

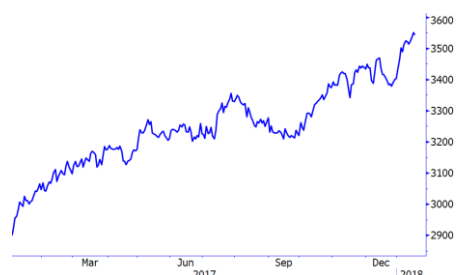
## Market Indicators

	15-Jan	16-Jan	17-Jan
Mkt. T/O (S\$ mil)	1,030.0	1,097.6	1,377.6
Stock Advances	209	271	189
Stock Declines	239	187	265

## Major Indices

	15-Jan	16-Jan	17-Jan
DJ Ind Avg	Closed	25,792.9	26,115.7
S & P 500	Closed	2,776.4	2,802.6
Nasdaq Comp	Closed	7,223.7	7,298.3
Hang Seng	31,338.9	31,904.8	31,983.4

**STI Index** 3,541.91 (-0.23%)



Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,328.62	-0.51%
Oil (NYMEX CWT1) US\$ / bbl	64.29	0.93%
Baltic Dry Index	1221	-3.40%

## Exchange Rates



USD : SGD 1.3257 / MYR : SGD 2.9861  
Source: Bloomberg

## Interest Rates

3-mth Sibor	1.227%
SGS (10 yr)	2.064%

KGI Securities Research Team

## Market Colour

Markets are in full risk-on mode after a broad rally pushed the Dow Jones above 26,000 points for the first time. The gains also helped lift the S&P 500 and Nasdaq to record highs as they both gained 1%. Technology and health care companies accounted for most of the gains.

**Taiwan strategy: Sectors to take turns rallying; tech stocks likely to lead the way again.** We believe tech stocks are likely to stage a rally in late January, taking turns rallying with other sectors. We estimate the Taiex will challenge 11,100, led by the tech sector, for end-2018F PB of 1.7x. Stocks we like include Apple (US) iPhone, semiconductor, data centre, auto fuel economy, petrochemical, and banks. We offer twenty top picks in total in our full report.

## News

**ST Engineering:** Its aerospace arm has secured new contracts worth about S\$510m in 4Q17 for services ranging from airframe maintenance and landing gears repair to pilot training. **These new order wins add to its near record-high orderbook of S\$13.3bn. Consensus has a fair value of S\$3.75, implying a potential upside of 13%. ST Engineering offers an attractive dividend yield of 4.5% to 4.9% for FY17 to FY19, one of the highest among the STI constituents.**

**JEP Holdings:** UMS Holdings has bought another 22.02% stake in JEP for around S\$22.5m, adding to its earlier purchase of 7.48% stake bought on Tuesday for S\$5.7m. This brings UMS's total stake in JEP to 29.5%. **UMS said in a statement on Wednesday that the acquisition is expected to help it diversify its revenue and income base into high growth sectors, specifically the aerospace industry. 80% of JEP's business is in aerospace, with the remainder from the semiconductor and oil & gas sectors.**

**Soilbuild REIT:** 4Q17 DPU fell 11.9% YoY to 1.383 SG cents, mainly due to lower contribution from 72 Loyang Way. Full-year DPU declined 6.2% YoY to 5.712 SG cents due to lower distributable income and an enlarged units base. **The REIT offers a dividend yield of 6.8%/6.7% for FY18/19 but may face downward pressure on rents due to the oversupply in SG's industrial space.**

**Singapore Kitchen Equipment:** Seeks a dual primary listing on the Growth Enterprise Market (GEM) of the HK Exchange. The company expects the dual listing to help increase the company's visibility to potential customers and attract both private and institutional investors.

## Recent In-depth Regional Reports

17/1	<b>TH</b> Central Pattana (CPN TB; Neutral; TP: Bt 84.00): Preparing wider walkways
17/1	<b>TH</b> Pruksa Holding (PSH TB; Outperform; TP: Bt 24.80): Subtle flourish
	<b>GLOBAL</b> New Southbound Series – India: Economic improvement continues; near-term reform slowdown detrimental to stock market, but long-term outlook intact
16/1	<b>TW</b> Strategy: Sectors to take turns rallying; tech stocks likely to lead the way again
16/1	<b>TW</b> Taiwan Paiho (9938 TT; Outperform; TP: NT\$166.00): Concerns overdone, long-term outlook intact
16/1	<b>CN/HK</b> Stock Liquidity Monitor: Weekly data – Unlocked non-tradable shares & shareholding changes involving major shareholders
17/1	<b>TH</b> Central Pattana (CPN TB; Neutral; TP: Bt 84.00): Preparing wider walkways

For full reports, please contact Research Department at 6202 1190 or [sgp.researchcom@kgi.com](mailto:sgp.researchcom@kgi.com)

**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	26.21	67,036	(1.1%)	5.5%	(1.3%)	2.5%	2.8%
OCBC SP	OCBC	13.18	55,163	(0.2%)	6.4%	2.5%	2.8%	3.0%
UOB SP	UOB	28.17	46,848	(0.5%)	6.5%	1.8%	2.6%	2.8%
SGX SP	SGX	7.78	8,333	2.8%	4.6%	2.0%	3.9%	4.2%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.76	7,970	0.4%	1.5%	(0.7%)	5.8%	6.0%
CAPL SP	CapitaLand	3.80	16,139	0.0%	7.6%	0.8%	2.7%	2.8%
CCT SP	CapitaLand Comm Trust	1.95	7,036	0.5%	1.0%	(2.5%)	4.5%	4.5%
CT SP	CapitaLand Mall Trust	2.06	7,306	1.0%	(3.3%)	(1.9%)	5.3%	5.3%
CIT SP	City Development	13.40	12,185	(0.6%)	7.3%	3.2%	1.2%	1.1%
HKL SP	Hongkong Land USD	7.12	22,165	(0.4%)	1.1%	0.0%	2.8%	2.9%
UOL SP	UOL	9.28	7,813	(0.7%)	4.6%	(0.6%)	1.6%	1.6%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.59	58,622	(0.6%)	0.6%	(0.8%)	5.8%	5.1%
STH SP	StarHub	2.95	5,101	1.0%	3.5%	1.0%	5.4%	5.3%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	39.84	15,746	0.1%	(2.0%)	(2.0%)	2.7%	2.8%
JM SP	Jardine Matheson USD	62.46	60,018	0.7%	2.8%	2.4%	2.6%	2.6%
GENS SP	Genting Singapore	1.33	16,012	1.5%	1.5%	0.0%	2.3%	2.3%
SPH SP	SPH	2.69	4,303	(0.7%)	1.5%	0.4%	5.1%	4.9%
THBEV SP	ThaiBev	0.92	23,101	(2.1%)	0.0%	(1.1%)	3.2%	3.4%
VMS SP	Venture Corp	22.81	6,500	1.0%	11.4%	1.5%	2.8%	2.9%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	11.03	13,043	(0.2%)	3.4%	1.1%	2.4%	2.1%
CD SP	ComfortDelGro	2.03	4,392	0.0%	2.5%	2.0%	5.1%	5.2%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.39	4,967	0.0%	5.4%	1.3%	1.7%	2.0%
WIL SP	Wilmar	3.24	20,495	1.6%	4.9%	1.2%	2.2%	2.7%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	8.20	14,869	(0.7%)	11.6%	3.5%	2.6%	3.0%
SCI SP	Sembcorp Industries	3.28	5,853	(0.9%)	8.3%	3.1%	2.3%	3.0%
YZJSGD SP	Yangzijiang SGD	1.59	6,310	(0.6%)	8.2%	1.9%	3.0%	2.9%
SATS SP	SATS	5.77	6,458	0.0%	11.0%	5.3%	3.0%	3.2%
SIE SP	SIA Engineering	3.21	3,590	(0.3%)	2.6%	0.3%	4.2%	4.4%
STE SP	ST Engineering	3.31	10,313	0.0%	1.5%	(0.3%)	4.5%	4.7%
HPHT SP	HPH Trust USD	0.42	4,783	0.0%	0.0%	(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	22.81	6,500	1.0%	11.4%	1.5%	2.8%	2.9%
SUN SP	Suntec REIT	2.19	5,809	0.9%	1.9%	(0.9%)	4.6%	4.5%
MCT SP	Mapletree Commercial	1.65	4,750	1.2%	1.9%	(1.2%)	5.4%	5.4%
KREIT SP	Keppel REIT	1.29	4,348	0.8%	2.4%	0.8%	4.7%	4.7%
SMM SP	Semcorp Marine	2.08	4,343	(0.5%)	13.0%	11.2%	0.9%	1.1%

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 17 Jan 18	Yield (%)
Lian Beng Group Ltd	12-Jan-18	1H18	SGD 0.0100	<b>18-Jan-18</b>	22-Jan-18	30-Jan-18	SGD 0.760	1.3
ESR-REIT	17-Jan-18	FY17	SGD 0.009290	<b>23-Jan-18</b>	25-Jan-18	28-Feb-18	SGD 0.575	1.6
JB Foods Ltd	13-Nov-17	3Q17	SGD 0.0200	<b>24-Jan-18</b>	26-Jan-18	1-Mar-18	SGD 0.575	3.5
PNE Industries Ltd	27-Nov-17	FY17	SGD 0.0300	<b>25-Jan-18</b>	29-Jan-18	12-Feb-18	SGD 1.130	2.7
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 2.210	2.8
Goodland Group Ltd	29-Nov-17	FY17	SGD 0.00300	<b>31-Jan-18</b>	2-Feb-18	9-Feb-18	SGD 0.255	1.2
Jumbo Group Ltd	24-Nov-17	FY17	SGD 0.0050	<b>2-Feb-18</b>	6-Feb-18	14-Feb-18	SGD 0.600	0.8
Jumbo Group Ltd - Special	24-Nov-17	FY17	SGD 0.0070	<b>2-Feb-18</b>	6-Feb-18	14-Feb-18	SGD 0.600	1.2

## 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	<b>10-Jan-18</b>	<b>18-Jan-18</b>
BM Mobility	2 Wrts @ S\$0.0033 for each Wrt (exercise price S\$0.010) for every 1 existing ord share held	17-Jan-18	19-Jan-18		

Source: SGX Announcement

Asia-Pacific Strategic Invts: Expected date for commencement of trading of warrants: Friday, 2 February 2018

## Latest Listing Issue Announcement

Company	Particulars	Ex-Date	Book Close	Payable / Crediting Date	Listing Date
Hyflux	Entitled shareholders will receive 1 Hyfluxshop Hldgs Pte Ltd share for every 10 Hyflux shares held	<b>5-Feb-18</b>	7-Feb-18	15-Feb-18	-

Source: SGX Announcement

**Hyflux:** Expected Date of Completion, being the date the HyfluxShop Shares are credited into the Securities Accounts of Entitled Shareholders who are Depositors - Thursday, 15 February 2018

Company	Offer Price	Closing Date	Offeror
Cogent Holdings Ltd	SGD 1.02 Cash	5.30 p.m. on 19 Jan 2018	COSCO Shipping Int'l (Singapore) Co., Ltd.
Rotary Engineering	SGD 0.460 Cash	5.30 p.m. on 24 Jan 2018	OROCHEM PTE. LTD.
TMC Education Corporation Ltd	SGD 0.0675 Cash	5.30 p.m. on 30 Jan 2018	JK Global Assets Pte. Ltd.

Source: SGX Announcement

**Appendix 2: Financial Calendar**

Monday	Tuesday	Wednesday	Thursday	Friday
15-Jan	16-Jan	17-Jan	18-Jan	19-Jan
		Q4: ESR-REIT / First REIT / Soilbuild Business Space REIT	Q4: Cache Logistics Trust	Q2: Spore Exchange
22-Jan	23-Jan	24-Jan	25-Jan	26-Jan
Q1: Frasers Commercial Trust Q3: Mapletree Logistics Trust Q4: Keppel DC REIT / Keppel Infrastructure Trust	<b>SG (Dec 2017):</b> CPI Overall index and sub-indices Q1: Frasers Centrepoint Trust Q3: Mapletree Industrial Trust Q4: Fortune REIT / Keppel REIT / M1	Q1: Frasers Hospitality Trust / Suntec REIT Q3: Mapletree Commercial Trust Q4: CapitalLand Mall Trust / Keppel Telecoms & Tpt	<b>SG (4Q17):</b> Industrial Properties Q1: Frasers Logistics & Industrial Trust Q3: Ascendas REIT / Mapletree Greater China Commercial Trust Q4: CapitalLand Commercial Trust / Keppel Corp / Sabana Shari'ah Compliant Industrial REIT	<b>SG (Dec 2017):</b> Index of Industrial Production Unemployment Rate & Employment <b>SG (4Q17):</b> Private Residential, Retail and Office Properties Q4: Ascott Residence Trust / AGV Grp (Release on Sun, 28-Jan) / Parkway Life REIT / Tuan Sing / Viva Industrial Trust *Q4: CDL Hospitality Trusts
29-Jan	30-Jan	31-Jan	<b>1-Feb-18</b>	2-Feb
Q2: Starhill Global REIT Q3: Ascendas India Trust	Q4: OUE Hospitality Trust			
5-Feb	6-Feb	7-Feb	8-Feb	9-Feb
Q4: Utd Overseas Insurance	Q4: Manulife US REIT		Q4: DBS Grp Hldgs (Before mkt open)	Q4: Challenger Technologies
12-Feb	13-Feb	14-Feb	15-Feb	16-Feb
	Q3: Accordia Golf Trust / Spore Airlines Q4: Great Eastern Hldgs / Lippo Malls Indonesia Retail Trust *Q4: ComfortDelGro Corp	Q1: TT Int'l Interim Results for FY2018: MSM Int'l Q4: OCBC & UOB (Before mkt open) / StarHub *Q4: Utd Overseas Australia	*Q1: No Signboards Hldgs	

\* Tentative

Source: Bloomberg

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