

## Weekly Wrap of STI

The STI ended 0.01% or 0.18 points lower on Friday to end flat at 3,125.63 as investors remained on the side-lines amid concerns over US political developments and uncertainty from US-China trade situation.

The STI opened slightly lower on Monday following US President's comment that he did not want a piecemeal trade deal. However, a better-than-expected US economic data and confirmation of next round of Sino-US trade talks managed to bring back some optimism to the market. Yet, in mid week, an impeachment inquiry into Mr Trump caused the Singapore stocks to mark their worst session in three weeks. As US President Trump stoked optimism over a possible trade deal with China, a factory output slump capped gains in the Singapore market. While investors adopted the wait-and-see approach over the US political developments and its ramifications on the trade talk, the STI closed the week flat.

Year to date, the STI index is up by 1.9%.

## Week Ahead: 30 September – 4 October 2019

**Economic Calendar:** CN Manufacturing PMI (30 Sep), CN CFLP Manufacturing PMI (30 Sep), UK GDP (30 Sep), AU RBA Interest Rate Decision (1 Oct), EU HICP Flash (1 Oct), JP Tankan (1 Oct), UK Manufacturing PMI (1 Oct), US ISM Manufacturing Index (1 Oct), UK Construction PMI (2 Oct), US EIA Petroleum Status Report (2 Oct), SG PMI (3 Oct), UK Retail Sales (3 Oct), UK CIPS/PMI Services Index (3 Oct), US Jobless Claims (3 Oct), IN Interest Rate Decision (4 Oct), US Employment Situation (4 Oct), US International Trade (4 Oct)

**Company Results:** China Great Land Holdings (30 Sep), KOP Limited (30 Sep)

## Companies News

### 1. Sysma Holdings announced FY2019 results

Catalist-listed construction company Sysma Holdings Limited ("**Sysma Holdings**") announced a revenue of S\$30.3 million for FY2019 as compared to the S\$74.9 million restated revenue recorded from a year ago. The decrease was mainly due to significantly lower contribution from property development projects as most of the property development units were substantially sold in prior financial years. At the same time, construction projects (including Additions and Alterations projects) also saw a decline in revenue in FY2019. In line with the lower revenue and a write-back of provision for defective works of S\$3.1 million, cost of sales fell 69.0% to S\$24.5 million. Overall, the Group recorded a net profit of S\$0.8 million in FY2019 as compared to a restated net loss of S\$11.4 million in FY2018.

### 2. Kimly to acquire its first coffeeshop property at Teck Whye for S\$14 million

Catalist-listed Kimly Limited ("**Kimly**") announced that it intends to acquire its first coffeeshop property in north-west Singapore for S\$14 million. Jin Wei Food Holdings Pte. Ltd., a wholly-owned subsidiary of Kimly, had acquired 100% of the shares of Teck Whye 143 Food House ("**TW143**") for S\$10,000 in cash and TW143 had exercised an option to purchase the coffeeshop property at 143 Tech Whye Lane for S\$14 million earlier this year. The acquisition will be paid in cash and will be funded through the group's internal resources and external financing. Kimly will operate and manage the TW143 Coffeeshop and will also operate mixed vegetable rice, dim sum and drinks stalls located in the premises. Kimly said that the acquisition is in line with the group's strategy to expand its business to further grow its network of food outlets in Singapore.

### 3. Trendlines received conditional commitments from Temasek and other investors

Catalist-listed startup incubator The Trendlines Group ("**Trendlines**") announced that it had received conditional commitments of up to US\$22 million for its new Singapore-based venture fund, Trendlines Agrifood. The conditional investment commitments were made by Temasek, an investment company headquartered in Singapore, Librae Holdings, an entity related to Mr. Vincent Tchenguiz, and an additional Southeast Asian investor. Trendlines, via its wholly owned subsidiary, Trendlines Agrifood Innovation Centre, will act as manager for the fund. The fund will invest in new, innovation-based agrifood tech companies in Singapore as well as foreign agrifood firms and which will be setting up its Asia-Pacific headquarters in Singapore.

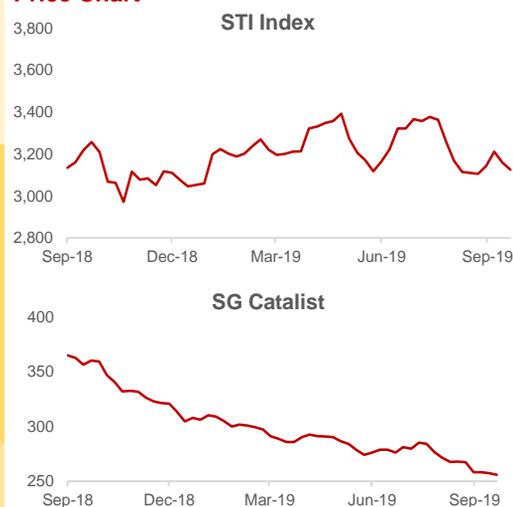
### 3. Jawala Inc. announced FY2019 results

Catalist-listed Jawala Inc. reported that revenue for FY2019 decreased by RM0.1 million, or 0.3% to RM39.9 million as compared to FY2018 mainly due to a decrease in sales volume as a result of a decrease in demand in logs from the local markets, partially offset by an increase of average selling price. At the same time, other income increased by RM0.6 million in FY2019 mainly due to the increase in fixed deposits placed as well as higher interest income generated from a longer period of placement. Distribution expenses decreased by approximately RM1.0 million mainly due to the sales of logs to certain customers with cost saving measures and administrative expenses decreased by approximately RM1.2 million mainly due to absence of listing expenses of RM3.3 million in FY2019. As a result, profit after tax in FY2019 amounted to RM13.1 million compared to FY2018, RM10.9 million, an increase of approximately RM2.2 million, or 21%.

## Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3125.6	▼0.2	▼0.0%	▼1.1%	▲1.9%
SG Mid Cap	735.0	▼4.0	▼0.5%	▼1.3%	▲7.4%
SG Catalist	256.1	▲1.8	▲0.7%	▼0.6%	▼17.3%
SG Small Cap	337.6	▲0.2	▲0.1%	▼0.1%	▲2.9%

## Price Chart



## Capital Market News

### SGX to introduce price collars for opening, midday and closing auctions

The Singapore Exchange ("**SGX**") is planning to introduce price collars during the securities market opening, midday and closing auction routines to guard against the risk of severe price dislocations during auctions. The price collars will comprise: +/- 30% of the reference price during the opening auction; +/- 10% of the reference price during midday break and +/- 10% of the reference price during closing auction. The price collars will apply to all components of the Straits Times and MSCI Singapore Indexes. In addition, they will also be effective on stocks, and units of stapled securities, REITs and business trusts, funds, as well as exchange-traded funds with a price of at least S\$0.50. SGX said that most respondents from the public consultation preferred price collars as they are more comprehensible than time extensions, easier to implement and more cost-effective.

### iSTOX obtained funding from Thai KKP

iSTOX, the first regulated capital markets platform, had closed its Series A funding round with lead investor Kiatnakin Phatra Financial Group ("**KKP**") through its capital markets arm Phatra Capital Plc. Financial details remain undisclosed. Thailand-listed KKP is Thailand's leading investment bank with strong corporate finance franchise and extensive institutional & high-net-worth investor coverage. Run by ICHX Tech Pte Ltd, which is operating under the Monetary Authority of Singapore's fintech sandbox, iSTOX leverages blockchain and smart contract technology to support the issuance and trading of digitised securities. It is planning to launch its first issuance of digitised tokens by the end of 2019 which will be followed by trading on the iSTOX platform. iSTOX and KKP will work together to make capital market trading more open, equitable, and transparent. In recent months, iSTOX had also forged various new partnership and corporate finance advisors SAC Capital is amongst one of them.