BANKING

***Maintain* POSITIVE**

Sep-22 Banking Stats: Leading indicators moderate

KEY INVESTMENT HIGHLIGHTS

- **Loan growth +6.4%yoy, ann. +5.8% – expect further tapering in coming months**
- **Leading indicators moderate, though remain robust – tighter financing by banks reduce approval rates**
- **Deposit growth at strong +7.5%yoy, ann. +6.7%. Driven by strong FD growth as CASA continues to contract. Expect heavy deposit competition in CY2023**
- **System GIL ratio falls by -2bps mom to 1.82%, with business GIL ratios falling by -3bps mom**
- **Interest spread narrows -4bps mom as deposit rates reprice. NIM likely to peak in 3QCY22 or 4QCY22**
- **Maintain POSITIVE call on sector, premised on improved fee income outlook, attractive dividend yields and valuations**

Monthly highlights:

Overall loan growth still strong. Sep-22 saw system loan growth rise by a solid pace of +6.4%yoy, rising by +0.6% mom. On an annualised basis, loan growth was +5.8%. Loan growth likely to have peaked at +6.8%yoy in the previous month. Loan growth should continue tapering down in 1HCY23 in the presence of less cheap liquidity. We maintain our loan growth projections listed in Exhibit 1 below.

Retail loans maintain still going strong… Retail loans grew by an excellent +7.5%yoy, its strongest performance since the start of the pandemic. This translates to +0.7%mom and an annualised growth figure of +6.5%. Hire purchase and residential mortgages continue to act as core drivers, though unsecured loans scored a stellar +4.8%mom increase.

Credit card loans make up 1.9% of system loans, up +15.5%yoy. Total purchases in Malaysia by local cardholders dipped slightly from Aug-22's peak, while purchases by foreign cardholders is flattish, comfortably at pre-pandemic levels.

…but business loans dip. Business loans dipped to +5.3%yoy (Annualised: +5.2%) – it rose by +0.5%mom. Working capital remained flattish on a mom basis, although non-residential mortgages, construction and securities loans saw decent growth.

Leading indicators moderate. Despite reporting robust figures, system loan applications contracted by -7%mom. Core contributors to the steep decline were contractions in hire purchase loans, residential mortgages. Working capital loan applications registered decent +5.4%mom growth, having contracted by -20%mom in Aug-22.

System loan approvals dropped by a steeper -14%mom following more restrictive financing from banks. Approval rates have gone down to 56.5% (from Aug-22's peak of 61.0%), with a notable reduction in business loan approval rate.

COMPANY IN FOCUS

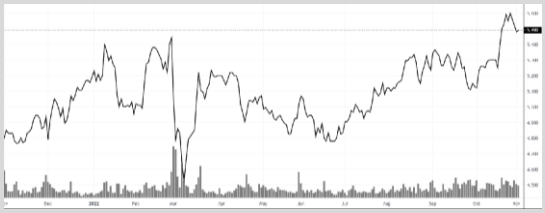
CIMB Group

Maintain **BUY** | Unchanged Target price: RM6.16

Price @ 2 November 2022: RM5.49

- Thai and Indonesian commercial loan rundown close to end, removing loan contraction pressure
- Effects of cost optimisation should elevate the sustainable ROE
- Proxy to lucrative Indonesian market

Share price chart



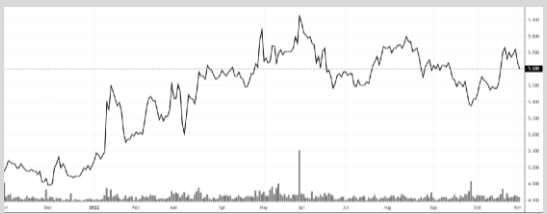
RHB Bank

Maintain **BUY** | Unchanged Target price: RM6.94

Price @ 2 November 2022: RM5.60

- High capital ratios equate to higher dividend payouts
- Ambitious plans in attractive Cambodian market
- Good headway in developing wealth management presence (especially for Islamic Wealth)

Share price chart



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Deposit growth trajectory maintained. Sep-22 system deposits rose by a fast pace of +7.5%yoy, +0.5%mom (Annualised: +6.7%). Growth was primarily driven by FDs (+1.0%mom), with CASA growth (-0.9%mom) reporting steady contractions. Coupled with dwindling loan growth, L/D ratio has fallen to 88.7%.

Impaired loans decline. GIL volume fell by -0.4%mom, with system GIL ratio falling by -2bps mom to 1.82%. Retail and Business loan GIL ratios declined by -1bps and -3bps respectively. Expect GIL ratio to creep up – the peak of which depends on the extent of economic downturn.

Deposit rates catch up. Interest spread narrowed by -4bps mom. ALR rose by +19bps mom. 3-month FD rate rose by +23bps mom. Interest spread will likely peak in 3QCY22 or 4QCY22, depending on how fast deposit competition is able to stabilise.

Maintain POSITIVE. While the sector must contend with rising deposit competition, normalisation of OPEX, and potential economic-downturn-induced provisioning and asset quality surprises in the following year, we nevertheless maintain our positive call premised on OPR-hike uplift to NII, improved fee income outlook and attractive dividend yields and valuations. Our top picks for the sector remain **CIMB (BUY, TP: RM6.16)** and **RHB (BUY, TP: RM6.94).**

PEER COMPARISON TABLE

Company	Rec.	Share P*	Target P	Upside	Mkt Cap	PER (x)		P/B (x)		ROE (%)		Net Div Yield (%)	
		(RM)	(RM)	(%)	(RM 'b)	FY22/23	FY23/24	FY22/23	FY23/24	FY22/23	FY23/24	FY22/23	FY23/24
Maybank	NEUTRAL	8.54	8.83	3.4	99.25	11.9	10.2	1.1	1.1	9.7	11.0	6.7	7.8
CIMB	BUY	5.49	6.16	12.2	55.02	10.6	9.0	0.9	0.8	8.6	9.6	4.7	5.5
Public Bk	BUY	4.45	5.67	27.5	86.38	14.7	12.7	1.7	1.6	11.9	12.9	3.4	3.9
RHB	BUY	5.60	6.94	24.0	22.68	8.4	6.9	0.8	0.7	9.3	10.7	5.9	7.2
HL Bank	BUY	20.84	23.96	15.0	45.18	11.7	10.8	1.3	1.2	11.8	11.8	3.0	3.2
HL FG	BUY	18.72	23.51	25.6	21.23	7.7	7.1	1.2	1.1	11.2	11.4	3.0	3.2
AMMB	BUY	4.00	4.56	14.0	13.20	8.2	7.5	0.7	0.7	9.3	9.6	4.3	4.7
BIMB	NEUTRAL	2.48	2.66	7.2	6.06	12.6	10.1	0.9	0.8	7.4	8.6	4.0	4.9
Affin Bk	BUY	2.23	2.55	14.3	4.71	8.5	6.9	0.5	0.4	5.5	6.5	7.0	4.3
ABMB	BUY	3.66	4.58	25.0	5.67	8.3	7.8	0.8	0.8	10.2	10.3	6.0	6.4
Simple avg						**10.3**	**8.9**	**1.0**	**0.9**	**9.5**	**10.3**	**4.8**	**5.1**

**Closing prices from 2nd November 2022*

Source: BNM, MIDFR

A. SYSTEM LOAN & CONSTITUENTS

Heatmaps visible here: (link)

EXHIBIT 1: CORE FIGURES & FORECASTS

Metric	Growth rates yoy (%)				YTD Ann.
	Sep-22	Aug-22	Jul-22	Jun-22	
Total loans	**6.4%**	**6.8%**	**5.9%**	**5.7%**	**5.8%**
Retail loans	7.5%	7.4%	6.9%	6.6%	6.5%
Business loans	5.3%	6.1%	4.7%	4.8%	5.2%
Total deposits	**7.4%**	**7.5%**	**6.2%**	**6.6%**	**6.7%**
CASA	3.7%	6.1%	6.7%	8.8%	2.4%
FD	4.9%	5.0%	3.5%	3.0%	5.3%
Total provisions	-0.1%	1.2%	1.8%	3.6%	2.0%
Total GIL	12.0%	7.6%	7.9%	16.4%	17.9%
Leading indicators					
3MA applications	53.7%	69.4%	60.9%	41.4%	22.3%
Retail	58.3%	85.3%	62.3%	38.0%	-2.3%
Business	49.2%	54.6%	59.3%	46.1%	59.4%
3MA approvals	63.4%	92.5%	88.2%	84.1%	45.7%
Retail	92.4%	125.2%	88.9%	58.9%	12.7%
Business	47.2%	72.5%	87.5%	115.8%	81.3%

Growth rates mom (%)			
Sep-22	Aug-22	Jul-22	Jun-22
0.6%	**0.7%**	**0.3%**	**0.7%**
0.7%	0.6%	0.5%	0.7%
0.5%	0.8%	0.1%	0.7%
1.5%	**1.3%**	**0.1%**	**0.8%**
-0.9%	-0.3%	-1.4%	0.7%
1.0%	0.7%	1.1%	0.7%
0.1%	1.1%	-0.1%	0.6%
-0.4%	0.2%	3.5%	0.7%

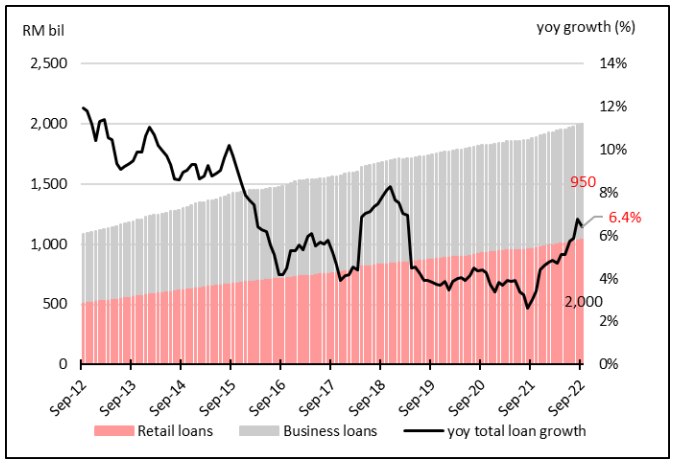
Other ratios	Sep-22	Aug-22	Jul-22	Jun-22	Dec-21
Interest spread	2.18%	2.22%	2.08%	2.00%	1.88%
Loan approval rate	57%	61%	49%	54%	52%
SME approval rate*	-	60%	58%	54%	53%
GIL ratio	1.82%	1.84%	1.85%	1.79%	1.68%
LLC ratio	98%	97%	96%	100%	109%
CASA ratio	31.7%	32.3%	32.8%	33.3%	32.4%
Loan/Deposit ratio	88.7%	89.0%	89.5%	89.3%	88.4%
CET 1	14.0%	14.4%	14.6%	14.3%	15.5%
Tier 1 Capital	14.6%	15.0%	15.2%	14.9%	16.0%
Total Capital	17.8%	18.1%	18.3%	18.0%	19.2%

**SME data may lag*

Metric	Period	Forecast	Previously
Loan growth	CY22	5.7-6.0%	
	CY23	4.5-5.0%	
GDP	CY22	6.6%	
	CY23	4.2%	
GIL ratio	CY22	<2.1%	
OPR	CY22	2.75%	
	1HCY23	3.00%	

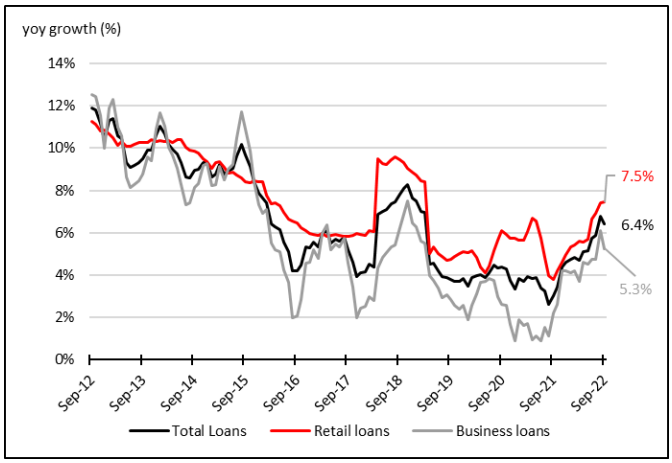
Source: BNM, MIDFR

EXHIBIT 2: SYSTEM LOANS



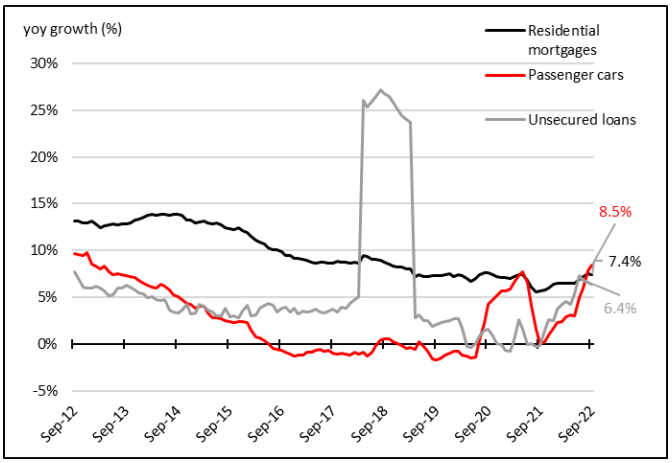
Source: BNM, MIDFR

EXHIBIT 3: RETAIL & BUSINESS LOAN GROWTH



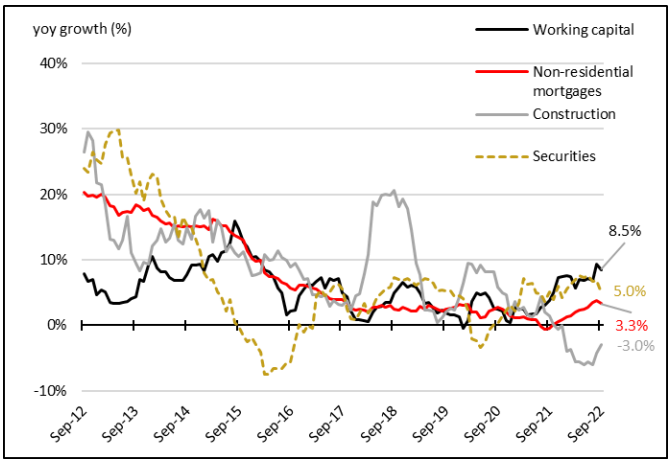
Source: BNM, MIDFR

EXHIBIT 4: RETAIL LOAN CONSTIUTENTS



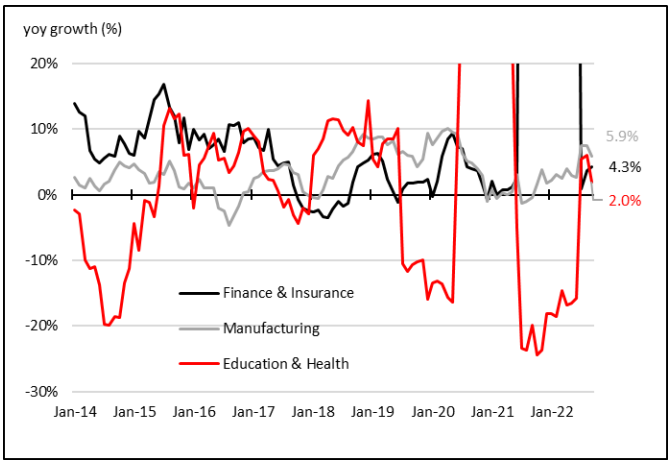
Source: BNM, MIDFR

EXHIBIT 5: BUSINESS LOAN CONSTITUENTS



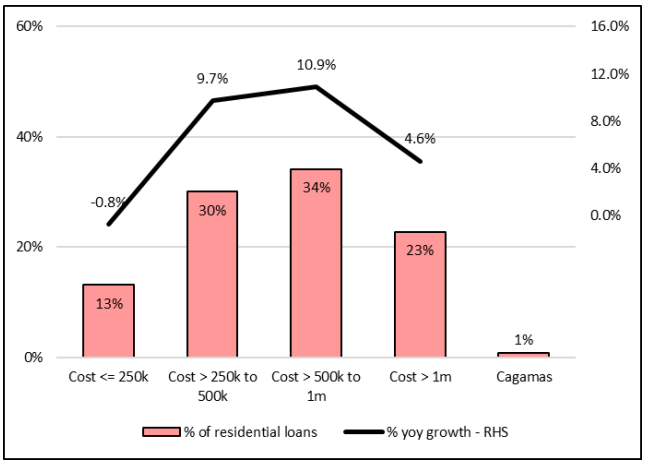
Source: BNM, MIDFR

EXHIBIT 6: LOAN GROWTH OF OTHER SECTORS



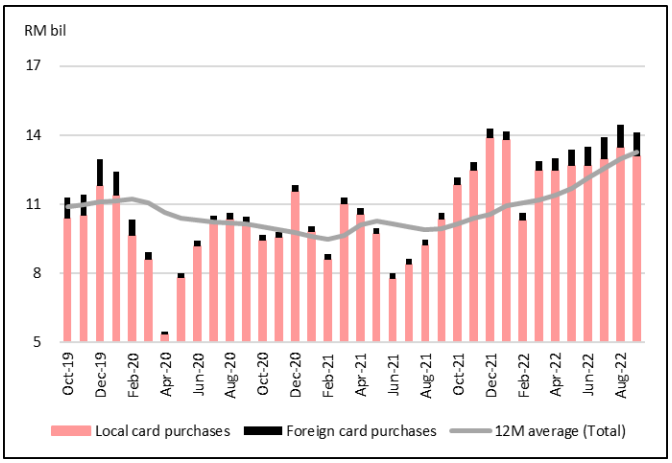
Source: BNM, MIDFR

EXHIBIT 7: RESIDENTIAL LOANS BY SEGMENT



Source: BNM, MIDFR

EXHIBIT 8: CREDIT CARD PURCHASES

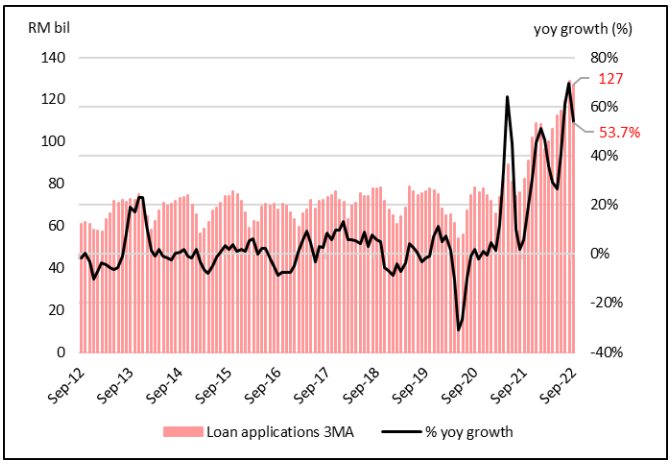


Source: BNM, MIDFR

B. LEADING INDICATOR TRENDS

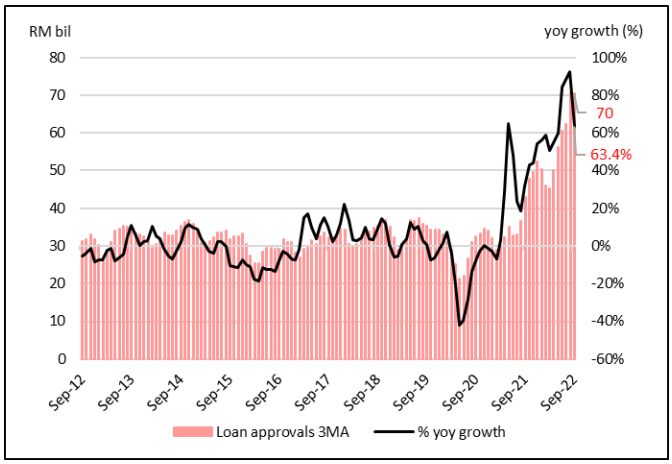
Heatmaps visible here: (link)

EXHIBIT 9: APPLICATIONS (3-M MOVING AVERAGE)



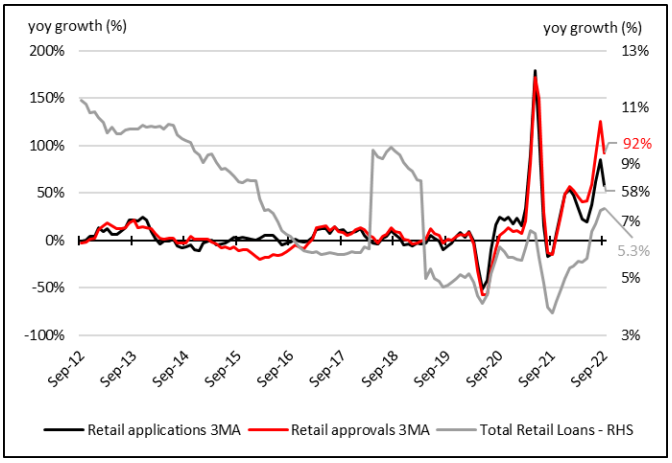
Source: BNM, MIDFR

EXHIBIT 10: APPROVALS (3-M MOVING AVERAGE)



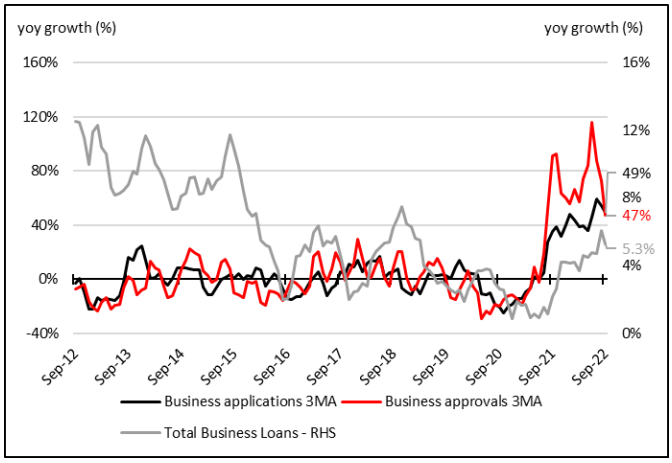
Source: BNM, MIDFR

EXHIBIT 11: RETAIL LOAN INDICATORS



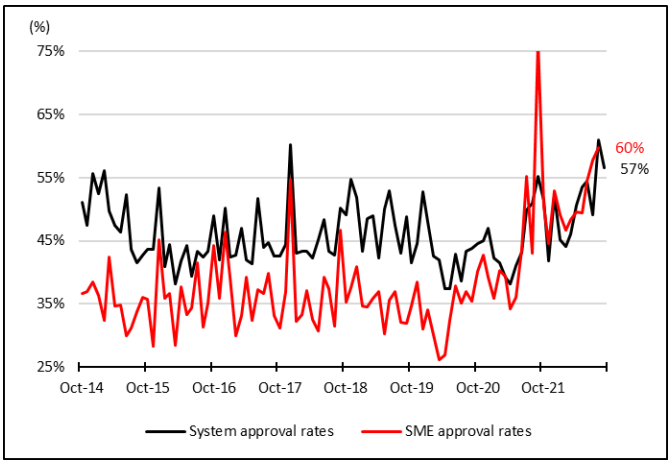
Source: BNM, MIDFR

EXHIBIT 12: BUSINESS LOAN INDICATORS



Source: BNM, MIDFR

EXHIBIT 13: SYSTEM & SME APPROVAL RATES

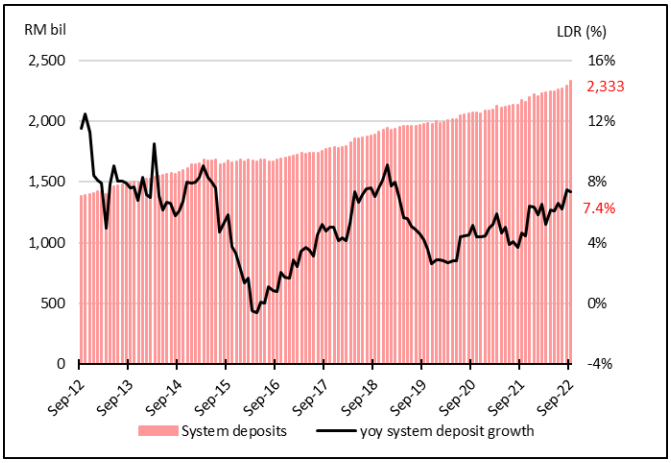


Source: BNM, MIDFR

C. DEPOSITS & LIQUIDITY

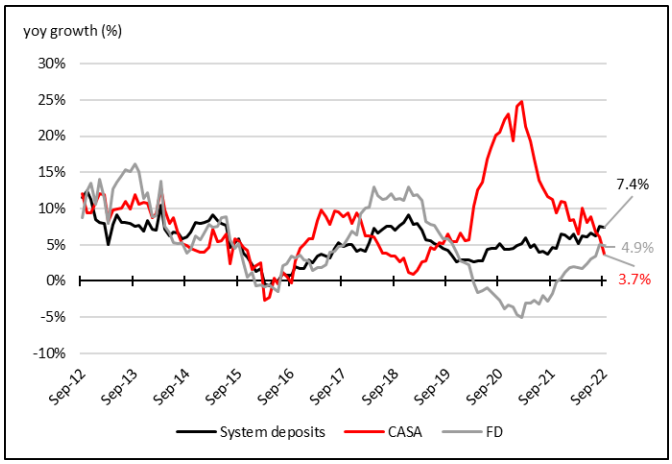
Heatmaps visible here: (link)

EXHIBIT 14: SYSTEM DEPOSITS & LDR



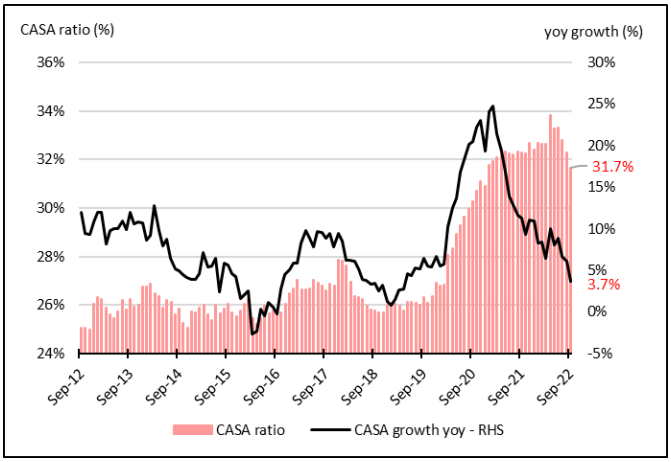
Source: BNM, MIDFR

EXHIBIT 15: CASA & FD GROWTH



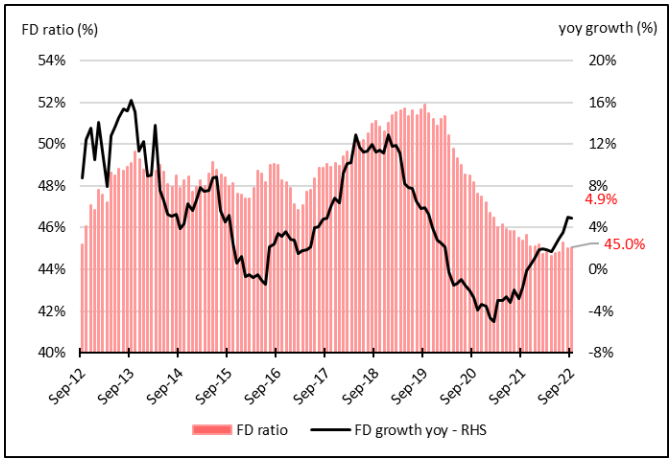
Source: BNM, MIDFR

EXHIBIT 16: CASA RATIO



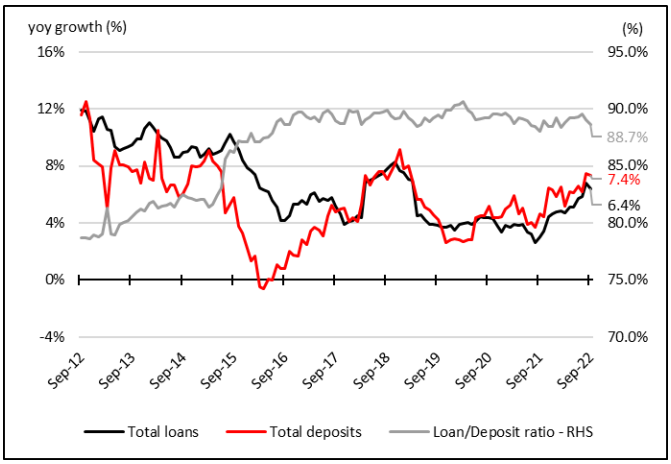
Source: BNM, MIDFR

EXHIBIT 17: FD RATIO



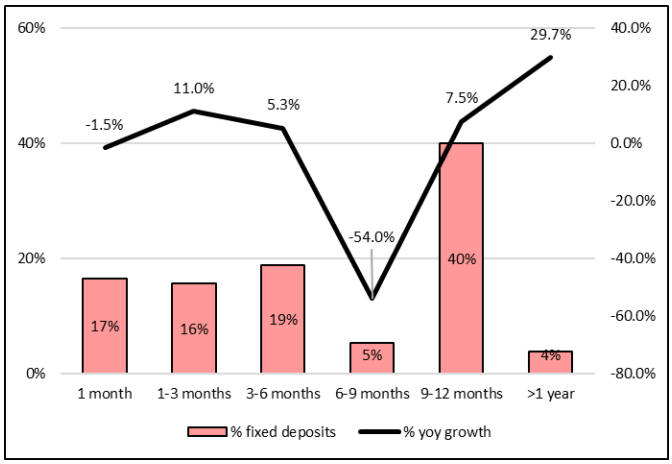
Source: BNM, MIDFR

EXHIBIT 18: LOAN/DEPOSIT RATIO



Source: BNM, MIDFR

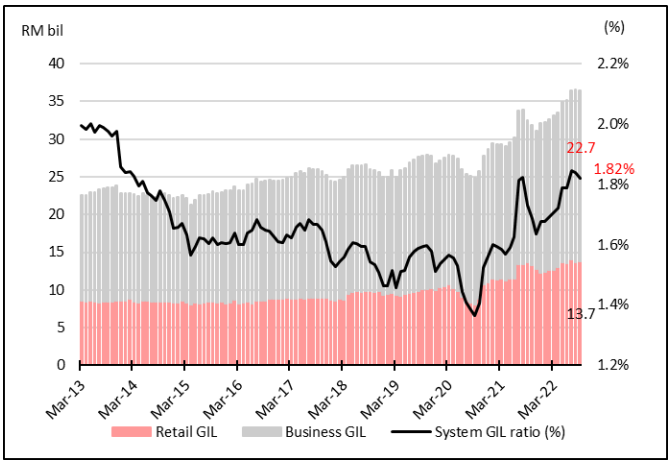
EXHIBIT 19: FIXED DEPOSITS BY MATURITY



D. ASSET QUALITY & PROVISIONING

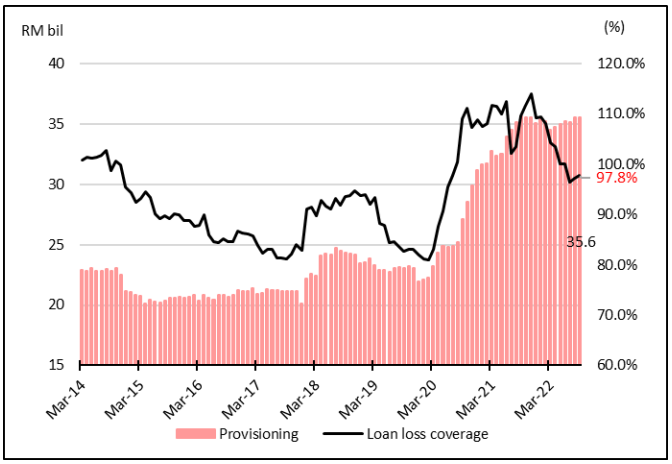
Heatmaps visible here: (link)

EXHIBIT 20: SYSTEM GROSS IMPAIRED LOANS



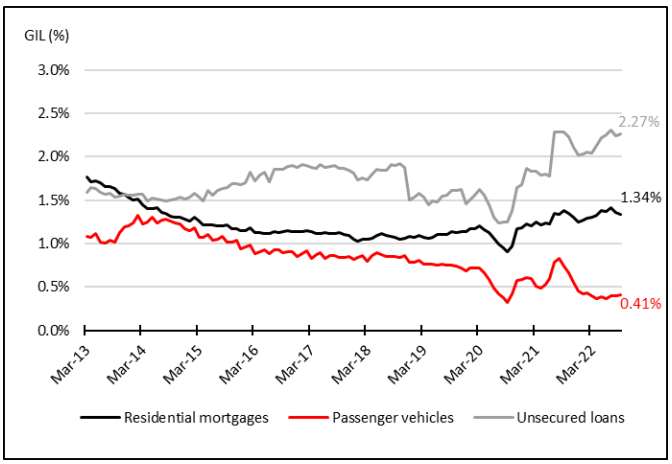
Source: BNM, MIDFR

EXHIBIT 21: PROVISIONS & LOAN LOSS COVERAGE



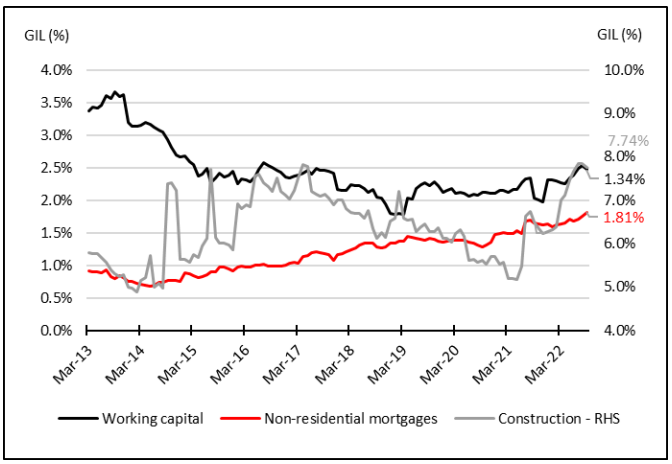
Source: BNM, MIDFR

EXHIBIT 22: RETAIL GIL RATIOS



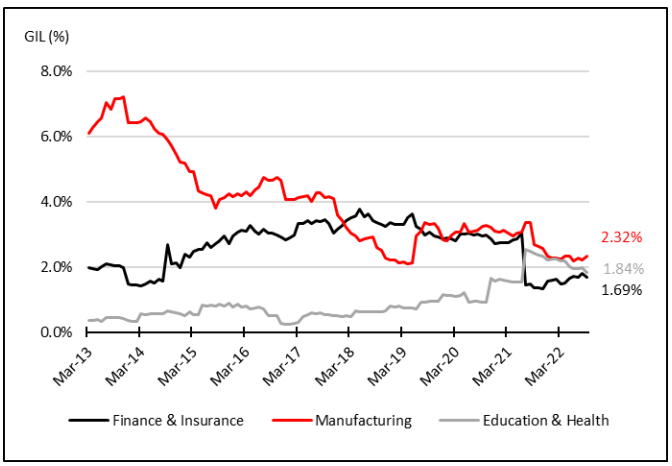
Source: BNM, MIDFR

EXHIBIT 23: BUSINESS GIL RATIOS



Source: BNM, MIDFR

EXHIBIT 24: GIL RATIOS OF OTHER SECTORS

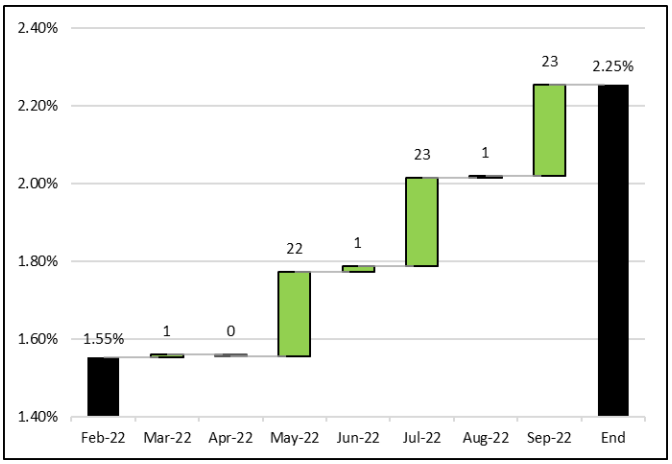


Source: BNM, MIDFR

E. INTEREST SPREAD AND CAPITAL

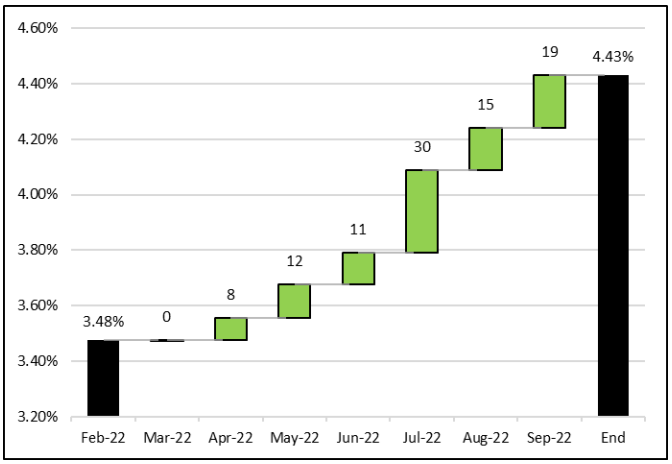
Heatmaps visible here: (link)

EXHIBIT 25: CHANGES IN 3-MONTH FD RATE



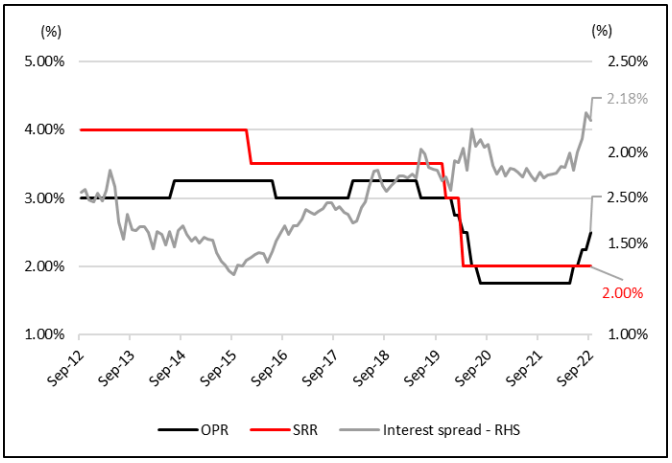
Source: BNM, MIDFR

EXHIBIT 26: CHANGES IN AVERAGE LENDING RATE



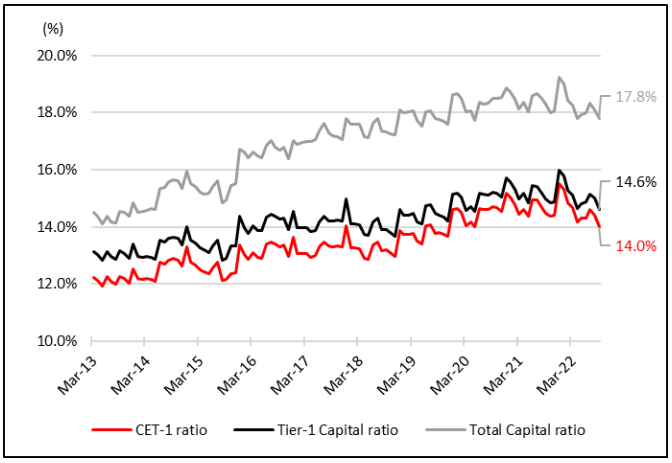
Source: BNM, MIDFR

EXHIBIT 27: INTEREST SPREAD, OPR, SRR



Source: BNM, MIDFR

EXHIBIT 28: CAPITAL RATIOS



Source: BNM, MIDFR

F. SERIES OF HEATMAPS

EXHIBIT 29: SYSTEM LOANS

	Total loans (RM b)	Growth (yoy)	Growth (mom)	Retail			Business		
				Growth (yoy)	Growth (mom)	% of total	Growth (yoy)	Growth (mom)	% of total
Oct-20	1,827	4.3%	0.1%	5.9%	0.4%	51.7%	2.6%	-0.1%	48.3%
Nov-20	1,825	3.8%	-0.1%	5.8%	0.4%	51.9%	1.7%	-0.6%	48.1%
Dec-20	1,831	3.4%	0.3%	5.7%	0.5%	52.0%	0.9%	0.1%	48.0%
Jan-21	1,838	3.8%	0.4%	5.7%	0.3%	52.0%	1.9%	0.5%	48.0%
Feb-21	1,840	3.7%	0.1%	5.6%	0.2%	52.0%	1.6%	0.0%	48.0%
Mar-21	1,854	3.9%	0.7%	6.1%	0.5%	51.9%	1.7%	1.0%	48.1%
Apr-21	1,854	3.9%	0.0%	6.7%	0.5%	52.1%	0.9%	-0.5%	47.9%
May-21	1,859	3.9%	0.3%	6.6%	0.2%	52.1%	1.1%	0.3%	47.9%
Jun-21	1,861	3.4%	0.1%	5.8%	-0.2%	51.9%	0.9%	0.4%	48.1%
Jul-21	1,865	3.2%	0.2%	4.8%	0.3%	52.0%	1.6%	0.2%	48.0%
Aug-21	1,862	2.6%	-0.1%	4.0%	0.1%	52.1%	1.1%	-0.4%	47.9%
Sep-21	1,879	3.0%	0.9%	3.8%	0.6%	52.0%	2.2%	1.3%	48.0%
Oct-21	1,889	3.4%	0.5%	4.2%	0.8%	52.1%	2.6%	0.3%	47.9%

Nov-21	1,906	4.4%	0.9%	4.6%	0.8%	52.0%	4.2%	1.0%	48.0%
Dec-21	1,916	4.6%	0.5%	5.0%	0.9%	52.2%	4.2%	0.1%	47.8%
Jan-22	1,926	4.8%	0.5%	5.4%	0.6%	52.3%	4.1%	0.5%	47.7%
Feb-22	1,929	4.8%	0.2%	5.4%	0.2%	52.3%	4.2%	0.1%	47.7%
Mar-22	1,941	4.7%	0.6%	5.6%	0.6%	52.3%	3.7%	0.6%	47.7%
Apr-22	1,949	5.1%	0.4%	5.6%	0.5%	52.4%	4.6%	0.3%	47.6%
May-22	1,954	5.1%	0.3%	5.7%	0.3%	52.4%	4.5%	0.2%	47.6%
Jun-22	1,967	5.7%	0.7%	6.6%	0.7%	52.4%	4.8%	0.7%	47.6%
Jul-22	1,974	5.9%	0.3%	6.9%	0.5%	52.5%	4.7%	0.1%	47.5%
Aug-22	1,988	6.8%	0.7%	7.4%	0.6%	52.4%	6.1%	0.8%	47.6%
Sep-22	2,000	6.4%	0.6%	7.5%	0.7%	52.5%	5.3%	0.5%	47.5%

Source: BNM, MIDFR

EXHIBIT 30: YOY LOAN GROWTH BY PURPOSE

	Retail			Business			
	Residential property	Passenger car	Unsecured loans	Working capital	Non-residential property	Construction	Securities
Oct-20	7.4%	4.1%	0.9%	2.2%	2.5%	5.0%	1.5%
Nov-20	7.2%	4.5%	0.0%	0.8%	2.0%	4.7%	2.3%
Dec-20	7.1%	5.0%	-0.1%	0.5%	1.5%	1.6%	3.0%
Jan-21	7.1%	5.1%	-0.7%	2.8%	1.2%	3.7%	2.2%
Feb-21	7.0%	5.3%	-0.8%	2.4%	1.1%	2.4%	3.4%
Mar-21	7.2%	6.0%	0.5%	2.4%	1.2%	2.8%	7.1%
Apr-21	7.4%	7.1%	2.6%	1.6%	1.0%	1.5%	6.2%
May-21	7.4%	7.4%	1.5%	1.7%	0.9%	1.3%	6.4%
Jun-21	6.8%	6.5%	-0.1%	1.7%	0.9%	1.9%	5.0%
Jul-21	6.1%	4.2%	0.0%	2.8%	-0.1%	4.3%	4.8%
Aug-21	5.6%	1.5%	-0.3%	3.0%	-0.6%	2.0%	3.6%
Sep-21	5.6%	0.0%	-0.1%	3.8%	-0.4%	1.5%	5.1%
Oct-21	5.8%	0.3%	1.4%	4.9%	0.1%	0.1%	4.0%
Nov-21	6.0%	0.9%	2.6%	7.2%	0.6%	-0.7%	6.0%
Dec-21	6.4%	1.8%	2.5%	7.4%	0.8%	-0.1%	4.2%
Jan-22	6.5%	2.3%	3.7%	7.5%	1.3%	-3.9%	5.5%
Feb-22	6.5%	2.6%	4.2%	7.4%	1.4%	-3.7%	6.2%
Mar-22	6.5%	3.1%	4.5%	5.6%	2.0%	-5.6%	7.0%
Apr-22	6.5%	3.4%	4.2%	7.1%	2.3%	-5.6%	7.5%
May-22	6.5%	3.4%	5.3%	6.9%	2.5%	-6.0%	7.3%
Jun-22	6.9%	5.4%	7.3%	7.2%	2.8%	-5.6%	7.6%
Jul-22	7.2%	6.3%	6.8%	6.9%	3.4%	-6.0%	6.7%
Aug-22	7.5%	8.1%	6.6%	9.4%	3.8%	-4.3%	6.8%
Sep-22	7.4%	8.7%	6.4%	8.5%	3.3%	-3.0%	5.0%

Source: BNM, MIDFR

EXHIBIT 31: MOM LOAN GROWTH BY PURPOSE

	Retail			Business			
	Residential property	Passenger car	Unsecured loans	Working capital	Non-residential property	Construction	Securities
Oct-20	0.5%	0.5%	-0.8%	-0.1%	-0.3%	-0.6%	1.8%
Nov-20	0.5%	0.4%	-0.8%	-0.9%	-0.2%	0.2%	0.7%
Dec-20	0.6%	0.3%	-0.1%	0.0%	0.0%	-0.9%	0.5%
Jan-21	0.5%	0.1%	-8.0%	1.0%	-0.2%	2.4%	-0.8%
Feb-21	0.4%	-0.1%	-8.2%	0.5%	0.0%	-0.7%	-0.8%
Mar-21	0.6%	0.2%	-4.8%	2.2%	0.0%	1.2%	-0.3%
Apr-21	0.6%	0.5%	-3.0%	-0.6%	-0.2%	-0.4%	-0.1%
May-21	0.4%	0.3%	-4.5%	0.6%	0.0%	0.4%	0.3%
Jun-21	0.2%	-1.0%	-5.8%	0.8%	0.1%	0.1%	-0.3%
Jul-21	0.3%	-0.5%	-3.0%	-0.3%	-0.4%	1.9%	1.1%
Aug-21	0.3%	-0.9%	-1.4%	-0.4%	0.0%	-1.7%	0.4%
Sep-21	0.7%	0.2%	-0.3%	0.9%	0.8%	-0.5%	2.5%
Oct-21	0.7%	0.7%	1.1%	1.1%	0.2%	-1.9%	0.7%
Nov-21	0.7%	1.0%	2.1%	1.2%	0.3%	-0.6%	2.7%
Dec-21	0.9%	1.1%	2.5%	0.1%	0.2%	-0.2%	-1.2%
Jan-22	0.6%	0.6%	6.2%	1.1%	0.3%	-1.6%	0.4%
Feb-22	0.4%	0.0%	1.7%	0.4%	0.1%	-0.4%	-0.1%

Mar-22	0.6%	0.8%	2.9%	0.5%	0.6%	-0.7%	0.4%
Apr-22	0.5%	0.7%	1.9%	0.7%	0.1%	-0.4%	0.4%
May-22	0.4%	0.2%	2.0%	0.4%	0.2%	0.0%	0.1%
Jun-22	0.6%	0.8%	3.4%	1.1%	0.3%	0.5%	-0.1%
Jul-22	0.5%	0.5%	4.1%	-0.5%	0.2%	1.5%	0.3%
Aug-22	0.5%	0.8%	4.6%	1.9%	0.3%	0.0%	0.5%
Sep-22	0.6%	0.8%	4.8%	0.1%	0.3%	0.9%	0.7%

Source: BNM, MIDFR

EXHIBIT 32: LOAN APPLICATIONS & APPROVALS

	Applied (RM b)	Growth (yoy)	Growth (mom)	Approved (RM b)	Growth (yoy)	Growth (mom)
Oct-20	76.7	-6%	-5%	34.2	1%	-3%
Nov-20	75.9	-5%	-1%	34.2	-4%	0%
Dec-20	71.7	12%	-6%	33.7	0%	-1%
Jan-21	67.4	10%	-6%	28.5	-3%	-15%
Feb-21	59.0	-16%	-12%	24.5	-18%	-14%
Mar-21	94.2	44%	60%	36.9	34%	50%
Apr-21	93.6	92%	-1%	35.7	96%	-3%
May-21	79.6	64%	-15%	32.7	80%	-8%
Jun-21	70.0	-1%	-12%	30.2	0%	-8%
Jul-21	73.2	-12%	5%	36.6	14%	21%
Aug-21	85.0	20%	16%	43.3	41%	19%
Sep-21	89.4	11%	5%	49.3	40%	14%
Oct-21	98.9	29%	11%	50.8	49%	3%
Nov-21	117.0	54%	18%	49.0	43%	-4%
Dec-21	110.2	54%	-6%	57.5	71%	18%
Jan-22	97.9	45%	-11%	44.2	55%	-23%
Feb-22	81.8	39%	-16%	36.1	47%	-18%
Mar-22	120.1	27%	47%	55.3	50%	53%
Apr-22	116.9	25%	-3%	59.1	66%	7%
May-22	100.9	27%	-14%	54.0	65%	-9%
Jun-22	126.0	80%	25%	68.5	127%	27%
Jul-22	131.6	80%	4%	64.7	77%	-5%
Aug-22	129.0	52%	-2%	78.7	82%	22%
Sep-22	120.0	34%	-7%	67.8	37%	-14%

Source: BNM, MIDFR

EXHIBIT 33: LOAN APPROVAL RATES

	System loans	Retail loans	Business loans	SME loans
Oct-20	44.6%	42.4%	47.7%	40.2%
Nov-20	45.0%	42.4%	48.4%	42.7%
Dec-20	47.0%	39.7%	58.0%	39.3%
Jan-21	42.3%	38.6%	48.0%	35.8%
Feb-21	41.6%	42.6%	40.3%	40.3%
Mar-21	39.1%	35.2%	44.9%	39.4%
Apr-21	38.2%	37.7%	38.9%	34.2%
May-21	41.1%	39.6%	43.3%	36.0%
Jun-21	43.2%	39.2%	47.9%	43.7%
Jul-21	49.9%	37.0%	61.8%	55.2%
Aug-21	51.0%	37.2%	61.5%	43.0%
Sep-21	55.2%	39.6%	74.8%	76.5%
Oct-21	51.4%	40.9%	68.3%	50.4%
Nov-21	41.8%	40.9%	43.1%	44.5%
Dec-21	52.2%	42.9%	66.6%	53.0%
Jan-22	45.2%	39.8%	53.8%	49.2%
Feb-22	44.1%	41.2%	48.0%	46.6%
Mar-22	46.0%	43.1%	49.7%	48.4%
Apr-22	50.6%	45.6%	56.5%	49.6%
May-22	53.5%	43.7%	68.3%	49.3%
Jun-22	54.4%	44.5%	67.4%	54.5%
Jul-22	49.2%	47.1%	51.2%	57.8%
Aug-22	61.0%	46.5%	77.3%	59.8%
Sep-22	56.5%	45.3%	67.9%	-

Source: BNM, MIDFR

EXHIBIT 34: YOY LOAN APPLICATION GROWTH BY PURPOSE

	Retail			Business			
	Residential property	Passenger car	Unsecured loans	Working capital	Non-residential property	Construction	Securities
Oct-20	19%	17%	-13%	-12%	-21%	-13%	-49%
Nov-20	27%	32%	-9%	-22%	-31%	22%	34%
Dec-20	34%	25%	-1%	-18%	-2%	41%	7%
Jan-21	62%	8%	-8%	-15%	4%	-39%	-15%
Feb-21	2%	-18%	-15%	-37%	-25%	19%	-3%
Mar-21	103%	104%	21%	-21%	33%	62%	133%
Apr-21	451%	1527%	206%	-44%	398%	80%	156%
May-21	216%	169%	127%	-36%	201%	98%	19%
Jun-21	7%	-53%	11%	-18%	52%	31%	113%
Jul-21	-15%	-67%	-26%	-11%	43%	55%	13%
Aug-21	-7%	-41%	-19%	72%	18%	110%	82%
Sep-21	5%	8%	-16%	23%	28%	11%	-20%
Oct-21	35%	72%	6%	17%	43%	-6%	28%
Nov-21	68%	67%	15%	29%	50%	-34%	116%
Dec-21	65%	65%	16%	79%	54%	-33%	-5%
Jan-22	48%	84%	19%	29%	24%	39%	47%
Feb-22	37%	81%	15%	58%	29%	-13%	12%
Mar-22	19%	31%	14%	72%	26%	-6%	-3%
Apr-22	11%	28%	8%	69%	18%	23%	-1%
May-22	18%	72%	23%	48%	15%	7%	2%
Jun-22	72%	297%	44%	67%	62%	201%	21%
Jul-22	57%	327%	65%	112%	33%	304%	6%
Aug-22	63%	203%	84%	13%	77%	192%	-36%
Sep-22	10%	35%	49%	50%	37%	149%	53%

Source: BNM, MIDFR

EXHIBIT 35: LOAN APPROVAL GROWTH YOY BY PURPOSE

	Retail			Business			
	Residential property	Passenger car	Unsecured loans	Working capital	Non-residential property	Construction	Securities
Oct-20	6%	34%	-14%	6%	-19%	-39%	24%
Nov-20	10%	37%	-14%	-10%	-23%	-13%	-21%
Dec-20	11%	33%	-6%	-2%	-37%	-26%	-26%
Jan-21	26%	3%	-18%	-27%	10%	-15%	-17%
Feb-21	16%	-9%	-26%	-22%	-1%	-51%	-32%
Mar-21	69%	87%	6%	4%	57%	60%	19%
Apr-21	404%	2737%	219%	-31%	74%	117%	164%
May-21	252%	228%	116%	-21%	221%	114%	103%
Jun-21	69%	-48%	1%	-45%	125%	-26%	41%
Jul-21	2%	-69%	-41%	66%	104%	164%	37%
Aug-21	-9%	-42%	-31%	121%	52%	42%	98%
Sep-21	7%	10%	-23%	58%	122%	63%	9%
Oct-21	33%	46%	1%	88%	68%	41%	35%
Nov-21	64%	54%	8%	25%	98%	10%	0%
Dec-21	89%	64%	11%	118%	94%	-14%	15%
Jan-22	48%	83%	22%	67%	84%	-28%	114%
Feb-22	25%	83%	6%	73%	79%	50%	57%
Mar-22	54%	54%	15%	59%	68%	33%	-3%
Apr-22	34%	52%	26%	171%	81%	35%	6%
May-22	35%	56%	33%	83%	71%	81%	35%
Jun-22	80%	355%	60%	184%	139%	267%	19%
Jul-22	83%	455%	98%	5%	52%	313%	18%
Aug-22	94%	272%	110%	100%	89%	130%	-25%
Sep-22	28%	50%	60%	30%	18%	308%	-7%

Source: BNM, MIDFR

EXHIBIT 36: SYSTEM DEPOSITS

	Total deposits (RM b)	Growth (yoy)	Growth (mom)	L/D Ratio
Oct-20	2,071	4.4%	-0.2%	89.5%
Nov-20	2,068	4.4%	-0.2%	89.6%
Dec-20	2,089	4.4%	1.1%	89.5%
Jan-21	2,085	5.0%	-0.2%	89.7%
Feb-21	2,097	5.2%	0.6%	89.3%
Mar-21	2,129	5.9%	1.5%	88.7%
Apr-21	2,113	4.6%	-0.8%	89.2%
May-21	2,119	5.0%	0.3%	89.1%
Jun-21	2,126	3.9%	0.3%	88.9%
Jul-21	2,137	4.0%	0.5%	88.6%
Aug-21	2,138	3.7%	0.1%	88.5%
Sep-21	2,173	4.7%	1.7%	88.1%
Oct-21	2,164	4.4%	-0.5%	88.9%
Nov-21	2,200	6.4%	1.7%	88.4%
Dec-21	2,222	6.3%	1.0%	88.4%
Jan-22	2,207	5.8%	-0.7%	89.2%
Feb-22	2,233	6.5%	1.2%	88.4%
Mar-22	2,240	5.2%	0.3%	88.8%
Apr-22	2,243	6.2%	0.1%	89.2%
May-22	2,248	6.1%	0.2%	89.2%
Jun-22	2,266	6.6%	0.8%	89.3%
Jul-22	2,269	6.2%	0.1%	89.5%
Aug-22	2,298	7.5%	1.3%	89.0%
Sep-22	2,333	7.4%	1.5%	88.7%

Source: BNM, MIDFR

EXHIBIT 37: CASA & FD RATIOS

	CASA (RM b)	Growth (yoy)	Growth (mom)	CASA ratio	FD (RM b)	Growth (yoy)	Growth (mom)	FD ratio
Oct-20	626	22.2%	1.1%	30.7%	972	-3.9%	-1.4%	47.6%
Nov-20	634	23.0%	1.3%	31.1%	968	-3.4%	-0.4%	47.5%
Dec-20	633	19.3%	-0.2%	30.9%	967	-3.6%	-0.2%	47.2%
Jan-21	652	24.1%	3.0%	31.8%	958	-4.6%	-0.9%	46.7%
Feb-21	658	24.8%	0.9%	31.9%	958	-5.0%	0.0%	46.5%
Mar-21	670	21.4%	1.9%	32.1%	962	-3.0%	0.5%	46.0%
Apr-21	671	19.3%	0.1%	32.3%	959	-3.0%	-0.4%	46.2%
May-21	674	16.8%	0.5%	32.3%	958	-2.6%	0.0%	45.9%
Jun-21	674	14.0%	0.0%	32.2%	959	-3.2%	0.1%	45.8%
Jul-21	678	12.9%	0.5%	32.2%	965	-2.0%	0.6%	45.8%
Aug-21	680	11.7%	0.3%	32.3%	958	-2.8%	-0.7%	45.5%
Sep-21	689	11.3%	1.4%	32.3%	968	-1.7%	1.1%	45.4%
Oct-21	685	9.4%	-0.6%	32.2%	970	-0.2%	0.2%	45.7%
Nov-21	704	11.1%	2.8%	32.7%	972	0.4%	0.2%	45.1%
Dec-21	702	10.9%	-0.3%	32.4%	977	1.1%	0.6%	45.1%
Jan-22	706	8.3%	0.6%	32.7%	976	1.9%	-0.1%	45.2%
Feb-22	713	8.4%	1.0%	32.7%	976	2.0%	0.0%	44.7%
Mar-22	713	6.4%	0.1%	32.6%	980	1.8%	0.3%	44.8%
Apr-22	739	10.1%	3.5%	33.8%	975	1.7%	-0.5%	44.6%
May-22	729	8.1%	-1.3%	33.3%	981	2.3%	0.6%	44.8%
Jun-22	734	8.8%	0.7%	33.3%	988	3.0%	0.7%	44.8%
Jul-22	724	6.7%	-1.4%	32.8%	998	3.5%	1.1%	45.3%
Aug-22	721	6.1%	-0.3%	32.3%	1,006	5.0%	0.7%	45.0%
Sep-22	715	3.7%	-0.9%	31.7%	1,016	4.9%	1.0%	45.0%

Source: BNM, MIDFR

EXHIBIT 38: IMPAIRED LOANS AND LOAN LOSS COVERAGE

	Impaired Loans/ Financing (RM b)	Growth (mom)	GIL Ratio	Total Provisions (RM b)	Loan loss coverage ratio
Oct-20	25.7	3.3%	1.41%	28.6	111%
Nov-20	27.8	8.3%	1.53%	29.9	107%
Dec-20	28.6	2.8%	1.56%	31.2	109%
Jan-21	29.4	2.8%	1.60%	31.7	108%
Feb-21	29.3	-0.3%	1.59%	31.7	108%
Mar-21	29.4	0.0%	1.58%	32.8	112%
Apr-21	29.1	-1.0%	1.57%	32.4	111%
May-21	29.6	1.9%	1.59%	32.5	110%
Jun-21	30.2	2.1%	1.62%	34.0	112%
Jul-21	33.8	11.8%	1.81%	34.5	102%
Aug-21	34.0	0.5%	1.82%	35.1	103%
Sep-21	32.5	-4.3%	1.73%	35.6	110%
Oct-21	31.9	-2.0%	1.69%	35.6	112%
Nov-21	31.2	-2.2%	1.64%	35.5	114%
Dec-21	32.1	3.0%	1.68%	35.1	109%
Jan-22	32.3	0.7%	1.68%	35.4	109%
Feb-22	32.6	1.0%	1.69%	35.3	108%
Mar-22	33.1	1.4%	1.71%	34.5	104%
Apr-22	33.5	1.3%	1.72%	34.7	104%
May-22	35.0	4.2%	1.79%	35.0	100%
Jun-22	35.2	0.7%	1.79%	35.2	100%
Jul-22	36.4	3.5%	1.85%	35.2	96%
Aug-22	36.5	0.2%	1.84%	35.5	97%
Sep-22	36.4	-0.4%	1.82%	35.6	98%

Source: BNM, MIDFR

EXHIBIT 39: ALR, 3M FD RATES & INTEREST SPREAD

	Average lending rate	3-month FD rate	Interest spread
Oct-20	3.53%	1.59%	1.93%
Nov-20	3.51%	1.63%	1.88%
Dec-20	3.51%	1.58%	1.93%
Jan-21	3.44%	1.57%	1.87%
Feb-21	3.49%	1.58%	1.91%
Mar-21	3.47%	1.56%	1.91%
Apr-21	3.45%	1.56%	1.89%
May-21	3.42%	1.56%	1.86%
Jun-21	3.47%	1.56%	1.91%
Jul-21	3.43%	1.56%	1.87%
Aug-21	3.40%	1.55%	1.85%
Sep-21	3.45%	1.56%	1.89%
Oct-21	3.42%	1.56%	1.86%
Nov-21	3.44%	1.56%	1.88%
Dec-21	3.45%	1.57%	1.88%
Jan-22	3.44%	1.55%	1.89%
Feb-22	3.48%	1.55%	1.92%
Mar-22	3.48%	1.56%	1.92%
Apr-22	3.56%	1.56%	2.00%
May-22	3.68%	1.77%	1.91%
Jun-22	3.79%	1.79%	2.00%
Jul-22	4.09%	2.01%	2.08%
Aug-22	4.24%	2.02%	2.22%
Sep-22	4.43%	2.25%	2.18%

Source: BNM, MIDFR

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MIDF AMANAH INVESTMENT BANK: GUIDE TO RECOMMENDATIONS	
STOCK RECOMMENDATIONS	
BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	Stock price is expected to *rise* by >10% within 3-months after a Trading Buy rating has been assigned due to positive newsflow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	Stock price is expected to *fall* by >10% within 3-months after a Trading Sell rating has been assigned due to negative newsflow.
SECTOR RECOMMENDATIONS	
POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.
ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell	
☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology