SG Market Weekly Update

16 November – 20 November 2020

STI In A Snapshot

The STI closed Friday higher at 2,813.01, up 3.8% or 101.62 points for the week. The markets rallied with optimism about a virus vaccine after news from Pfizer and Moderna and following US pledging they were not planning a nationwide lockdown.

The Singapore market rose tracking Wall Street gains over the weekend. Asian markets were up after news of the newly inked Regional Comprehensive Economic Partnership (RCEP) deal, a mega free trade pact with 15 nations including Singapore. The STI continued its ascent on Tuesday following Wall Street, where the S&P500 rose to a record high following early success of Moderna's vaccine results. The STI continued its momentum after DBS published an optimistic outlook for Singapore's 2021 economy, on the back of an anticipated GDP recovery. Although the STI saw some cooling off ending Thursday with decreased vaccine enthusiasm, Singapore stocks open higher on Friday, tracking overnight gains on Wall Street despite surging Covid-19 cases and pandemic restrictions.

Year-to-date, the STI is down 12.8%.

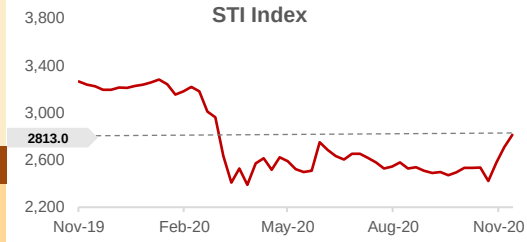
Week Ahead: 23 November – 27 November 2020

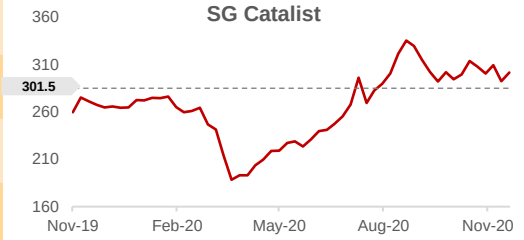
Mon (23 Nov)	SG GDP, SG CPI, EUR Manufacturing PMI, EUR Markit Composite PMI, EUR Services PMI, GBP Composite PMI, US Manufacturing PMI, US Markit Composite PMI, US Services PMI
Tue (24 Nov)	US S&P/CS Home Price Indices, US CB Consumer Confidence
Wed (25 Nov)	EUR ECB Financial Stability Review, US Core Durable Goods Orders, US Core PCE Price Index, US GDP, US Goods Trade Balance, US New Home Sales
Thu (26 Nov)	SG Industrial Production, EUR ECB Published Account of Monetary Policy Meeting
Fri (27 Nov)	US FOMC Meeting Minutes, JP Tokyo Core CPI

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2813.0	▲ 36.0	▲ 1.3%	▲ 3.8%	▼ 12.8%
SG Mid Cap	682.0	▲ 12.4	▲ 1.8%	▲ 3.8%	▼ 10.1%
SG Catalist	301.5	▲ 7.3	▲ 2.5%	▲ 3.1%	▲ 12.8%
SG Small Cap	292.0	▲ 2.8	▲ 1.0%	▲ 1.5%	▼ 15.9%

Price Chart





Company News

1. Yinda Infocomm entered into subscription agreement to issue new shares for S$5.8m

Catalist-listed communication solutions and services provider Yinda Infocomm Limited ("**Yinda Infocomm**") had entered into subscription agreements with 9 subscribers, including 1 substantial shareholder. At an issue price of S$0.072 per share and 81.2 million shares, the aggregate consideration amounts to approximately S$5,846,400. Yinda Infocomm has yet to fully utilise the proceeds from the October Issue. This proposed subscription is aimed at further strengthening the Group's financial position and improve its cash flow to support the working capital requirements, in addition to pursuing new business opportunities as and when they arise, such as the recent potential acquisition of 51% interest in International Biometrics Pte. Ltd.

2. Medtecs to join MSCI Singapore small cap index; seeking transfer to Mainboard

Catalist-listed personal protective equipment and hospital service provider Medtecs International Corporation Limited ("**Medtecs**") will be included in the MSCI Singapore Small Cap Index with effect from 30 November 2020, after the close of market trading. This will bring about higher trading liquidity and visibility to investors globally. Separately, Medtecs will be applying for a transfer from the Catalist to the Mainboard of the Singapore Exchange. The Board believes the proposed Mainboard transfer would better allow the Company to attract institutional investors and reach out to a wider investor base, both within Singapore and overseas, and enhance their visibility and recognition in the market.

3. SPCH proposed issuance of new shares to Sian Chay Medical Institution for 10% stake

Catalist-listed paincare medical services group, Singapore Paincare Holdings ("**SPCH**") has entered into an agreement with Sian Chay Medical Institution ("**Sian Chay**") to issue 18 million new shares at a price of S$0.22 per share to Sian Chay. Amounting to S$3.96 million, Sian Chay will become a substantial shareholder of SPCH, with a 10.02% stake in the enlarged share capital. Sian Chay is a Social Service Agency that provides free Traditional Chinese Medicine consultation, subsidised medicine, acupuncture treatment to lower income and needy patients. SPCH intends to split the net proceeds between expanding the range of pain care services and expanding business operations locally and regionally. SPCH intends to tap on Sian Chay's expertise to provide a TCM range of pain care services in the future, and to ultimately serve a wider range of patients.

4. GDS revenue stable in FY2020 despite Covid delays

Catalist-listed door and shutter solutions provider GDS Global Limited ("**GDS**") reported a slight increase of 0.2% in revenue to S$14.3 million for FY2020 ended 30 September. Losses incurred narrowed to S$1.15 million, from S$1.76 million. The increase in revenue was due to an increase in the Group's sales of doors and shutter systems, partially offset by a decrease in revenue from the provision of service and maintenance work and a decrease in revenue from trading of production components. The Group saw an increase in revenue for 1HFY20, due to substantially higher completion of projects. However, due to the temporary suspension of services during circuit breaker period, revenue saw delays. Gross profit margin increased from 29.8% in FY2019 to 31.1% in FY2020.

Capital Market News

Singapore signed regional trade deal with 14 other nations

The Regional Comprehensive Economic Partnership (RCEP) – the world's biggest trade agreement – contains agreements in areas such as trade in goods and services and investment, intellectual property rights, e-commerce and government procurement. Key areas include elimination of tariffs on at least 92% of goods traded among participating countries, opening at least 65% of services to foreign participation, for investments, no performance requirements as conditions for investors to enter, expand or operate in RCEP countries. On top of that, it also includes enhancements in areas such as online consumer and personal information protection, transparency and paperless trading. It also includes simplified customs procedures while at least 65% of services sectors will be fully open with increased foreign shareholding limits.

Temasek launched vehicle to super-charge agriculture and food deals

Temasek International ("**Temasek**") is setting up a new vehicle to help accelerate and manage agricultural and food investments as part of a multibillion-dollar push into the market. Two missions of the platform are to help agri-food portfolio companies build the operational capabilities needed to get products off the drawing board and into the market, and to help them build the manufacturing and production scale "to the next level". Temasek has invested more than US$5 billion in the agri-food industry in the past five years, backing companies such as Impossible Foods and Bayers, as Singapore targets a strategic goal of getting 30 per cent of its food requirements from local sources by 2030. Life-science and agribusiness investments made up 8% of its S$306 billion portfolio as at March, up from 4% in 2017. The exact details of whether the platform will include Temasek's existing investments, be wholly owned by the firm or a joint venture with external partners have yet to be decided.

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