SG Market Weekly Update
7 December – 11 December 2020

STI In A Snapshot

The STI closed Friday lower at 2,821.70, down 0.6% or 18.19 points for the week. Markets started higher on the back of vaccine and stimulus hopes, but ended in the red due to a stimulus stalemate and geopolitical concerns.

The STI started Monday positive, tracking the Wall Street gains last Friday. The Singapore market was also active with the announcement of Singapore's digital bank licences. However, sentiments turned cautious with geopolitical concerns, with news of US intention to impose sanctions on some Chinese officials, and rising Covid-19 cases. The STI returned to the black briefly as Wall Street indices hit records, boosted by hopes for US stimulus. However, the gloom returned before the European Central Bank monetary policy meeting and US tech stocks selloff after Facebook was accused of breaking antitrust law. The STI sank further into the red on Friday as delays over a new fiscal stimulus package and surging coronavirus infections dented sentiment.

Year-to-date, the STI is down 12.4%.

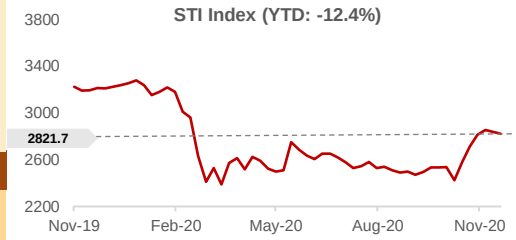
Week Ahead: 14 December – 18 December 2020

Mon (14 Dec)	JP Tankan Large Manufacturers Index, EUR Industrial Production, US OPEC Monthly Report
Tue (15 Dec)	CN Industrial Production, CN Unemployment Rate, SG Unemployment Rate, GB Claimant Count Change, US IEA Monthly Report, US Export/Import Price Index, US Industrial Production
Wed (16 Dec)	GB CPI, GB PPI, EUR Manufacturing/Services/Composite PMI, EUR Trade Balance, US Retail Sales, US Manufacturing/Services/Composite PMI
Thu (17 Dec)	US FOMC Statement, US Fed Interest Rate Decision, SG Trade Balance, GB Retail Sales, EUR CPI, GB BoE Interest Rate Decision, US Building Permits, US Philadelphia Fed Mfg Index
Fri (18 Dec)	JP National Core CPI, US Current Account, US Leading Index

Market Snapshot

Symbol	Price	Change	1D % Change	5D % Change	YTD % Change
STI	2821.7	▼ 3.3	▼ 0.1%	▼ 0.6%	▼ 12.4%
SG Mid Cap	687.6	▼ 0.6	▼ 0.1%	▼ 0.4%	▼ 9.3%
SG Catalist	308.5	▼ 0.0	▼ 0.0%	▼ 1.2%	▲ 13.3%
SG Small Cap	299.5	▲ 1.1	▲ 0.4%	▲ 0.2%	▼ 15.7%

Singapore Indices





Company News

1. Lifebrandz completed proposed subscription to issue 112.5 million shares

Catalist-listed multi-faceted solutions company Lifebrandz Ltd ("**Lifebrandz**") announced completion of proposed subscription of 112.5 million shares to raise S$0.41 million (net of expenses). Lifebrandz had entered into a subscription agreement with I Concept Global Growth Fund for 100 million shares and Liw Chai Yuk for 12.5 million shares at an issue price of S$0.004. Due to Covid-19 and social distancing measures, Lifebrandz had decided to restructure the Group's business and raise funds from new investors with a view to ensure that the Company has sufficient working capital to remain a going concern. The net proceeds are intended for the repayment of existing and outstanding liabilities to external creditors, repayment of ML Loans and for working capital purposes.

2. Medtecs partnered with Mytrex in vertical integration efforts

Catalist-listed personal protective equipment provider Medtecs International Corporation Limited ("**Medtecs**") announced the entry into a partnership with Mytrex Health Technologies, Inc. ("**Mytrex**") to co-locate production plants in Taiwan, the Philippines and the United States, among other regions. This is to facilitate vertical integration of their PPE production operations, to ensure product quality and minimise any supply chain disruptions. Mytrex is a supplier to the Group for melt-blown non-woven material used as a filter in their face masks. The agreement is in line with various governments' policies of localising supply chains to facilitate the indigenous production of PPE to swiftly cater to demand in their respective markets.

3. Aedge to debut on catalist board

Aedge Group Limited ("**Aedge**") will debut on the Catalist Board on Monday, 14 December 2020. Aedge is a multi-services provider of engineering, transport and security and manpower services. The Company saw their 16 million shares being fully subscribed by way of placement, at an issue price of S$0.20 per share. This would amount to a total consideration of S$3.2 million. Management sees the growth prospects of the Group with their diverse capabilities in engineering, transport and security and manpower needs, and sees the listing as a next phase of their growth in the three business segments.

4. mm2 proposed merger of its Cathay cinema business with Golden Village cinemas

Entertainment services company mm2 Asia Ltd. ("**mm2**") announced the possible merger of its cinema business with Golden Village cinemas in Singapore, with Orange Sky Golden Harvest Entertainment (Holdings) Limited ("**OSGH**"). In Singapore, mm Connect, a wholly-owned subsidiary of mm2 operates 8 cinemas under the "Cathay" brand, on top of its cinemas in as well as a movie film distribution business and an online streaming business. OSGH conducts a movie distribution, screen advertising and ownership and operation of cinema business through Dartina Development Ltd, a company incorporated in Hong Kong, with 14 cinemas in Singapore under the "Golden Village" brand. The Group believes the merger would make the combined business the largest cinema operator in Singapore and provide advantageous economies of scale to the mm2 Cinema Business. Due to the challenges faced since Covid-19, the Group believes the merger would bring about a stronger platform for the operation of the cinema business.

Capital Market News

SGFinDex ecosystem launched to push for financial inclusion

Singapore has launched the world's first system that allows its citizens to consolidate their financial information across major banks and relevant government agencies. Called the Singapore Financial Data Exchange ("**SGFinDex**"), the new nationwide financial data sharing initiative allows Singaporeans to use their SingPass to retrieve their personal financial information. The SGFinDex is launched with the goal of narrowing information asymmetry between financial providers and customers, to allow consumers to be better equipped with information; and for banks that openly, clearly, provide sound financial advice backed up by data to get more market share. On top of that, another goal would be for individuals to take greater responsibility of their finances, and also help banks narrow the income inequality gap exacerbated by Covid-19. The banking industry may see higher competition, with their digital capabilities tested by greater transparency unlocked with the SGFinDex.

Singapore to allot S$25 billion towards science and technology

Under the new 5-year Research, Innovation and Enterprise plan (RIE 2025), a record S$25 billion is allocated for the next five years in the government's continuing efforts to tap science and technology in building a Singapore that will be more resilient, sustainable and digitalised - and which will emerge stronger in a post-Covid world. The Research, Innovation and Enterprise Council (RIE Council), chaired by Prime Minister Lee Hsien Loong sees science, technology and innovation to be critical to overcome Covid-19. Deputy Prime Minister Heng Swee Keat highlighted three areas of focus for RIE 2025: 1) reaffirm Singapore's commitment to basic research; 2) broaden RIE's scope to better drive economic growth in the aftermath of Covid-19 and meet national needs; and 3) scale up technology translation and help enterprises to be more equipped for innovation.

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