

Weekly Wrap of STI

The STI ended 36.85 points higher on Friday to close at 3442.5, as investors shrugged off the US-China trade tariffs as an exchange of words. For the week, the STI gained 14.53 points or 0.42%.

The STI was in the red for the first three days following the sell-off of technology stocks and China's imposition of the 25 per cent tariffs on 106 US imports, in retaliation against the proposed US duties on its high-tech goods. However, the STI made its comeback later in the week as Mr Trump's top economic adviser Larry Kudlow announced that the administration was in a "negotiation" with China rather than a trade war. This helped ease investors' fears of the trade war, allowing the STI to inch higher.

Year to date, the STI index is up by 1.2% while the Catalist index is down by 7.8%.

Week Ahead: 9 April – 13 April 2018

Economic: SG GDP Y-o-Y (9 Apr), US PPI (10 Apr), US Redbook (10 Apr), US CPI (11 Apr), US EIA Petroleum Status (11 Apr), US FOMC Minutes (11 Apr), US Jobless Claims (12 Apr), US EIA Natural Gas (12 Apr), SG Retail Sales Y-o-Y (12 Apr), China Trade Balance (13 Apr)

Company Results: Hutchison Port Hldgs Trust (13 Apr)

Companies News

1. Global Dragon acquired Katong Omega Apartments for S\$46.31m

Catalist-listed Global Dragon Limited, the former TMC Education Corporation, acquired Katong Omega Apartments in a collective sale for S\$46.31 million at the close of its public tender on April 5. This was the highest bid in a contest of seven bidders at the close of the public tender on April 5, according to marketing agent Teahwa Real Estate. The bid was submitted through its wholly owned subsidiary GDL Land Pte Ltd. The Property has a freehold tenure, with a land area of approximately 2,592 square metres and is zoned for "Residential" use at a plot ratio of 1.4 and is subject to a building height control of up to five-storey under the Master Plan 2014. GDL Land intends to redevelop the Property into an apartment development with common facilities, subjected to approval.

2. Atlantic Navigation obtained US\$29.8m term loan facility; called off equity stake sale

Its wholly owned subsidiary, Atlantic Maritime Group Fze, has secured a seven-year term loan of up to US\$29.8 million from its banker in the United Arab Emirates. Atlantic Navigation said that the loan will finance the acquisition of seven new vessels to support long-term charters worth US\$236 million awarded by a national oil company in the Middle East. The listed company has already drawn down US\$20.4 million of the loan to pay for the first five of the seven vessels. These five vessels are on their way to the Middle East to fulfil their charters with the said client. Separately, a deal calling for the sale of a substantial equity stake in Atlantic Navigation to Gulf Navigation Holding PJSC is no longer on the table, as the two parties could not reach an agreement on definitive terms.

3. BlackGold's coal mine holds 147m tonnes of reserves: geoscientist report

Catalist-listed coal miner BlackGold Natural Resources ("BlackGold") said that an independent assessment showed its mining concession area in Indonesia holds 147 million tonnes of proved and probable coal reserves - 55 million tonnes of proved coal reserves and another 92 million tonnes of probable coal reserves. BlackGold will tap these reserves to supply 3.5 million tonnes of coal per annum to its Riau-1 Mine-Mouth Power Plant project in Indonesia. The coal miner added that there is a reasonable expectation the plan to supply coal to the Riau-1 project will proceed, given the award of a letter of intent from Indonesia's state-owned utility group, PT Perusahaan Listrik Negara ("PLN") as announced by the listed company.

4. Network specialist Ntegrator bagged S\$17.3m worth of contracts for 'nationwide' project

Catalist-listed communications network specialist Ntegrator International announced that it has bagged two contracts worth a combined S\$17.3 million from an unnamed regional service provider. Ntegrator, whose business involves installation and implementation of network infrastructure, was contracted again by the customer to supply, install and maintain fibre cable and overground boxes for a "nationwide project". Both projects will begin this month and are expected to be completed in the next year and a half. With a focus on the Singapore, Vietnam and Myanmar markets, Ntegrator's order book currently stands at S\$102.4 million.

5. Metalmaker Miyoshi partnered with Chinese automaker to develop 5-door electric car

Catalist-listed manufacturer Miyoshi Limited announced that its unit, Core Power (Fujian) New Energy Automobile, has joined forces with Jiangxi Changhe Automotive Co to jointly develop a new, all-electric vehicle. Core Power and Jiangxi Changhe - itself a subsidiary of the Beijing Automotive Group - will develop a new five-door, four-seater all-electric passenger vehicle. The partnership encompasses development of the car's design, chassis, interior layout, platform, batteries, electric motor and electric control unit. The agreement is not expected to have any material impact on the group's results for the current financial year ended Aug 31, 2018, Miyoshi said. Miyoshi holds a 15 per cent equity interest in Core Power, through which it manufactures and sells electric cars in various parts of China. The counter closed on Monday unchanged at 7.2 Singapore cents apiece.

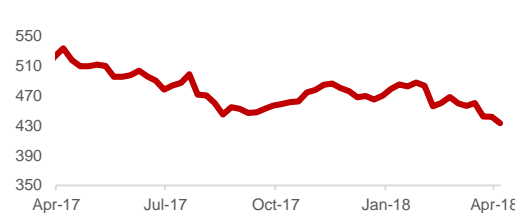
Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3442.5	▲ 36.85	▲ 1.1%	▲ 0.4%	▲ 1.2%
SG Mid Cap	752.2	▲ 3.24	▲ 0.4%	▼ 0.2%	▼ 1.9%
SG Catalist	433.1	▼ 1.45	▼ 0.3%	▼ 2.0%	▼ 7.8%
SG Small Cap	387.5	▼ 0.43	▼ 0.1%	▼ 1.0%	▼ 4.7%

Price Chart



SG Catalist



IPO News

1. Southern Capital-backed Qualitas Medical seeks to make a comeback on SGX

Seven years after being taken private, regional healthcare group Qualitas Medical is planning a return to the Singapore Exchange ("SGX"), but on the Mainboard this time. Qualitas, backed by Singapore-based private equity firm Southern Capital Group, spent three years on the SGX Catalist board but was taken private in 2011. The offering will consist of an international placement including institutional and other investors in Singapore. There will also be a public offer in Singapore. Qualitas said some of the shares in the international offering have been reserved for directors, management, employees, and business associates of the group. The offering price per share has not been decided yet. Qualitas intends to use the net proceeds from the offering primarily for strategic investments and acquisitions, organic growth initiatives, and general corporate purposes. The regional primary healthcare service provider, headquartered in Malaysia with a presence in Australia, Singapore, and India, began its business in 1997. It currently operates 279 facilities across these markets.

Capital Market News

1. Korea's SK Holdings said to have backed Grab's latest funding round

South Korean conglomerate SK Holdings is the latest to be revealed as an investor in Singapore-headquartered Grab's latest funding round. According to Korean media reports quoting an SK Holdings official, the chaebol joined the Southeast Asian ride-hailing major's Series G funding round and acquired an undisclosed stake. Grab had in July last year announced raising \$2 billion in its Series G round led by SoftBank Group Corp and China's Didi Chuxing, with plans to extend the round by an additional \$500 million. In August, Toyota was revealed to have joined the round. More recently, in January this year, Grab announced a strategic partnership with South Korean auto major Hyundai that entailed the latter investing in the former's Series G round.