

PLEASE CLICK ON THE PAGE NUMBER TO MOVE TO THE RELEVANT PAGE.

KEY HIGHLIGHTS

Sector

REITs

3Q23 round-up: Gaining a stronger footing.

Page 2

TRADERS' CORNER

Sembcorp Industries (SCI SP): Trading BUY

Venture Corp (VMS SP): Trading BUY

Page 5

KEY INDICES

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	34947.3	0.0	1.9	5.5	5.4
S&P 500	4514.0	0.1	2.2	6.9	17.6
FTSE 100	7504.3	1.3	2.0	1.4	0.7
AS30	7261.0	(0.1)	1.2	2.4	0.5
CSI 300	3568.1	(0.1)	(0.5)	1.6	(7.8)
FSSTI	3124.7	(0.3)	(0.3)	1.6	(3.9)
HSCEI	5974.5	(2.3)	1.2	1.8	(10.9)
HSI	17454.2	(2.1)	1.5	1.6	(11.8)
JCI	6977.7	0.3	2.5	1.9	1.9
KLCI	1460.7	(0.3)	0.6	1.4	(2.3)
KOSPI	2469.9	(0.7)	2.5	4.0	10.4
Nikkei 225	33585.2	0.5	3.1	7.4	28.7
SET	1415.8	0.0	1.9	1.2	(15.2)
TWSE	17209.0	0.2	3.2	4.7	21.7
BDI	1820	3.5	10.8	(11.0)	20.1
CPO (RM/mt)	3846	1.1	5.2	3.7	(5.0)
Brent Crude (US\$/bbl)	81	4.1	(1.0)	(10.3)	(6.2)

Source: Bloomberg

TOP TRADING TURNOVER

Company	Price (\$)	Chg (%)	5-day ADT (\$m)
DBS Group Holdings	32.69	0.2	110.5
United Overseas Bank	27.35	(0.3)	65.9
Singapore Telecommunications	2.33	0.1	59.4
Oversea-Chinese Banking Corp	12.97	(0.1)	55.4
Genting Singapore	0.94	(0.5)	53.7

TOP GAINERS

Company	Price (\$)	Chg (%)	5-day ADT (\$m)
ESR-Logos Reit	0.30	3.4	4.5
Olam Group	1.06	2.9	1.8
SRI Trang Agro-Industry-For	0.59	2.6	0.0
Riverstone Holdings	0.64	2.4	2.2
Cromwell Reit Eur	1.32	2.3	0.6

TOP LOSERS

Company	Price (\$)	Chg (%)	5-day ADT (\$m)
Nio Inc-Class A	7.40	(4.0)	1.5
Jardine Matheson Hldgs	39.80	(3.4)	21.2
Yanlord Land Group	0.60	(3.3)	0.5
Hongkong Land Holdings	3.29	(2.7)	8.8
UMS Holdings	1.25	(2.3)	6.1

*ADT: Average daily turnover

KEY ASSUMPTIONS

GDP (% yoy)	2022	2023F	2024F
US	2.1	2.0	1.0
Euro Zone	3.5	0.5	0.8
Japan	1.0	1.5	1.0
Singapore	3.6	0.7	3.0
Malaysia	8.7	4.0	4.6
Thailand	2.6	3.1	3.5
Indonesia	5.4	5.1	5.2
Hong Kong	-3.5	4.6	3.0
China	3.0	5.0	4.6
CPO (RM/mt)	5,088	4,000	4,200
Brent (Average) (US\$/bbl)	99.0	81.0	84.0

Source: Bloomberg, UOB ETR, UOB Kay Hian

SECTOR UPDATE

REITs – Singapore

3Q23 Round-up: Gaining A Stronger Footing

Results from the 20 S-REITs under our coverage were mostly in line with forecasts. The hospitality sub-sector registered the strongest NPI growth averaging 26% yoy. We saw resiliency from Singapore with positive rental reversions across retail, office and industrial properties despite external uncertainties. We focus on S-REITs with resilient balance sheets that could weather a protracted period of elevated interest rates. Maintain OVERWEIGHT. BUY CDREIT, FCT, FEHT, KREIT, LREIT and MINT.

WHAT'S NEW

- The hospitality sub-sector saw the strongest recovery**, benefitting from recovery and reopening in a seasonally stronger 3Q23. In Singapore, the average length of stay increased 0.28 days to 3.55 days, which is 9% above pre-pandemic levels. CLAS reported 17% yoy growth in RevPAR globally, while CDREIT and FEHT registered growth in RevPAR of 20% and 44% yoy respectively for assets in Singapore in 3Q23. CLAS' gross profit grew 13% yoy, while CDREIT and FEHT saw NPI growth of 23% and 42% yoy respectively. FEHT has committed to utilising additional incentive fee of S\$18m from the divestment of Central Square to cushion the negative impact from higher interest rates.
- Recovery from downtown malls; resiliency from suburban malls.** Retail rents are rising supported by retailers' optimism on consumer sentiment. Most downtown malls achieved positive double-digit rental reversion, such as Suntec City Mall (2Q23: +18.2%, 3Q23: +25.3%) and MPACT's VivoCity (1HFY24: +14.2%), due to recovery in tourism. FCT saw steady positive rental reversion of +4.7% for its suburban malls in FY23, driven by Causeway Point (+5.4%), Waterway Point (+5.1%) and Northpoint City North Wing (+6.9%). CICT's retail leases registered positive rental reversions of 8.8% in 3Q23 (suburban: 7.4%, downtown: 8.4%). LREIT also experienced strong positive rental reversion of 16.3% (313@Somerset: >20%, Jem: high single-digit) in 1QFY24. FCT is scheduled to complete AEI for Tampines 1 in Nov 23 and additional prime retail space of 8,000sf will open in Dec 23, ahead of the festive season.
- Resiliency for office confounding sceptics.** According to CBRE, vacancy rate within core CBD has tightened significantly by 0.8ppt qoq to 3.2% in 3Q23. The amount of shadow space was estimated to have reduced by half to 0.33m sf compared to a record high of 0.7m sf in 1Q23. KREIT achieved positive rental reversion of 10.7% in 3Q23 (1H23: 8.1%). In Sydney, its new government tenant took up two additional floors at 8 Chifley Square, which increased occupancy by 9.7ppt qoq to 97.1%. CICT achieved positive rent reversions of 8.8% for its office properties in 9M23. SUN's Singapore office portfolio achieved positive rental reversion of 14% in 3Q23 (2Q23: +10.5%).

TOP-20 S-REITs RANKED BY MARKET CAPITALISATION – VITAL STATISTICS

Name	Ticker	Rec	Currency	Price 17 Oct 23	Target Price	Mkt Cap (US\$m)	-- DPU (¢) --	-- Yield (%) --	-- Yield Spread* (%) --	Interest Coverage (x)	Aggregate Leverage (%)	WALE (years)
							Curr Fwd	Curr Fwd	Curr Fwd			
CapLand Int Comm Trust	CICT SP	BUY	S\$	1.86	2.02	9,196	10.6 10.6	5.7 5.7	2.7 2.7	3.1	40.8	3.5
CapLand Ascendas	CLAR SP	BUY	S\$	2.80	3.13	9,134	15.4 15.5	5.5 5.5	2.5 2.5	4.0	37.2	3.9
Mapletree Log Trust	MLT SP	BUY	S\$	1.58	1.72	5,831	8.7 8.0	5.5 5.1	2.5 2.1	3.8	38.9	3.0
Mapletree Pan Asia	MPACT SP	BUY	S\$	1.38	1.80	5,383	9.2 9.4	6.6 6.8	3.7 3.8	3.0	40.7	2.5
Mapletree Ind Trust	MINT SP	BUY	S\$	2.27	2.69	4,779	13.2 13.7	5.8 6.0	2.8 3.1	4.6	37.9	4.2
Frasers L&C Trust	FLT SP	BUY	S\$	1.08	1.47	3,005	7.2 7.3	6.7 6.8	3.7 3.8	7.1	30.2	4.3
Frasers Centrepoint	FCT SP	BUY	S\$	2.19	2.42	2,786	11.7 12.0	5.3 5.5	2.4 2.5	3.5	39.3	2.0
CapLand Ascott	CLAS SP	BUY	S\$	0.915	1.25	2,558	5.6 6.1	6.1 6.7	3.2 3.7	4.2	35.2	n.a.
Suntec REIT	SUN SP	HOLD	S\$	1.12	1.12	2,411	7.3 6.4	6.5 5.7	3.5 2.7	2.0	42.7	2.8
Keppel DC REIT	KDCREIT SP	NR	S\$	1.87	n.a.	2,392	10.0 10.0	5.3 5.3	2.4 2.4	5.4	37.2	7.8
Keppel REIT	KREIT SP	BUY	S\$	0.85	1.06	2,389	5.8 5.7	6.8 6.8	3.8 3.8	3.3	39.5	5.6
PARAGON REIT	PGNREIT SP	NR	S\$	0.84	n.a.	1,769	4.6 5.1	5.5 6.1	2.5 3.1	3.8	30.1	3.1
ESR-LOGOS REIT	EREIT SP	NR	S\$	0.30	n.a.	1,715	2.7 2.5	9.0 8.3	6.0 5.4	2.4	37.7	3.4
PLife REIT	PREIT SP	BUY	S\$	3.56	4.19	1,600	14.0 14.0	3.9 3.9	0.9 1.0	12.8	36.0	16.5
CapLand China Trust	CLCT SP	NR	S\$	0.815	n.a.	1,023	7.5 7.8	9.2 9.6	6.2 6.6	3.2	42.4	1.8
OUE Comm REIT	OUECT SP	NR	S\$	0.25	n.a.	1,019	2.0 2.0	8.0 8.0	5.0 5.0	2.4	39.4	3.3
Lendlease REIT	LREIT SP	BUY	S\$	0.575	0.80	991	4.4 4.3	7.7 7.5	4.7 4.6	3.9	40.6	5.3
Far East HTrust	FEHT SP	BUY	S\$	0.64	0.76	952	4.1 4.3	6.4 6.8	3.5 3.8	3.7	32.2	n.a.
CDL HTrust	CDREIT SP	BUY	S\$	1.01	1.41	935	6.1 7.0	6.1 6.9	3.1 3.9	2.9	38.4	n.a.
Starhill Global	SGREIT SP	NR	S\$	0.49	n.a.	822	3.9 3.9	8.0 8.0	5.0 5.0	3.3	37.4	4.2

* Yield spread above 10-year government bond yield

Source: Bloomberg, UOB Kay Hian

OVERWEIGHT

(Maintained)

SEGMENTAL RATING

S-REITs	OVERWEIGHT
Healthcare REITs	OVERWEIGHT
Hospitality REITs	OVERWEIGHT
Industrial REITs	OVERWEIGHT
Office REITs	OVERWEIGHT
Retail REITs	OVERWEIGHT

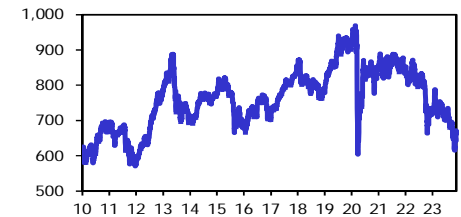
Source: UOB Kay Hian

TOP S-REIT PICKS

Company	Rec	Share Price (\$)	Target Price (\$)
CDREIT	BUY	1.01	1.41
FCT	BUY	2.19	2.42
FEHT	BUY	0.64	0.76
KREIT	BUY	0.85	1.06
LREIT	BUY	0.575	0.80
MINT	BUY	2.27	2.69

Source: UOB Kay Hian

FTSE ST ALL-SHARE REITS INDEX (FSTREI)



Source: UOB Kay Hian

ANALYST(S)

Jonathan Koh, CFA, MSc Econ
+65 6590 6620
jonathankoh@uobkayhian.com

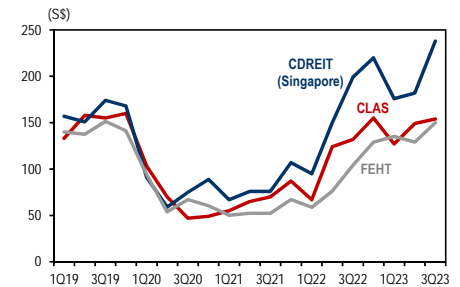
ESSENTIALS

- Strong positive reversions from logistics properties except China.** CLAR's logistics properties registered exceptionally strong rental reversion at 25.5% in Singapore and 28.8% in the UK/Europe due to tight supply and adoption of just-in-case supply chain management. FLT saw growth in logistics rents in Australia (New South Wales: +30.6%, Victoria: +46.6% and Queensland: +21.4%) in 4QFY23. MLT achieved positive rental reversion of +9.1% excluding China in 2QFY24 (including China: +0.6%). Management cautioned that weakness for China could persist for the next 12 months.
- Broad-based positive reversion for industrial properties.** CLAR recorded positive rental reversion of +9.8% for multi-tenant buildings in 3Q23 (business space & life science: +6.4%, industrial & data centre: +8.6%). MINT achieved positive rental revision of 8.8% for renewed leases across all property types in Singapore in 2QFY24 (flatted factories: +9.9%, business parks: +8.8%, stack-up/ramp-up buildings: +7.6% and hi-tech buildings: +4.7%). MPACT's MBC achieved positive rental reversion of 7.1% in 1HFY24.
- Early signs of stabilisation in cost of debt.** Three-month SORA edged marginally higher by 7bp to 3.71% in 3Q23. Average cost of debt for CICT, KREIT and MLT were stable at 3.3%, 2.85% and 2.5% respectively. MINT's average cost of debt improved 0.3ppt qoq to 3.2% in 2QFY24 due to drawdown of JPY-denominated loans to fund the acquisition of a data centre in Osaka, Japan.
- Turnaround situations.** DCREIT's second-largest tenant, Cyxtera, is on the cusp of emerging from chapter 11 bankruptcy restructuring. It entered into a series of six agreements, which reduces exposure to Cyxtera/Brookfield from 22% to 5%. MUST is negotiating with lenders on a waiver for the breach of financial covenant and working with its sponsor on formulating a sponsor support scheme. It targets to announce the loan restructuring by end-23 and hold its EGM in 1Q24.

ACTION

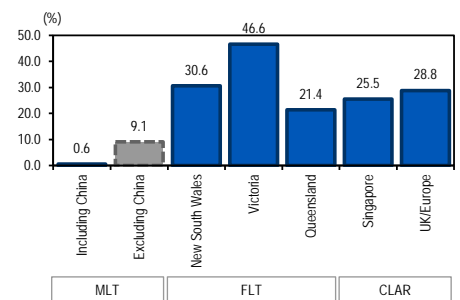
- Gaining a stronger footing.** Results from the 20 S-REITs under our coverage (results: eight, business and operational updates: 12) were mostly in line with our expectations. We saw a strong recovery for the hospitality sub-sector and resiliency from the retail, office and industrial sub-sectors. Interest rates have peaked but could stay higher for longer. Nevertheless, we have observed early signs of stabilisation in S-REITs' average cost of debt.
- Maintain OVERWEIGHT.** S-REITs is a defensive sector that could weather geopolitical uncertainties and potential slowdown in economic growth. We focus on blue chip S-REITs with resilient balance sheets that are better able to withstand a protracted period of elevated interest rates. BUY CDREIT (Target: S\$1.41), FCT (Target: S\$2.42), FEHT (Target: S\$0.76), KREIT (Target: S\$1.06), LREIT (Target: S\$0.80) and MINT (Target: S\$2.69).

REVPAR – HOSPITALITY



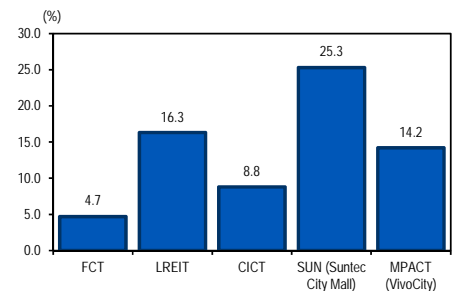
Source: Respective S-REITs

RENTAL REVERSION – LOGISTICS



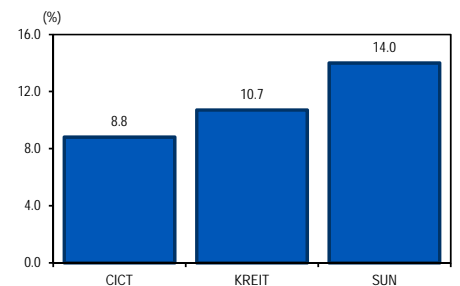
Source: Respective S-REITs

RENTAL REVERSION – SINGAPORE RETAIL



Source: Respective S-REITs

RENTAL REVERSION – SINGAPORE OFFICE



Source: Respective S-REITs

SUMMARY OF FINANCIAL RESULTS – AT A GLANCE

Name	Ticker	Rec	Curr	Price 17 Oct 23	Target Price	Period	NPI (\$m)	yoy % Chg	DI (\$m)	yoy % Chg	DPU (¢)	yoy % Chg	Payout Ratio (%)	Remarks
HEALTHCARE														
PLife REIT	PREIT SP	BUY	S\$	3.56	4.19	3Q23	34.5	+28.6	22.4	+1.8	3.70	+1.6	96.6	In Line
HOSPITALITY														
CapLand Ascott	CLAS SP	BUY	S\$	0.915	1.25	3Q23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
CDL HTrust	CDREIT SP	BUY	S\$	1.01	1.41	3Q23	39.0	+23.3	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
Far East HTrust	FEHT SP	BUY	S\$	0.64	0.76	3Q23	28.1	+42.4	22.9	+51.0	n.a.	n.a.	n.a.	In Line
INDUSTRIAL														
CapLand Ascendas	CLAR SP	BUY	S\$	2.80	3.13	3Q23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
Digi Core REIT USD	DCREIT SP	BUY	US\$	0.57	0.69	3Q23	15.8	-9.9	10.0	-10.5	n.a.	n.a.	n.a.	In Line
Mapletree Ind Trust	MINT SP	BUY	S\$	2.27	2.69	2QFY24	128.6	-1.4	94.1	+3.5	3.32	-1.2	99.7	In Line
Mapletree Log Trust	MLT SP	BUY	S\$	1.58	1.72	2QFY24	162.0	+1.2	112.5	+4.2	2.27	+0.9	108.5	In Line
OFFICE														
Keppel REIT	KREIT SP	BUY	S\$	0.85	1.06	3Q23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
RETAIL														
Frasers Centrepoint	FCT SP	BUY	S\$	2.19	2.42	2HFY23	129.6	+1.1	103.1	-0.7	6.02	-1.2	101.9	In Line
Lendlease REIT	LREIT SP	BUY	S\$	0.575	0.80	1QFY24	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
Sasseur REIT	SASSR SP	BUY	S\$	0.695	0.93	3Q23	30.3	-1.5	18.7	-20.3	1.51	-17.7	100.0	In Line
DIVERSIFIED														
CapLand Int Comm Trust	CICT SP	BUY	S\$	1.86	2.02	3Q23	275.0	+0.6	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
Frasers L&C Trust	FLT SP	BUY	S\$	1.08	1.47	2HFY23	157.1	-4.9	131.6	-5.8	3.52	-6.6	109.8	In Line
Mapletree Pan Asia	MPACT SP	BUY	S\$	1.38	1.80	2QFY24	183.2	8.7	118.0	+0.3	2.24	-8.2	100.0	In Line
Suntec REIT	SUN SP	HOLD	S\$	1.12	1.12	3Q23	84.6	+9.7	52.0	-13.3	1.79	-14.0	112.4	In Line
INTERNATIONAL (US)														
Keppel REIT USD	KORE SP	BUY	US\$	0.28	0.56	3Q23	22.1	+3.7	13.1	-10.7	n.a.	n.a.	n.a.	In Line
Manulife REIT USD	MUST SP	BUY	US\$	0.095	0.18	3Q23	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	In Line
Prime US REIT USD	PRIME SP	BUY	US\$	0.161	0.53	3Q23	23.4	-3.3	14.7	-23.4	n.a.	n.a.	n.a.	In Line
Utd Hampshire REIT USD	UHU SP	BUY	US\$	0.40	0.60	3Q23	12.9	+8.4	7.1	-14.5	n.a.	n.a.	n.a.	In Line

Source: Bloomberg, UOB Kay Hian

NPI = net property income, DI = distributable income and DPU = distribution per unit.

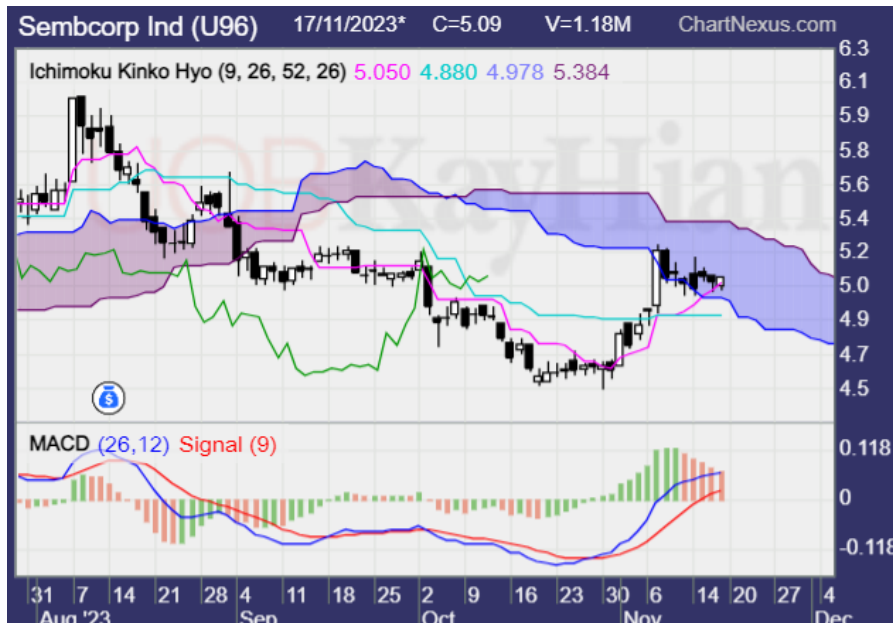
PEER COMPARISON

Name	Ticker	Rec	Curr	Price 17 Oct 23	Target Price	Mkt Cap (US\$m)	Yield (%)				Debt to Equity (%)	Debt to Assets (%)	P/NAV (x)
							Hist	Curr	Fwd 1Y	Fwd 2Y			
HEALTHCARE													
First REIT	FIRT SP	NR	S\$	0.23	n.a.	354	11.5	10.9	10.9	11.7	74.3	39.0	0.76
PLife REIT	PREIT SP	BUY	S\$	3.56	4.19	1,600	4.0	3.9	3.9	4.0	59.3	35.9	1.55
HOSPITALITY													
CapLand Ascott	CLAS SP	BUY	S\$	0.92	1.25	2,558	6.2	6.1	6.7	6.8	74.5	35.2	0.80
CDL HTrust	CDREIT SP	BUY	S\$	1.01	1.41	935	5.6	6.1	6.9	6.9	65.5	38.4	0.71
Far East HTrust	FEHT SP	BUY	S\$	0.64	0.76	952	5.1	6.4	6.8	6.2	40.9	32.2	0.71
Frasers HTrust	FHT SP	NR	S\$	0.51	n.a.	730	4.8	5.1	5.3	5.1	54.9	34.0	0.77
INDUSTRIAL													
AIMS APAC REIT	AAREIT SP	NR	S\$	1.28	n.a.	770	7.8	7.6	7.7	7.7	63.0	32.1	0.95
CapLand Ascendas	CLAR SP	BUY	S\$	2.80	3.13	9,134	5.6	5.5	5.5	5.6	64.3	37.2	1.20
Digi Core REIT USD	DCREIT SP	BUY	US\$	0.57	0.69	641	7.0	6.4	6.1	5.6	54.2	34.4	0.69
ESR-LOGOS REIT	EREIT SP	NR	S\$	0.30	n.a.	1,715	10.0	9.0	8.3	9.0	68.2	37.7	0.91
Keppel DC REIT	KDCREIT SP	NR	S\$	1.87	n.a.	2,392	5.5	5.3	5.3	5.7	60.6	37.2	1.34
Mapletree Ind Trust	MINT SP	BUY	S\$	2.27	2.69	4,779	6.0	5.8	6.0	6.3	57.4	37.9	1.20
Mapletree Log Trust	MLT SP	BUY	S\$	1.58	1.72	5,831	5.7	5.5	5.1	5.1	76.7	38.9	1.12
OFFICE													
Keppel REIT	KREIT SP	BUY	S\$	0.85	1.06	2,389	7.0	6.8	6.8	6.7	73.2	39.2	0.64
RETAIL													
Frasers CT	FCT SP	BUY	S\$	2.19	2.42	2,786	5.5	5.3	5.5	5.5	55.7	39.3	0.94
Lendlease REIT	LREIT SP	BUY	S\$	0.58	0.80	991	8.2	7.7	7.5	7.7	84.4	40.6	0.73
Sasseur REIT	SASSR SP	BUY	S\$	0.695	0.93	640	9.4	9.0	9.4	9.8	42.8	25.4	0.82
PARAGON REIT	PGNREIT SP	NR	S\$	0.84	n.a.	1,769	6.5	5.5	6.1	6.4	49.7	30.1	0.93
Starhill Global	SGREIT SP	NR	S\$	0.49	n.a.	822	7.8	8.0	8.0	8.4	64.6	37.4	0.67
DIVERSIFIED													
CapLand China Trust	CLCT SP	NR	S\$	0.815	n.a.	1,023	9.2	9.2	9.6	9.9	89.9	42.4	0.61
CapLand Int Comm Trust	CICT SP	BUY	S\$	1.86	2.02	9,196	5.7	5.7	5.7	5.7	68.3	40.8	0.88
Frasers L&C Trust	FLT SP	BUY	S\$	1.08	1.47	3,005	6.5	6.7	6.8	0.0	46.5	30.2	0.92
Mapletree Pan Asia	MPACT SP	BUY	S\$	1.38	1.80	5,383	7.0	6.6	6.8	6.9	74.7	40.7	0.79
OUE Comm REIT	OUECT SP	NR	S\$	0.25	n.a.	1,019	8.5	8.0	8.0	8.4	72.9	39.4	0.43
Suntec REIT	SUN SP	HOLD	S\$	1.12	1.12	2,411	7.9	6.5	5.7	5.9	70.2	42.7	0.54
INTERNATIONAL (US/EUROPE)													
Cromwell REIT EUR	CERT SP	NR	€	1.32	n.a.	805	13.0	12.1	12.3	12.3	80.3	41.2	0.59
Elite Comm REIT GBP	ELITE SP	NR	£	0.28	n.a.	168	17.2	12.9	13.6	14.6	90.9	45.8	0.55
IREIT Global	IREIT SP	NR	S\$	0.36	n.a.	360	10.9	7.7	8.5	9.7	62.8	36.9	0.48
Keppel REIT USD	KORE SP	BUY	US\$	0.28	0.56	292	20.7	17.9	17.3	17.1	69.2	38.4	0.35
Manulife REIT USD	MUST SP	BUY	US\$	0.095	0.18	169	50.0	0.0	15.6*	16.5*	139.4	56.0	0.24
Prime US REIT USD	PRIME SP	BUY	US\$	0.161	0.53	191	40.7	30.5	19.3*	20.0*	79.4	43.7	0.22
Utd Hampshire REIT USD	UHU SP	BUY	US\$	0.40	0.60	233	14.7	11.7	11.5	11.5	74.3	41.7	0.54

* Based on theoretical ex-rights unit price and fully diluted for 873:1,000 rights issue at US\$0.14 for PRIME and 2,427:1,000 rights issue at US\$0.05 for MUST.

Source: Bloomberg, UOB Kay Hian

TRADERS' CORNER



Sembcorp Industries (SCI SP)

Trading Buy Range: S\$5.07-5.08

Last price: S\$5.09

Target price: S\$5.62

Protective stop: S\$4.94

Price could be consolidating within a pennant continuation pattern. There is a bullish conversion and base lines crossover that hints at potential upside ahead. MACD remains bullish. These could increase chances of the stock price moving higher.

The potential upside target is S\$5.62. Stop-loss could be placed at S\$4.94.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental BUY and target price of S\$7.20.



Venture Corp (VMS SP)

Trading Buy Range: S\$11.90-11.93

Last price: S\$12.78

Target price: S\$13.00

Protective stop: S\$11.50

Price has been moving higher after forming a bottom at S\$11.19. The middle Bollinger band, aka the 20MA, is rising, hinting at more upside ahead. MACD is bullish and is rising. These could increase chances of the stock price moving higher.

The potential upside target is S\$13.00 Stop-loss could be placed at S\$11.50.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental BUY and target price of S\$14.06.

ANALYST(S)

Wong Shueh Ting, CFTe

+65 6590 6616

shuehting@uobkayhian.com

Disclosures/Disclaimers

This report is prepared by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser in Singapore.

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities.

This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This report is confidential. This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person without the prior written consent of UOBKH. This report is not directed to or intended for distribution to or use by any person or any entity who is a citizen or resident of or located in any locality, state, country or any other jurisdiction as UOBKH may determine in its absolute discretion, where the distribution, publication, availability or use of this report would be contrary to applicable law or would subject UOBKH and its connected persons (as defined in the Financial Advisers Act, Chapter 110 of Singapore) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by UOBKH to be reliable. However, UOBKH makes no representation as to the accuracy or completeness of such sources or the Information and UOBKH accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. UOBKH and its connected persons may have issued other reports expressing views different from the Information and all views expressed in all reports of UOBKH and its connected persons are subject to change without notice. UOBKH reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) UOBKH, its connected persons and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) UOBKH, its connected persons and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; (3) the officers, employees and representatives of UOBKH may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business"); and (4) UOBKH may otherwise have an interest (including a proprietary interest) in the subject corporation(s) referred to in this report.

As of the date of this report, no analyst responsible for any of the content in this report has any proprietary position or material interest in the securities of the corporation(s) which are referred to in the content they respectively author or are otherwise responsible for.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report was prepared by UOBKH, a company authorized, as noted above, to engage in securities activities in Singapore. UOBKH is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution by UOBKH (whether directly or through its US registered broker dealer affiliate named below) to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). All US persons that receive this document by way of distribution from or which they regard as being from UOBKH by their acceptance thereof represent and agree that they are a major institutional investor and understand the risks involved in executing transactions in securities.

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through UOB Kay Hian (U.S.) Inc ("UOBKHUS"), a registered broker-dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through UOBKH.

UOBKHUS accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to and intended to be received by a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of UOBKHUS and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Certification/Regulation AC

Each research analyst of UOBKH who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of UOBKH or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including UOBKH's total revenues, a portion of which are generated from UOBKH's business of dealing in securities.

Reports are distributed in the respective countries by the respective entities and are subject to the additional restrictions listed in the following table.

General	This report is not intended for distribution, publication to or use by any person or entity who is a citizen or resident of or located in any country or jurisdiction where the distribution, publication or use of this report would be contrary to applicable law or regulation.
Hong Kong	This report is distributed in Hong Kong by UOB Kay Hian (Hong Kong) Limited ("UOBKHHK"), which is regulated by the Securities and Futures Commission of Hong Kong. Neither the analyst(s) preparing this report nor his associate, has trading and financial interest and relevant relationship specified under Para. 16.4 of Code of Conduct in the listed corporation covered in this report. UOBKHHK does not have financial interests and business relationship specified under Para. 16.5 of Code of Conduct with the listed corporation covered in this report. Where the report is distributed in Hong Kong and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKHHK (and not the relevant foreign research house) in Hong Kong in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Hong Kong who is not a professional investor, or institutional investor, UOBKHHK accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Indonesia	This report is distributed in Indonesia by PT UOB Kay Hian Sekuritas, which is regulated by Financial Services Authority of Indonesia ("OJK"). Where the report is distributed in Indonesia and contains research analyses or reports from a foreign research house, please note recipients of the analyses or reports are to contact PT UOBKH (and not the relevant foreign research house) in Indonesia in respect of any matters arising from, or in connection with, the analysis or report.
Malaysia	Where the report is distributed in Malaysia and contains research analyses or reports from a foreign research house, the recipients of the analyses or reports are to contact UOBKHM (and not the relevant foreign research house) in Malaysia, at +603-21471988, in respect of any matters arising from, or in connection with, the analysis or report as UOBKHM is the registered person under CMSA to distribute any research analyses in Malaysia.
Singapore	This report is distributed in Singapore by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. Where the report is distributed in Singapore and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKH (and not the relevant foreign research house) in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, UOBKH accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Thailand	This report is distributed in Thailand by UOB Kay Hian Securities (Thailand) Public Company Limited, which is regulated by the Securities and Exchange Commission of Thailand.
United Kingdom	This report is being distributed in the UK by UOB Kay Hian (U.K.) Limited, which is an authorised person in the meaning of the Financial Services and Markets Act and is regulated by The Financial Conduct Authority. Research distributed in the UK is intended only for institutional clients.
United States of America ('U.S.')	This report cannot be distributed into the U.S. or to any U.S. person or entity except in compliance with applicable U.S. laws and regulations. It is being distributed in the U.S. by UOB Kay Hian (US) Inc, which accepts responsibility for its contents. Any U.S. person or entity receiving this report and wishing to effect transactions in any securities referred to in the report should contact UOB Kay Hian (US) Inc. directly.

Copyright 2023, UOB Kay Hian Pte Ltd. All rights reserved.

<http://research.uobkayhian.com>

RCB Regn. No. 197000447W