

Weekly Wrap of STI

The STI ended 0.03% or 0.88 points higher on Friday to end at 3,159.68 as the latest US interest rate cut had a muted effect on markets.

The Straits Times Index slipped early in the week, with the attacks on oilfields in Saudi Arabia over the weekend spooking markets. The Index continued to slide, with data released by Enterprise Singapore showing a continued fall in Singapore's non-oil domestic exports in August. Despite the latest US interest rate cut in mid-week, the index failed to rally as investors had already largely priced in the latest US interest rate cut. The lack of major catalysts led the STI to close largely flat, as investors awaited the outcome of US-China trade negotiations in Washington which were ongoing as of the close of trading.

Year to date, the STI is up by 3.0%.

Week Ahead: 23 September – 27 September 2019

Economic Calendar: SG Consumer Price Index (23 Sep), UK CBI Industrial Trends Survey (23 Sep), US Consumer Confidence (24 Sep), US Richmond Fed Manufacturing Index (24 Sep), US Survey of Business Uncertainty (25 Sep), SG Index of Industrial Production (26 Sep), US GDP (26 Sep), SG Import and Export Price Index (27 Sep)

Company Results: Top Glove (26 Sep)

Companies News

1. ISOTeam announced new contracts worth S\$31.04 million

Building maintenance and estate upgrading service provider ISOTeam Ltd. ("ISOTeam") announced that it secured new contracts worth S\$31.04 million. The newly announced projects include both private and public sector contracts, and span across all of the company's business segments. More than half of the new contract value falls under the Addition and Alteration ("A&A") segment, which includes works related to Lentor MRT Station and the Neighbourhood Renewal Programme in Yishun. S\$7.73 million worth of Repair and Redecoration ("R&R") projects are to be carried out, which includes R&R work for 50 blocks in Jurong West and at Teban Gardens Road. The remaining contract value of approximately S\$5.13 million will be segmented to the Group's Interior Design, Coating and Painting and Landscaping businesses.

2. IEV Holdings announced proposed acquisition of health and wellness business

IEV Holdings Limited ("IEV") announced that the company entered into a sale and purchase agreement to acquire the entire issued share capital of Lady Paradise (M) Sdn Bhd, a business that provides pre and post-natal care services and consultancy in Malaysia. This is IEV's first foray into the healthcare sector, which is part of its strategy to diversify into industries that are more resilient to business cycles and market fluctuations. The company noted that it selected this business segment due to the relatively young population demographic in South-East Asian countries such as Malaysia, and the growing affluence of the younger generation of women who are willing to spend on such services.

3. Jumbo opened second branch of Hong Kong restaurant chain

Catalist-listed Jumbo Group Limited ("Jumbo") opened its second Tsui Wah outlet located at The Heeren shopping mall along Orchard Road. The establishment, which occupies a total floor area of over 4,800 square feet, offers freshly made, high quality Hong Kong dishes. This latest outlet opening rides on the popularity of the Group's first Tsui Wah outlet which is located at Clarke Quay. The two Tsui Wah outlets are franchises by Vista F&B Services Pte. Ltd, a joint venture between Tsui Wah Holdings Limited ("Tsui Wah Holdings") and Jumbo. They are also the only two Tsui Wah outlets outside of Hong Kong, Macau and Mainland China.

4. Revez Corporation inked partnership agreement with InsurTech platform provider

Revez Corporation Ltd. ("Revez"), an information technology solutions provider, announced that its subsidiary IOIO Lab Pte Ltd ("IOIO Lab") signed an agreement with Superfunds Venture Pte Ltd ("SFV") to enhance its Insurance Technology ("InsurTech") platform. SFV's InsurTech platform *InstaProtection* insures smartphone users in Malaysia against cracked screens. The platform, which has been adopted by over 1,000 mobile phone retail outlets, enables efficient claim registration and processing. IOIO Lab's enhancements include using artificial intelligence and business analytics technologies to continually provide the InsurTech platform's development team with real-time insights in order to improve user experience. Management noted that the partnership would enable the company to enter the rapidly expanding InsurTech space in the Asia-Pacific region.

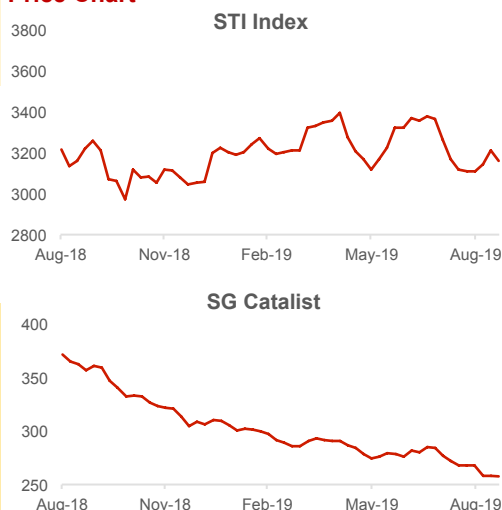
5. Accrelist entered into term sheet agreement to acquire The Wellness Clinic

Accrelist Ltd. ("Accrelist") entered into a non-binding term sheet agreement for the proposed acquisition of The Wellness Clinic Pte. Ltd. ("TWC") from Verita Healthcare Group Limited ("Verita"). The proposed acquisition is for the entire issued and paid-up share capital of TWC for a total consideration of S\$16.96 million. The Wellness Clinic is a Singapore-based medical aesthetics clinic that specialises in non-surgical aesthetics treatments to address dermatological conditions. This move is in line with the Group's focus on expanding the network of its medical aesthetics arm Accrelist Medical Aesthetics, and part of its goal to target affluent clientele.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3159.7	▲ 0.9	▲ 0.0%	▼ 1.6%	▲ 3.0%
SG Mid Cap	744.6	▲ 3.0	▲ 0.4%	▲ 0.4%	▲ 8.8%
SG Catalist	257.6	▼ 2.9	▼ 1.1%	▼ 0.2%	▼ 16.8%
SG Small Cap	337.9	▼ 9.0	▼ 2.6%	▼ 2.4%	▲ 3.0%

Price Chart



IPO News

Lendlease Group planning listing of REIT

Australia-headquartered property group Lendlease Group lodged a preliminary prospectus for the listing of Lendlease Global Commercial REIT on the Singapore Exchange Main Board. The REIT's portfolio comprises of 313@somerset, a leasehold retail property in Singapore, and Sky Complex, a three building freehold office complex in Milan, Italy. The REIT's manager intends to raise gross proceeds of approximately S\$1,027.8 million from the IPO, which will go towards the acquisition of the properties, working capital and fees related to the acquisitions and listing. 313@somerset is located in the heart of the Orchard Road shopping district, and could benefit from a planned rejuvenation of the surrounding Somerset area and a projected fall in retail space supply. Sky Complex is located in the Milan Metropolitan Area, a vibrant office precinct which is well connected by major rail, city metro and road infrastructure. It is fully occupied by Sky Italia, a large Italian broadcaster, under a long-term lease structure.

Capital Market News

Nano-filter startup Seppure raised US\$2.55 million

Seppure is a Singapore-based startup that produces nano-filters for chemical separation and purification. The company announced that it raised US\$2.55 million in a round that was led by US Venture Capital firm SOSV. Seppure intends to use the funds to scale the production of chemical-resistant nano-filters and run industrial-scale pilots with potential customers. The company notes that many global industries such as the food and pharmaceuticals industries require chemical separation and purification. However, current processes used are some of the world's largest polluters, accounting for up to 15% of the planet's entire energy consumption. Seppure's nano-filters dramatically reduce energy consumption and pollution by enabling chemical separation at a molecular level without the traditional use of heat.