Singapore Equity Strategy

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Phillip Securities Research Pte Ltd

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Industrials (Capital Goods) – Positive outlook

Robust O&M outlook continues with oil remaining at healthy levels. The rig-builders in our coverage registered YTD strong order book wins totaling 76% of PSR FY13F of S$10.6bn. Stocks in niche areas of business are also expected to do well, due to various competitive advantages. Most stocks in the sector remain reasonably priced.

Commodities – CPO price muted

High supply from higher production, availability of substitutes, coupled with weaker expected demand continues to reduce any potential for CPO prices to rebound. Upstream operators are therefore expected to register continued weak results.

Telcos – Positive on Data monetizing

Besides attractive dividends, we see continued growth potential. Growth is expected from data monetizing, including through higher excess data charges, and continued growth in customer base.

REITS and Property sector – Residential not favored

Mammoth supply of residential properties (2H13: c.100,000 units), but buyers are scarce due to TDSR rules. Prices therefore are expected to correct further. Retail/Hospitality exposure therefore preferred. Yields on REITS remains unattractive, with further downside potential expected from the constant assessment by the Fed at every FOMC of when to taper QE in light of an improving US economy. Bottom picking of REITS with strong rental growth and stable margins advised.

Banks – 1H13 strong, 2H13 slightly weaker but positive

NIMs have stabilized for 2 quarters after a lengthy decline. With strong double-digit y-y growth of Fees & Comm, and Loans growth in 1H13, 2H13 may be weaker from a high base on 3Q economic concerns, and FX weakness. We continue to be positive on strong growth traction, while banks stand to benefit from rising interest rates.

Update to Top Picks list – DBS and SingTel added

With increasingly positive economic data from the major economies (US, China, Japan and Eurozone), we think that big caps will stand to benefit most in the near term, thus our change in focus. **Keppel Corp** remains our Top pick, as O&M outlook remains robust, dayrates and utilization rates are high, while O&M margins expected to improve y-y. **DBS** stands to benefit from rising interest rates, China exposure, and cheaper valuations vs local peers. **SingTel** to benefit from Healthy EBITDA growth in AU and SG, and growth potential from overseas assoc, Digital Life investments.

(New!) Deep Value Plays – Amara, Boustead, Courts

We introduce our list of stocks with significant upside potential, not yet realized by the market. **Amara Holding** trades at a >50% discount to RNAV. **Boustead SG** competing in niche areas registered record order books of S$491m. **Courts Asia** is primed to benefit from rising credit demands from its unique in-house credit facilities.

Top Picks in the Singapore Market

Company	Rating	Price (S$)	TP (S$)	Upside (%)	M.Cap. (US$'mn)
DBS Group	**Accumulate**	**16.65**	**17.50**	**5.1%**	**32,637**
Valuations		**12**	**13E**	**14E**	
P/E (X)		12.1	11.7	11.0	
P/B (X)		1.3	1.2	1.1	
Dividend yield (%)		3.4%	3.4%	3.4%	
SingTel	**Accumulate**	**3.83**	**3.99**	**4.2%**	**48,998**
Valuations		**12**	**13**	**14E**	
P/E (X)		16.9	15.9	15.7	
P/B (X)		2.5	2.4	2.3	
Dividend yield (%)		4.4%	4.4%	4.4%	
Keppel Corp	**Accumulate**	**10.80**	**12.25**	**13.4%**	**15,663**
Valuations		**12**	**13E**	**14E**	
P/E (X)		10.2	12.7	11.0	
P/B (X)		2.1	2.0	1.9	
Dividend yield (%)		6.7%	4.4%	4.5%	

Source: Bloomberg, PSR

Deep value plays in the Singapore Market

Company	Rating	Price (S$)	TP (S$)	Upside (%)	M.Cap. (US$'mn)
Amara Holdings	**Buy**	**0.55**	**0.74**	**34.5%**	**255**
Valuations		**12**	**13E**	**14E**	
P/E (X)		15.9	15.1	8.1	
P/B (X)		1.1	1.0	0.9	
Dividend yield (%)		1.1%	1.1%	1.1%	
Boustead Singapor	**Buy**	**1.37**	**1.94**	**41.2%**	**563**
Valuations		**12**	**13**	**14E**	
P/E (X)		8.6	10.1	9.6	
P/B (X)		2.3	2.1	1.9	
Dividend yield (%)		5.1%	5.1%	5.4%	
Courts Asia	**Buy**	**0.75**	**1.03**	**38.3%**	**335**
Valuations		**12**	**13**	**14E**	
P/E (X)		10.1	10.2	8.4	
P/B (X)		1.4	1.3	1.2	
Dividend yield (%)		4.4%	2.9%	3.6%	

Source: Bloomberg, PSR

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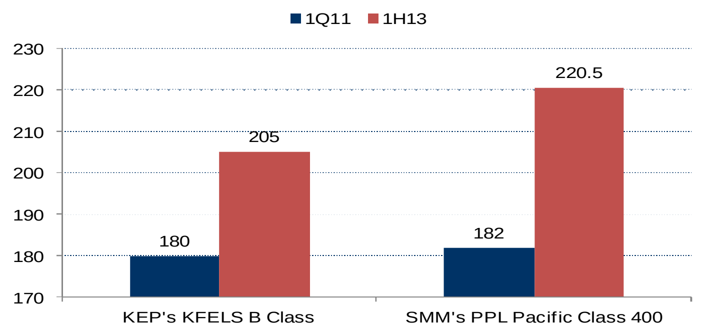
Industrials Sector – Overweight

Offshore and Marine (O&M) – Robust sector outlook. Crude Oil price, a good sentiment gauge for the O&M sector, though fairly volatile, remains at a healthy level above US$80/bbl. This indicates a robust sector outlook. We divide our O&M coverage into two broad segments, Rig-builders and Small/Mid Caps.

The rig-builders under our coverage, namely **Keppel Corp** (**TOP PICK, "**Accumulate") and **Sembcorp** ("Neutral") continue to register strong order book wins. YTD order book wins total S$8.1bn vs PSR FY13F of S$10.6bn. Management from both companies sees margin pressure to continue impacting the industry, due to competition from the Korean and Chinese yards. However, we see limited downside risks from Chinese yards due to their lack of track record, late delivery concerns, as well as the anticipated recovery of the commercial shipbuilding market which should shift their focus from offshore back to shipbuilding. The demand for rig-builders also remains high due to: 1) Rising energy demand from emerging countries and 2) depletion in existing oil fields per Keppel Corp's management. 3) 48% of global jack-up fleet over 30 years old, thus driving demand from replacements.

We prefer **Keppel Corp** for its stronger operating performance, better execution for its Brazilian projects and potential margin upsides.

Fig 1. Pricing of jack-up rigs from SG yards improved despite rising competition



Source: Companies, PSR

In the small/mid cap space, namely **Ezion** ("Accumulate") and **Ezra** ("Neutral"), the robust O&M outlook leads to better visibility from continued contract wins, both in provision of services and development orders. This also allows the companies to invest in expanding their business, such as fleet size. Maintaining margins through cost management and execution ability is vital to better company performance.

Other Industrials – Prefer businesses with niche areas

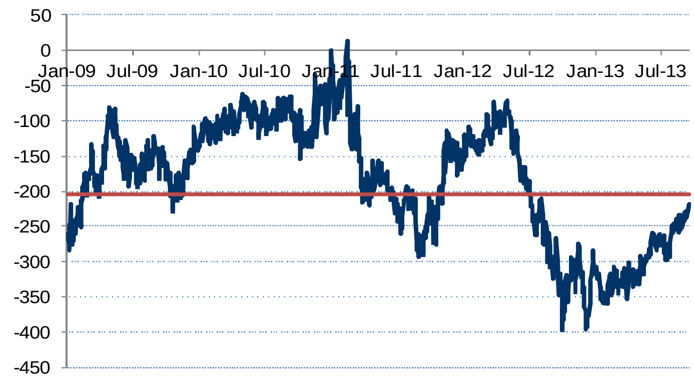
Singapore construction boom – Infrastructure demands including the building of new MRT lines, Roads and other developments benefit players such as providers of Ready mix concrete (RMC). **Pan United** ("Accumulate"), a market leader in RMC, stands to benefit from this, and an increased stake in the profitable Changshu-Xinghua Port (China).

Niche areas with few competitors – such as exclusive distribution of Geospatial Technology in some countries, and being 1 of only 3 known full turnkey players in Asia in the Industrial Property Design & Build business benefits **Boustead** ("Buy") with strong orderbook wins.

Commodities & Supply Chain Managers – Neutral

Muted outlook on CPO prices in 2H13 on 1) steady increase in production from Malaysia, 2) anticipated higher supply of global vegetable oil such as soybean and rapeseed oil, which are substitutes of palm oil, and 3) weaker Indian Rupee against the US$, affecting demand from India, the largest importer of palm oil.

Fig 2. CPO to soybean oil price discount (US$/MT)
Historical long-term premium/(discount) = -US$205/MT



Source: Bloomberg, PSR

Between the two stocks under our coverage, we prefer **Wilmar International** ("Accumulate") to **Golden Agri** ("Neutral") as we expect the former to be less impacted by the lower CPO prices, as upstream operations account for only ~25% of its profit. Furthermore, we see positive long term prospects for Wilmar, as it remains a good proxy for the growing food demand in China and SEA.

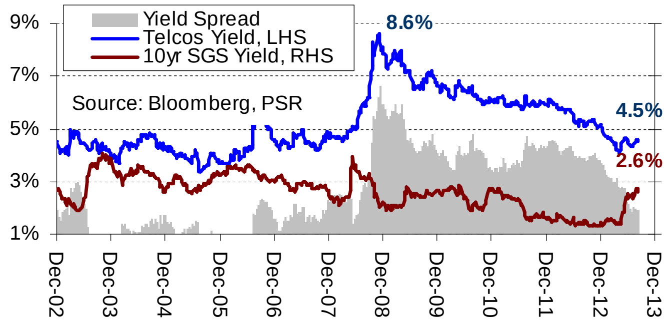
Telecommunications Sector – Overweight

High dividend yields with Stable growth – Positive on Data Monetizing! The Telcos have been resilient in recent months. We continue to be positive on continued revenue growth from Data monetizing. More customers continue to exceed data allowances. SingTel has also doubled 4G excess data charge rates from S$5.35/GB to S$10.70/GB. We expect the other Telcos to follow this increase in excess data charges. This is expected to contribute to higher ARPU.

Other drivers of mobile ARPU include 1) Upgrading from low to mid tier plans, 2) Population growth and 3) reduction in subscriber acquisition cost. High capital expenditure in the near term continues to weigh on the Telcos' ability to give higher dividends. CAPEX includes the cost of new spectrum, LTE roll-out, and 3G network enhancements.

Based on the growth prospects and attractive dividend yields, we are optimistic on the Telcos Sector, with "Accumulate" on **SingTel (TOP PICK)**, **M1** and **StarHub**. We prefer SingTel over M1 and StarHub due to better growth potential from its overseas exposure, and Group Digital investments. On the latter, SingTel has budgeted S$2 billion for Group Digital investments over the next 3 years.

Fig 3. Telcos trading at an average yield of 4.5%



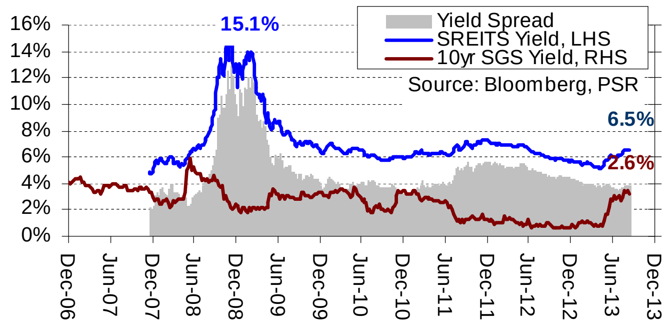
REITS Sector – Underweight

S-REITS – Downside risks with little growth impetus. Focus on specific sub-sector exposure (Retail/ Hospitality). While the S-REITs managed to continue its rally in the initial phase of 2013, the recent sell-off has e almost all YTD gains. The FTSE Straits Times REIT index (FSTREI) dipped 18.7%, from a high of 892.06 to 725.36. Investors rode a positive trend that initiated since 1Q12. In 3Q13, REITs investors were increasingly edgy towards the rise in interest rates, which would ensue from the impending cessation of QE.

With the market correction in effect, there is an increase in current distribution yields. However, current circa-6-8% yields remains unattractive, given current market conditions. In addition, the potential near-term start of QE tapering presents a fresh source of downside risks. Many REIT managers will avoid aggressive injection of assets during times of unstable interest rates.

With greater downside risks and a void of growth drivers, we think it advisable for clients to be highly selective in maintaining their exposure within this sector. We prefer counters which have demonstrated strong and resilient growth in rental revenue growth and stable gross margins.

Fig 4. SREITS trading at an average yield of 6.5%



Property Sector – Neutral

Singapore property – Prefer Retail/Hospitality to Residential. While there are signs that points towards price stabilization of private residential properties, we expect the prices to correct further. The most recent statistics released by URA, reveal the residential real estate market continues to struggle with a mammoth supply and a scarcity of buyers. With the onslaught of developers pushing through with their condo launches (another c.100,000 units in 2H2013), we expect to see either significant downward pressure on private property price or a spike in the unsold inventory. More importantly, the potential residential buyers are struggling to come to terms with the newly implemented TDSR rules. The TDSR policy has largely crippled buyers' loan capacity and will have a lasting impact on the residential capital value. We expect government to remain active on the policy front, in regulating and inducing a more sustainable growth rate in the residential prices.

Banking & Financials Sector – Overweight

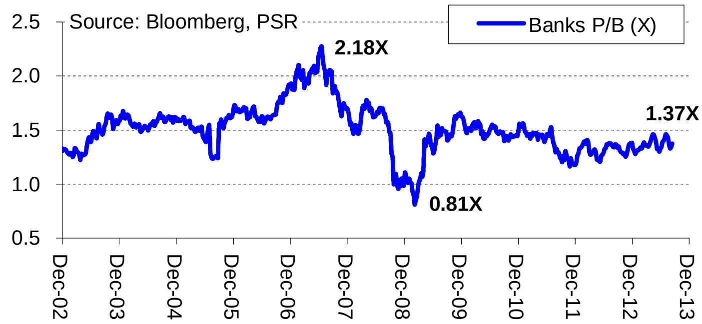
Strong 1H13 results – Positive on key revenue segments! Net Interest Margins (NIMs) are stabilizing, while Loans growth, and Fees and Commission were strong with double digit y-y growth in 1H13. NIMs were stable for two consecutive quarters after a lengthy decline. While q-q volatility remains, we are positive, and see potential for gradual NIMs recovery once short-term interest rates increase. YTD loans growth of 10.3% - 11.5% beat expectations, leading to upward revisions of Loans growth guidance by DBS and UOB. Fees and Commission continues to grow in 1H13, driven by Wealth Management (WM) and favorable market conditions.

We maintain a positive but slightly weaker outlook for 2H13. We expect continued traction both for Interest income and Fees and Commission. Fees and commission may however be lower from a high base. Non-interest income remains volatile. The banks stand to benefit from higher interest rates when the tapering of QE starts. We however expect the impact on NIMs to be significant only when short term rates increase. Credit cost would however increase, given current low NPL ratios. This is expected to be manageable.

Among the 3 local banks, we prefer **DBS** (**TOP PICK, "**Accumulate") to **UOB** ("Accumulate") and **OCBC** ("Neutral"). We like DBS's higher exposure to Greater China and Hong Kong. DBS's P/B is also trading at a discount to peers.

We expect **SGX** ("Buy") to benefit from the improvement in Securities, and Derivatives, trading volume due to a shift of funds from bonds to equities, and from improving market confidence, arising from positive economic data in the world's major economies.

Fig 5. Banks trading at below historical average of 1.5X on sustained NIMs pressure, may rebound in mid term



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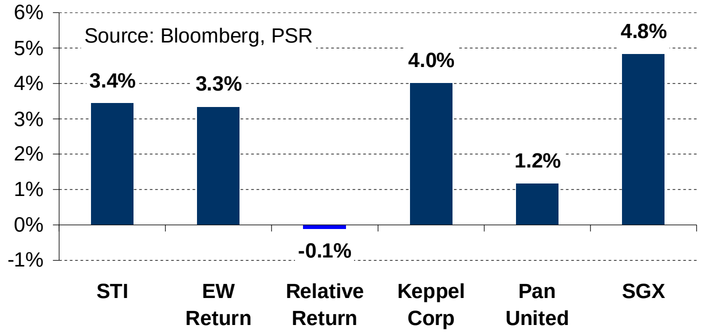
PSR Coverage – SG Top Picks

We have removed Singapore Exchange and Pan United from our top pick list and replaced it with DBS Group and SingTel. With increasingly positive economic data from the major economies (US, China, Japan and Eurozone), we think that big caps will stand to benefit most in the near term, thus our change in focus.

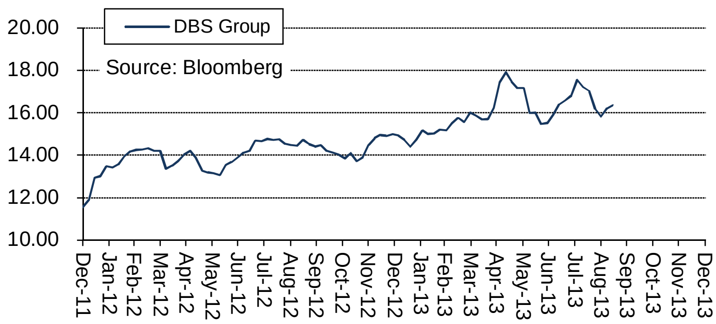
Fig 6. SGX and Keppel Corp beating STI returns



#1: DBS Group (New!)

We like DBS (Accumulate, TP: S$17.50) for the following reasons. **1) Benefit from rising interest rates.** The eventual increase in short term interest rates will lead to higher interest income. DBS's high proportion of cheap CASA deposits will contribute to higher NIMs. **2) Higher exposure to Greater China** relative to local Singapore peers. This allows DBS to benefit from any economic improvement in China, in particular a rise in import/export activities. DBS is able to offer transaction banking services, including trade financing. **3) Price to book trading at a discount** relative to peers. We expect rerating potential for DBS as it continues to gain traction in its various focus areas. These include its SME business, Wealth Management, and Transaction banking services. **4) Various revenue streams registering strong results**. The potential stabilizing of NIMs and strong double-digit loans growth leads to higher net interest income. Fees and Commission, driven by WM and trade-related fees, grew double-digit y-y in 1H13.

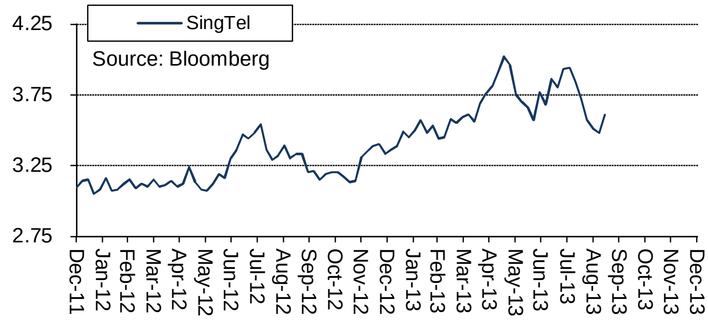
Fig 7. Stock Price of DBS Group



#2: SingTel (New!)

We like SingTel (Accumulate, TP: S$3.99) for the following reasons. **1) Attractive dividend yield** of 4%-5%, with potential for dividend growth. With a committed dividend payout range of 60%-75% of net profit, higher net profits will lead to higher dividends. **2) Healthy EBITDA growth in SG and AU** excluding currency effects. In Singapore, continued data monetizing is expected to drive higher mobile ARPU. SingTel continues to dominate in both the mobile and fibre broadband segment, with continued high net adds and low churn rates. In Australia, Optus' focus on maximizing profits from existing customers instead of growth of customer base has also improved EBITDA despite stiff competition from its AU peers. **3) Strong growth potential**, both from overseas associates including AIS and Telkomsel, and from investments in Group Digital Life when they crystallize. Besides increasing revenue, potential successful Digital Life initiatives may also increase loyalty among customers of both SingTel and its overseas associates.

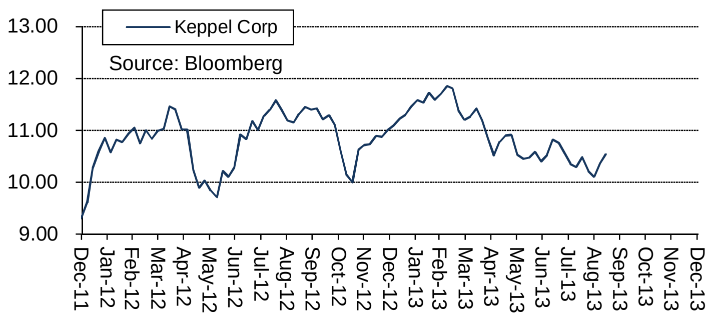
Fig 8. Stock Price of SingTel



#3: Keppel Corporation

We like Keppel Corp (Accumulate, TP: S$12.25) for the following reasons. **1) Robust O&M outlook**, well-supported by high dayrates and utilizations for both jack-up and semi-sub rigs. Crude oil prices continue to stay at healthy levels above US$80/barrel, which should support E&P spending by oil companies. **2) Strong order book wins**, with S$4.4bn new orders YTD vs PSR FY13F of S$5.9bn. Management continues to be positive, citing rising energy demand from emerging countries, and depletion in existing oil fields. **3) Stronger track record** relative to its Chinese peers has also contributed to its healthy order books. This is despite aggressive pricing and appealing payment terms offered by its Chinese peers. **4) Y-y higher O&M margins** from repeat orders of its proprietary KFELS B Class jack-up rigs, and record delivery of 20 jack-up rigs in FY13F (11 already delivered in 1H13). In addition, we note that average prices for its proprietary KFELS B class jack-up design increased by more than 10% over the past two years. We forecast margins of >14% for FY13-15E vs FY12 margin of 13.5%, as the majority of 2014-15 earnings should materialize from contracts secured at higher pricing in 2012-13. **5) Attractive dividend yield** of ~4-5% to reward its investors.

Fig 9. Stock Price of Keppel Corp



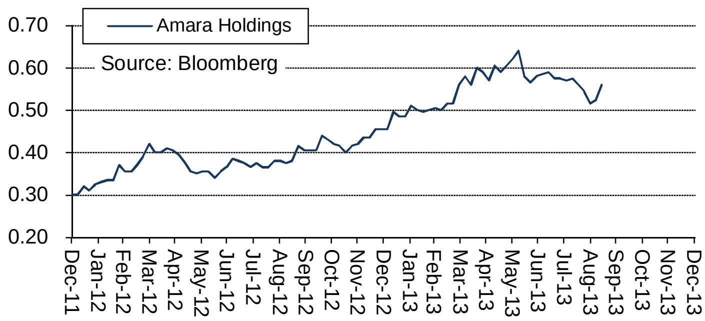
PSR Coverage – Deep Value Play

We introduce three stocks, which forms our Deep Value Play list. We think that the market has not realized the fair value of these stocks. Current share price presents significant upside potential.

#1: Amara Holdings – Trading at >50% disc to RNAV

Amara (Buy, TP: S$0.74) engages mainly in two business areas; Hotel (development and management) and Residential (Development and Sales). Additionally, the company engages in F&B businesses to complement its hotel segment. Amara reported a stellar performance in 2Q13, with 2Q13 PATMI growing 51.6% y-y. We like Amara for the following reasons. **1) Trading at Deep discount** to valuation, we value Amara at S$0.74, based on a conservative 40% discount to RNAV of S$1.23. **2) Normalization of recurring earnings** (hotel assets) is expected to bring in approximately S$0.045/share. This is expected to come from the completed refurbishment of Amara Singapore, and completion of 100AM, the hotel's neighboring retail mall. Amara Sanctuary is also expected to experience higher occupancy. **3) Overseas expansion** to bring in higher revenue. Amara is expanding both in Shanghai (Mixed development-Hotel/Office/Retail to be completed in 2015) and Bangkok (By 1Q14). Amara recently signed an MOU, indicating their intention to potentially build and manage a Hotel in Myanmar.

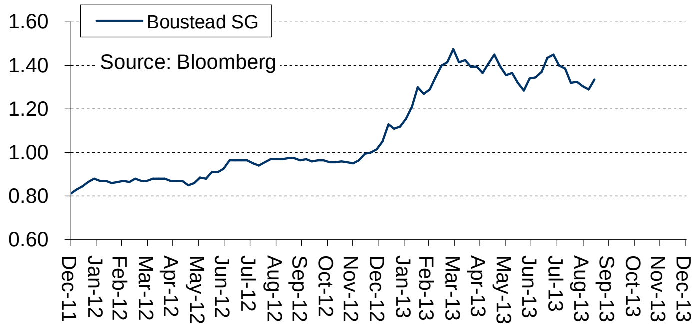
Fig 10. Stock Price of Amara Holdings



#2: Boustead Singapore – Record order books for IPDB and Energy, Total Order books a record S$491m.

Boustead operates market leading infrastructure related businesses: Geospatial Technology (28% PBT), Industrial Property Design & Build (IPDB) + Property Portfolio (58%), Water & Wastewater Engineering (1%), and Energy Related Engineering (13%). We like Boustead for the following reasons. **1) Growth of recurring income** through its exclusive distribution and service agreements for its Geospatial Technology business with ESRI Inc. ESRI is the global leader in GIS (geographic information systems), with 60% of global market share for governments. Operations in Malaysia, Indonesia and Australia are expected to be the main growth drivers. The exclusive relationship with Boustead implies almost no competition in those markets. **2) Strong pipeline of work, Regional market leadership** in the IPDB business. Boustead is one of only three know full turnkey players in Asia. Orderbook is at a record **S$274m**. **3) Benefitting from the Shale energy boom**, with resurgence of orders for the Energy Related Engineering business. Boustead is one of only four players in the Direct Fired Heat Processors and Waste Heat Recovery segment. Orderbook is at a record **S$187m**. **4) Attractive dividend yields** of 5.1%-5.3% for FY14E-15E., with an average historical payout ratio of ~52%. Capex is minimal at 5% of earnings, thus cash flow can be used to reward shareholders, and in making more value accretive investments.

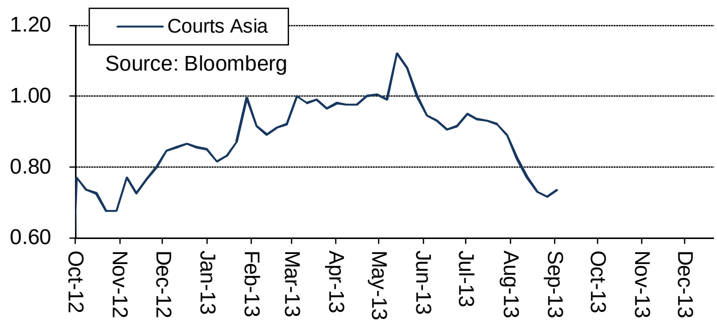
Fig 11. Stock Price of Boustead Singapore



#3: Courts Asia – Benefit from rising credit demand

Courts (Buy, TP: S$1.03) is an electrical, IT products and furniture retailer in Singapore and Malaysia. Courts will be expanding to Indonesia by CY2014. We like Courts for the following reasons. **1) Current share price low** relative to our Fair value of S$1.03. Share price has aggressively corrected recently, possibly due to disappointing sales figures. This is partly due to the lack of new launch of attractive products. However, we continue to see growth in the medium term, both from expansion of retail space, and higher sales from existing retail space. **2) Unique in-house credit facilities** provide an additional source of recurring revenue. Margins are also attractive at interest rates >20%. Bad debts have also been manageable, as Courts is able to tap on its long operating experience and customer data collected in both Singapore and Malaysia. **3) Higher demand for credit facilities and goods** from recent tightening of unsecured lending leading both in Singapore and Malaysia. Besides increasing sales volume, Courts is also able to be more selective, lending only to higher quality customers. **4) Expansion to Indonesia** is also expected to increase revenue. While initial contributions are expected to be small, and credit cost may be higher due to lack of customer data, this provides strong growth potential.

Fig 12. Stock Price of Courts Asia



Company	Investment Overview	Business Risks	Valuation
Commodities & Supply Chain Managers			
Golden Agri. Resources	Golden Agri. is one of the largest Crude Palm Oil (CPO) producers in the region. The group's CPO production metrics are among the best in class and we believe that the stock offers the best upstream exposure to the CPO value chain.	• Unpredictable weather conditions have a significant influence on CPO production. • Volatile market price of CPO. • High inventory level due to logistics issues.	• Neutral. We believe that GAR will be most geared to any potential rise in CPO prices • However, we expect CPO prices to remain muted in the near term. • S$0.50 based on a blended model of 12.0X P/E (FY14E) and DCF valuations (COE: 8.8%, terminal g: 3.0%).
Wilmar International	Wilmar International is an integrated agribusiness group. The company is also among the top oilseed crushers and branded cooking oil players in China. Its exposure to developing markets such as China, India and Southeast Asia offers a good exposure to rising wealth in their consumer markets. We think that the company's large scale of operations allows them to differentiate themselves as a low cost supplier.	• Overcapacity in China's soybean crushing sector. • Price control measures on cooking oil in China. • Overcapacity in Indonesia's palm oil refining sector.	• Accumulate. We believe that margins from Oilseeds & grains division could have stabilized and we may see improvement in FY13. • We expect Wilmar's earnings to be more resilient during low commodity price period. • S$3.61 based on a blended model of 12.0X P/E (FY14E) and DCF valuations (COE: 8.2%, terminal g: 3.0%).
Consumer Goods			
Genting Singapore	Genting Singapore is best known for its $6.6 billion, 49 hectares integrated resort, Resorts World Sentosa in Singapore. More than 70% of its revenue is derived from the gaming segment. Contributors to the non-gaming segment, in order of significance are Universal Studios, Hotel, and Marine Life Park.	• Cyclical and seasonal factors result in wide variations in gross gaming volume. • Luck factor (an unpredictable variable) has a major impact on win rate, which will in turn affect gaming revenue. • Regulatory risks are significant, especially those directed at the local market participation.	• Neutral. VIP volumes were higher y-y in 2Q13, but win rates low. Growth in Mass market volumes has been low. Potential upside catalyst may have to wait. Catalyst includes higher mass market players through completion of Jurong Hotel, and controlling participation in another attractive/ profitable Asian leisure business. • S$1.37 based on 13x FY13E EV/EBITDA.
Courts Asia	Courts Asia is a leading electrical, IT products, and furniture retailer in Singapore and Malaysia. Courts Asia also offers in-house credit facilities, generating additional revenue for the retailer. Courts Asia will be expanding to Indonesia, with the opening of a Megastore in Eastern Jakarta within 2014, and a second store in Serpong six months after the first Megastore opening.	• Fewer launches of attractive new product will decrease sales revenue. • Rising unemployment will increase credit cost of its in-house credit facility. • Credit cost a concern in Indonesia, due to the absence of extensive database. Strong execution is key. • Malaysia's net profit contributions affected by recent FX depreciation.	• Buy. We like the unique in-house credit offerings. This provides an additional recurring revenue source, especially in Indonesia and Malaysia We view the expansion to Indonesia positively, due to higher growth potential. Continued attractive pricing of goods leads to healthy increase in sales volume. • S$1.03 based on DCF. WACC: 6.9%, terminal g: 3.0%)

Combine Will Int.	ODM/OEM customers are world-top players in fast-food, FMCG, and toys. High labour costs and OEM "squeeze" are affecting margins. Mould business is down with the economy. Very low trading volumes, probably due to an overhang from its TDR-listing failure and current market obsession with debt-leverage have affected its stock price.	• Whenever OEM-squeeze cycle hits, the stronger companies take such opportunity to consolidate. Hence, margins and bottom-line suffer during this part of the cycle.	• RIV values it at S$1.85 but adjusted down 50% to S$0.93 due to market's debt-obsession. It reported a HK$30m loss in 2Q13 (HK$37m for 6M13), and extended its guidance of weaker financial performance in next 2-3 quarters, as compared to last year.
Banking & Finance			
DBS	DBS enjoys the lowest cost of funds among its local peers due to a higher proportion of CASA deposits inherited from its previous acquisition of POSB. The group also has the strong backing of Temasek Holdings as its majority shareholder. DBS also has the highest exposure to Hong Kong and Greater China compared to its Singapore peers. We expect increasing contribution from transaction banking, wealth management, and profit contributions from its overseas subsidiaries to drive the business of DBS over the next few years.	• Net Interest Margins (NIMs) pressure from intense competition. • Increase in non-performing loans cost from current low levels, leading to higher credit cost • Unfavorable foreign regulatory policies. • Significant depreciation of key currencies, including IDR and INR	• Accumulate. DBS reported strong earnings growth in 1H13. Growth was driven by higher loans growth, Fees and Commission, and net trading income. • DBS remains well positioned to benefit from China's economic growth, RMB products, and sig presence in China's trade partners in the ASEAN region. • S$17.50 based on 1.28X FY13E P/B.
OCBC	OCBC has a strong wealth management business following the acquisition of ING's private wealth business. It is also the only local bank with an insurance business through Great Eastern. OCBC has a strong SME client base in Singapore. We expect increasing contribution from transaction banking, wealth management, and profit contributions from its overseas subsidiaries to drive the business of OCBC over the next few years.	• Net Interest Margins (NIMs) pressure from intense competition. • Increase in non-performing loans cost from current low levels, leading to higher credit cost • Unfavorable foreign regulatory policies. • Significant depreciation of key currencies, including IDR and MYR	• Neutral. OCBC continues to register decent results. 2Q13 Fees and commission was a record high, while loans growth was strong. • Mark-to-market losses on non-participating funds were however a drag on net profits. • Current P/B valuations fair relative to peers and historical mean • S$9.50 based on 1.40X FY13E P/B.
UOB	UOB has a good geographical diversification across many ASEAN countries, including being the only Singapore bank with a significant presence in Thailand. UOB has a strong SME client base in Singapore. We expect increasing contribution from transaction banking, wealth management, and profit contributions from its overseas subsidiaries to drive the business of UOB over the next few years.	• Net Interest Margins (NIMs) pressure from intense competition. • Increase in non-performing loans cost from current low levels, leading to higher credit cost • Unfavorable foreign regulatory policies. • Significant depreciation of key currencies, including IDR, MYR, and BHT	• Accumulate. We are positive on UOB's 1H13 fees and commission growth, driven by wealth management growth, and favorable market conditions. • 1H13 Loans growth was also strong, leading to upward revision on guidance. FY13 NIMs are expected to stabilize. • S$21.80 based on 1.38X FY13E P/B.

SGX	SGX has a monopoly over the local exchange business as the only stock exchange in Singapore. The business is highly profitable and generates high levels of Free Cashflows. SGX is also establishing itself as the largest offshore venue for Asian equity derivatives. We expect a shift of funds globally from bonds to equity markets, coupled with increasingly positive market sentiments, to drive trading volume for the exchange in the next few years.	• Weaker market confidence leading to lower trading volume. • Negative spillover effect from weaker economic performance of neighboring ASEAN countries leading to lower market confidence. • Lower number of listings due to postponing of IPOs due to lack of market confidence and low liquidity.	• Buy. Trading activities have picked up significantly YTD. While we note a slowdown in the current quarter, we expect trading activities to pick up, both for Securities and Derivatives. Contributions from Derivatives have notably been on a strong uptrend, providing additional and diversified source of revenue. The strong FCF and high net profit margins increases SGX's ability to pay higher dividends. • S$8.30 based on 24X FY14 P/E
Property (Developers)			
Ho Bee	Ho Bee is a real estate development and investment company. The company currently owns a portfolio of luxury residential properties in Sentosa Cove and other prime areas in Singapore. Its major office development, The Metropolis, will be completed in 2013. This major project could provide NAV growth through revaluation gain upon its completion and improve recurring income in 2014 and beyond. Management has indicated strong pre-commitment levels and on-schedule development progress. Furthermore, this development will provide a stable recurring income. This will lend strength to better valuations, due to increase stability in its income and cash-flow.	• Lack of buyer demand for residential units in Sentosa cove. With the absence of exit opportunities for its residential development, company faces high inventory levels and slow turnover. Lack of diversification continues to hurt company top line. Alternative measures to lease units provide insufficient returns as residential yields remain unappetizing. • Lower than expected take up rates for the Metropolis (currently 80% pre-committed), or rental yields that are below expectation from lower pricing power.	• Accumulate. Potential for sizeable revaluation gains from completion of Metropolis. • Net gearing is also low, thus allowing management to execute their expansion plans overseas. The company is seeking to embark on new residential projects in China and Australia. • $2.45 based on 40% discount to RNAV of $4.08.
Amara Holdings Ltd	Amara Holdings Limited is a home-grown integrated lifestyle group principally engaged in three business areas, namely, hotel investment and management, property investment and development, and specialty restaurants and food services. The company continues to focus on two key assets, Amara Singapore and Amara Sanctuary. Following the completion of asset refurbishment and enhancement of its retail asset, 100AM, the adjoining hotel-Amara Singapore starts to show signs of RevPar recovery. The company also looks to expand overseas, including Thailand, China, and potentially Myanmar.	• Upcoming Carlton Hotel will provide stiff competition due to its proximity and relatively strong brand name. • Risk from overseas expansion to new territories. Company is active on overseas expansion, including to Myanmar.	• Buy. Key assets Amara Singapore, Amara Sanctuary and 100 AM are estimated to provide a base load of recurring earnings (PATMI) of nearly S$26m a year. • Current price is more than 50% discount to RNAV of S$1.23, representing a value opportunity. Our target price of S$0.74 is an excessive 40% discount to RNAV, which could narrow as the company continues to actively manage its hotel assets and embark on new exciting projects. Investors should eventually appreciate the actual value of these assets.

Keppel Land Ltd	Keppel Land is a prime office, residential and township developer in Asia, with its current focus in the Singapore, China, India, Vietnam and Indonesia markets. It has a strong track record in building waterfront residential developments and top-notch office towers. It has established itself as a reputable township developer in China and Vietnam. Keppel Land could also benefit from growth in emerging markets, such as Indonesia and Myanmar.	• Management decision to launch a Singapore residential development project, "The Glades", in 3Q2013 may backfire. Recent launches in the vicinity of this project saw weak demand and less than desirable responds by potential buyers. • Lack of recovery in the Singapore office sub-sector may delay the divestment of MBFC Tower 3. Current rental rates of S$10-14 for this asset may not sustain under prolonged weak office space demand.	• Neutral. $4.24 based on 20% discount to RNAV of $5.30.
OUE Ltd	The company holds a portfolio of quality hotels and office towers in Singapore's prime locations. Following the completion of office developments (OUE Bayfront and One Raffles Place Tower 2) and major AEI to its hotels (Mandarin Orchard and Mandarin Gallery), recurring income streams for OUE have improved. The successful listing of its REIT will see the company obtaining c. S$600 million war chest. We believe that the company will be seeking out acquisition or development opportunities.	• Due to weak real estate outlook, there may be a dearth of favorable development/acquisition opportunities. • The currently and future steady supply of office space may provide down side pressure on prime office rental rates and suppress valuation over the foreseeable future. This may prevent the company from selling the MBFC Tower 3 at a favorable rate.	• Accumulate. $3.24 based on 30% discount to RNAV of $4.63. • Successful asset spin-off as OUE listed its REIT, with potential to take on more development projects/acquisitions. • The firm successfully obtained the principal approval to convert part of 6 Shenton Way into a mixed development of retail/serviced apartments/office space. Increased diversification will bode well for the longer term outlook
Stamford Land	Australia, where it owns/operates 7 of 8 hotels, has favourable supply/demand fundamentals for the sector. We noted a bid of S$1bn for Stamford Land's assets in 2008 and hold out for a re-run of this scenario. It pays regular dividend, which has upside if it earns higher property development profits.	• The A$ (vs S$) is positive yield-wise, but could be impacted in a liquidity crisis situation. • An economic slowdown will affect its hotel earnings.	• Buy. RNAV, based on nearby valuation or 14X hotel earnings (weak A$ compensated by current earnings), is also our target price S$0.76. • A similar offer to that in 2008 would result in a valuation of S$1.20.
SingHaiyi Group	Investment-banking approach to property development has encouraged partners to participate in all its projects. Its 24.5% EC project was fully-sold in Mar13; its 80% DBSS project is 50% sold. A 56-unit designer-loft Balestier project was recently launched. Under Gordon Tang now, SingHaiyi now seeks real estate opportunities in markets like US.	• High-end local projects are currently experiencing difficult sales and the projects of SingXpress Land would be affected if the weaker sales sentiment flows down to the rest of the property market.	• Our original RNAV of S$0.019, after adding conversion money of S$94.4m, interest at 3% saved on this S$94.4m, rights issue and placement; and, diluting share base to 28b, is S$0.016. Projects' RNAV remains largely unchanged. We await details of expansion plans.

Global Premium Hotel	Stable earnings from its hotel operations (one mid-tier hotel and economy-tier hotels with market share of 12.2%). It is currently building another hotel to serve the mid-tier segment. We believe that the market has not fully appreciated the potential of its multi-prong profit-earning hotel developments. The company is able to build new projects with a 12% cash-down. Even though GPH is trading at a discount to the valuations of REITs, we believe that it is able to pay strong dividend.	• The hotel supply glut, when it happens (not there yet). • A debt squeeze would curtail its profit from hotel development.	• Buy. Between 70% and 80% of book, it trades at a discount to REITs' valuation. Merton model values it at S$0.305. Higher, if 16%-30% more shares are issued to work that multi-pronged profit-earning potential in hotel development.
Industrials (Capital Goods)			
Keppel Corp	Keppel Corp is one of the largest Singapore-based conglomerates, engaging in 4 core businesses of Offshore & Marine (O&M), Infrastructure, Property and Investments. It is also one of the world's leading builders of jack-ups and semi-subs with market share of ~40% and ~26% respectively. Balance sheet is strong and dividend yield is ~4%.	• Significant downtrend in oil prices. • Greater than expected depreciation of the USD against the SGD. • Execution of contracts.	• Accumulate. We believe Keppel is well positioned to improve its productivity and is able to leverage on competencies of its satellite yards in the region to meet heavier workload requirements. • S$12.25 based on Sum of the Parts (SOTP) valuation.
SembCorp Marine	Sembcorp Marine is a leading global marine and offshore engineering group, specializing in a full spectrum of integrated solutions in ship repair, shipbuilding, ship conversion, rig building and offshore engineering & construction. Like Keppel Corp, it is also one of the world's leading builders of jack-ups and semi-subs with market share of ~23% and ~24% respectively.	• Prolonged downtrend in oil prices. • Greater than expected appreciation of the SGD against the USD. • Project execution.	• Neutral. We believe margins will continue to face downward pressure as they execute on new design rigs, which in turn will affect earnings. • S$4.42 based on 14.0x P/E (FY14E)
Ezra	Ezra Holdings is an integrated offshore support & marine services company, with 3 key business divisions: (i) Subsea services (9 subsea vessels), (ii) Offshore support services (44 OSVs in Asia-Pacific region, India, West Africa and Brazil), and (iii) Marine services (Triyards with 3 shipyards; 2 in Vietnam and 1 in Houston). We believe Ezra is well-positioned to benefit from US$124bn subsea capex over the next 5 years. This, coupled with fleet expansion, should support growth in its Subsea backlog.	• Lower-than-expected subsea margins • “Capex heavy” model resulting in high gearing • Greater-than-expected decline in subsea capex	• Neutral. Despite the positive long-term Subsea market outlook, we expect subsea margins could remain a drag on Ezra’s overall performance over the next few quarters as the company continues to integrate the AMC business. • S$4.42 based on 13.0x FY14E P/E.

Ezion	Ezion Holdings offers provision of offshore marine logistics & support services with 2 key business divisions: (i) SEUs (27 units, including those under construction), and (ii) Offshore logistics support services (~40 vessels with strong presence in Australia). Ezion is well-positioned to benefit from robust liftboat demand in SEA & the Middle East. In addition, its high ROE (at least 30%) business with US$2.5bn charter contract wins provides earnings visilibity.	• Delay in deliveries impacting earnings • "Capex heavy" model resulting in high gearing • Competition could drive down ROE	• Accumulate. We like Ezion's strong business model and high earnings growth visibility, via its SEU fleet expansion with firm contracts already secured. • S$2.71 based on Sum of the Parts (SOTP) valuation.
Hu An Cable	The power sector in China contributes half of its customer base. The company is also moving towards a different mix of HV and UHV cables in its product line. It is also among the top 10 wire & cable manufacturer in China. We note the recent underperformance in operations relative to its peers. The current low copper price & project delays are in play.	• Poor copper price undermines profit, if fixed costs are not contained. • Project delays are adding to its woes as new fixed cost/marketing costs, due to new HV/UHV lines, have kicked in.	• RIV values it at S$0.203, but our target price is adjusted to S$0.164 for market's debt-obsession. It returned to profitability in 2Q13 after its first quarterly loss in 1Q13 but underperforms peers.
Sunpower Group	A heat-technologies based manufacturer that supplies to top energy & chemical customers in China and globally. Share price was affected for a long time by a substantial shareholder selling down (now below 5%). Current market obsession with debt-leverage also affects share price.	• Earnings fell in FY12, but not as badly as other sectors in China. Project non-acceptance (or delay) and bad debts are concerns. A strong RMB, and high labour costs could make its exports less competitive.	• Buy at S$0.20 or under (likely still due to shareholder sales); or, if it decisively clears $0.21. RIV values it at S$0.274 but our target price is adjusted down for market's debt-obsession to S$0.25.
Pan United Corp.	Pan United commands 33% of Singapore's Ready Mixed Concrete Market. Its RMC business is vertically integrated from aggregate quarries, shipping fleet, cement silos at Jurong Port, and batching plants throughout the island for distribution as the shelf life for RMC is just 2 hours. It is a market leader in terms R&D for specialised concrete (>200 types) and has an established reputation for executing technically high demanding jobs (e.g. delivery of RMC every 90s for 41 hours for the Marina Expressway Tunnel). Infrastructure outlook is bright with a strong and visible pipeline of public works, and Pan United is likely to stay the RMC provider of choice as building designs become more technically advanced.	• Global players in ready mixed concrete (Cemex, YTL) could enter the SG market aggressively and challenge Pan United's BBM dominance. • Economic slowdown in China	• Accumulate. We are forecasting that EPS rise from 7.8c (FY12) to 8.8c (FY13), dividends to rise from 4c (FY12) to 4.4c (FY13).

	Its Ports & Logistics Division is pending a 34% acquisition (S$101m, 20x FY12 p/e) of Changshu Xinghua Port to bring its stake to 85.3%. CXP has a compelling combination of location (Yangtze Delta, gateway to Western hinterland and a captive audience in the Suzhou-Wuxi-Changshu industrial region), depth (13.3m, 100k dwt), and size (1.7km berth, 1mil sqm). Its ports are well utilized (75%) and profitable (~50% EBITDA margins). Management has plans to expand port facilities post acquisition.		
Boustead Singapore	Boustead's Geospatial Technology Division's (~30% PBT) ***exclusive*** distribution & service agreements in AU, SG, MY and ID, with the global leader in GIS (geographic information systems) - ESRI Inc., is a gem of a business. ESRI's global dominance (60% global market share for governments) and exclusive relationship with Boustead implies almost no competition in those markets. Geospatial is set to change Boustead's earnings profile to more recurring income. Its industrial real estate design & build business (~60% PBT) enjoys a strong pipeline of work and has market leadership as only 1 of 3 full turnkey service providers. Its energy related engineering business (~10% PBT) is only 1 of 4 globally in direct fired heat processors and waste heat recovery units, and is currently enjoying a renaissance of work boosted by the shale energy. The waste water engineering business (0% PBT) could provide upside surprise after a significant contract win in Taiwan.	• An outside risk would be an US18.8m contingent liability in the event Boustead is not released from guarantees provided during its Libya project. Common sense dictates that they should be released under "force majeure" due to the civil war.	• Buy. Orderbook at record for both Industrial Design & Build (S$274) and Energy (S$187m). • We plan to raise our forecasts for FY3/14 from S$69.3m to about S$77m or 15.4c EPS, in view of record order wins, which at S$1.35 translates as an excellent value buy of 8.8x FY3/14 P/E. • Boustead on average pays out 50% of earnings as dividend (7.8c DPS FY3/14), which translates as an attractive forward yield of 5.7%.
Sin Heng Heavy Machinery	Sin Heng Heavy Machinery is an efficiently run provider of cranes and heavy lifting equipment. They are one of the biggest crane traders in Asia that compliments their rental arm and have been successfully implementing their synergistic rental and trading model in the region and extending their footprint in Myanmar. They have a business alliance with Toyota Tsusho Corporation, have distributorships with Kobelco and Kato cranes and are the least leveraged of their SG peers	• Event Specific risks, such as if the main contractor goes bankrupt • Region specific infrastructure slow down	• Trading Buy. We believe SHHM should trade to valuations of its comparable peers due to good execution, good capital management and its position for growth. • We believe earnings growth for this year to be tame, but picking up towards the end of the year. • Its undiluted T12M PE of 7.2X vs. second best peer of 9.1X implies a target of S$0.27.

Industrials (Transportation)			
Heng Yang Petrochemical	A leading storage & transportation provider (tanks & jetties) to PRC/MNC businesses in liquid petrochemicals. The company has present capacity of 265,000m^3. Expansion plans of >750,000m^3 have started. No major market transaction to catalyze the share price. As newer capacity gets going, margins would be lower as depreciation is being absorbed. A rare asset, no doubt, but M&A activity is also lacking.	• Prolonged economic slowdown may affect earnings. • Debt squeeze would delay expansion plans. • Delays in issuance of land permits. • Building contractor default. • Contractor fatality relating to site management.	• Buy. RIV values it at S$0.40, but our target is adjusted down to S$0.27 for market's fear of debt. • The potential (subject to conditions fulfilling) of MEGCIF5 taking a 35% stake boosted its share price to ⩾S$0.28. • A weak economy substantially reduced its 1H13 profit to jus over RMB1m.
Technology & Communications			
SingTel	SingTel offers excellent exposure to the telecom sector with its diverse range of products and solutions. It is the largest telecommunications service provider in Singapore and has significant contributions from Optus in Australia. The group also holds strategic stakes in various regional mobile associates that offers geographical diversification and growth. SingTel is also leading the Singapore market with a shift to increase its digital presence.	• High levels of CAPEX from upcoming spectrum auction, and quality of service enhancements, could be a drag to FCF. • Foreign exchange exposure. • Weak performance from regional mobile associates, especially Bharti.	• Accumulate. Data monetizing continues to gain traction, as 4G adoption rate increases. More customers exceeding data allowance or subscribing for higher tiered plans. We expect further positives as excess data charges increase. • Growth expected to come from overseas associates. Improved EBITDA margin on effective cost management. • S$3.99 based on SOTP valuation.
Starhub	Starhub is one of only three telecommunications service providers in Singapore. The healthy competitive landscape allows the company to enjoy high EBITDA margins and generate high levels of Free Cash Flows. The company has a strong Pay TV franchise and offers a wide variety of popular contents. We expect monetization of data usage to provide uplift to the sector's Average Revenue Per User (ARPU) in the next few years.	• High levels of CAPEX from upcoming spectrum auction, and quality of service enhancements, could be a drag to FCF. • Continued loss of Pay TV subscribers to competitor, while increasingly higher content cost may reduce Pay TV margins.	• Accumulate. Dividend yields are attractive at current share price. • Cross-carriage of BPL expected to reverse the decline in PayTV subscriber base. • We expect higher data monetizing in 2H13, once promotional period, whereby data allowances is 1GB higher, ends. • S$4.37 based on DCF (WACC: 6.9%, terminal g: 2.8%)
M1	M1 is one of only three telecommunications service providers in Singapore. The healthy competitive landscape allows the company to enjoy high EBITDA margins and generate high levels of Free Cash Flows. We expect monetization of data usage to provide uplift to the sector's Average Revenue Per User (ARPU) in the next few years.	• High levels of CAPEX from upcoming spectrum auction, and quality of service enhancements, could be a drag to FCF. • Lack of investments towards digital offerings, unlike SingTel, may reduce its attractiveness in the long term	• Accumulate. Dividend yields are attractive at current share price. • Data monetizing continues to gain traction, as 4G adoption rate increases. More customers exceeding data allowance or subscribing for higher tiered plans. • S$3.55 based on DCF (WACC: 7.9%, terminal g: 3.0%)

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Singapore Market Sector Comparables

Company Market price as of: 20-Sep-13	Rating	FYE	Price	TP	Upside (%)	Market Cap. (RC$'mn)	Ent. Value (RC$'mn)	Market Cap. (US$'mn)	Ent. Value (US$'mn)	Equity Multiple (X) Net Income 12	13E	14E	Book Value 12	13E	14E	Dividend Yield (%) 12	13E	14E
Commodities & Supply Chain Managers																		
Golden Agri. Resources	Neutral	Dec	0.55	0.50	-8.3%	6,996	7,216	5,614	7,216	17.3	18.5	15.3	0.8	0.8	0.8	2.2%	2.1%	2.5%
Wilmar International	Accumulate	Dec	3.25	3.61	11.1%	20,790	40,025	16,682	40,025	17.8	16.1	14.6	1.4	1.3	1.3	1.5%	1.5%	1.7%
Consumer Goods																		
Courts Asia	Buy	Mar	0.75	1.03	38.3%	417	568	335	454	10.1	10.2	8.4	1.4	1.3	1.2	4.4%	2.9%	3.6%
Genting Singapore	Neutral	Dec	1.47	1.41	-3.8%	17,911	17,896	14,372	14,360	29.1	32.6	26.5	2.0	1.9	1.8	0.7%	0.7%	0.7%
Combine Will Int.	Buy	Dec	0.47	0.93	98%	98	490	13	63	2.6	1.5	n.a.	0.2	0.1	n.a.	0.0%	0.0%	0.0%
Banking & Finance																		
DBS	Accumulate	Dec	16.65	17.50	5.1%	40,673	n.m.	32,637	n.m.	12.1	11.7	11.0	1.3	1.2	1.1	3.4%	3.4%	3.4%
OCBC	Neutral	Dec	10.46	9.50	-9.2%	35,909	n.m.	28,814	n.m.	12.7	13.8	12.6	1.6	1.5	1.4	3.2%	3.3%	3.3%
UOB	Accumulate	Dec	21.23	21.80	2.7%	33,442	n.m.	26,834	n.m.	11.9	11.3	10.5	1.5	1.4	1.3	3.3%	3.3%	3.3%
SGX	Buy	Jun	7.61	8.30	9.1%	8,141	7,378	6,532	5,931	23.2	22.1	21.0	9.2	8.5	8.0	3.7%	3.9%	4.2%
Property (Developers)																		
Ho Bee	Accumulate	Dec	2.15	2.45	14.0%	1,459	1,782	1,170	1,426	8.5	13.4	9.9	0.8	0.6	0.6	2.3%	1.9%	1.9%
Amara Holdings	Buy	Dec	0.55	0.74	34.5%	317	515	255	410	15.9	15.1	8.1	1.1	1.0	0.9	1.1%	1.1%	1.1%
Keppel Land	Neutral	Dec	3.75	4.24	13.1%	5,797	9,000	4,652	7,176	12.2	18.6	12.2	0.9	0.9	0.9	3.2%	2.1%	2.9%
OUE	Accumulate	Dec	2.80	3.24	15.7%	2,548	5,042	2,044	4,010	25.0	29.6	23.4	0.8	0.8	0.8	3.9%	1.8%	2.1%
Stamford Land	Buy	Mar	0.57	0.76	33.3%	492	751	395	604	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
SingXpress Land#	Buy	Mar	0.023	0.016	-30.4%	649	711	521	571	175.5	104.7	223.9	11.0	10.0	9.6	0.0%	0.0%	0.0%
Global Premium Hotels	Buy	Dec	0.250	0.305	22.0%	263	734	211	582	13.9	13.2	n.a.	0.8	0.7	n.a.	5.6%	6.0%	n.a.

Source: PSR est.
*13E refers to FYE Dec 2013, FYE Mar 2014, FYE Jun 2014
#adjust for pref shares conversion to ord shares. Project valuation remains constant. Conversion $ and interest added to valuation.

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Singapore Market Sector Comparables (continued)

Company	Rating	FYE	Price	TP	Upside	Market Cap.	Ent. Value	Market Cap.	Ent. Value	Equity Multiple (X) Net Income 12	13E	14E	Book Value 12	13E	14E	Dividend Yield (%) 12	13E	14E
Market price as of: 19-Sep-13					(%)	(RC$'mn)	(RC$'mn)	(US$'mn)	(US$'mn)									
Industrials (Capital Goods)																		
Keppel Corp	Accumulate	Dec	10.80	12.25	13.4%	19,520	29,028	15,663	23,158	10.2	12.7	11.0	2.1	2.0	1.9	6.7%	4.4%	4.5%
SembCorp Marine	Neutral	Dec	4.59	4.42	-3.7%	9,592	8,475	7,697	6,816	19.2	17.7	14.5	3.9	3.6	3.1	2.8%	3.1%	3.3%
Ezion Holdings Ltd	Accumulate	Dec	2.40	2.71	12.9%	2,313	2,676	1,856	2,676	36.7	19.6	11.1	4.2	3.0	2.4	0.0%	0.0%	0.0%
Ezra Holdings Ltd	Neutral	Aug	1.22	1.00	-18.0%	1,194	2,265	958	2,265	60.6	20.1	n.a.	1.0	1.0	n.a.	0.0%	0.0%	0.0%
Hu An Cable	Buy	Dec	0.13	0.164	27.1%	130	1,538	105	251	1.8	0.8	n.a.	0.1	0.1	n.a.	5.4%	5.4%	n.a.
Sunpower Group	Buy	Dec	0.16	0.250	54.3%	53	577	43	94	0.9	0.7	n.a.	0.1	0.1	n.a.	1.9%	1.9%	n.a.
Pan United Corp.	Accumulate	Dec	0.91	1.27	40.3%	506	535	406	429	11.6	10.3	9.9	1.6	1.5	1.4	4.4%	4.9%	5.1%
Boustead Singapore	Buy	Mar	1.37	1.94	41.2%	702	500	563	404	8.6	10.1	9.6	2.3	2.1	1.9	5.1%	5.1%	5.4%
Sin Heng	Trading Buy	Jun	0.23	0.27	20.0%	129	195	104	157	9.4	n.a.	n.a.	1.3	n.a.	n.a.	4.4%	n.a.	n.a.
Industrials (Transportation)																		
Heng Yang Petrochem.	Buy	Dec	0.30	0.27	-10.0%	n.a.	n.a.	33	47	5.0	3.6	n.a.	0.5	0.4	n.a.	0.0%	0.0%	0.0%
Technology & Communications																		
SingTel	Accumulate	Mar	3.83	3.99	4.2%	61,063	67,398	48,998	53,991	16.9	15.9	15.7	2.5	2.4	2.3	4.4%	4.4%	4.4%
Starhub	Accumulate	Dec	4.37	4.37	0.0%	7,514	7,897	6,029	6,331	20.9	22.1	23.0	n.m.	n.m.	n.m.	4.6%	4.6%	4.6%
M1	Accumulate	Dec	3.41	3.55	4.1%	3,147	3,344	2,525	2,681	21.4	19.3	18.7	9.0	8.0	7.4	4.3%	4.3%	4.4%

Source: PSR est.
*13E refers to FYE Dec 2013, FYE Mar 2014, FYE Jun 2014

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