

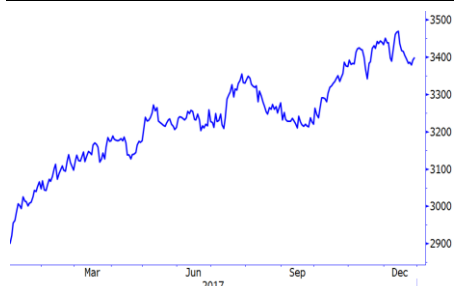
Market Indicators

	26-Dec	27-Dec	28-Dec
Mkt. T/O (S\$ mil)	512.9	603.7	652.2
Stock Advances	157	249	269
Stock Declines	198	130	132

Major Indices

	26-Dec	27-Dec	28-Dec
DJ Ind Avg	24,746.2	24,774.3	24,837.5
S & P 500	2,680.5	2,682.6	2,687.5
Nasdaq Comp	6,936.3	6,939.3	6,950.2
Hang Seng	Closed	29,597.7	29,863.7

STI Index 3,399.10 (+0.22%)



Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,294.18	0.09%
Oil (NYMEX CWT1) US\$ / bbl	59.84	0.12%
Baltic Dry Index	1366	-4.48%

Exchange Rates



Source: Bloomberg

Interest Rates

3-mth Sibor	1.249%
SGS (10 yr)	1.970%

KGI Securities Research Team

Market Colour

The lack of short-term upside catalysts and lower trading volumes may keep activity among Singapore equities focused on rotational and situational plays. Among shares that were in focus included Venture Corp, Allied Technology, City Development, OCBC, Chip Eng Seng and LHN Group. Despite the lacklustre year-end trading activity, Singapore's economy continues to remain in line with the strengthening global economy, with November factory output numbers coming in 5.3% higher YoY.

News

Soilbuild Business Space REIT (SBREIT): Has signed a put and call option agreement to divest its Tuas property for S\$55m. The property is currently leased to KTL Offshore under a lease agreement, which expires in August 2021. As at 28 Dec 2017, trade receivables due from KTL Offshore comprised about six months of rent and other charges, including a sum of S\$1.5m. This divestment reduces SBREIT's exposure to the Offshore & Marine and Oil & Gas sectors, and minimizes its portfolio's credit risk. This is an opportunity to rejuvenate its tenant mix and reposition itself for the future. Part of the proceeds will be used to fund acquisitions, possibly in Australia, since it plans to diversify outside Singapore. **This may be a possible catalyst for a re-rating of the stock. SBREIT currently offers an attractive dividend yield of about 8.0%.**

QAF Limited: Has decided to cease its bakery operations in China which continue to be loss-making. The Chinese bakery operations are undertaken through a 55% held subsidiary of the group, with the remaining 45% held by a company in which controlling shareholder Lin Kejian has an interest. According to the management, the board is evaluating other options on the group's future direction in the PRC including focusing on trading in food-related products. Apart from PRC, QAF also has operations in Singapore, Malaysia and Philippines. **QAF currently trades at S\$1.11, near its 52-week lows.**

Hyflux: Is distributing shares of its consumer business with an eye to eventually list the unit. The water treatment company is planning to distribute 70% of the shares in Hyfluxshop Holdings to Hyflux's existing shareholders on the basis of one Hyfluxshop share for every 10 Hyflux shares held. Hyflux will retain the remaining 30% stake in Hyfluxshop. According to the management, Hyfluxshop is expected to be in a position to consider listing on a recognised stock exchange, should future growth performance be on track and market conditions of the capital markets be favourable. **Hyflux currently trades at S\$0.37 and is near its 52-week lows.**

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

Commentaries From The Trading Desk

6/12	Spiking SIBOR could play a dampener on high flying property names
4/12	What Tencent giveth, Tencent can also take back!
8/11	A narrative of a stock entering its 'blow-off' phase

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	24.90	63,685	0.1%	48.0%	1.4%	2.6%	2.9%
OCBC SP	OCBC	12.45	52,125	1.1%	44.3%	1.7%	3.0%	3.2%
UOB SP	UOB	26.08	43,372	(0.5%)	31.8%	0.9%	2.8%	3.0%
SGX SP	SGX	7.43	7,958	0.1%	7.7%	0.0%	4.1%	4.4%
PROPERTIES								
AREIT SP	Ascendas REIT	2.70	7,797	0.7%	26.5%	0.0%	5.9%	6.1%
CAPL SP	CapitaLand	3.53	14,992	0.6%	20.1%	0.3%	2.9%	3.0%
CCT SP	CapitaLand Comm Trust	1.94	7,000	1.0%	42.9%	2.1%	4.5%	4.5%
CT SP	CapitaLand Mall Trust	2.14	7,589	0.9%	20.0%	0.5%	5.1%	5.1%
CIT SP	City Development	12.43	11,303	1.1%	52.3%	1.3%	1.2%	1.2%
GLP SP	Global Logistic	3.36	15,783	0.0%	55.5%	0.0%	1.8%	1.9%
HKL SP	Hongkong Land USD	7.04	22,156	0.1%	14.2%	0.4%	2.8%	3.0%
UOL SP	UOL	8.75	7,365	0.7%	49.1%	0.7%	1.7%	1.7%
TELECOMMUNICATIONS								
ST SP	SingTel	3.60	58,785	0.3%	4.1%	0.8%	5.8%	5.1%
STH SP	StarHub	2.91	5,032	0.7%	10.2%	0.7%	5.5%	5.4%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	40.19	15,885	(0.7%)	(0.2%)	(0.2%)	2.7%	2.8%
JM SP	Jardine Matheson USD	60.91	59,170	0.2%	12.8%	(0.3%)	2.6%	2.7%
GENS SP	Genting Singapore	1.31	15,771	0.0%	48.6%	(0.8%)	2.3%	2.4%
SPH SP	SPH	2.67	4,268	0.0%	(20.4%)	1.1%	5.2%	5.1%
THBEV SP	ThaiBev	0.91	22,850	0.0%	10.1%	(2.7%)	3.2%	3.4%
TRANSPORT								
SIA SP	Singapore Airlines	10.66	12,606	0.1%	12.4%	0.5%	2.5%	2.3%
CD SP	ComfortDelGro	1.95	4,219	(0.5%)	(17.7%)	2.1%	5.3%	5.4%
COMMODITIES								
GGR SP	Golden Agri	0.37	4,712	0.0%	(10.8%)	(1.3%)	1.8%	2.2%
WIL SP	Wilmar	3.08	19,483	(0.3%)	(12.4%)	(0.3%)	2.4%	2.9%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	7.33	13,291	0.1%	30.5%	(1.6%)	2.9%	3.3%
SCI SP	Sembcorp Industries	3.02	5,389	0.3%	8.4%	0.3%	2.5%	3.2%
YZJSGD SP	Yangzijiang SGD	1.47	5,834	(0.7%)	86.3%	(2.0%)	3.2%	3.1%
SATS SP	SATS	5.25	5,876	0.2%	12.0%	1.0%	3.3%	3.5%
SIE SP	SIA Engineering	3.15	3,523	0.6%	(1.9%)	1.6%	4.3%	4.4%
STE SP	ST Engineering	3.23	10,064	0.9%	4.1%	0.6%	4.6%	4.8%
HPHT SP	HPH Trust USD	0.42	4,836	1.2%	3.4%	2.5%	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	20.44	5,817	1.3%	115.1%	0.7%	3.0%	3.0%
SUN SP	Suntec REIT	2.15	5,703	1.9%	37.6%	1.9%	4.7%	4.6%
MCT SP	Mapletree Commercial	1.63	4,693	0.0%	23.8%	1.2%	5.5%	5.5%
KREIT SP	Keppel REIT	1.27	4,281	0.8%	31.2%	0.8%	4.7%	4.7%
SMM SP	Semcorp Marine	1.85	3,863	(0.5%)	35.7%	(4.6%)	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 28 Dec 17	Yield (%)
Second Chance Properties Ltd	30-Oct-17	FY17	SGD 0.0030	3-Jan-18	5-Jan-18	15-Jan-18	SGD 0.260	1.2
AF Global Ltd	6-Nov-17	3Q17	SGD 0.01000	4-Jan-18	8-Jan-18	16-Jan-18	SGD 0.230	4.3
JB Foods Ltd	13-Nov-17	3Q17	SGD 0.0200	24-Jan-18	26-Jan-18	1-Mar-18	SGD 0.540	3.7
Fraser and Neave	8-Nov-17	FY17	SGD 0.03000	31-Jan-18	2-Feb-18	14-Feb-17	SGD 2.570	1.2
Frasers Centrepoint	10-Nov-17	FY17	SGD 0.06200	31-Jan-18	2-Feb-18	14-Feb-18	SGD 2.090	3.0
Thai Beverage PCL	23-Nov-17	FY17	Baht 0.4700	8-Feb-18	12-Feb-18	28-Feb-18	SGD 0.910	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		

Source: SGX Announcement

Latest Listing Issue Announcement

Company	Offer Price	Closing Date	Offeror
Cogent Holdings Ltd	SGD 1.02 Cash	5.30 p.m. on 5 Jan 2018	COSCO Shipping Int'l (Singapore) Co., Ltd.
Global Logistic Properties Ltd	SGD 3.38 Cash	5.00 p.m. on 9 Jan 2018	Nesta Investment Hldgs Ltd
Rotary Engineering	SGD 0.460 Cash	5.30 p.m. on 24 Jan 2018	OROCHEM PTE. LTD.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
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: No Signboard Hldgs (Release on Sat, 30-Dec) / Triyards Hldgs
1-Jan-18	2-Jan SG: 4Q17 Advance GDP Estimates	3-Jan	4-Jan	5-Jan Q1: SPH REIT *Q1: Triyards Hldgs
8-Jan	9-Jan	10-Jan	11-Jan	12-Jan
15-Jan	16-Jan	17-Jan	18-Jan	19-Jan Q2: Spore Exchange

* Tentative

Source: Bloomberg

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