

Market Indicators

	9-Feb	12-Feb	13-Feb
Mkt. T/O (S\$ mil)	1,937.1	1,601.1	1,733.4
Stock Advances	86	216	279
Stock Declines	449	259	193

Major Indices

	9-Feb	12-Feb	13-Feb
DJ Ind Avg	24,190.9	24,601.3	24,640.5
S & P 500	2,619.6	2,656.0	2,662.9
Nasdaq Comp	6,874.5	6,982.0	7,013.5
Hang Seng	29,507.4	29,459.6	29,839.5

STI Index 3,415.07 (+0.89%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,332.00	0.23%
Oil (NYMEX CWT1) US\$ / bbl	58.96	-0.79%
Baltic Dry Index	1123	-0.18%

Exchange Rates



USD : SGD 1.3225 / MYR : SGD 2.9775

Source: Bloomberg

Interest Rates

3-mth Sibor	1.132%
SGS (10 yr)	2.219%

KGI Securities Research Team

Market Colour

U.S. equity markets posted 3rd consecutive day of gains, closing up by an average of 0.3% for the three major indices. The key event this week will be January's CPI data, which will be released on Wednesday (9:30PM New York time).

In Singapore, stocks followed the US markets higher with the STI up by around 0.9% for yesterday's trading session. Among the biggest gainers were OCBC (+2.5%), Venture Corp (+1.9%), Thai Beverage (+1.7%) and City Developments (+1.5%). Key event for Singapore would be the Budget 2018, which will be delivered when markets resume after the long lunar New Year weekend.

News

OCBC: Registered a net profit S\$1.03b for 4Q17, 31% higher YoY from S\$789m. Full year net profit rose 19% to S\$4.15b. This came on the back of a sustained growth momentum across its three business pillars – banking, wealth management and insurance businesses. Net interest income grew 14% to S\$1.4b, contributed by an 11% rise in average interest earning assets and a four basis points increase in net interest margin (NIM) to 1.7%. **Full-year earnings were in line with consensus estimates. OCBC currently offers a dividend yield of 3.2% for FY18 and has a consensus fair value estimate of S\$13.75, implying a 9.4% upside.**

UOB: UOB reported a 16% rise in its 4Q17 net profit to S\$855m, mainly due to an increase in net interest income, fee and commission income and net trading income. UOB has declared a final dividend of 45 SG cents and a special dividend of 20 SG cents. Together with an interim dividend of 35 SG cents, the core dividend for FY17 amounts to 80 SG cents, representing a 14% increase YoY. **Full-year earnings were in line with consensus estimates. UOB surprised on the dividends, declaring a final 45 SG cents and 20 SG cents special dividend. UOB currently offers a dividend yield of 3.1% for FY18 and has a consensus fair value of S\$29.70, implying a 10.7% upside.**

Hi-P International: More than doubles net profit in 4Q17, from S\$28.5m to S\$59.6m. Revenue rose nearly 38% YoY to S\$491.8m due to higher sales volumes, resulting from the mass production of certain projects during the quarter. Earnings per share rose to 7.39 SG cents from 3.5 cents a year ago. For the full year, net profit jumped from S\$54.5m to S\$121.5m. **Management expects higher revenues and profits YoY for both 1Q18 and FY18.**

Lippo Malls (Lippo): Posted a DPU of 0.79 SG cents for 4Q17, a decrease of 9.2% YoY. Its NPI for 4Q17 was mostly flat at S\$44.9m, up 0.8% YoY, while gross rental income crept up by 1.5% S\$40.5m, mainly due to the acquisition of Lippo Mall Kuta and Lippo Plaza Kendari and positive rental reversions. On a full year basis, Lippo booked 7.4% YoY increase in gross rental income of S164.2m for FY17. DPU also remained fairly flat, up 0.9% YoY to 3.44 SG cents. **Lippo currently offers a dividend yield of 9.4% for FY18 and has a consensus fair value estimate of S\$0.46, implying a 15% upside.**

RHT Health Trust: Has reached an agreement to sell its portfolio to Fortis Healthcare, with both sides on signing a master purchase agreement for Fortis to pay INR46.5b (S\$950m) for the trust's entire portfolio of healthcare assets. The news led to a surge of 10.7% in its share price yesterday. **The estimated consideration per unit represents a premium of 10.3% to the trust's adjusted NAV per unit of S\$0.84 as at end-December 2017.**

Recent In depth Regional Reports

12/2	SG Japan Foods Holding (JFOOD SP; BUY; TP: S\$0.540): Stellar results; highest quarterly earnings since IPO
12/2	TH Strategy: Taiwan roadshow feedback: Clients seeking good value
12/2	TH Asia Sermkij Leasing (ASK TB; Outperform; TP: Bt 28.00): 4Q17 earnings review: Up 17.4% YoY, but down 3.2% QoQ
12/2	TH Global House (GLOBAL TB; Neutral; TP: Bt 17.50): 4Q17 earnings review: Flat performance YoY and QoQ
12/2	TH RS (RS TB; Outperform; TP: Bt 37.00): 4Q17 earnings preview: H&B to save earnings
9/2	TW Financial Sector (Overweight): Robust earnings growth in January driven by investment returns, fee income & one-off tax benefit
9/2	TW Petrochemicals Sector (Overweight): PTA spread to enter upcycle in 2018-19F
9/2	TW Asustek (2357 TT; Neutral; TP: NT\$285.00): Operating margin recovery on the road but 1H18 still tough
9/2	TW Far Eastern New Century (1402 TT; Outperform; TP: NT\$32.00): PTA business to turn profitable
9/2	TW Formosa Chemicals (1326 TT; Outperform; TP: NT\$128.00): PTA – The final piece of the puzzle is in place
9/2	TW Innolux (3481 TT; Underperform; TP: NT\$11.00): 4Q17 below consensus; outlook conservative vs. peers
9/2	TW OUCC (1710 TT; Outperform; TP: NT\$42.00): PTA upcycle to lift earnings further
9/2	HK SMIC Group (981 HK; Neutral; TP: HK\$10.30): Tough year ahead on weak end-product demand
9/2	HK Tongda (698 HK; Outperform; TP: HK\$2.60): Riding on Xiaomi growth; glass casing adoption lower than expected
9/2	HK Vinda International (3331 HK; Neutral; TP: HK\$15.20): Takeaways from the conference call
9/2	CN/HK Stock Liquidity Monitor: Weekly data – Stock incentive & employee shareholding plans
9/2	CN/HK Economy: Stagnation-like risk to emerge at a quickened pace
9/2	TH Siam City Cement (SCCC TB; Outperform; TP: Bt 310.00): 4Q17 earnings review: In line with our estimate
9/2	TH Thaicom (THCOM TB; Underperform; TP: Bt 12.50): Every path has its puddle
8/2	TW Electric Vehicle Sector: Model 3 production on track to reach 2.5k units per week by end-1Q18F
8/2	TW CHPT (6510 TT; Neutral; TP: NT\$1,020): High-end smartphone demand a key swing factor in 2018
8/2	TW Parade Technologies (4966 TT; Outperform; TP: NT\$700.00): Promising 2018 outlook despite upcoming slow season
8/2	TW Vanguard (5347 TT; Neutral; TP: NT\$58.00): Potential 12" foundry expansion a concern
8/2	CN/HK Economy: Strong imports a short-term phenomenon; domestic demand still weak

For full reports, please contact Research Department at 6202 1190 or 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 FY18 (%)	Div Yield FY19 (%)
FINANCIALS								
DBS SP	DBS	27.63	70,840	1.2%	11.2%	9.0%	4.0%	4.2%
OCBC SP	OCBC	12.57	52,616	2.5%	1.5%	3.5%	3.2%	3.4%
UOB SP	UOB	26.84	44,636	1.9%	1.5%	2.3%	3.1%	3.3%
SGX SP	SGX	7.30	7,818	(0.1%)	(1.3%)	(8.9%)	4.1%	4.4%
PROPERTIES								
AREIT SP	Ascendas REIT	2.59	7,479	0.4%	(4.8%)	(2.3%)	6.2%	6.4%
CAPL SP	CapitaLand	3.52	14,950	1.4%	(0.3%)	0.0%	3.2%	3.2%
CCT SP	CapitaLand Comm Trust	1.72	6,206	0.0%	(8.9%)	(2.8%)	5.1%	5.2%
CT SP	CapitaLand Mall Trust	1.97	6,986	(1.0%)	(6.2%)	(3.0%)	5.6%	5.7%
CIT SP	City Development	12.50	11,366	1.5%	0.1%	(0.8%)	1.2%	1.2%
HKL SP	Hongkong Land USD	6.90	21,472	0.6%	(2.0%)	(2.4%)	2.9%	3.0%
UOL SP	UOL	8.33	7,014	1.1%	(6.1%)	(4.1%)	1.8%	1.8%
TELECOMMUNICATIONS								
ST SP	SingTel	3.33	54,375	(0.9%)	(6.7%)	(3.2%)	6.1%	5.4%
STH SP	StarHub	2.74	4,738	(0.4%)	(3.9%)	(1.4%)	5.8%	5.7%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	37.44	14,798	0.3%	(7.9%)	(1.6%)	2.9%	3.2%
JM SP	Jardine Matheson USD	62.00	59,554	0.5%	2.1%	0.3%	2.6%	2.7%
JS SP	Jardine Strategic Holding	38.65	56,625	0.7%	(2.3%)	1.6%	0.8%	0.9%
GENS SP	Genting Singapore	1.22	14,688	0.0%	(6.9%)	(3.2%)	2.5%	2.5%
SPH SP	SPH	2.63	4,207	0.8%	(0.8%)	1.9%	5.2%	5.1%
THBEV SP	ThaiBev	0.91	22,851	1.7%	1.1%	2.8%	3.3%	3.5%
VMS SP	Venture Corp	22.33	6,380	1.9%	9.1%	0.2%	3.0%	2.9%
TRANSPORT								
SIA SP	Singapore Airlines	10.62	12,558	(0.1%)	(0.5%)	(1.3%)	2.6%	2.4%
CD SP	ComfortDelGro	2.01	4,349	0.0%	1.5%	(1.0%)	5.3%	5.4%
COMMODITIES								
GGR SP	Golden Agri	0.35	4,457	0.0%	(5.4%)	(4.1%)	1.9%	1.9%
WIL SP	Wilmar	3.01	19,041	(0.7%)	(2.6%)	(0.3%)	2.4%	2.9%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.83	14,183	0.4%	6.5%	(4.6%)	3.3%	3.5%
SCI SP	Sembcorp Industries	3.23	5,764	0.6%	6.6%	(3.3%)	2.3%	3.0%
YZJSGD SP	Yangzijiang SGD	1.35	5,358	0.0%	(8.2%)	(9.4%)	3.6%	3.4%
SATS SP	SATS	5.25	5,876	(0.9%)	1.0%	(0.2%)	3.3%	3.5%
STE SP	ST Engineering	3.25	10,126	0.9%	(0.3%)	(0.9%)	4.6%	4.8%
HPHT SP	HPH Trust USD	0.35	4,032	1.4%	(12.1%)	(1.5%)	7.6%	7.7%

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 FY18 (%)	Div Yield FY19 (%)
SUN SP	Suntec REIT	1.90	5,056	0.0%	(10.5%)	(2.1%)	5.2%	5.3%
MCT SP	Mapletree Commercial	1.55	4,464	0.0%	(3.0%)	(1.3%)	5.7%	5.7%
KREIT SP	Keppel REIT	1.18	3,996	0.0%	(5.3%)	(2.5%)	5.0%	5.0%
SMM SP	Semcorp Marine	2.49	5,199	5.1%	35.3%	(8.1%)	0.7%	0.9%

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 13 Feb 18	Yield (%)
RHT Health Trust	8-Feb-18	3Q18	SGD 0.0122	19-Feb-18	21-Feb-18	1-Mar-18	SGD 0.830	1.5
Qian Hu Corp Ltd	12-Jan-18	FY17	SGD 0.0020	10-Apr-18	12-Apr-18	25-Apr-18	SGD 0.200	1.0
M1	23-Jan-18	FY17	SGD 0.06200	18-Apr-18	20-Apr-18	27-Apr-18	SGD 1.800	3.4
United Overseas Insurance	5-Feb-18	FY17	SGD 0.1400	19-Apr-18	23-Apr-18	3-May-18	SGD 7.240	1.9
United Overseas Insurance - Special	5-Feb-18	FY17	SGD 0.0500	19-Apr-18	23-Apr-18	3-May-18	SGD 7.240	0.7
Keppel Corp	25-Jan-18	FY17	SGD 0.1400	25-Apr-18	27-Apr-18	10-May-18	SGD 7.830	1.8
Keppel Telecoms & Tpt	24-Jan-18	FY17	SGD 0.0350	25-Apr-18	27-Apr-18	9-May-18	SGD 1.540	2.3
Hwa Hong Corp Ltd	2-Feb-18	FY17	SGD 0.01000	30-Apr-18	3-May-18	18-May-18	SGD 0.310	3.2
Hwa Hong Corp Ltd - Special	2-Feb-18	FY17	SGD 0.00100	30-Apr-18	3-May-18	18-May-18	SGD 0.310	0.3
Perennial Real Estate Holdings Ltd	8-Feb-18	FY17	SGD 0.0100	2-May-18	4-May-18	18-May-18	SGD 0.840	1.2
Tuan Sing Holdings Ltd	26-Jan-18	FY17	SGD 0.0060	2-May-18	4-May-18	26-Jun-18	SGD 0.435	1.4
DBS Grp Hldgs	8-Feb-18	FY17	SGD 0.6000	3-May-18	7-May-18	15-May-18	SGD 27.630	2.2
DBS Grp Hldgs - Special	8-Feb-18	FY17	SGD 0.5000	3-May-18	7-May-18	15-May-18	SGD 27.630	1.8
Lonza Group AG	31-Jan-18	FY17	CHF 0.0275	7-May-18	9-May-18	11-May-18	-	0.0

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	5-Feb-18	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
CWG Int'l	SGD 0.195 Cash	5.30 p.m. on 5 Mar 2018	Elidom Investment Co., Ltd
TIH	SGD 0.125 cash and SGD 0.445 will be paid by the issue of an up to SGD49.3mil 2.25% Offeror Notes due 3 years from the close of the offer	5.30 p.m. on 19 Feb 2018	

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday		Tuesday		Wednesday		Thursday		Friday	
	12-Feb		13-Feb		14-Feb		15-Feb		16-Feb
Q2: Health Mgt Int'l / Karin Technology Hldgs / UG Healthcare Q3: Vallianz Hldgs Q4: OKP Hldgs / SBS Transit *Q3: Meghmani Orgaincs		Q3: Accordia Golf Trust / SATS / Spore Airlines Q4: CapitaLand / ComfortDelGro / Great Eastern Hldgs / Lippo Malls Indonesia Retail Trust / Roxy-Pacific Hldgs / World Class Global *Q3: Karuturi Global		Q1: TT Int'l Q2: ASL Marine Hldgs Q4: Hi-P Int'l / iFAST Corp / IREIT Global / OCBC & UOB (Before mkt open) / StarHub Interim Results for FY2018: MSM Int'l 3-month period & Year-to-date: Sakae Hldgs *Q1: Thai Beverage PCL *Q3: China Kunda Technology Hldg *Q4: Utd Overseas Australia		Q4: Far East Hospitality Trust *Q1: No Signboards Hldgs			
	19-Feb		20-Feb		21-Feb		22-Feb		23-Feb
SG: 2018 Budget				Q4: Sembcorp Marine		Q4: Amara Hldgs / BreadTalk Grp / Frencken Grp / Sembcorp Industries / Utd Engineers / Wilmar Int'l		SG: 4Q17 GDP (Not later than 23 Feb) SG (Jan 2018): CPI Overall index and sub-indices Q4: BHG Retail REIT / CSE Global / Genting Spore PLC / IFS Capital / Spore Technologies Engrg	
	26-Feb		27-Feb		28-Feb	1-Mar-18			2-Mar
SG (Jan 2018): Index of Industrial Production Q4: AP Oil Int'l / Asian Pay Television Trust / Aspiat Corp / Best World Int'l / Maxi-Cash Financial Services / Raffles Medical Grp		Q4: Fragrance Grp / Htl Royal / Thakral Corp / UOL Grp		Q2: Serrano Q4: China Aviation Oil Spore / China Everbright Water / City Developments / Hiap Hoe / Ho Bee Land / LHT Hldgs / Mewah Int'l Inc / Spore Reinsurance Corp		STI Review Q4: COSCO Shipping Int'l / Elec & Eltek Int'l / KrisEnergy			
	5-Mar		6-Mar		7-Mar		8-Mar		9-Mar
	12-Mar		13-Mar		14-Mar		15-Mar		16-Mar

* Tentative

Source: Bloomberg

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