

Market Indicators

	15-Mar	16-Mar	19-Mar
Mkt. T/O (S\$ mil)	1,284.5	1,583.4	926.0
Stock Advances	186	185	127
Stock Declines	220	246	307

Major Indices

	15-Mar	16-Mar	19-Mar
DJ Ind Avg	24,873.7	24,946.5	24,610.9
S & P 500	2,747.3	2,752.0	2,712.9
Nasdaq Comp	7,481.7	7,482.0	7,344.2
Hang Seng	31,541.1	31,502.0	31,513.8

STI Index 3,498.29 (-0.39%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,316.77	0.45%
Oil (NYMEX CWT1) US\$ / bbl	62.13	0.15%
Baltic Dry Index	1143	-0.61%

Exchange Rates



USD : SGD 1.3167 / MYR : SGD 2.9725

Source: Bloomberg

Interest Rates

3-mth Sibor	1.379%
SGS (10 yr)	2.400%

KGI Market Ideas

Keppel DC REIT: Comprises of 14 data centre properties spread across Singapore (41%), Australia (18%), UK (40%) and Malaysia (2%). The REIT has an overall occupancy of ~92%, WALE of 9.1 years and a gearing of ~32% (of which ~86% is hedged). These characteristics lend support to the sustainability of distributions. At current prices, the REIT offers a FY2018F dividend of 5.5%. Industry fundamentals and prospects remain robust, driven by global trends and developments that continue to propel data centre demand. Worldwide data is projected to increase 10x by 2025 and mobile connectivity to reach 75% of the world population by 2025 (according to IDC). Downside risk to the REIT mainly revolves around rising interest rates. Although expectations of three rate hikes in 2018 should have already been priced in, a faster than expected rate hike could potentially impact the REIT in the near term.

GBPUSD: The pound has recovered from its multi-year lows as markets come to reality with the Trump Administration and Brexit. The slow and stable recovery since the beginning of January 2017 has propelled GBPUSD to 1.40 with more upside expected as inflation expectations rise along with higher wage growth. Both economists and the Bank of England have warned about faster than expected rate hikes driving the GBPUSD to a range of 1.42-1.50 by 4Q18.

ComfortDelGro: This week, we highlight three STI components with defensive qualities, offer an attractive 5% dividend yield, and provide lower downside risks relative to peers in the index. These stocks include ST Engineering, Singtel and ComfortDelGro. For ComfortDelGro, we see several factors that could potentially provide upward re-rating catalysts. It was announced that the government will be discussing regulations on private-hire car services, which is targeted to be completed in 2018. Similar to regulations proposed and implemented in London, tough new regulations include improvements to passenger safety, which may add additional costs to private-car hires. Second, consolidation in the private-hire industry may lessen the competitive landscape and eventually benefit ComfortDelGro's taxi business. Third, a strengthening sterling pound would benefit its UK business where it derives 20% of its revenues.

KGI Securities Research Team

Recent In depth Regional Reports

19/3	TH Energy Sector (Neutral): Higher OPEC cuts, but US shale is soaring
19/3	TH ICT Sector (Neutral): Earnings growth recovery with more attractive PER
19/3	TH Ananda Development (ANAN TB; Outperform; TP: Bt 5.30): Transfer delay priced in, but confidence on thin ice
19/3	TH Bangchak Corporation (BCP TB; Neutral; TP: Bt 43.00): Hidden expenses from BCPG's asset acquisition
19/3	TH Indorama Ventures (IVL TB; Outperform; TP: Bt 64.00): The real taker
19/3	TH IRPC (IRPC TB; Outperform; TP: Bt 8.20): Harvest nearing completion
19/3	TH PTT (PTT TB; Neutral; TP: Bt 510.00): Bigger children
19/3	TH PTT Exploration and Production (PTTEP TB; Outperform; TP: Bt 135.00): Bidding about to start on Erawan and Bongkot
19/3	TH PTT Global Chemical (PTTGC TB; Neutral; TP: Bt 103.00): HDPE's incredible soar
19/3	TH Star Petroleum Refining (SPRC TB; Neutral; TP: Bt 17.00): Entering low refinery season
19/3	TH Thai Oil (TOP TB; Neutral; TP: Bt 98.00): Waiting for the final decision on CFP
19/3	TH True Corporation (TRUE TB; Neutral; TP: Bt 7.40): Extra item to save 2018 net profit
16/3	SG Uni-Asia Group (UAG SP; BUY, TP: S\$1.810): Surprise 6.25 cents dividend; Upside from HK property
16/3	TW Handset Sector: Largan – Lens order loss to Sunny Optical a shortterm issue; bottom to pass soon
16/3	TW Macauto (9951 TT; Outperform; TP: NT\$188.00): 4Q17 misses on forex; decent ongoing sales momentum
16/3	TW Zhen Ding (4958 TT; Neutral; TP: NT\$76.00): 4Q17 earnings beat on new products & higher SLP yield
16/3	HK Thing On (2292 HK; Not Rated): To enhance value mainly via acquisitions
16/3	HK Vixtel (8342 HK; Outperform; TP: HK\$1.900): Big data analysis is the next growth engine
16/3	CN/HK Stock Liquidity Monitor: Weekly data – Stock incentive & employee shareholding plans

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 FY18 (%)	Div Yield FY19 (%)
FINANCIALS								
DBS SP	DBS	28.07	71,968	(0.6%)	13.0%	(2.3%)	4.2%	4.4%
OCBC SP	OCBC	13.18	55,151	(0.9%)	6.4%	(1.9%)	3.2%	3.5%
UOB SP	UOB	28.10	46,696	(0.2%)	6.2%	(2.3%)	3.5%	3.7%
SGX SP	SGX	7.46	7,982	(0.5%)	0.9%	(1.6%)	4.0%	4.3%
PROPERTIES								
AREIT SP	Ascendas REIT	2.67	7,710	0.4%	(1.8%)	0.4%	6.0%	6.2%
CAPL SP	CapitaLand	3.67	15,532	0.3%	4.0%	0.5%	3.2%	3.3%
CCT SP	CapitaLand Comm Trust	1.81	6,537	0.0%	(4.2%)	3.4%	4.9%	4.9%
CT SP	CapitaLand Mall Trust	2.08	7,380	0.0%	(1.0%)	2.0%	5.3%	5.4%
CIT SP	City Development	13.25	12,048	(0.8%)	6.1%	(1.7%)	1.2%	1.2%
HKL SP	Hongkong Land USD	6.88	21,333	0.4%	(2.3%)	(1.7%)	3.1%	3.1%
UOL SP	UOL	8.69	7,318	(1.0%)	(2.0%)	(1.0%)	1.9%	1.9%
TELECOMMUNICATIONS								
ST SP	SingTel	3.48	56,824	(0.3%)	(2.5%)	2.7%	5.8%	5.2%
STH SP	StarHub	2.43	4,202	0.8%	(14.7%)	(1.2%)	6.5%	6.3%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	34.51	13,640	(1.2%)	(15.1%)	(5.2%)	3.4%	3.6%
JM SP	Jardine Matheson USD	62.64	59,954	0.7%	3.1%	(3.2%)	2.6%	2.9%
JS SP	Jardine Strategic Holding	39.74	58,015	(1.1%)	0.4%	(1.0%)	0.9%	0.9%
GENS SP	Genting Singapore	1.12	13,490	(0.9%)	(14.5%)	(1.8%)	3.1%	3.2%
SPH SP	SPH	2.49	3,983	(1.2%)	(6.0%)	(3.1%)	5.5%	5.3%
THBEV SP	ThaiBev	0.82	20,466	0.0%	(9.5%)	(0.6%)	3.3%	3.7%
VMS SP	Venture Corp	28.73	8,223	(0.3%)	40.4%	2.7%	2.4%	2.5%
TRANSPORT								
SIA SP	Singapore Airlines	11.10	13,126	(1.1%)	4.0%	(0.5%)	2.8%	2.6%
CD SP	ComfortDelGro	2.01	4,349	(0.5%)	1.5%	(1.0%)	5.2%	5.3%
COMMODITIES								
GGR SP	Golden Agri	0.35	4,457	(1.4%)	(5.4%)	(2.8%)	1.9%	1.9%
WIL SP	Wilmar	3.21	20,307	(0.3%)	3.9%	(0.3%)	3.1%	3.4%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.71	13,966	(0.1%)	4.9%	(2.0%)	3.4%	3.6%
SCI SP	Sembcorp Industries	3.05	5,443	(1.3%)	0.7%	(1.3%)	3.0%	3.4%
YZJSGD SP	Yangzijiang SGD	1.30	5,159	(3.0%)	(11.6%)	(3.0%)	3.4%	3.4%
SATS SP	SATS	5.20	5,804	(0.8%)	0.0%	(0.6%)	3.4%	3.5%
STE SP	ST Engineering	3.52	10,968	(0.3%)	8.0%	2.6%	4.4%	4.7%
HPHT SP	HPH Trust USD	0.34	3,846	(1.5%)	(15.9%)	(4.3%)	7.9%	8.0%

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 FY18 (%)	Div Yield FY19 (%)
SUN SP	Suntec REIT	1.96	5,216	1.6%	(7.7%)	(0.5%)	5.1%	5.1%
MCT SP	Mapletree Commercial	1.58	4,551	0.0%	(1.1%)	1.3%	5.6%	5.7%
KREIT SP	Keppel REIT	1.21	4,101	0.0%	(2.9%)	0.0%	4.8%	4.9%
SMM SP	Semcorp Marine	2.05	4,280	(1.0%)	11.4%	(0.5%)	1.0%	1.3%

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 Mar 18	Yield (%)
Dairy Farm Int'l Hldgs	8-Mar-18	FY17	USD 0.1450	21-Mar-18	23-Mar-18	16-May-18	USD 8.120	1.8
Hongkong Land Hldgs	8-Mar-18	FY17	USD 0.14000	21-Mar-18	23-Mar-18	16-May-18	USD 6.880	2.0
Jardine Matheson Hldgs	8-Mar-18	FY17	USD 1.2000	21-Mar-18	23-Mar-18	16-May-18	USD 62.640	1.9
Jardine Strategic Hldgs	8-Mar-18	FY17	USD 0.2250	21-Mar-18	23-Mar-18	16-May-18	USD 39.740	0.6
Mandarin Oriental Int'l	8-Mar-18	FY17	USD 0.01500	21-Mar-18	23-May-18	16-May-18	USD 2.350	0.6
Vicplas International Ltd	9-Mar-18	1H18	SGD 0.0025	2-Apr-18	4-Apr-18	12-Apr-18	SGD 0.106	2.4

Latest Rights Issue Announcement

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
ESR-REIT	199 New Units @ S\$0.54 each Rts share for every 1,000 existing units in ESR-REIT	5-Mar-18	7-Mar-18		
First Sponsor Grp	1 Rights Securities @ S\$1.10 for each rights securities for every 4 existing securities held	21-Mar-18	23-Mar-18		
F J Benjamin Holdings	3 Rights Shares @ S\$0.035 for each Rights Share for every 5 ord share, 2 free detachable warrants (exercise price S\$0.04) for every 1 Rights Share validly subscribed	8-Mar-18	12-Mar-18	15-Mar-18	23-Mar-18
JB Foods	1 Rts Share @ S\$0.25 for each Rts share for every 3 existing ord share held	7-Mar-18	9-Mar-18	14-Mar-18	22-Mar-18
LifeBrandz	2 Rts Shares @ S\$0.015 for each Rts share for every 1 existing ord share held	28-Feb-18	2-Mar-18	7-Mar-18	15-Mar-18
MTQ Corporation	2 Rights Shares @ S\$0.20 for each Rights Share for every 5 existing ord stock held with 1 free detachable warrant (exercise price S\$0.22) for every 4 Rights Shares	20-Mar-18	22-Mar-18		

Source: SGX Announcement

F J Benjamin Hldgs: Expected date for commencement of trading of warrants: 9.00 a.m., Tuesday, 10 April 2018

Latest Bonus & Listing Issue Announcement

Company	Particulars	Ex-Date	Book Close	Payable / Crediting Date	Listing Date
Roxy-Pacific Hldgs	1 Bonus share for every 10 share held	13-Apr-18	17-Apr-18	-	-

Source: SGX Announcement

Company	Offer Price	Closing Date	Offeror
CWG Int'l	SGD 0.195 Cash	5.30 p.m. on 19 Mar 2018	Elidom Investment Co., Ltd
LTC Corporation Limited	SGD 0.925 Cash	5.30 p.m. on 26 Mar 2018	Mountbatten Enterprises Pte. Ltd.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
19-Mar	20-Mar	21-Mar *Q4: Shangri-La Asia	22-Mar IPO: ayondo (Catalist): Close @ 12.00 noon	23-Mar SG (Feb 2018): CPI Overall index and sub-indices
26-Mar SG (Feb 2018): Index of Industrial Production IPO: ayondo (Catalist): Commence Trading @ 9.00 a.m.	27-Mar	28-Mar Q2: Second Chance Properties	29-Mar	30-Mar
2-Apr-18	3-Apr	4-Apr	5-Apr	6-Apr
9-Apr	10-Apr	11-Apr *Q2: Spore Press Hldgs	12-Apr	13-Apr SG: 1Q18 Advance GDP Estimates (Not later than 13 Apr)
16-Apr	17-Apr Genting Hong Kong: Delisting of Shares from the SGX-ST	18-Apr	19-Apr	20-Apr

* Tentative

Source: Bloomberg

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