SG Market Weekly Update
27 April – 1 May 2020

Weekly Wrap of STI

The STI ended 1.92% up or 49.5 points higher on Thursday to end at 2,624.23, in line with all Asian markets finishing positive. This marks a 4.2% increase over the course of the week, as Friday, being Labour Day, is a trading holiday.

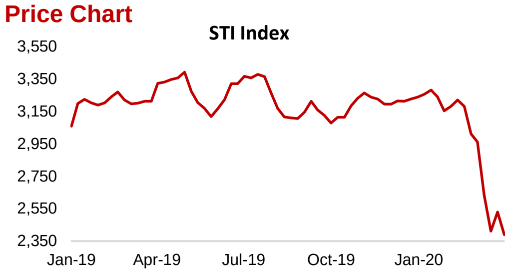
The STI started the week higher after US markets recorded gains on Friday, breaking a week-long downward trend. For the rest of the week, the STI continued to edged higher, following gains in US markets on optimism about steps to reopen the US economy. This was despite dismal preliminary employment numbers showing the sharpest quarterly contraction in 17 years, and an 85% year-on-year drop in visitor arrivals to Singapore in March.

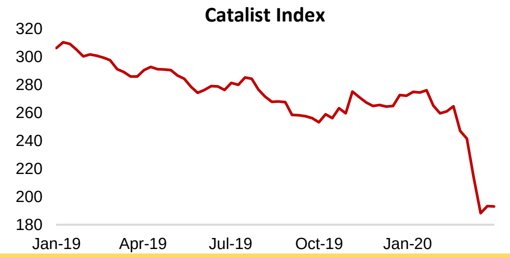
Year to date, the STI index is down by 18.6%.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2524.2	▲ 49.5	▲ 1.9%	▲ 3.2%	▼ 18.6%
SG Mid Cap	628.9	▲ 15.4	▲ 2.5%	▲ 4.7%	▼ 17.1%
SG Catalist	219.2	▼ 0.3	▼ 0.2%	▲ 1.1%	▼ 19.5%
SG Small Cap	272.4	▲ 5.6	▲ 2.1%	▲ 3.9%	▼ 23.4%

Price Chart





Week Ahead: 4 May – 8 May 2020

Economic Calendar: US Factory Orders (4 May), Australia RBA Interest Rate Decision (5 May), US ISM Non-Manufacturing PMI and Employment Index (5 May), New Zealand Unemployment Rate (5 May), US ADP Employment Change (6 May), Japan BoJ Monetary Policy Meeting (6 May), UK BOE Interest Rate Decision (7 May), Singapore Foreign Exchange Reserves (7 May), China Foreign Exchange Reserves (7 May) US Initial Jobless Claims (7 May), US Unemployment Rate (8 May)

Company Results: Lendlease Global Commercial Reit (5 May), OUE Commercial Reit (5 May), UOB (6 May), NetLink NBN Trust (7 May), OCBC (8 May)

Companies News

1. Oxley provided update on local, overseas projects amid pandemic

Oxley will see S$2.2 billion of revenue flow into the group from its Singapore and overseas projects as construction progresses. Chief executive Ching Chiat Kwong said: "S$1.4 billion of secured revenue from our Singapore projects and S$819 million from overseas projects will flow into the group as construction progresses, based on our effective stake." He added that Oxley is on track to redeem its S$150 million worth of bonds due May 18, 2020. In an update on Singapore, it said that 2,858 of 3,923 residential units, or 73% of its development portfolio here, had been sold as at April 30. Its Dublin Landings project in Ireland is on track to complete construction this year, with construction expected to restart early next week following a government-enforced shutdown to control the pandemic.

2. Old Chang Kee to explore e-commerce, undertakes catering to boost revenue

Old Chang Kee said that it is expecting a decline in the sales and operating profits of the group's retail outlets in the near term. At this stage, the Group is still determining the extent of the financial impact on the group's earnings per share and net asset value per share for the financial year ended Mar 31, 2020. Out of a total of 89 operating stores in Singapore, 22 have been temporarily closed. The remaining stores, including sub-brands such as Curry Times, are still open for takeaway and delivery, including corporate catering orders, such as bento meals for dormitories. The Group is also exploring with e-commerce partners on methods to expand the commercial sale of its food items.

3. Koyo Engineering awarded approximately S$31 million Mechanical & Electrical Services Contract

Koyo Engineering, a wholly owned subsidiary of Koyo International Limited, has been awarded a S$31 million contract by an independent third party for the provision of mechanical & electrical services. The Contract shall commence on June 2020 for a period of 45 months, and lift the Group's current order book to S$140.4 million. The contracts are expected to contribute positively to the earnings of the Group for the financial year ending Dec 31, 2020.

4. Huan Hsin's chairman and MD made exit offer at 1.6 cents a share

Huan Hsin has received an exit offer at an offer price of S$0.016 per share, which represents a 14.3% premium to the last traded price of S$0.014 before the counter was suspended on Dec 20, 2018. The offeror is Pacific Moment Holdings, a British Virgin Islands-incorporated vehicle controlled by its chairman Hsu Hung Chun and managing director Hsu Cheng Chien. Pacific Moment, together with concert parties, now owns 38.17% of the company. For FY18 ended December, Huan Hsin recorded a loss per share of S$0.0062, and was in a net liabilities position of S$74.7 million.

5. Sheng Siong's Q1 profit up 49.9%; staff to get additional month of salary

Sheng Siong posted a net profit of S$29 million for its first quarter ended Mar 31, up 49.9% from a year ago on the back of its revenue jump, better gross margin, higher other income and a less-than-proportional increase in operating expenses relative to the increase in revenue. Revenue went up by 30.7% to S$328.7 million. Earnings per share in Q1 was 1.91 cents, compared with 1.29 cents in Q1 2019. Similar to last year, no dividend was declared. Sheng Siong's staff, excluding directors, will be rewarded with an additional month of salary for working hard during the period of elevated demand in Q1.

Capital Market News

SGX announced two separate tie-ups for markets collaboration, REIT portfolio

SGX announced two separate tie-ups - one with China securities firm Citic Securities and the other with digital wealth management company Syfe. The strategic collaboration with Citic Securities covers multiple areas including fixed income, currencies and commodities, Reits, as well as equity and debt capital markets. Together, SGX and Citic Securities will promote SGX's Reits and large-cap stocks in the mainland China and Hong Kong markets. They will also engage and educate Greater China companies on the advantages of raising funds in Singapore's capital markets. Both sides will also explore the feasibility of developing and listing new bond and risk management products for international participants looking to invest in China's bond markets. The partnership also seeks to build up the Reit platform with new products to enable greater investor participation in Singapore and Greater China.

SGX has also partnered with Syfe to launch a Reit portfolio that gives retail and accredited investors access to SGX's iEdge S-Reit 20 Index. The new 100 per cent Reits portfolio tracks the iEdge S-Reit 20 Index and seeks to closely replicate its performance. The top five constituents of the index, and by extension the new Reit portfolio, are: Ascendas Reit, Mapletree Logistics Trust, Mapletree Commercial Trust, CapitaLand Commercial Trust and Mapletree Industrial Trust. New and existing clients of Syfe Reit+ can choose either a pure Reit portfolio for maximum real estate exposure, or a risk-managed portfolio that balances Reits with government bonds to defend against rising volatility. Portfolio adjustments can be made using Syfe's mobile application on iOS and Android platforms. The new portfolio has no minimum investment and no brokerage or withdrawal fees. Investors will be charged a management fee ranging from 0.4% to 0.65% of the invested capital per annum.