

Usage of Statistics & Application of Statistical Science

Industry: Equity Research

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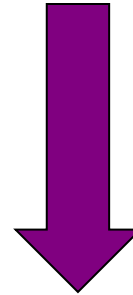
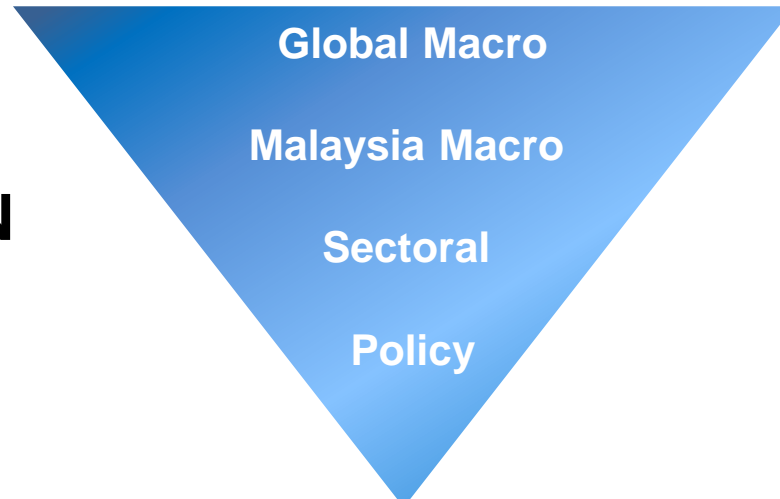


Agenda

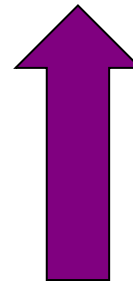
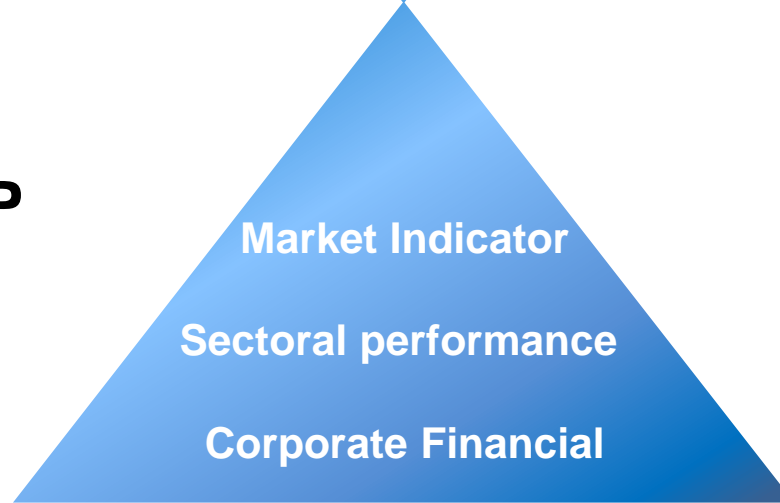
- i. Equity Research: Background
- ii. Putting data to work
- iii. Top-Down meets Bottom-Up: Plantation
- iv. Top-Down meets Bottom-Up: Property
- v. Issues & Challenges

Equity Research: Putting data to work

TOP-DOWN



BOTTOM-UP



When Top-Down meets Bottom-Up: Plantation

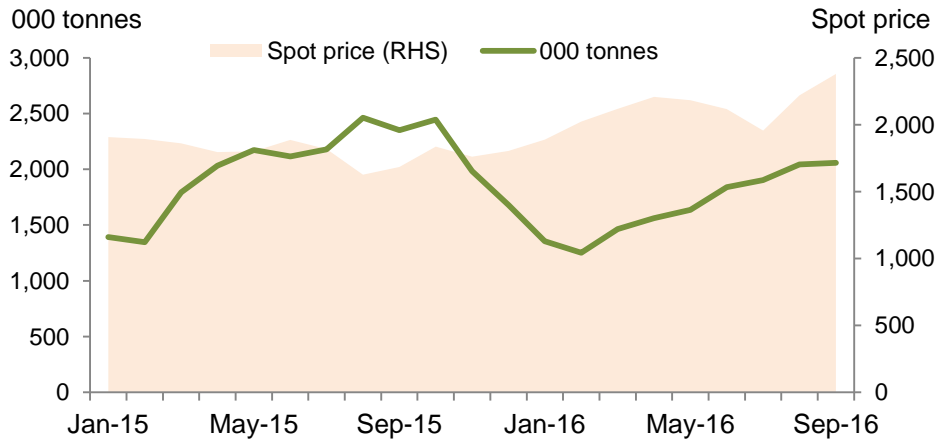
Top-Down Approach (Demand)



Bottom-Up Approach (Supply)

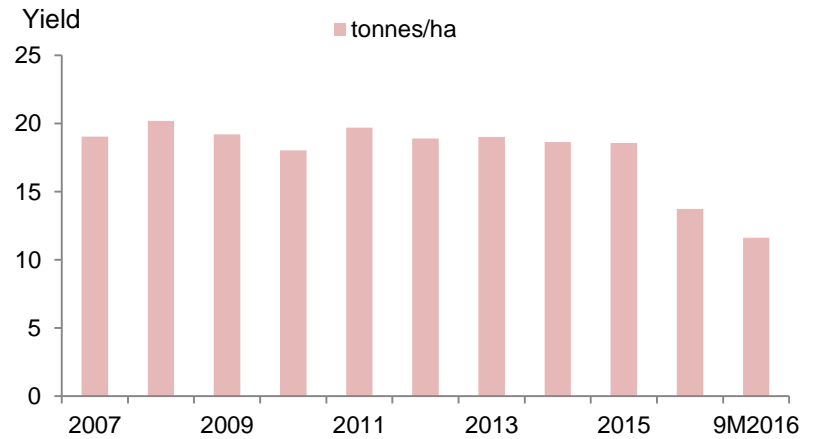


CPO



Source: Bloomberg

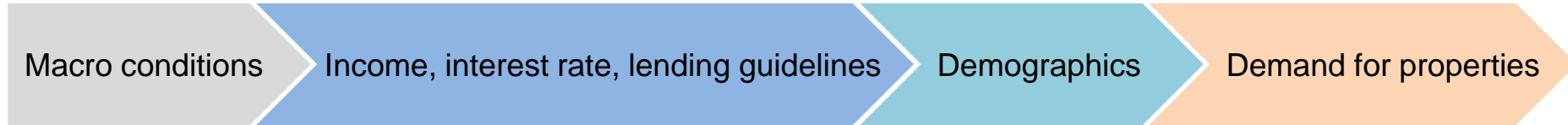
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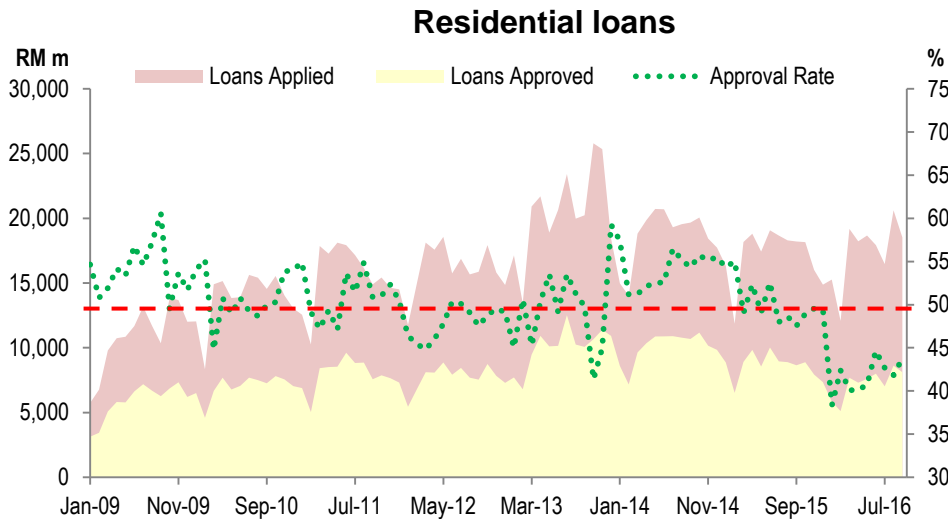
Source: Bloomberg

When Top-Down meets Bottom-Up: Property

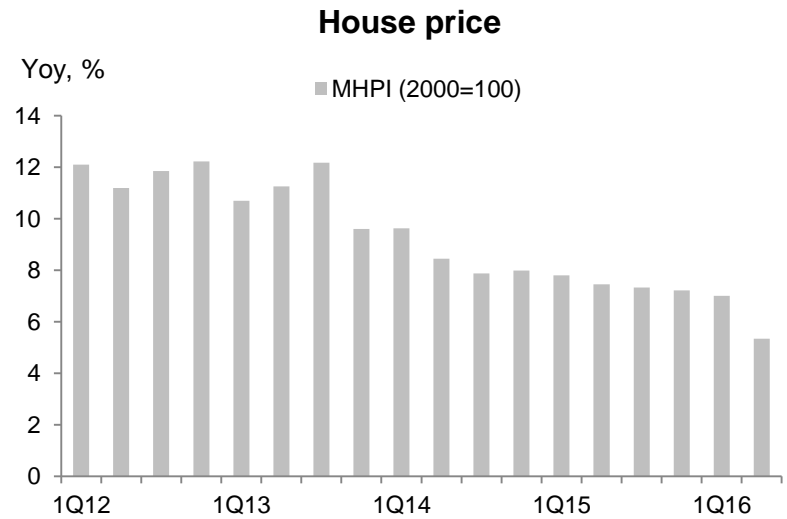
Top-Down Approach (Demand)



Bottom-Up Approach (Supply)



Source: NAPIC



Source: NAPIC

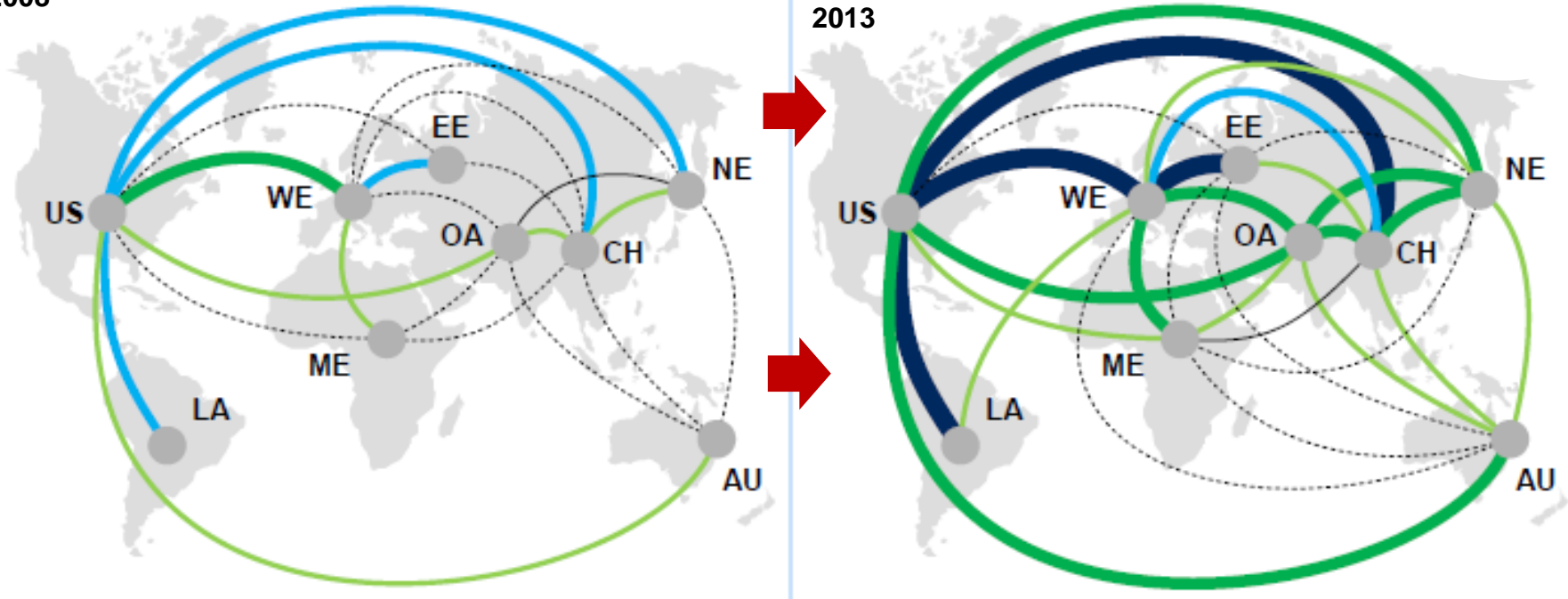
Issues & Challenges: Globalisation-led data complications

i) Speed of capital flows & ultimate beneficiary holders of financial assets

ii) Complexity of world trade with emergence of global supply chain

2008

2013



Source: McKinsey Global Institute

Issues & Challenges: Catching up with IT revolution

i) Increasing need for real-time behavioural data to achieve efficiency



ii) Lack of uniformity of data leads to confusion and volatility



Issues & Challenges: Better coverage of domestic data

Malaysia (Demand & Labour)

- Higher frequency and details of consumption (retail) data
- Better and wider coverage of sentiment index
- Investment indicator (machinery orders, surveys, etc.)
- Standardisation of labour statistics

Thank you

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