

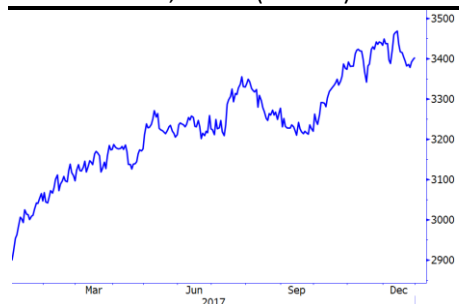
## Market Indicators

	27-Dec	28-Dec	29-Dec
Mkt. T/O (S\$ mil)	603.7	652.2	1,012.8
Stock Advances	249	269	238
Stock Declines	130	132	191

## Major Indices

	27-Dec	28-Dec	29-Dec
DJ Ind Avg	24,774.3	24,837.5	24,719.2
S & P 500	2,682.6	2,687.5	2,673.6
Nasdaq Comp	6,939.3	6,950.2	6,903.4
Hang Seng	29,597.7	29,863.7	29,919.2

## STI Index 3,402.92 (+0.11%)



Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,306.96	-
Oil (NYMEX CWT1) US\$ / bbl	60.2	-
Baltic Dry Index	1366	-4.48%

## Exchange Rates



USD : SGD 1.3369 / MYR : SGD 3.0267

Source: Bloomberg

## Interest Rates

3-mth Sibor	1.502%
SGS (10 yr)	1.986%

KGI Securities Research Team

## Market Colour

The Singapore economy, which grew 2% in 2016, picked up momentum in 2017 on the back of surging global demand for electronics. In PM Lee's New Year speech, Singapore's economy grew 3.5% in 2017, more than double the forecasts made earlier in the year.

But as reflected in the labour market, it has so far been a jobless recovery accompanied by weak wage growth and continued retrenchments. The reason could be due to the recovery mainly led by the semiconductor sector, which if removed from GDP, could tell a different story. While there are signs of broadening growth in other industries such as wholesale trade and financial services, a more sustained pickup may likely have a more noticeable impact later in 2018.

After a stellar performance in equity markets last year, investors may be entering the new year with a sense of caution. However, on a fundamental basis, the economic and financial backdrop remains supportive of the positive momentum driven by the near-synchronous growth of major economics and muted inflationary pressures. Among sectors in Singapore that we expect to ride on the positive global momentum are the banks, property developers, REITs and oil & gas. We also have a few situational plays among the STI laggards. These include ComfortDelGro, SPH, ST Engineering and SingTel, which are all trading near their 52-week lows and where downside risks may be limited by their 4-5% dividend yields.

## News

**Singapore property:** The Urban Redevelopment Authority's (URA) private residential property price index rose 0.7% QoQ in 4Q 2017, based on a flash estimate released this morning. This is the same as the 0.7% QoQ increase posted by the index in 3Q 2017. For the whole of 2017, prices appreciated 1% YoY compared to the 3.1% YoY decline in 2016. In the fourth quarter, prices of non-landed private homes rose 0.7% over the previous quarter, compared with a 0.6% gain in the third quarter. However, prices of landed homes rose at a slower pace of 0.6% in 4Q 2017, following a 1.2% increase in the third quarter.

In the HDB space, resale prices declined 0.2% in the final quarter of last year, making for a full-year price drop of 1.5%, according to flash estimates from HDB this morning. HDB also said it will launch its first Build-To Order (BTO) exercise for 2018 in February with an offering of about 3,600 flats in Choa Chu Kang, Geylang, Tampines and Woodlands. This will bring the total BTO flat supply for 2018 to about 17,000 units, keeping the supply of flats on a par with last year's. The final resale price index for the fourth quarter of 2017, together with more detailed public housing data, will be released on Jan 26, HDB said.

*Business Times / Bloomberg / Straits Times / The Edge Markets / SGX*

## Commentaries From The Trading Desk

6/12	<a href="#">Spiking SIBOR could play a dampener on high flying property names</a>
4/12	<a href="#">What Tencent giveth, Tencent can also take back!</a>
8/11	<a href="#">A narrative of a stock entering its 'blow-off' phase</a>

Note: The comments and views in this section are those of the Trading Desk team and do not necessarily coincide with the views of the Fundamental Equities Research team.

**STI Components and Key Metrics**

Ticker	Company Name	Last Price (Lcl)	Market Cap (SGDm)	1 Day Change (%)	Total Return YTD (%)	Total Return 1 Week (%)	Div Yield FY16 (%)	Div Yield FY17 (%)
<b>FINANCIALS</b>								
DBS SP	DBS	24.85	63,557	(0.2%)	47.7%	0.5%	2.7%	2.9%
OCBC SP	OCBC	12.39	51,873	(0.5%)	43.6%	0.8%	3.0%	3.2%
UOB SP	UOB	26.45	43,987	1.4%	33.7%	2.8%	2.8%	3.0%
SGX SP	SGX	7.44	7,969	0.1%	7.9%	0.1%	4.1%	4.4%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.72	7,854	0.7%	27.4%	1.5%	5.9%	6.1%
CAPL SP	CapitaLand	3.53	14,992	0.0%	20.1%	0.6%	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.93	6,964	(0.5%)	42.1%	1.0%	4.6%	4.6%
CT SP	CapitaLand Mall Trust	2.13	7,554	(0.5%)	19.5%	0.5%	5.2%	5.2%
CIT SP	City Development	12.49	11,357	0.5%	53.1%	2.1%	1.2%	1.2%
GLP SP	Global Logistic	3.37	15,830	0.3%	56.0%	0.3%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.04	22,124	0.0%	14.2%	0.3%	2.8%	3.0%
UOL SP	UOL	8.87	7,466	1.4%	51.2%	2.8%	1.7%	1.7%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.57	58,295	(0.8%)	3.2%	(0.6%)	5.9%	5.1%
STH SP	StarHub	2.85	4,928	(2.1%)	7.9%	(1.0%)	5.6%	5.5%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	40.67	16,074	1.2%	1.0%	0.6%	2.7%	2.8%
JM SP	Jardine Matheson USD	60.75	58,931	(0.3%)	12.5%	(0.7%)	2.6%	2.7%
GENS SP	Genting Singapore	1.31	15,771	0.0%	48.6%	0.0%	2.3%	2.4%
SPH SP	SPH	2.65	4,236	(0.7%)	(21.0%)	(0.4%)	5.2%	5.1%
THBEV SP	ThaiBev	0.92	23,101	1.1%	11.3%	1.1%	3.2%	3.4%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	10.67	12,618	0.1%	12.5%	0.2%	2.5%	2.3%
CD SP	ComfortDelGro	1.98	4,284	1.5%	(16.4%)	2.6%	5.3%	5.4%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.37	4,712	0.0%	(10.8%)	(1.3%)	1.8%	2.2%
WIL SP	Wilmar	3.09	19,546	0.3%	(12.1%)	0.0%	2.4%	2.9%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	7.35	13,328	0.3%	30.9%	(1.6%)	2.9%	3.3%
SCI SP	Sembcorp Industries	3.03	5,407	0.3%	8.8%	(0.3%)	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.47	5,834	0.0%	86.3%	(2.0%)	3.2%	3.1%
SATS SP	SATS	5.20	5,820	(1.0%)	10.9%	(0.4%)	3.4%	3.5%
SIE SP	SIA Engineering	3.13	3,500	(0.6%)	(2.6%)	0.0%	4.3%	4.5%
STE SP	ST Engineering	3.26	10,157	0.9%	5.0%	1.6%	4.5%	4.8%
HPHT SP	HPH Trust USD	0.42	4,829	0.0%	3.4%	1.2%	6.3%	6.5%

Dividend Yield based on Bloomberg consensus. Total return includes dividends.  
Source: Bloomberg

**STI Reserve List (by market cap) - STI next review date: March 2018**

Ticker	Company Name	Last Price (Lcl)	Market Cap (SGDm)	1 Day Change (%)	Total Return YTD (%)	Total Return 1 Week (%)	Div Yield FY16 (%)	Div Yield FY17 (%)
VMS SP	Venture Corp	20.47	5,826	0.1%	115.4%	1.8%	3.0%	3.0%
SUN SP	Suntec REIT	2.15	5,703	0.0%	37.6%	1.4%	4.7%	4.6%
MCT SP	Mapletree Commercial	1.62	4,664	(0.6%)	23.0%	0.0%	5.5%	5.5%
KREIT SP	Keppel REIT	1.26	4,247	(0.8%)	30.1%	0.8%	4.8%	4.8%
SMM SP	Semcorp Marine	1.84	3,842	(0.5%)	34.9%	(5.2%)	1.0%	1.3%

Dividend Yield based on Bloomberg consensus. Total return includes dividends.  
Source: Bloomberg

**Appendix 1: Corporate Action**

Company	Results Ann Date	Period	DPS	Ex-Date	Book Close	Payable	Share Price 2 Jan 18	Yield (%)
Second Chance Properties Ltd	30-Oct-17	FY17	SGD 0.0030	<b>3-Jan-18</b>	5-Jan-18	15-Jan-18	SGD 0.260	1.2
AF Global Ltd	6-Nov-17	3Q17	SGD 0.01000	<b>4-Jan-18</b>	8-Jan-18	16-Jan-18	SGD 0.235	4.3
JB Foods Ltd	13-Nov-17	3Q17	SGD 0.0200	<b>24-Jan-18</b>	26-Jan-18	1-Mar-18	SGD 0.550	3.6
Fraser and Neave	8-Nov-17	FY17	SGD 0.03000	<b>31-Jan-18</b>	2-Feb-18	14-Feb-18	SGD 2.580	1.2
Frasers Centrepoint	10-Nov-17	FY17	SGD 0.06200	<b>31-Jan-18</b>	2-Feb-18	14-Feb-18	SGD 2.080	3.0
Thai Beverage PCL	23-Nov-17	FY17	<b>Baht</b> 0.4700	<b>8-Feb-18</b>	12-Feb-18	28-Feb-18	SGD 0.920	2.1

**Latest Rights Issue Announcement**

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Asia-Pacific Strategic Invts	2 Rts Shares @ S\$0.003 for each Rights Share for every 1 existing share held, 1 free detachable warrant (exercise price S\$0.003) for every 1 Rts Share subscribed	3-Jan-18	5-Jan-18		

Source: SGX Announcement

**Latest Listing Issue Announcement**

Company	Offer Price	Closing Date	Offeror
Cogent Holdings Ltd	SGD 1.02 Cash	5.30 p.m. on 5 Jan 2018	COSCO Shipping Int'l (Singapore) Co., Ltd.
Global Logistic Properties Ltd	SGD 3.38 Cash	5.00 p.m. on 9 Jan 2018	Nesta Investment Hldgs Ltd
Rotary Engineering	SGD 0.460 Cash	5.30 p.m. on 24 Jan 2018	OROCHEM PTE. LTD.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
1-Jan-18	2-Jan SG: 4Q17 Advance GDP Estimates	3-Jan	4-Jan	5-Jan Q1: SPH REIT *Q1: Triyards Hldgs
8-Jan	9-Jan	10-Jan	11-Jan	12-Jan Q1: Spore Press Hldgs
15-Jan	16-Jan	17-Jan	18-Jan	19-Jan Q2: Spore Exchange
22-Jan	23-Jan SG (Dec 2017): CPI Overall index and sub-indices Q3: Mapletree Industrial Trust	24-Jan Q3: Mapletree Commercial Trust	25-Jan SG (4Q17): Industrial Properties	26-Jan SG (Dec 2017): Index of Industrial Production Unemployment Rate & Employment SG (4Q17): Private Residential, Retail and Office Properties Q4: AGV Grp (Release on Sun, 28-Jan)
29-Jan	30-Jan	31-Jan	1-Feb-18	2-Feb

\* Tentative

Source: Bloomberg

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