

Headline	Maybank IB lowers earnings growth forecasts for stocks under its		
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DISMAL REPORTING SEASON

Maybank IB lowers earnings growth forecasts for stocks under its coverage

KUALA LUMPUR: Maybank Investment Bank (Maybank IB) expects this year to be another year of declining earnings growth in aggregate for all the stocks under its coverage.

This is after a dismal reporting season, with core earnings of the investment bank's research universe retracing nine per cent for

the quarter ended in May/June from the same period last year.

"Our universe's core earnings forecasts are revised lower by 3.5 per cent this year, and we expect core earnings for the year to retrace by 0.8 per cent year-on-year," said Maybank IB in a note.

"For the FTSE Bursa Malaysia KLCI, we expect a 0.4 per cent

decline in core earnings growth this year. It will thus be another year of no earnings growth, after minus growth last year."

Maybank IB has lowered its core net profit forecasts for 39 per cent of the stocks under its coverage and upgraded 16 per cent, giving an earnings down-to-upgrade ratio of 2.4 times.

It expects core earnings growth to be low this year for banks, casino and number forecast operators, glove makers and telecommunication companies, and almost negligible growth for real estate investment trusts and utilities.

Better earnings growth is expected for media, property, ship-

ping and port while oil and gas should be profitable versus losses last year, it added.

"Our top 'buys' are Tenaga Nasional Bhd, Petronas Chemicals Group Bhd, RHB Bank Bhd, Dialog Group Bhd, BIMB Holdings Bhd, Sime Darby Property Bhd and Kossan Rubber Industries Bhd in the large-cap sector."

VALUATOR

Company(Brand)	Mention	Tone	ROI
BIMB Holdings Bhd (BHB) (BIMB Holdings Bhd (BHB))	1	0	0
Bursa - CIMB (Bursa - CIMB)	6	0	0
Bursa Malaysia Berhad (Bursa Malaysia Berhad)	1	0	RM
Current Affairs - MOFA (Petronas - MOFA)	1	0	0
Dialog Group Bhd (Dialog Group Bhd)	2	0	0
Mah Sing Group Berhad (Industry News) (Mah Sing Group)	1	0	0
Maybank Investment Bank Bhd (Maybank Investment Bank Bhd)	5	0	0
PETRONAS Chemicals Group (PCG) (Petronas Chemicals Group)	2	0	0
RAM Bursa Malaysia (RAM Bursa Malaysia)	2	0	0
RHB Bank Berhad (RHB Bank Bhd)	3	0	0
Shell Industry News (Shell Industry News)	1	0	0
Sime Darby Property - Gamuda Berhad (Sime Darby Property - Sime Darby Property (Sime Darby Property)	1	0	0
Sime Darby Property (Sime Darby Property)	1	0	RM
Singapore-Malaysia Relations (Singapore-Malaysia Relations - Tenaga Nasional Berhad (TNB) (Tenaga Nasional)	1	0	0
Tenaga Nasional Berhad (TNB) (Tenaga Nasional)	1	0	RM