

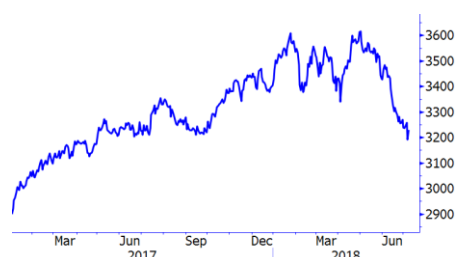
Market Indicators

	5-Jul	6-Jul	9-Jul
Mkt. T/O (S\$ mil)	964.0	2,000.5	1,213.7
Stock Advances	183	123	242
Stock Declines	195	289	144

Major Indices

	5-Jul	6-Jul	9-Jul
DJ Ind Avg	24,356.7	24,456.5	24,776.6
S & P 500	2,736.6	2,759.8	2,784.2
Nasdaq Comp	7,586.4	7,688.4	7,756.2
Hang Seng	28,182.1	28,315.6	28,688.5

STI Index 3,228.82 (+1.16%)

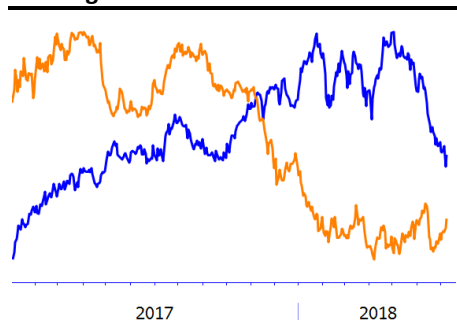


Source: Bloomberg

Commodities

	Current Price	% Chge from Close
Gold (SPOT) US\$ / oz	1,259.05	-0.21%
Oil (NYMEX CWT1) US\$ / bbl	73.99	0.65%
Baltic Dry Index	1622	0.62%

Exchange Rates



USD : SGD 1.3544 / MYR : SGD 2.9745

Source: Bloomberg

Interest Rates

3-mth Sibor	1.631%
SGS (10 yr)	2.414%

KGI Market Ideas

UOL Group: Singapore property developer stocks declined 14-16% last Friday after a new set of cooling measures were announced. Implications could be weaker demand for Singapore residential properties from both foreigners and locals. However, we think UOL at its current price may be oversold as it has significant exposure to the hospitality and commercial sectors, which are recovering. Last month, UOL gained statutory control of UIC Group (UIC SP) after its stake crossed 50%, giving it more exposure to Singapore's commercial sector. Furthermore, UOL had been earlier than other developers in land banking, giving it more flexibility to adjust pricing of future launches. UOL's current 0.6x P/B valuations is attractive at -1 standard deviation below its 10-year mean.

MOMO Inc (MOMO US): Stock continues to recover from its bottom last week and we continue to expect earnings to grow at a CAGR (2017 – 2020F) of 39.2% as it continues to ramp up its monetization strategy and leverage on its growing Monthly Average Users. With Millennials forming the bulk of its user base, we expect Momo's popularity to lead towards higher mobile marketing revenues as enterprises in China shift their focus towards engagement with the millennial generation. **We maintain our buy on Momo Inc with a TP of US\$ 58.93.**

S-REITs: The S-REIT index has declined 9.5% from a 5-year high of 873.9 to 790.7. P/B valuations have corrected by about 10% from its 5 year high of 1.14x to 1.02 (currently around 5-year average). Dividend yields are starting to look attractive at current levels, representing a 3.1% spread above the 10-year benchmark SG Bond yield (currently 2.4%). Recall that the spike in 10-year benchmark yields in February led to the S-REIT sell-off (triggered by accelerated inflation expectations). Benchmark yields have since come back down to February levels. Yield spreads have been narrowing from a 3-year high of 4.6% and may have found the bottom. While this could suggest a rebound in spreads, we believe a spread within the range of 3.5 – 4.0% should confirm its trajectory and offer a decent premium over the benchmark i.e. Dividend yield: 5.9 – 6.4%. Spot rents should continue to rise, but not across all subsectors. **Office** rents have risen 3.2% YTD and are expected to continue on the back favourable demand and supply dynamics. **Warehouses and factories**, on the other hand, are expected to continue declining, albeit at a slower pace, possibly finding the bottom in 2019F. **Business park** rents have risen 0.4% YTD and remain an attractive subsector, in our view. **Retail** rents exhibited similar growth of 0.5% YTD. Finally, **hotel** RevPAR rose 7.1% YTD.

KGI Securities Research Team

Recent In depth Regional Reports

9/7	TH ICT Sector (Neutral): First step, keep eye on the submission date
9/7	TH Intouch Holdings (INTUCH TB; Outperform; TP: Bt 70.00): 2Q18 earnings preview: Strong YoY growth expected
9/7	TH PTT Global Chemical (PTTGC TB; Neutral; TP: Bt 93.00): 2Q18 earnings preview: Oil inventories to be the hero
9/7	TH Ratchaburi Electricity (RATCH TB; Outperform; TP: Bt 66.00): Australia renewable to be key collection
6/7	TW ASPEED Technology (5274 TT; Neutral; TP: NT\$740.00): 2Q18 sales missed; unexciting 3Q18 outlook
6/7	TW Compeq (2313 TT; Neutral; TP: NT\$33.00): 2Q18 sales miss; new SLP suppliers to gain shares in 2H18
6/7	HK Fairwood Holdings (52 HK; Neutral; TP: HK\$33.20): Market share rising, but capped by industry constraints
6/7	CN/HK 3Q18 Strategy: Market sentiment to slightly improve; growth stocks to outperform blue-chips
6/7	CN/HK Stock Liquidity Monitor: Weekly data – Stock incentive & employee shareholding plans
6/7	TH BTS Group Holdings (BTS TB; Outperform; TP: Bt 11.20): BTS announced compensation plan
6/7	TH Thaicom (THCOM TB; Underperform; TP: Bt 9.75): 2Q18 earnings preview: Lower SG&A to push operations
5/7	TW Strategy: Trade war negatives priced in, short-term rebound in sight
5/7	TW LandMark (3081 TT; Neutral; TP: NT\$230.00): Another round of downward revision
5/7	TW St. Shine Optical (1565 TT; Outperform; TP: NT\$740.00): Order uncertainty in the price
5/7	CN Flyco Electrical (603868 CH; Not Rated): Channel restructuring over; new product lines & overseas business the future drivers
5/7	TH Construction Materials Sector (Neutral): Waiting for a turnaround
5/7	TH Contractor Sector (Overweight): Public tenders on track for 2H18
5/7	TH Bumrungrad Hospital (BH TB; Outperform; TP: Bt 236.00): 2Q18 earnings preview: Softer performance QoQ
5/7	TH IRPC (IRPC TB; Outperform; TP: Bt 7.90): 2Q18 earnings preview: The hidden jump
5/7	TH SVI PCL. (SVI TB; Underperform; TP: Bt 3.70): 2Q18 earnings preview: Challenges with profitability
4/7	TW Petrochemicals Sector (Overweight): 2Q18F earnings to be impressive on rising oil prices
4/7	TW Formosa Chemicals (1326 TT; Outperform; TP: NT\$135.00): 2Q18F earnings to fall QoQ
4/7	TW Formosa Petrochemical (6505 TT; Outperform; TP: NT\$132.00): Brisk 2Q18F earnings to be driven by crude oil price hike
4/7	TW Formosa Plastics (1301 TT; Neutral; TP: NT\$118.00): 2Q18F earnings to be supported by AN & MMA
4/7	TW Nan Ya Plastics (1303 TT; Outperform; TP: NT\$95.00): Excellent 2Q18F earnings to be driven by BPA
4/7	HK Man Wah (1999 HK; Outperform; TP: HK\$8.40): China market turned the focus
4/7	TH Srisawad Corporation (SAWAD TB; Outperform; TP: Bt 42.50): Buying opportunity opening
3/7	SG CNMC Goldmine Holdings (CNMC SP; BUY; TP: S\$0.38): Golden opportunity
3/7	TW Petrochemicals Sector (Overweight): Phenol-acetone & BPA new winners in phenol chain
3/7	TW FENC (1402 TT; Outperform; TP: NT\$36.00): We raise 2018-19F PTA & polyester spreads
3/7	TW Feng Tay (9910 TT; Outperform; TP: NT\$202.0): 2019F earnings & ROE to hit record highs
3/7	TW Formosa Chemicals (1326 TT; Outperform; TP: NT\$135.00): PC down, phenol-acetone up
3/7	TW Nan Ya Plastics (1303 TT; Outperform; TP: NT\$95.00): PC ramp ups to boost BPA spread
3/7	TW TPCC (4725 TT; Outperform; TP: NT\$43.00): PC capacity ramp up to kick off in 2H18F
3/7	HK Shenzhou International (2313 HK; Outperform; TP: HK\$104.00): 2H18F outlook better than 1H18
3/7	HK Tsui Wah Holdings (1314 HK; Neutral; TP: HK\$0.96): Losing stream in China dragged FY18 results
3/7	CN/HK Stock Liquidity Monitor: Weekly data – Unlocked non-tradable shares & shareholding changes involving major shareholders
3/7	TH Commodities Update: US takes harsher step on Iran sanctions
3/7	TH BCPG Pcl. (BCPG TB; Neutral; TP: Bt 18.20): A sluggish year
3/7	TH Thai Oil (TOP TB; Neutral; TP: Bt 98.00): Approves large refinery expansion
2/7	TW FDC International Hotels (2748 TT; Outperform; TP: NT\$104.00): Palais de Chine & new banquet brand to spur sales
2/7	TW PharmaEssentia (6446 TT; Outperform; TP: NT\$280.00): Ropeg's approval timeline remains unchanged

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	25.71	65,895	1.4%	7.3%	(2.5%)	4.5%	4.8%
OCBC SP	OCBC	11.31	47,332	0.6%	(7.4%)	(1.7%)	3.8%	4.1%
UOB SP	UOB	26.51	44,254	1.0%	2.4%	(0.5%)	4.3%	4.6%
SGX SP	SGX	7.30	7,812	3.5%	(0.6%)	2.2%	4.1%	4.4%
PROPERTIES								
AREIT SP	Ascendas REIT	2.71	7,941	1.5%	2.6%	3.8%	6.0%	6.3%
CAPL SP	CapitaLand	3.02	12,599	1.0%	(11.6%)	(3.8%)	3.9%	4.1%
CCT SP	CapitaLand Comm Trust	1.73	6,475	1.8%	(6.5%)	6.1%	5.2%	5.2%
CT SP	CapitaLand Mall Trust	2.10	7,452	1.0%	1.3%	4.0%	5.2%	5.4%
CIT SP	City Development	9.62	8,747	1.7%	(22.1%)	(11.6%)	1.8%	1.8%
HKL SP	Hongkong Land USD	7.15	22,778	0.3%	3.6%	0.3%	3.0%	3.0%
UOL SP	UOL	6.71	5,653	0.1%	(22.8%)	(10.5%)	2.5%	2.5%
TELECOMMUNICATIONS								
ST SP	SingTel	3.28	53,559	1.5%	(8.1%)	7.5%	5.5%	5.6%
STH SP	StarHub	1.74	3,011	3.0%	(36.8%)	6.1%	9.0%	7.6%
CONSUMER SERVICES AND GOODS								
JCNC SP	Jardine C&C	32.22	12,735	0.7%	(18.6%)	4.7%	3.7%	4.0%
JM SP	Jardine Matheson USD	63.30	63,110	(0.5%)	6.2%	0.2%	2.6%	2.9%
JS SP	Jardine Strategic Holding	36.40	54,601	0.5%	(7.5%)	(0.7%)	0.9%	1.0%
GENS SP	Genting Singapore	1.18	14,213	0.9%	(8.4%)	(2.5%)	3.0%	3.1%
SPH SP	SPH	2.75	4,395	1.9%	6.1%	6.2%	5.1%	4.9%
THBEV SP	Thai Bev	0.74	18,457	5.0%	(17.7%)	5.0%	3.0%	3.3%
VMS SP	Venture Corp	16.90	4,858	2.4%	(15.1%)	(4.3%)	4.0%	4.1%
TRANSPORT								
SIA SP	Singapore Airlines	10.33	12,216	1.6%	(3.2%)	(0.9%)	3.9%	4.0%
CD SP	ComfortDelGro	2.32	5,023	1.3%	20.4%	2.7%	4.6%	4.9%
COMMODITIES								
GGR SP	Golden Agri	0.29	3,693	(3.3%)	(21.4%)	(4.9%)	2.3%	2.3%
WIL SP	Wilmar	3.07	19,422	1.3%	1.5%	1.0%	3.4%	3.6%
OFFSHORE & MARINE/INDUSTRIALS								
KEP SP	Keppel Corp	6.74	12,222	2.4%	(6.7%)	(3.9%)	3.9%	3.9%
SCI SP	Sembcorp Industries	2.68	4,789	2.3%	(11.0%)	(1.5%)	2.9%	3.6%
YZJSGD SP	Yangzijiang SGD	0.88	3,477	3.5%	(37.6%)	(0.6%)	4.5%	4.4%
SATS SP	SATS	5.19	5,797	3.2%	(0.2%)	5.7%	3.6%	3.8%
STE SP	ST Engineering	3.28	10,231	1.2%	3.5%	0.3%	4.7%	4.9%
HPHT SP	HPH Trust USD	0.29	3,421	1.8%	(27.2%)	3.6%	8.8%	9.1%

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	1.79	4,769	2.3%	(14.7%)	4.1%	5.6%	5.6%
MCT SP	Mapletree Commercial	1.60	4,617	0.6%	1.5%	2.6%	5.6%	5.8%
KREIT SP	Keppel REIT	1.11	3,783	0.9%	(9.9%)	0.9%	5.3%	5.3%
SMM SP	Sembcorp Marine	1.94	4,051	1.6%	5.9%	(2.5%)	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 9 Jul 18	Yield (%)
Dutech Holdings Ltd	14-May-18	1Q18	SGD 0.0100	10-Jul-18	12-Jul-18	27-Jul-18	SGD 0.295	3.4
TEE Land Ltd	12-Apr-18	3Q18	SGD 0.0025	13-Jul-18	17-Jul-18	31-Jul-18	SGD 0.187	1.3
Singapore Post	11-May-18	FY18	SGD 0.0200	16-Jul-18	18-Jul-18	31-Jul-18	SGD 1.290	1.6
SIA Engrg Co	15-May-18	FY18	SGD 0.0900	23-Jul-18	25-Jul-18	7-Aug-18	SGD 3.130	2.9
Singapore Telecoms	17-May-18	FY18	SGD 0.1070	26-Jul-18	30-Jul-18	13-Aug-18	SGD 3.280	3.3
Japan Foods	10-May-18	FY18	SGD 0.0130	30-Jul-18	1-Aug-18	17-Aug-18	SGD 0.480	2.7
Ban Leong Technologies Ltd	25-May-18	FY18	SGD 0.01250	31-Jul-18	2-Aug-18	15-Aug-18	SGD 0.240	5.2
SATS	30-May-18	FY18	SGD 0.1200	31-Jul-18	2-Aug-18	17-Aug-18	SGD 5.190	2.3
Singapore Airlines	17-May-18	FY18	SGD 0.3000	31-Jul-18	2-Aug-18	15-Aug-18	SGD 10.330	2.9

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		
Frasers Logistics & Industrial Trust	1 new unit @ S\$0.967 per new unit for 10 existing units in Frasers Logistics & Industrial Trust (FLT)	16-May-18	18-May-18		
Ocean Sky Int'l	1 Rights Share @ S\$0.062 per Rights Share for every 2 existing shares held and 1 warrant (exercise price S\$0.068) for every 1 Rights Share subscribed	10-Jul-18	12-Jul-18		

Source: SGX Announcement

Latest Bonus & Listing Issue Announcement

Company	Particulars	Ex-Date	Book Close	Payable / Crediting Date	Listing Date
Willas-Array Elec (Hldgs)	1 Bonus share for every 10 existing ord share	7-Aug-18	10-Aug-18		

Source: SGX Announcement

Company	Offer Price	Closing Date	Offeror
Vard Hldgs	SGD 0.25 Cash	5.30 p.m. on 7 Aug 2018	Fincantieri Oil & Gas S.p.A.

Source: SGX Announcement

Appendix 2: Financial Calendar

Monday		Tuesday		Wednesday		Thursday		Friday	
	9-Jul	Q3: SPH REIT	10-Jul	Q3: Spore Press Hldgs	11-Jul		12-Jul		13-Jul
Q2: Keppel REIT / Qian Hu / Soilbuild Biz Space REIT	16-Jul	Q2: First REIT / Keppel DC REIT / Keppel Infrastructure Trust / Keppel-KBS US REIT *Q2: First REIT	17-Jul	Q2: Keppel Telecoms & Tpt / Utd Overseas Insurance	18-Jul	Q1: SATS Q2: CapitaLand Commercial Trust / Keppel Corporation	19-Jul	Q2: CapitaLand Mall Trut / Sembcorp Marine	20-Jul
	23-Jul	Q1: Mapletree Industrial Trust	24-Jul	*Q2: Lonza Grp AG	25-Jul	Q1: Mapletree Commercial Trust / Spore Airlines Q2: Dairy Farm Int'l Hldgs / Hongkong Land Hldgs / Mandarin Oriental Int'l / Parkway Life REIT	26-Jul	Q2: Jardine Matheson Hldgs / Jardine Strategy Hldgs *Q2: Indofood Agri Resources (Release on Sat, 28-Jul) *Q4: Spore Exchange	27-Jul
Q1: Mapletree North Asia Commercial Trust	30-Jul	Q2: Cache Logistics Trust *Q1: Europtronic Grp	31-Jul	Q2: China Aviation Oil Singapore Corp	1-Aug-18	Q2: Thakral Corp	2-Aug	Q2: UOB (Before mkt open) *Q2: Sembcorp Industries / Utd Overseas Australia / Venture Corp	3-Aug
Q2: OCBC (Before mkt open)	6-Aug	*Q2: Best World Int'l	7-Aug		8-Aug		9-Aug	*Q2: ComfortDelGro	10-Aug

* Tentative

Source: Bloomberg

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