SG Market Weekly Update
14 September – 18 September 2020

STI In A Snapshot

The STI closed Friday higher at 2497.71, up 0.3% or 7.62 points for the week. Market was struggling for direction during the week. Stock market rose slightly on vaccine hopes and upbeat exports data, but continued to suffer volatility following last week's correction.

The STI started the week on a soft note with Asian markets seeing some optimism in vaccine hopes and the wall street tech rally, which reversed some of its prior week losses. Mid-week, the STI climbed, ahead of US Fed policy meeting and Trump's vaccine news. The momentum continued after Singapore reported a higher-than-expected 7.7% growth in non-oil domestic exports for August. However, the optimism was halted once again, with the federal reserve disappointing investors with their failure to come up with new stimulus measures and warnings of an uncertain outlook. The Fed forecasted that it would keep interest rates at zero through 2023. Markets ended flat amid mixed economic data and unease over a stalemate in the US regarding additional government support.

Year-to-date, the STI is down 22.5%.

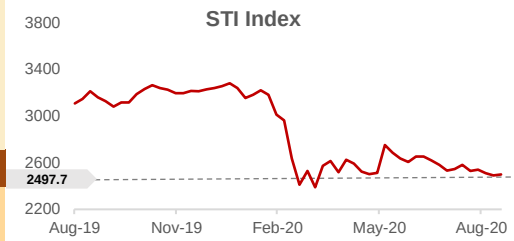
Week Ahead: 21 September – 25 September 2020

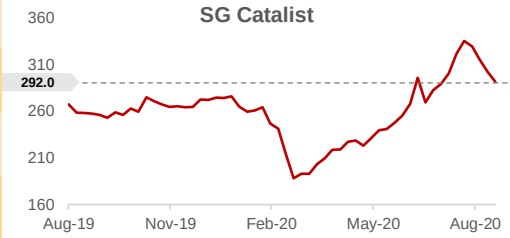
Mon (21 Sep)	HK CPI, US Fed Chair Powell Speaks, CN PBoC Loan Prime Rate
Tue (22 Sep)	NZ RBNZ Rate Statement, UK BoE Gov Bailey Speaks, US Existing Home Sales
Wed (23 Sep)	SG CPI, UK Composite PMI, US Crude Oil Inventories, US Composite PMI, JP BoJ Monetary Policy Statement
Thu (24 Sep)	EU ECB LTRO, UK CBI Industrial Trends Orders, US New Home Sales, US Initial Jobless Claims
Fri (25 Sep)	SG Industrial Production, UK Consumer Confidence, US Core Durable Goods Orders

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2497.7	▼ 3.07	▼ 0.1%	▲ 0.3%	▼ 22.5%
SG Mid Cap	663.5	▼ 2.92	▼ 0.4%	▲ 1.9%	▼ 12.5%
SG Catalist	292.0	▼ 3.66	▼ 1.2%	▼ 3.4%	▲ 7.2%
SG Small Cap	291.3	▼ 2.48	▼ 0.8%	▲ 0.3%	▼ 18.0%

Price Chart





Company News

1. IEV proposed disposal of IEV Group, venturing into postpartum wellness

Catalist-listed engineering company IEV Holdings ("**IEV**") announced that it will dispose of its engineering business at S$200,000 by way of cash. The Company will also change its name to "Medi Lifestyle Limited", which more accurately reflects its new business activities of healthcare, postpartum care and wellness, or its new sole business segment following acquisition of Lady Paradise (M) Sdn Bhd. This was due to the onset of the global oil price crises which started in mid-2014 which led its engineering business to see losses since financial year ended 31 December 2016. IEV continued to incur losses due to the prolonged downturn of the oil and gas industry and a structural shift in the global oil and gas business landscape. With dim prospects following global economic slowdown and Covid-19, the Group decided to exit from its loss-making segment and venture into healthcare and wellness.

2. Synagie partnered with computer manufacturers to expand Insurtech business

Catalist-listed insurtech company Synagie Corporation Ltd. ("**Synagie**") partnered leading computer manufacturers to bundle or package the Group's accidental damage protection solutions and third-party administration services in major government tenders for the supply of laptops and tablets, among other purposes. The plan to offer laptops on a Device-as-a-Service basis to small and medium sized enterprises in Singapore is under advanced discussion. On top of that, Synagie is exploring partnerships with various consumer electronics and mobile phone chain stores to further expand distribution channels for its mobile phone screen protection insurance products, and also having discussions in the segment of wearable technology and computer accessories for their extended warranty solutions and third-party administration services.

3. Figtree entered Australia's growing data centre market

Catalist-listed facilities and property company Figtree Holdings Limited ("**Figtree**") had entered into an agreement to acquire a 27.5% interest in DC Alliance Pte Ltd for A$2.75 million (S$2.74 million) in cash. This strategic stake will allow Figtree to ride on the vibrant demand for data centres in Australia, which is on the rise due to higher cloud adoption and demand for smart devices and wireless networking technologies. Figtree now holds stake in a ready-for-service Tier III data centre in Perth, a growing regional innovation hub. As part of its plans, DC Alliance intends to expand the capacity of the data centre and provide amenities like Business Continuity space. Figtree is tapping on DC Alliance's design and build expertise in data centres to gain fit-for purpose design capabilities catered to such facilities, stepping up the value chain.

4. Secura annoucedS$10.7 million security services contract

Catalist-listed security services company Secura Group Ltd. ("**Secura**") announced that their wholly-owned subsidiary, Soverus Pte Ltd had been awarded a three-year contract to provide unarmed security services for an aggregate amount of approximately S$10.7 million by a Singapore multinational conglomerate. The contract is effective from 1 February 2021 to 31 January 2024, with option for 12-month further extension. As at 16 September 2020, Secura has an order book of S$41.1 million for contracts from security guarding, of which approximately S$24.6 million is expected to be fulfilled by 31 December 2021 and the remainder by January 2024.

Capital Market News

SGX to list world's largest Chinese government bond ETF

The Singapore Exchange ("**SGX**") announced the listing of the Chinese pure government bond exchange-traded fund ("**ETF**") to meet the growing investor demand to access China's bond markets. The institutional-grade ICBC CSOP FTSE Chinese Government Bond Index ETF replicates the fixed-rate government bonds issued in mainland China as measured by the FTSE Chinese Government Bond Index. This listing is on the back of higher demand for Chinese sovereign bonds for added diversification and yields, and it allows investors to capture opportunities of the booming China onshore bond market. This is the first ETF to use the new Variable Capital Companies framework, which MAS rolled out to the market this year. The structure provides funds with greater flexibility to manage their business, including the ability to redeem shares without seeking shareholder approval and permitting investors to enter and exit their investments whenever they want to. Priced at US$10 per share during the initial offer period from 10-16 September, the ETF has attracted investor interest with AUM of US$676 million. Trading starts on 21 September 2020.

Private exchange HGX begins trading

HG Exchange ("**HGX**") has begun trading shares of private companies on its live exchange. HGX allows private firms which need funding to shore up their liquidity, especially during Covid-19. According to Chairman of HGX, Richard Teng, "private exchanges will play a complementary role to their public counterparts instead of replacing them" and he sees that public and private exchanges serve different segments of the market. As more companies delay their initial public offerings or go private, private capital markets are steadily increasing in momentum. HGX can also offer digital assets using blockchain technology, allowing for trading of smaller lots. Only accredited investors and institutional investors are allowed to access HGX trading.

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