

## Market Indicators

	27-Feb	28-Feb	1-Mar
Mkt. T/O (S\$ mil)	1,600.6	2,040.6	1,434.1
Stock Advances	198	156	153
Stock Declines	241	302	264

## Major Indices

	27-Feb	28-Feb	1-Mar
DJ Ind Avg	25,410.0	25,029.2	24,609.0
S & P 500	2,744.3	2,713.8	2,677.7
Nasdaq Comp	7,330.4	7,273.0	7,180.6
Hang Seng	31,268.7	30,844.7	31,044.3

**STI Index** 3,513.85 (-0.12%)



Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,316.95	0.40%
Oil (NYMEX CWT1) US\$ / bbl	61.24	-0.65%
Baltic Dry Index	1192	0.34%

## Exchange Rates



USD : SGD 1.3228 / MYR : SGD 2.9632

Source: Bloomberg

## Interest Rates

3-mth Sibor	1.368%
SGS (10 yr)	2.338%

KGI Securities Research Team

## Market Colour

Oil prices continue to show signs of weakness, falling 1% on Thursday, on concerns of surging US crude output. President Trump announced new tariffs on steel and aluminium imports, causing US stocks to sell off sharply, with major indices tumbling as much as 1.7%. Concerns over a trade war continue to intensify. While some believe the tariffs were not signs of a trade war, others believe that this could be a catalyst to spur one if other countries were to retaliate. The EU responded by assuring its stance on defending its interest against the steep tariffs. On a more positive note, the Fed chair, Jerome Powell, sees no evidence of the US economy overheating, reiterating that gradual rate hikes can be expected to keep unemployment and inflation in balance. Contrary to Powell's view, IMF Managing Director, Christine Lagarde believes that a near term growth bump in the US could risk overheating the economy.

In the local market, the STI index ended the session 0.1% down, and was mainly led by Yangzijiang (-4.0%) despite surprising on the upside with its 4Q17 results, Jardine Matheson Holdings (-2.4%) and Venture (-2.3%), despite beating consensus estimates as well.

## News

**Jardine C&C:** Full-year earnings grew 16% to US\$811.2mn (S\$1.1bn) on the back of improved performance from Astra, compared to earnings of US\$701.7mn a year ago. Astra reported a net profit equivalent to US\$1.4bn under Indonesian accounting standards, 25% higher in its local currency. This was led by a return to profitability at Permata Bank, while higher commodity prices benefited the trading performances of the heavy equipment and mining businesses as well as agribusiness. **Consensus has a fair value estimate of S\$45.07, implying a 21.9% upside. Jardine C&C currently offers a dividend yield of 3.2%.**

**Yongnam:** Posted FY17 losses of S\$15.8mn, compared to S\$31.6mn in FY16. This came on the back of improved margins. FY17 revenue fell 4.6% YoY to S\$306.7mn from S\$321.4mn in FY16, due to lower contributions from its structural steel works and mechanical engineering businesses, which more than offset the increase in revenue contributions from its specialist civil engineering segment. Despite narrowing its losses, management sees margins continuing to be depressed by the low level of strutting and other activities in Singapore and Hong Kong, which has resulted in overhead costs not being fully absorbed. **Key catalysts for the stock include being awarded contracts for the North-South Corridor and High Speed Rail.**

**Wee Hur:** Earnings more than triple to S\$7.8mn in 4Q17 from S\$2.2mn in 4Q16 on the back of higher revenue. 4Q17 revenue grew 11% YoY to S\$40.5mn from S\$36.6mn in 4Q16 due to higher contributions from on-going construction projects. The latest 4Q17 set of results brings Wee Hur's earnings for FY17 to S\$18.7mn, up 8% YoY from S\$17.3mn in FY16. **A final dividend of 0.3 SG cents per share has been proposed. This brings the total dividend for FY17 to 0.9 SG cents.**

**Japfa:** Posted 81% YoY drop in FY17 earnings to S\$30mn on higher costs. Revenue came in 5% YoY higher at US\$3.2bn, from US\$3.0 a year ago, on the back of increased sales volume in the group's operations in the Animal Protein Indonesia, Dairy and Onsumer Food segments. This was offset by the decrease in the revenue in the Animal Protein Other segment because of the low swine price environment in Vietnam.

**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 (%)
<b>FINANCIALS</b>								
DBS SP	DBS	28.80	73,839	0.3%	15.9%	(0.7%)	4.0%	4.1%
OCBC SP	OCBC	13.21	55,285	1.1%	6.6%	0.8%	3.1%	3.4%
UOB SP	UOB	28.04	46,611	0.5%	6.0%	1.9%	3.3%	3.5%
SGX SP	SGX	7.54	8,071	(0.1%)	2.0%	0.8%	4.0%	4.2%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.60	7,508	(1.9%)	(4.4%)	2.0%	6.2%	6.4%
CAPL SP	CapitaLand	3.61	15,289	(0.6%)	2.3%	1.7%	3.2%	3.3%
CCT SP	CapitaLand Comm Trust	1.75	6,321	1.2%	(7.3%)	3.6%	5.0%	5.1%
CT SP	CapitaLand Mall Trust	2.02	7,167	0.0%	(3.9%)	2.0%	5.4%	5.5%
CIT SP	City Development	12.82	11,657	0.5%	2.6%	1.7%	1.2%	1.2%
HKL SP	Hongkong Land USD	6.96	21,742	1.0%	(1.1%)	(1.1%)	2.9%	3.0%
UOL SP	UOL	8.54	7,191	0.2%	(3.7%)	3.0%	1.9%	1.9%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.36	54,865	(0.6%)	(5.9%)	0.3%	6.0%	5.4%
STH SP	StarHub	2.47	4,271	(1.2%)	(13.3%)	(0.8%)	6.4%	6.2%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	36.96	14,608	(0.6%)	(9.1%)	0.2%	3.3%	3.4%
JM SP	Jardine Matheson USD	63.61	61,336	(2.4%)	4.7%	2.9%	2.5%	2.7%
JS SP	Jardine Strategic Holding	39.76	58,476	(0.2%)	0.5%	4.6%	0.8%	0.9%
GENS SP	Genting Singapore	1.15	13,852	(0.9%)	(12.2%)	(10.9%)	3.0%	3.1%
SPH SP	SPH	2.58	4,127	(0.8%)	(2.6%)	(2.3%)	5.3%	5.2%
THBEV SP	ThaiBev	0.84	20,968	0.0%	(7.2%)	0.6%	3.3%	3.6%
VMS SP	Venture Corp	26.92	7,692	(2.3%)	31.5%	7.6%	2.6%	2.6%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	11.05	13,067	(0.4%)	3.6%	(1.0%)	2.8%	2.6%
CD SP	ComfortDelGro	2.01	4,349	(1.0%)	1.5%	1.5%	5.2%	5.3%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.36	4,521	(1.4%)	(4.1%)	(1.4%)	1.9%	2.2%
WIL SP	Wilmar	3.23	20,432	0.0%	4.5%	6.3%	3.0%	3.3%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	8.01	14,509	(0.1%)	9.0%	0.5%	3.3%	3.5%
SCI SP	Sembcorp Industries	3.17	5,664	(0.9%)	4.6%	(3.1%)	2.8%	3.3%
YZJSGD SP	Yangzijiang SGD	1.45	5,755	(4.0%)	(1.4%)	0.7%	3.3%	2.9%
SATS SP	SATS	5.13	5,733	(1.3%)	(1.3%)	(1.5%)	3.4%	3.6%
STE SP	ST Engineering	3.38	10,531	(0.9%)	3.7%	0.0%	4.6%	4.8%
HPHT SP	HPH Trust USD	0.36	4,164	(1.4%)	(9.6%)	0.0%	7.3%	7.5%

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 FY18 (%)	Div Yield FY19 (%)
SUN SP	Suntec REIT	1.94	5,163	(2.0%)	(8.6%)	1.6%	5.1%	5.2%
MCT SP	Mapletree Commercial	1.56	4,493	(0.6%)	(2.4%)	0.6%	5.7%	5.8%
KREIT SP	Keppel REIT	1.18	4,000	0.0%	(5.3%)	0.0%	5.0%	5.0%
SMM SP	Semcorp Marine	2.08	4,343	(1.9%)	13.0%	(10.7%)	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 1 Mar 18	Yield (%)
HUPSteel - Special	9-Feb-18	1H18	SGD 0.02000	<b>2-Mar-18</b>	6-Mar-18	14-Mar-18	SGD 0.890	2.2
Ireit Global	15-Feb-18	FY17	SGD 0.0288	<b>5-Mar-18</b>	7-Mar-18	15-Mar-18	SGD 0.800	3.6
Global Invts	20-Feb-18	FY17	SGD 0.00600	<b>6-Mar-18</b>	8-Mar-18	24-Apr-18	SGD 0.150	4.0
Tai Sin Electric	9-Feb-18	2Q18	SGD 0.0075	<b>7-Mar-18</b>	9-Mar-18	16-Mar-18	SGD 0.405	1.9
BHG Retail REIT	23-Feb-18	FY17	SGD 0.02730	<b>8-Mar-18</b>	12-Mar-18	28-Mar-18	SGD 0.770	3.5
Koda Ltd	13-Feb-18	2Q18	SGD 0.0025	<b>12-Mar-18</b>	14-Mar-18	28-Mar-18	SGD 0.635	0.4
Asian Pay Television Trust	26-Feb-18	FY17	SGD 0.01625	<b>14-Mar-18</b>	16-Mar-18	23-Mar-18	SGD 0.570	2.9
Qian Hu Corp Ltd	12-Jan-18	FY17	SGD 0.0020	<b>10-Apr-18</b>	12-Apr-18	25-Apr-18	SGD 0.187	1.1
M1	23-Jan-18	FY17	SGD 0.06200	<b>18-Apr-18</b>	20-Apr-18	27-Apr-18	SGD 1.750	3.5
United Overseas Insurance	5-Feb-18	FY17	SGD 0.1400	<b>19-Apr-18</b>	23-Apr-18	3-May-18	SGD 7.650	1.8
United Overseas Insurance - Special	5-Feb-18	FY17	SGD 0.0500	<b>19-Apr-18</b>	23-Apr-18	3-May-18	SGD 7.650	0.7
Great Eastern Hldgs	13-Feb-18	FY17	SGD 0.50000	<b>20-Apr-18</b>	24-Apr-18	8-May-18	SGD 30.020	1.7
Great Eastern Hldgs - Special	13-Feb-18	FY17	SGD 0.10000	<b>20-Apr-18</b>	24-Apr-18	8-May-18	SGD 30.020	0.3
Lee Metal Grp	20-Feb-18	FY17	SGD 0.0100	<b>20-Apr-18</b>	24-Apr-18	7-May-18	SGD 0.410	2.4

**Latest Rights Issue Announcement**

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
SingHaiyi Group Ltd	1 Rts Share @ S\$0.100 for each Rts Share for every 2 existing ord shares	13-Feb-18	15-Feb-18	<b>21-Feb-18</b>	<b>1-Mar-18</b>
Vashion Grp	10 Rights Shares @ S\$0.005 for each Rights Share for every 1 existing Share held, 1 Warrant (exercise price S\$0.005) for every 2 Rights Shares subscribed	9-Feb-18	13-Feb-18	<b>19-Feb-18</b>	<b>27-Feb-18</b>

Source: SGX Announcement

Vashion Grp: Expected date for commencement of trading of warrants: 9.00 a.m., Wednesday, 14 March 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

Source: SGX Announcement

**Appendix 2: Financial Calendar**

Monday	Tuesday	Wednesday	Thursday	Friday
<p>26-Feb</p> <p><b>SG (Jan 2018):</b> Index of Industrial Production</p> <p>Q4: AP Oil Int'l / Asian Pay Television Trust / Aspiat Corp / Best World Int'l / First Ship Lease Trust / Halcyon Agri / Haw Par Corp / Maxi-Cash Financial Services / Pharmesis Int'l / Raffles Medical Grp / Sinarmas Land</p>	<p>27-Feb</p> <p>Q4: Fragrance Grp / Fuxing China Grp / Golden Agri-Resources / Hong Leong Finance / Htl Royal / mDR / Olam Int'l / Sino Grandness Food / Thakral Corp / UOL Grp</p>	<p>28-Feb</p> <p>Q2: Serrano</p> <p>Q4: China Aviation Oil Spore / China Everbright Water / China Sunshine Chemical / City Developments / EC World REIT / Emerging Towns &amp; Cities / Hiap Hoe / Ho Bee Land / LHT Hldgs / Mewah Int'l Inc / Spore Reinsurance Corp / Straco Corp / World Precision Machinery</p>	<p>1-Mar-18</p> <p>STI Review</p> <p>Q4: COSCO Shipping Int'l / Elec &amp; Eltek Int'l / KrisEnergy / Vard Hldgs</p>	<p>2-Mar</p>
<p>5-Mar</p>	<p>6-Mar</p>	<p>7-Mar</p>	<p>8-Mar</p>	<p>9-Mar</p>
<p>12-Mar</p>	<p>13-Mar</p>	<p>14-Mar</p>	<p>15-Mar</p>	<p>16-Mar</p>
<p>19-Mar</p>	<p>20-Mar</p>	<p>21-Mar</p>	<p>22-Mar</p>	<p>23-Mar</p> <p><b>SG (Feb 2018):</b> CPI Overall index and sub-indices</p>
<p>26-Mar</p> <p><b>SG (Feb 2018):</b> Index of Industrial Production</p>	<p>27-Mar</p>	<p>28-Mar</p>	<p>29-Mar</p>	<p>30-Mar</p>

\* Tentative

Source: Bloomberg

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