

STI In A Snapshot

The STI closed Friday slightly higher at 2537.39, up 0.2% or 4.37 points for the week. Markets saw a mixed week, with volatility from the US presidential election which is just slightly more than one week away, on top of hopes for a stimulus package.

The STI started the week off mixed, first led by a dwindling hopes for a new US stimulus package before optimism rekindled. Wall street and STI temporarily saw some gains after renewed signs policymakers in Washington can finally agree on a spending package to boost the US economy, but quickly retreated as markets continued to remain cautious about US pre-election stimulus talks. However, on Friday, the STI opened slightly higher as investors finally see the prospect of more fiscal stimulus, with US House Speaker Nancy Pelosi said she and Treasury Secretary Steven Mnuchin are "just about there" on resolving a key piece of a coronavirus relief package. Investors continue to keep their eyes peeled ahead of the US presidential election, which is just slightly more than one week away.

Year-to-date, the STI is down 21.3%.

Week Ahead: 26 October – 30 October 2020

Mon (26 Oct)	JP BoJ CPI, SG Industrial Production, US New Home Sales, US Dallas Fed Mfg Business Index
Tue (27 Oct)	US Core Durable Goods Orders, US S&P/CS House Price Index, US CB Consumer Confidence AIMSAMP Cap Reit (2Q Result), Mapletree Industrial Trust (1H Result)
Wed (28 Oct)	US Goods Trade Balance, US Retail Inventories Ex Auto, CAN BoC Interest Rate Decision Second Chance (FY Result), UOI (3Q Result)
Thu (29 Oct)	JP BoJ Interest Rate Decision, SG Unemployment Rate, US GDP, EUR Interest Rate Decision Mapletree NAC Trust (1H Result), Micro-Mechanics (1Q Result)
Fri (30 Oct)	JP Industrial Production, SG Bank Lending, EUR CPI, US PCE Price Index, US Chicago PMI Fraser's Hospitality Trust (FY Result), Wilmar International (3Q Result)

Company News

1. KTMG expands manufacturing to PPEs amid Covid-19

Catalist-listed textile and apparel manufacturing group, KTMG Limited ("KTMG") announced the launch of its own online direct-to consumer brand, XCF. XCF's flagship product is its Max Filtration Face Mask, which is comparable to the standard N95 mask in terms of its ability to protect its wearer from harmful pathogens. Apart from manufacturing the XCF brand's flagship face mask product, KTMG recently commenced on the manufacturing of Personal Protective Equipment ("PPE"), in particular disposable isolation gowns in Malaysia. The Group recently fulfilled a contract of such gowns from the Malaysian Ministry of Health for the country's frontline healthcare personnel and will continue its efforts to support the PPE supply market. While XCF is currently focusing on its flagship face mask product, the brand has plans to expand its product portfolio to include active and lifestyle wear, featuring unique materials designed with specific functions in mind.

2. IEV completed private placement to raise S\$200,000

Catalist-listed engineering company IEV Holdings ("IEV") completed the placement of 5,208,333 new ordinary shares on 19th October, with listing of shares done on 22nd October. At an issue price of S\$0.0384 per share, the aggregate consideration came to S\$200,000. This was at a 1.5% discount to the last done price previously. As per the subscription agreement, net proceeds of S\$85,000 will be used for renovation and refurbishment of its postpartum centres in Singapore and Malaysia and S\$100,000 on working capital. The Group is currently in the midst of a strategic review and is looking to dispose its subsea engineering & oilfield services and product business, leaving it with only the healthcare & wellness business.

3. Teho Ropes recognised for efforts in automation of processes using AI

Catalist-listed multi-faceted solutions provider Teho Group saw one of its companies, TEHO Ropes & Supplies Pte Ltd ("Teho Ropes"), being mentioned by DPM Heng Swee Keat as one of the local innovative companies during the debate in Parliament on Singapore's strategy to emerge stronger from COVID-19. Teho Ropes provides systems supplies to the marine and offshore industry, and they are being recognised for their efforts in building a machine learning system in collaboration with a local Artificial Intelligence start-up to automate the labour-intensive customer quotation process.

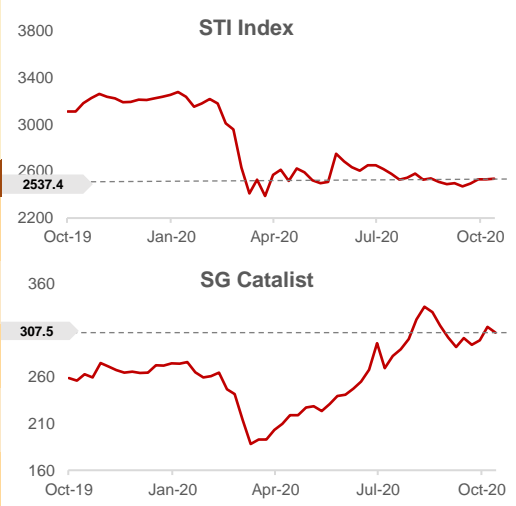
4. Healthway launches teleconsultation app as part of digitalisation efforts

Catalist-listed private healthcare provider Healthway Medical Group ("Healthway") announced that its paediatric unit, Singapore Baby and Child Clinic has been onboarded onto its proprietary teleconsultation app. Since its official launch on 15 August 2020, the Healthway Medical app has onboarded 47 of its General Practitioner clinics located islandwide. To provide patients with a full spectrum of holistic services, from primary to specialist and preventive care, Healthway will continue to consolidate its vast network of primary and specialist clinics, with more than 100 doctors under the Healthway Medical app over a series of phases. With the app, patients can arrange a video consultation with a doctor, with medication delivered to their doorstep. Management commented that this is a part of their ongoing digital transformation efforts, and the Covid-19 pandemic has accelerated the adoption and acceptance of telehealth services.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2537.4	▲ 8.98	▲ 0.4%	▲ 0.2%	▼ 21.3%
SG Mid Cap	655.6	▲ 0.61	▲ 0.1%	▼ 0.6%	▼ 13.5%
SG Catalist	307.5	▼ 1.96	▼ 0.6%	▼ 2.0%	▲ 12.9%
SG Small Cap	285.6	▼ 0.02	▼ 0.0%	▼ 1.5%	▼ 19.7%

Price Chart



Capital Market News

September core inflation at -0.1%; inflation outlook range narrowed

The Monetary Authority of Singapore (MAS) and the Ministry of Trade and Industry (MTI) said in a joint statement that both core inflation and headline inflation are expected to come in between -0.5% and 0% in 2020 – a slightly improved outlook compared to its previous forecast of -1% to 0%. The milder pace of decline was mainly driven by smaller reductions in the costs of services and electricity and gas. In the quarters ahead, external inflation is likely to remain low amid weak demand in key commodity markets and the persistence of negative output gaps in Singapore's major trading partners. However, the core inflation is expected to turn "mildly positive" in 2021, averaging 0% to 1%, and the headline inflation to be averaging around -0.5% to 0.5%. This is after the disinflationary effects of government subsidies introduced this year fade and after demand for some domestic services picks up.

JTC, SBF launch initiative to help firms embark on Industry 4.0 transformation

JTC and the Singapore Business Federation ("SBF") will work together to support small and medium-sized manufacturers in their Industry 4.0 ("I4.0") journeys, under the new JTC-SBF Industry Transformation Initiative. According to Minister for Trade and Industry Chan Chun Sing, the manufacturing sector is a key pillar of Singapore's economy, contributing over 22 % of nominal gross domestic product in the first half of 2020. I4.0 technologies are key for Singapore's manufacturing sector to remain globally competitive and continue creating quality jobs. Enterprise Singapore has also worked with enterprises in the manufacturing sector to upgrade and transform their businesses, in areas such as tech deployment and automation, process redesign, and digitalisation solutions. Enterprise Singapore's deputy chief executive Ted Tan noted that investing in I4.0 infrastructure will allow existing regional manufacturers to scale their businesses, accelerate growth future-proof their businesses.