

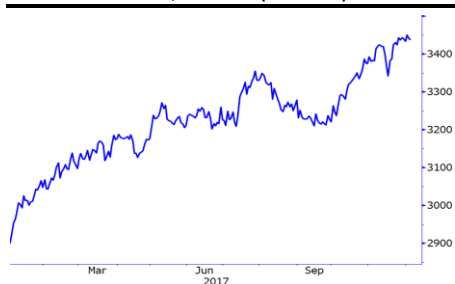
## Market Indicators

	1-Nov	4-Dec	5-Dec
Mkt. T/O (S\$ mil)	1,167.8	786.0	1,043.2
Stock Advances	236	179	173
Stock Declines	204	259	287

## Major Indices

	1-Nov	4-Dec	5-Dec
DJ Ind Avg	24,231.6	24,290.1	24,180.6
S & P 500	2,642.2	2,639.4	2,629.6
Nasdaq Comp	6,847.6	6,775.4	6,762.2
Hang Seng	29,074.2	29,138.3	28,842.8

**STI Index** 3,438.06 (-0.01%)

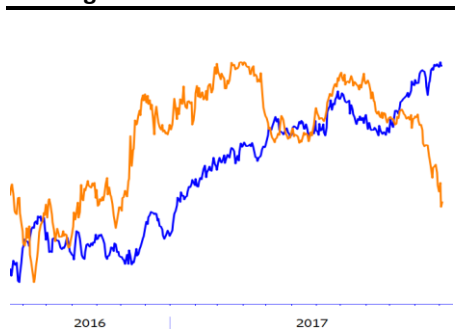


Source: Bloomberg

## Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,266.50	-0.71%
Oil (NYMEX CWT11) US\$ / bbl	57.47	0.37%
Baltic Dry Index	1662	2.21%

## Exchange Rates



USD : SGD 1.3471 / MYR : SGD 3.0156

Source: Bloomberg

## Interest Rates

3-mth Sibor	1.210%
SGS (10 yr)	2.058%

## KGI Macro Update: 2018 Global Outlook

### Global economic growth to continue in 2018F, but performances of major economies may not be as strong as in 2017

The current global economic recovery is driven by: (1) restocking demand; (2) recovery of capital expenditure; (3) financial conditions easing; and (4) US dollar weakness. For 2018, we do not expect the global economy to see a downturn anytime soon, based on the capex and PMI of major economies, and we have not seen any signs of stock markets turning bearish. That being said, as economic expansion approaches the final stage, we estimate GDP growth rates of major economies will slip 0.1-0.2ppt YoY next year.

We see two noteworthy long-term trends: (1) customization is playing a more important role in the development of automation, and so the place of production is becoming geographically closer to the end market. Notably, automation is expanding from manufacturing to the service industry, reducing labour costs of the latter. We believe the prevalence of automation will not only narrow the production cost gap between developed and emerging economies, but also change consumption patterns, driving industries to develop according to their comparative advantages; and (2) demographic dividends will wane in Asia and rise in Africa. The latter is still considered a frontier market, according to MSCI. However, we see huge growth potential in Africa's economy and stock markets.

### Positive economic outlook for US & EU; we like US large-caps & tech, but note that EU stocks may outperform US on currency weakness.

The US economy is still picking up pace, and remains the best performer among developed countries. Concerns over possible inverted yield curve hurting the economy are overdone, in our view. Regarding the stock market, narrowing short-term and long-term bond yield spreads, as a result of the Fed's rate hikes, bodes well for large-cap names. Sector wise, we prefer tech and are especially upbeat about semiconductor plays. Investors should monitor the effects of inflation, interest rate hikes, tax reform and the stability of the Trump administration. In Europe, we expect stocks to outperform their US peers given a noticeable economic recovery, a weak euro, and anticipation of the German bond yield picking up. We are particularly high on German stocks, which are backed by solid fundamentals. While short-term political risks in the EU are limited, we note that the discrepancies in the long-term economic development and fiscal condition of individual member states could undermine the stability of the EU and euro.

### We prefer large-caps in China on tightening policies; emerging Asia to outperform other emerging economies; EMEA to benefit from cheap valuations.

China's credit-driven economic growth may not be sustainable, especially as President Xi has secured power after the 19th National Congress Meeting and has decided to press on with reforms. We think the Chinese government will opt for tightening policies in 2018, and while supply-side reforms will hurt both the economy and stock market in the near term, we believe positive effects will materialize in the long run. For stock market, we still prefer large-cap names. For emerging markets, we expect the economic recovery will begin to lose pace in 2018, with the US dollar being a major swing factor, alongside demand from China and leveraging of domestic private sectors. Of all emerging markets, we favor emerging Asia, and note that EMEA will benefit from undemanding valuations.

**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 (%)
<b>FINANCIALS</b>								
DBS SP	DBS	24.80	63,429	0.8%	47.4%	0.6%	2.7%	3.0%
OCBC SP	OCBC	12.51	52,395	1.2%	45.0%	1.7%	3.0%	3.2%
UOB SP	UOB	26.32	43,769	0.2%	33.0%	1.2%	2.8%	3.0%
SGX SP	SGX	7.49	8,023	(0.1%)	8.6%	(0.3%)	4.1%	4.4%
<b>PROPERTIES</b>								
AREIT SP	Ascendas REIT	2.64	7,618	(0.8%)	23.7%	(0.4%)	6.1%	6.3%
CAPL SP	CapitaLand	3.48	14,780	(1.7%)	18.4%	(1.4%)	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.85	6,675	(0.5%)	36.2%	1.1%	4.8%	4.8%
CT SP	CapitaLand Mall Trust	2.06	7,306	(0.5%)	15.5%	(1.0%)	5.3%	5.3%
CIT SP	City Development	11.88	10,802	(2.9%)	45.6%	(3.5%)	1.3%	1.3%
GLP SP	Global Logistic	3.36	15,783	0.3%	55.5%	0.9%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.18	22,757	(0.7%)	16.5%	(0.8%)	2.8%	2.9%
UOL SP	UOL	8.56	7,204	(2.7%)	45.9%	(3.2%)	1.7%	1.7%
<b>TELECOMMUNICATIONS</b>								
ST SP	SingTel	3.75	61,234	0.0%	5.6%	0.5%	5.6%	4.9%
STH SP	StarHub	2.89	4,997	(0.3%)	9.4%	0.7%	5.5%	5.4%
<b>CONSUMER SERVICES AND GOODS</b>								
JCNC SP	Jardine C&C	40.27	15,916	0.0%	(0.0%)	0.7%	2.7%	2.8%
JM SP	Jardine Matheson USD	63.50	62,124	0.0%	17.6%	(2.1%)	2.5%	2.6%
GENS SP	Genting Singapore	1.35	16,234	0.0%	53.2%	0.7%	2.2%	2.3%
SPH SP	SPH	2.77	4,428	(0.7%)	(20.1%)	1.1%	5.0%	4.9%
THBEV SP	ThaiBev	0.96	23,980	0.5%	15.5%	(2.6%)	3.1%	3.3%
<b>TRANSPORT</b>								
SIA SP	Singapore Airlines	10.44	12,346	(0.4%)	10.1%	(0.7%)	2.6%	2.3%
CD SP	ComfortDelGro	2.00	4,327	(1.0%)	(15.6%)	(2.4%)	5.2%	5.3%
<b>COMMODITIES</b>								
GGR SP	Golden Agri	0.38	4,776	0.0%	(9.6%)	1.4%	1.8%	2.5%
WIL SP	Wilmar	3.12	19,735	(0.6%)	(11.3%)	(1.0%)	2.4%	2.8%
<b>OFFSHORE &amp; MARINE/INDUSTRIALS</b>								
KEP SP	Keppel Corp	7.67	13,906	(1.3%)	36.6%	(0.9%)	2.8%	3.2%
SCI SP	Sembcorp Industries	3.03	5,407	(0.7%)	8.8%	(1.3%)	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.51	5,993	(0.7%)	91.4%	(5.0%)	3.1%	3.0%
SATS SP	SATS	5.25	5,876	(0.2%)	12.0%	1.5%	3.3%	3.5%
SIE SP	SIA Engineering	3.16	3,534	(0.6%)	(1.6%)	(0.3%)	4.3%	4.5%
STE SP	ST Engineering	3.24	10,095	(0.3%)	4.4%	(1.2%)	4.6%	4.8%
HPHT SP	HPH Trust USD	0.41	4,811	(1.2%)	2.1%	(1.2%)	6.4%	6.6%

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	20.54	5,843	0.9%	116.2%	(2.4%)	3.0%	3.0%
SUN SP	Suntec REIT	2.02	5,358	0.5%	29.3%	1.0%	5.0%	4.9%
MCT SP	Mapletree Commercial	1.57	4,520	(0.6%)	19.2%	0.0%	5.7%	5.7%
KREIT SP	Keppel REIT	1.24	4,180	0.8%	28.1%	(0.8%)	4.8%	4.8%
SMM SP	Semcorp Marine	1.91	3,989	(0.5%)	40.1%	3.8%	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 5 Dec 17	Yield (%)
BreadTalk Group Ltd	6-Nov-17	3Q17	SGD 0.01000	<b>6-Dec-17</b>	8-Dec-17	21-Dec-17	SGD 1.580	0.6
Singapore Press Hldgs	11-Oct-17	FY17	SGD 0.0300	<b>6-Dec-17</b>	8-Dec-17	22-Dec-17	SGD 2.770	1.1
Singapore Press Hldgs - Special	11-Oct-17	FY17	SGD 0.0600	<b>6-Dec-17</b>	8-Dec-17	22-Dec-17	SGD 2.770	2.2
Vicplas International Ltd	22-Sep-17	FY17	SGD 0.0050	<b>8-Dec-17</b>	12-Dec-17	21-Dec-17	SGD 0.103	4.9
Asian Pay Television Trust	13-Nov-17	1Q17	SGD 0.01625	<b>13-Dec-17</b>	15-Dec-17	22-Dec-17	SGD 0.600	2.7
Singapore Telecoms	9-Nov-17	2Q18	SGD 0.0680	<b>18-Dec-17</b>	20-Dec-17	10-Jan-18	SGD 3.750	1.8
Singapore Telecoms - Special	9-Nov-17	2Q18	SGD 0.0300	<b>18-Dec-17</b>	20-Dec-17	10-Jan-18	SGD 3.750	0.8
Fraser and Neave	8-Nov-17	FY17	SGD 0.03000	<b>31-Jan-18</b>	2-Feb-18	14-Feb-17	SGD 2.540	1.2
Frasers Centrepoint	10-Nov-17	FY17	SGD 0.06200	<b>31-Jan-18</b>	2-Feb-18	14-Feb-18	SGD 2.050	3.0
Thai Beverage PCL	23-Nov-17	FY17	<b>Baht</b> 0.4700	<b>8-Feb-18</b>	12-Feb-18	28-Feb-18	SGD 0.955	2.0

**Latest Rights Issue Announcement**

Company	Particulars	Ex-Date	Book Close	Rights Trading Period	
				From	To
Amplefield	3 Rts Shares @ S\$0.05 for each Rts Share with 2 free detachable warrants (exercise price S\$0.05) for every 1 ord share held	21-Nov-17	23-Nov-17	<b>28-Nov-17</b>	<b>6-Dec-17</b>
CFM Hldgs	6 Rights Share @ S\$0.015 for each Rights Share for every 7 existing shares held	21-Nov-17	23-Nov-17	<b>28-Nov-17</b>	<b>6-Dec-17</b>
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		
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	<b>7-Dec-17</b>	<b>15-Dec-17</b>

Source: SGX Announcement

**Amplefield** : Expected date for the listing and commencement of trading of Warrants: Thursday, 21 December 2017 from 9.00 a.m.

**CWX Global** : Expected date for the listing and commencement of trading of Warrants: Tuesday, 19 December 2017 from 9.00 a.m.

**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
4-Dec	5-Dec 2Q: Del Monte Pacific	6-Dec	7-Dec	8-Dec Q3: Cogent Hldgs
11-Dec	12-Dec	13-Dec	14-Dec Q3: JES Int'l Hldgs	15-Dec Q3: Resources Prima Grp
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: Triyards Hldgs
1-Jan-18	2-Jan	3-Jan	4-Jan	5-Jan

\* Tentative

Source: Bloomberg

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