

Market Indicators

	14-Dec	15-Dec	18-Dec
Mkt. T/O (S\$ mil)	948.7	1,273.5	1,011.2
Stock Advances	175	173	229
Stock Declines	200	209	195

Major Indices

	14-Dec	15-Dec	18-Dec
DJ Ind Avg	24,508.7	24,651.7	24,792.2
S & P 500	2,652.0	2,675.8	2,690.2
Nasdaq Comp	6,856.5	6,936.6	6,994.8
Hang Seng	29,166.4	28,848.1	29,050.4

STI Index 3,414.82 (-0.06%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,261.19	0.32%
Oil (NYMEX CWT1) US\$ / bbl	57.26	-0.59%
Baltic Dry Index	1619	-2.94%

Exchange Rates



USD : SGD 1.3484 / MYR : SGD 3.0269

Source: Bloomberg

Interest Rates

3-mth Sibar	1.212%
SGS (10 yr)	1.953%

KGI Securities Research Team

Market Colour

The four main US equity benchmarks – the S&P 500, Dow Jones, Nasdaq and Russell 2000 – all closed at record levels overnight amid expectations that the tax-reform bill would be passed by the middle of this week. The Dow Jones had its 70th record close this year, bringing it within just 200 points of the 25,000 level. Sectors which saw the biggest gains included materials, technology, financials and consumer discretionary stocks.

News

Keppel Corp: Its subsidiary, Keppel Land, has entered into two conditional sales and purchase agreements to acquire two prime sites in Ho Chi Minh City, which will yield about 1,550 homes in total. The two sites will have a total development cost of US\$297million. In Vietnam, Keppel Land has a portfolio of properties in Hanoi, Ho Chi Minh City, Dong Nai and Vung Tai, including offices, residential properties, retail centres, integrated townships and serviced apartments. **We currently have a fair value of S\$8.67 on Keppel, implying a potential return of 15%. The recent acquisition adds to Keppel's impressive land bank in Asia that could continue to add earnings visibility over the next 10 years. Keppel has been able to successfully diversify its earnings stream with the growth of its asset management arm, Keppel Capital, as well as other complimentary businesses that is targeting the growth of urbanisation in Asia.**

ThaiBev: Has made a huge inroad into Vietnam's young and booming economy by partnering with a local company to buy a US\$4.9 billion (S\$6.5 billion) stake in the country's largest brewer. Vietnam Beverage, the local unit which ThaiBev holds a stake in, said it won the bidding for an almost 54% holding in Saigon Beer Alcohol Beverage Corp (Sabeco). **The deal may help ThaiBev expand beyond its key market in Thailand, which currently makes up 97% of its total revenues. Consensus has a fair value of S\$1.09, implying a potential return of 12%.**

Rowsley: Shares surged 23% to 13.6 SG cents on Monday following the announcement that it will acquire Thomson Medical Healthcare business from controlling shareholder Peter Lim for S\$1.6 billion, paid mostly in stock. Rowsley will issue Mr Lim 21.4 billion new shares at S\$0.075 per share and raising Mr Lim's stake to 90.07% from 45.36%. Following the deal, the company will be renamed Thomson Medical Group. If the deal proceeds as planned, Rowsley also proposes to give shareholders two bonus warrants for every one share owned, with an exercise price of 9.0 SG cents. For each bonus warrant exercised, shareholders will also get one more piggyback warrant that can be exercised at 12 SG cents.

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	24.73	63,250	0.6%	47.0%	(1.4%)	2.7%	3.0%
OCBC SP	OCBC	12.34	51,673	0.3%	43.0%	(1.6%)	3.0%	3.2%
UOB SP	UOB	26.02	43,272	(0.1%)	31.5%	(2.0%)	2.8%	3.0%
SGX SP	SGX	7.45	7,980	(0.9%)	8.0%	(2.4%)	4.1%	4.4%
PROPERTIES								
AREIT SP	Ascendas REIT	2.69	7,763	0.4%	26.0%	0.4%	5.9%	6.1%
CAPL SP	CapitaLand	3.52	14,950	0.6%	19.7%	0.9%	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.90	6,855	1.6%	39.9%	(1.0%)	4.6%	4.6%
CT SP	CapitaLand Mall Trust	2.15	7,625	1.4%	20.6%	2.9%	5.1%	5.1%
CIT SP	City Development	12.26	11,148	0.9%	50.2%	(2.5%)	1.2%	1.2%
GLP SP	Global Logistic	3.36	15,783	0.0%	55.5%	0.0%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.23	22,942	0.4%	17.3%	(1.4%)	2.8%	2.9%
UOL SP	UOL	8.70	7,322	1.9%	48.3%	1.0%	1.7%	1.7%
TELECOMMUNICATIONS								
ST SP	SingTel	3.64	59,438	(0.3%)	5.2%	(0.8%)	5.8%	5.0%
STH SP	StarHub	2.85	4,928	(2.4%)	7.9%	(3.4%)	5.6%	5.5%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	40.81	16,130	(0.3%)	1.3%	(0.9%)	2.7%	2.8%
JM SP	Jardine Matheson USD	62.59	61,307	(0.7%)	15.9%	(1.4%)	2.6%	2.6%
GENS SP	Genting Singapore	1.33	15,994	(0.7%)	50.9%	(0.7%)	2.3%	2.3%
SPH SP	SPH	2.57	4,108	(0.8%)	(23.4%)	(3.0%)	5.4%	5.3%
THBEV SP	ThaiBev	0.97	24,357	0.0%	17.3%	2.1%	3.1%	3.3%
TRANSPORT								
SIA SP	Singapore Airlines	10.49	12,405	(0.2%)	10.6%	(0.7%)	2.6%	2.3%
CD SP	ComfortDelGro	1.90	4,110	(0.5%)	(19.8%)	(6.4%)	5.5%	5.6%
COMMODITIES								
GGR SP	Golden Agri	0.38	4,839	0.0%	(8.4%)	2.7%	1.8%	2.5%
WIL SP	Wilmar	3.10	19,608	(0.6%)	(11.8%)	(1.6%)	2.4%	2.9%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.52	13,634	(0.1%)	33.9%	(0.5%)	2.8%	3.3%
SCI SP	Sembcorp Industries	3.03	5,407	0.3%	8.8%	(0.3%)	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.50	5,953	0.0%	90.1%	(0.7%)	3.1%	3.0%
SATS SP	SATS	5.25	5,876	0.0%	12.0%	(0.2%)	3.3%	3.5%
SIE SP	SIA Engineering	3.10	3,467	(0.3%)	(3.5%)	(1.0%)	4.3%	4.5%
STE SP	ST Engineering	3.20	9,970	0.3%	3.1%	(2.1%)	4.6%	4.8%
HPHT SP	HPH Trust USD	0.41	4,758	0.0%	0.9%	0.0%	6.4%	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	20.35	5,791	0.6%	114.2%	0.8%	3.1%	3.0%
SUN SP	Suntec REIT	2.15	5,703	1.4%	37.6%	4.9%	4.7%	4.6%
MCT SP	Mapletree Commercial	1.63	4,693	0.0%	23.8%	2.5%	5.5%	5.5%
KREIT SP	Keppel REIT	1.26	4,247	0.8%	30.1%	0.8%	4.8%	4.8%
SMM SP	Semcorp Marine	1.93	4,031	1.0%	41.5%	2.1%	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 18 Dec 17	Yield (%)
Fraser and Neave	8-Nov-17	FY17	SGD 0.03000	31-Jan-18	2-Feb-18	14-Feb-17	SGD 2.660	1.1
Fraser's 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 0.970	2.0

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
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 *Q1: Triyards Hldgs
8-Jan	9-Jan	10-Jan	11-Jan	12-Jan
15-Jan	16-Jan	17-Jan	18-Jan SG: 4Q17 Advance GDP Estimates (Not later than 12 Jan)	19-Jan

* Tentative

Source: Bloomberg

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