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TRADING RADAR

High Dividend Yielders

Strategy Report

The BM REIT index price performance has outshined all other sectoral indices on Bursa Malaysia in 2025 with +9.0% year-to-date return. Looking forward, the fundamentals of REIT are expected to remain stable with rental reversion outlook staying positive. However, the spread between BM REIT aggregate dividend yield and 10-year MGS yield has narrowed to below its long-term average. We think that the below average yield spread would limit the price upside of REIT. Moreover, the average dividend yield of REIT under our coverage has fallen to 4.5%, which we think is relatively less attractive. Hence, our NEUTRAL (downgraded on 10 June 2025 from POSITIVE) stance on the REIT sector.

REIT stocks have delivered but upside now seen limited with average yield of 4.5%.

Therefore, we list below other potential outperformers on Bursa Malaysia which fulfil the following criteria: **(i)** attractive dividend yield of at least 5%, **(ii)** good recent earnings track record with at least 4 consecutive profitable years, **(iii)** market capitalization of at least RM500 million, and **(iv)** supported share price trading at higher than its 200-SMA.

Select high dividend yielders listed below.

CODE	NAME	PRICE (RM)	EPS (sen)	DPS (sen)	PER	DY (%)	PBV	MCAP (RM'm)
APM [s]	APM Automotive	3.16	42.39	28.00	7.45	**8.86**	0.44	637
INNO [s]	Innoprise Plantations	1.81	18.78	15.55	9.64	**8.59**	2.83	867
TAANN [s]	Ta Ann Holdings	4.12	42.18	35.00	9.77	**8.50**	0.97	1,833
KFIMA [s]	Kumpulan Fima	2.47	42.14	19.00	5.86	**7.69**	0.71	706
HLIND [s]	Hong Leong Industries	14.02	148.22	107.00	9.46	**7.63**	1.93	4,597
DXN [s]	DXN Holdings	0.52	6.37	3.70	8.17	**7.12**	1.93	2,592
PARAMON [s]	Paramount Corporation	1.06	17.14	7.50	6.19	**7.08**	0.45	660
SWKPLNT [s]	Sarawak Plantation	2.85	34.56	20.00	8.25	**7.02**	0.98	798
KMLOONG [s]	Kim Loong Resources	2.37	16.49	15.00	14.37	**6.33**	2.49	2,328
RHBBANK	RHB Bank	6.80	73.85	43.00	9.21	**6.32**	0.89	29,661
CIMB	CIMB Group	7.62	71.44	47.00	10.67	**6.17**	1.16	82,050
HSPLANT [s]	Hap Seng Plantations	2.03	22.82	12.50	8.89	**6.16**	0.79	1,624
KERJAYA [s]	Kerjaya Prospek	2.46	14.99	15.00	16.41	**6.10**	2.67	3,117
GASMSIA [s]	Gas Malaysia	4.30	33.33	26.19	12.90	**6.09**	3.80	5,521
MBSB [s]	MBSB	0.75	5.52	4.55	13.59	**6.07**	0.62	6,167

CODE	NAME	PRICE (RM)	EPS (sen)	DPS (sen)	PER	DY (%)	PBV	MCAP (RM'm)
NEXG [s]	NEXG	0.51	4.14	3.00	12.33	**5.88**	2.86	1,892
KOTRA [s]	Kotra Industries	4.40	28.64	25.50	15.36	**5.80**	2.33	653
ORIENT	Oriental Holdings	7.00	40.87	40.00	17.13	**5.71**	0.59	4,343
OSK	OSK Holdings	1.40	17.54	8.00	7.98	**5.71**	0.65	4,400
UTDPLT [s]	United Plantations	23.50	130.31	134.00	18.03	**5.70**	5.33	14,672
HLCAP	Hong Leong Capital	3.97	23.67	22.00	16.77	**5.54**	0.90	980
LPI	LPI Capital	14.50	95.12	80.00	15.24	**5.52**	2.47	5,777
UOADEV [s]	UOA Development	1.82	12.88	10.00	14.13	**5.49**	0.86	4,834
BURSA [s]	Bursa Malaysia	8.06	34.61	44.00	23.29	**5.46**	8.22	6,523
AYER [s]	Ayer Holdings	7.58	48.69	40.00	15.57	**5.28**	0.94	567
AMBANK	AMMB Holdings	5.80	60.86	30.20	9.53	**5.21**	0.93	19,222
FAREAST [s]	Far East Holdings	4.05	35.03	21.00	11.56	**5.19**	1.59	2,405
CHINTEK	Chin Tek Plantations	10.20	117.45	51.00	8.68	**5.00**	0.93	932

High dividend yield stocks under our coverage.

Of the stocks listed in tables above, we cover the following:

- Ta Ann Holdings (Rec: BUY, TP: RM4.38)
- Sarawak Plantation (Rec: BUY, TP: RM2.88)
- RHB Bank (Rec: BUY, TP: RM7.21)
- CIMB Group (Rec: BUY, TP: RM8.22)
- Gas Malaysia (Rec: NEUTRAL, TP: RM4.48)
- LPI Capital (Rec: BUY, TP: RM15.70)
- UOA Development (Rec: BUY, TP: RM2.04)
- Bursa Malaysia (Rec: NEUTRAL, TP: RM7.90)
- AMMB Holdings (Rec: NEUTRAL, TP: RM5.30)

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TECHNICAL STOCK RECOMMENDATIONS

TECHNICAL BUY	The share price return is expected to rise by >10% over the next 2 months.
ADD	The share price return is expected to rise by >5% over the next 1 month.
REDUCE	The share price return is expected to fall by >5% over the next 1 month.
TECHNICAL SELL	The share price return is expected to fall by >10% over the next 2 months.