

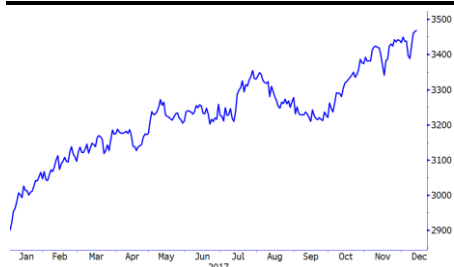
Market Indicators

	11-Dec	12-Dec	13-Dec
Mkt. T/O (S\$ mil)	977.3	975.2	1,039.0
Stock Advances	254	242	194
Stock Declines	183	169	200

Major Indices

	11-Dec	12-Dec	13-Dec
DJ Ind Avg	24,386.0	24,504.8	24,585.4
S & P 500	2,660.0	2,664.1	2,662.9
Nasdaq Comp	6,875.1	6,862.3	6,875.8
Hang Seng	28,965.3	28,793.9	29,222.1

STI Index 3,468.77 (+0.09%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,253.89	0.95%
Oil (NYMEX CWT11) US\$ / bbl	56.79	-1.44%
Baltic Dry Index	1743	0.93%

Exchange Rates



USD : SGD 1.3473 / MYR : SGD 3.0211

Source: Bloomberg

Interest Rates

3-mth Sibor	1.212%
SGS (10 yr)	2.013%

KGI Securities Research Team

Market Colour

The US Federal Reserve (Fed) has raised interest rates by 25 basis points, a move which was widely anticipated, and kept its forecast for three hikes in 2018. The Fed is now forecasting 2.5% GDP growth in 2018, compared to its previous forecast of 2.1% in September. On the fiscal front, the House and Senate have come to an agreement on slashing the corporate tax rate from 35% to 21%, clearing the way for votes on the final bill, which could be formally unveiled next week. The S&P 500 closed down 0.05%, with Financials being the biggest loser (-1.27%), while the Dow finished 0.33% higher. Going into 2018, Singapore markets are expected to benefit from the synchronised global recovery. As such, we remain positive on the local banks, property developers, and offshore and marine on the back of recovering oil prices.

News

Oxley: Has acquired a stake in a residential project at Dong Nai province, Vietnam. The acquisition was made through wholly-owned subsidiary, Oxley Vietnam, which entered into a sale and purchase agreement on Wednesday to acquire 100% ownership of Centra Cove, which is incorporated in Singapore and engages in the business of property development and investment holding. As at March 7, the consolidated net tangible asset value (NTA) of Centra Cove and PT Land was S\$2.31m. **Consensus has a fair value estimate of S\$0.74, implying a 15.6% upside.**

ESR-REIT: Announced its intention to acquire an 80% stake in 7000 AMK which owns a leasehold interest in 7000 Ang Mo Kio Ave 5 for S\$243.5m. The property has an occupancy of 91.9% and includes tenants such as high value-added manufacturers, data centre operators, power and utilities companies and telcos such as Heptagon Micro Optics, SP Services and StarHub. The property was independently valued at S\$303m as at Oct 31. According to the management, the acquisition will raise ESR-REIT's portfolio WALE from 3.42 years to 4.24 years, providing income stability and potential rental upside. **Consensus has a fair value estimate of S\$0.59, implying a 5.4% upside.**

Singtel: Singtel-owned OPTUS in Australia announced that it has successfully acquired a variety of new metropolitan licences for customers in the 2300 MHz and 3500 MHz spectrum bands. Optus won two 2300MHz lots in Sydney and Melbourne, and three 3500MHz lots in Sydney, Brisbane and Adelaide for A\$6.5m. The 3500MHz band, globally harmonised by the International Telecommunications Union (ITU), is recognised as the 5G pioneer band and its acquisition complements Optus' 3500MHz metro holdings. This move aims to future proof its network to meet the growing data demands. **Consensus has a fair value estimate of S\$4.23, implying a 11.6% 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	25.30	64,708	0.4%	50.4%	4.4%	2.6%	2.9%
OCBC SP	OCBC	12.59	52,722	0.3%	45.9%	3.8%	3.0%	3.2%
UOB SP	UOB	26.79	44,552	0.6%	35.4%	3.8%	2.8%	2.9%
SGX SP	SGX	7.54	8,076	(1.2%)	9.3%	0.1%	4.1%	4.3%
PROPERTIES								
AREIT SP	Ascendas REIT	2.70	7,792	0.0%	26.5%	1.9%	5.9%	6.1%
CAPL SP	CapitaLand	3.51	14,907	0.6%	19.4%	1.2%	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.89	6,819	(1.6%)	39.2%	1.6%	4.7%	4.7%
CT SP	CapitaLand Mall Trust	2.12	7,518	1.0%	18.9%	1.9%	5.2%	5.2%
CIT SP	City Development	12.65	11,503	2.8%	55.0%	7.4%	1.2%	1.2%
GLP SP	Global Logistic	3.36	15,783	0.0%	55.5%	0.3%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.20	22,917	(1.0%)	16.8%	0.4%	2.8%	2.9%
UOL SP	UOL	8.72	7,339	0.9%	48.6%	3.8%	1.7%	1.7%
TELECOMMUNICATIONS								
ST SP	SingTel	3.79	61,888	0.0%	6.7%	0.3%	5.5%	4.8%
STH SP	StarHub	2.91	5,032	(2.0%)	10.2%	0.7%	5.5%	5.4%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	41.27	16,311	0.6%	2.5%	2.7%	2.7%	2.8%
JM SP	Jardine Matheson USD	63.14	62,033	0.0%	17.0%	(0.6%)	2.5%	2.6%
GENS SP	Genting Singapore	1.34	16,114	0.0%	52.0%	1.5%	2.2%	2.3%
SPH SP	SPH	2.60	4,156	(0.4%)	(22.5%)	(2.3%)	5.3%	5.2%
THBEV SP	ThaiBev	0.95	23,855	(0.5%)	14.9%	0.0%	3.2%	3.4%
TRANSPORT								
SIA SP	Singapore Airlines	10.55	12,476	(0.4%)	11.3%	1.3%	2.6%	2.3%
CD SP	ComfortDelGro	1.95	4,219	(3.5%)	(17.7%)	(2.0%)	5.3%	5.4%
COMMODITIES								
GGR SP	Golden Agri	0.38	4,776	1.4%	(9.6%)	1.4%	1.8%	2.5%
WIL SP	Wilmar	3.15	19,925	1.3%	(10.4%)	2.3%	2.4%	2.8%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.74	14,033	0.0%	37.8%	3.5%	2.8%	3.2%
SCI SP	Sembcorp Industries	3.06	5,461	0.0%	9.9%	1.7%	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.51	5,993	0.7%	91.4%	(1.3%)	3.1%	3.0%
SATS SP	SATS	5.26	5,887	0.2%	12.2%	1.3%	3.3%	3.5%
SIE SP	SIA Engineering	3.12	3,489	0.0%	(2.9%)	(1.0%)	4.4%	4.6%
STE SP	ST Engineering	3.22	10,033	(0.6%)	3.8%	(0.3%)	4.6%	4.8%
HPHT SP	HPH Trust USD	0.41	4,773	0.0%	0.9%	0.0%	6.5%	6.7%

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 FY16 (%)	Div Yield FY17 (%)
VMS SP	Venture Corp	20.67	5,881	0.3%	117.5%	1.6%	3.0%	3.0%
SUN SP	Suntec REIT	2.07	5,491	(1.0%)	32.5%	2.5%	4.8%	4.7%
MCT SP	Mapletree Commercial	1.60	4,606	(0.6%)	21.5%	1.3%	5.6%	5.6%
KREIT SP	Keppel REIT	1.24	4,180	(1.6%)	28.1%	0.8%	4.8%	4.8%
SMM SP	Semcorp Marine	1.90	3,968	(1.0%)	39.3%	1.1%	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 13 Dec 17	Yield (%)
Fu Yu Corp	14-Nov-17	3Q17	SGD	0.0025	15-Dec-17	19-Dec-17	29-Dec-17	SGD 0.191	1.3
Singapore Telecoms	9-Nov-17	2Q18	SGD	0.0680	18-Dec-17	20-Dec-17	10-Jan-18	SGD 3.790	1.8
Singapore Telecoms - Special	9-Nov-17	2Q18	SGD	0.0300	18-Dec-17	20-Dec-17	10-Jan-18	SGD 3.790	0.8
Fraser and Neave	8-Nov-17	FY17	SGD	0.03000	31-Jan-18	2-Feb-18	14-Feb-17	SGD 2.590	1.2
Frasers Centrepoint	10-Nov-17	FY17	SGD	0.06200	31-Jan-18	2-Feb-18	14-Feb-18	SGD 2.090	3.0
Thai Beverage PCL	23-Nov-17	FY17	Baht	0.4700	8-Feb-18	12-Feb-18	28-Feb-18	SGD 0.950	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		
NutryFarm Int'l	1 Rts Share @ S\$0.10 for each Rts Share for every 2 ord shares held	30-Nov-17	4-Dec-17	7-Dec-17	15-Dec-17
Vallianz Holdings	1 Rights Share @ S\$0.016 for each Rights Share for every 1 existing share held with 2 free detachable warrants (exercise price S\$0.016) for every 1 Rights Share subscribed	30-Nov-17	4-Dec-17	7-Dec-17	15-Dec-17

Source: SGX Announcement

Vallianz Hldgs: Expected date for the listing and commencement of trading of Warrants: Wednesday, 3 January 2018 from 9.00 a.m.

Latest Listing Issue Announcement

Company	Offer Price		Closing Date	Offeror
Cogent Holdings Ltd	S\$1.02	Cash	5.30 p.m. on 5 Jan 2018	COSCO Shipping Int'l (Singapore) Co., Ltd.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
11-Dec	12-Dec	13-Dec	14-Dec Q3: JES Int'l Hldgs	15-Dec Q3: Resources Prima Grp
18-Dec	19-Dec	20-Dec Q4: Yorkshire Hldgs	21-Dec	22-Dec *Q4: EMAS Offshore
25-Dec	26-Dec SG (Nov 2017): Index of Industrial Production CPI Overall index and sub-indices	27-Dec Q1: Second Chance Properties	28-Dec	29-Dec Q4: No Signboard Hldgs (Release on Sat, 30-Dec) / Triyards Hldgs
1-Jan-18	2-Jan	3-Jan	4-Jan	5-Jan
8-Jan	9-Jan	10-Jan	11-Jan	12-Jan

* Tentative

Source: Bloomberg

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