : + 603 2142 3700
 F : + 603 2146 7630
 research@affinhwang.com

www.affinhwang.com