

Market Indicators

	3-Nov	6-Nov	7-Nov
Mkt. T/O (S\$ mil)	914.8	1,300.8	1,404.0
Stock Advances	215	210	257
Stock Declines	206	238	184

Major Indices

	3-Nov	6-Nov	7-Nov
DJ Ind Avg	23,539.2	23,548.4	23,557.2
S & P 500	2,587.8	2,591.1	2,590.6
Nasdaq Comp	6,764.4	6,786.4	6,767.8
Hang Seng	28,603.6	28,596.8	28,994.3

STI Index 3,413.10 (+0.92%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,277.79	0.09%
Oil (NYMEX CWT11) US\$ / bbl	57.03	-0.66%
Baltic Dry Index	1473	-0.20%

Exchange Rates



USD : SGD 1.3631 / MYR : SGD 3.1004

Source: Bloomberg

Interest Rates

3-mth Sibor	1.126%
SGS (10 yr)	2.101%

KGI Securities Research Team

Market Colour

Markets may take a breather today after regional equities rose 4% to 10% over the month, led by Japan's Nikkei 225, while the MSCI Asia Pacific Index rose to its highest in about 10 years yesterday. The positive momentum has been largely driven by positive earnings growth, led by the information technology sectors. In the US, more than 70% of the S&P 500 companies that have reported so far have delivered earnings above consensus estimates, according to FactSet Insight.

News

ST Engineering: 3Q17 net profit rose 68% YoY to S\$128m even as revenue remained flat at S\$1.6bn. The improvement was mainly due to the absence of the S\$61m impairment in the prior year period for its specialty vehicle business in China. ST Engineering president and CEO Vincent Chong said that the firm's order book continues to be strong, and it maintains its outlook of comparable revenue and profit before tax for the year. **ST Engineering offers a dividend yield of 4.3% to 4.7% for FY17-19. Consensus has a fair value of S\$3.89, implying a 12% upside from its current price.**

DBS: Shares surged by as much as 4% in trading yesterday after the group cleaned up its loans to the oil and gas sector. The step removes uncertainty over asset quality, enabling investors to refocus on operating performance and the bank's digitalisation agenda, DBS said. DBS' share price has risen by 35% year-to-date, outperforming the STI's 18% gains. The bank expects 7-8% loan growth for 2017 and 2018 driven by growth in Asia. China and the ASEAN five (Indonesia, Malaysia, the Philippines, Thailand and Vietnam) have seen their growth upgraded in tandem with higher global growth in recent months. In Singapore, Prime Minister Lee Hsien Loong said last month that growth this year will be nearly 3%, closer to the upper end of an earlier forecast of 2 and 3%. **Consensus has a fair value of S\$24.7, implying a 5% upside. DBS is expected to benefit from a rebound in lending, better margins and growth from its non-interest income business, led by wealth management. DBS placed sixth in 2016 in the Asian Private Banker's ranking of the region's largest private banks.**

Razer: Prices its IPO at HK\$3.88 per share, near the top end of its indicated price range on the back of strong interest from Hong Kong's retail investors, according to a report by Bloomberg. The Hong Kong public tranche was 289 times over-subscribed with 21 million people placing orders, local media reported. This compares with Tencent's China Literature, which was 623 times over-subscribed. ZhongAn Online P&C Insurance Co, which listed in September, was 393 times over-subscribed. Based on the IPO price, Razer would be valued at around US\$4.4bn.

Business Times / Bloomberg / Straits Times / The Edge Markets / SGX

Commentaries From The Trading Desk

6/11	DBS firing well, however will old exposures haunt it?
27/10	Tapering announced, but no tantrum by stocks! Or is this simply a premature assumption?
23/10	Hang Seng is having a "Minsky Moment" while the SET may be going through a "Blumont Impact"

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	23.49	60,079	3.1%	39.6%	3.1%	2.8%	3.1%
OCBC SP	OCBC	11.81	49,475	0.8%	36.9%	(0.8%)	3.1%	3.3%
UOB SP	UOB	25.13	41,787	1.5%	27.0%	2.1%	2.9%	3.1%
SGX SP	SGX	7.65	8,194	(0.9%)	10.9%	(0.3%)	4.0%	4.2%
PROPERTIES								
AREIT SP	Ascendas REIT	2.67	7,705	0.8%	25.1%	0.4%	6.0%	6.1%
CAPL SP	CapitaLand	3.72	15,799	1.1%	26.5%	1.4%	2.7%	2.8%
CCT SP	CapitaLand Comm Trust	1.83	6,603	1.4%	34.8%	5.5%	4.8%	4.8%
CT SP	CapitaLand Mall Trust	2.02	7,163	0.0%	13.3%	0.0%	5.4%	5.4%
CIT SP	City Development	12.45	11,321	0.1%	52.6%	(3.8%)	1.2%	1.2%
GLP SP	Global Logistic	3.32	15,595	(0.3%)	53.7%	0.0%	1.8%	2.0%
HKL SP	Hongkong Land USD	7.46	23,950	1.1%	21.0%	2.9%	2.7%	2.8%
UOL SP	UOL	8.82	7,422	(0.2%)	50.3%	(2.4%)	1.7%	1.7%
TELECOMMUNICATIONS								
ST SP	SingTel	3.78	61,724	(0.3%)	6.4%	0.8%	5.2%	4.8%
STH SP	StarHub	2.74	4,738	0.4%	2.2%	4.2%	5.8%	5.7%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	39.10	15,454	(0.1%)	(2.9%)	(0.7%)	2.8%	3.0%
JM SP	Jardine Matheson USD	66.85	66,242	1.3%	23.8%	4.4%	2.4%	2.5%
GENS SP	Genting Singapore	1.27	15,272	2.8%	44.1%	4.1%	2.4%	2.4%
SPH SP	SPH	2.67	4,268	(1.1%)	(23.0%)	(1.1%)	5.2%	5.1%
THBEV SP	ThaiBev	0.96	24,106	0.0%	16.1%	(2.0%)	3.1%	3.2%
TRANSPORT								
SIA SP	Singapore Airlines	10.32	12,204	(0.7%)	7.8%	0.5%	2.3%	2.2%
CD SP	ComfortDelGro	2.02	4,370	(0.5%)	(14.7%)	0.0%	5.2%	5.4%
COMMODITIES								
GGR SP	Golden Agri	0.40	5,030	0.0%	(6.5%)	0.0%	1.7%	2.4%
WIL SP	Wilmar	3.34	21,126	(1.2%)	(5.0%)	(1.5%)	2.2%	2.8%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.62	13,814	1.6%	35.7%	1.6%	2.7%	3.1%
SCI SP	Sembcorp Industries	3.27	5,835	0.3%	17.4%	(0.9%)	2.4%	3.0%
YZJSGD SP	Yangzijiang SGD	1.58	6,251	1.0%	99.6%	0.0%	2.9%	2.8%
SATS SP	SATS	4.74	5,305	0.2%	(0.1%)	0.9%	3.7%	3.9%
SIE SP	SIA Engineering	3.28	3,668	(0.6%)	0.9%	0.6%	3.8%	4.1%
STE SP	ST Engineering	3.47	10,812	(1.1%)	11.8%	(0.3%)	4.3%	4.5%
HPHT SP	HPH Trust USD	0.43	5,111	0.0%	7.1%	0.0%	6.1%	6.3%

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

STI Reserve List (by market cap) - STI next review date: 30 November 2017

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 (%)
SUN SP	Suntec REIT	1.96	5,186	0.3%	25.1%	1.5%	5.1%	5.0%
MCT SP	Mapletree Commercial	1.57	4,503	0.0%	18.9%	0.6%	5.7%	5.7%
VMS SP	Venture Corp	21.87	6,216	(0.5%)	130.2%	12.2%	2.7%	2.8%
SIE SP	SIA Engineering	3.28	3,668	(0.6%)	0.9%	0.6%	3.8%	4.1%
KREIT SP	Keppel REIT	1.18	3,969	0.0%	21.9%	0.4%	5.1%	5.1%

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 7 Nov 17	Yield (%)
Far East Hospitality Trust	2-Nov-17	3Q17	SGD 0.010300	8-Nov-17	10-Nov-17	15-Dec-17	SGD 0.710	1.5
Frasers Logistics & Industrial Trust	2-Nov-17	FY17	SGD 0.01680	8-Nov-17	10-Nov-17	19-Dec-17	SGD 1.155	1.5
StarHub	2-Nov-17	3Q17	SGD 0.0400	8-Nov-17	10-Nov-17	24-Nov-17	SGD 2.740	1.5
Lippo Malls Indonesia Retail Trust	2-Nov-17	3Q17	SGD 0.0086	9-Nov-17	13-Nov-17	29-Nov-17	SGD 0.440	2.0
Ascendas Hospitality Trust	6-Nov-17	2Q18	SGD 0.02730	10-Nov-17	14-Nov-17	12-Dec-17	SGD 0.890	3.1
Ascendas India Trust	25-Oct-17	3Q18	SGD 0.02810	13-Nov-17	15-Nov-17	27-Nov-17	SGD 1.155	2.4
AVI-Tech Electronics	16-Aug-17	FY17	SGD 0.0100	13-Nov-17	15-Nov-17	29-Nov-17	SGD 0.545	1.8
AVI-Tech Electronics - Special	16-Aug-17	FY17	SGD 0.0080	13-Nov-17	15-Nov-17	29-Nov-17	SGD 0.545	1.5
Hatten Land Ltd	16-Aug-17	FY17	SGD 0.0005	13-Nov-17	15-Nov-17	30-Nov-17	SGD 0.205	0.2
PEC	28-Aug-17	FY17	SGD 0.0200	13-Nov-17	15-Nov-17	29-Nov-17	SGD 0.690	2.9
PEC - Special	28-Aug-17	FY17	SGD 0.0050	13-Nov-17	15-Nov-17	29-Nov-17	SGD 0.690	0.7
SIA Engrg Co	3-Nov-17	2Q18	SGD 0.0400	15-Nov-17	17-Nov-17	28-Nov-17	SGD 3.280	1.2
Datapulse Technology Ltd	21-Sep-17	FY17	SGD 0.0050	20-Nov-17	22-Nov-17	1-Dec-17	SGD 0.375	1.3
Hi-P International Ltd	6-Nov-17	3Q17	SGD 0.0200	20-Nov-17	22-Nov-17	4-Dec-17	SGD 1.930	1.0
Sunright Ltd	22-Sep-17	FY17	SGD 0.0030	21-Nov-17	23-Nov-17	8-Dec-17	SGD 0.845	0.4
AEM Holdings Ltd	2-Nov-17	3Q17	SGD 0.03000	22-Nov-17	24-Nov-17	8-Dec-17	SGD 3.440	0.9

Latest Rights Issue Announcement

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Z-Obee Holdings	2 offer shares @ US\$0.16 (equivalent to approximately HK\$1.248) per offer share for every 5 consolidated shares held		27-Oct-17 at 5.00 p.m.	Delisting from SGX: 28-Nov-17	

Source: SGX Announcement

Latest Listing Issue Announcement

Company	Offer Price	Closing Date	Offeror
Fischer Tech - Scheme of arrangement	SGD 3.02 Cash	5.00 p.m. on 1 Nov 2017	FT Holding II Ltd
Expected Payment Date: 13 Nov 2017			
GP Batteries International	SGD 1.30 Cash	5.30 p.m. on 17 Nov 2017	GP Industries Limited
New Wave Holdings Ltd.	S\$0.0130 Cash	5.30 p.m. on 30 Nov 2017	JK Global Assets Pte. Ltd.
Poh Tiong Choon Logistics	SGD 1.30 Cash	5.30 p.m. on 20 Nov 2017	Respond Logistics Pte. Ltd.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday		Tuesday		Wednesday		Thursday		Friday	
6-Nov		7-Nov		8-Nov		9-Nov		10-Nov	
Q2: Ascendas Hospitality Trust / Vallianz Hldgs Q3: BreadTalk Grp / DBS (Before mkt open) / Genting Spore PLC / Kingsmen Creatives		Q2: RHT Health Trust / Spore Airlines Q3: BHG Retail REIT / Hi-P Int'l / OKP Hldgs / Perennial Real Estate Hldgs IPO: Keppel KBS US REIT (Mainboard): Close @ 12.00 noon		Q3: Best World Int'l / CapitaLand / EC World REIT / First Ship Lease Trust / Frencken Grp / Spore Technologies Engrg / Vicom		Q2: NetLink NBN Trust / SATS / Spore Telecoms / Valuetronics Hldgs Q3: City Devpts / Ezion / Fragrance Grp / Ho Bee Land / IREIT Global / KrisEnergy / Noble Grp / Nordic Grp / Parkway Life REIT / SBS Transit / Thakral Corp / Trendlines Grp / UOL Grp IPO: Keppel KBS US REIT (Mainboard): Commence Trading @ 2.00 p.m.		Q2: Global Logistic Properties / KSH Hldgs Q3: CNMC Goldmine Hldgs / ComfortDelGro Corp / Elec & Eltek Int'l / Global Invts / Hiap Hoe / Hong Leong Finance / Htl Royal / IFS Capital / mDR / Mewah Int'l Inc / Sino Grandness Food / Vard Hldgs / World Precision Machinery (Release on Sat, 11-Nov) Q4: Frasers Centrepoint	
13-Nov		14-Nov		15-Nov		16-Nov		17-Nov	
Q1: Health Mgt Int'l Q2: Accordia Golf Trust / Foreland Fabrictech Hldgs Q3: Amara Hldgs / Asian Pay Television Trust / China Everbright Water / China SunSine Chemical Hldgs / Sinarmas Land / Spore Reinsurance / Utd Engineers / Wilmar Int'l		Q1: ASL Marine Hldgs Q2: RHT Health Trust / Serrano / Shanghai Turbo Enterprise / Tat Hong Hldgs		Q3: Olam Int'l					
20-Nov		21-Nov		22-Nov		23-Nov		24-Nov	
						SG (Oct 2017): CPI		SG: 3Q17 GDP (Not later than 24 Nov)	
27-Nov		28-Nov		29-Nov		30-Nov		1-Dec-17	
						STI Review			
4-Dec		5-Dec		6-Dec		7-Dec		8-Dec	

* Tentative

Source: Bloomberg

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