Banking

NEUTRAL (Maintain)

1Q25 Wrap: NIM Compression Persists

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HIGHLIGHTS

- **Earnings summary: A solid quarter, with industry-wide NIM compression being offset by strong non-fee NOII performance and large recoveries.**
- **Balance Sheet summary: Asset quality saw slight worsening in most banks, though huge improvements were seen in a few smaller names. Domestic loan growth was dragged by weak overseas performance. Deposit growth was varied across all banks, with deposit competition limiting growth.**
- **Management's latest guidance: Mostly neutral, but it was a lot more optimistic previously. Expect a repeat of trends seen in 1QCY25. Expect NIM to further compress, non-fee NOII windfall to offset weak fee income, and recoveries to result in provisioning writeback. Loan growth performance will be varied across banks, but the outlook is less optimistic than before.**
- **Maintain NEUTRAL call: Industry-wide headwinds may be offset by some tailwinds seen in certain banks. Unfortunately, geopolitical risks and a weak economic outlook are expected to keep valuations from rerating.**

Our Verdict	**What was once supposed to be an excellent year for banking stocks is now looking to be merely a decent one. We do believe in positive surprises in the form of recoveries and non-fee NOII windfall, but we avoid these in our base-case forecasts. We still like the sector for its defensive properties, given its high dividend yields.** **We continue to advocate for a bottom-up approach to stocks, given the presence of industry-wide headwinds, while tailwinds vary on a case-by-case basis. An improved economic and geopolitical outlook remains the core rerating driver, but we do not expect this anytime soon.**
Core Themes	1. ▲ Dividend yields remain especially attractive, with several banks intending to increase payouts. 2. ► Some loan growth figures have been negatively revised. 3. ► Neutral on NOII: Weakness in fee income may be offset by better non-fee windfall. 4. ► Neutral provisioning outlook, though recoveries provide more upside risk. 5. ▼ NIM compression is guided by most banks. 6. ▼ Geopolitical risks (both at home and abroad) as well as a weaker economic outlook to keep valuations depressed.

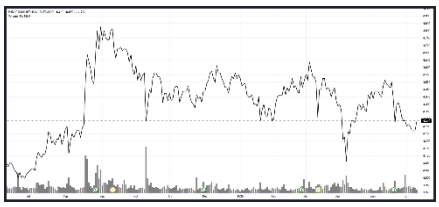
COMPANY *IN FOCUS*

Public Bank

Maintain BUY | Target Price: RM4.77
Price @ 11 June 2025: RM4.31

- Defensive pick, given its excellent asset quality and NCC.
- The Group is always retail-led, hence less dependent on business loans.
- Solid dividend yields, with payout expected to increase over time.

SHARE PRICE CHART



HL Bank

Maintain BUY | Target Price: RM23.09
Price @ 11 June 2025: RM19.52

- Defensive pick, given its excellent asset quality and NCC.
- We see an extremely high rate of income growth being maintained.
- Rising dividend yields are expected.

SHARE PRICE CHART

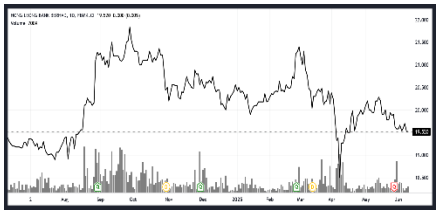


FIG 1: Quarterly Scorecard

	MAY	CIMB	PBK	RHB	HLBK	AMMB	BIMB	AFFIN	ABMB
1. Forward Guidance	►	▲	►	►	▲	►	►	▼	▲
▲► MOSTLY NEUTRAL, SOME POSITIVES	Most banks warned of compressing NIMs and (to a smaller extent) weaker loan growth, but this is usually offset by other things: either possible recoveries, improving asset quality, or NOII opportunities. This, however, was a downgrade from the far more optimistic expectations seen last quarter.								
2. Earnings performance	►	►	►	►	▲	►	►	►	▲
► NEUTRAL ACROSS THE BOARD	Given that the tariffs only started post 1QCY25, this quarter was pretty healthy earnings-wise, with a few positive surprises brought about by recoveries. While NIM compression did cut into earnings, this was offset by some impressive non-fee NOII performance as well as some recoveries.								
3. NIM movements	▼	►	▼	►	▼	►	▼	▲	▼
►▼ NEGATIVE SKEW	NIM compression continued from last quarter. Most banks expect this to persist, though a few banks that are expecting large CASA inflows (RHB and AFFIN) believe it can buck the trend.								
4. Non-II performance	▲	▲	►	▼	▲	▲	▲	►	►
▲► PRETTY SOLID QUARTER	Fee income performance was stable. Non-fee incomes varied from bank to bank but were generally skewed towards the positive, due to investment gains and forex volatility.								
5. OPEX (yoy)	▲	▲	►	▲	►	▼	►	▲	▼
▲►▼ MIXED BAG	Cost growth was mixed across the board, though it only remains in the first quarter of the year. Regardless, all banks reported positive quarterly JAWs on a sequential year basis.								
6. Loan growth (qoq)	►	▼	▲	►	►	▲	►	►	▲
▲► A SOLID QUARTER	Loan growth was still solid across the board, though some banks have revised down forecasts. There was a strong domestic loan growth performance, but a weaker overseas performance dragged overall figures.								
7. Liquidity & Deposits	►	▼	►	▼	▼	▲	▼	▲	▲
▲►▼ MIXED BAG	There was some deposit competition within the quarter, and banks' performance varied depending on the strategies and stances they took before. As with last quarter, industry L/D ratios remain pretty high.								
8. Asset Quality movements	▼	►	►	▼	►	▲	►	▲	▲
▲►▼ MIXED BAG	Most banks see a slight uptick in GIL ratios. Some smaller banks, on the other hand, report pretty drastic GIL ratio improvement on the back of large recoveries. We see the asset quality issue as relatively benign, especially since certain names are guiding for large-scale recoveries in the future.								
9. Provisioning levels	►	▲	►	►	▲	▲	▼	▲	▲
▲► EXCELLENT PERFORMANCE	Most banks feel that they are adequately provisioned to deal with upcoming economic events. There were a large number of recoveries, which contributed to the strong performance on this front.								
10. Capital levels*	▲	►	►	►	▼	▲	▼	▲	▼
▲►▼ WATCH FOR NEGATIVES	High asset growth rate is pressuring the capital ratios of some banks. The latest addition to this group is BIMB.								

Source: Banks, MIDFR

FIG 2: Sector Picks

Our Call	BANK	Catalysts, concerns, and other notes
NEUTRAL	MAY	1. ▲ Excellent dividend yields. 2. ▶ Loan growth to come at the lower bound of guidance. 3. ▼ NIM compression expected. 4. ▼ Cost/Income ratio may not normalise following the end of M25+. 5. ▼ Possible drag on Etiqa income if forex volatility persists.
GOOD Pick	CIMB	1. ▲ High dividend yields. 2. ▲ Capital reallocation initiative provides room for ROE accretion. 3. ▲ Further room for cost takeouts. 4. ▶ Optimism on asset quality situation, with management already ascribing a lower NCC target. 5. ▼ NIM-related concerns.
TOP Pick	PBK	1. ▲ Defensive pick, with some writebacks expected in FY25. 2. ▲ Fee income to act as a major driver. 3. ▲ Excellent cost control. 4. ▲ Dividend payout expected to continue improving. 5. ▶ Decent loan growth expected (Management is confident in achieving targets). 6. ▼ ROE target may be revised downwards. 7. ▼ NIM to further compress.
NEUTRAL	RHB	1. ▲ Very high dividend yields. 2. ▲ Strong trading gains expected in subsequent quarters. 3. ▲ NIM expansion expected. 4. ▶ Loan growth revised downward, though to a still-acceptable range. 5. ▼ Asset quality issues persist, with recoveries in overseas segments delayed.
TOP Pick	HLBK	1. ▲ Defensive pick. 2. ▲ Strong NOII growth. 3. ▲ Excellent cost control to persist. 4. ▲ Solid loan growth. 5. ▲ Conscious effort to improve dividend yields. 6. ▶ No further room for major writebacks. 7. ▶ Conscious effort to grow regional offerings, while reducing reliance on BOCD. 8. ▼ Weaker BOCD contributions due to reduced stake and possible NIM compression.
NEUTRAL	AMMB	1. ▲ Conscious effort to improve dividend payout. 2. ▲ Potential for large recoveries and writebacks in the future. 3. ▲ Loan growth may recover after a weak couple of years. 4. ▶ AMMB's current NIM optimisation efforts may help maintain stable NIMs. 5. ▼ AMMB may struggle to maintain ROE targets with a larger capital base.
NEUTRAL	BIMB	1. ▲ High loan growth. 2. ▲ Management guides for recoveries and writebacks in subsequent quarters. 3. ▲ High dividend yield. 4. ▶ Branch revamp still ongoing. 5. ▼ Rising GILs, especially in the retail portfolio. NCC has been negatively revised as a result. 6. ▼ Ongoing NIM compression, notably steep. 7. ▼ Possible capital issues due to high asset growth and dividend payout.

Our Call	BANK	Catalysts, concerns, and other notes
NEUTRAL	AFFIN	1. ▲ CASA inflows to drive NIM outlook. 2. ▲ Fee income recovery to drive topline. 3. ▲ High loan growth, though there could be downside pressure to FY25 target. 4. ► Cost-cutting initiatives may already be bearing fruit. 5. ▼ Low dividend yields. 6. ▼ Possible asset quality issues ahead. 7. ▼ Constantly needs additional capital to match high loan growth. 8. ▼ Expect negative revisions to FY25 targets in subsequent quarters.
NEUTRAL	ABMB	1. ▲ High loan growth and aggressive market share capture. 2. ▲ Improving asset quality. 3. ► Management is optimistic about fee and treasury income prospects. 4. ▼ Capital constraints prevent dividend yields from improving. Threat of further rights issue remains. 5. ▼ NIM to compress (though NII growth is very strong, as result of high loan growth). 6. ▼ Expect elevated OPEX inflation to persist.

Source: Banks, MIDFR

► **What is management guiding for?** Latest guidance implies a decent ROE/earnings and asset growth outlook, with upside risk. No bank has revised its ROE guidance downward yet, though plenty have become much more negative on NIM outlook. Topline performance should be relatively neutral to slightly negative, with most banks warning of NIM compression (mostly from possible rate cuts and weakening loan yields). Most banks are expecting weaker fee income, but this should be offset by better non-fee windfall, with forex volatility and accommodating bond yield movements. The upside chance comes largely from provisions, with several banks guiding for larger recoveries while refraining from increasing its NCC targets. In short, management is guiding for the continuation of some trends seen in 1QCY25.

Some initial fears surrounding recent developments were slightly overblown: (1) Asset quality is not going to worsen significantly, (2) Only one notable negative revision to NCC guidance (BIMB), (3) Only one negative revision to loan growth guidance (RHB).

Retaining our bottom-up approach to stock selection, given the lack of broad-based tailwinds. NIM compression and slower loan growth remain the main industry headwinds. And while upside possibilities from loan recoveries and strong non-fee NOII exist, this will very much vary on a case-by-case basis. Hence, we continue to advocate for traditional defensive picks: **Public Bank** and **HL Bank** (reasons given above) as well as **CIMB**, as we are confident that its capital redistribution exercise provides room for further ROE accretion.

Maintain NEUTRAL call. (Our comprehensive list of sector drivers is on the first page).
Top downside risks include:

1. Continual NIM compression.
2. Weaker-than-expected loan growth.
3. Higher provisioning costs and asset quality deterioration.

Top Picks: Public Bank (BUY, TP: RM4.77) and **HL Bank (BUY, TP: RM23.09).**

PEER COMPARISON

Bank	Rec	Share P* (RM)	Target P (RM)	Upside (%)	Mkt Cap (RM b)	P/E (x) FY25	P/E (x) FY26	P/B (x) FY25	P/B (x) FY26	ROE (%) FY25	ROE (%) FY26	Div Yield (%) FY25	Div Yield (%) FY26
MAY	NEUTRAL	9.70	10.20	5.2	116.9	11.3	11.1	1.2	1.2	10.9	10.7	7.1	7.2
CIMB	BUY	6.90	8.10	17.4	73.8	9.5	9.3	1.0	1.0	11.0	10.8	5.7	5.8
PBK	BUY	4.31	4.77	10.7	83.7	11.4	10.8	1.4	1.3	12.4	12.3	4.7	5.1
RHB	NEUTRAL	6.38	6.70	5.0	27.3	8.9	8.4	0.8	0.8	9.3	9.5	6.6	6.9
HLBK	BUY	19.52	23.09	18.3	40.0	8.5	8.6	1.0	0.9	12.1	11.1	4.1	4.1
AMMB	NEUTRAL	5.42	5.30	-2.2	17.9	9.1	8.7	0.8	0.8	9.3	9.3	4.9	5.2
BIMB	NEUTRAL	2.30	2.36	2.6	5.2	9.0	8.6	0.7	0.7	7.6	7.8	6.7	6.9
AFFIN	NEUTRAL	2.57	2.46	-4.1	6.5	10.8	10.1	0.5	0.5	5.0	5.1	2.8	2.9
ABMB	NEUTRAL	4.51	4.20	-6.9	7.6	9.7	9.2	0.9	0.9	9.9	9.8	4.1	4.3
Simple avg (ex-HLFG)						**9.8**	**9.4**	**0.9**	**0.9**	**9.7**	**9.6**	**5.2**	**5.4**
Weighted avg (ex-HLFG)						**10.3**	**10.0**	**1.1**	**1.1**	**11.0**	**10.8**	**5.7**	**5.9**

**Closing prices from 11 Jun 2025.*
^AMMB and ABMB use FY26F/27F values.

Source: Banks, MIDFR

FIG 3: Peer Results

Bank	FY/CY Basis	P/BV (x)	ROE (%)	Long Term Growth (%)	Cost of Equity (%)	Earnings vs Ours	Earnings vs Street	Mgmt's tone	Call	Target Price	Current FY Core NP revision	
MAY	FY25F	1.21	10.6	3.0	9.3	WITHIN	WITHIN	Neutral	↔	↔		
CIMB	FY25F	1.00	10.8	3.5	10.8	WITHIN	WITHIN	Cautiously +ve	↔	↔		
PBK	FY25F	1.51	12.0	3.5	9.1	WITHIN	WITHIN	Neutral	↔	↔		
RHB	FY25F	0.78	9.3	4.0	10.8	WITHIN	WITHIN	Neutral	↔	↔		
HLBK	FY25F	1.11	11.2	4.0	10.5	ABOVE	ABOVE	+ve	↔	↑	↑	+7%
AMMB	FY26F	0.81	9.3	4.0	10.5	WITHIN	WITHIN	Neutral	↔	↓		
BIMB	FY25F	0.70	7.6	4.5	8.9	WITHIN	WITHIN	Neutral	↔	↓	↓	-1%
AFFIN	FY25F	0.51	5.0	3.0	7.0	WITHIN	WITHIN	Cautiously -ve	↔	↔		
ABMB	FY26F	0.87	9.9	5.0	10.7	WITHIN	WITHIN	Cautiously +ve	↔	↓	↑	+3%

Source: Banks, MIDFR

FIG 4: Dividends

Bank	Dividend this Q?	Payout thus far	Notes	Dividend payout (%) FY22	FY23	FY24	FY25F	FY26F	Dividend yield (%) FY25F	FY26F	Share P (RM)	CET 1 (%)
MAY				87	77	73	80	80	7.1	7.2	9.70	14.9
CIMB				50	66	65	55	55	5.7	5.8	6.90	14.2
PBK				54	55	57	53	55	4.7	5.1	4.31	14.0
RHB				63	61	60	60	60	6.6	6.9	6.38	16.0
HLBK				36	31	33	35	35	4.1	4.1	19.52	12.8
AMMB	YES	44		42	48	46	45	45	5.1	5.2	5.42	12.9
BIMB				60	69	60	60	60	6.7	6.9	2.30	13.0
AFFIN				42	33	-	30	30	2.8	2.9	2.57	13.5
ABMB	YES	50		46	46	37	40	40	4.1	4.3	4.51	12.2
AVERAGE				**53**	**54**	**48**	**51**	**51**	**5.2**	**5.4**		

**For AMMB & AMMB, assume FY +1 values for dividend payout and yield*

Source: Banks, MIDFR

FIG 5: Management Guidance

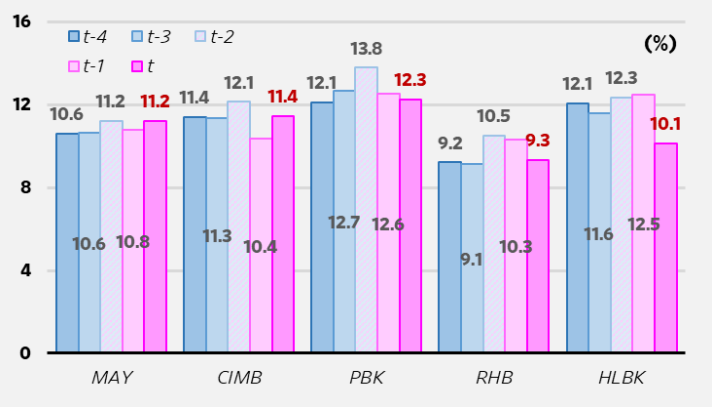
	P/L Statement				Balance Sheet			Asset quality	
Bank	ROE	NIM	OPEX growth	Cost/Inc. ratio	Loan growth	CASA ratio	Dividend payout	GIL ratio	NCC (bps)
MAY	>11.3	~~Flat~~ To compress		<49	5 – 6				<30
CIMB	11.0 – 11.5	0 – 5bps compression		46.7	5 – 7		55		~~30 – 40~~ 25 – 35
PBK	13	~~0 – 5bps~~ Mid-single digit compression			5 – 6		60		~~Low~~ single digit
RHB	10.4 – 10.8	1.86 – 1.90			~~6 – 7~~ 5 – 6	28 – 29		1.4 – 1.5	15 – 20
HLBK	12	1.85 – 1.95		40	6 – 7	>32	>33	<0.65	<10
AMMB	10 (Unofficial)	Stable			Mid-single-digit growth		50		16 – 30
BIMB	>7.5	>2.00			6 – 7		60	<1.0	~~20 – 25~~ 35
AFFIN	6	1.55		65	12			1.70	12 (GCC)
ABMB	10	2.40 – 2.45		48	8 – 10		40 – 50		30 – 35

**Red tabs = Ambitious, Green tabs = Overly conservative, Red font = New guidance, ~~Strikethrough font = Redundant former guidance~~.*

Source: Banks, MIDFR

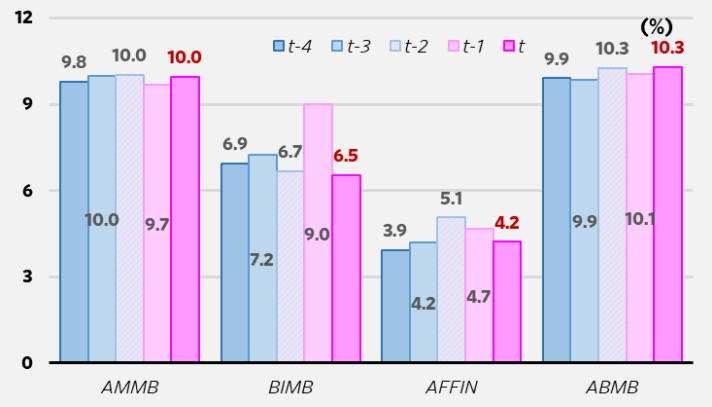
A. TOPLINE, EARNINGS & ROE

Fig 6: Quarterly ROEs: Big 5



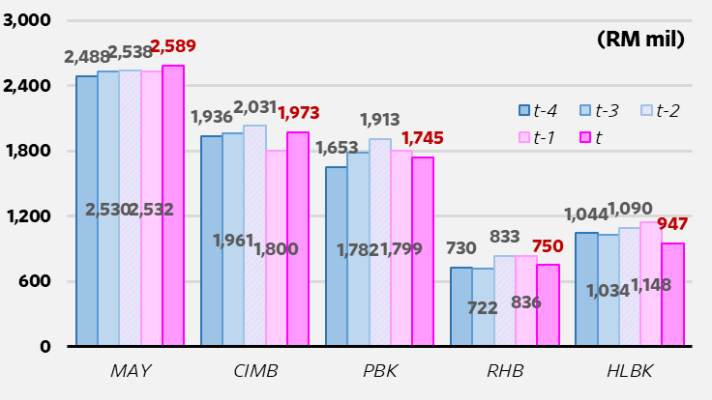
Source: Banks, MIDFR

Fig 7: Quarterly ROEs: Small 4



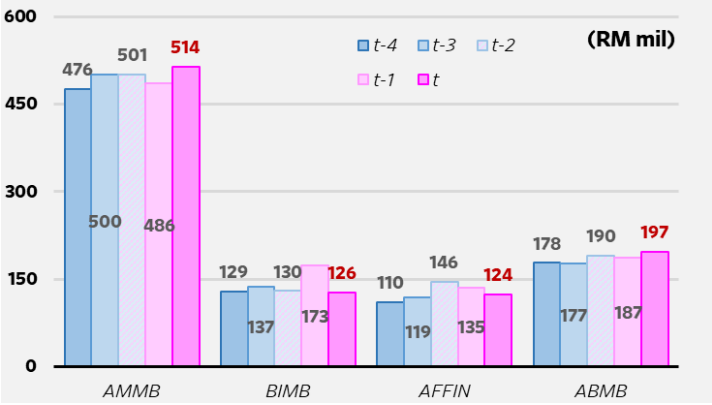
Source: Banks, MIDFR

Fig 8: Quarterly Net Profit: Big 5



Source: Banks, MIDFR

Fig 9: Quarterly Net Profit: Small 4



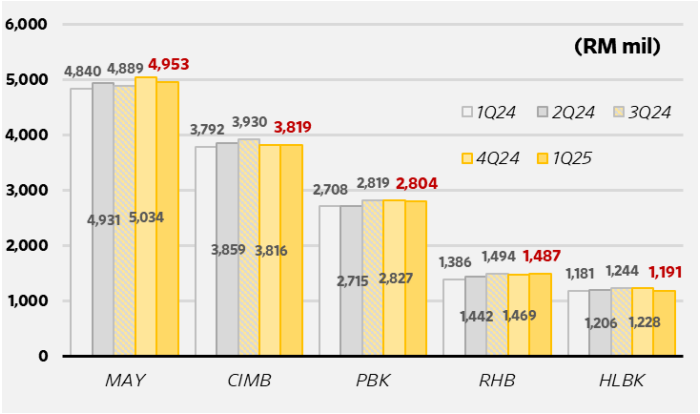
Source: Banks, MIDFR

FIG 10: Calendarised Earnings Growth Rates for 1Q25 and 3M25 (Quarterly and Cumulative)

Bank	Net Income			Pre-Provisioning Operating Profit			Pre-tax profit			Core Net Profit		
	Quarterly qoq	Quarterly yoy	Cumulative yoy	Quarterly qoq	Quarterly yoy	Cumulative yoy	Quarterly qoq	Quarterly yoy	Cumulative yoy	Quarterly qoq	Quarterly yoy	Cumulative yoy
MAY	3.9	1.8	1.8	6.3	1.3	1.3	5.3	4.4	4.4	2.2	4.0	4.0
CIMB	3.2	-2.3	-2.3	8.0	-5.1	-5.1	11.2	2.1	2.1	9.6	1.9	1.9
PBK	-1.2	6.5	6.5	-3.9	7.3	7.3	11.7	8.5	8.5	-3.0	5.6	5.6
RHB	-7.4	-1.9	-1.9	-4.9	-4.6	-4.6	-8.2	5.8	5.8	-10.3	2.7	2.7
HLBK	-5.2	7.9	7.9	-5.7	10.4	10.4	-9.9	-0.4	-0.4	-17.5	-9.3	-9.3
AMMB	1.8	8.8	8.8	2.5	8.7	8.7	4.0	6.1	6.1	5.8	8.1	8.1
BIMB	-3.6	7.4	7.4	16.0	13.5	13.5	-28.3	-4.5	-4.5	-26.8	-2.1	-2.1
AFFIN	-2.5	7.8	7.8	78.8	31.3	31.3	-14.5	22.9	22.9	-8.1	12.6	12.6
ABMB	0.4	9.1	9.1	-7.9	2.2	2.2	2.0	13.9	13.9	5.8	11.1	11.1
SUM	0.7	2.3	2.3	2.8	1.7	1.7	3.4	4.6	4.6	-1.4	2.5	2.5

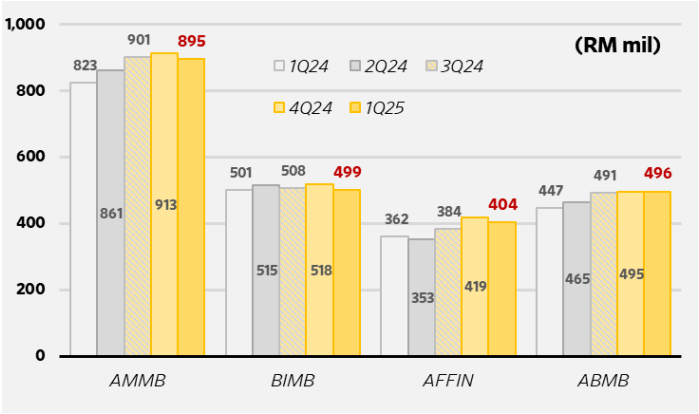
Source: Banks, MIDFR

Fig 11: Quarterly NII: Big 5



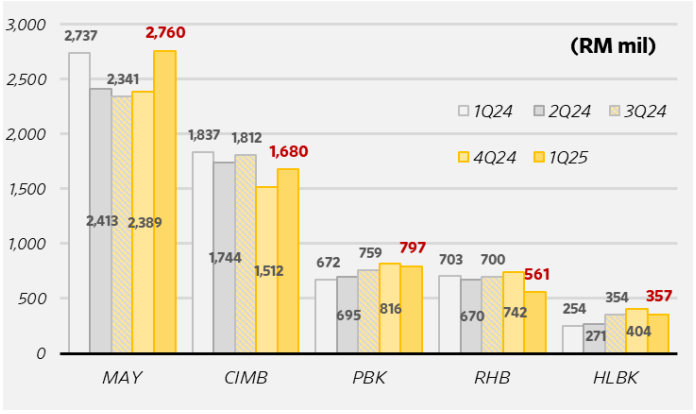
Source: Banks, MIDFR

Fig 12: Quarterly NII: Small 4



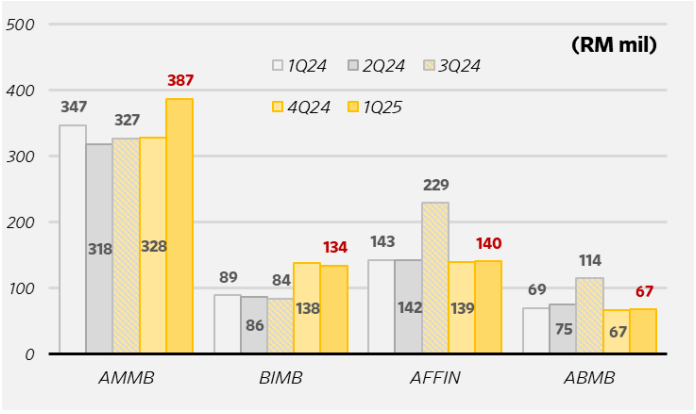
Source: Banks, MIDFR

Fig 13: Quarterly NOII: Big 5



Source: Banks, MIDFR

Fig 14: Quarterly NOII: Small 4



Source: Banks, MIDFR

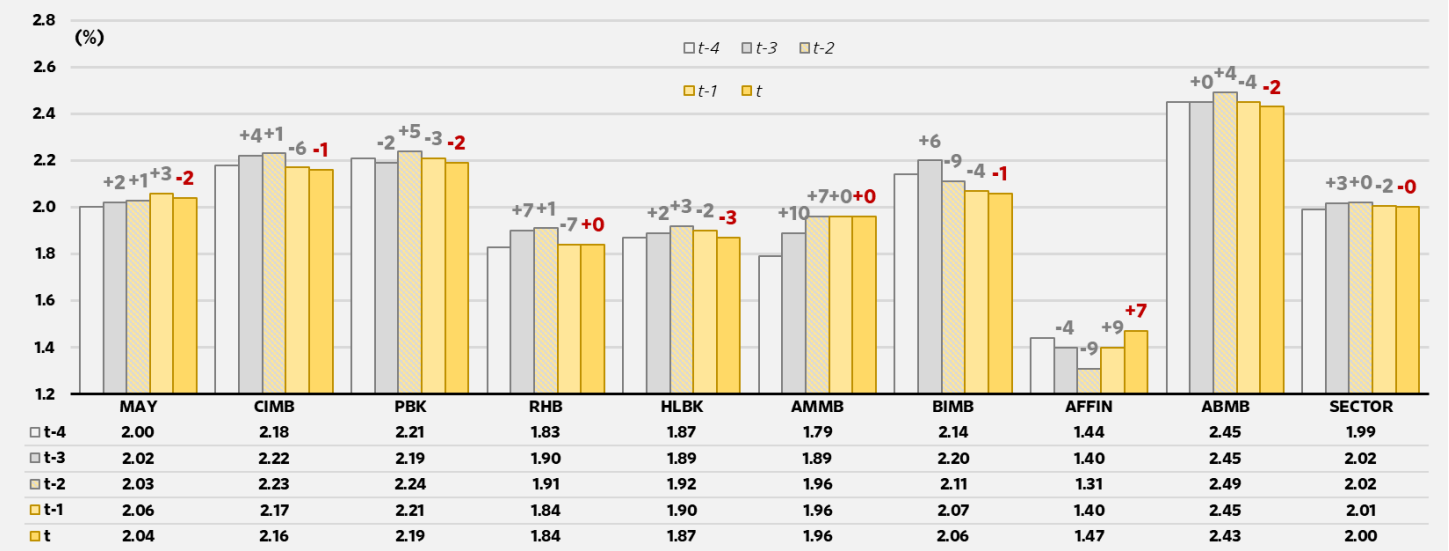
FIG 15: Calendarised NII & NOII Growth Rates for 1Q25 and 3M25 (Quarterly and Cumulative)

Bank	Net Interest Income					Non-Interest Income				
	Quarterly qoq	Quarterly yoy	As % of Topline	Cumulative yoy	As % of Topline	Quarterly qoq	Quarterly yoy	As % of Topline	Cumulative yoy	As % of Topline
MAY	-1.6	2.3	64.2	2.3	64.2	15.5	0.8	35.8	0.8	35.8
CIMB	0.1	0.7	69.4	0.7	69.4	11.1	-8.5	30.6	-8.5	30.6
PBK	-0.8	3.5	77.9	3.5	77.9	-2.4	18.5	22.1	18.5	22.1
RHB	1.2	7.3	72.6	7.3	72.6	-24.4	-20.2	27.4	-20.2	27.4
HLBK	-3.0	0.8	76.9	0.8	76.9	-11.7	40.5	23.1	40.5	23.1
AMMB	-2.0	8.7	69.8	8.7	69.8	18.0	11.5	30.2	11.5	30.2
BIMB	-3.6	-0.3	78.9	-0.3	78.9	-3.3	50.5	21.1	50.5	21.1
AFFIN	-3.6	11.5	74.2	11.5	74.2	0.9	-1.7	25.8	-1.7	25.8
ABMB	0.3	11.1	88.1	11.1	88.1	0.4	-3.5	11.9	-3.5	11.9
SUM	-1.0	3.2	70.6	3.2	70.6	5.3	0.4	29.4	0.4	29.4

Source: Banks, MIDFR

B. NIM, ASSET YIELDS, COST OF FUNDS

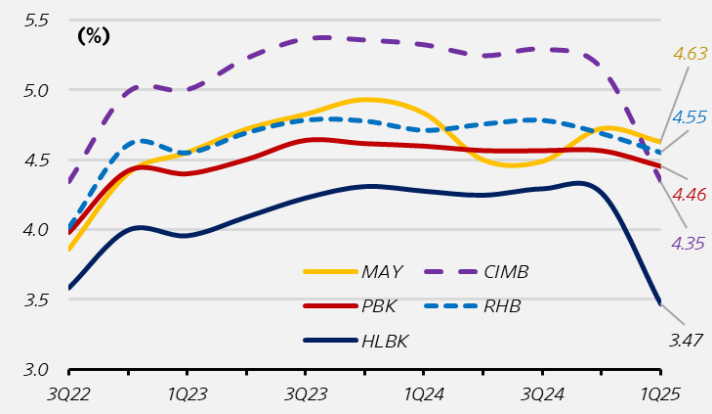
Fig 16: Sector NIMs (Reported Figures)



	MAY	CIMB	PBK	RHB	HLBK	AMMB	BIMB	AFFIN	ABMB	SECTOR
t-4	2.00	2.18	2.21	1.83	1.87	1.79	2.14	1.44	2.45	1.99
t-3	2.02	2.22	2.19	1.90	1.89	1.89	2.20	1.40	2.45	2.02
t-2	2.03	2.23	2.24	1.91	1.92	1.96	2.11	1.31	2.49	2.02
t-1	2.06	2.17	2.21	1.84	1.90	1.96	2.07	1.40	2.45	2.01
t	2.04	2.16	2.19	1.84	1.87	1.96	2.06	1.47	2.43	2.00

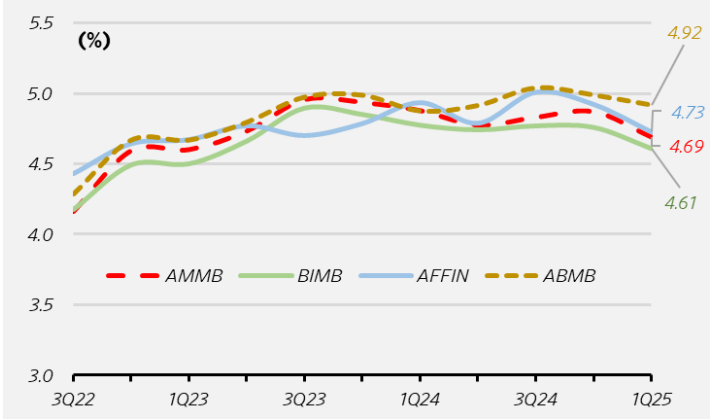
Source: Banks, MIDFR

Fig 17: Asset Yield trends: Big 5 (Our Estimates)



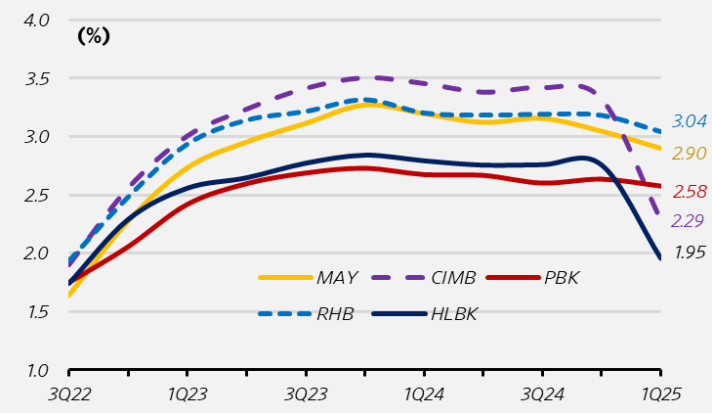
Source: Banks, MIDFR

Fig 18: Asset Yield trends: Small 4 (Our Estimates)



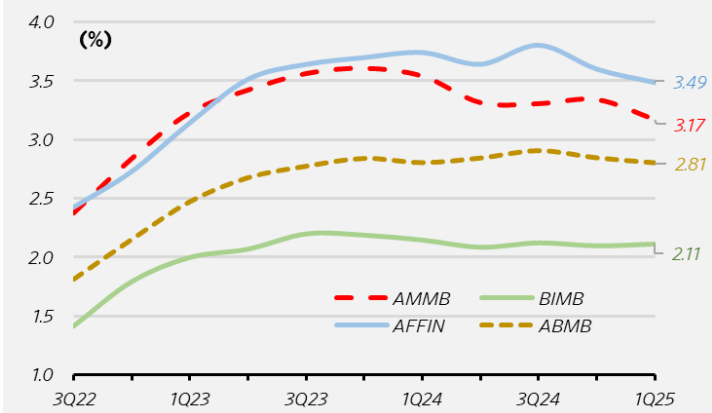
Source: Banks, MIDFR

Fig 19: Cost of Funds trends: Big 5 (Our Estimates)



Source: Banks, MIDFR

Fig 20: Cost of Funds trends: Small 4 (Our Estimates)



Source: Banks, MIDFR

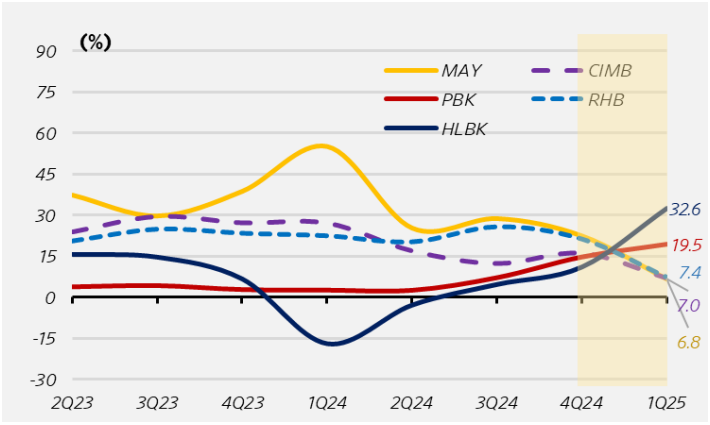
FIG 21: Our Estimates of Quarterly NIM (%)

	MAY		CIMB		PBK		RHB		HLBK		AMMB		BIMB		AFFIN		ABMB	
	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq	NIM	qoq
1Q22	2.31		2.44		2.18		2.07		2.01		1.78		2.29		1.98		2.48	
2Q22	2.41	+10	2.50	+6	2.26	+7	2.17	+10	1.97	-4	1.96	+19	2.39	+9	2.12	+14	2.58	+10
3Q22	2.43	+2	2.62	+12	2.41	+15	2.24	+7	2.03	+6	2.13	+17	2.50	+11	2.24	+12	2.74	+16
4Q22	2.42	-1	2.67	+5	2.56	+16	2.32	+9	1.95	-8	2.13	+0	2.41	-9	2.18	-6	2.83	+9
1Q23	2.17	-26	2.28	-39	2.20	-36	1.85	-48	1.66	-29	1.78	-35	2.14	-27	1.80	-38	2.55	-29
2Q23	2.14	-3	2.29	+1	2.15	-5	1.80	-5	1.71	+5	1.73	-5	2.21	+7	1.52	-28	2.50	-5
3Q23	2.10	-4	2.29	+0	2.20	+6	1.82	+2	1.73	+2	1.83	+10	2.34	+14	1.32	-20	2.60	+11
4Q23	2.08	-3	2.21	-8	2.15	-6	1.73	-10	1.76	+3	1.79	-4	2.29	-5	1.35	+3	2.58	-3
1Q24	2.00	-8	2.21	+0	2.18	+3	1.76	+4	1.77	+1	1.77	-2	2.26	-3	1.45	+10	2.49	-9
2Q24	1.88	-11	2.23	+1	2.16	-3	1.83	+7	1.77	-0	1.85	+7	2.30	+3	1.40	-5	2.50	+1
3Q24	1.88	-0	2.28	+5	2.22	+7	1.87	+5	1.82	+5	1.93	+8	2.24	-6	1.48	+9	2.57	+7
4Q24	2.05	+17	2.20	-8	2.19	-3	1.79	-8	1.80	-2	1.94	+2	2.24	+0	1.59	+11	2.53	-4
1Q25	2.02	-3	2.22	+1	2.13	-6	1.77	-2	1.72	-8	1.90	-5	2.11	-13	1.50	-9	2.47	-6

Source: Banks, MIDFR

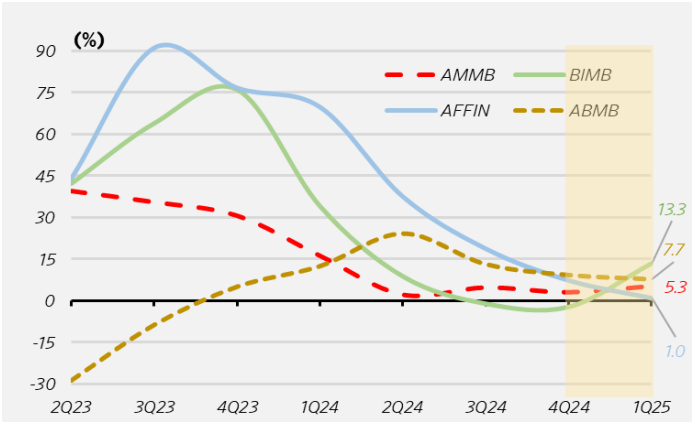
C. Non-Interest Income

Fig 22: NOII Trailing 12M trend: Big 5



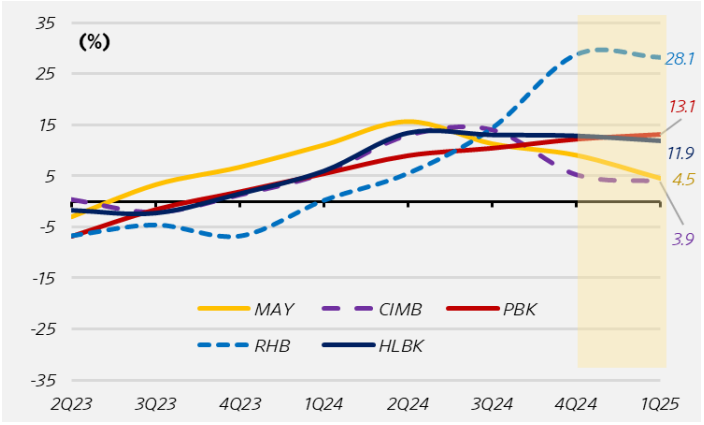
Source: Banks, MIDFR

Fig 23: NOII Trailing 12M trend: Small 4



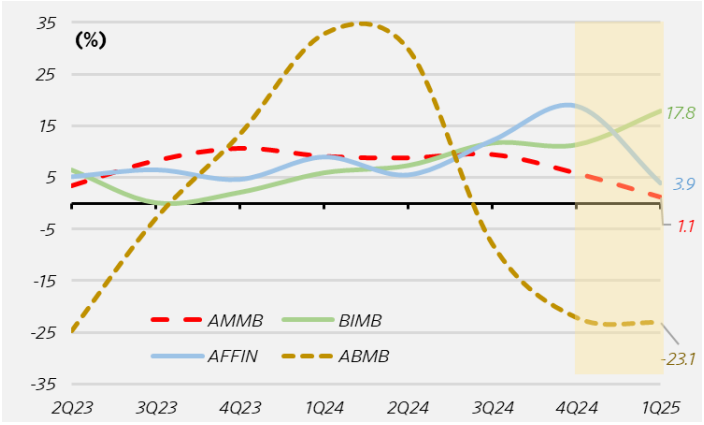
Source: Banks, MIDFR

Fig 24: Fee Income Trailing 12M trend: Big 5



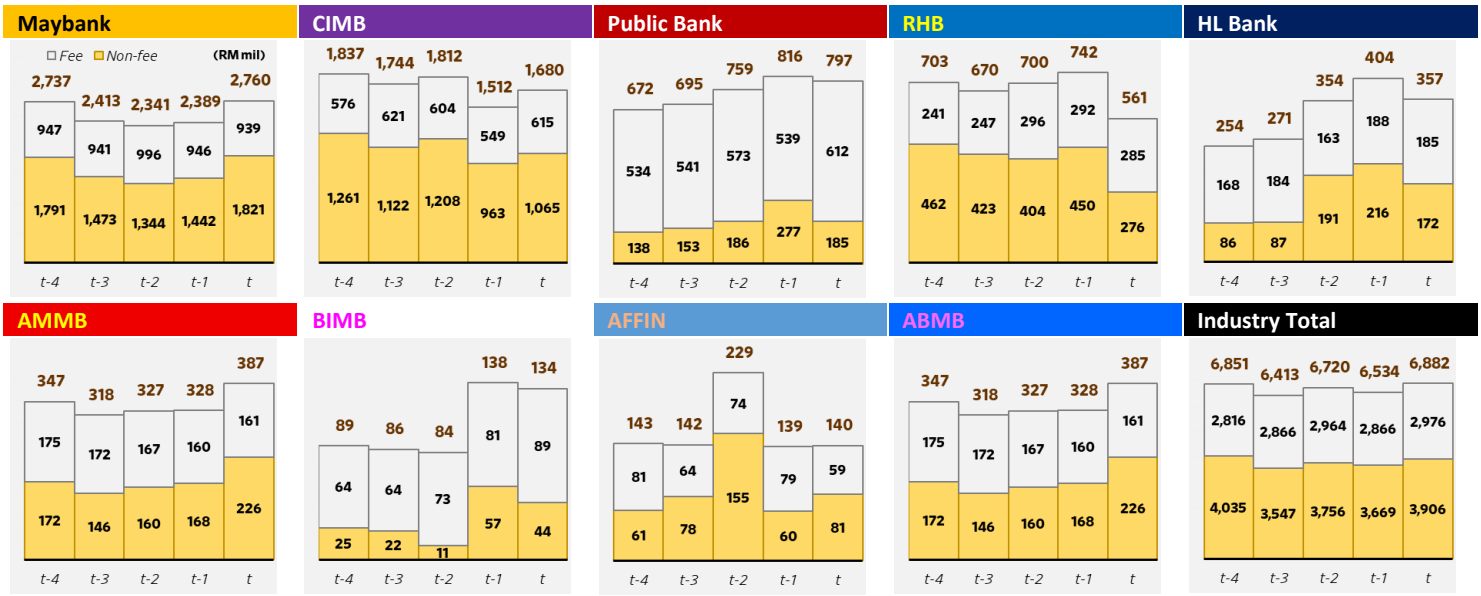
Source: Banks, MIDFR

Fig 25: Fee Income Trailing 12M trend: Small 4



Source: Banks, MIDFR

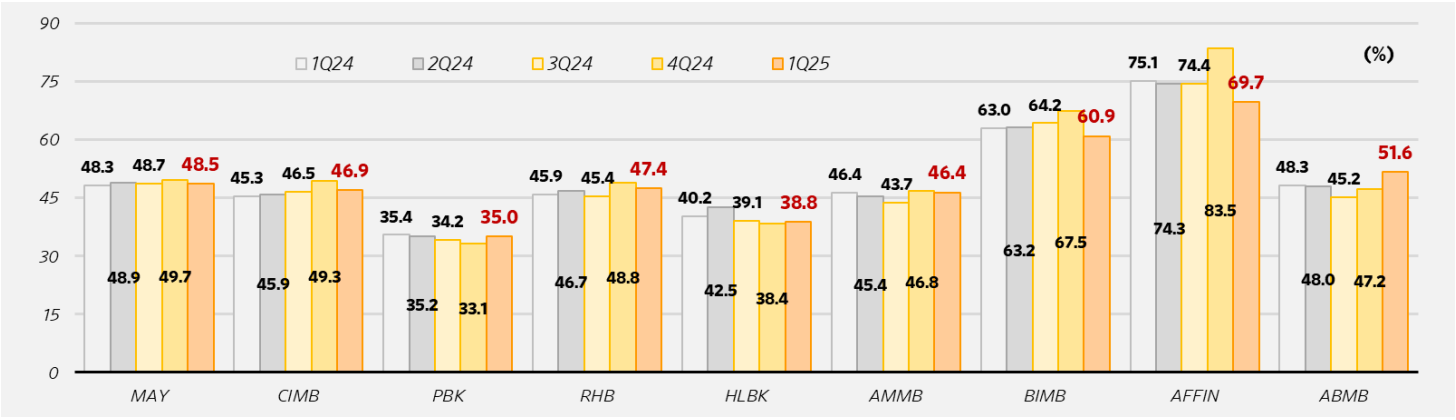
Fig 26: Quarterly NOII Breakdown



Source: Banks, MIDFR

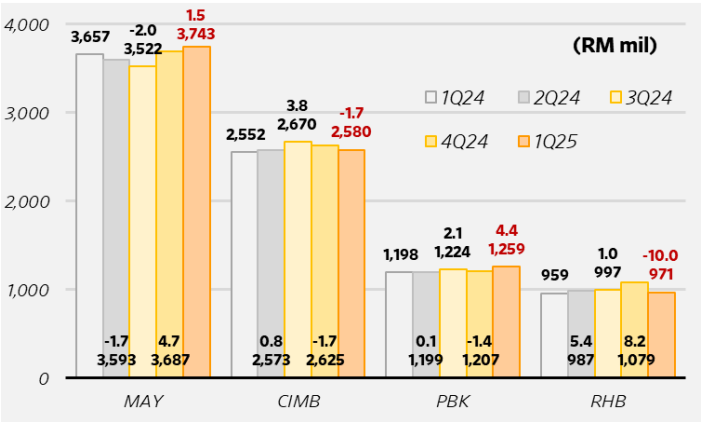
D. OPEX

Fig 27: Quarterly Cost/Income ratio



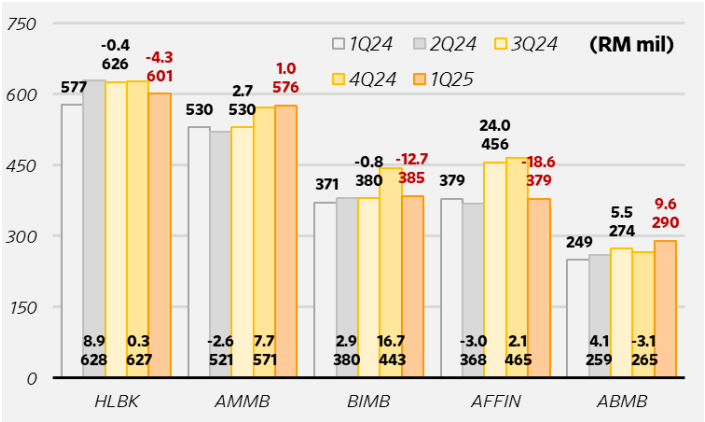
Source: Banks, MIDFR

Fig 28: Quarterly OPEX and qoq growth rates: Big 4



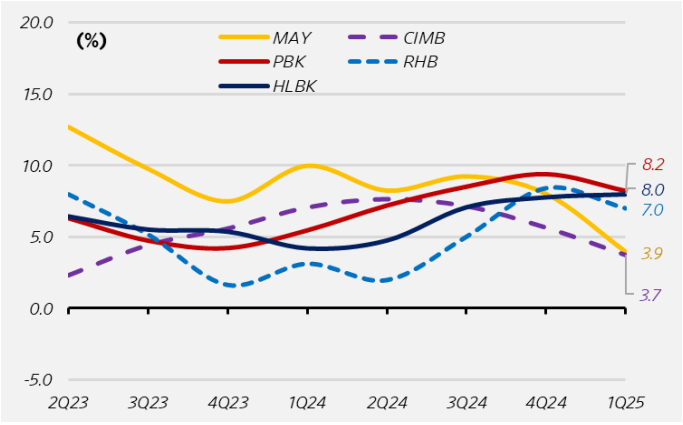
Source: Banks, MIDFR

Fig 29: Quarterly OPEX and qoq growth rates: Small 5



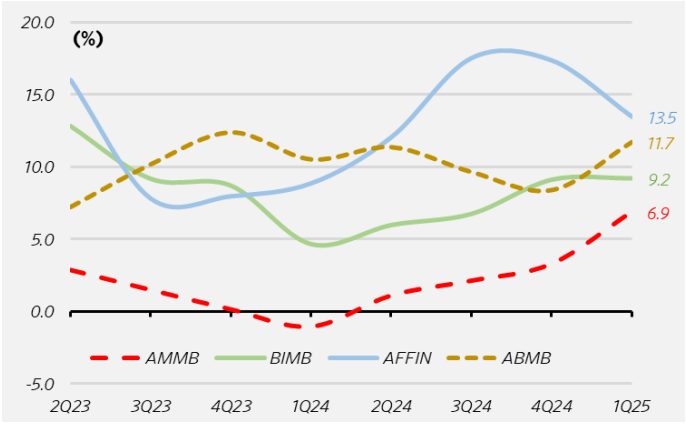
Source: Banks, MIDFR

Fig 30: OPEX Trailing 12M trend: Big 5



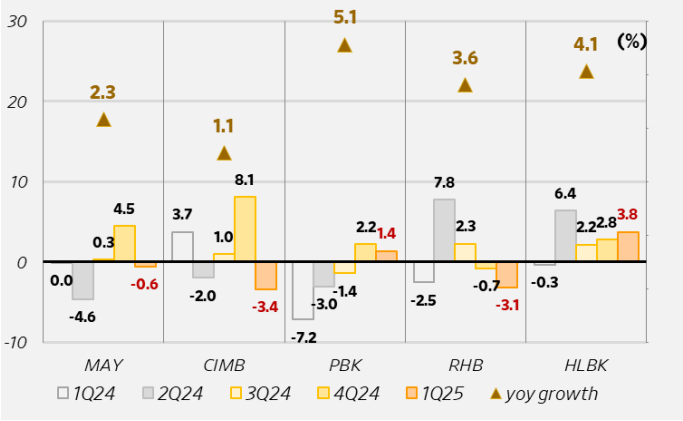
Source: Banks, MIDFR

Fig 31: OPEX Trailing 12M trend: Small 4



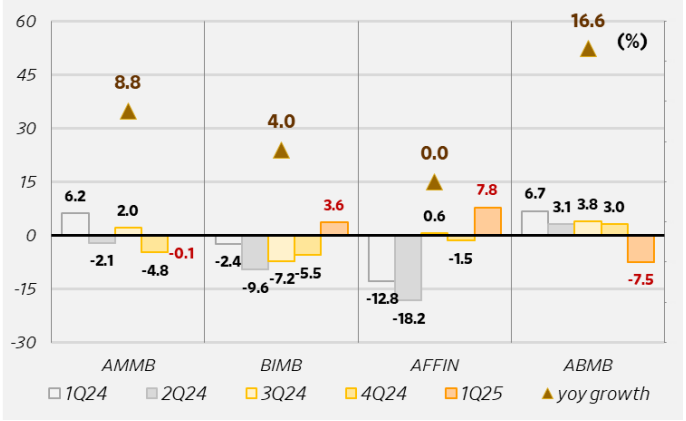
Source: Banks, MIDFR

Fig 32: Quarterly JAWS & OPEX yoy growth: Big 5



Source: Banks, MIDFR

Fig 33: Quarterly JAWS & OPEX yoy growth: Small 4



Source: Banks, MIDFR

E. LOANS

FIG 34: Overall & Domestic Loan growth (%)

	MAY			CIMB			PBK			RHB			HLBK			AMMB			BIMB			AFFIN			ABMB		
	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*
Overall loans growth (%)																											
1Q23	5.4	0.8	0.8	7.4	1.5	1.5	5.2	1.2	1.3	6.0	0.5	0.5	7.2	1.1	3.6	8.5	3.1	8.5	10.7	0.4	0.4	14.3	3.1	3.1	6.2	3.8	6.2
2Q23	5.3	2.4	3.2	8.3	3.3	4.9	5.2	1.5	2.8	4.5	0.4	0.9	8.0	4.3	8.0	7.4	-1.0	-1.0	9.3	0.2	0.6	12.7	2.1	5.3	7.9	1.4	1.4
3Q23	5.1	1.8	5.1	6.4	1.1	6.1	5.4	1.7	4.5	4.6	2.4	3.4	7.2	0.0	0.0	5.2	1.4	0.5	8.4	1.4	2.1	12.3	2.9	8.3	10.0	3.4	4.9
4Q23	9.2	3.9	9.2	8.3	2.1	8.3	5.9	1.4	5.9	4.8	1.4	4.8	7.5	1.9	1.9	4.0	0.4	0.8	2.6	0.5	2.6	12.3	3.7	12.3	12.9	3.7	8.7
1Q24	11.2	2.7	2.7	7.1	0.3	0.3	6.2	1.6	1.6	5.4	1.1	1.1	7.8	1.4	3.4	3.0	2.1	3.0	2.4	0.2	0.2	11.2	2.1	2.1	13.6	4.5	13.6
2Q24	10.4	1.7	4.4	4.2	0.6	0.9	6.1	1.4	3.1	6.4	1.3	2.5	7.3	3.8	7.3	2.9	-1.1	-1.1	2.7	0.5	0.7	10.5	1.4	3.5	14.8	2.4	2.4
3Q24	7.6	-0.7	3.6	1.2	-1.8	-0.9	5.3	0.9	4.0	3.7	-0.2	2.3	6.9	-0.4	-0.4	2.8	1.4	0.3	1.7	0.5	1.2	9.9	2.3	5.9	14.8	3.5	6.0
4Q24	5.3	1.7	5.3	2.6	3.5	2.6	6.3	2.3	6.5	6.9	4.5	6.9	7.7	2.6	2.3	4.4	1.9	2.2	3.9	2.6	3.9	8.1	2.0	8.1	14.2	3.2	9.4
1Q25	3.2	0.6	0.6	1.8	-0.5	-0.5	6.1	1.4	1.4	6.3	0.6	0.6	7.2	0.9	3.2	3.5	1.3	3.5	6.0	2.3	2.3	7.1	1.2	1.2	12.0	2.4	12.0
Domestic loans growth (%)																											
1Q23	5.4	0.2	0.2	2.9	0.4	0.4	5.1	1.4	1.4	4.6	0.5	0.5	6.2	0.9	3.2	9.1	3.1	9.1	10.7	0.4	0.4	14.3	2.9	2.9	6.2	3.8	6.2
2Q23	4.0	-0.3	-0.1	2.1	1.3	1.7	5.0	1.1	2.5	3.6	0.0	0.5	7.2	3.9	7.2	7.3	-1.0	-1.0	9.3	0.2	0.6	12.6	1.9	4.9	7.9	1.4	1.4
3Q23	3.7	2.1	2.0	3.1	1.3	3.1	5.6	1.8	4.3	2.8	1.2	1.7	7.5	0.4	0.4	5.3	1.5	0.5	8.4	1.4	2.1	11.9	2.7	7.7	10.0	3.4	4.9
4Q23	6.3	4.2	6.3	4.9	2.3	5.4	5.9	1.5	5.9	2.9	1.1	2.9	7.2	1.8	2.2	4.0	0.4	0.9	2.6	0.5	2.6	11.2	3.3	11.2	12.9	3.7	8.7
1Q24	7.9	1.7	1.7	4.2	0.6	0.6	6.0	1.5	1.5	3.2	0.8	0.8	8.0	1.7	3.9	3.1	2.1	3.1	2.4	0.2	0.2	10.4	2.2	2.2	13.6	4.5	13.6
2Q24	10.9	2.4	4.2	3.2	0.3	0.9	6.3	1.4	2.9	4.5	1.2	2.1	7.9	3.8	7.9	3.0	-1.1	-1.1	2.7	0.5	0.7	10.6	2.0	4.3	14.8	2.4	2.4
3Q24	10.7	1.9	6.2	2.0	1.1	2.0	6.2	1.7	4.7	4.8	1.5	3.6	7.6	0.1	0.1	2.6	1.2	0.1	1.7	0.5	1.2	9.4	1.6	5.9	14.8	3.5	6.0
4Q24	8.6	2.3	8.6	2.0	0.6	2.5	6.7	1.9	6.7	7.6	3.8	7.6	8.0	2.2	2.4	4.2	1.9	2.0	3.9	2.6	3.9	7.6	1.6	7.6	14.2	3.2	9.4
1Q25	8.2	1.4	1.4	2.1	0.4	0.4	6.8	1.6	1.6	8.0	1.2	1.2	7.1	0.8	3.2	3.4	1.3	3.4	6.0	2.3	2.3	6.6	1.3	1.3	12.0	2.4	12.0

*YTD by FY

Source: Banks, MIDFR

FIG 35: Loan Growth by Segments (%)

	MAY		CIMB		PBK		RHB		HLBK		AMMB		BIMB		AFFIN		ABMB	
	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq	yoy	qoq
Loan growth by Individuals (%)																		
1Q23	4.8	0.4	6.3	0.8	6.8	1.5	6.4	0.9	7.5	1.7	6.1	1.0	8.4	1.5	22.6	4.8	4.7	1.7
2Q23	5.4	1.9	6.6	2.3	6.8	1.8	6.1	1.2	7.2	1.5	6.3	1.2	7.1	0.8	20.4	3.4	6.8	2.2
3Q23	5.5	1.9	5.9	1.5	6.5	1.7	5.9	1.8	6.6	1.6	5.5	1.2	5.3	0.7	19.4	4.5	8.8	3.0
4Q23	6.2	1.9	11.0	6.0	6.8	1.5	6.0	1.9	6.6	1.8	4.2	0.8	4.3	1.2	18.1	4.3	10.4	3.1
1Q24	6.6	0.7	6.9	-2.9	7.3	2.1	6.5	1.3	6.3	1.4	2.5	-0.6	3.9	1.2	16.0	3.0	12.2	3.3
2Q24	8.3	3.5	9.0	4.4	5.1	-0.2	7.2	1.9	6.3	1.5	0.8	-0.5	4.4	1.3	14.8	2.3	13.6	3.6
3Q24	6.7	0.5	7.0	-0.4	4.2	0.8	7.5	2.1	6.0	1.3	-1.0	-0.6	5.5	1.7	13.3	3.1	13.9	3.2
4Q24	8.0	3.1	3.2	2.2	4.6	1.9	7.7	2.1	6.3	2.0	-2.2	-0.5	6.3	2.0	12.1	3.2	13.9	3.1
1Q25	8.4	1.1	6.8	0.5	4.3	1.8	8.1	1.7	6.5	1.6	-2.7	-1.1	6.5	1.4	11.5	2.4	12.4	2.0
Loan growth by Domestic SMEs (%)																		
1Q23	-0.2	2.0	4.9	1.6	1.7	0.6	4.9	0.8	10.6	0.1	7.1	2.6	17.7	1.6	14.9	2.6	11.4	4.7
2Q23	21.6	24.1	6.4	3.0	1.3	0.4	2.2	0.5	9.7	5.5	7.1	1.0	17.2	0.5	11.8	0.5	10.9	-0.3
3Q23	14.5	-1.9	6.0	0.9	0.9	0.4	4.3	4.2	10.4	1.0	7.7	0.7	7.5	1.7	10.4	2.1	11.8	4.3
4Q23	33.0	7.1	12.4	6.5	1.3	-0.1	7.5	2.0	9.6	2.7	2.5	-1.9	8.9	4.9	7.8	2.4	12.6	3.5
1Q24	21.1	-7.1	6.0	-4.2	1.8	1.0	6.0	-0.6	14.3	4.5	3.9	4.0	3.7	-3.2	4.8	-0.3	12.0	4.2
2Q24	8.3	11.0	9.8	6.7	2.2	0.9	7.8	2.1	13.6	4.9	4.2	1.3	14.4	11.0	6.9	2.5	15.1	2.4
3Q24	6.8	-3.2	9.0	0.2	1.2	-0.6	5.1	1.6	11.4	-1.1	3.7	0.2	6.6	-5.3	5.5	0.8	14.2	3.5
4Q24	8.1	8.4	5.3	2.9	4.7	3.4	5.7	2.6	11.6	2.9	8.2	2.4	2.3	0.6	1.3	-1.7	13.8	3.1
1Q25	16.9	0.5	9.1	-0.8	7.8	4.1	7.0	0.5	6.8	0.0	6.7	2.6	3.7	-2.0	-0.8	-2.3	11.7	2.3
Residential Mortgages Loan growth (%)																		
1Q23	9.0	1.5	8.6	2.4	6.8	1.4	10.1	2.0	8.5	1.8	6.8	1.9	9.0	1.4	22.6	4.9	4.6	1.7
2Q23	8.0	2.7	9.5	2.8	6.6	1.6	9.1	1.6	8.1	1.6	6.9	1.5	7.6	1.1	20.8	3.5	6.2	1.6
3Q23	8.7	2.6	9.1	2.0	6.3	1.6	8.4	2.1	7.5	1.9	7.4	1.9	6.0	0.9	19.8	4.6	7.3	2.1
4Q23	9.4	2.2	9.8	2.3	6.3	1.5	7.8	1.9	7.2	1.7	6.8	1.3	4.6	1.0	18.1	3.9	8.7	3.0
1Q24	13.4	5.2	8.4	1.1	6.4	1.5	7.7	1.9	6.8	1.5	6.0	1.2	3.8	0.7	15.2	2.3	10.4	3.3
2Q24	15.2	4.4	7.0	1.4	5.9	1.2	8.5	2.3	6.3	1.2	5.6	1.0	3.5	0.9	13.7	2.2	12.6	3.6
3Q24	13.6	1.2	4.7	-0.1	5.4	1.1	8.4	2.0	5.7	1.3	4.4	0.8	3.9	1.3	10.5	1.7	15.0	4.3
4Q24	13.0	1.7	3.8	1.4	5.6	1.7	8.8	2.2	5.9	1.8	3.7	0.6	4.8	1.8	7.9	1.5	15.7	3.6
1Q25	9.4	1.8	3.2	0.5	5.5	1.4	8.6	1.7	5.8	1.4	3.0	0.5	4.9	0.8	6.7	1.2	15.5	3.1
Transport Vehicle Loan growth (%)																		
1Q23	9.8	2.7	7.8	2.7	9.1	2.7	8.0	1.8	11.7	2.5	4.5	3.0			16.0	4.2	-10.8	-5.9
2Q23	11.3	3.6	8.4	3.1	9.3	2.7	8.5	1.7	10.9	2.2	10.1	3.6			14.3	2.1	-13.2	-6.4
3Q23	11.3	2.5	8.2	1.7	9.3	2.3	8.1	1.3	9.2	1.7	10.5	1.1			13.7	3.2	-17.6	-8.6
4Q23	11.6	2.3	10.9	3.0	10.4	2.2	7.1	2.1	10.1	3.4	6.9	-1.5			13.0	3.0	-21.7	-2.8
1Q24	10.8	1.9	9.7	1.6	12.0	4.2	8.7	3.4	10.6	3.0	2.2	-2.3			10.3	1.7	-22.0	-6.3
2Q24	8.6	1.6	6.5	0.1	12.1	2.8	10.1	3.0	12.1	3.5	-4.0	-3.3			9.0	0.8	-21.1	-5.3
3Q24	6.0	0.1	5.4	0.7	12.3	2.5	11.2	2.3	11.7	1.4	-8.4	-4.1			8.2	2.4	-17.1	-3.9
4Q24	5.8	2.1	5.7	3.3	12.3	2.3	11.3	2.2	11.2	2.9	-10.6	-4.3			6.9	1.8	-18.1	-4.0
1Q25	4.5	0.6	4.8	0.8	11.7	3.6	10.0	2.2	10.9	2.7	-12.6	-4.2			5.2	0.1	-16.1	-3.9
Working Capital Loan growth (%)																		
1Q23	4.6	0.6	9.8	0.9	3.2	0.4	15.6	0.9	0.6	0.6					-0.2	0.7	8.5	10.3
2Q23	1.4	-0.3	9.2	4.9	2.9	1.9	9.3	-0.5	6.5	6.5					-2.0	-2.3	8.7	-2.8
3Q23	-0.4	1.4	3.6	-0.0	3.7	1.7	7.5	0.8	3.1	3.1					-0.5	1.5	11.3	3.8
4Q23	6.6	4.8	9.6	3.6	5.3	1.2	1.1	-0.1	5.7	5.7					2.6	2.8	15.4	3.7
1Q24	7.8	1.8	7.8	-0.8	5.3	0.4	-0.2	-0.4	6.1	6.1					5.2	3.3	12.4	7.4
2Q24	7.7	-0.4	4.6	1.8	4.4	1.0	-0.4	-0.7	2.6	2.6					10.7	2.8	14.2	-1.2
3Q24	2.3	-3.7	3.4	-1.2	2.6	-0.1	-4.3	-3.1	2.6	2.6					4.1	-4.6	13.2	2.9
4Q24	-2.3	0.1	6.5	6.8	8.5	7.1	4.0	8.5	5.6	5.6					-0.6	-1.8	12.6	3.1
1Q25	-3.5	0.5	4.4	-2.8	8.1	-0.0	1.3	-3.0	5.1	5.1					-3.4	0.3	8.7	3.6
Personal Financing Loan growth (%)																		
1Q23	-3.1	-0.9	-2.6	2.2	4.6	0.7	2.4	0.8	2.2	2.2			7.9	1.4	48.8	9.5	5.3	1.1
2Q23	-0.3	0.7	-1.2	5.6	5.0	2.1	2.6	2.4	4.8	4.8			5.8	0.1	40.5	7.4	6.2	1.5
3Q23	0.3	1.0	1.7	7.3	10.6	7.7	1.2	1.2	4.1	4.1			3.3	-0.2	37.1	7.8	6.4	2.3
4Q23	5.3	4.3	18.4	2.2	16.6	5.2	5.9	1.4	8.0	8.0			2.3	0.9	36.6	7.8	6.2	1.1
1Q24	8.6	2.2	18.3	2.2	17.3	1.4	5.6	0.5	6.7	6.7			2.0	1.1	32.0	5.8	6.9	1.9
2Q24	12.5	4.4	10.8	-1.1	14.9	-0.0	3.8	0.6	5.8	5.8			3.3	1.4	26.9	3.2	7.2	1.8
3Q24	37.5	23.5	1.5	-1.7	3.1	-3.3	2.1	-0.5	6.1	6.1			5.4	1.8	27.0	7.9	6.1	1.3
4Q24	38.4	5.1	3.9	4.6	1.6	3.6	3.3	2.6	10.0	10.0			6.2	1.7	27.2	7.9	4.8	-0.2
1Q25	39.0	2.7	2.9	1.2	0.6	0.4	4.2	1.5	12.9	12.9			6.7	1.7	28.5	6.9	2.2	-0.7

Source: Banks, MIDFR

F. DEPOSITS & LIQUIDITY

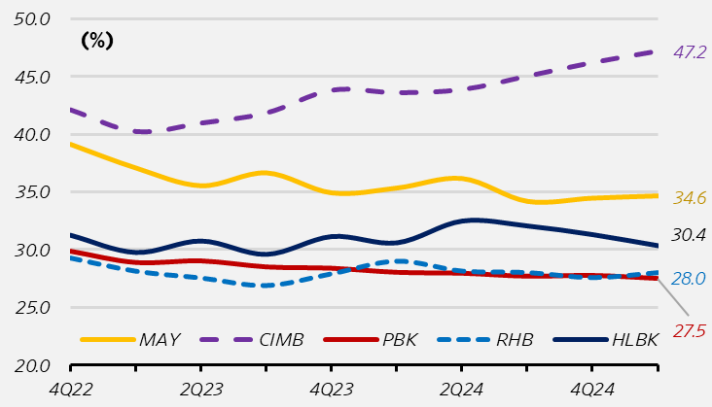
FIG 36: Deposit & CASA growth (%)

	MAY			CIMB			PBK			RHB			HLBK			AMMB			BIMB#			AFFIN			ABMB		
	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*	yoy	qoq	YTD*
Deposits growth (%)																											
1Q23	3.3	1.6	1.6	3.8	0.9	2.5	4.9	2.3	2.3	3.9	-0.3	-0.3	6.6	2.1	2.9	6.3	4.8	6.3	14.3	3.5	3.5	5.8	1.3	1.3	5.5	3.8	5.5
2Q23	3.3	0.6	2.1	7.8	3.8	0.9	4.7	0.7	3.0	-0.0	1.3	0.9	7.3	4.3	7.3	7.3	-0.0	-0.0	2.8	-7.0	-3.8	11.0	8.6	10.0	6.5	1.9	1.9
3Q23	3.8	1.4	3.5	6.8	0.4	4.8	3.9	0.5	3.5	1.5	3.0	4.0	6.0	-1.2	-1.2	11.8	3.9	3.8	2.3	2.3	-1.6	12.0	0.2	10.2	5.6	0.1	1.9
4Q23	9.0	5.3	9.0	7.0	1.7	5.2	4.6	1.0	4.6	4.7	3.8	7.9	6.2	1.0	-0.2	9.3	0.4	4.3	1.2	2.9	1.2	9.0	-1.1	9.0	11.1	5.0	7.0
1Q24	9.0	1.5	1.5	7.5	1.4	7.0	4.1	1.8	1.8	7.9	-0.9	-0.9	4.7	0.6	0.4	9.3	4.8	9.3	-1.8	0.4	0.4	8.9	1.3	1.3	12.9	5.5	12.9
2Q24	7.9	-0.4	1.1	1.8	-1.8	1.4	4.5	1.1	2.9	7.3	-1.1	-1.9	4.1	3.8	4.1	4.0	-4.8	-4.8	8.5	2.7	3.1	-0.4	-0.7	0.6	11.6	0.7	0.7
3Q24	6.4	-0.0	1.1	-3.2	-4.5	-0.4	4.0	0.1	3.0	4.8	-0.8	-2.8	4.9	-0.5	-0.5	0.7	0.6	-4.3	6.0	-0.2	3.0	3.3	3.9	4.4	13.8	2.0	2.7
4Q24	6.3	5.2	6.3	1.8	7.0	-4.8	4.9	1.9	4.9	0.9	4.7	1.8	7.4	3.3	2.9	1.8	1.5	-2.8	6.4	3.3	6.4	4.1	-0.3	4.1	13.3	4.6	7.4
1Q25	5.0	0.2	0.2	-1.2	-1.6	1.8	4.0	0.9	0.9	1.8	-0.4	-0.4	5.9	-0.8	2.1	-0.6	2.3	-0.6	5.5	-0.4	-0.4	5.2	2.3	2.3	14.7	6.8	14.7
CASA growth (%)																											
1Q23	-14.0	-3.8	-3.8	-7.8	-3.6	-2.0	-2.9	-1.1	-1.1	-2.9	-4.1	-4.1	-4.1	-2.8	-8.5	13.2	22.1	13.2	22.6	14.3	14.3	9.6	-3.6	-3.6	-9.7	-5.1	-9.7
2Q23	-18.0	-3.6	-7.3	-0.5	5.7	-3.6	-4.4	1.2	0.1	-4.7	-0.8	-4.9	-1.4	7.8	-1.4	0.1	-18.9	-18.9	-3.2	-14.9	-2.7	19.8	12.9	8.8	-6.4	6.9	6.9
3Q23	-9.6	4.6	-3.0	1.9	2.6	1.9	-3.5	-1.3	-1.2	-5.9	0.6	-4.3	-2.9	-4.9	-4.9	9.3	10.0	-10.8	3.7	2.4	-0.4	21.4	0.3	9.1	-4.1	0.6	7.5
4Q23	-2.7	0.3	-2.7	11.4	6.6	4.6	-0.6	0.6	-0.6	3.0	7.6	3.0	5.8	6.2	1.0	14.6	5.2	-6.1	8.6	9.0	8.6	24.0	13.6	24.0	9.3	7.1	15.2
1Q24	3.9	2.8	2.8	16.6	0.9	11.4	1.0	0.5	0.5	10.5	2.9	2.9	7.6	-1.2	-0.1	8.1	15.2	8.1	-6.0	-1.0	-1.0	21.5	-5.6	-5.6	12.1	-2.7	12.1
2Q24	9.8	1.9	4.7	9.1	-1.2	0.9	0.6	0.8	1.3	7.0	-3.9	-1.2	10.0	10.2	10.0	15.6	-13.3	-13.3	6.3	-3.8	-4.8	11.1	3.3	-2.5	5.5	0.6	0.6
3Q24	-0.8	-5.5	-1.1	4.3	-1.9	-0.2	1.0	-0.9	0.4	5.0	-1.3	-2.4	13.6	-1.8	-1.8	5.8	0.7	-12.7	6.8	3.0	-2.0	19.4	7.7	5.0	5.3	0.4	1.0
4Q24	5.0	6.1	5.0	7.5	9.8	-2.1	2.6	2.2	2.6	0.6	3.1	0.6	7.9	0.9	-0.9	-2.6	-3.1	-15.4	7.1	9.3	7.1	18.3	12.7	18.3	-1.0	0.8	1.8
1Q25	2.9	0.8	0.8	7.0	0.5	7.5	2.0	-0.1	-0.1	-1.1	1.1	1.1	5.0	-3.8	-4.7	-3.3	14.3	-3.3	0.4	-7.2	-7.2	36.2	8.6	8.6	13.1	11.1	13.1

**YTD by FY. #BIMB uses Deposits + Investment Accounts instead of Deposits, CASATIA instead of CASA*

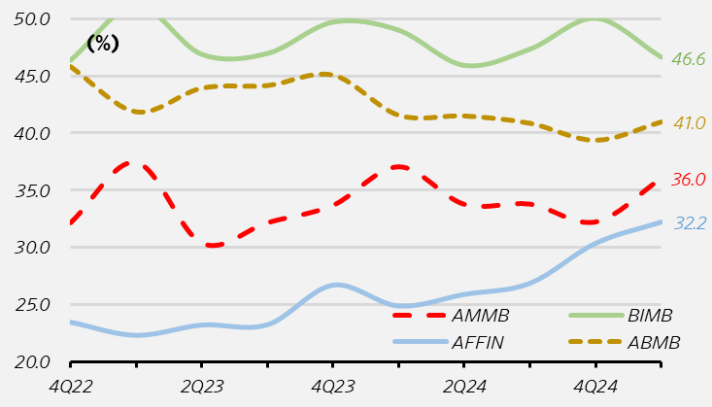
Source: Banks, MIDFR

Fig 37: CASA ratio trend: Big 5



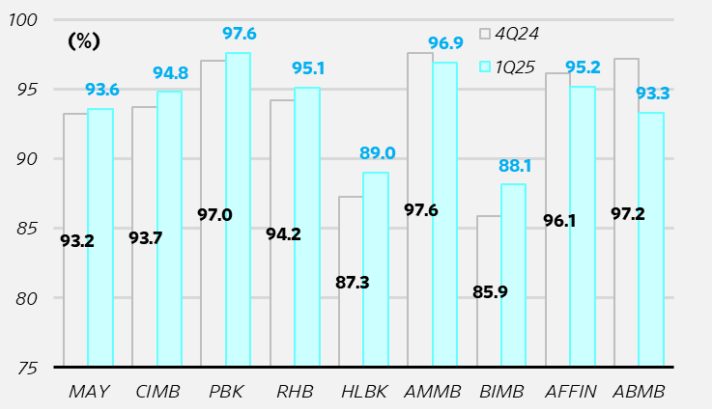
Source: Banks, MIDFR

Fig 38: CASA ratio trend: Small 4



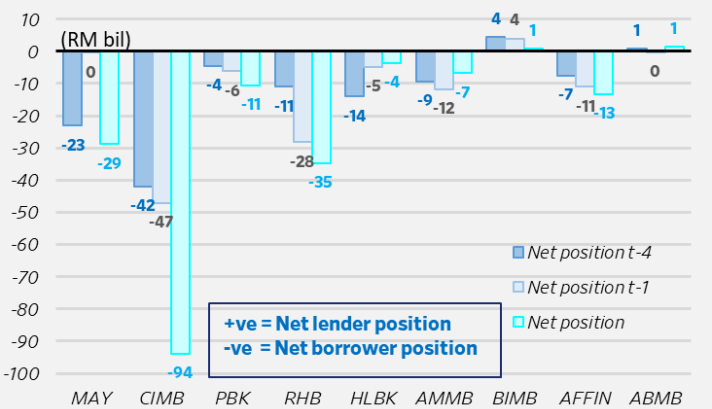
Source: Banks, MIDFR

Fig 39: Industry Loan/Deposit Ratios



Source: Banks, MIDFR

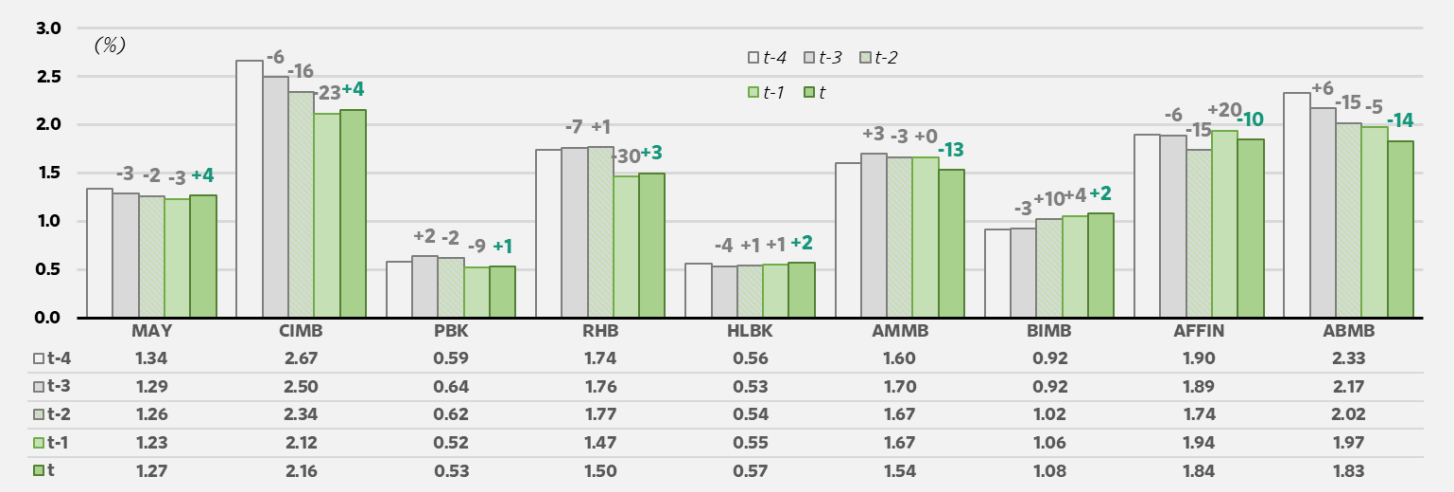
Fig 40: Interbank Lending positions



Source: Banks, MIDFR

G. ASSET QUALITY & PROVISIONING

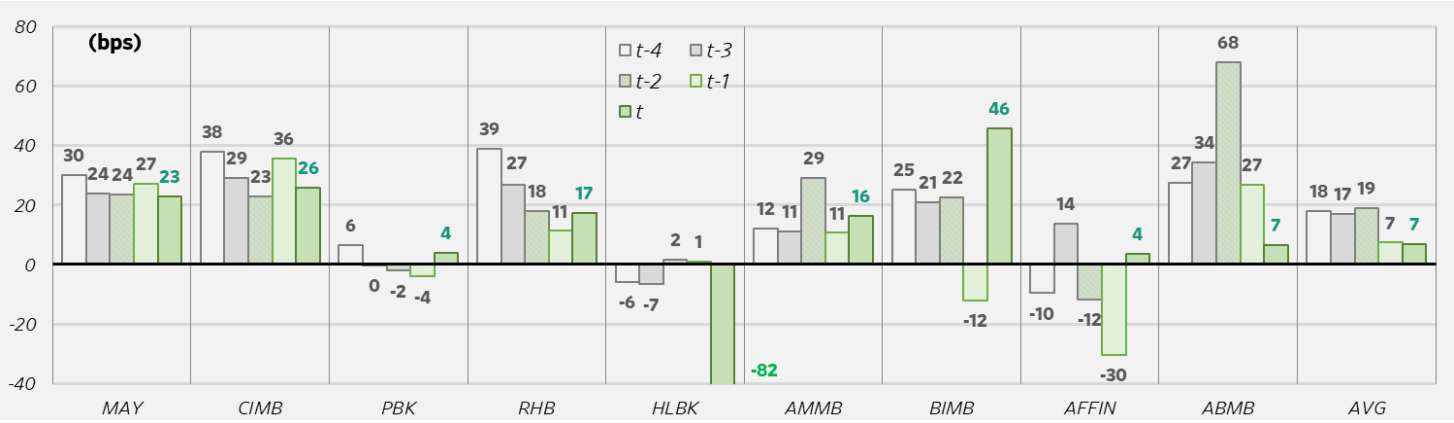
Fig 41: Sector GILs



	MAY	CIMB	PBK	RHB	HLBK	AMMB	BIMB	AFFIN	ABMB
t-4	1.34	2.67	0.59	1.74	0.56	1.60	0.92	1.90	2.33
t-3	1.29	2.50	0.64	1.76	0.53	1.70	0.92	1.89	2.17
t-2	1.26	2.34	0.62	1.77	0.54	1.67	1.02	1.74	2.02
t-1	1.23	2.12	0.52	1.47	0.55	1.67	1.06	1.94	1.97
t	1.27	2.16	0.53	1.50	0.57	1.54	1.08	1.84	1.83

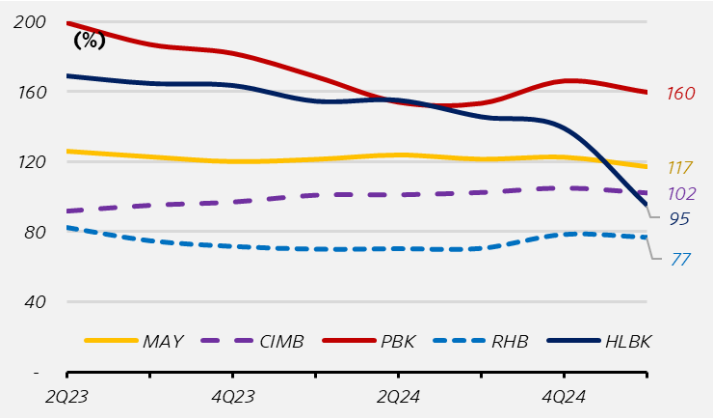
Source: Banks, MIDFR

Fig 42: Sector Quarterly Net Credit Costs (NCC)



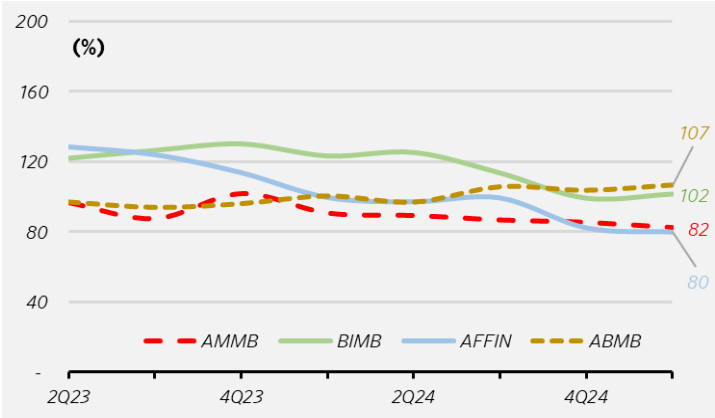
Source: Banks, MIDFR

Fig 43: Loan Loss Coverage (no reserves): Big 5



Source: Banks, MIDFR

Fig 44: Loan Loss Coverage (no reserves): Small 4



Source: Banks, MIDFR

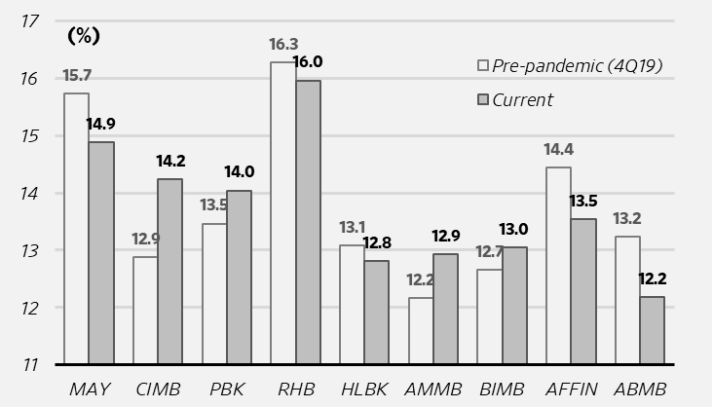
FIG 45: GIL ratio by Sector (%)

	MAY		CIMB		PBK		RHB		HLBK		AMMB		BIMB		AFFIN		ABMB	
	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq	GIL ratio	qoq
Overall GIL ratio (%)																		
1Q21	2.20		3.44		0.35		1.66		0.53		1.54		0.71		3.41		2.34	
2Q21	2.18	-2	3.44	-1	0.35	+0	1.63	-3	0.46	-7	1.56	+2	0.72	+1	3.27	-13	2.34	+0
3Q21	1.93	-26	3.38	-6	0.33	-3	1.32	-32	0.48	+2	1.44	-12	0.68	-5	3.14	-14	2.32	-2
4Q21	1.99	+7	3.52	+14	0.31	-2	1.49	+17	0.46	-3	1.35	-10	0.96	+28	2.54	-60	2.02	-30
1Q22	1.95	-4	3.44	-7	0.29	-2	1.50	+1	0.48	+2	1.40	+5	1.02	+6	2.43	-11	1.85	-17
2Q22	1.81	-14	3.55	+10	0.29	-0	1.62	+12	0.49	+1	1.55	+15	1.14	+12	2.28	-15	1.84	-0
3Q22	1.70	-11	3.49	-6	0.33	+5	1.57	-5	0.49	+1	1.52	-3	1.20	+6	1.91	-37	1.87	+3
4Q22	1.57	-13	3.27	-22	0.42	+9	1.55	-2	0.49	-1	1.62	+9	1.27	+6	1.97	+7	1.93	+6
1Q23	1.50	-7	3.22	-5	0.52	+10	1.59	+4	0.52	+3	1.46	-16	1.37	+11	1.96	-1	2.51	+58
2Q23	1.47	-3	3.35	+12	0.55	+4	1.64	+5	0.57	+5	1.66	+20	1.03	-34	1.78	-18	2.63	+11
3Q23	1.43	-4	3.17	-17	0.58	+3	1.79	+15	0.57	-1	1.65	-1	0.97	-6	1.84	+6	2.51	-12
4Q23	1.34	-9	2.67	-51	0.59	+1	1.74	-5	0.56	-1	1.60	-5	0.92	-5	1.90	+5	2.33	-17
1Q24	1.32	-3	2.55	-12	0.62	+3	1.83	+9	0.57	+1	1.67	+7	0.95	+3	1.96	+6	2.11	-22
2Q24	1.29	-3	2.50	-6	0.64	+2	1.76	-7	0.53	-4	1.70	+3	0.92	-3	1.89	-6	2.17	+6
3Q24	1.26	-2	2.34	-16	0.62	-2	1.77	+1	0.54	+1	1.67	-3	1.02	+10	1.74	-15	2.02	-15
4Q24	1.23	-3	2.12	-23	0.52	-9	1.47	-30	0.55	+1	1.67	+0	1.06	+4	1.94	+20	1.97	-5
1Q25	1.27	+4	2.16	+4	0.53	+1	1.50	+3	0.57	+2	1.54	-13	1.08	+2	1.84	-10	1.83	-14
Residential Mortgage GIL ratio (%)																		
1Q23	0.50		2.41		0.28		0.96		0.33		2.00				1.16		2.75	
2Q23	0.63	+13	2.74	+33	0.32	+5	1.01	+4	0.45	+12	2.15	+14			1.27	+11	2.87	+12
3Q23	0.61	-2	2.36	-38	0.35	+3	1.02	+1	0.42	-3	2.04	-11			1.24	-3	2.84	-3
4Q23	0.61	+1	2.29	-7	0.39	+3	1.05	+4	0.40	-2	2.07	+3			1.18	-6	2.53	-31
1Q24	0.65	+3	2.19	-10	0.45	+7	1.06	+0	0.42	+2	2.12	+5	0.86	+86	1.36	+18	2.19	-34
2Q24	0.64	-1	2.11	-8	0.45	+0	1.09	+3	0.41	-1	2.12	+0	0.82	-4	1.46	+9	2.26	+7
3Q24	0.62	-1	2.00	-11	0.44	-2	1.13	+3	0.41	+0	2.13	+1	0.82	+0	1.47	+2	2.05	-21
4Q24	0.60	-3	1.95	-5	0.43	-1	1.08	-5	0.39	-2	2.09	-4	0.86	+4	1.71	+23	1.96	-8
1Q25	0.61	+2	2.00	+5	0.40	-3	1.10	+3	0.43	+3	2.02	-6	0.91	+5	1.78	+7	1.56	-40
Personal Financing GIL ratio (%)																		
1Q23	1.30		2.28		0.78		1.25		1.37						0.56		4.51	
2Q23	2.08	+78	2.01	-27	0.82	+5	1.37	+12	1.21	-15					0.61	+4	4.68	+17
3Q23	2.62	+54	1.74	-27	0.80	-2	1.29	-8	1.00	-21					0.49	-11	4.48	-20
4Q23	5.15	+253	1.68	-6	0.78	-2	1.27	-2	0.87	-13					0.49	-0	4.35	-13
1Q24	5.57	+42	1.64	-3	0.81	+3	1.18	-9	0.75	-13			0.59	+59	0.68	+19	3.71	-64
2Q24	5.03	-53	1.62	-3	0.88	+8	1.14	-4	0.69	-6			0.55	-4	1.14	+46	3.90	+19
3Q24	3.44	-160	1.76	+14	1.03	+15	1.14	-1	0.75	+6			0.57	+2	1.02	-12	3.48	-42
4Q24	3.21	-23	1.73	-2	0.99	-4	1.10	-4	0.78	+2			0.51	-6	0.64	-38	3.46	-2
1Q25	3.02	-19	1.79	+5	0.96	-3	1.09	-1	0.75	-3			0.53	+2	0.79	+15	3.07	-39
Transport Vehicles GIL ratio (%)																		
1Q23	0.43		1.07		0.28		0.60		0.22		0.87				2.41		5.72	
2Q23	0.49	+6	1.23	+16	0.32	+4	0.64	+4	0.22	-0	0.87	-1			0.54	-187	6.57	+85
3Q23	0.50	+2	1.20	-3	0.33	+1	0.70	+6	0.26	+4	0.83	-4			0.51	-3	4.91	-166
4Q23	0.51	+0	1.13	-7	0.31	-1	0.61	-9	0.31	+5	0.79	-4			0.51	+1	4.56	-35
1Q24	0.59	+9	1.07	-6	0.28	-4	0.50	-12	0.33	+2	0.78	-1			0.57	+5	4.42	-14
2Q24	0.64	+4	1.11	+3	0.31	+3	0.47	-3	0.35	+2	0.74	-4			0.54	-2	4.62	+19
3Q24	0.64	+0	1.11	+0	0.32	+1	0.45	-2	0.43	+8	0.77	+3			0.52	-2	4.54	-7
4Q24	0.63	-1	1.23	+13	0.32	+1	0.48	+3	0.42	-1	0.75	-2			0.46	-6	4.41	-13
1Q25	0.71	+8	1.21	-2	0.34	+1	0.43	-4	0.41	-0	0.59	-16			0.52	+6	4.34	-8
Working Capital GIL ratio (%)																		
1Q23	3.10		5.99		0.87		2.62		0.84						2.18		2.59	
2Q23	2.74	-36	5.92	-8	0.89	+2	2.57	-5	0.76	-8					3.34	+117	2.75	+16
3Q23	2.61	-13	5.82	-10	0.90	+1	3.10	+53	0.85	+9					4.02	+68	2.41	-35
4Q23	2.13	-48	4.05	-177	0.89	-0	3.16	+6	0.94	+9					4.23	+21	2.24	-17
1Q24	1.99	-14	4.18	+13	0.99	+10	3.48	+33	0.97	+3					3.73	-49	2.20	-4
2Q24	1.94	-5	4.13	-5	1.02	+3	3.41	-8	0.80	-17					3.26	-48	2.30	+10
3Q24	1.97	+2	3.62	-51	0.95	-7	3.57	+17	0.83	+3					2.91	-34	2.31	+1
4Q24	2.05	+8	2.86	-76	0.89	-6	2.52	-105	0.93	+9					4.06	+114	2.36	+5
1Q25	2.14	+9	2.99	+13	0.92	+3	2.63	+11	1.01	+8					3.57	-48	2.50	+14

Source: Banks, MIDFR

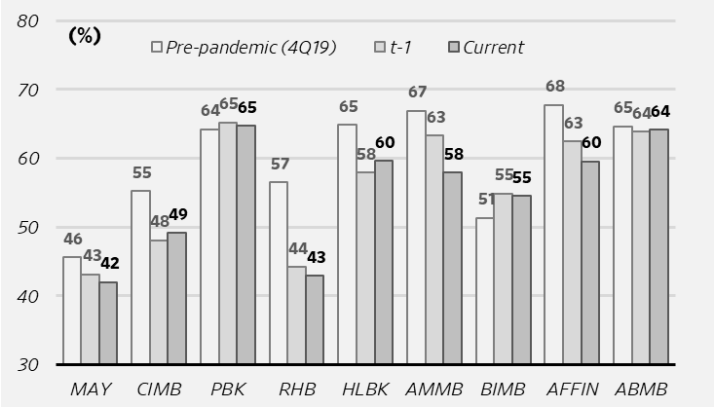
H. CAPITAL AND RISK-WEIGHTED ASSETS

Fig 46: Industry CET 1 ratios



Source: Banks, MIDFR

Fig 47: RWA efficiency (RWA / Total Assets)



Source: Banks, MIDFR

FIG 48: Industry CET 1 ratios (%)

	MAY		CIMB		PBK		RHB		HLBK		AMMB		BIMB		AFFIN		ABMB	
	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq	Ratio	qoq
CET 1 ratio (%)																		
1Q21	15.3		12.9		13.8		15.6		13.0		11.3		13.2		13.8		15.0	
2Q21	14.6	-0.7	13.0	+0.1	14.3	+0.5	16.8	+1.2	13.6	+0.6	12.3	+1.0	14.5	+1.3	14.1	+0.3	15.5	+0.5
3Q21	14.2	-0.4	13.1	+0.1	14.1	-0.2	16.8	+0.1	13.0	-0.5	12.7	+0.4	14.8	+0.3	13.6	-0.4	15.6	+0.1
4Q21	16.1	+1.9	14.5	+1.4	14.5	+0.5	17.2	+0.4	13.1	+0.1	13.0	+0.3	13.2	-1.7	13.5	-0.1	15.3	-0.3
1Q22	14.9	-1.2	14.5	+0.0	14.3	-0.2	16.8	-0.4	12.7	-0.4	12.2	-0.8	14.0	+0.8	13.7	+0.2	14.6	-0.7
2Q22	15.0	+0.1	13.9	-0.6	14.1	-0.2	16.6	-0.2	13.4	+0.7	12.4	+0.2	13.8	-0.2	13.4	-0.3	14.5	-0.1
3Q22	13.8	-1.1	13.9	-0.0	14.0	-0.1	16.4	-0.2	12.9	-0.5	12.2	-0.2	13.9	+0.1	16.3	+2.9	14.1	-0.4
4Q22	15.7	+1.8	14.5	+0.7	14.6	+0.6	16.9	+0.5	13.0	+0.0	12.3	+0.1	13.6	-0.3	14.0	-2.3	14.2	+0.1
1Q23	15.1	-0.6	13.9	-0.6	14.6	+0.1	16.9	+0.0	12.9	-0.1	12.5	+0.2	15.1	+1.5	14.6	+0.6	13.8	-0.4
2Q23	15.2	+0.1	14.1	+0.2	14.6	-0.1	16.7	-0.2	12.8	-0.0	12.9	+0.4	13.9	-1.2	14.7	+0.1	13.3	-0.5
3Q23	15.4	+0.2	13.9	-0.2	14.5	-0.1	16.2	-0.5	12.6	-0.2	12.7	-0.2	14.4	+0.4	13.8	-0.9	12.9	-0.4
4Q23	16.2	+0.8	14.5	+0.6	14.7	+0.2	16.7	+0.5	12.9	+0.3	13.4	+0.7	14.1	-0.2	14.3	+0.5	12.8	-0.1
1Q24	14.9	-1.3	14.5	+0.0	14.5	-0.2	16.5	-0.2	12.5	-0.4	13.0	-0.3	13.9	-0.2	13.4	-0.8	12.5	-0.3
2Q24	15.5	+0.6	14.5	-0.0	14.5	+0.0	16.7	+0.2	13.3	+0.8	13.2	+0.2	13.7	-0.2	12.8	-0.6	12.2	-0.3
3Q24	14.7	-0.7	14.5	-0.0	14.3	-0.2	16.6	-0.1	13.2	-0.2	15.3	+2.0	14.5	+0.7	13.3	+0.4	12.4	+0.2
4Q24	15.8	+1.0	14.6	+0.2	14.3	-0.1	16.4	-0.2	13.0	-0.2	14.9	-0.4	13.8	-0.6	13.2	-0.1	12.4	+0.0
1Q25	14.9	-0.9	14.2	-0.4	14.0	-0.2	16.0	-0.5	12.8	-0.2	12.9	-2.0	13.0	-0.8	13.5	+0.3	12.2	-0.2

Source: Company, MIDFR

Income Statement	Balance Sheet	Valuations & Sector
Core NP – Core Net Profit	LCR – Liquidity Coverage ratio	ROE – Return on Equity
PPOP – Pre-Provisioning Operating Profit	L/D ratio – Loan/Deposit ratio	GGM – Gordon Growth Model
NII – Net Interest Income	CASA – Current & Savings accounts	P/BV – Price to Book Value
NIM – Net Interest Margin	FD – Fixed Deposits	BVPS – Book Value per Share
COF – Cost of Funds	GIL – Gross Impaired Loans	BNM – Bank Negara Malaysia
NOII – Non-Interest Income	NIL – Net Impaired Loans	OPR – Overnight Policy Rate
MTM – Mark to Market	LLC – Loan Loss Coverage	SRR – Statutory Reserve Requirement
CIR – Cost to Income Ratio	NCC – Net Credit Costs	SBR – Standardised Base Rate
OPEX – Operational Expenses	GCC – Gross Credit Costs	ALR – Average Lending Rate
	CET 1 – Common Equity Tier 1	

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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	The stock price is expected to rise by >10% within 3 months after a Trading Buy rating has been assigned due to positive news flow.
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	The stock price is expected to fall by >10% within 3 months after a Trading Sell rating has been assigned due to negative news flow.

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