

Warrants Digest

Thursday, January 12, 2017



HSI 0.84% 22,935.35 STI -0.17% 3,000.94 NIK225 0.33% 19,364.67 DJIA 0.50% 19,954.28 NSDQ 0.21% 5,563.65

Highlights

AIRASIAC47 (509947)

Strike Price: RM2.60
Gearing: 6.90x
Expiry: 31 Oct 2017

AFFIN-CV (5185CV)

Strike Price: RM2.15
Gearing: 6.94x
Expiry: 31 Jul 2017

PETGAS-CN (6033CN)

Strike Price: RM21.20
Gearing: 49.19x
Expiry: 31 Mar 2017

AMBANK-CX (1015CX)

Strike Price: RM4.15
Gearing: 8.51x
Expiry: 29 Sep 2017

WPRTS-CP (5246CP)

Strike Price: RM4.40
Gearing: 23.83x
Expiry: 31 Jul 2017

Market Headlines

Malaysian shares may take the cue from US President-elect Donald Trump's Wednesday press conference, which lacked clarity on the US' fiscal policy. Such sentiment weakened the US dollar as US bond yields fell.

Yesterday, AirAsia Bhd (AIRASIA) rose 19 sen to close at RM 2.38, after it was reported that Malaysia registered drastic increase in tourist arrivals from China last year. Because there were 10 structured warrants on AIRASIA that were traded yesterday with various levels of gearing and premium, we would like to highlight the traded warrants' implied volatility. Amongst all the traded warrants, you will notice that AIRASIA-C47 has the lowest implied volatility, and has gearing of 6.90x with 23.74% premium. You will also notice that AIRASIA-C30 is trading below its intrinsic value and the warrant will expire in 19 days. Therefore, investors who have a bullish view on AIRASIA's outlook may refer to AIRASIA-C47 because it has the lowest implied volatility and most days to expiry.

Warrant Name	Volume Traded	Underlying Price (RM)	Strike	Moneyness (%)	Days to Expiry	Implied Vol (%)	Gearing (x)	Premium (%)	Last Price (RM)
AIRASIA-C47	5,099,400	2.380	2.600	-9.24	292	51.19	6.90	23.74	0.115
AIRASIA-C35	3,553,000	2.380	2.000	15.97	36	64.64	5.67	1.68	0.14
AIRASIA-C38	2,846,100	2.380	2.650	-11.34	106	65.61	10.46	20.90	0.065
AIRASIA-C42	1,400,000	2.380	2.700	-13.45	228	67.69	6.51	28.57	0.09
AIRASIA-C34	13,153,400	2.380	2.000	15.97	47	70.97	5.29	2.94	0.15
AIRASIA-C45	250,000	2.380	2.900	-21.85	139	75.82	9.33	32.56	0.085
AIRASIA-C40	3,000	2.380	3.300	-38.66	47	86.38	49.68	40.67	0.015
AIRASIA-C46	10,486,300	2.380	2.500	-5.04	139	88.06	5.29	23.95	0.15
AIRASIA-C39	50,000	2.380	2.700	-13.45	64	94.11	17.63	19.12	0.045
AIRASIA-C30	126,000	2.380	1.580	33.61	19	N/A	3.09	-1.26	0.385

Affin Holdings Bhd (AFFIN) rose 2 sen to close at RM 2.50, the highest closing price since Aug 10, 2015. The share price had been increasing since it closed above its 200-day moving average on Nov 9, 2016. There were 2 structured warrants on AFFIN that were traded yesterday and we would like to highlight AFFIN-CV. Based on AFFIN's yesterday closing price, the intrinsic value of AFFIN-CV is 35 sen. In addition, you will notice that AFFIN-CV has lower implied volatility, lower premium, and is more in-the-money than AFFIN-CU. Because of that, we feel that AFFIN-CV is a much more attractive than AFFIN-CU.

Warrant Name	Volume Traded	Underlying Price (RM)	Strike	Moneyness (%)	Days to Expiry	Implied Vol (%)	Gearing (x)	Premium (%)	Last Price (RM)
AFFIN-CV	258,500	2.500	2.150	14.00	200	17.70	6.94	0.40	0.36
AFFIN-CU	126,000	2.500	2.300	8.00	145	26.07	8.55	3.70	0.195

Source: CIMB Research, Bloomberg, The Edge Markets & The Star

FBMKLCI Index Chart

1,675.21 (0.19%)



Top 5 Most Active

Name	Gain/Loss	Vol '000
AIRASIAC34	76.47%	13,153
AIRASIAC47	53.33%	5,099
AIRASIAC38	44.44%	2,846
UEMS-C31	0.00%	1,557
SKPETROC29	-2.78%	1,226

Top 5 Gainers

Name	Gain/Loss	Chgs
AIRASIAC34	76.47%	0.065
AIRASIAC47	53.33%	0.04
TENAGA-C28	50.00%	0.005
AIRASIAC38	44.44%	0.02
FBMKLCI-C84	40.00%	0.01

Top 5 Losers

Name	Gain/Loss	Chgs
FBMKLCI-C76	-25.00%	-0.005
PETGAS-CN	-22.22%	-0.01
FBMKLCI-H89	-20.00%	-0.005
FBMKLCI-H2L	-15.38%	-0.01
UMWOG-C7	-9.09%	-0.005

Warrants in Focus

Code	Warrant	Closing Price (RM)	Underlying		Exercise Price	Premium (%)	Gearing (X)	Maturity Date	Days to Maturity
			Stock	Price					
509947	AIRASIAC47	0.115	AIRASIA	RM2.38	RM2.60	23.74%	6.90	31-Oct-17	292
5185CV	AFFIN-CV	0.360	AFFIN	RM2.50	RM2.15	0.40%	6.94	31-Jul-17	200
6033CN	PETGAS-CN	0.035	PETGAS	RM20.66	RM21.20	4.65%	49.19	31-Mar-17	78
1015CX	AMBANK-CX	0.210	AMBANK	RM4.47	RM4.15	4.59%	8.51	29-Sep-17	260
5246CP	WPRTS-CP	0.060	WPRTS	RM4.29	RM4.40	6.76%	23.83	31-Jul-17	200
688815	AXIATA-C15	0.145	AXIATA	RM4.72	RM4.65	7.73%	10.85	31-Oct-17	292
534728	TENAGA-C28	0.015	TENAGA	RM14.00	RM14.40	3.61%	133.34	28-Feb-17	47
471515	GENM-C15	0.180	GENM	RM4.85	RM4.40	1.86%	8.98	31-Mar-17	78
5243C7	UMWOG-C7	0.050	UMWOG	RM0.90	RM1.00	16.67%	18.00	31-May-17	139
4588CY	UMW-CY	0.020	UMW	RM4.61	RM5.70	25.81%	46.10	31-May-17	139

Warrants issued by CIMB Bank Berhad

Code	Warrant	Closing Price (RM)	1 day Gain\ Loss %	Volume ('000)	Underlying		Exercise Price (RM)^	Warrants / Share	Premium (Discount) (%)	Gearing (X)	Implied Volatility (%)	Maturity Date (d/m/y)	Days to Maturity	1 month Gain/ Loss %
					Stock	Price (RM)^								
6599CF	AEON-CF	0.015	0.00%	0	AEON	2.52	2.65	1.5	6.05%	112.00	33.66%	31/01/17	19	-66.67%
5185CV	AFFIN-CV	0.36	16.13%	259	AFFIN	2.50	2.15	1	0.40%	6.94	-*	31/07/17	200	75.61%
509934	AIRASIAC34	0.15	76.47%	13,153	AIRASIA	2.38	2.00	3	2.94%	5.29	67.79%	28/02/17	47	-28.57%
509938	AIRASIAC38	0.065	44.44%	2,846	AIRASIA	2.38	2.65	3.5	20.9%	10.46	63.84%	28/04/17	106	-23.53%
509947	AIRASIAC47	0.115	53.33%	5,099	AIRASIA	2.38	2.60	3	23.74%	6.90	51.19%	31/10/17	292	-11.54%
5014CP	AIRPORT-CP	0.025	0.00%	200	AIRPORT	6.10	6.45	7	8.61%	34.86	24.15%	28/04/17	106	-58.33%
1015CX	AMBANK-CX	0.21	-2.33%	593	AMBANK	4.47	4.15	2.5	4.59%	8.51	25.31%	29/09/17	260	40.0%
521015	ARMADA-C15	0.005	0.00%	823	ARMADA	0.63	0.80	1	27.78%	126.00	51.3%	28/02/17	47	0.0%
6399CV	ASTRO-CV	0.005	0.00%	0	ASTRO	2.69	3.00	2	11.90%	269.00	41.61%	31/01/17	19	-50.0%
688815	AXIATA-C15	0.145	0.00%	150	AXIATA	4.72	4.65	3	7.73%	10.85	27.06%	31/10/17	292	20.83%
6888C8	AXIATA-C8	0.005	0.00%	0	AXIATA	4.72	5.85	3	24.26%	314.67	66.99%	31/01/17	19	0.0%
4162CF	BAT-CF	0.025	0.00%	0	BAT	46.58	50.00	40	9.49%	46.58	23.32%	28/04/17	106	-16.67%
5248CN	BJAUTO-CN	0.025	0.00%	0	BJAUTO	2.05	2.13	1,9345	6.16%	42.39	27.87%	28/02/17	47	-58.33%
1818C9	BURSA-C9	0.02	0.00%	220	BURSA	8.89	8.90	3	0.79%	148.17	8.61%	31/01/17	19	-33.33%
694714	DIGI-C14	0.17	0.00%	0	DIGI	4.91	4.60	2	0.61%	14.44	15.01%	28/04/17	106	-20.93%
161926	DRBHCOMC26	0.05	0.00%	121	DRBHCOM	1.17	1.55	1.5	38.89%	15.60	51.48%	30/08/17	230	-16.67%
3689CB	F&N-CB	0.01	0.00%	0	F&N	23.30	24.80	20	7.30%	116.50	11.02%	30/06/17	169	-33.33%
06501A	FBMKLCI-C1A	0.065	0.00%	500	FBMKLCI	1675.21	1640.00	700	0.61%	36.82	6.51%	31/05/17	139	18.18%
06501D	FBMKLCI-C1D	0.045	0.00%	130	FBMKLCI	1675.21	1680.00	700	2.17%	53.18	7.71%	30/06/17	169	12.5%
06501J	FBMKLCI-C1J	0.1	0.00%	0	FBMKLCI	1675.21	1625.00	700	1.18%	23.93	8.13%	31/07/17	200	25.0%
065076	FBMKLCI-C76	0.015	-25.00%	749	FBMKLCI	1675.21	1670.00	700	0.32%	159.54	4.81%	31/01/17	19	0.0%
065084	FBMKLCI-C84	0.035	40.00%	242	FBMKLCI	1675.21	1660.00	700	0.55%	68.38	7.02%	28/02/17	47	16.67%
065088	FBMKLCI-C88	0.02	0.00%	0	FBMKLCI	1675.21	1690.00	700	1.72%	119.66	6.76%	31/03/17	78	0.0%
065094	FBMKLCI-C94	0.06	0.00%	0	FBMKLCI	1675.21	1650.00	700	1.00%	39.89	7.43%	28/04/17	106	33.33%
06502C	FBMKLCI-H2C #	0.045	0.00%	0	FBMKLCI	1675.21	1640.00	700	3.98%	53.18	11.64%	31/05/17	139	-59.09%
06502F	FBMKLCI-H2F #	0.085	-5.56%	150	FBMKLCI	1675.21	1680.00	700	3.27%	28.15	12.71%	30/06/17	169	-45.16%
06502L	FBMKLCI-H2L #	0.055	-15.38%	20	FBMKLCI	1675.21	1625.00	700	5.30%	43.51	12.88%	31/07/17	200	-50.0%
065081	FBMKLCI-H81 #	0.01	0.00%	75	FBMKLCI	1675.21	1670.00	700	0.73%	239.32	7.8%	31/01/17	19	-86.67%
065089	FBMKLCI-H89 #	0.02	-20.00%	452	FBMKLCI	1675.21	1660.00	700	1.74%	119.66	9.21%	28/02/17	47	-69.23%
065093	FBMKLCI-H93 #	0.055	-8.33%	70	FBMKLCI	1675.21	1690.00	700	1.42%	43.51	10.16%	31/03/17	78	-47.62%
065099	FBMKLCI-H99 #	0.04	0.00%	121	FBMKLCI	1675.21	1650.00	700	3.18%	59.83	11.52%	28/04/17	106	-57.89%
522213	FGV-C13	0.225	-6.25%	151	FGV	1.76	1.50	1.5	4.40%	5.21	48.73%	28/04/17	106	4.65%
522221	FGV-C21	0.03	0.00%	200	FGV	1.76	2.55	2	48.30%	29.33	45.68%	30/08/17	230	-14.29%
539831	GAMUDA-C31	0.125	0.00%	0	GAMUDA	4.94	4.90	3	6.78%	13.17	20.51%	29/09/17	260	56.25%
471515	GENM-C15	0.18	2.86%	1,097	GENM	4.85	4.40	3	1.86%	8.98	27.05%	31/03/17	78	2.86%
318231	GENTINGC31	0.035	0.00%	320	GENTING	8.30	8.30	8	3.37%	29.64	16.93%	31/03/17	78	-22.22%
3034CU	HAPSENG-CU	0.355	1.43%	323	HAPSENG	8.89	7.65	4	2.02%	6.26	15.72%	30/08/17	230	136.67%
5225CZ	IHH-CZ	0.01	0.00%	0	IHH	6.40	6.67	4	4.84%	160.00	14.39%	28/02/17	47	-33.33%
3336C1	IJM-C1	0.06	0.00%	0	IJM	3.37	3.45	2	5.93%	28.08	23.99%	31/03/17	78	20.0%
196113	IOICORP-C13	0.13	0.00%	0	IOICORP	4.50	4.40	3	6.44%	11.54	21.82%	31/10/17	292	
8583C6	MAHSING-C6	0.065	0.00%	0	MAHSING	1.47	1.65	1	16.67%	22.62	28.32%	31/07/17	200	30.0%
5264CT	MALAKOF-CT	0.075	-6.25%	180	MALAKOF	1.36	1.50	1	15.81%	18.13	24.11%	31/10/17	292	15.38%
6012CW	MAXIS-CW	0.105	0.00%	0	MAXIS	6.12	6.00	3.5	4.04%	16.65	14.49%	29/09/17	260	0.0%
115524	MAYBANKC24	0.13	-3.70%	410	MAYBANK	8.30	8.00	2.5	0.30%	25.54	13.15%	30/06/17	169	30.0%
5186C1	MHB-C1	0.1	-4.76%	180	MHB	1.02	1.00	1.25	10.29%	8.16	47.58%	29/09/17	260	81.82%

^RM Currency unless specified, # denotes put warrant

*Premium is very low and Implied Volatility is close to zero.

Source: CIMB & Bloomberg

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					Stock	Price (RM)^								
3816C8	MISC-C8	0.06	9.09%	958	MISC	7.47	7.50	5	4.42%	24.90	21.54%	31/05/17	139	33.33%
2194C4	MMCCORP-C4	0.11	0.00%	0	MMCCORP	2.28	2.25	2	8.33%	10.36	32.33%	31/07/17	200	-21.43%
1651C7	MRCB-C7	0.095	-5.00%	631	MRCB	1.40	1.22	2	0.71%	7.37	19.33%	31/03/17	78	11.76%
1651C9	MRCB-C9	0.125	0.00%	50	MRCB	1.40	1.45	1	12.50%	11.20	33.92%	30/08/17	230	8.7%
0138C1	MYEG-C1	0.27	-1.82%	298	MYEG	1.60	1.40	1.3333	10.00%	4.44	60.77%	30/06/17	169	-12.9%
0138C8	MYEG-C8	0.145	0.00%	100	MYEG	1.60	1.57	1.6667	13.02%	6.62	37.15%	31/10/17	292	-12.12%
7052CF	PADINI-CF	0.045	0.00%	40	PADINI	2.52	2.90	2	18.65%	28.00	30.43%	30/06/17	169	-43.75%
129512	PBBANK-C12	0.115	0.00%	130	PBBANK	20.06	19.55	7	1.47%	24.92	9.31%	31/07/17	200	15.0%
5183C9	PCHEM-C9	0.15	0.00%	0	PCHEM	7.15	7.00	3.5	5.24%	13.62	15.25%	29/09/17	260	20.0%
5681CR	PETDAG-CR	0.1	0.00%	0	PETDAG	23.78	23.40	12	3.45%	19.82	15.64%	30/06/17	169	5.26%
6033CN	PETGAS-CN	0.035	-22.22%	1,208	PETGAS	20.66	21.20	12	4.65%	49.19	17.61%	31/03/17	78	-50.0%
4634C3	POS-C3	0.135	-3.57%	81	POS	4.08	4.00	4	11.27%	7.56	36.75%	30/08/17	230	-3.57%
1066CW	RHBBANK-CW	0.055	10.00%	15	RHBBANK	4.93	5.00	4	5.88%	22.41	23.29%	31/05/17	139	10.0%
4197C8	SIME-C8	0.205	2.50%	852	SIME	8.50	7.75	5	3.24%	8.29	22.26%	31/07/17	200	-6.82%
521829	SKPETROC29	0.175	-2.78%	1,226	SKPETRO	1.68	1.40	2	4.17%	4.80	43.73%	31/05/17	139	34.62%
8664CU	SPSETIA-CU	0.1	0.00%	0	SPSETIA	3.20	3.20	2	6.25%	16.00	79.37%	31/01/17	19	-20.0%
5263CH	SUNCON-CH	0.135	-3.57%	81	SUNCON	1.69	1.70	1	8.58%	12.52	23.63%	30/08/17	230	-15.63%
710618	SUPERMX-C18	0.055	-8.33%	443	SUPERMX	2.14	2.20	2.5	9.23%	15.56	36.61%	28/04/17	106	-15.38%
534728	TENAGA-C28	0.015	50.00%	272	TENAGA	14.00	14.40	7	3.61%	133.33	12.54%	28/02/17	47	-25.0%
486314	TM-C14	0.035	0.00%	0	TM	6.13	6.70	2.5	10.73%	70.06	14.6%	29/09/17	260	0.0%
7113C6	TOPGLOV-C6	0.04	0.00%	791	TOPGLOV	5.35	5.15	5	0.00%	26.75	-*	28/02/17	47	14.29%
514831	UEMS-C31	0.06	0.00%	1,557	UEMS	1.11	1.15	1.5	11.71%	12.33	36.52%	30/06/17	169	-20.0%
4588CW	UMW-CW	0.005	0.00%	0	UMW	4.61	7.00	5	52.39%	184.40	125.0%	31/01/17	19	0.0%
4588CY	UMW-CY	0.02	33.33%	218	UMW	4.61	5.70	5	25.81%	46.10	36.93%	31/05/17	139	-33.33%
5243C7	UMWOG-C7	0.05	-9.09%	481	UMWOG	0.90	1.00	1	16.67%	18.00	38.39%	31/05/17	139	100.0%
9679CZ	WCT-CZ	0.095	5.56%	125	WCT	1.84	2.00	1.5	16.44%	12.91	31.15%	31/10/17	292	
5246CP	WPRTS-CP	0.06	-7.69%	157	WPRTS	4.29	4.40	3	6.76%	23.83	18.13%	31/07/17	200	-33.33%
4677C4	YTL-C4	0.11	29.41%	517	YTL	1.54	1.50	1	4.55%	14.00	30.32%	31/03/17	78	-18.52%
6742CW	YTLPOWR-CW	0.13	4.00%	200	YTLPOWR	1.47	1.40	1	4.08%	11.31	23.26%	31/05/17	139	13.04%

^RM Currency unless specified, # denotes put warrant
 *Premium is very low and Implied Volatility is close to zero.
 Source: CIMB & Bloomberg



CBBCs issued by CIMB Bank Berhad

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					Stock	Price (RM)^								

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 *Premium is very low and Implied Volatility is close to zero.
 Source: CIMB & Bloomberg

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- (i) A purchaser of call warrants is subject to the risk of losing the full purchase price of the call warrant and all transaction costs.
- (ii) In order to realize any value from a call warrant, it is necessary to sell the call warrants or exercise the call warrants on or before their expiry date.
- (iii) Under certain conditions, it may become difficult to sell the call warrants.
- (iv) Upon exercise of the call warrants, the issuer may settle its obligations via actual delivery of the underlying assets, in cash or a combination of both depending on the terms of the issue of the call warrants.
- (v) The placing of contingent orders, such as "stop-loss" or "stop limit" orders, will not necessarily limit our losses to the intended amount. Market conditions may not make it possible to execute such orders.
- (vi) The high degree of leverage that is obtainable from call warrants because of the small initial outlay, can work against us as well as in our favour.
- (vii) The use of the leverage can lead to large losses as well as gain.
- (viii) This brief statement cannot disclose all risks associated with trading in call warrants