

Weekly Wrap of STI

The STI ended 0.03% or 1.16 points higher on Friday to close flat at 3331.98 after recovering in the latter session following release of encouraging March's China trade figures, and closed out a range-bound week with a 0.3% gain from last week.

The STI started the week flat as investors turned to profit-taking after the strong run from the STI as they awaited more news from the US-China trade negotiation. Despite the International Monetary Fund lowering its forecast of 2019 global economic growth, the market managed to shrug off these concerns as news that the US Federal Reserve will continue to remain accommodative in its monetary policy saw the markets rally. On Friday, the STI appeared slightly weighed down by Singapore's lower-than-expected advanced first-quarter estimates in the early session, but managed to crawl back some gains on China's positive trade data.

Year to date, the STI index is up by 8.6% while the Catalyst index is down by 5.4%.

Week Ahead: 15 April – 19 April 2019

Economic Calendar: CN New Yuan Loans (15 Apr), UK Labour Market Report (16 Apr), US Industrial Production (16 Apr), SG Merchandise Trade (17 Apr), CN Fixed Asset Investment (17 Apr), CN GDP (17 Apr), CN Industrial Production (17 Apr), CN Retail Sales (17 Apr), UK CPI (17 Apr), US International Trade (17 Apr), UK Retail Sales (18 Apr), US Jobless Claims (18 Apr), US Retail Sales (18 Apr), US Housing Starts (18 Apr)

Company Results: Keppel Infrastructure Trust (15 Apr), Keppel DC REIT (15 Apr), Keppel-KBS US REIT (16 Apr), Keppel T&T (16 Apr), Keppel REIT (17 Apr), Qian Hu Corp (17 Apr), Soilbuild REIT (17 Apr), Capitaland Commercial Trust (18 Apr), Keppel Corp (18 Apr), United Overseas Insurance (18 Apr), Sabana REIT (20 Apr)

Companies News

1. Acromec secured S\$6.75 million worth of contract from a new client

Catalist-listed Acromec Limited ("Acromec") announced that its wholly-owned subsidiary had sealed a S\$6.75 million contract with an established private laboratory service provider in Singapore. The contract is for the outfitting of two clinical laboratories which provide sophisticated laboratory diagnostic services. The contract was awarded by a established new client belonging to one of Asia's largest healthcare groups. This is Acromec's second contract win in a month and its order book now stands at approximately S\$27 million.

2. DiSa entered into strategic partnership with mobile payment solutions provider

Catalist-listed digital security company DiSa Limited ("DiSa") announced that it has sealed a strategic partnership with Singapore-based mobile payment solutions provider SCash Technologies Pte Ltd ("SCash"). SCash is a fast-growing start-up which helps merchants gain full e-commerce capabilities with its mobile app. The partnership will allow SCash to leverage on DiSa's network of retail clients in the United States and help DiSa diversify its revenue streams. DiSa has invested S\$150,000 for a minority stake in SCash as part of the partnership.

3. Kim Heng successfully completed a S\$3.5 million marine civil engineering contract

Catalist-listed integrated offshore and marine value chain services provider, Kim Heng Offshore & Marine Holdings Limited ("Kim Heng") announced that it had successfully completed a marine civil engineering contract worth approximately S\$3.5 million for a well-established customer within the set timeline. The project is expected to contribute positively to the Group's earnings and net tangible asset for the financial year 2019. The Group is also optimistic that it can obtain more contracts from the customer in the future. In the same announcement, the Group mentioned that it is looking at new strategies and alternative businesses to complement the O&G sector and to expand its value chain into offshore renewable energy projects.

4. HC Surgical posted a 7.6% increase in revenue to S\$4.2 million for 3QFY19

Catalist-listed HC Surgical Specialists Limited ("HC Surgical") recorded an S\$0.30 million or approximately 7.6% increase in revenue for 3QFY19. The increase was contributed by both new and existing subsidiaries. For the quarter, profit attributable to owners increased by 402.5% or S\$3.64 million to S\$4.54 million on the back of a fair value gain on financial assets at fair value through profit or loss of S\$2.9 million. The Group said that it will continue its expansion efforts in getting more specialists. It also expected its recent exclusive collaboration with AIA Singapore to generate additional revenue stream.

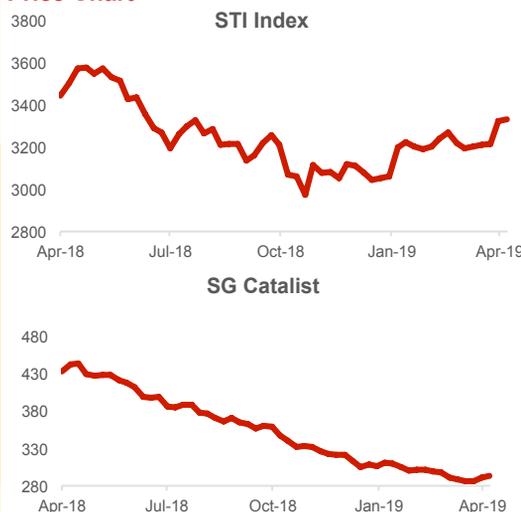
5. Aspen entered into joint venture with PKPS

Catalist-listed Aspen (Group) Holdings Limited ("Aspen") had signed a joint venture agreement with Perbadanan Kemajuan Pertanian Selangor ("PKPS") to redevelop a piece of leasehold commercial land of 12,185 square metres in Seri Kembangan. The total gross development value of this project is estimated at RM300 million. Under the joint venture, PKPS as the landowner shall be entitled to a consideration of RM58.8 mil, equivalent to 20% of the project's gross development value.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3332.0	▲ 1.2	▲ 0.0%	▲ 0.3%	▲ 8.6%
SG Mid Cap	775.8	▼ 0.9	▼ 0.1%	▲ 0.5%	▲ 13.3%
SG Catalist	292.9	▼ 1.4	▼ 0.5%	▲ 0.8%	▼ 5.4%
SG Small Cap	347.1	▼ 0.8	▼ 0.2%	▼ 0.6%	▲ 5.8%

Price Chart



Capital Market News

5 top billionaire stocks returned 49% YTD

According to the Singapore Exchange ("SGX"), the 5 best-performing billionaire stocks, which are classified as stocks with over S\$1 billion market capitalisation, had averaged a total return of 49.0% year-to-date ("YTD"). Over the last 12 months, the top five performers were Hi-P International, SBS Transit, Thai Beverage PCL, Venture Corp, and Silverlake Axis. Their one-year, three-year and five-year total returns averaged 6.4%, 139.9% and 171.7% respectively. In the meantime, the 10 worst-performing stocks averaged a total return of -9.1% YTD. SGX also reported that out of the over 100 billionaire stocks, 36 were found to have dividend yields of 4.5% or higher, which beats than the current Straits Times Index ("STI") benchmark yield of 4%. Out of these 36 stocks, 28 are real estate investment trusts (REITs), stapled and/or business trusts, while 8 are companies, including six STI constituents.

AirTrunk raised S\$450 million in debt financing

Singapore's data centre startup AirTrunk had raised S\$450 million in debt financing to fund its expansion across Asia. The debt financing was undertaken with three global financial institutions, Deutsche Bank, Goldman Sachs and Natixis, with additional equity capital from its founder and CEO Robin Khuda, and shareholders, Goldman Sachs and TPG Sixth Street Partners. Founded in 2014, AirTrunk develops and operates large-scale wholesale data centres that provide a platform for cloud, content, and large enterprise customers across the Asia-Pacific region. It opened its two Australian data centres in 2017. AirTrunk is planning the launch of its hyperscale data centre in Singapore. The new hyperscale data centre will be the largest neutral data centre in Singapore, with more than 60 MW of IT load, and is specifically designed for hyperscale cloud, content and enterprise customers.