

## Market Indicators

	6-Nov	7-Nov	8-Nov
Mkt. T/O (S\$ mil)	1,300.8	1,404.0	1,303.8
Stock Advances	210	257	196
Stock Declines	238	184	251

## Major Indices

	6-Nov	7-Nov	8-Nov
DJ Ind Avg	23,548.4	23,557.2	23,563.4
S & P 500	2,591.1	2,590.6	2,594.4
Nasdaq Comp	6,786.4	6,767.8	6,789.1
Hang Seng	28,596.8	28,994.3	28,907.6

**STI Index** 3,421.25 (+0.24%)

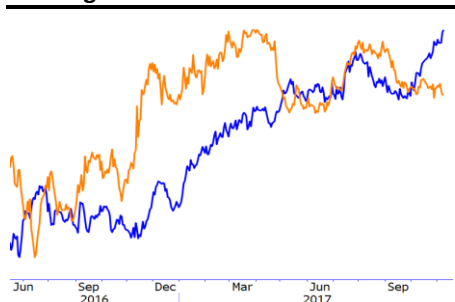


Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,282.11	0.24%
Oil (NYMEX CWT1) US\$ / bbl	56.87	-0.25%
Baltic Dry Index	1477	0.27%

## Exchange Rates



USD : SGD 1.3619 / MYR : SGD 3.1010

Source: Bloomberg

## Interest Rates

3-mth Sibor	1.126%
SGS (10 yr)	2.094%

KGI Securities Research Team

## Market Colour

U.S. equity benchmarks closed at another record high yesterday despite possible delays in implementing the lower tax rates for corporations. House of Representative Speaker Paul Ryan left the door open to delays following a report by the Washington Post that his fellow Senate Republicans were exploring the option. A delay may possibly mean a moderation of interest rate hikes after 2017, which could lend support to gold prices.

## News

**Singtel:** 2Q18 net profit jumped 197% YoY to S\$2.9bn due to a one-off gain from the divestment of its 75% stake in NetLink Trust in July this year. Operating revenue for the quarter rose 7% YoY to S\$4.4bn from S\$4.1bn a year ago. However, underlying net profit for the quarter fell 4% YoY, impacted by Airtel, which continued to face intense price competition in India. Excluding Airtel, underlying net profit would have increased 3% YoY. A special 3.0 Singapore cents dividend was declared in addition to the interim dividend of 6.8 Singapore cents. **Consensus has a fair value of S\$4.23, implying a 12% upside for Singtel. It currently offers an attractive dividend yield of 5.2/4.8/5.1% for FY19-21.**

**Valuetronics:** 2Q18 net profit rose 34% YoY to HK\$51m (S\$8.9m) due to stronger demand for smart LED lighting products. Sales for the quarter rose 27% YoY to HK\$726m, led by a 46% YoY jump in its consumer electronics segment. The demand for these smart LED lighting products have increased significantly because of continued market penetration, as well as their compatibility with iOS, Android and voice-activated smart home devices of the largest e-commerce company in the US, said Valuetronics. Looking ahead, the firm said that various indicators show that economic activities in the US, its largest market, will grow moderately. It has declared an interim 7.0 HK cents dividend; it did not declare a dividend in the same period last year. **The 7.0 HK cents interim dividends was a pleasant surprise. We currently have a HOLD rating on Valuetronics but will review our recommendation after the analyst briefing on 13 November.**

**Keppel-KBS US REIT:** The public offer was oversubscribed by 6.7 times, with around US\$200m received. The REIT manager added that gross proceeds of about US\$553.1 million in all were raised from a total of over 628.5m units issued. These include 246m units issued to cornerstone investors and 119m units issued to joint sponsors who own the REIT manager. Its initial portfolio comprises 11 freehold properties valued at US\$829.4m in 7 growth cities in the US. **The REIT's FY18/19 distribution yield of 6.8/7.2% compares favourably to Manulife US REIT's (MUST SP; NR) 6.7/6.9% yield. It also offers an attractive 100-200 bps spread over SG-focused REITs, which are averaging 5.3% yield for FY18.**

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

## Commentaries From The Trading Desk

8/11	A narrative of a stock entering its 'blow-off' phase
6/11	DBS firing well, however will old exposures haunt it?
27/10	Tapering announced, but no tantrum by stocks! Or is this simply a premature assumption?

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	23.76	60,769	1.1%	41.2%	3.3%	2.8%	3.0%
OCBC SP	OCBC	11.76	49,267	(0.4%)	36.3%	(1.5%)	3.2%	3.4%
UOB SP	UOB	25.21	41,920	0.3%	27.4%	1.4%	2.9%	3.1%
SGX SP	SGX	7.73	8,280	1.0%	12.1%	0.5%	3.9%	4.2%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.67	7,676	0.0%	24.6%	0.0%	6.0%	6.2%
CAPL SP	CapitaLand	3.64	15,460	(2.2%)	23.8%	(1.6%)	2.8%	2.9%
CCT SP	CapitaLand Comm Trust	1.81	6,531	(1.1%)	33.3%	2.8%	4.9%	4.9%
CT SP	CapitaLand Mall Trust	2.02	7,163	0.0%	13.3%	0.5%	5.4%	5.4%
CIT SP	City Development	12.36	11,239	(0.7%)	51.5%	(4.6%)	1.2%	1.2%
GLP SP	Global Logistic	3.33	15,642	0.3%	54.1%	0.3%	1.8%	2.0%
HKL SP	Hongkong Land USD	7.38	23,667	(1.1%)	19.7%	0.1%	2.7%	2.8%
UOL SP	UOL	8.77	7,380	(0.6%)	49.5%	(3.9%)	1.7%	1.7%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.78	61,724	0.0%	6.4%	0.8%	5.2%	4.8%
STH SP	StarHub	2.73	4,720	1.1%	3.4%	4.1%	5.9%	5.7%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	39.42	15,580	0.8%	(2.1%)	1.1%	2.8%	2.9%
JM SP	Jardine Matheson USD	68.00	67,307	1.7%	26.0%	6.6%	2.3%	2.5%
GENS SP	Genting Singapore	1.30	15,633	2.4%	47.5%	5.3%	2.3%	2.4%
SPH SP	SPH	2.68	4,284	0.4%	(22.7%)	(0.4%)	5.1%	5.0%
THBEV SP	ThaiBev	0.96	24,106	0.0%	16.1%	(2.0%)	3.1%	3.2%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	10.75	12,712	4.2%	12.3%	4.8%	2.2%	2.1%
CD SP	ComfortDelGro	2.00	4,327	(1.0%)	(15.6%)	(2.4%)	5.3%	5.5%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.39	4,967	(1.3%)	(7.7%)	(1.3%)	1.7%	2.4%
WIL SP	Wilmar	3.34	21,126	0.0%	(5.0%)	(2.1%)	2.2%	2.8%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	7.57	13,723	(0.7%)	34.8%	(1.2%)	2.7%	3.1%
SCI SP	Sembcorp Industries	3.22	5,746	(1.5%)	15.6%	(5.3%)	2.4%	3.0%
YZJSGD SP	Yangzijiang SGD	1.58	6,251	0.0%	99.6%	(0.3%)	2.9%	2.8%
SATS SP	SATS	4.75	5,316	0.2%	0.1%	0.0%	3.7%	3.9%
SIE SP	SIA Engineering	3.26	3,646	(0.6%)	0.2%	(0.3%)	3.9%	4.1%
STE SP	ST Engineering	3.41	10,625	(1.7%)	9.9%	(2.3%)	4.4%	4.6%
HPHT SP	HPH Trust USD	0.43	5,105	0.0%	7.1%	(1.1%)	6.1%	6.3%

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

**STI Reserve List (by market cap) - STI next review date: 30 November 2017**

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 (%)
SUN SP	Suntec REIT	1.95	5,186	(0.5%)	25.1%	0.8%	5.1%	5.0%
MCT SP	Mapletree Commercial	1.57	4,534	0.0%	19.6%	1.0%	5.7%	5.7%
VMS SP	Venture Corp	21.20	6,026	(3.1%)	123.1%	9.6%	2.8%	2.9%
SIE SP	SIA Engineering	3.26	3,646	(0.6%)	0.2%	(0.3%)	3.9%	4.1%
KREIT SP	Keppel REIT	1.18	3,969	0.0%	21.9%	0.4%	5.1%	5.1%

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 8 Nov 17	Yield (%)
Lippo Malls Indonesia Retail Trust	2-Nov-17	3Q17	SGD 0.0086	<b>9-Nov-17</b>	13-Nov-17	29-Nov-17	SGD 0.440	2.0
Ascendas Hospitality Trust	6-Nov-17	2Q18	SGD 0.02730	<b>10-Nov-17</b>	14-Nov-17	12-Dec-17	SGD 0.890	3.1
Ascendas India Trust	25-Oct-17	3Q18	SGD 0.02810	<b>13-Nov-17</b>	15-Nov-17	27-Nov-17	SGD 1.160	2.4
AVI-Tech Electronics	16-Aug-17	FY17	SGD 0.0100	<b>13-Nov-17</b>	15-Nov-17	29-Nov-17	SGD 0.545	1.8
AVI-Tech Electronics - Special	16-Aug-17	FY17	SGD 0.0080	<b>13-Nov-17</b>	15-Nov-17	29-Nov-17	SGD 0.545	1.5
Hatten Land Ltd	16-Aug-17	FY17	SGD 0.0005	<b>13-Nov-17</b>	15-Nov-17	30-Nov-17	SGD 0.199	0.3
PEC	28-Aug-17	FY17	SGD 0.0200	<b>13-Nov-17</b>	15-Nov-17	29-Nov-17	SGD 0.680	2.9
PEC - Special	28-Aug-17	FY17	SGD 0.0050	<b>13-Nov-17</b>	15-Nov-17	29-Nov-17	SGD 0.680	0.7
SIA Engrg Co	3-Nov-17	2Q18	SGD 0.0400	<b>15-Nov-17</b>	17-Nov-17	28-Nov-17	SGD 3.260	1.2
Datapulse Technology Ltd	21-Sep-17	FY17	SGD 0.0050	<b>20-Nov-17</b>	22-Nov-17	1-Dec-17	SGD 0.365	1.4
Hi-P International Ltd	6-Nov-17	3Q17	SGD 0.0200	<b>20-Nov-17</b>	22-Nov-17	4-Dec-17	SGD 1.900	1.1
Sunright Ltd	22-Sep-17	FY17	SGD 0.0030	<b>21-Nov-17</b>	23-Nov-17	8-Dec-17	SGD 0.825	0.4
AEM Holdings Ltd	2-Nov-17	3Q17	SGD 0.03000	<b>22-Nov-17</b>	24-Nov-17	8-Dec-17	SGD 3.370	0.9

**Latest Rights Issue Announcement**

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Z-Obee Holdings	2 offer shares @ US\$0.16 (equivalent to approximately HK\$1.248) per offer share for every 5 consolidated shares held		27-Oct-17 at 5.00 p.m.	<b>Delisting from SGX: 28-Nov-17</b>	

Source: SGX Announcement

**Latest Listing Issue Announcement**

Company	Offer Price	Closing Date	Offeror
Fischer Tech - Scheme of arrangement	SGD 3.02 Cash	5.00 p.m. on 1 Nov 2017	FT Holding II Ltd
		Expected Payment Date: 13 Nov 2017	
GP Batteries International	SGD 1.30 Cash	5.30 p.m. on 17 Nov 2017	GP Industries Limited
New Wave Holdings Ltd.	S\$0.0130 Cash	5.30 p.m. on 30 Nov 2017	JK Global Assets Pte. Ltd.
Poh Tiong Choon Logistics	SGD 1.30 Cash	5.30 p.m. on 20 Nov 2017	Respond Logistics Pte. Ltd.

Source: SGX Announcement

**Appendix 2: Financial Calendar**

Monday		Tuesday		Wednesday		Thursday		Friday	
6-Nov		7-Nov		8-Nov		9-Nov		10-Nov	
Q2: Ascendas Hospitality Trust / Vallianz Hldgs Q3: BreadTalk Grp / DBS (Before mkt open) / Genting Spore PLC / Kingsmen Creatives		Q2: RHT Health Trust / Spore Airlines Q3: BHG Retail REIT / Hi-P Int'l / OKP Hldgs / Perennial Real Estate Hldgs  IPO: Keppel KBS US REIT (Mainboard): Close @ 12.00 noon		Q3: Best World Int'l / CapitaLand / EC World REIT / First Ship Lease Trust / Frencken Grp / Spore Technologies Engrg / Vicom		Q2: NetLink NBN Trust / SATS / Spore Telecoms / Valuetronics Hldgs  Q3: City Devpts / Ezion / Fragrance Grp / Ho Bee Land / IREIT Global / KrisEnergy / Noble Grp / Nordic Grp / Parkway Life REIT / SBS Transit / Thakral Corp / Trendlines Grp / UOL Grp  IPO: Keppel KBS US REIT (Mainboard): Commence Trading @ 2.00 p.m.		Q2: Global Logistic Properties / KSH Hldgs  Q3: CNMC Goldmine Hldgs / ComfortDelGro Corp / Elec & Eltek Int'l / Global Invts / Hiap Hoe / Hong Leong Finance / Htl Royal / IFS Capital / mDR / Mewah Int'l Inc / Sino Grandness Food / Vard Hldgs / World Precision Machinery (Release on Sat, 11-Nov)  Q4: Frasers Centrepoint	
13-Nov		14-Nov		15-Nov		16-Nov		17-Nov	
Q1: Health Mgt Int'l Q2: Accordia Golf Trust / Foreland Fabrictech Hldgs Q3: Amara Hldgs / Asian Pay Television Trust / China Everbright Water / China SunSine Chemical Hldgs / Sinarmas Land / Spore Reinsurance / Utd Engineers / Wilmar Int'l		Q1: ASL Marine Hldgs Q2: RHT Health Trust / Serrano / Shanghai Turbo Enterprise / Tat Hong Hldgs		Q3: Olam Int'l					
20-Nov		21-Nov		22-Nov		23-Nov		24-Nov	
						SG (Oct 2017): CPI		SG: 3Q17 GDP (Not later than 24 Nov)	
27-Nov		28-Nov		29-Nov		30-Nov		1-Dec-17	
						STI Review			
4-Dec		5-Dec		6-Dec		7-Dec		8-Dec	

\* Tentative

Source: Bloomberg

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