

STI In A Snapshot

The STI closed Friday higher at 2496.11, up 1.0% or 23.83 points for the week. The index started the week positively on stimulus hopes and positive economic data, but ended in line with a global decline as US President Trump was tested positive for Covid-19.

The STI rose at the start of the week, after positive news on China's industrial profits jump and the US stocks rally last week as investors sought bargains. However, trading soon turned muted with all eyes on the Trump-Biden debate. After the deplorable US presidential debate on Wednesday morning, gains were reversed and fell in tandem with regional markets. On Thursday, the STI reversed some losses with optimistic data releases including positive China data and a modest improvement in August's international visitor numbers. However, markets quickly returned negative with news on US President Donald Trump's test for Covid-19 showed positive. Total global Covid-19 cases also surpassed 1 million this week. Moving forward, investors will keep a close watch on the development of the US presidential situation and the drawn-out negotiation on a stimulus deal.

Year-to-date, the STI is down 22.5%.

Week Ahead: 5 October – 9 October 2020

Mon (5 Oct)	EU Markit Composite PMI, US Markit Composite PMI, US Non-Manufacturing PMI, SG Retail Sales
Tue (6 Oct)	AU RBA Interest Rate Decision, US Trade Balance, US JOLTS Jobs Openings SPH REIT (FY result)
Wed (7 Oct)	CN Exports/Imports, US Crude Oil Inventories, SG Foreign Reserves USD
Thu (8 Oct)	US FOMC Statement & Meeting Minutes, US Initial Jobless Claims, EU ECB Monetary Policy
Fri (9 Oct)	JP Household Spending, JP Adjusted Current Account, JP GDP, GB GDP, GB Trade Balance

Company News

1. Kitchen Culture entered in MOU with Ooway to venture into FinTech

Catalist-listed kitchen equipment supplier Kitchen Culture Holdings Ltd. ("**Kitchen Culture**") entered into a binding memorandum of understanding ("**MOU**") with Big Data integrated solution provider OOWAY Technology Pte. Ltd. ("**Ooway**") to offer FinTech services. These services include credit rating and integrated supply chain finance solutions for merchants operating in Hong Kong on e-commerce trade platform DHgate.com, through Camel Financial. Ooway is a credit management platform that performs credit rating and prediction based on corporate behaviour to assess credit risks of merchants selling on DHG's portals using its Behaviour Model of Association Risk System (bMARS). The partnership is subject to approval of shareholders during the extraordinary general meeting on the 7 October 2020, for the proposal dated last month where Kitchen Culture announced its plans to take a 30% stake in Ooway.

2. UG Healthcare incorporated a new subsidiary in China

Catalist-listed glove manufacturer UG Healthcare Corporation Limited ("**UG Healthcare**") announced that its wholly-owned subsidiary, Unigloves (Singapore) Pte Ltd had incorporated a wholly-owned subsidiary in China. The new company would be in the same business of trading and distribution of disposable gloves and other medical disposables and ancillary products. The incorporation of the new subsidiary will be financed by internal resources with an initial registered capital of RMB 5,000,000 (approximately S\$1,000,000).

3. iX Biopharma secured licence for its testing laboratory

Catalist-listed pharmaceutical company iX Biopharma Ltd ("**iX Biopharma**") announced that its wholly-owned subsidiary, iX Syrinx ("**Syrinx**"), has obtained the Good Manufacturing Practice ("**GMP**") licence for its testing laboratory located in Victoria, Australia. With the new licence, the Group will now be able to increase its speed-to-market as the testing and quality control process will no longer be dependent on the schedule of third-party testing laboratories. Further, in-house product testing also allows for potential cost savings. As part of the Group's GMP processes, every batch of raw material and finished product is tested to ensure compliance with the pharmaceutical quality standards. The newly secured GMP licence permits the Group to conduct chemical and analytical laboratory testing for its commercial and developmental products in-house.

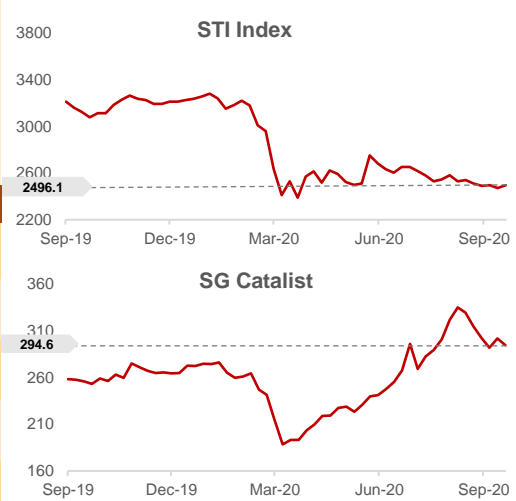
4. Vividtree to enter into esports events with potential partner Resurgence

Catalist-listed diversified entertainment company Vividthree Holdings Ltd ("**Vividtree**") announced its plans to enter into esports events, which can raise the bar in gaming and esports content development. These events include live environments for gaming, with aims of garnering crowds akin to the world's biggest sporting events. The potential partnership with Singapore-based professional esports organisation RSG Resurgence Esports ("**Resurgence**") will leverage on its expertise and its network across Southeast Asia's esports industry and tap on Vividthree's technological expertise in augmented reality and computer-generated imagery. The events, slated to begin from 2021 onwards, will integrate state-of-the-art immersive technology into esports content production, with immersive experiences that cannot be replicated in front of a computer screen.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2496.1	▼ 4.63	▼ 0.2%	▲ 1.0%	▼ 22.5%
SG Mid Cap	655.7	▼ 1.96	▼ 0.3%	▲ 0.6%	▼ 13.5%
SG Catalist	294.6	▲ 2.35	▲ 0.8%	▼ 2.4%	▲ 8.2%
SG Small Cap	286.4	▼ 0.24	▼ 0.1%	▲ 0.2%	▼ 19.4%

Price Chart



Capital Market News

Singapore to calibrate debt moratoriums soon

Singapore will soon calibrate its debt moratorium schemes, with the regulator looking to extend its programmes to certain borrowers beyond December 2020. In addition, it will ensure that those with the ability to pay should begin repayment even before the moratoriums expire. This is on the back of fears of the "cliff effect" on the financial system if the repayment ability of borrowers is only assessed when the moratorium schemes officially end. The Monetary Authority of Singapore had earlier said that in Singapore, 12% of the economy is at the "epicentre" of the Covid-19 crisis and certain industries may be "permanently impaired" by the crisis. Qualifying SMEs seeking to pause on their principal payments on their secured term loans have been able to do so. Property owners with a mortgage have also been able to ask to defer both principal and interest payments, or just the principal payments.

Checklist guiding conduct of general meetings updated by ACRA, MAS and SGX RegCo

The Accounting and Corporate Regulatory Authority ("**ACRA**"), the Monetary Authority of Singapore ("**MAS**") and Singapore Exchange Regulation ("**SGX RegCo**") have updated a checklist that guides both listed and non-listed entities on the conduct of general meetings. The updated checklist covers notices of meetings, documents relating to the general meeting, questions, voting, proxy forms, the conduct of the meeting, quorum, rights of relevant intermediaries, directors and auditors as well as meeting minutes. ACRA, MAS and SGX RegCo said issuers and non-listed companies may continue to conduct their general meetings held on or before June 30, 2021 via electronic means and are encouraged to do so. This will help keep physical interactions and Covid-19 transmission risks to a minimum. Issuers are also encouraged to adopt enhanced digital tools such as real-time remote electronic voting and real-time electronic communication to facilitate shareholder engagement at the meetings.