

## **Maybank Investment Bank Sees Investment Opportunities Amid Malaysia's Economic Resilience**

**Kuala Lumpur, 23 February 2019** - Maybank Investment Bank Bhd (Maybank IB) said today at its 1H2019 Market Outlook session for its Retail Brokerage clients that Malaysia's continued economic growth bodes well for the equities market in 2019, with many companies now attractively valued.

Malaysia's GDP rose by 4.7% during the final quarter of 2018, rebounding from two quarters of slower growth. Maybank IB Research forecast full-year 2019 GDP growth of 4.9% (from 4.7% in 2018), premised on the recovery in mining and agriculture sectors, and a potential US-China trade deal mitigating the downside risks to global economic and trade growth, providing a boost for Malaysia's export-oriented manufacturing and trade-related services sectors.

Foreign fund flows are also showing encouraging signs of improvement, with RM1 billion worth of net inflows into Malaysian equities in January 2019, snapping a three-month streak of foreign net selling. The FBM KLCI has recently crossed above the psychological resistance point of 1,700 points, with notable gains in the share prices of certain stocks in sectors such as oil & gas, technology, media, construction, automotive, consumer, property, and gaming.

"Malaysian companies form the backbone of the country's economy, and time and again they have proven their resilience amid short term headwinds in the market. After the market correction late last year, valuations have become attractive for some companies from the perspective of capital appreciation as well as dividend yields," said Fad'l Mohamed, Chief Executive Officer of Maybank IB.

Maybank IB Research advocates a defensive core equity strategy for 2019 with a year-end target of 1,760 points for the FBM KLCI, valued at 15.6 times twelve months forward earnings. While periods of volatility are expected, there are also pockets of opportunities for investors to trade on news flow and thematic.

Its top 'Buy' picks are Tenaga Nasional Bhd, Genting Bhd, Astro Malaysia Holdings Bhd, UMW Holdings Bhd, CIMB Group Holdings Bhd, Alliance Bank Malaysia Bhd, YTL REIT, Mega First Corporation Bhd, and Cahya Mata Sarawak Bhd.

Maybank IB held its 1H2019 Market Outlook session in Kuala Lumpur today, the main event in a series of roadshows in 12 cities across Peninsular Malaysia and East Malaysia to share its views and investment strategies. The event featured a panel titled 'Trade the Volatility', where Maybank's experts discussed investment opportunities in a fluctuating market, sectorial presentations which offered clients direct access to top analysts, as well as educational workshops covering fundamental and technical investing topics.

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### **About Maybank Investment Bank Berhad**

Maybank Investment Bank Berhad ("Maybank IB") is Malaysia's leading investment bank. It has been in operation for more than 40 years and offers a suite of financial solutions, which include debt advisory and arrangement via bonds/sukuk, project financing, leveraged financing and loan syndication, corporate finance, equity capital markets, merger and acquisition advisory, sector advisory, strategic advisory, equities derivatives, retail and institutional securities broking and research. Known globally as Maybank Kim Eng, it has presence in 10 countries namely Malaysia, Singapore, Hong Kong, Thailand, Indonesia, Philippines, India, Vietnam, Great Britain and the United States of America.

Maybank Kim Eng is the fully-owned investment banking arm of Maybank, one of Asia's leading banking groups and South East Asia's fourth largest bank by assets. The Maybank Group has an international network of over 2,200 offices in Malaysia, Singapore, Indonesia, Philippines, Brunei Darussalam, Vietnam, Cambodia, Thailand, People's Republic of China, Bahrain, Uzbekistan, Myanmar, Laos, Pakistan, India, Saudi Arabia, Great Britain and the United States of America. The Group offers an extensive range of products and services, which includes consumer and corporate banking, investment banking, Islamic banking, stock broking, insurance and takaful and asset management. It has over 43,000 employees worldwide.

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