

Market Indicators

	10-Jan	11-Jan	12-Jan
Mkt. T/O (S\$ mil)	1,099.6	993.1	1,189.3
Stock Advances	201	188	285
Stock Declines	257	251	177

Major Indices

	10-Jan	11-Jan	12-Jan
DJ Ind Avg	25,369.1	25,574.7	25,803.2
S & P 500	2,748.2	2,767.6	2,786.2
Nasdaq Comp	7,153.6	7,211.8	7,261.1
Hang Seng	31,073.7	31,120.4	31,412.5

STI Index 3,520.56 (+0.22%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,337.16	0.56%
Oil (NYMEX CWT1) US\$ / bbl	64.32	1.42%
Baltic Dry Index	1279	-1.84%

Exchange Rates



USD : SGD 1.3253 / MYR : SGD 2.9904

Source: Bloomberg

Interest Rates

3-mth Sibor	1.332%
SGS (10 yr)	2.060%

KGI Securities Research Team

Market Colour

Equity markets in the US continued to break new records as the Dow Jones, S&P 500 and Nasdaq climbed between 1.6% to 2.0% last week, increasing their year-to-date gains to between 4.0% and 5.0%. This performance would mark the three indices' best year-to-date gains in more than ten years. US banks have started the earnings season with JPMorgan, a bellwether for the financial industry, reporting a better-than-expected earnings last Friday.

News

SPH: Reported 1Q18 net profit of S\$60.4m, rising 32% YoY mainly from higher investment income of S\$12.4m from the disposal of an investment and dividend income. Operating revenue declined 7% to S\$258.8m due to a 14% YoY drop in media revenue to S\$173.9m. Revenue from its "others" segment, due to contributions from the recently-acquired Orange Valley nursing home business, rose S\$7.7m or 48% YoY to S\$23.6m. As a result, the "others" segmental profit before tax was S\$3.7m, reversing from a loss of S\$1.2m a year ago. **SPH's forecasted dividend yield of 5.3-4.9% for FY18-20F may lend some support to its share price at the S\$2.60 levels.**

Food Empire: Announced that its associated company Caffe Bene has filed a court-led corporate rehabilitation process due to excessive debts assumed prior to the former's investment in the company. Food Empire has a 51% stake in Caffe Bene, which is in the coffee house franchise business in Korea. Hallyu Ventures controls a 44.8% stake in Caffe Bene. Once approved by the court, the corporate rehabilitation process will provide relief from its creditors while giving Caffe Bene time to reorganise its business and return to profitability. **Consensus has a fair value of S\$1.00 for Food Empire, implying a potential return of 45%. It currently trades at 15x FY17F earnings.**

Singapore banks: Business Times reported that DBS, OCBC and UOB have hiked interest rates for both fixed and floating home loan packages by 10 to 30 bps. DBS Bank is now charging 1.95% a year for each of the three years for its 3-year fixed rate package. UOB has increased its 3-year fixed rate package to 2.05% a year for each of the three years. OCBC Bank has raised its 2-year fixed rate package to 1.85% from 1.75% a year for each of the two years. The third-year rate is 1.90% which is made up of the bank's home rate - currently at 1.0% - plus 0.90%. **Banks' earnings are expected to be buoyed by healthy loan growth, rising interest rates and increased incomes from their wealth management businesses. The buoyant property market has seen mortgage growth increase 4% YoY in Nov-17.**

Recent In-depth Regional Reports

12/1	TH Media Sector (Overweight): 4Q17 advertising returned to YoY growth
12/1	TH Transportation Sector (Neutral): Flying higher
11/1	TW US Insight: Brisk demand in US fitness market
11/1	TW Accton (2345 TT; Neutral; TP: NT\$100.00): Exclusive supplier status challenged by new entrants in 2018F
11/1	HK ANTA Sports Products (2020 HK; Not Rated): Riding on China's consumption led growth
11/1	HK Kin Yat (638 HK; Not Rated): Solid iRobot & motor business; property sales a swing factor

For full reports, please contact Research Department at 6202 1190 or sgp.researchcom@kgi.com

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	26.34	67,368	(0.5%)	6.0%	0.1%	2.5%	2.8%
OCBC SP	OCBC	12.99	54,368	0.7%	4.8%	0.3%	2.9%	3.1%
UOB SP	UOB	27.87	46,349	0.6%	5.4%	3.6%	2.7%	2.8%
SGX SP	SGX	7.55	8,087	(0.1%)	1.5%	(0.3%)	4.0%	4.3%
PROPERTIES								
AREIT SP	Ascendas REIT	2.79	8,057	0.4%	2.6%	(0.4%)	5.7%	5.9%
CAPL SP	CapitaLand	3.78	16,054	0.5%	7.1%	3.6%	2.7%	2.8%
CCT SP	CapitaLand Comm Trust	1.98	7,144	(0.5%)	2.6%	0.0%	4.4%	4.4%
CT SP	CapitaLand Mall Trust	2.06	7,306	(1.0%)	(3.3%)	(1.9%)	5.3%	5.3%
CIT SP	City Development	13.04	11,857	0.4%	4.4%	0.5%	1.2%	1.2%
HKL SP	Hongkong Land USD	7.09	22,146	(0.4%)	0.7%	(0.7%)	2.8%	2.9%
UOL SP	UOL	9.28	7,811	(0.4%)	4.6%	0.3%	1.6%	1.6%
TELECOMMUNICATIONS								
ST SP	SingTel	3.60	58,785	(0.3%)	0.8%	0.0%	5.8%	5.1%
STH SP	StarHub	2.93	5,066	0.0%	2.8%	1.4%	5.5%	5.3%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	40.27	15,916	(0.4%)	(1.0%)	(1.7%)	2.7%	2.8%
JM SP	Jardine Matheson USD	62.14	59,914	1.7%	2.3%	3.4%	2.6%	2.6%
GENS SP	Genting Singapore	1.31	15,771	(0.8%)	0.0%	(1.5%)	2.3%	2.4%
SPH SP	SPH	2.63	4,204	(0.8%)	(0.8%)	(4.0%)	5.2%	5.1%
THBEV SP	ThaiBev	0.94	23,478	0.5%	1.6%	2.7%	3.1%	3.4%
VMS SP	Venture Corp	22.65	6,452	1.1%	10.6%	4.4%	2.8%	2.9%
TRANSPORT								
SIA SP	Singapore Airlines	11.06	13,079	1.7%	3.7%	2.5%	2.4%	2.1%
CD SP	ComfortDelGro	2.03	4,392	1.0%	2.5%	(0.5%)	5.1%	5.2%
COMMODITIES								
GGR SP	Golden Agri	0.38	4,839	1.3%	2.7%	0.0%	1.7%	2.1%
WIL SP	Wilmar	3.16	19,989	(0.9%)	2.3%	(1.2%)	2.3%	2.8%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.99	14,488	1.0%	8.7%	2.8%	2.7%	3.1%
SCI SP	Sembcorp Industries	3.17	5,657	0.6%	4.6%	0.3%	2.4%	3.1%
YZJSGD SP	Yangzijiang SGD	1.60	6,350	1.9%	8.8%	6.0%	3.0%	2.9%
SATS SP	SATS	5.64	6,313	2.9%	8.5%	3.5%	3.1%	3.3%
SIE SP	SIA Engineering	3.20	3,579	0.0%	2.2%	(0.9%)	4.2%	4.4%
STE SP	ST Engineering	3.32	10,344	(0.3%)	1.8%	(0.6%)	4.5%	4.7%
HPHT SP	HPH Trust USD	0.42	4,799	(1.2%)	0.0%	0.0%	6.3%	6.5%

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	22.65	6,452	1.1%	10.6%	4.4%	2.8%	2.9%
SUN SP	Suntec REIT	2.25	5,968	1.4%	4.7%	2.7%	4.4%	4.4%
MCT SP	Mapletree Commercial	1.66	4,779	0.0%	2.5%	(0.6%)	5.4%	5.4%
KREIT SP	Keppel REIT	1.29	4,348	0.8%	2.4%	1.6%	4.7%	4.7%
SMM SP	Semcorp Marine	1.87	3,904	1.1%	1.6%	2.7%	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 12 Jan 18	Yield (%)
JB Foods Ltd	13-Nov-17	3Q17	SGD 0.0200	24-Jan-18	26-Jan-18	1-Mar-18	SGD 0.570	3.5
PNE Industries Ltd	27-Nov-17	FY17	SGD 0.0300	25-Jan-18	29-Jan-18	12-Feb-18	SGD 1.120	2.7
Fraser and Neave	8-Nov-17	FY17	SGD 0.03000	31-Jan-18	2-Feb-18	14-Feb-18	SGD 2.580	1.2
Fraser's Centrepoint	10-Nov-17	FY17	SGD 0.06200	31-Jan-18	2-Feb-18	14-Feb-18	SGD 2.180	2.8
Goodland Group Ltd	29-Nov-17	FY17	SGD 0.00300	31-Jan-18	2-Feb-18	9-Feb-18	SGD 0.260	1.2
Duty Free Int'l	10-Jan-18	3Q18	SGD 0.0100	6-Feb-18	8-Feb-18	6-Mar-18	SGD 0.260	3.8
Keong Hong Holdings Ltd	28-Nov-17	FY17	SGD 0.0175	7-Feb-18	9-Feb-18	1-Mar-18	SGD 0.615	2.8
Thai Beverage PCL	23-Nov-17	FY17	Baht 0.4700	8-Feb-18	12-Feb-18	28-Feb-18	SGD 0.935	2.1

Latest Rights Issue Announcement

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Asia-Pacific Strategic Invts	2 Rts Shares @ S\$0.003 for each Rights Share for every 1 existing share held, 1 free detachable warrant (exercise price S\$0.003) for every 1 Rts Share subscribed	3-Jan-18	5-Jan-18	10-Jan-18	18-Jan-18
BM Mobility	2 Wrts @ S\$0.0033 for each Wrt (exercise price S\$0.010) for every 1 existing ord share held	17-Jan-18	19-Jan-18		

Source: SGX Announcement

Asia-Pacific Strategic Invts: Expected date for commencement of trading of warrants: Friday, 2 February 2018

Latest Listing Issue Announcement

Company	Particulars	Ex-Date	Book Close	Payable / Crediting Date	Listing Date
Hyflux	Entitled shareholders will receive 1 Hyfluxshop Hldgs Pte Ltd share for every 10 Hyflux shares held	5-Feb-18	7-Feb-18		

Source: SGX Announcement

Company	Offer Price	Closing Date	Offeror
Cogent Holdings Ltd	SGD 1.02 Cash	5.30 p.m. on 19 Jan 2018	COSCO Shipping Int'l (Singapore) Co., Ltd.
Rotary Engineering	SGD 0.460 Cash	5.30 p.m. on 24 Jan 2018	OROCHEM PTE. LTD.
TMC Education Corporation Ltd	SGD 0.0675 Cash	5.30 p.m. on 30 Jan 2018	JK Global Assets Pte. Ltd.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
15-Jan	16-Jan	17-Jan	18-Jan	19-Jan
		Q4: ESR-REIT / First REIT / Soilbuild Business Space REIT	Q4: Cache Logistics Trust	Q2: Spore Exchange
22-Jan	23-Jan	24-Jan	25-Jan	26-Jan
Q3: Mapletree Logistics Trust Q4: Frasers Commercial Trust / Keppel DC REIT / Keppel Infrastructure Trust	SG (Dec 2017): CPI Overall index and sub-indices Q1: Frasers Centrepoint Trust Q3: Mapletree Industrial Trust Q4: Fortune REIT / Keppel REIT / M1	Q1: Frasers Hospitality Trust Q3: Mapletree Commercial Trust Q4: Capitaland Mall Trust / Keppel Telecoms & Tpt	SG (4Q17): Industrial Properties Q1: Frasers Logistics & Industrial Trust Q3: Ascendas REIT / Mapletree Greater China Commercial Trust Q4: Keppel Corp / Capitaland Commercial Trust / Sabana Shari'ah Compliant Industrial REIT	SG (Dec 2017): Index of Industrial Production Unemployment Rate & Employment SG (4Q17): Private Residential, Retail and Office Properties Q4: Ascott Residence Trust / AGV Grp (Release on Sun, 28-Jan) / Parkway Life REIT / Viva Industrial Trust *Q4: CDL Hospitality Trusts
29-Jan	30-Jan	31-Jan	1-Feb-18	2-Feb
5-Feb	6-Feb	7-Feb	8-Feb	9-Feb
Q4: Utd Overseas Insurance	Q4: Manulife US REIT		Q4: DBS Grp Hldgs (Before mkt open)	Q4: Challenger Technologies
12-Feb	13-Feb	14-Feb	15-Feb	16-Feb
	Q4: Great Eastern Hldgs	Q1: TT Int'l Interim Results for FY2018: MSM Int'l Q4: OCBC & UOB (Before mkt open) / StarHub *Q4: Utd Overseas Australia	*Q1: No Signboards Hldgs	

* Tentative

Source: Bloomberg

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