

Singapore Morning Note

WEEKLY MARKET OUTLOOK WEBINAR

Register [HERE](#) for **Monday's 11.15am webinar** if you have not already done so.

Our webinars are an opportunity for clients, remisiers, and sales staff, to ask questions on our coverage and the market's direction. We hope to have as many of you as possible.

[Archived](#) webinars available.

In this week's archived webinar, we gave an update on Silverlake Axis, update on Strategy and some statistical correlations on stock-picking.

Source: Phillip Securities Research Pte Ltd

RESEARCH REPORTS

Hospitality Sector - [State of the industry: STB data for 2Q 2015](#) (Richard Leow)

- Flat (0.5% y-o-y decline) International Visitor Arrivals in 2Q 2015, but still 3.4% lower y-o-y for 6M 2015.
- The sole positive change was a strong rebound in Chinese tourist arrivals at 40.0% y-o-y in 2Q 2015.
- India has displaced Australia as the fourth largest market for visitor arrivals.
- The three key hotel metrics of AOR, ARR and RevPAR were lower y-o-y; weighed down by flat visitor arrivals and over-supply of new rooms.

COMPANY RESULTS

Company Name	Q/HY/FY	Currency (Units)	Revenue			Net Profit		
			Current	Previous	Change (%)	Current	Previous	Change (%)
Cordlife Group	FY	S\$ 'mn	57.58	49.09	17	32.13	30.38	5.7
GuocoLeisure Ltd	FY	US\$ 'mn	423.2	461.9	(8)	47.5	38.6	23
Raffles Education	FY	S\$ 'mn	119.90	124.84	(4)	16.98	55.37	(69)

Source: SGX Masnet

MORNING COMMENTARY

STI	DJIA	S&P500	FTSE100	HSI	CSI300	Brent	Gold	SGD	JPY	EUR
2.5%	2.3%	2.4%	3.6%	3.6%	5.9%	10.2%	0.3%	(0.0%)	0.0%	(0.0%)
2,945.43 +72.43	16,654.77 +369.26	1,987.66 +47.15	6,192.03 +212.83	21,838.54 +758.15	3,205.64 +179.95	47.56 +4.42	1,123.90 +3.05	1.40 +0.0006	121.03 (0.06)	1.12 (0.0002)

SINGAPORE:

- The Straits Times Index (STI) ended 72.43 points or 2.52% higher to 2945.43, taking the year-to-date performance to -12.47%.
- The top active stocks today were SingTel, which gained closed unchanged, DBS, which gained 2.49%, OCBC Bank, which gained 3.15%, UOB, which gained 2.01% and Noble, with a 14.44% advance. The FTSE ST Mid Cap Index gained 3.06%, while the FTSE ST Small Cap Index rose 4.16%.
- The outperforming sectors were represented by the FTSE ST Technology Index, which rose 7.96%. The two biggest stocks of the Index - Silverlake Axis and STATS ChipPAC – ended 19.57% higher and 1.08% lower respectively.
- The underperforming sector was the FTSE ST Telecommunications Index, which rose 0.14%. SingTel shares remained unchanged and StarHub rose 1.41%.

Source: SGX Masnet, Phillip Securities Research Pte Ltd

MACRO

Thailand

- Trade surplus stood at \$770 million in July, rising from the \$150 million surplus in June, although both exports and imports continued to decline.
- Exports fell for the seventh consecutive month in July but at a slower pace than the previous month. July's exports contracted 3.56% y-y contraction (vs -7.87% in June) due to global economic slowdown, weak farm product prices, fall in oil prices and the devaluation moves by various trading partners of Thailand. Nonetheless, in local currency term, Thai's exports marked a slight pick-up of 0.09% y-y growth. The baht has weakened by over 7% against the dollar since the beginning of the year.
- Meanwhile, imports plunged at a faster pace at 12.73% y-y in July (vs -0.21% in June), due to low oil prices and smaller importation of capital goods, particularly aircraft.
- From January to July, exports contracted 4.66% y-y to \$ 125.07 billion and imports fell 8.64% y-y to \$120.83 billion.

Source: Nasdaq, Phillip Securities Pte Ltd

Market watch

Singapore equity markets

Singapore	Level	Δ	%
Straits Time Index	2,945.43	72.4	2.5
All stocks			
Up:	365		
Unchanged:	233		
Down:	48		
Volume (mn shares)	452.9		
Volume (US\$ mn)	838.7		
Volume (% of 6M avg)	169.1		

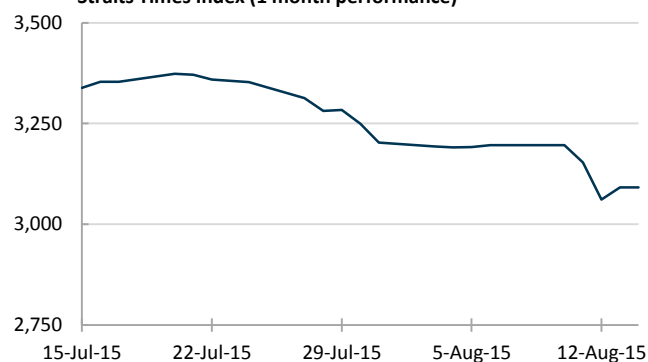
Top risers	S\$	Δ	%
Eastern Holdings	0.33	0.141	74.6
Lifebrandz	0.005	0.002	66.7
Next-Gen Satellite	0.003	0.001	50.0
Lereno Bio-Chem	0.003	0.001	50.0
Metech	0.003	0.001	50.0

Top decliners	S\$	Δ	%
E-2 Capital	0.1	(0.080)	(44.4)
IpcO Intl	0.004	(0.001)	(20.0)
Sinotel Tech	0.073	(0.017)	(18.9)
Europtronic	0.009	(0.002)	(18.2)
China Int'l Holdings	0.415	(0.085)	(17.0)

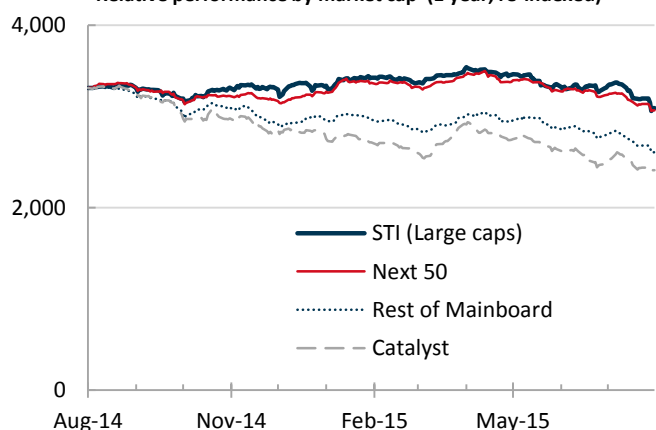
Top volume	% of 6m avg	S\$	Δ	%
Hengyang Petrolc	2,903	0.177	0.000	0.0
Miyoshi	2,884	0.065	0.000	0.0
3Cnergy	2,573	0.2	0.000	0.0
Noel Gifts Intl	2,096	0.3	0.000	0.0
Japan Foods	2,058	0.46	0.000	0.0

Source: Bloomberg

Straits Times Index (1 month performance)



Relative performance by market cap (1 year, re-indexed)



Earning announcements

Date	Company	Status	Fiscal period
26 Aug 15	Creative Tech		Q4

Dividends

Ex-date	Company	S\$	Type
28 Aug 15	OKP Holdings	0.001	Regular Cash
28 Aug 15	Sarine	0.015	Interim

Source: Bloomberg

Market watch

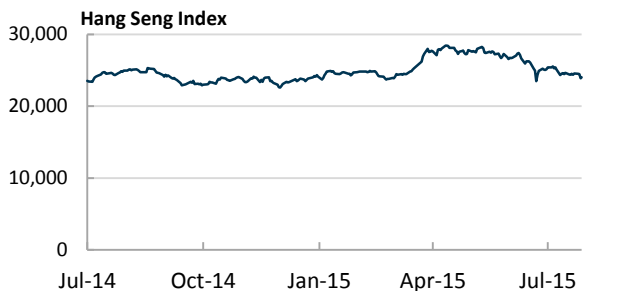
Global markets

Asia-Pacific		1 month change	Level	1M (%)	1Y (%)
Nikkei 225	JP		18,574.44	(8.6)	20.1
KOSPI	KO		1,908.00	(5.2)	(6.9)
CSI 300	CN		3,205.64	(15.9)	38.7
HSCEI	CN		9,863.61	(11.7)	(9.8)
TaieX	TW		7,824.55	(8.8)	(17.4)
Hang Seng	HK		21,838.54	(10.9)	(11.7)
Sensex	IN		26,231.19	(4.5)	(1.5)
Nifty	IN		7,948.95	(4.7)	(0.1)
SET	TH		1,358.03	(3.6)	(12.9)
KLCI	MY		1,601.70	(5.8)	(14.6)
STI	SG		2,945.43	(10.2)	(11.6)
JCI	ID		4,430.63	(6.0)	(14.5)
Phil Comp	PH		7,022.09	(6.1)	(1.1)
S&P/ASX 200	AU		5,233.32	(5.7)	(6.3)

US/Europe		1 month change	Level	1M (%)	1Y (%)
DJIA	US		16,654.77	(5.5)	(2.5)
NASDAQ Comp	US		4,812.71	(5.4)	5.6
S&P 500	US		1,987.66	(5.0)	(0.5)
FTSE 100	UK		6,192.03	(5.5)	(9.0)
DAX	GR		10,315.62	(7.7)	9.0
CAC 40	FR		4,658.18	(6.4)	6.7
Euro STOXX 50	EU		3,280.78	(7.7)	3.7
VIX	US		26.10		

Currencies		X-Rate	1M (%)	1Y (%)
Yen	JP		121.03	2.1 (14.3)
Won	KO		1,185.10	(1.0) (13.7)
RMB	CN		6.4056	(3.1) (4.1)
NT\$	TW		32.16	(2.0) (6.9)
HK\$	HK		7.75	0.0 (0.0)
Rs	IN		66.05	(2.8) (8.5)
RM	MY		4.23	(9.4) (25.2)
S\$	SG		1.40	(2.6) (10.7)
P	PH		46.66	(2.4) (6.4)
Rp	ID		13,990	(3.8) (16.5)
A\$	AU		0.72	(2.2) (23.3)
Euro	EU		1.12	1.7 (14.7)
GBP	UK		1.54	(1.3) (7.1)
Bt	TH		35.65	(2.3) (10.4)

Source: Bloomberg



Phillip Securities Research - Singapore Stocks Coverage

Company	Analyst	Last report	Rating	Target Price (\$S)	Price (\$S)	Change since last report (%)	Upside to TP (%)
Consumer Goods							
OSIM	Soh Lin Sin	28-Jul-15	Buy	1.830	1.450	(9.7)	26.2
Fraser & Neave	Change of Analyst	8-May-15	Reduce	2.40	2.09	(24.8)	14.8
Sheng Siong	Soh Lin Sin	30-Jul-15	Accumulate	0.960	0.835	(6.9)	15.0
Banking & Finance							
DBS	Change of Analyst	27-Apr-15	Buy	23.00	17.65	(14.3)	30.3
OCBC	Change of Analyst	30-Apr-15	Accumulate	11.30	8.89	(15.2)	27.1
SGX	Change of Analyst	14-Apr-15	Buy	8.75	7.270	(15.4)	20.4
UOB	Change of Analyst	30-Apr-15	Accumulate	26.00	19.36	(19.6)	34.3
Healthcare							
Raffles Medical	Change of Analyst	15-May-15	Accumulate	4.49	4.35	2.9	3.2
Q&M Dental	Change of Analyst	25-May-15	Accumulate	0.920	0.650	(24.9)	41.5
Property Developers							
Perennial Real Estate	Change of Analyst	13-Feb-15	Buy	1.280	0.930	(11.8)	37.6
Investment Trusts							
Cache Logistics Trust	Richard Leow	21-Jul-15	Accumulate	1.270	1.005	(13.4)	26.4
Croesus Retail Trust	Change of Analyst	7-Apr-15	Buy	1.080	0.870	(7.4)	24.1
Fraser Centrepoint Trust	Dehong Tan	24-Jul-15	Accumulate	2.14	1.88	(7.8)	13.8
Soilbuild Business Space REIT	Richard Leow	15-Jul-15	Buy	0.960	0.765	(10.5)	25.5
CapitaLand Retail China Trust	Dehong Tan	30-Jul-15	Buy	1.900	1.315	(16.3)	44.5
First REIT	Dehong Tan	22-Jul-15	Accumulate	1.550	1.230	(14.0)	26.0
Industrials							
Pan-United	Soh Lin Sin	18-Aug-15	Neutral	0.950	0.700	(4.1)	35.7
Sarine Technologies	Change of Analyst	12-May-15	Buy	2.80	1.31	(34.5)	113.7
800 Super Holdings	Richard Leow	25-Aug-15	Buy	0.660	0.455	0.0	45.1
CivMec	Kenneth Koh	19-Mar-15	Buy	0.475	0.305	(21.8)	55.7
Cogent Holdings	Richard Leow	14-Aug-15	Buy	0.480	0.340	(13.9)	41.2
Offshore & Marine							
Triyards	Change of Analyst	1-Dec-14	Buy	0.980	0.265	(56.7)	269.8
Transport							
ComfortDelgro	Richard Leow	14-Aug-15	Reduce	2.97	2.80	(7.0)	6.1
SMRT	Richard Leow	31-Jul-15	Reduce	1.320	1.150	(17.0)	14.8
SATS	Richard Leow	24-Jul-15	Reduce	2.97	3.50	(9.1)	(15.1)
SIA Engineering	Richard Leow	28-Jul-15	Reduce	3.43	3.39	(12.6)	1.2
Technology & Communications							
M1	Change of Analyst	20-Jan-15	Accumulate	4.00	2.91	(17.3)	37.5
Silverlake Axis	Change of Analyst	12-Feb-15	Reduce	1.160	0.460	(57.1)	152.2
SingTel	Change of Analyst	12-Feb-15	Accumulate	4.42	3.85	(5.5)	14.8
StarHub	Change of Analyst	26-Feb-15	Accumulate	4.50	3.54	(14.7)	27.1
Valuetronics	Kenneth Koh	29-May-15	Buy	0.600	0.365	(23.9)	64.4
SingPost	Change of Analyst	4-Dec-14	Accumulate	2.03	1.745	(6.0)	16.3

Source: Phillip Securities Research Pte Ltd

SECTOR/STRATEGY REPORTS:

- Sector Reports : [Hospitality, 27 Aug](#) / [Transport, 04 Aug](#) / [REITs, 29 Jul](#) / [Shipping, 04 May](#) / [Banking, 30 Apr](#) / [Consumer, 08 Apr](#) / [US Oil & Gas, 27 Mar](#) / [Telecommunications, 09 Mar](#) / [Property, 08 Dec](#)
- Macro Reports : [China, 16 Jul](#) / [Global, 15 Jun](#) / [Japan, 27 May](#) / [Indonesia, 23 Apr](#) / [Hong Kong, 15 Apr](#) / [Spain, 30 Mar](#) / [Eurozone, 20 Mar](#) / [India, 2 Mar](#) / [Singapore, 24 Feb](#) / [Greece, 27 Jan](#) / [Malaysia, 14 Jan](#)
- Country Strategy : [Thailand, 04 May](#) / [China & HK, 02 Mar](#)

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