

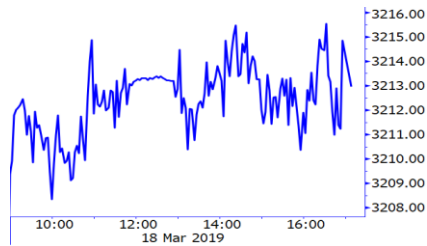
## Market Indicators

	14-Mar	15-Mar	18-Mar
Mkt. T/O (S\$ mil)	985.1	1,793.8	753.4
Stock Advances	221	210	202
Stock Declines	163	168	196

## Major Indices

	14-Mar	15-Mar	18-Mar
DJ Ind Avg	25,709.9	25,848.9	25,914.1
S & P 500	2,808.5	2,822.5	2,832.9
Nasdaq Comp	7,630.9	7,688.5	7,714.5
Hang Seng	28,851.4	29,012.3	29,409.0

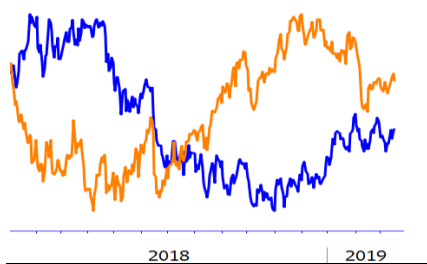
**STI Index** 3,212.96 (+0.40%)



## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,305.70	-0.02%
Oil (NYMEX CWT11) US\$ / bbl	58.97	-0.61%
Baltic Dry Index	712	-1.25%

## Exchange Rates



## Interest Rates

3-mth Sibor	1.946%
SGS (10 yr)	2.125%

## KGI Securities Research Team

## KGI Market Ideas

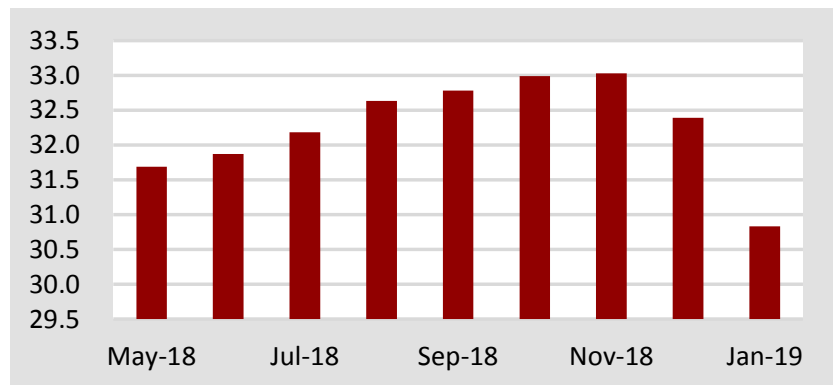
### Brent oil should be at least US\$70 per barrel

Since our last KGI Trading Idea on 21 January 2019 where we called for Brent oil prices to trade at the minimum of US\$70, Brent has gained around 10% and now trades at US\$68.5. We maintain our view and expect Brent to recover to at least US\$70, especially as we approach 2Q19.

### The cure for low oil prices is low oil prices

The ramp-up in oil production prior to the Iran sanctions are now being reversed as oil prices weakened in Oct-Dec 2018. Data from the major oil producers are showing declining exports, which means it will soon start filtering to oil prices in the coming months. OPEC production in January fell from 32.39mn barrels per day (bpd) to 30.83mn bpd. In particular, Saudi Arabia reduced output to 10.213mn bpd, lower than its pledged production level of 10.3mn bpd.

### OPEC oil output dropped significantly in January 2019 (mm bpd)



Source: IEA, CDF

## Initiation Report, Results Update & Credit Note

- **CapitaLand Retail China Trust (CRCT SP; BUY; S\$ 1.610):** Pure play China retail REIT – Positive asset recycling efforts to pay off by 2020 - Page 4
- **Uni-Asia Group (UAG SP; BUY; S\$ 2.070):** Looking forward to a better year - Page 5
- **CENCHI 6.25% 05/02/20:** High Yield Debt (SGD) - Page 6

**Recent In depth Regional Reports**

18/3	<b>TH</b> Sino-Thai Engineering & Construction (STEC TB; Outperform; Bt 32.00): Best main contractor earnings play
15/3	<b>SG</b> CENCHI 6.25% 05/02/20 (CENCHI): High Yield Debt (SGD)
15/3	<b>TW</b> Electric Vehicle Sector: Tesla launches compact SUV Model Y
15/3	<b>TW</b> Macauto (9951 TT; Neutral; TP: NT\$73.00): 4Q18 earnings beat; product mix a concern in 2019F
15/3	<b>TW</b> Tong Hsing Electronic (6271 TT; Not Rated): 2018 EPS of NT\$6.13; consensus growth outlook inflated
15/3	<b>TW</b> Top Bright (8499 TT; Not Rated): 2019F growth from smart scale & EMI shielding material
15/3	<b>HK</b> Kingdee (268 HK; Not Rated): Upbeat cloud guidance to support near-term share rally
15/3	<b>HK</b> Minsheng Education (1569 HK; Outperform; TP: HK\$ 2.25): 2018 results miss our expectations; one deal announced
15/3	<b>CN/HK</b> Economy: Domestic demand showing signs of improvement; corporate destocking entering the late stage
15/3	<b>TH</b> Bangkok Chain Hospital (BCH TB; Outperform; TP: Bt 21.50): Continued growth for 2019
15/3	<b>TH</b> Robinson Department Store (ROBINS TB; Outperform; TP: Bt 77.00): Not a good year
14/3	<b>TW</b> Strategy: Pullback or volatility inevitable from 2Q19F
14/3	<b>TW</b> AVC (3017 TT; Not Rated): Strong 2019F earnings growth on server & networking order expansion
14/3	<b>TW</b> Bizlink (3665 TT; Neutral; TP: NT\$ 216.00): 2018 EPS of NT\$11.86; 2019F growth outlook intact
14/3	<b>TW</b> CTCL (9933 TT; Outperform; TP: NT\$ 55.00): Earnings growth to resume in 2019F
14/3	<b>TW</b> Pegatron (4938 TT; Neutral; TP: NT\$ 56.00): 4Q18 EPS misses; 1H19F margins to remain low
14/3	<b>TW</b> St. Shine Optical (1565 TT; Outperform; TP: NT\$ 681.00): 4Q18 results in line; potential upside from China & Japan
14/3	<b>HK</b> China Education (Overweight): China Beststudy – First set of results delivered
14/3	<b>HK</b> China Lilang (1234 HK; Outperform; TP: HK\$ 10.40): 2018 in line; double-digit growth to continue in 2019F
14/3	<b>SG</b> Uni-Asia Group (UAG SP; BUY, TP: S\$2.070): Looking forward to a better year
14/3	<b>TH</b> Sahakol Equipment (SQ TB; Outperform; TP: Bt 3.70): Won Hongsa's two-additional-work bids
14/3	<b>TH</b> Seafco (SEAFCO TB; Outperform; TP: Bt 12.00): Secure backlog with lucrative growth outlook
14/3	<b>TH</b> Thaifoods Group PCL (TFG TB; Outperform; TP: Bt 3.80): Swine is the hero
13/3	<b>TW</b> Addcn Technology (5287 TT; Neutral; TP: NT\$ 276.00): Limited growth in 2019F
13/3	<b>TW</b> Compeq (2313 TT; Neutral; TP: NT\$ 19.00): 4Q18 worse than expected; challenging 2019F outlook
13/3	<b>TW</b> Taimide Tech. (3645 TT; Neutral; TP: NT\$ 50.00): 4Q18 a slight miss; challenging path to growth in 2019F
13/3	<b>TW</b> Yeong Guan Energy Technology (1589 TT; Not Rated): Targeting a turnaround in 2019F
13/3	<b>HK</b> Xtep (1368 HK; Outperform; TP: HK\$ 6.90): Positive outlook with transformed core brand & new JV
13/3	<b>TH</b> Bank Sector (Neutral): Sensitivity of TMB's BV with change in RO price
13/3	<b>TH</b> TOA Paint (Thailand) (TOA TB; Underperform; TP: Bt 32.25): Another challenging year
12/3	<b>SG</b> Frencken Group (FRKN SP; BUY; TP: S\$ 0.670): Highest quarterly profit in eight years
12/3	<b>SG</b> Raffles Medical Group (RFMD; Not Rated): In good health as it grows from one to three
12/3	<b>TW</b> ASPEED Technology (5274 TT; Neutral; TP: NT\$ 630.00): Business recovery already priced in
12/3	<b>TW</b> FENC (1402 TT; Outperform; TP: NT\$ 37.00): Petrochemicals unit setback creates good entry point
12/3	<b>TW</b> Sunonwealth (2421 TT; Outperform; TP: NT\$ 43.00): Margins lower near term, but will improve in 2019F
12/3	<b>HK</b> Lee & Man Paper (2314 HK; Not Rated): 2018 results miss
12/3	<b>CN/HK</b> China Handset: Handset sector – Investor feedback from Taiwan roadshow
12/3	<b>CN/HK</b> Stock Liquidity Monitor: Weekly data – Stock incentive & shareholding changes involving major shareholders
12/3	<b>CN</b> Yuyuan (600655 CH; Not Rated): Company visit takeaways
12/3	<b>TH</b> Commodities Update: First apparent impact of US sanctions on Venezuela
12/3	<b>TH</b> Asia Aviation (AAV TB; Outperform; TP: Bt 5.06): Clearer skies
11/3	<b>TW</b> Semi Wafer Sector: Deteriorating semiconductor wafer outlook for 2Q19F
11/3	<b>TW</b> Financial Sector (Neutral): February earnings recover on investment income
11/3	<b>TW</b> Delta Electronics (2308 TT; Outperform; TP: NT\$ 166.00): 2018 EPS NT\$7.00; EPS to dip QoQ in 1Q19F before recovering
11/3	<b>TW</b> Feng Tay (9910 TT; Outperform; TP: NT\$ 225.0): 2019-20F earnings to remain strong
11/3	<b>TW</b> Taishin FHC (2887 TT; Neutral; TP: NT\$ 14.50): Improved capital ratio, but core earnings growth uncertain in 1H19F

*For full reports, please contact Research Department at 6202 1190 or [sqp.researchcom@kgi.com](mailto:sqp.researchcom@kgi.com)*

**Recent In depth Regional Reports**

11/3	<b>TW</b> Taiwan Fertilizer (1722 TT; Outperform; TP: NT\$ 56.00): Urea demand dips
11/3	<b>TW</b> Taiwan Surface (6278 TT; Not Rated): Growing memory orders; handset business up on India ramp
11/3	<b>CH/HK</b> A-share Weekly: Lack of fundamental catalysts, consolidation ahead
11/3	<b>CN/HK</b> Economy: Liquidity easing to abate; market volatility to return near term
11/3	<b>TH</b> CH. Karnchang (CK TB; Outperform; TP: Bt 31.00): Here we go!
11/3	<b>TH</b> Sahakol Equipment (SQ TB; Outperform; TP: Bt 3.70): Misfortune from landslide impact ended

*For full reports, please contact Research Department at 6202 1190 or [sgp.researchcom@kgi.com](mailto:sgp.researchcom@kgi.com)*



# CapitaLand Retail China Trust (CRCT SP)

## Pure play China retail REIT – Positive asset recycling efforts to pay off by 2020

Geraldine Wong / 62 6202 1193 / [geraldine.wong@kqi.com](mailto:geraldine.wong@kqi.com)

- Chinese disposable urban income more than tripled over the last 12 years. The revision of individual income tax laws implemented since the start of 2019 to act as an additional boost to future disposable income.
- Retail malls continue to compete for shopper traffic through experiential shopping, Omni channel strategies and digital marketing. We see synergies between CRCT and other CapitaLand mall REITs who had tried and tested similar concepts and technologies.
- We expect asset recycling efforts in Hohhot to pay off by end 2020 and malls under stabilisation to be potentially divested in the next 1-2 years.

### Investment Thesis

**Growing disposable income of the mass affluent.** Chinese disposable urban income more than tripled from 2006 to 2017, growing at a CAGR of 10.0%. We expect this upward trend to continue at a high single digit in the coming few years. New individual income tax laws to be effective from 2019 would likely benefit the mass affluent, the consumer group CapitaLand Retail China Trust (CRCT) targets. Standard tax deductions will increase from ¥ 42,000 per year to ¥ 60,000 per year, converting to almost a 71% savings on taxes for an individual earning ¥ 10,000 a month. We expect this to translate to retail sales of small ticket items and necessities.

**The era of new retail.** New retail concepts remain crucial in garnering shopper interest and traffic. We see synergies between CRCT and its sponsor CapitaLand. CapitaLand's 'smart mall' model and experiments within the space of Omni channel capabilities (Funan DigitalLife Mall), digital marketing and experiential shopping (NomadX 'phygital' store) could be replicated and modified by CRCT. These new retail concepts and technology should sit well with the digitally savvy Chinese consumers.

**Portfolio rejuvenation to see effect by 2020.** We anticipate the bundle deal in Hohhot (Inner Mongolia), which will transact in 2020, to be yield-accretive. CRCT will divest Saihan mall at current market value of RMB 14,823/sqm and acquire neighbouring mall, Yuquan mall at RMB 10,733/sqm, a 5.6% discount to market value. Higher rental yields can be anticipated on the grounds of higher shopper traffic driven by greater connectivity, larger leasable retail area and favourable economic outlook within the Mongolian capital.

We think that management might potentially divest the two portfolio malls that are currently under stabilisation. Capital unlocked could be put into better use through the acquisition of yield-accretive assets.

Buy (Initiation)		Performance (Absolute)	
Price as of 20 Mar 19 (SGD)	1.52	1 Month (%)	4.8
12M TP (S\$)	1.61	3 Month (%)	14.7
Previous TP (S\$)	-	12 Month (%)	1.9
Upside, incl div (%)	13.0%		
Trading data		Perf. vs STI Index (Red)	
Mkt Cap (\$mn)	1,498		
Issued Shares (mn)	985		
Vol - 3M Daily avg (mn)	1.6		
Val - 3M Daily avg (\$mn)	2.4		
Free Float (%)	62.14		
Major Shareholders		Previous Recommendations	
CapitaLand Ltd	25.3%		
CapitaLand Mall Trust	12.5%		
Matthews International	6.4%		

Financials & Key Operating Statistics					
YE Dec (S\$m)	2016	2017	2018	2019F	2020F
Gross revenue	214.4	229.2	222.7	223.5	233.9
Net property income	139.7	149.2	147.4	147.9	154.8
Distributable income	86.7	91.1	99.7	112.6	119.6
DPU (SGD cents)	10.1	10.1	10.2	10.4	11.0
DPU growth (%)	(5.2)	0.5	1.2	1.5	6.3
Div Yield (%)	7.3	6.2	7.5	7.6	8.1
NAV per unit (SGD)	1.7	1.6	1.6	1.6	1.7
Price / Book (x)	0.8	1.0	0.9	0.8	0.8
NPI Margin (%)	65.2	65.1	66.2	66.2	66.2
Net Margin (%)	48.5	62.4	57.2	34.6	35.9
Gearing (%)	35.1	28.0	34.8	34.7	33.7
ROE (%)	4.3	6.5	3.8	4.9	5.0

Source: Company Data, KGI Research

### Valuation & Action

We initiate coverage on CRCT with a BUY recommendation with a target price of S\$1.61, representing an upside of 13.0%, inclusive of a forward dividend yield of 6.8%. We used the DDM methodology for the valuation with a cost of equity of 8.13% and terminal growth rate of 1.0%.

CRCT currently trades at a FY18/FY19 P/B ratio of 0.9x/1.0x, a slight premium to peers focusing on China retail which trades at a forward P/B ratio of 0.8x. We believe the premium is justifiable due to higher quality assets and proactive management strategies.

### Key Risks

Key risks include a slowing Chinese economy that could potentially dampen consumer sentiments further and result in the delay of consumption. We also see negative rental reversions as a threat towards the two malls under stabilisation as well as CapitaLand Qibao that will see new competition within its vicinity.



# Uni-Asia Group Limited

## (UAG SP/U AFC.SP)

### Looking forward to a better year

Joel Ng / 62 6202 1192 / joel.ng@kgi.com

- UAG reported a US\$2.3mn loss in its 4Q18 results due to US\$9mn in impairment/valuation losses related to its shipping assets. Excluding these non-cash expenses, UAG's 4Q18 profits would have come in at US\$5.3mn.
- It proposed 6.25 Sing cents final and 0.75 Sing cents special dividend for FY18, which translates to an attractive 5.7% dividend yield.
- We expect all three of its business segments to perform better in 2019.
- We thus reiterate our BUY recommendation and fair value target of S\$2.07. Our TP is an implied 0.6x 2019F BVP and 9.5x EPS.

Financials & Key Operating Statistics					
YE Dec (US\$m)	2017	2018	2019F	2020F	2021F
Revenue	103.9	123.3	125.1	130.5	136.1
PATMI	6.2	1.2	7.8	8.8	9.6
Core PATMI	6.2	16.4	7.8	8.8	9.6
Core EPS	13.2	35.0	16.7	18.6	20.4
Core EPS grth (%)	-439.9	164.1	-52.3	11.7	9.5
Core P/E (x)	7.0	2.6	5.5	5.0	4.5
DPS (SGCents)	6.3	7.0	6.3	6.3	6.3
Div Yield (%)	5.2	5.8	5.2	5.2	5.2
Net Margin (%)	6.0	1.0	6.3	6.7	7.0
Gearing (%)	129.6	102.9	98.4	85.6	72.7
Price / Book (x)	0.3	0.3	0.3	0.3	0.3
ROE (%)	4.6	0.9	5.6	5.9	6.1

Source: Company Data, KGI Research

**Kitchen sinking.** For the full-year FY18, the group recognised US\$15.2mn in non-cash valuation and impairment losses, mainly due to its shipping assets. As a result, the value of its joint-investment containerships have been reduced to zero on its balance sheet and risks of further impairment losses from containerships are minimal. On a positive note and more importantly, cash flow from operations have improved every year since FY14 - from US\$4.8mn in FY14 to US\$17mn in FY18 – such that it was able to increase FY18 dividends to 7.0 Sing cents, or an implied 5.7% div yield. Net gearing improved to 103% at end-2018 from 130% at end-2017.

**Hotel operations set to benefit from Tokyo 2020 Olympics and Rugby World Cup 2019.** Uni-Asia will be managing 2,871 rooms by 2019 and 3,553 rooms by 2020. We estimate hotel operations can provide a recurring core net profit of US\$1.5-2.5m p.a. by 2021. However, due to the new accounting standards IFRS 16, UAG will recognise long-term operating leases on its balance sheet from Jan-2019 onwards. Although this is not expected to have any operational impact (e.g., cash flows) on UAG's hotel business, this business segment is estimated to recognise losses in the next 2 years due to front-loading of expenses under IFRS 16. We have not made any changes to our forecasts and maintain our valuation methodology as we still expect core-earnings to be profitable.

**Dry bulk weighs on share price.** The Baltic Dry Index (BDI) dropped to a 2-year low of 595 pts in February 2019 amid

Buy - Maintain			
Price as of 13 Mar 19 (SGD)	1.20	<b>Performance (Absolute)</b>	
12M TP (\$)	2.07	1 Month (%)	0.8
Previous TP (\$)	2.00	3 Month (%)	1.7
Upside (%)	73	12 Month (%)	-14.6
Trading data		Perf. vs STI Index (Red)	
Mkt Cap (\$mn)	56		
Issued Shares (mn)	47		
Vol - 3M Daily avg (mn)	0.0		
Val - 3M Daily avg (\$mn)	0.0		
Free Float (%)	50.8%		
Major Shareholders		Previous Recommendations	
Yamaso Co	33.5%	20-Aug-19	BUY \$2.00
Evergreen Int'l	10.0%	22-May-18	BUY \$2.00
		16-Mar-18	BUY \$1.81

uncertainty over the US-China trade war. We believe UAG's share price already reflects the weakness in the shipping sector. Looking forward, the easing of trade tensions and increase in demand from new stimulus measures in China may reverse the decline over the last two quarters.

**Hong Kong properties providing good income over the next four years.** UAG is expected to recognise profits from one HK property project per annum until 2022. It invested US\$6.4mn in its 3rd HK property project and US\$2.6mn in its 4th HK property project. These projects are scheduled to be completed in 2019 and 2020, and will allow the group to recycle the gains into new projects. It recently invested a combined US\$11.5mn in two more HK properties which will be completed in 2021 and 2022. Management will continue to focus on more opportunities in the HK commercial market, which could provide further upside to this segment.

**Valuation & Action:** We reiterate our BUY recommendation and fair value of S\$2.07, based on the sum-of-the-parts (SOTP) valuation of its three businesses. Our TP is an implied 0.6x 2019F BVPS and 9.5x 2019F EPS. UAG is positioned to ride the growth in its three business segments: 1) dry bulk shipping recovery in 2019, 2) HK property business earnings visibility until 2022, and 3) an increase in hotel rooms under management ahead of two of the world's largest sporting events to be held in Japan.

**Risks:** UAG's shipping business (30% of Uni-Asia's FY18 revenues) is cyclical in nature, which may result in impairments to its shipping assets.

*This report is prepared by KGI Securities (Singapore) under the SGX StockFacts Research Programme. See the last page for important disclosures.*

CHINA  
DEVELOPMENT  
FINANCIAL

# CENCHI 6.25% 05/02/20

## (CENCHI)

### High Yield Debt (SGD)

Marc Tan / 65 6202 1195 / [marc.tan@kgi.com](mailto:marc.tan@kgi.com)

**Company Background:** Central China Real Estate is a leading residential property developer in Henan with 26 years of operating history. The group is listed on the Hong Kong stock Exchange with a market cap of 1.25bn USD and has presence in Henan's 18 prefecture-level cities and 70 county-level cities. Capitaland is a significant shareholder of the company with 24.1% in equity stake and has representations on CENCHI's board of directors, audit committee and investment committees for land acquisitions.

#### Credit Considerations:

**Strong growth continues, alongside market share expansion.** For 1H18, revenue declined 5.7% YoY to 4.78bn RMB as property sales (-9.5% YoY) slowed, driven by a 22.9% YoY decline in sold area to 679,243 sqm, but contracted sales momentum remained strong with contracted sales growing 82.4% YoY to 25.33bn RMB while contracted GFA sold grew 52.3% YoY to 3,447,000 sqm, driven by higher ASP which grew by 19.8% YoY to 7,348/sqm across regions. In terms of contracted sales amount, the group's market share in Henan increased to 8.3% from 5.6%.

Figure 1: Geographical Breakdown of Contracted Sales for 1H18

City	Contracted sales amount (RMB million)			Contracted GFA ('000 sq.m.)		
	1H2018	1H2017	Change	1H2018	1H2017	Change
Zhengzhou	7,598	2,966	156%	642	277	132%
Kaifeng	306	190	61%	36	21	71%
Luoyang	1,575	1,555	1%	184	210	-12%
Pingdingshan	508	344	48%	99	70	41%
Anyang	1,153	762	51%	209	181	15%
Hebi	125	467	-73%	21	105	-80%
Xinxiang	1,137	854	33%	174	145	20%
Jiaozuo	873	445	96%	150	86	74%
Puyang	1,283	309	315%	190	68	179%
Xuchang	1,595	955	67%	218	146	49%
Luohe	572	440	30%	81	91	-11%
Sanmenxia	718	557	29%	116	99	17%
Shangqiu	819	1,485	-45%	120	273	-56%
Zhoukou	2,865	721	297%	469	170	176%
Zhumadian	2,329	983	137%	474	200	137%
Nanyang	1,013	567	79%	120	69	74%
Xinyang	196	239	-18%	43	44	-2%
Jiyuan	664	45	1,376%	101	8	1,163%
Total	25,329	13,884	82%	3,447	2,263	52%

Source: Company Data, KGI Research

**Higher leverage levels but cash/short-term debt remains strong.** Due to the net issuance of USD 400mn senior notes, the group's net gearing ratio rose to 71.3% from 50.8% at the end of FY17 while net debt/EBITDA rose to 4.9x from 1.5x and 2.2x in FY17 and FY16. Similarly, debt servicing ability weakened with EBITDA/interest coverage at 1.8x compared to 2.9x as at FY17.

**On track to hit sales target for FY18 but we prefer CENCHI's shorter dated credit due to its rising leverage but strong cash/short-term debt.** The group remains highly dependent on property demand in China, with 90% of 1H18 coming from property sales. For FY18, management has targetted contracted sales of 45bn RMB and a GFA target of 6.5 million sqm, which we believe to be achievable given that group's sell-through rate of 46% and total sealable resources of 44.5bn RMB. Moreover, CENCHI has achieved 61% of its contracted sales target and 57% of its GFA target.

For short-term debt holders, liquidity remains ample with cash/short-term debt (including restricted cash) at 255% as compared to 303% in FY17.

Figure 1: Contracted Sales Target for 2018.



Source: Company Data, KGI Research

**Credit Recommendations:** Management has guided positive cash flows for 2018 which will increase the cash position excluding restricted cash to 13.7bn RMB, after accounting for capital expenditures and the redemption of its USD200 Senior Notes.

As such, we expect the group's cash/short-term debt to remain strong above 200% but given the group's weakening debt metrics and declining sell-through rate of 46% (2017:79%, 2016:62%), we prefer CENCHI's short-dated notes over its longer dated notes (USD), especially if demand for Chinese property demand continues to weaken and refinancing risk increases.

For investors with **high-risk appetite**, we recommend an exposure to CENCHI's 6.875% 10/23/20. This bond is non-investment grade and not part of our defensive portfolio. Currently, CENCHI'2020 is rated BB-(Fitch) and is currently trading at 100.013 with a YTW of 6%.

**Subordination Risk** - The 2020 is a senior unsecured note the debt was issued out of CENCHI's Holding Company while the majority of the group's claims are at its operating subsidiaries. As a result, recovery value for bondholders could be lower in a bankruptcy scenario.

**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 (%)
<b>FINANCIALS</b>								
DBS SP	DBS	25.24	64,571	0.4%	6.5%	0.5%	4.9%	5.2%
OCBC SP	OCBC	11.21	47,612	0.7%	(0.4%)	1.6%	4.2%	4.5%
UOB SP	UOB	25.38	42,276	0.6%	3.3%	2.3%	5.0%	5.2%
SGX SP	SGX	7.31	7,822	(0.3%)	3.2%	(2.1%)	4.3%	4.4%
<b>PROPERTIES</b>								
HKL SP	Hongkong Land USD	7.44	23,658	0.1%	20.6%	2.0%	3.0%	3.2%
CAPL SP	CapitaLand	3.49	14,571	1.5%	12.2%	1.5%	3.6%	3.7%
CT SP	CapitaLand Mall Trust	2.41	8,668	0.9%	4.7%	(0.8%)	5.0%	5.3%
AREIT SP	Ascendas REIT	2.82	8,804	0.7%	10.1%	0.7%	5.7%	5.8%
CIT SP	City Development	9.01	8,171	1.5%	11.0%	2.3%	2.2%	2.2%
CCT SP	CapitaLand Comm Trust	1.96	7,423	0.0%	15.8%	2.1%	4.6%	4.5%
UOL SP	UOL	6.58	5,548	2.0%	6.3%	2.2%	2.7%	2.7%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.02	49,313	(0.3%)	3.1%	3.1%	5.9%	5.9%
<b>CONSUMER SERVICES AND GOODS</b>								
JM SP	Jardine Matheson USD	63.85	63,574	(0.2%)	(6.4%)	(2.0%)	2.7%	2.8%
JS SP	Jardine Strategic Holdings	37.70	56,452	0.7%	3.4%	(3.5%)	0.9%	1.0%
DFI SP	Dairy Farm International	7.34	13,419	(0.4%)	(17.3%)	(3.4%)	3.2%	3.4%
THBEV SP	ThaiBev	0.83	20,719	1.2%	37.2%	3.1%	2.6%	2.9%
JCNC SP	Jardine C&C	33.20	13,122	(0.6%)	(6.1%)	(0.9%)	4.0%	4.2%
GENS SP	Genting Singapore	1.01	12,165	0.0%	3.6%	0.0%	3.8%	3.8%
VMS SP	Venture Corp	18.00	5,182	1.2%	29.0%	(1.4%)	3.9%	4.0%
SPH SP	SPH	2.45	3,915	(0.8%)	4.3%	0.8%	5.2%	5.3%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	9.83	11,635	0.3%	4.4%	1.2%	3.4%	3.8%
CD SP	ComfortDelGro	2.46	5,326	0.4%	14.4%	1.7%	4.5%	4.7%
<b>COMMODITIES</b>								
WIL SP	Wilmar	3.31	20,943	0.0%	6.1%	3.4%	3.3%	3.5%
GGR SP	Golden Agri	0.28	3,502	1.9%	12.2%	1.9%	2.9%	2.9%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	6.16	11,164	0.5%	4.2%	1.0%	4.1%	4.6%
STE SP	ST Engineering	3.77	11,744	(0.3%)	8.0%	2.2%	4.2%	4.6%
SATS SP	SATS	5.14	5,728	1.0%	10.3%	1.4%	3.6%	3.8%
YZJSGD SP	Yangzijiang SGD	1.45	5,721	1.4%	16.0%	5.1%	3.2%	3.2%
SCI SP	Sembcorp Industries	2.55	4,550	1.2%	0.4%	(0.4%)	2.5%	3.3%
HPHT SP	HPH Trust USD	0.23	2,826	0.0%	2.4%	2.1%	8.3%	8.2%

Dividend Yield based on Bloomberg consensus. Total return includes dividends.

Source: Bloomberg

**STI Reserve List (by market cap) - STI next review date: March 2019**

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	5,200	0.5%	10.5%	0.0%	5.1%	5.1%
MCT SP	Mapletree Commercial Trust	1.80	5,259	1.1%	11.8%	0.6%	5.1%	5.1%
MLT SP	Mapletree Logistics Trust	1.41	5,144	1.4%	14.4%	0.7%	5.6%	5.7%
KREIT SP	Keppel REIT	1.28	4,221	0.8%	10.0%	(1.6%)	4.5%	4.7%
MINT SP	Maple Industries Trust	2.05	4,057	0.0%	7.8%	(1.5%)	5.9%	6.4%

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 Mar 19	Yield (%)
Meghmani Organics Ltd			<b>INR</b> 0.3000	<b>19-Mar-19</b>	20-Mar-19	27-Mar-19	SGD 0.610	
Asian Pay Television Trust	25-Feb-19	FY18	SGD 0.00300	<b>21-Mar-19</b>	22-Mar-19	29-Mar-19	SGD 0.130	2.3
Keppel Infrastructure Trust - Special			SGD 0.008577	<b>21-Mar-19</b>	22-Mar-19	5-Apr-19	SGD 0.495	1.7
Qian Hu Corp Ltd	11-Jan-19	FY18	SGD 0.0020	<b>10-Apr-19</b>	11-Apr-19	25-Apr-19	SGD 0.149	1.3
Roxy-Pacific Holdings Ltd	22-Feb-19	FY18	SGD 0.00705	<b>15-Apr-19</b>	16-Apr-19	26-Apr-19	SGD 0.400	1.8
Straits Trading Co Ltd/Singapore	28-Feb-19	FY18	SGD 0.06000	<b>16-Apr-19</b>	17-Apr-19	3-May-19	SGD 2.140	2.8
CapitaLand	20-Feb-19	FY18	SGD 0.12000	<b>23-Apr-19</b>	24-Apr-19	7-May-19	SGD 3.490	3.4
Great Eastern Hldgs	20-Feb-19	FY18	SGD 0.50000	<b>23-Apr-19</b>	24-Apr-19	8-May-19	SGD 26.000	1.9
Singapore Technologies Engrg	21-Feb-19	FY18	SGD 0.10000	<b>23-Apr-19</b>	24-Apr-19	7-May-19	SGD 3.770	2.7
United Overseas Insurance	12-Feb-19	FY18	SGD 0.0850	<b>23-Apr-19</b>	24-Apr-19	6-May-19	SGD 7.260	1.2
United Overseas Insurance - Special	12-Feb-19	FY18	SGD 0.0500	<b>23-Apr-19</b>	24-Apr-19	6-May-19	SGD 7.260	0.7
iFAST Corporation	20-Feb-19	FY18	SGD 0.00900	<b>24-Apr-19</b>	25-Apr-19	9-May-19	SGD 1.110	0.8
Lonza Group AG	30-Jan-19	FY18	<b>CHF</b> 0.02750	<b>24-Apr-19</b>	25-Apr-19	26-Apr-19	-	0.0
Sembcorp Industries	21-Feb-19	FY18	SGD 0.0200	<b>24-Apr-19</b>	25-Apr-19	13-May-19	SGD 2.550	0.8
Propnex	25-Feb-19	FY18	SGD 0.0150	<b>26-Apr-19</b>	29-Apr-19	13-May-19	SGD 0.575	2.6
Propnex - Special	25-Feb-19	FY18	SGD 0.0200	<b>26-Apr-19</b>	29-Apr-19	13-May-19	SGD 0.575	3.5
Singapore Reinsurance Corp Ltd	1-Mar-19	FY18	SGD 0.0080	<b>26-Apr-19</b>	30-Apr-19	27-May-19	SGD 0.290	2.8
Bund Center Investment Ltd	27-Feb-19	FY18	SGD 0.02200	<b>29-Apr-19</b>	30-Apr-19	9-May-19	SGD 0.575	3.8
Golden Agri-Resources Ltd	27-Feb-19	FY18	SGD 0.00580	<b>29-Apr-19</b>	30-Apr-19	10-May-19	SGD 0.275	2.1
Keppel Corp	24-Jan-19	FY18	SGD 0.1500	<b>29-Apr-19</b>	30-Apr-19	10-May-19	SGD 6.160	2.4
AVI-Tech Electronics	12-Feb-19	2Q19	SGD 0.00800	<b>30-Apr-19</b>	2-May-19	15-May-19	SGD 0.290	2.8
City Developments	21-Feb-19	FY18	SGD 0.0800	<b>30-Apr-19</b>	2-May-19	23-May-19	SGD 9.010	0.9
City Developments - Special	21-Feb-19	FY18	SGD 0.0600	<b>30-Apr-19</b>	2-May-19	23-May-19	SGD 9.010	0.7
Cordlife Group	28-Feb-19	FY18	SGD 0.0040	<b>30-Apr-19</b>	2-May-19	17-May-19	SGD 0.395	1.0
Food Empire Holdings Ltd	28-Feb-19	FY18	SGD 0.006800	<b>30-Apr-19</b>	2-May-19	17-May-19	SGD 0.570	1.2
Hwa Hong Corp	31-Jan-19	FY18	SGD 0.01000	<b>30-Apr-19</b>	2-May-19	17-May-19	SGD 0.295	3.4

## Latest Listing Issue Announcement

Company	Offer Price	Closing Date	Offeror
Sunrise Shares Hldgs Ltd.	SGD 0.017 Cash	5.30 p.m. on 6 Feb 2019	Wong Siu Fai

Source: SGX Announcement



## Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
18-Mar	19-Mar	20-Mar *Q4 Shangri-La Asia	21-Mar	22-Mar *Q4 Courage Invt Grp
25-Mar SG (Feb 2019) CPI	26-Mar SG (Feb 2019) Index of Industrial Production	27-Mar *Q4 Tan Chong Int'l	28-Mar	29-Mar Q2 Second Chance Properties  *Q4 Lung Kee Bermuda Hldgs > Shangri-La Asia (Release on Sat, 30-Mar)
1-Apr-2019	2-Apr *Q2 Miyoshi	3-Apr	4-Apr	5-Apr *Q2 Miyoshi
8-Apr	9-Apr	10-Apr *Q2 SPH REIT	11-Apr	12-Apr SG 1Q19 Advance GDP Estimates (Not later than 12 Apr)
15-Apr	16-Apr	17-Apr *Q1 Qian Hu Corp	18-Apr	* 19-Apr  Good Friday

\* Tentative

Source: Bloomberg

---

**Disclaimer** This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities. This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. You should independently evaluate particular investments and consult an independent financial adviser before dealing in any securities mentioned in this report.

This report is confidential. This report may not be published, circulated, reproduced or distributed and/or redistributed in whole or in part by any recipient of this report to any other person without the prior written consent of KGI Securities. This report is not intended for distribution and/or redistribution, publication to or use by any person in any jurisdiction outside Singapore or any other jurisdiction as KGI Securities may determine in its absolute discretion, where the distribution, publication or use of this report would be contrary to applicable law or would subject KGI Securities and its connected persons (as defined in the Financial Advisers Act, Chapter 110 of Singapore) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by KGI Securities to be reliable. However, KGI Securities makes no representation as to the accuracy or completeness of such sources or the Information and KGI Securities accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. KGI Securities and its connected persons may have issued other reports expressing views different from the Information and all views expressed in all reports of KGI Securities and its connected persons are subject to change without notice. KGI Securities reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) KGI Securities, its connected persons and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) KGI Securities, its connected persons and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; and (3) the officers, employees and representatives of KGI Securities may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business".)

However, as of the date of this report, neither KGI Securities nor its representative(s) who produced this report (each a "research analyst"), has any proprietary position or material interest in, and KGI Securities does not make any market in, the securities which are recommended in this report.

Each research analyst of KGI Securities who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of KGI Securities or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including KGI Securities's total revenues, a portion of which are generated from KGI Securities's business of dealing in securities.

Copyright 2019. KGI Securities (Singapore) Pte. Ltd. All rights reserved.