

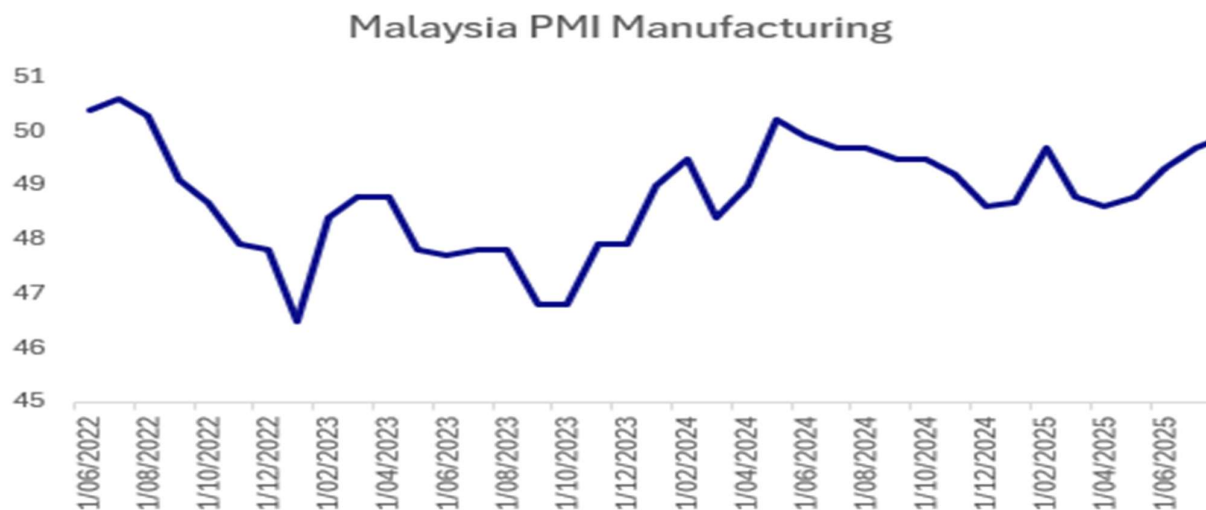


## The Macro, Valuation, Sentiment and Technical Lens

**Macro:** The key data out this week for Malaysia is the S&P Global Malaysia PMI Manufacturing. Having not been above 50 since May 2024, Malaysia's November PMI Manufacturing expanded modestly by +50.1 (from +49.5 prior) with output rising to 48.7 from 48.5 in October and new orders were up relative to the prior month and the highest reading in over 3-Years.

The only other releases this week will be the November 30 Foreign Reserves. With the Ringgit one of the best performing regional currencies there is little interest in the reserves as a guide to Central Bank use of FX Reserves as there is little or no evidence of USDMYR intervention.

*Fig 1: Malaysia PMI Manufacturing*



source: Bloomberg Finance LP / MNI

**Valuation:** The FTSE Malay KLCI continues to do very little relative to its peers finishing last week almost where it started and up a mere +0.56% over the last month, and +2.7% over the last 3 months. Over the 3-month period the FTSE Malay KLCI has missed the tech led expansion with the likes of the KOSPI up +24% whereas the FTSE Malay was up just 2.7%. That said the index is nearing 5-Year highs for its Price to Earnings at 15.37x is above the full year and 2026 estimate, which may present downside risk.

Fig 2: FTSE Bursa Malaysia KLCI Index Valuation Analysis

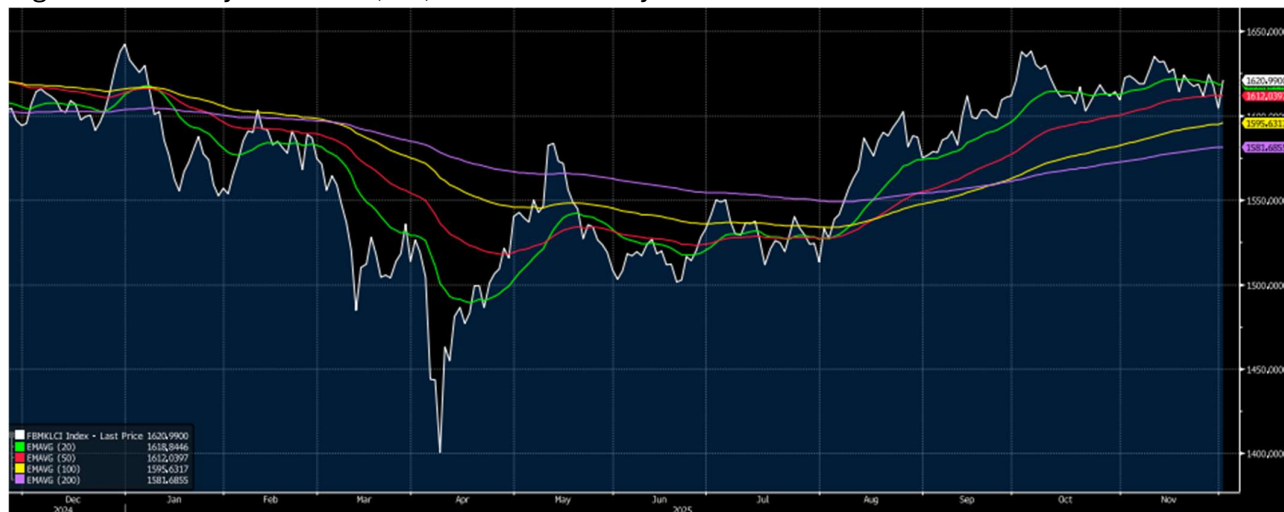
FTSE Bursa Malaysia KLCI Index - Kuala Lumpur Composite Index Compare <Sec> Periodicity Annuals Cur FRC (MYR)								
1) Key Stats 2) Fundamentals 3) Custom 4) Shared								
11) Highlights 12) Valuation 13) Profitability 14) Leverage & Liquidity 15) Market Data								
12 Months Ending	2021 Y 12/31/2021	2022 Y 12/30/2022	2023 Y 12/29/2023	2024 Y 12/31/2024	Current 11/30/2025	2025 Y Est 12/31/2025	2026 Y Est 12/31/2026	
Valuation Metrics								
Price/Earnings	14.75	15.72	13.16	14.84	15.37	14.91	13.91	
Price/Earnings before ...	13.80	15.15	14.23	14.08	14.45	14.57	13.83	
Price/Earnings before ...	14.43	15.20	15.89	14.08	14.64			
Price/Book Value	1.57	1.44	1.31	1.49	1.51	1.42	1.36	
EV/Sales	2.84	2.65	2.69	2.61	2.63			
EV/EBIT	13.53	13.91	15.83	15.63	15.38			
EV/EBITDA	7.68	8.02	9.16	8.77	10.16	10.14	9.45	
Dividend Yield	4.47	4.19	4.54	3.93	4.08	4.16	4.44	

Source: Bloomberg Finance LP / MNI

**Sentiment:** Sentiment for the equity market has remained muted over recent months despite the economic data strength. Returns are modestly higher for the FTSE Malay KLCI over one month, now outperforming regional peers following their recent sell off. For bonds we look at the 3-Yr MGS which continues to yield +30bps more than base rates, indicating that sentiment seems to be relatively convinced that the BNM is on hold for now.

**Technicals:** Opening today at 1,608 the FTSE Malay KLCI sits just above the 20-day EMA of 1,618 with the 50-day EMA below at 1,612.

Fig 3: FTSE Malay KLCI vs 20, 50, 100 and 200-day EMA



Source: Bloomberg Finance LP / MNI

The Ringgit strength of late has taken it below all major moving averages whilst remaining marginally above the oversold level on the relative strength index

Fig 4: USDMYR 14-day Relative Strength Index



Source: Bloomberg Finance LP / MNI

For the week ahead, Malaysia has no issuance planned.

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