SG Market Weekly Update
1 March – 5 March 2021

SAC CAPITAL

STI In A Snapshot

The STI closed Friday higher at 3013.85, up 2.2% or 64.81 points for the week. Markets rose with the imminent stimulus in the US, but reversed some gains as the panic sell-off and profit taking continued.

The Singapore market started the week on a stronger note, led by gains in local banks and the imminent stimulus package in the US. The STI continued its gain to mid-week, tracking Wall Street's strong lead with positive news on a third Covid-19 vaccine. However, the STI quickly swung to the red on Thursday with a weak lead from Wall Street Markets continued its losses as inflation fears surfaced again. The panic sell-off came despite the Federal Reserve's assurances that it will not tighten policy until inflation is consistently high and employment has recovered. On Friday, profit-taking continued in the markets as Federal Reserve chair Jerome Powell indicated a possible rise in inflation and fear of over valuations caused a pull-back in the markets.

Year-to-date, the STI is up 6.0%.

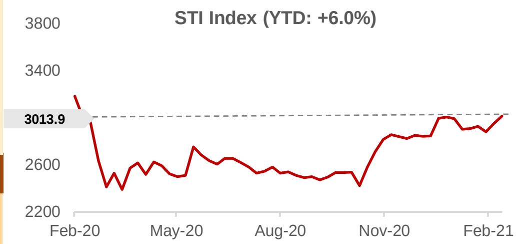
Week Ahead: 8 March – 12 March 2021

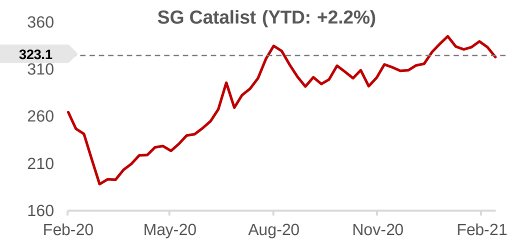
Mon (8 Mar)	SG Foreign Reserves USD, US CB Employment Trends Index, US Wholesale Inventories
Tue (9 Mar)	GB BRC Retail Sales Monitor, US EIA Short-Term Energy Outlook Top Glove (2Q Result)
Wed (10 Mar)	US WASDE Report, CN CPI, CN PPI, US CPI, US Real Earnings
Thu (11 Mar)	US Federal Budget Balance, US OPEC Monthly Report, US JOLTS Job Openings
Fri (12 Mar)	GB Industrial/Manufacturing Production, EUR PPI, US Michigan Consumer Expectations/Sentiment

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	3013.9	▼ 0.9	▼ 0.0%	▲ 2.2%	▲ 6.0%
SG Mid Cap	715.5	▲ 2.7	▲ 0.4%	▼ 0.2%	▲ 2.7%
SG Catalist	323.1	▲ 1.1	▲ 0.3%	▼ 3.1%	▲ 2.2%
SG Small Cap	301.9	▼ 0.4	▼ 0.1%	▼ 0.1%	▲ 0.0%

Singapore Indices





Company News

1. Medtecs reported a 4.8x increase in revenue; entered into JV to expand manufacturing capabilities

Catalist-listed personal protective equipment ("**PPE**") provider Medtecs International Corporation Limited ("**Medtecs**") reported a 4.8x increase in revenue from US$69.0 million in FY2019 to S$400.3 million in FY2020. Medtecs benefitted from the global surge in demand for PPE arising from the COVID-19 pandemic which led to an increase in sales from customers. Overall, net profit to owners increased from US$1.2 million to S$131.7 million. Separately, Medtecs announced that its wholly-owned subsidiary, Medtecs (Asia Pacific) Pte. Ltd. had entered into a joint venture ("**JV**") with ACO International Limited to construct a PPE production facility in order to expand its manufacturing capabilities and product offerings and ultimately, expand its revenue streams.

2. Advancer Global reported profit of S$4.5 million in FY2020

Catalist-listed multitude-service provider Advancer Global Limited ("**Advancer Global**") announced an 8.6x increase in profit to owners, from S$0.50 million in FY2019 to S$4.5 million in FY2020. This was mainly due to the increase in other operating income, which increased by S$8.6 million or 592.7% from S$1.4 million in FY2019 to S$10.0 million in FY2020, mainly due to the increase in the amount from government grant and credit scheme. Revenue, however, declined 20.5% from S$70.9 million in FY2019 to S$56.4 million in FY2020. This was mainly due to a decline in revenue from the Employment Services Business, which decreased by S$7.6 million from S$13.2 million in FY2019 to S$5.6 million in FY2020 with a decrease in the number of foreign domestic workers placed out to households.

3. Alset turned profitable in FY2020

Catalist-listed land development and property management and homebuilding company Alset International ("**Alset**") saw a profitable FY2020, reporting a profit to owners of S$59.7 million despite a 23.6% decline in revenue to S$23.4 million. This was a reversal of a S$11.1 million loss in FY2019. Profit from continuing operations was S$60.3 million. The Group's continuing operations comprise Property Development, Information Technology, Investment and Biomedical Businesses. The Group revenue decreased to S$23.4 million mainly due to nil revenue generated from Black Oak project and the revenue generated from Ballenger Run project decreased to S$21.2 million in FY2020. However, other income increased to S$70.2 million in FY2020, which mainly comprised S$69.7 million gain on disposal of Impact Biomedical Inc and iGalen International Inc.

4. GSS reported 1.8x increase in profit

Catalist-listed precision engineering company GSS Energy Limited ("**GSS**") announced a 9.0% increase in revenue from S$97.6 million in FY2019 to S$106.4 million in FY2020. The Group achieved a gross margin of 17.17% for FY2020 as compared to 18.89% for FY2019, taking into account of product mix and price competition. The COVID-19 pandemic also caused global supply chain disruption for electronic components which resulted longer lead time in receiving and also higher purchase price. The Group recorded other income of S$3.17 million in FY2020 as compared to S$0.44 million in FY2019. The increase was mainly due to various supports received from government.

Capital Market News

Singapore business loans up in January

The Monetary Authority of Singapore (**MAS**) released data that business loans in Singapore picked up for the second consecutive month in January, as the economy gradually recovers from Covid-19 this year. Loans to businesses grew 0.9% month on month to S$422.73 billion in January. The single largest business lending segment was building and construction which inched up 0.3% to S$150.40 billion to reverse a 0.6% contraction in December. Loans to financial institutions grew 2.4% to S$103.82 billion, while loans to general commerce increased by 1.2% to S$63.29 billion. Loans to manufacturing rose 1% to S$26.28 billion, while loans to the transport sector were up 1.7% to S$25.64 billion. Year on year, total bank lending in January was down 1.1%.

Retail sales down 6.1% in January, but seeing improvement

Singapore Department of Statistics (**SingStat**) data showed that retail sales declined further in January, which fell 6.1% year on year. This was steeper than December's 3.3% fall, which was already worse than November's figures. The total retail sales value in January was S$3.8 billion, with online sales accounting for 10.3%. Supermarkets, which had benefitted from one of the highest retail sales growth since the Covid-19 pandemic began, had seen a slow growth at 7.8% in January, which was down from a 25.4% growth in December. However, Singstat commented that January's steeper decline was due partly to high sales a year ago, when Chinese New Year was celebrated in January 2020. All food and beverage industries had year-on-year declines, with food caterers continuing to be hardest hit (-76.0%), followed by restaurants (-30.2%); cafes, food courts and other eating places (-6.8%); and fast-food outlets (-6.7%). UOB economist pointed that there are, however, signs of improvement in domestic demand from the strongest-growing industries. These were furniture and household equipment (25.9%) and computer and telecommunications equipment (24.8%).