

Market Indicators

	22-Dec	26-Dec	27-Dec
Mkt. T/O (S\$ mil)	725.5	512.9	603.7
Stock Advances	198	157	249
Stock Declines	174	198	130

Major Indices

	22-Dec	26-Dec	27-Dec
DJ Ind Avg	24,754.1	24,746.2	24,774.3
S & P 500	2,683.3	2,680.5	2,682.6
Nasdaq Comp	6,960.0	6,936.3	6,939.3
Hang Seng	29,578.0	Closed	29,597.7

STI Index 3,391.67 (+0.40%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,287.76	0.16%
Oil (NYMEX CWT1) US\$ / bbl	59.57	-0.30%
Baltic Dry Index	1366	-4.48%

Exchange Rates



USD : SGD 1.3402 / MYR : SGD 3.0448

Source: Bloomberg

Interest Rates

3-mth Sibor	1.249%
SGS (10 yr)	1.994%

KGI Securities Research Team

Market Colour

The lack of short-term upside catalysts and lower trading volumes may keep activity among Singapore equities focused on rotational and situational plays. Among shares that were in focus included UOB, Rowsley, Cosco Shipping, Yangzijiang Shipping and ComfortDelgro. Despite the lacklustre trading activity, Singapore's economy continues to remain in line with the strengthening global economy, with November factory output numbers coming in 5.3% higher YoY. With the passage of the comprehensive US tax-reform bill that will take effect at the start of 2018, there may be more focus in 2018 on US companies that are expected to be among the biggest beneficiaries. US consumer confidence remained elevated in December despite retreating from November's record levels.

News

SATS: Its wholly owned subsidiary entered into a joint venture (JV) with Cargo Service Center India Private Limited (CSC) for the subscription of a 49% stake in Mumbai Cargo Service Center Airport Private Limited (MCSC). The JV will see SATS subscribe to 1.4m new ordinary shares of MCSC for 49m rupees (S\$1.0m) and 730.2m rupees (S\$15.3m) of compulsorily convertible debentures in MCSC. This would be the third JV this year, coming after its JV with Jilin Zhong Xin Cheng Food Co. Ltd. and AirAsia Berhad. **Consensus has a fair value estimate of S\$5.42, implying a 3.4% upside. Its dividend yield is expected to be 3.3% in FY18.**

CapitaLand: Acquired its first office building in Frankfurt, Germany, for €245m (S\$392m) through a joint venture. The property is a freehold multi-tenanted office building known as Main Airport Center (MAC). CapitaLand holds a 94.9% stake in the joint venture while Lum Chang Holdings holds the remaining 5.1% stake. With total NLA of over 648,000 sf and office NLA of over 579,000 sf, MAC is located close to the Frankfurt Airport, one of the top five busiest airports in Europe, and a 20-minute drive to Frankfurt's Central Business District. **Consensus has a fair value estimate of S\$4.26, implying a 21.4% upside.**

Best World International: Acquired a 22.5% equity interest in Best World Lifestyle, a company incorporated in Malaysia, for a cash consideration of RM1.13m (S\$369,700). Upon completion of the acquisition, the company's equity interest in Best World Lifestyle will increase from 77.5% to 100%. It will then become a wholly owned subsidiary. The acquisition is funded through internal resources, and is not expected to have any material impact on the consolidated net tangible assets per share or consolidated earnings per share of the company for the financial year ending Dec 31, 2017. **Consensus has a fair value estimate of S\$1.64, implying a 25.2% upside.**

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

Commentaries From The Trading Desk

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

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 (%)
FINANCIALS								
DBS SP	DBS	24.88	63,634	0.9%	47.9%	1.2%	2.6%	2.9%
OCBC SP	OCBC	12.31	51,538	0.2%	42.6%	(0.4%)	3.0%	3.2%
UOB SP	UOB	26.20	43,571	1.6%	32.4%	1.0%	2.8%	3.0%
SGX SP	SGX	7.42	7,948	0.3%	7.6%	(0.1%)	4.1%	4.4%
PROPERTIES								
AREIT SP	Ascendas REIT	2.68	7,739	(0.4%)	25.5%	(0.4%)	6.0%	6.2%
CAPL SP	CapitaLand	3.51	14,907	0.6%	19.4%	(0.6%)	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.92	6,928	0.5%	41.4%	(2.0%)	4.6%	4.6%
CT SP	CapitaLand Mall Trust	2.12	7,518	(0.5%)	18.9%	(0.9%)	5.2%	5.2%
CIT SP	City Development	12.29	11,175	0.7%	50.6%	(0.3%)	1.2%	1.2%
GLP SP	Global Logistic	3.36	15,783	(0.3%)	55.5%	0.0%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.03	22,172	(0.1%)	14.0%	(0.6%)	2.8%	3.0%
UOL SP	UOL	8.69	7,315	0.3%	48.1%	(1.3%)	1.7%	1.7%
TELECOMMUNICATIONS								
ST SP	SingTel	3.59	58,622	(0.3%)	3.8%	0.3%	5.8%	5.1%
STH SP	StarHub	2.89	4,997	(0.3%)	9.4%	0.7%	5.5%	5.4%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	40.47	15,995	0.7%	0.5%	(0.3%)	2.7%	2.8%
JM SP	Jardine Matheson USD	60.77	59,162	(0.2%)	12.6%	(0.4%)	2.6%	2.7%
GENS SP	Genting Singapore	1.31	15,771	0.0%	48.6%	(1.5%)	2.3%	2.4%
SPH SP	SPH	2.67	4,268	0.8%	(20.4%)	1.5%	5.2%	5.1%
THBEV SP	ThaiBev	0.91	22,850	0.6%	10.1%	(3.2%)	3.2%	3.4%
TRANSPORT								
SIA SP	Singapore Airlines	10.65	12,594	0.5%	12.3%	(0.2%)	2.5%	2.3%
CD SP	ComfortDelGro	1.96	4,240	1.6%	(17.3%)	1.0%	5.3%	5.4%
COMMODITIES								
GGR SP	Golden Agri	0.37	4,712	1.4%	(10.8%)	0.0%	1.8%	2.2%
WIL SP	Wilmar	3.09	19,546	0.0%	(12.1%)	0.0%	2.4%	2.9%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.32	13,273	0.4%	30.3%	(2.0%)	2.9%	3.3%
SCI SP	Sembcorp Industries	3.01	5,371	0.3%	8.1%	(0.7%)	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.48	5,874	1.4%	87.6%	(2.0%)	3.2%	3.1%
SATS SP	SATS	5.24	5,865	0.0%	11.7%	0.0%	3.3%	3.5%
SIE SP	SIA Engineering	3.13	3,500	0.3%	(2.6%)	1.6%	4.3%	4.5%
STE SP	ST Engineering	3.20	9,970	(0.6%)	3.1%	(0.3%)	4.6%	4.8%
HPHT SP	HPH Trust USD	0.41	4,788	0.0%	2.1%	1.2%	6.4%	6.6%

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	20.17	5,741	0.3%	112.3%	(0.8%)	3.1%	3.1%
SUN SP	Suntec REIT	2.11	5,597	1.0%	35.0%	(1.9%)	4.7%	4.7%
MCT SP	Mapletree Commercial	1.63	4,693	0.0%	23.8%	0.6%	5.5%	5.5%
KREIT SP	Keppel REIT	1.26	4,247	0.0%	30.1%	0.8%	4.8%	4.8%
SMM SP	Semcorp Marine	1.86	3,884	(0.5%)	36.4%	(4.1%)	1.0%	1.2%

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 27 Dec 17	Yield (%)
JB Foods Ltd	13-Nov-17	3Q17	SGD	0.0200	24-Jan-18	26-Jan-18	1-Mar-18	SGD 0.510	3.9
Fraser and Neave	8-Nov-17	FY17	SGD	0.03000	31-Jan-18	2-Feb-18	14-Feb-17	SGD 2.570	1.2
Frasers Centrepoint	10-Nov-17	FY17	SGD	0.06200	31-Jan-18	2-Feb-18	14-Feb-18	SGD 2.080	3.0
Thai Beverage PCL	23-Nov-17	FY17	Baht	0.4700	8-Feb-18	12-Feb-18	28-Feb-18	SGD 0.910	2.1

Latest Rights Issue Announcement

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Maxi-Cash Financial Services Corp	1 Rts Share @ S\$0.160 for each Rts share for every 10 existing ord shares held	12-Dec-17	14-Dec-17	19-Dec-17	28-Dec-17

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	
	25-Dec	26-Dec	26-Dec	27-Dec	27-Dec	28-Dec	28-Dec	29-Dec	29-Dec
		SG (Nov 2017): Index of Industrial Production CPI Overall index and sub-indices		Q1: Second Chance Properties				Q4: No Signboard Hldgs (Release on Sat, 30-Dec) / Triyards Hldgs	
1-Jan-18		2-Jan	2-Jan	3-Jan	3-Jan	4-Jan	4-Jan	5-Jan	5-Jan
		SG: 4Q17 Advance GDP Estimates						Q1: SPH REIT *Q1: Triyards Hldgs	
	8-Jan	9-Jan	9-Jan	10-Jan	10-Jan	11-Jan	11-Jan	12-Jan	12-Jan
	15-Jan	16-Jan	16-Jan	17-Jan	17-Jan	18-Jan	18-Jan	19-Jan	19-Jan
								Q2: Spore Exchange	

* Tentative

Source: Bloomberg

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