

# Daily Market Update

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## News Highlight

### Stock Market

#### CSX Index

Value	1D Chg %	1D Vol	Mkt cap (KHRbn)
337.9	0.23	2,625	774

#### Trading activity by major type of investors

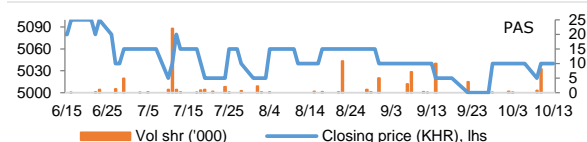
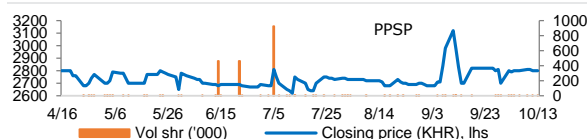
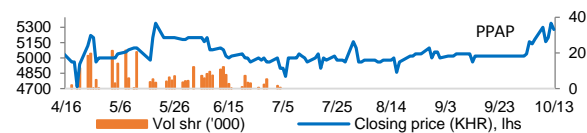
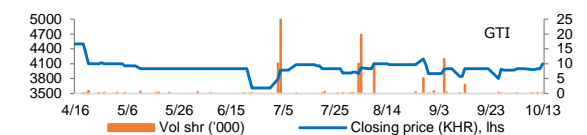
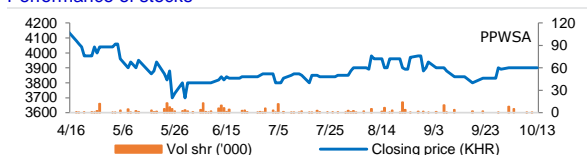
% of trading vol.	Sell (%)			Buy (%)		
	1D	MTD	3M	1D	MTD	3M
DI	7.6	83.7	41.0	0.8	9.2	22.8
DS	0.8	0.1	1.4	76.2	22.8	4.5
LC	0.0	0.0	0.0	0.0	0.0	0.0
FI	91.6	16.2	57.6	23.0	68.1	72.6

DI: domestic individual investors; DS: domestic securities firms; LC: local general corporation; FI: foreign investors

#### Stock indicators

Stock symbol	Closing (KHR)	1D chg (%)	MTD chg (%)	YTD chg (%)	1M high (KHR)	1M low (KHR)	MTD trading vol (shr)	Market cap (KHRbn)
PWSA	3,900	0.00	0.26	-4.88	3,900	3,800	13,679	339
GTI	4,100	2.50	3.27	-5.09	4,100	3,800	600	164
PPAP	5,280	-1.12	5.18	1.54	5,400	4,720	11,489	109
PPSP	2,800	0.00	3.70	-2.10	3,120	2,560	984	162
PAS	5,040	0.00	0.00	N/A	5,040	5,000	9,277	432

#### Performance of stocks



Key financials	PPWSA 1H17	GTI 1Q17	PPAP 1H17	PPSP 2016	PAS 2016
Revenue (KHRbn)	114.4	70.13	33.3	38.19	208.98
EBIT (KHRbn)	37.4	1.78	10.7	9.52	54.61
Net profit (KHRbn)	14.6	1.24	6.8	5.84	26.72
EBIT margin (%)	32.7	2.54	32.0	24.93	26.13
Net margin (%)	12.7	1.77	20.4	15.28	12.79
Revenue (% YoY)	17.6	3.41	10.0	-42.4	5.1
EBIT (% YoY)	20.0	-75.62	3.4	-61.8	3.9
Net profit (% YoY)	-27.3	-80.85	2.5	-65.0	-30.2
EPS (KHR) (ttm)	518	398	822	101	312
P/E (x) (ttm)	7.53	10.30	6.42	27.77	13.53*
P/B (x) (mrq)	0.41	0.62	0.21	1.10	0.82

NOTE: ttm = trailing twelve months; mrq = most recent quarter; P/E & P/B based on the last closing; \*Based on adjusted net income;

Source: YSC Research

Source: National Bank of Cambodia

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**PPWSA shares unchanged for ninth trading day straight** Shares in Phnom Penh Water Supply Authority (PPWSA) closed unchanged for a ninth trading day straight at KHR3,900. Only 159 shares were traded this week.

**GTI shares finish week up 2.5%** Shares in Grand Twins International (GTI) finished at KHR4,100, up 2.5% from last Friday. This week saw only 500 shares change hands.

**PPAP shares post weekly gain of 1.93%** Shares in Phnom Penh Autonomous Port (PPAP) fell 1.12% from the previous close to KHR5,280, but posted a weekly gain of 1.93%. The volume trading between Monday and Friday were 6,823 shares.

**PPSP shares unmoved for second day straight** Shares in Phnom Penh SEZ Plc (PPSP) remained unmoved for a second day straight at KHR2,800. Only 748 shares changed hands during the week.

**PAS shares end week unchanged** Shares in Sihanoukville Autonomous Port (PAS) ended at KHR5,040, unchanged from last Friday. 8,777 shares were traded this week. (Source: YSC Research)

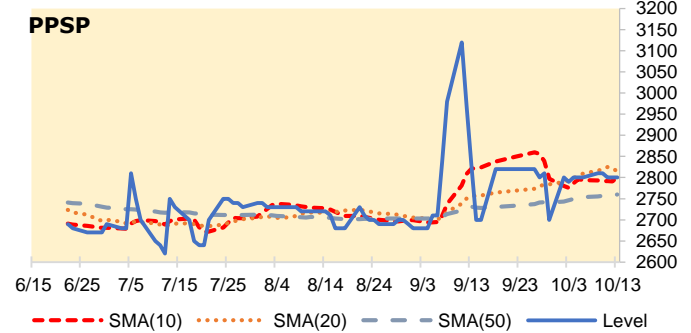
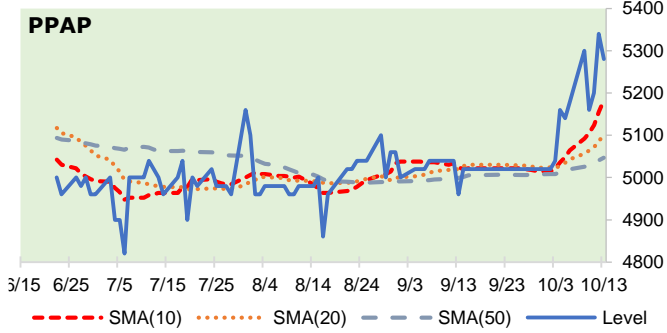
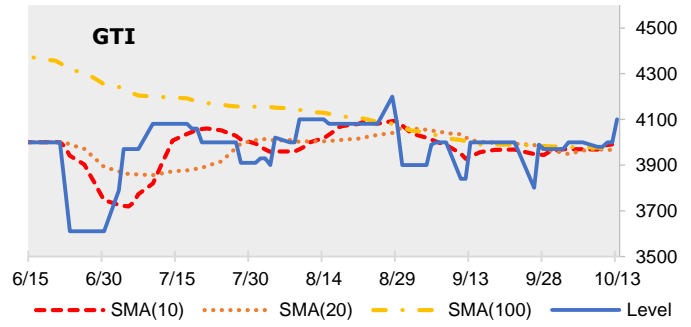
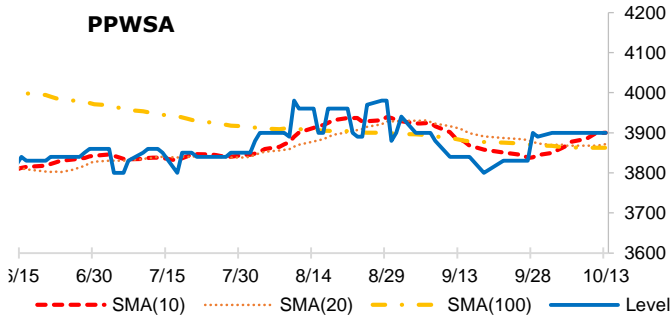
## Economy and Industry

**New decree sets transfer pricing rules for multinational firms** The new prakas (decree) released late on Wednesday night sets out new requirements for multinational companies to declare profits, costs and transactions involving overseas parent companies and their wholly-owned subsidiaries, aiming to prevent transfer mispricing that can manipulate market prices and rob the state coffers of due tax revenue. Vann Puthipol, deputy director of the General Department of Taxation (GDT), described the regulation as an important step forward in corporate compliance that was modelled on similar regulation in neighboring countries. According to tax experts, in order to comply with the regulations of the new prakas, multinationals would need to divide the revenue and expenditure of their Cambodian operations using the "Arm's Length Principle". The Arm's Length Principle requires multinationals to conduct transaction between related companies as if they were dealing with an independent third-party. The new prakas allows multinationals to choose from five OECD-recognized methodologies: Comparable Uncontrolled Price, Resale Price Minus, Cost Plus Methods, Profit Split Method or Transactional Net Margin Method, while in necessary cases, the tax authority has the right to introduce and require tax payers to use any method that is suitable for the real situation of the taxpayer. (Source: Phnom Penh Post)

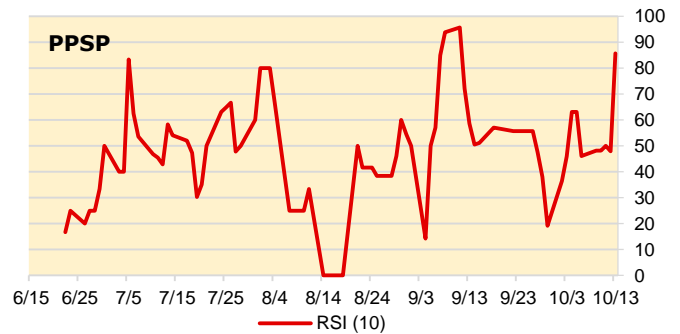
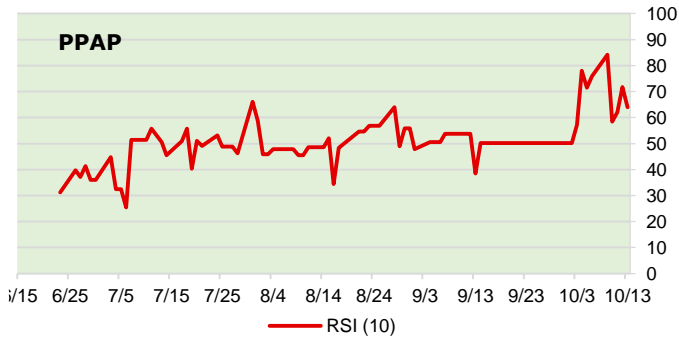
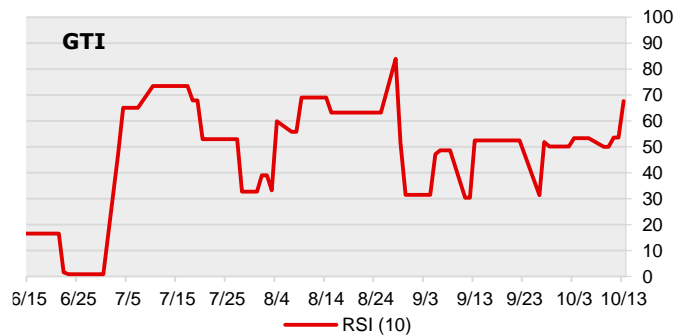
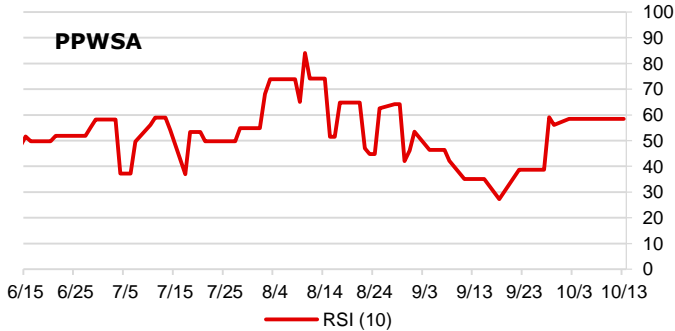
**Anti-dumping law passed** A trade remedy law that aims to introduce anti-dumping measures to protect and help local and foreign businesses in Cambodia was passed yesterday by the national assembly, according to a press release. The law allows the government to increase taxes on goods that are dumped into the market and sold at below market value. Ngoun Meng Tech, director-general of the Cambodia Chamber of Commerce, said Cambodian businesses across numerous sectors continue to suffer from informal import channels of cheap products that are not subject to proper taxation. Te Taing Por, president of the Federatio of Association for Small- and Medium-Sized Enterprises of Cambodia, said the law help alleviate struggles that small businesses face as they are the ones most affected by unfair competition. (Source: Phnom Penh Post)

Technical Indicators

Moving Average



Relative Strength Index



NOTE: SMA(n) = n-day simple moving average, RSI (10) = 10-day relative strength index  
Source: YSC Research

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