SG Market Weekly Update
8 February – 12 February 2021

STI In A Snapshot

The STI closed Thursday higher at 2925.48, up 0.6% or 18.37 points for the week. Markets gained this week with the expectations for a US stimulus package, but caution prevailed as fear of overvaluation in prices remain.

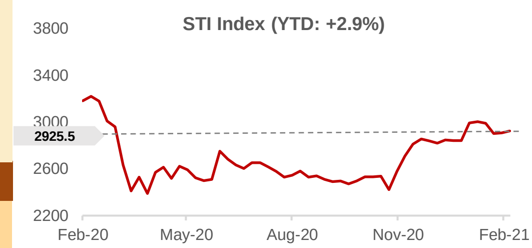
The Singapore markets opened higher on Monday, following the gains on Wall Street the previous week on expectations for a US stimulus package. The STI continued its rise as investors focus on the long-term outlook for the global economy as lockdowns are eased and as global infection rates decline. However, on Wednesday came a decline of the STI as some gains were reversed after the few consecutive days of rally on Wall Street as some worries prevail in the market as investors remain cautious with overvaluation in assets. The STI continued to slip ending the week following a mixed trading on Wall Street, and ahead of Chinese New Year. The Singapore markets were closed on Friday as it was a Chinese New Year holiday.

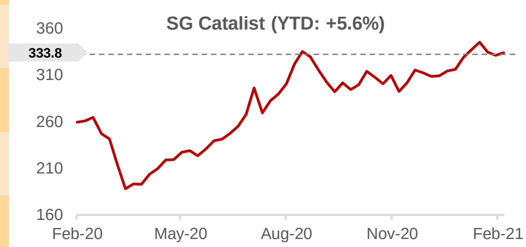
Year-to-date, the STI is up 2.9%.

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2925.5	▼ 0.4	▼ 0.0%	▲ 0.6%	▲ 2.9%
SG Mid Cap	715.0	▲ 3.5	▲ 0.5%	▲ 1.0%	▲ 2.6%
SG Catalist	333.8	▲ 2.1	▲ 0.6%	▲ 0.7%	▲ 5.6%
SG Small Cap	311.2	▲ 1.4	▲ 0.4%	▼ 0.3%	▲ 3.1%

Singapore Indices





Week Ahead: 15 February – 19 February 2021

Mon (15 Feb)	JP GDP, JP Industrial Production, EUR Industrial Production, EUR Trade Balance ComfortDelGro (FY)
Tue (16 Feb)	EUR GDP, EUR ZEW Economic Sentiment, US NY Empire State Manufacturing Index
Wed (17 Feb)	SG Non-Oil Exports, GB CPI, GB PPI, US PPI, US Retail Sales, US Industrial Production Prime US Reit (FY)
Thu (18 Feb)	US Building Permits, US Philadelphia Fed Manufacturing Index, US Philly Fed Employment
Fri (19 Feb)	GB Retail Sales, US Manufacturing PMI, US Markit Composite PMI, US Existing Home Sales Roxy Pacific (FY), SP Corp (FY), ST Engineering (FY), StarHub (FY), UOI (FY)

Company News

1. DiSa's revenue increased 2.6x yoy in 1HFY21

Catalist-listed digital safety solutions firm DiSa Limited ("**DiSa**") announced a 2.6x yoy increase in revenue for 6 months ended 31 December 2020 (1HFY21), to S$6.08 million from S$2.35 million for 6 months ended 31 December 2019 (1HFY20). The increase was mainly contributed from the sales of bundled and non-bundled semiconductor devices as well as the increase in the sales of DiSa codes. As a result, net loss minimised from S$10.60 million in 1HFY20 to S$1.91 million for 1HFY21. Management indicated that the Group will continue to maintain its focus on the technology related business opportunities and exercise financial prudence for furthering of its asset protection solutions to cater for a wider range of retailer needs. DiSa will look into greater engagement in ultra-violet applications, and also continue to leverage on its core technology to develop new applications for digital footprint tagging for other products.

2. Lifebrandz entered into subscription agreement to issue 306 million shares

Catalist-listed multi-faceted solutions company Lifebrandz Ltd ("**Lifebrandz**") announced the proposed placement with 9 individuals for an aggregate of 306 million new ordinary shares at an issue price of S$0.005 per share (60.9% discount to VWAP on 5 February 2021). The aggregate consideration would amount to S$1.53 million. Lifebrandz intend to use the proceeds to strengthen its financial position, for repayment of debts and liabilities and general working capital purposes. As disclosed in the Company's financial results announcement dated 29 December 2020, the Company is performing a strategic review of its businesses to try to remove the underperforming entities/businesses within its business portfolio, looking for new business opportunities within its current scope of business and realign its cost base.

3. GDL recorded 9.34x yoy increase in revenue in 1HFY21

Catalist-listed property development company Global Dragon Limited ("**GDL**") recorded a 9.34x increase in revenue yoy to S$4.69 million in 1HFY21 ended 31 December 2020. This was due mainly to the recognition of revenue from the property development projects, namely, Project Jalan Demak during the financial period. This was partially offset by the decrease in rental income from its investment properties to S$0.16 million in 1HFY21 from S$0.21 million in 1HFY20. The loss for the period attributable to the owners of the Company minimised from $1.94 million in 1HFY20 to S$0.95 million in 1HFY21.

4. RE&S turned profitable in 1HFY21

Catalist-listed food and beverage company RE&S Holdings Limited ("**RE&S**") reported a S$7.50 million profit attributable to owners of the Company in 1HFY21, reversing a net loss off S$3.76 million a year ago. Despite a 3.7% decrease in revenue to S$64.02 million, profit increased due to the decrease in raw material costs and professional fees incurred in the revamp of outlets in Jurong Point in 1HFY20. On top of that, in relation to the Covid-19 pandemic, RE&S received grants and support from the government and landlords amounting to S$3.4 million and S$1.2 million respectively. Management indicated that they would expect government support for businesses to decrease as the pandemic situation evolves, but they will continue to seek opportunities to grow their Quick-Service Restaurants, Convenience and Others segment to target the mid-range market segment.

Capital Market News

Policy and funding support will be available for local companies outside manufacturing

Minister for Trade and Industry Chan Chun Sing indicated the policy and funding support would be available for local companies that are aiming for growth, not limited to factory sectors. Mr Chan has recently unveiled some keynote policies to boost manufacturing firms, including the "very stretch target" of 50% growth by 2030. He also recently launched the Southeast Asia Manufacturing Alliance that will promote a network of industrial parks around the region. Mr Chan identified the redesign of products, services and production processes "at speed" as some priority areas where Singapore can strengthen its capabilities, using the Budget allocation to the Ministry of Trade and Industry and its agencies. OCBC chief economist Selena Ling noted that "manufacturing will remain a very key part of the Singapore economy", as policymakers likely see opportunities in digital and supply-chain disruption.

Singapore ranks first out of 82 countries for digital inclusiveness

Singapore maintains its top spot for digital inclusiveness among 82 countries around the world, in global consultancy Roland Berger's Digital Inclusion Index 2020. However, nearly a third of the population remain excluded from digital technologies, which show the digital divide. The report defines digital inclusion as the empowerment of individuals and societies to effectively use information and communication technologies (ICT), to contribute to and benefit from today's digitalised economies and societies. Roland Berger's index measures digital inclusiveness by scoring countries in four categories: accessibility, affordability, ability and attitude (trust and enthusiasm) towards ICT. In dollar terms, their projections also suggest digital inclusion in South-east Asia could translate to taxpayer savings of US$7 million to US$3.3 billion a year, and are realised more as individuals utilise digital platforms that optimise government services and economic activities.