Phillip Securities Research Morning Call

5 August 2019

Stock Counter Results

- **Raffles Medical Group**
- **Singapore Exchange Limited**
- **DBS Group Holdings**
- **Overseas-Chinese Banking Corp Limited**
- **United Overseas Bank Limited**
- **Ascendas REIT**
- **Ascott Residence Trust**
- **Sheng Siong Group**

Macro/Sector Outlook

- **Phillip Singapore Weekly**

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Raffles Medical Group Ltd

China's gestation costs within expectations

Tin Min Ying

Research Analyst

Phillip Securities Research Pte Ltd

5 Aug 2019

PhillipCapital
Your Partner In Finance

Raffles Medical Group Ltd
NEUTRAL (Maintained) TP: $1.09 (unchanged)

Results at a glance

SGD mn	2Q19	2Q18	YoY (%)	1Q19	QoQ(%)	Comments
Revenue	**127.0**	**120.2**	**5.6**	**128.3**	**(1.0)**	Higher contribution from clinics (+7.4% YoY) and hospital services (+3.4% YoY).
EBITDA	25.0	25.0	0.3	23.6	5.8	Staff costs rose 0.6pp to 50.7% of revenue (2Q18: 50.1% of revenue). EBITDA margin fell 1pp to 18.4% due to ***RafflesHospital Chongqing's*** 2Q EBITDA loss of $2.3mn.
EBITDA (Excl China)	27.3	25.0	9.3	23.6	15.4	Excluding ***RafflesHospital Chongqing's*** gestation costs, EBITDA margin rose 0.7pp to 21.5%.
Operating profits	17.7	20.3	(12.7)	17.1	3.4	Operating margin fell to 13.9% (2Q18: 16.9%)
PBT	17.6	20.3	(13.0)	17.0	3.6	
PATMI	**14.1**	**16.9**	**(16.3)**	**13.6**	**3.5**	Gestation costs from ***RafflesHospital Chongqing*** was within expectations.
PATMI (Excl China)	18.5	16.9	9.3	13.6	35.3	

Source: Company, PSR

The Negative

- **PATMI -16.3% YoY due to gestation costs. Excluding China, net earnings would have risen 9.3% YoY.**
  - CQ's 2Q EBITDA loss of $2.3mn within expectations.
  - Marketing costs to increase in China during the ramp-up period to attract more corporate customers.
  - However, operating costs in China lower than expected, giving scope for price discounts or greater margins.

The Positives

+ 2Q Revenue and PATMI were in line with our estimates.

+ Healthcare services (+7.4% YoY) underpinned revenue growth.

Boosted by the Group's expansion of its insurance and corporate client base.

+ Hospital services (+3.4% YoY) gaining momentum with expanded facilities.

Due to growth in local patient volume, while foreign patient load growth remained flat.

Interim ordinary dividend maintained at 0.5 Singapore cents per ordinary share.

Raffles Medical Group Ltd
NEUTRAL (Maintained) TP: $1.09 (unchanged)

Updates

Management maintained EBITDA loss guidance for both hospitals of S$8-10mn in the first year and S$4-5mn in the second year before breaking even in the third year of operation.

***RafflesHospital* Chongqing**

- 1H EBITDA loss totalled $4.1mn, at the lower end of management's EBITDA loss guidance of S$8-10mn in the first year.
- The hospital started with 150 beds with the potential to be a 700-bed hospital.

- ***RafflesHospital* Shanghai:**
    - Expected to commence operations in January 2020.
    - Potential to be a 400-bed tertiary hospital.

Singapore Exchange Limited

Record derivatives performance cushions equities softness

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5 Aug 2019

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Singapore Exchange Limited
ACCUMULATE (Maintained) TP: $8.09 (unchanged)

Results at a glance

(SGD mn)	4Q19	4Q18	YoY	3Q19	QoQ	Comments
Securities	46.7	56.4	-17%	43.3	8%	4Q19 SDAV decreased 14% YoY. Average clearing fees contracted 2% at 2.82 bps (4Q18: 2.88 bps).
Derivatives	130.1	85.5	52%	119.0	9%	Derivatives volume grew 33% YoY (4th quarter of record volume) due to SGX FTSE China A50, MSCI Taiwan and Iron ore derivatives contracts.
Others	71.2	71.1	0%	66.4	7%	Growth in post trade services offset by contraction in issuer services.
Total Revenue	**248.0**	**213.0**	16%	**228.8**	8%	
Opex	125.2	114.9	9%	110.6	13%	Staff costs seasonally higher in 4Q and head count rose 4% YoY.
Net Profit	**103.9**	**83.7**	24%	**99.7**	4%	
Net Profit Margin (%)	41.3%	38.7%	7%	43.0%	-4%	
SDAV	1,099.8	1,276.3	-14%	1,024.0	7%	Underperformance in line with global equities
DDAV ('000 units)	1,090.9	821.1	33%	1,039.1	5%	

Source: Company, PSR

The Negatives

- **SDAV fell 14% YoY as investors adopt a cautious stance in face of slowing economic growth.**

- **Full year DPS $0.30 per share, 5% lower than our** expectations.
- This puts full-year dividend payout ratio at 82% (FY18: 88%).

The Positives

+ 4Q19 net profit up 24% YoY, 7.6% above our forecast.

+ Derivatives volume surged 33% YoY, driven by FTSE China A50 futures, MSCI Taiwan and iron ore derivatives contracts.

- Expect market volatility to be favourable for derivatives volume.

+ Collateral management income +76.5% YoY.

- Result of higher margin balances on the back of record open interest + strong institutional demand of SGX's derivatives contracts for portfolio risk management.

+ OPEX $449mn hit lower end of $445-455mn FY19e guidance.

- Expect higher FY20 OPEX due to increase headcount, larger depreciation expenses from new systems launched in FY19 and higher royalties & processing fees with higher derivatives volume.

Singapore Exchange Limited – ACCUMULATE (Maintained) TP: $8.09 (unchanged)

Updates

SGX-IISL arbitration:

- SGX is optimistic that the joint proposal submitted by NSE and SGX will receive support from regulatory authorities.
- No timeline was announced and we await further updates.

Outlook

We are positive that SGX's strength in a diversified product suite will support derivatives volume growth and open interest in 2020.

Market volatility has proven to be favourable for derivatives volume and the strength in derivatives growth should offset weaknesses in equities revenue.

DBS Group Holdings Ltd

Last NIM Rally

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5 Aug 2019

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DBS Group Holdings Ltd
ACCUMULATE (Maintained) TP: $27.6 (Prev TP: $29.0)

Results at a glance

(SGD mn)	2Q19	2Q18	YoY (%)	1Q19	QoQ (%)	Comments
NII	2,429	2,224	9.2%	2,310	5.2%	NIM expanded 6bps YoY. Loans grew 3.7% YoY.
Net Fees & Comm	767	706	8.6%	730	5.1%	Record fee income led by wealth management, cards and investment banking fees growth.
Other Non-II	513	273	87.9%	511	0.4%	Rebound in trading income by 57% from weak performance a year ago, and gains from investment securities quadrupled from a low base.
Total Income	**3,709**	**3,203**	**15.8%**	**3,551**	**4.4%**	
Expenses	1,546	1,422	8.7%	1,498	3.2%	Positive JAWS resulted in 2 p.p. improvement in CIR to 42%.
Allowance	251	105	139.0%	76	230.3%	Rise in allowances was a move to build up some GP buffers due to uncertainties in the environment.
PATMI	**1,603**	**1,334**	**20.2%**	**1,651**	**-2.9%**	

Source: Company, PSR

The Negatives

- **Loans growth slowed to 3.7% YoY, with an increase in non-trade corporate loans offset by the continued decline in housing loan growth.**
- **Moderate rise in GP with a net increase of $57mn QoQ to reflect heightened economic uncertainty and geopolitical tensions.**

▪ Potential upside in the next 1-2 years to sharpen some of the cumulative allowances made + possible recoveries.

The Positives

+ 2Q19 Revenue and PATMI grew 15.8% YoY and 20.2% YoY respectively. Exceeding our estimates by 4-5%.

+ Stronger than expected 2Q19 NIM of 1.91% (1Q19: 1.88%, FY18: 1.85%).

▪ DBS guided 1-2bps contraction for every 25bps fed rate cut.

▪ We believe DBS' NIM has peaked this quarter and to contract from 3Q onwards.

▪ We lower our NIM forecast for 2019 and 2020 NIM to 1.89% & 1.88% respectively.

Declared a quarterly dividend of 30 cents per share.

▪ We forecast 2019 dividend of $1.20/share., div yield 4.5%.

Oversea-Chinese Banking Corp Ltd

Catch-up in NIM expansion

Tin Min Ying

Research Analyst

Phillip Securities Research Pte Ltd

5 Aug 2019

Oversea-Chinese Banking Corp Ltd
ACCUMULATE (Maintained) TP: $12.50 (Prev TP: S$12.70)

Results at a glance

(SGD mn)	2Q19	2Q18	YoY (%)	1Q19	QoQ (%)	Comments
Net interest income	1,588	1,450	9.5%	1,534	3.5%	Driven by 4% increase in loans and 12bps YoY rise in NIM to 1.79%, due to higher yields in SG, HK & CN.
Fees & Comm	522	518	0.8%	495	5.5%	Mainly driven by WM fees which grew 17% YoY.
Insurance	188	234	-19.7%	276	-31.9%	Life insurance profit fell due to decline in discount rate used to value long-term insurance contract liabilities.
Other NII	320	272	17.6%	371	-13.7%	Net realised gains from the sale of investment securities were $48mn, higher than $2mn in 2Q18.
Total income	**2,618**	**2,474**	**5.8%**	**2,676**	**-2.2%**	
Expenses and amortisation	(1,176)	(1,060)	10.9%	(1,121)	4.9%	CIR 44.0% (2Q18: 41.9%). OPEX rose 9% this quarter due to an expense accrual a year ago.
PPOP	**1,442**	**1,414**	**2.0%**	**1,555**	**-7.3%**	
Allowances	(111)	(21)	428.6%	(249)	-55.4%	Credit costs normalised to 15bps. NPL 1.5% (2Q18: 1.4%).
PATMI	**1,223**	**1,209**	**1.2%**	**1,231**	**-0.6%**	

Source: Company, PSR

The Positives

+ Strong NIM expansion of 12bps YoY and 3bps QoQ to 1.79%, due to a catch-up in loan repricing and better utilisation of deposits.

+ WM fees rebounded 17% YoY to $262mn, its highest level in five quarters.

- BOS AUM +9% YoY to new high; S$151bn.

+ Declared interim dividend of 25 cents/share, 25% higher than a year ago.

- CET1 ratio rose strongly to 14.4% (2Q18: 13.2%)

The Negatives

- New NPL formation rose by $390mn or 11% YoY.

- Rise was primarily from Indonesia’s Crude Palm Oil (CPO) loan portfolio which required some restructuring due to the fall in palm oil prices. CPO exposure: 2% of loan book.

- Life and insurance business contribution fell 26% YoY.

- Due to a decline in discount rate used to value long-term insurance contract liabilities, offset by better investment performance.

United Overseas Bank Limited

Steady growth amidst uncertainties

Tin Min Ying

Research Analyst

Phillip Securities Research Pte Ltd

5 Aug 2019

United Overseas Bank Limited
ACCUMULATE (Maintained) TP: $28.60 (Prev TP: S$30.90)

Results at a glance

(SGD mn)	2Q19	2Q18	YoY (%)	1Q19	QoQ (%)	Comments
Net interest income	1,653	1,542	7.2%	1,587	4.2%	Gross loans grew 9% YoY, offsetting NIM compression of 2bps YoY to 1.81% (2Q18:1.83%).
Fees & Comm	527	498	5.8%	479	10.0%	YoY rebound in fees as WM saw strong flows (+21%) , coupled with higher volume in credit cards (+12%) and loan-related fees (+10%).
Other Non Int Income	404	302	33.8%	341	18.5%	Trading income up 14% YoY, and gain from investment securities rose to $67mn from a low base of $1mn a year ago.
Total Revenue	**2,584**	**2,342**	**10.3%**	**2,407**	**7.4%**	
Expenses	1,130	1,022	10.6%	1,073	5.3%	Expenses grew in line with higher operating income, while CIR% stable at 43.7% (2Q18: 43.6%).
Allowances	51	90	-43.3%	93	-45.2%	Allowances fell due to a write-back in allowances on non-impaired assets. NPL% healthy at 1.5% (2Q18: 1.7%).
PATMI	**1,168**	**1,077**	**8.4%**	**1,052**	**11.0%**	

Source: Company, PSR

The Negatives

- NIM fell 2bps YoY due to higher cost of funding with an increase in pricier fixed deposits (+7% YoY).

- However, NIM expanded on a QoQ basis, due to loan repricing + release of excess FD (-2% QoQ) as guided last quarter.
- UOB guided 2H19 NIM similar to 1H19 with a blended effect of loan repricing and better cost of fund management.

The Positives

+ Loans surprised on the upside by rising 9% YoY, led by a broad-based increase across all territories and industries.

+ Fee income rebounded (+6% YoY) after two quarters of contraction due to strong WM, credit cards and loan-related fees growth.

- AUM rose 9% YoY, reaching $118bn on the back of rising affluence across SEA.
- 60% of UOB's AUM originates overseas.

+ Allowances fell 44% YoY due to write-back in allowances on non-impaired assets.

- NPL ratio healthy at 1.5% (2Q18: 1.7%).

+ Declared a higher interim dividend of 55 cents per share (1H18: 50 cents per share).

Banking Results Wrap – 2Q19

2Q19 Results Wrap

		DBS	UOB	OCBC	Commentary
Revenue growth	NIM	1.91%	1.81%	1.79%	UOB still in the midst of releasing excess deposits and faced repricing competition.
		+6bps YoY	*-2bpsYoY*	***+12bps YoY***	OCBC's enjoying lagged NIM expansion after compressing loan rates for the whole of 2018.
	Net interest income growth (YoY%)	+9% YoY	+7% YoY	+10% YoY	All 3 banks benefited from higher interest rates in SG and HK.
	Net fees income growth	**+9% YoY**	+6% YoY	+1% YoY	All 3 banks enjoyed fees income rebound due to WM, CC and loan-related fees.
	Other non-interest income growth	**+88% YoY**	+34% YoY	+0.4% YoY	OCBC's insurance arm had a change in discount rate for contract liabilities.
Loan growth	Loan growth (YoY%)	+4%	**+9% YoY**	+4% YoY	UOB has the strongest loan growth for 1H19.
	Housing loan growth	0% YoY	+2% YoY	**-5% YoY**	OCBC's housing loan contracted for the second consecutive quarter.
	Housing loan (S$mn)	73,850	68,498	62,435	
	Housing loan market share	31%	29%	26%	DBS retains the largest market share of Singapore housing loans.
Asset quality	NPL ratio	1.5%	1.5%	1.5%	NPL ratio unchanged QoQ for all 3 banks; asset quality stable.
	Allowances (S$mn)	**251**	**51**	**111**	DBS increased GP due to changes in macro conditions. OCBC additional provisions
		+139% YoY	***-44% YoY***	***+429% YoY***	for Crude Palm Oil sector. UOB had GP write-backs.
	New NPA formation (S$mn)	277	230	**390**	New NPA at normalised levels. OCBC's slightly elevated due to CPO restrucutrings.
		+2% YoY	*-9% YoY*	*+41% YoY*	
Asset utilisation	CASA ratio	**59%**	43%	48%	DBS remains the largest CASA deposits holder - an advantage in having lowest cost
	CASA (S$mn)	**229,576**	131,403	142,053	of funds and higher margins.
		-1% YoY	***+4% YoY***	*+3% YoY*	
	Fixed Deposits (S$mn)	158,198	159,707	131,346	
		+4% YoY	*+7% YoY*	*+5% YoY*	All 3 banks are releasing excess pricier fixed deposits as interest rates peak. LDR
	Loan/Deposit Ratio	89.6%	88.5%	87.6%	ratios improving with better deposits utilisation.
Other ratios	ROE	13.4%	12.5%	11.5%	
	CET1	14.0%	13.9%	14.4%	
	CIR	**41.7%**	43.7%	44.0%	DBS managed costs the most effectively this quarter.

Source: DBS, UOB, OCBC, PSR

Ascott Residence Trust

The beauty of diversification

Natalie Ong

Research Analyst

Phillip Securities Research Pte Ltd

5 July 2019

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Ascott Residence Trust

ACCUMULATE (Maintained), TP: $1.36, Last: $1.33

Results at a glance

(SGD mn)	2Q19	2Q18	YoY	Comments
Gross revenue	132.5	130.5	1.5%	**$2.3m higher due to better performance in Philippines (+18%), UK (+11%) and Japan (+5%). The revenue from newly acquired Citadines Connect Sydney Airport (+$0.8m) was more than offset by the loss of revenue from the divestment of Ascot Raffles Place (-$1.1m)**
Gross Profit	67.7	63.4	6.8%	Due to adoption of IFRS 116 Leases, excluding which, gross profit fell by 1% YoY. On as same store basis excluding IFRS 116, gross profit increased $0.2m
Distributable income	43.1	39.8	8.5%	Includes realised exchange gain of $3.1m due FX gains on the repayment of foreign currency loans paid out of divestment proceeds (2Q18: nil)
DPS (cents)	1.98	1.84	7.6%	Excluding FX gains on repayment of foreign currency loans, DPU growth was flat

Source: Company, PSR

+ The Positives

- The diversified portfolio delivered +1.5% revenue growth despite the softer economic background –
- Higher revenues from the UK and Japan (event-driven demand) offsetting weaker performance due to heightened competition in Australia (Melbourne) and China (tier 2 cities)
- Prudent hedging strategy shielded ART from FX fluctuations (-0.2% of gross profit)
- AEI works in the Philippines yielded +18% REVPAU growth, translating into +18%/+54 revenue/gross profit growth (1Q19 +24%/+62%)

- The Negatives

- Sluggish demand in Melbourne saw REVPAU falling 4% (accounts for 4.7% of NPI)

Ascott Residence Trust

ACCUMULATE (Maintained), TP: $1.36, Last: $1.33

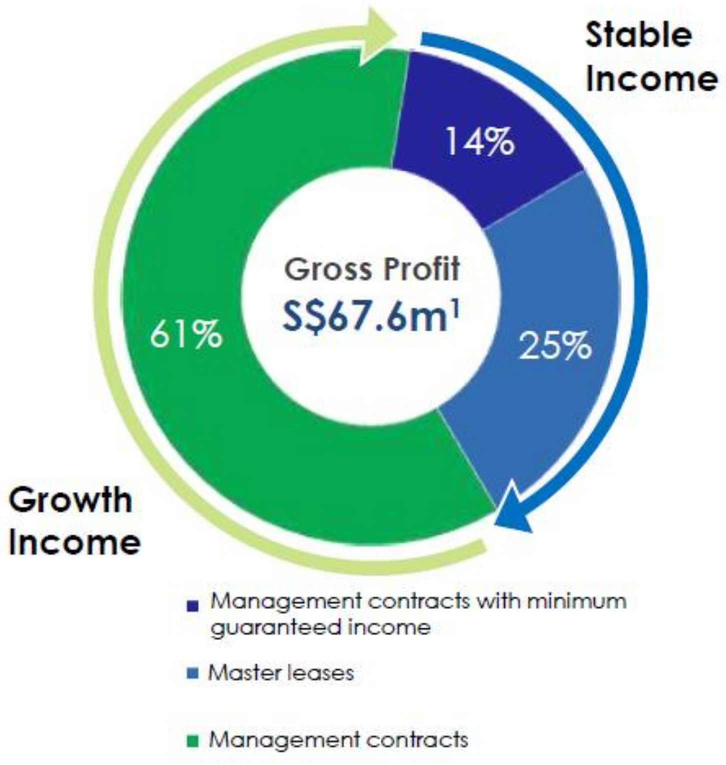
Outlook

- Temporary deviation from their targeted 50/50 growth/stable revenue structure
- Higher revenues from Element NY Times Square and Somerset Grand Citra Jakarta post-AEI in 3Q19
- Lower gearing of 32.8% (-2.9ppts QoQ), debt headroom increased from c$880mn to c.$1.1bn, low cost of funding of 2.3%
- Two tranches of perps callable in Oct19 ($150mn) and Jun20 ($250mn) paying 5% and 4.68% coupon – will likely be called and reissued

Maintain ACCUMULATE with unchanged TP of S$1.36

- This translates to a dividend yield of 5.4% and a FY19e P/NAV of 0.96x.

Figure 1: Breakdown of gross profit by lease type



Source: Company

Ascendas REIT

Not as grim as it looks

Natalie Ong

Research Analyst

Phillip Securities Research Pte Ltd

5 August 2019

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Ascendas REIT

ACCUMULATE (Upgraded), TP: $3.31, Last: $3.05

Results at a glance

(SGD mn)	1Q19	1Q18	YoY	Comments
Gross revenue	**230**	**217**	**+6.1%**	**Contribution from the acquisition of - Two logistics UK portfolios (Aug 18 and Oct 18), - Three Australian properties; 169-177 Australis Drive (Jun 18), Cargo Business Park (Sep 18) and 1-7 and Wayne Goss Drive (Sep 18)**
Net property income	177	159	+11.5%	Due to lower property operating expenses (-9%), mainly due to the exclusion of land rent amounting to S$8.2m (adoption of IFRS 116 *Leases*), Excluding effects of IFRS 116, NPI would have increased by 6.3%
Distributable income	125	117	+6.3%	
DPU (cents)	**4.005**	**4.002**	**+0.1%**	**Larger unit base: effect of Private Placement in Sept. 2018, includes capital distributions (1Q FY2019: 0.510 cents, 1Q FY18/19: 0.331 cents) distributions**

Source: Company, PSR

+ The Positives

- Singapore recorded improvement in occupancy (+0.6ppts) and positive rental reversions (+2.7%). SG operations outperformed with revenue/NPI growing 1.5%/9.4% respectively
- Demand for new spaces was driven by the transport and storage sector, accounting for 28.9% of new leases by GRI
- Largely unaffected by the grim manufacturing outlook - <10% of FY19 lease expiries, customer base of 1,350 tenants, of which 6.4% are in the Electronics sector

- The Negatives

- Portfolio occupancy declined 80bps QoQ to 91.1%, dragged down by lower occupancy in Australia (-5.7ppts).
- AREIT's SG portfolio occupancy (88.9%) is below the industry average (89.3%) despite improvement in occupancy

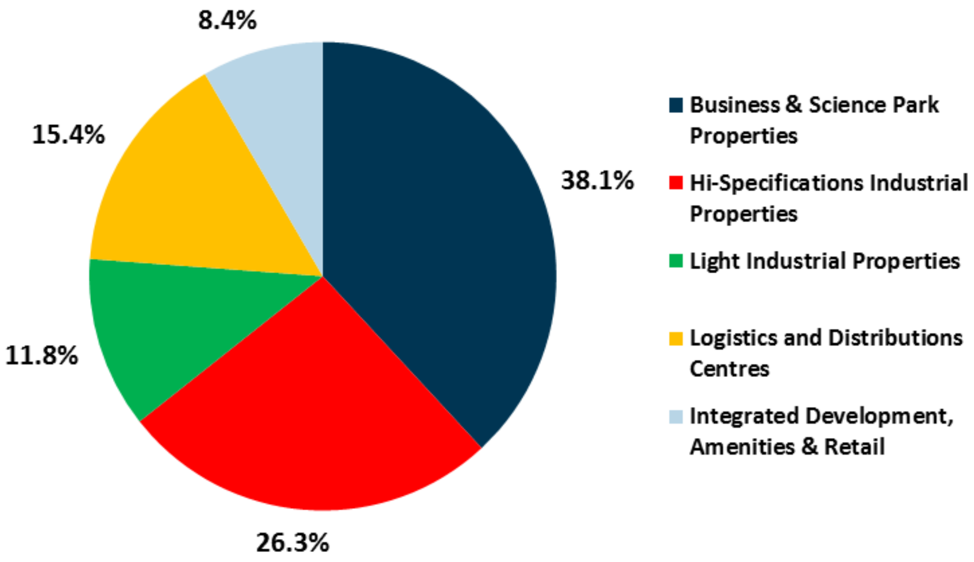
Ascendas REIT

ACCUMULATE (Upgraded), TP: $3.31, Last: $3.04

Outlook

- Low expiries of 9.3% of SG GRI for FY19 (FY20 19.7%)
- Industry occupancy has held steady at 89.3% for the past two quarters
- New supply of industrial space coming on to the market in FY19/20 (which represents 1.6%/3.6% of existing supply) is already 90%/39% pre-committed
- This should provide industrial rents support amidst the softer economic outlook

Figure 1: Breakdown of Singapore-sourced NPI by industrial sub-type



Source: Company, PSR

Upgrade to ACCUMULATE with a higher target price of $3.31 (prev $2.88).

Our higher target price is mainly due to the lower interest rate assumption and higher revenues forecasts from the persistent signing of above-market rents. Lower cost of equity of 6.6% has been applied in our DDM calculations (prev. 6.9%).

Sheng Siong Group

Another marvellous year in store expansion

Paul Chew

Head of Research

Phillip Securities Research Pte Ltd

5 August 2019

Sheng Siong Group
(Accumulate (Downgraded), TP: S$1.30, Last: S$1.15)

SGD mn	2Q19	2Q18	YoY	Comments
Revenue	238.2	213.0	11.8%	New stores +11.3%, SSSG -0.3%, Kunming store +0.8%
Gross profit	65.2	58.1	12.2%	*Gross margin up +0.1pp to 27.4%*
EBITDA	30.6	23.2	31.9%	
EBIT	22.3	20.7	8.0%	Dist. expenses +2.8% YoY and admin. Expenses +14.6%
PATMI	18.4	17.2	7.4%	Under old accounting standard, PATMI is S$19.2mn

Positives

- Sales growth healthy: 10 new stores and growing shares 10x faster than the industry
- New stores: Bidding for 6 new stores (closed bid) + 4 online available + private deals
- Gross margins rose but held back by higher raw material cost

Negatives

- Operating high due to new stores: admin exp 17.9% of sales vs 16.5% (FY14-17)
- Same-store sale improved but remained soft: 1H19 -0.6% vs -1.1% for supermarkets in malls

Outlook

Outlook is positive. Multiple drivers next two years - market share gains, store expansions, improved sales or productivity per sft and operating leverage as sales improve

Downgrade to ACCUMULATE:

Downgrade due to recent rally in share price; SSG is enjoying stable growth and offers attractive metrics from its 3.2% yield, 25% ROE and S$87mn net cash balance sheet

Week 32 – Phillip Singapore Weekly

Paul Chew

Head of Research

Phillip Securities Research Pte Ltd

5 August 2019

Week 32 – Short-term Views

Macro Last Week

- **SG macro:** Loans flattening out and SIBOR dipped after trade tariffs;
- **US macro:** bounce in PMI; job growth healthy
- **Global macro**: Global PMI still declined due to Europe but modest rebound in China and US; market expectations now of 3-rate cut in 2019 and 2 in 2020;

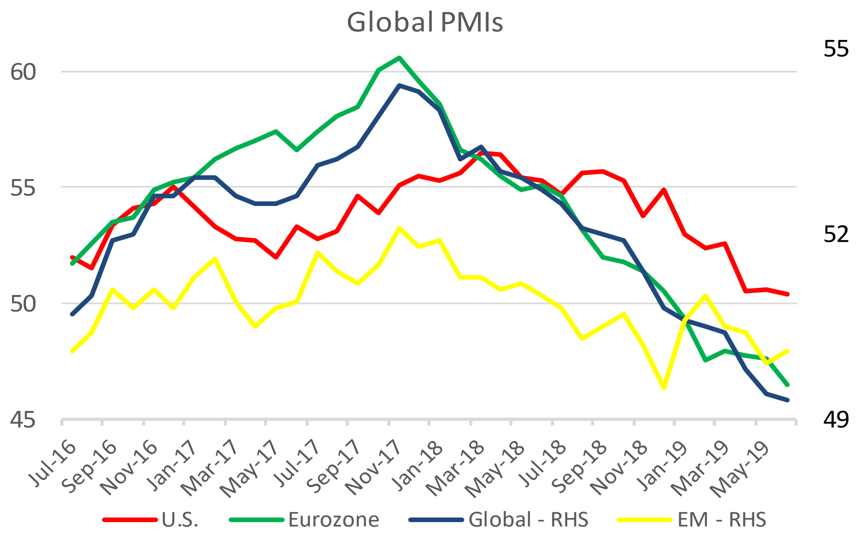
Tactical

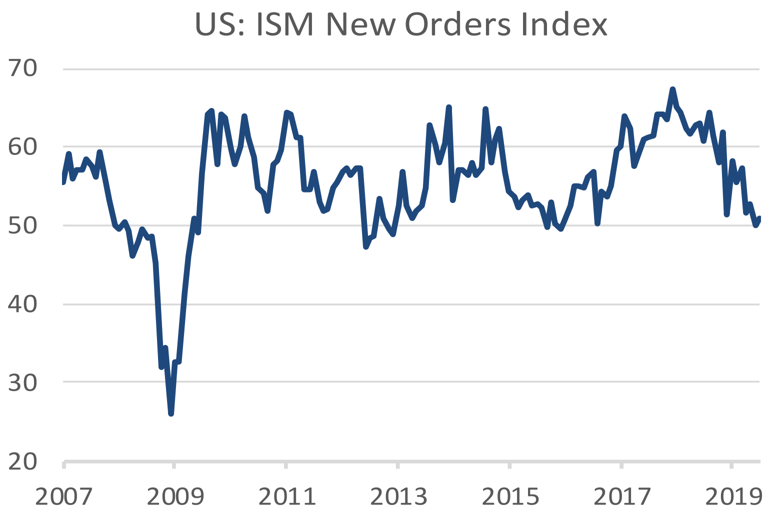
- **Theme is the interest rate trade:** global bond yields headed for all-time lows; US 50bps below 1.365 low; Global growth stalls but we get re-pricing of all assets to new risk free rate benchmarks
- **Most attractive are SGX listed US REITS**: superior yield (>6%) and currency; USD looks strong especially against SGD on relative growth and interest rate differential plus regional currency risk with RMB crossing 7;
- **SGX** a beneficiary of spike in equity (VIX) and currency (VXY-EM) volatility
- **Banks as dividend growers:** Past 2 years DBS (+82%); UOB (+57%); OCBC (+39%)
- **Tariffs**: Forcing Fed to cut rates 3x + Mexico U-turn unlikely until more signs US slowdown

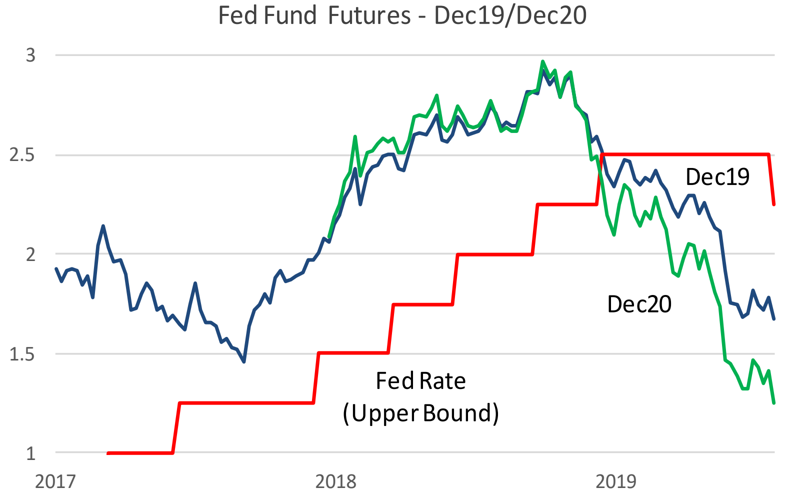
Week(s) Ahead

- **22-24 August:** Powell Jackson Hole, **1Sep**: 10% tariffs on $300b Chinese imports

Week 32 – Some modest recovery underway







The Phillip Absolute 10

Hurt by telcos this month due to ex-dividend

Company	1M	3M	YTD	Rating	Target Px (S$)	Share Px (S$)	Upside	Mkt Cap (US$m)	PE	P/BV	Dvd. Yield	ROE
Yield												
Ascott REIT	0.8%	9.2%	21.3%	**Accumulate**	1.36	1.31	4%	2,071	17.2	1.0	5.5%	5.9%
NetLink	-2.8%	4.2%	13.1%	**Accumulate**	0.93	0.87	8%	2,450	40.2	1.1	5.4%	2.5%
Dividend Growth												
DBS	1.7%	-6.5%	11.5%	**Accumulate**	27.60	26.41	5%	49,049	11.2	1.4	4.5%	12.4%
SGX	0.0%	7.3%	10.8%	**Accumulate**	8.09	7.92	2%	6,158	20.8	7.8	3.8%	35.8%
UOB	1.0%	-5.1%	7.4%	**Accumulate**	30.9	26.40	17%	32,011	10.4	1.2	3.8%	11.4%
Growth												
Sheng Siong	5.5%	12.6%	9.4%	**Accumulate**	1.30	1.16	12%	1,268	22.7	5.8	2.9%	25.2%
Re-rating Plays												
APAC Realty	10.4%	-6.4%	31.5%	**Buy**	0.65	0.59	11%	151	9.2	1.5	7.7%	17.6%
CapitaLand	2.5%	2.5%	16.4%	**Accumulate**	4.00	3.62	10%	13,255	16.9	0.8	3.3%	9.0%
ComfortDelGro	1.9%	0.7%	26.0%	**Accumulate**	2.99	2.71	10%	4,266	18.3	2.2	3.9%	11.5%
Singtel	-4.9%	5.0%	13.7%	**Accumulate**	3.66	3.33	10%	39,523	17.6	1.8	5.3%	10.4%
Average	1.6%	2.4%	16.1%				9%	150,202	18.4	2.4	4.6%	14.2%

	Absolute 10	STI		Absolute 10	STI
Jan18	4.9%	3.9%	**Jan19**	7.2%	4.0%
Feb18	-3.1%	-0.5%	**Feb19**	0.6%	0.7%
Mar18	-2.7%	-2.6%	**Mar19**	-0.7%	0.0%
Apr18	1.4%	5.4%	**Apr19**	2.2%	5.8%
May18	-3.1%	-5.1%	**May19**	-2.0%	-8.3%
Jun18	-4.3%	-4.6%	**Jun19**	6.5%	6.5%
Jul18	1.5%	1.6%	**Jul19**	1.6%	-0.6%
Aug18	-0.7%	-3.2%	**Aug19**		
Sep18	1.1%	1.4%	**Sep19**		
Oct18	-6.1%	-7.3%	**Oct19**		
Nov18	-1.8%	3.3%	**Nov19**		
Dec18	-0.6%	-2.3%	**Dec19**		
YTD	-13.1%	-10.5%	**YTD**	16.0%	7.6%
Out/(Under)perf.		-2.6%	Out/(Under)perf.		8.4%

Note# Performance is for illustration purposes only. It excludes the cost of monthly rebalancing, transaction fees and dividends.

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Thank you