

## Market Indicators

	16-Oct	17-Oct	19-Oct
Mkt. T/O (S\$ mil)	1,115.1	1,030.4	1,561.0
Stock Advances	246	190	179
Stock Declines	209	230	291

## Major Indices

	17-Oct	18-Oct	19-Oct
DJ Ind Avg	22,997.4	23,157.6	23,163.0
S & P 500	2,559.4	2,561.3	2,562.1
Nasdaq Comp	6,623.7	6,624.2	6,605.1
Hang Seng	28,697.5	28,711.8	28,159.1

**STI Index** 3,334.91 (+0.18%)



Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,290.21	0.45%
Oil (NYMEX CWT1) US\$ / bbl	51.41	0.10%
Baltic Dry Index	1566	0.90%

## Exchange Rates



USD : SGD 1.3569 / MYR : SGD 3.1111

Source: Bloomberg

## Interest Rates

3-mth Sibor	1.126%
SGS (10 yr)	2.086%

## Market Colour

Chinese 3Q GDP growth of 6.8% came in within expectations, allowing President Xi Jinping more room to follow through on his policy of shifting the economy onto a more sustainable growth model. Most Asian markets were mostly higher in early trading hours but turned lower following remarks from PBOC Governor Zhou Xiaochuan who warned against a sudden slide in optimism that could trigger a collapse in asset prices. The Hang Seng declined by almost 2% yesterday but did not significantly impact U.S. equity markets, which ended on a flat note.

## News

**Keppel Corp:** Posted a 30% YoY increase in 3Q17 profits to S\$291m from S\$225m in the year-ago period. This was on the back of a 11% YoY rise in sales to S\$158, with all business segments except offshore & marine having registered higher revenues. This is the first YoY increase in quarterly revenues since 4Q14 when the collapse in oil prices started one of the worst downturn in the oil industry. **KGI: We reiterate our BUY recommendation with a fair value of S\$7.61 on Keppel Corp, based on our SOTP valuation of its business segments. Downside is limited on the back of its 15-year historical low valuations (P/B basis). Furthermore, growth for the next 2-3 years is expected to be driven by its property and asset management business. Keppel Land has enough land bank in China, Singapore, Vietnam and Indonesia to sustain its property business over the next 10 years. Meanwhile, Keppel Capital has increased its AUM to S\$28 billion as at end 3Q17 and aims to have a total AUM of at least \$50 billion in the next five years.**

**CapitaLand Commercial Trust:** 3Q17 DPU rose 2.6% YoY to 2.36 Singapore cents on the back of lower operating expenses such as property tax. Revenue in the quarter declined 0.4% YoY due to the divestments of One George Street, Golden Shoe carpark and Wilkie Edge. **The REIT currently offers a dividend yield of 5.2% for FY17F to FY19F.**

**GuocoLand:** 1Q18 net profit rose to S\$166m from S\$26m in the year-ago period as revenue in the quarter rose 79% YoY to S\$362m. It also posted S\$170.54 million in share of profit of associates and joint ventures, a reversal from a loss of S\$119,000 for a year-ago period. The group pointed to two key signs of commercial and residential property markets strengthening in Singapore. Flash estimates released by the URA for 3Q reflected a 0.5% increase in private residential property prices after 15 consecutive quarters of decline. **Consensus has a fair value of S\$2.84 on GuocoLand vs its current price of S\$2.41, implying an 18% upside potential. GuocoLand is trading at 20% to 40% discount to larger cap peers including CapitaLand (0.9x P/B), CityDev (1.3x P/B) and Frasers Centrepoint (0.9x P/B).**

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

## Commentaries From The Trading Desk

4/10	<a href="#">This is why the Stock Market's rally may be about to end</a>
21/9	<a href="#">3 stories that may come in-play along with Oil price latest move</a>
21/9	<a href="#">Beginnings of Normalisation</a>

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.

KGI Securities 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	21.70	55,501	0.9%	29.0%	0.8%	3.0%	3.2%
OCBC SP	OCBC	11.44	47,924	(0.5%)	32.6%	(0.1%)	3.2%	3.4%
UOB SP	UOB	24.33	40,456	1.0%	22.9%	0.4%	3.0%	3.1%
SGX SP	SGX	7.68	8,226	0.7%	10.6%	0.4%	3.9%	4.2%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.74	7,849	(0.7%)	23.7%	0.4%	5.9%	6.0%
CAPL SP	CapitaLand	3.72	15,799	0.8%	26.5%	0.8%	2.7%	2.8%
CCT SP	CapitaLand Comm Trust	1.66	5,274	0.0%	22.2%	1.5%	5.2%	5.2%
CT SP	CapitaLand Mall Trust	2.05	7,269	0.0%	13.4%	(0.5%)	5.4%	5.4%
CIT SP	City Development	13.00	11,821	1.4%	59.3%	6.5%	1.2%	1.2%
GLP SP	Global Logistic	3.29	15,454	(0.3%)	52.3%	(0.6%)	1.9%	2.0%
HKL SP	Hongkong Land USD	7.63	24,377	(2.2%)	23.8%	0.5%	2.6%	2.7%
UOL SP	UOL	8.98	7,555	2.7%	53.1%	3.2%	1.7%	1.7%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.76	61,398	0.5%	5.9%	2.2%	5.3%	4.9%
STH SP	StarHub	2.68	4,634	0.0%	0.0%	1.5%	6.0%	5.8%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	40.39	15,964	(0.6%)	0.3%	0.1%	2.7%	3.0%
JM SP	Jardine Matheson USD	66.98	65,766	0.7%	24.1%	2.2%	2.3%	2.5%
GENS SP	Genting Singapore	1.20	14,370	0.8%	35.6%	0.0%	2.5%	2.6%
SPH SP	SPH	2.69	4,300	(1.8%)	(22.4%)	(1.1%)	5.5%	5.4%
THBEV SP	ThaiBev	0.96	24,106	(0.5%)	16.1%	1.6%	3.1%	3.2%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	10.20	12,062	0.0%	6.6%	(0.1%)	2.4%	2.3%
CD SP	ComfortDelGro	2.02	4,370	1.5%	(14.7%)	(0.5%)	5.2%	5.4%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.39	4,903	1.3%	(8.9%)	1.3%	1.8%	2.5%
WIL SP	Wilmar	3.33	21,062	(0.9%)	(5.3%)	(0.6%)	2.2%	2.8%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	7.02	12,726	(1.5%)	25.0%	3.4%	2.9%	3.4%
SCI SP	Sembcorp Industries	3.18	5,675	(0.6%)	14.2%	0.0%	2.5%	3.1%
YZJSGD SP	Yangzijiang SGD	1.53	6,072	0.7%	93.9%	3.4%	2.9%	2.8%
SATS SP	SATS	4.61	5,160	(1.5%)	(2.8%)	(0.4%)	3.8%	4.0%
SIE SP	SIA Engineering	3.21	3,590	(0.3%)	(1.3%)	0.3%	4.1%	4.4%
STE SP	ST Engineering	3.36	10,469	(0.9%)	8.3%	(0.6%)	4.4%	4.7%
HPHT SP	HPH Trust USD	0.45	5,323	1.1%	12.1%	3.4%	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	1.92	5,060	(0.5%)	20.7%	0.5%	5.2%	5.1%
MCT SP	Mapletree Commercial	1.55	4,460	0.0%	16.0%	0.3%	5.7%	5.7%
VMS SP	Venture Corp	18.28	5,196	(1.5%)	92.4%	(0.8%)	3.0%	3.0%
SIE SP	SIA Engineering	3.21	3,590	(0.3%)	(1.3%)	0.3%	4.1%	4.4%
KREIT SP	Keppel REIT	1.20	3,959	(1.3%)	20.4%	(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 19-Oct-17	Yield (%)
Keppel Infrastructure Trust	16-Oct-17	3Q17	SGD 0.0093	<b>23-Oct-17</b>	25-Oct-17	17-Nov-17	SGD 0.560	1.7
ESR REIT	17-Oct-17	3Q17	SGD 0.009640	<b>24-Oct-17</b>	26-Oct-17	24-Nov-17	SGD 0.580	1.7
Karin Technology Hldgs	25-Aug-17	FY17	<b>HKD</b> 0.0980	<b>24-Oct-17</b>	26-Oct-17	16-Nov-17	SGD 0.330	1.7
Keppel REIT	17-Oct-17	3Q17	SGD 0.0140	<b>24-Oct-17</b>	26-Oct-17	28-Nov-17	SGD 1.195	1.2
Ryobi Kiso Hldgs	23-Aug-17	FY17	SGD 0.0040	<b>24-Oct-17</b>	26-Oct-17	8-Nov-17	SGD 0.181	2.2
k1 Ventures Ltd	1-Aug-17	FY17	SGD 0.0650	<b>25-Oct-17</b>	27-Oct-17	8-Nov-17	SGD 0.830	7.8
Ellipsiz	21-Aug-17	FY17	SGD 0.0200	<b>26-Oct-17</b>	30-Oct-17	21-Nov-17	SGD 0.840	2.4
Ellipsiz - Special	21-Aug-17	FY17	SGD 0.0450	<b>26-Oct-17</b>	30-Oct-17	21-Nov-17	SGD 0.840	5.4
GL	25-Aug-17	FY17	SGD 0.0220	<b>26-Oct-17</b>	30-Oct-17	20-Nov-17	SGD 0.860	2.6
GuocoLand	27-Aug-17	FY17	SGD 0.0700	<b>26-Oct-17</b>	30-Oct-17	21-Nov-17	SGD 2.410	2.9
Sin Ghee Huat Corp Ltd	18-Aug-17	FY17	SGD 0.0020	<b>26-Oct-17</b>	30-Oct-17	15-Nov-17	SGD 0.200	1.0
Cordlife Group	29-Aug-17	FY17	SGD 0.0050	<b>31-Oct-17</b>	2-Nov-17	17-Nov-17	SGD 0.795	0.6
PCI	28-Aug-17	FY17	SGD 0.0300	<b>31-Oct-17</b>	2-Nov-17	13-Nov-17	SGD 0.710	4.2
PCI - Special	28-Aug-17	FY17	SGD 0.0050	<b>31-Oct-17</b>	2-Nov-17	13-Nov-17	SGD 0.710	0.7
Spindex Industries	21-Aug-17	FY17	SGD 0.0300	<b>31-Oct-17</b>	2-Nov-17	16-Nov-17	SGD 1.105	2.7

**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 Bonus & Listing Issue Announcement**

Company	Particulars	Ex-Date	Book Close	Payable / Crediting Date	Listing Date
UMS Holdings	1 Bonus share for every 4 existing shares held	<b>24-Oct-17</b>	26-Oct-17	-	-

Source: SGX Announcement

Company	Offer Price	Closing Date	Offeror
BRC Asia	SGD 0.925 Cash	5.30 p.m. on 30 Oct 2017	Esteele Enterprise Pte. Ltd.
CWT	SGD 2.33 Cash	5.30 p.m. on 2 Nov 2017	HNA Belt and Road Invts (Spore) Pte. Ltd.
GP Batteries International	SGD 1.30 Cash	5.30 p.m. on 3 Nov 2017	GP Industries Limited
Lafe Corporation	SGD 0.90 Cash	5.30 p.m. on 30 Oct 2017	Sino Capital Resources 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	
16-Oct		17-Oct		18-Oct		19-Oct		20-Oct	
Q3: Keppel DC REIT / Keppel Infrastructure Trust / M1		Q3: Keppel REIT / Keppel Telecoms & Tpt / Qian Hu Corp *Q3: ESR-REIT				Q3: Keppel Corp		Q2: Mapletree Greater China Commercial Trust Q3: Capitaland Commercial Trust / Capitaland Mall Trust / Utd Overseas Insurance Q4: EMAS Offshore / Frasers Commercial Trust	
23-Oct		24-Oct		25-Oct		26-Oct		27-Oct	
SG (Sep 2017): CPI  Q2: Mapletree Logistics Trust  Q3: Capitaland Retail China Trust / First REIT / Sabana Shari'ah Compliant		Q2: Mapletree Industrial Trust Q3: Cache Logistics Trust / Great Eastern Hldgs *Q3: Ascott Residence Trust		Q1: Spore Exchange Q2: Ascendas India Trust / Mapletree Commercial Trust Q4: Frasers Centrepoint Trust *Q4: Frasers Centrepoint		SG (3Q17): Industrial Properties  Q3: OCBC (Before mkt open) / Tuan Sing Hldgs		SG (Sep 2017): Unemployment Rate & Employment SG: 3Q17 Qtlly Property Mkt Updates  Q1: Starhill Global REIT Q3: CDL Hospitality Trusts / iFAST Corp (Release on Sat, 28-Oct) / Suntec Q4: Frasers Hospitality Trust *Q4: Falcon Energy (Release on Sun, 29-Oct)	
30-Oct		31-Oct		1-Nov		2-Nov		3-Nov-17	
Q2: Ascendas REIT Q3: Raffles Medical Grp / Roxy-Pacific Hldgs Q4: Second Chance Properties		Q3: Sembcorp Marine Q4: Yorkshire Hldgs		Q2: Global Logistic Properties Q3: OUE Hospitality Trust		Q3: China Aviation Oil / Far East Hospitality Trust / Sembcorp Industries / StarHub Q4: Frasers Logistics & Industrial Trust		Q2: SIA Engrg Co Q3: UOB (Before mkt open) *Q3: Venture Corp	
6-Nov		7-Nov		8-Nov		9-Nov		10-Nov	
Q3: Genting Spore PLC						Q3: City Devpts / Thakral Corp / Trendlines Grp		Q2: Global Logistic Properties Q4: Frasers Centrepoint *Q3: Sarine Technologies (Release on Sun, 12-Nov)	
13-Nov		14-Nov		15-Nov		16-Nov		17-Nov	
Q2: Accordia Golf Trust / Foreland Fabrictech Hldgs Q3: Asian Pay Television Trust		Q2: Serrano / Shanghai Turbo Enterprise *Q3: China Sports Int'l		*Q2: AusNet Services					

\* Tentative

Source: Bloomberg

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