

# Singapore Flash Note

Refer to important disclosures at the end of this report

DBS Group Research . Equity

3 Feb 2022

## Singapore REITs

### Analyst

Geraldine WONG +65 6682 3719; geraldinew@dbs.com

Derek TAN +65 6682 3716; derektan@dbs.com

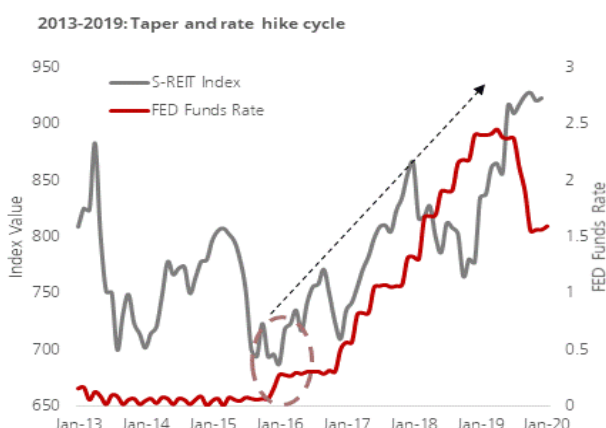
Rachel TAN +65 6682 3713 racheltanlr@dbs.com

Dale LAI +65 6682 3715 dalelai@dbs.com

### Nearing re-entry points as S-REITs near 52-week low

- S-REITs had a torrid Jan 22, down 6.6%, underperforming the STI despite improving fundamentals
- Industrial and healthcare S-REITs were relative underperformers due to “rotational trade” and lowest spread vs. 10-year bonds
- Almost half of 44 S-REITs are trading close to 52-week lows, highlighting attractive re-entry points
- Yield spreads widened to 4.3%, close to -1 standard deviation

#### S-REITs bottomed when rates were lifted



Source: DBS Bank

### What's New

#### Subsector trends in December

**Broad weakness in Jan 22.** It was a tough month for the S-REITs in Jan 22, with the FSTREI dipping by 6.6 while the STI remains on a firm upward trajectory of c.4.0%. The weakness largely came from rising expectations in the market of Fed rate hikes in 2022 with the consensus now expecting in the range of four to five hikes through the course of the year. The Fed meeting in late Jan 22 doesn't provide comfort when the market reads the hawkish tone with caution, with the first rate hike expected to happen in Mar 22.

During the month, most sectors dipped between -3.0% to -8.0%. The biggest dip came from the industrial S-REITs (-8.0% m-o-m) and healthcare (-6.6% m-o-m), which we believe is due to their lower absolute yields ranging from 4.0% to 4.5%, compared to the overall sector yield of 6.0%. This was due to outflows from the sector coupled with rotational interests as the “re-opening” theme remains firmly in play. The retail-focused S-REITs and office-focused S-REITs dipped by a lower 5.0% and 3.0%, respectively, while hospitality S-REITs dipped by 3.7% and US hospitality names dipped by 3.0%.

### Our observations

**S-REITs bottoming out ahead of rate hikes.** In view of the impending rate lift-off in Mar 22, we believe that we are nearing the near-term bottom for S-REITs, with the sector also having hit the bottom in prices back in Mar 16 after rates were last raised. We are, therefore, not sellers at these levels but are looking for an opportunity to accumulate upon the weakness.



Watchlist the stock on Insights Direct to receive prompt updates

ed: BM/ sa: YM, PY, CS



Live more, Bank less

## Flash Note

**Positive read in results.** The weakness in share prices highlights the fact that outflows owing to tactical repositioning within and out of the S-REITs remain in play, given the risk of rising interest rates on yield-sensitive stocks like S-REITs. This was despite the positive read from the results posted in the week of 24 Jan 2022, when most S-REITs reported strong growth in DPUs on top of providing positive guidance on the 2022 outlook, with most managers expecting to see an improvement in trading conditions coupled with a firmer rental reversions outlook. While macro uncertainty stemming from the uncertainty in rate hikes may cloud the overall outlook for now, the positive guidance provides us with confidence

that our forward projections of an 8.0% CAGR in DPU growth remains intact.

**Almost half of the S-REITs are close to 52-week low; opportunity to pick up “value buys”.** The S-REITs are close to its 52-week low, with 19 out of 44 S-REITs trading within 5% of their 52-week low prices. Seven out of the top 15 market cap S-REITs are within 5% of its 52-week lows. We see value at current levels, with FY22F yields expanding to 6.1%, implying a spread of 4.3% (10-year yields at 1.8% as of 3 Feb 22). Even if we assume 10-year yields rise to c.2.0% in the longer term, we are still looking at a yield spread of 4.1% (above the historical mean).

### Performance Summary

	Aug'21 % chg	Sep'21 % chg	Oct'21 % chg	Nov'21 % chg	Dec'21 % chg	Jan'22 % Chg	2021 % chg
Office	-5.4%	1.7%	4.3%	2.5%	-1.0%	-3.0%	2.6%
Retail	-1.7%	0.9%	3.3%	3.5%	0.9%	-5.0%	15.9%
Industrial	-1.1%	-1.2%	-0.4%	2.2%	0.7%	-8.0%	9.9%
Hospitality	-2.1%	-5.4%	9.1%	1.2%	1.1%	-3.7%	-7.6%
Hospitality (US)	-7.4%	-4.0%	1.0%	15.2%	5.3%	-3.0%	11.1%
Healthcare	4.3%	-3.9%	0.2%	4.8%	2.6%	-6.6%	34.6%
Office (US)	-3.8%	1.6%	1.3%	3.9%	-1.1%	-6.1%	2.3%
Office (EUR)	-0.2%	3.0%	1.5%	-2.3%	1.2%	-5.3%	4.0%
Retail (Others)	-4.4%	-7.1%	5.4%	2.4%	-3.0%	-4.3%	-14.4%
<b>FSTREI</b>	<b>-3.2%</b>	<b>-1.2%</b>	<b>2.7%</b>	<b>-1.5%</b>	<b>-0.3%</b>	<b>-6.6%</b>	<b>0.3%</b>
<b>FSSTI</b>	<b>-2.8%</b>	<b>10.4%</b>	<b>3.6%</b>	<b>2.5%</b>	<b>0.1%</b>	<b>4.0%</b>	<b>9.7%</b>

Source: Bloomberg Finance L.P., DBS Bank

	Aug'21 (ppt)	Sep'21 (ppt)	Oct'21 (ppt)	Nov'21 (ppt)	Dec'21 (ppt)	Jan'22 (ppt)	2021 YTD chg
SOR 1 Mth	0.16	0.16	0.27	0.25	0.32	(0.05)	0.19
SOR 3 Mth	0.19	0.21	0.28	0.34	0.36	(0.01)	0.14
SOR 6 Mth	0.21	0.23	0.32	0.36	0.43	(0.01)	0.25
SG 10 year	1.41	1.59	1.84	1.75	1.67	0.11	0.82
US 10 year	1.31	1.49	1.55	1.50	1.51	0.27	0.57

Source: Bloomberg Finance L.P., DBS Bank

**Flash Note**
**Share prices for selected S-REITs vs. 52-week low**

Name	Sector	Px	Mkt cap SGD (\$'m)	Average Volume ('000)	Average Volume (10D) ('000)	% from 52 week low
CICT	Office	2.01	13,283	23,016	18,236	5%
AREIT	Industrial	2.79	11,754	5,065	10,900	1%
MLT	Industrial	1.71	8,036	6,777	13,796	2%
MINT	Industrial	2.49	6,651	3,281	9,592	0%
Commercial REIT	Office	1.8	6,013	8,574	14,988	0%
FLCT	Industrial	1.42	5,234	4,279	8,927	7%
SUNTEC	Office	1.57	4,445	1,772	6,770	13%
Keppel REIT	Office	1.11	4,102	1,422	7,468	9%
FCT	Retail	2.29	3,879	1,638	2,958	3%
Regional REIT	Retail (Others)	1.09	3,845	1,191	10,355	16%
KDC REIT	Industrial	2.16	3,706	3,034	8,184	2%
ART	Hospitality	1.02	3,375	1,220	4,421	11%
Plife	Healthcare	4.85	2,934	264	566	21%
SPH REIT	Retail	0.965	2,704	572	1,999	21%
OUECT	Office	0.42	2,259	261	1,412	17%
CREIT	Office (EUR)	2.34	2,232	80	443	10%
CLCT	Retail (Others)	1.2	1,991	4,735	5,560	5%
Digital Core REIT	Industrial	1.14	1,732	1,804	3,740	14%
MUST	Office (US)	0.645	1,527	449	1,929	2%
A-itrust	Industrial	1.3	1,489	1,213	3,096	5%
CDL REIT	Hospitality	1.17	1,441	432	1,007	14%
SGREIT	Retail	0.605	1,340	612	1,834	19%
IREIT GLOBAL	Office (EUR)	0.645	1,256	143	355	5%
Prime US	Office (US)	0.785	1,238	138	1,538	5%
Logistics REIT 1	Industrial	0.84	1,220	1,384	3,534	22%
Far East HT	Hospitality	0.57	1,107	209	840	4%
KORE	Office (US)	0.75	1,053	678	1,361	12%
AIMS	Industrial	1.4	997	1,222	1,459	9%
LREIT	Retail	0.83	995	1,460	3,554	19%
Sasseur	Retail (Others)	0.805	980	491	1,029	3%
FHT	Hospitality	0.445	867	425	628	5%
ECWORLD	Industrial	0.725	587	159	309	3%
Daiwa Hse REIT	Industrial	0.805	543	199	2,285	2%
<b>Denotes close to 5% of 52-week low</b>						

Source: Bloomberg Finance L.P., DBS Bank

## Flash Note

DBS Bank recommendations are based on an Absolute Total Return\* Rating system, defined as follows:

**STRONG BUY** (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

**BUY** (>15% total return over the next 12 months for small caps, >10% for large caps)

**HOLD** (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

**FULLY VALUED** (negative total return, i.e., > -10% over the next 12 months)

**SELL** (negative total return of > -20% over the next 3 months, with identifiable share price catalysts within this time frame)

\*Share price appreciation + dividends

Completed Date: 3 Feb 2022 18:44:59 (SGT)

Dissemination Date: 3 Feb 2022 19:20:27 (SGT)

Sources for all charts and tables are DBS Bank unless otherwise specified.

### GENERAL DISCLOSURE/DISCLAIMER

**This report is prepared by DBS Bank Ltd.** This report is solely intended for the clients of DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBS Bank Ltd.

The research set out in this report is based on information obtained from sources believed to be reliable, but we (which collectively refers to DBS Bank Ltd, its respective connected and associated corporations, affiliates and their respective directors, officers, employees and agents (collectively, the "DBS Group") have not conducted due diligence on any of the companies, verified any information or sources or taken into account any other factors which we may consider to be relevant or appropriate in preparing the research. Accordingly, we do not make any representation or warranty as to the accuracy, completeness or correctness of the research set out in this report. Opinions expressed are subject to change without notice. This research is prepared for general circulation. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific addressee. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees, who should obtain separate independent legal or financial advice. The DBS Group accepts no liability whatsoever for any direct, indirect and/or consequential loss (including any claims for loss of profit) arising from any use of and/or reliance upon this document and/or further communication given in relation to this document. This document is not to be construed as an offer or a solicitation of an offer to buy or sell any securities. The DBS Group, along with its affiliates and/or persons associated with any of them may from time to time have interests in the securities mentioned in this document. The DBS Group, may have positions in, and may effect transactions in securities mentioned herein and may also perform or seek to perform broking, investment banking and other banking services for these companies.

Any valuations, opinions, estimates, forecasts, ratings or risk assessments herein constitutes a judgment as of the date of this report, and there can be no assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments. The information in this document is subject to change without notice, its accuracy is not guaranteed, it may be incomplete or condensed, it may not contain all material information concerning the company (or companies) referred to in this report and the DBS Group is under no obligation to update the information in this report.

This publication has not been reviewed or authorized by any regulatory authority in Singapore, Hong Kong or elsewhere. There is no planned schedule or frequency for updating research publication relating to any issuer.

The valuations, opinions, estimates, forecasts, ratings or risk assessments described in this report were based upon a number of estimates and assumptions and are inherently subject to significant uncertainties and contingencies. It can be expected that one or more of the estimates on which the valuations, opinions, estimates, forecasts, ratings or risk assessments were based will not materialize or will vary significantly from actual results. Therefore, the inclusion of the valuations, opinions, estimates, forecasts, ratings or risk assessments described herein IS NOT TO BE RELIED UPON as a representation and/or warranty by the DBS Group (and/or any persons associated with the aforesaid entities), that:

- (a) such valuations, opinions, estimates, forecasts, ratings or risk assessments or their underlying assumptions will be achieved, and
- (b) there is any assurance that future results or events will be consistent with any such valuations, opinions, estimates, forecasts, ratings or risk assessments stated therein.

## Flash Note

---

Please contact the primary analyst for valuation methodologies and assumptions associated with the covered companies or price targets.

Any assumptions made in this report that refers to commodities, are for the purposes of making forecasts for the company (or companies) mentioned herein. They are not to be construed as recommendations to trade in the physical commodity or in the futures contract relating to the commodity referred to in this report.

DBSVUSA, a US-registered broker-dealer, does not have its own investment banking or research department, has not participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months and does not engage in market-making.

### ANALYST CERTIFICATION

The research analyst(s) primarily responsible for the content of this research report, in part or in whole, certifies that the views about the companies and their securities expressed in this report accurately reflect his/her personal views. The analyst(s) also certifies that no part of his/her compensation was, is, or will be, directly or indirectly, related to specific recommendations or views expressed in the report. The research analyst (s) primarily responsible for the content of this research report, in part or in whole, certifies that he or his associate<sup>1</sup> does not serve as an officer of the issuer or the new listing applicant (which includes in the case of a real estate investment trust, an officer of the management company of the real estate investment trust; and in the case of any other entity, an officer or its equivalent counterparty of the entity who is responsible for the management of the issuer or the new listing applicant) and the research analyst(s) primarily responsible for the content of this research report or his associate does not have financial interests<sup>2</sup> in relation to an issuer or a new listing applicant that the analyst reviews. DBS Group has procedures in place to eliminate, avoid and manage any potential conflicts of interests that may arise in connection with the production of research reports. The research analyst(s) responsible for this report operates as part of a separate and independent team to the investment banking function of the DBS Group and procedures are in place to ensure that confidential information held by either the research or investment banking function is handled appropriately. There is no direct link of DBS Group's compensation to any specific investment banking function of the DBS Group.

### COMPANY-SPECIFIC / REGULATORY DISCLOSURES

1. DBS Bank Ltd, DBS HK, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS") or their subsidiaries and/or other affiliates have proprietary positions in CapitaLand Integrated Commercial Trust, Ascendas REIT, Mapletree Logistics Trust, Mapletree Industrial Trust, Frasers Logistics & Commercial Trust, Suntec REIT, Keppel REIT, Frasers Centrepoint Trust, Keppel DC REIT, Ascott Residence Trust, Parkway Life Real Estate Investment Trust, SPH REIT, OUE Commercial REIT, Cromwell European Real Estate Investment Trust, CapitaLand China Trust, Digital Core REIT, Manulife US Real Estate Inv, Ascendas India Trust, CDL Hospitality Trusts, Starhill Global REIT, Prime US REIT, Far East Hospitality Trust, Keppel Pacific Oak US REIT, AIMS AMP Capital Industrial REIT, LendLease Global Commercial REIT, Sasseur REIT, Frasers Hospitality Trust, Daiwa House Logistics Trust, recommended in this report as of 31 Dec 2021.
2. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates have a net long position exceeding 0.5% of the total issued share capital in Ascendas REIT, Mapletree Logistics Trust, Mapletree Industrial Trust, Frasers Logistics & Commercial Trust, Suntec REIT, Frasers Centrepoint Trust, Keppel DC REIT, SPH REIT, OUE Commercial REIT, Cromwell European Real Estate Investment Trust, CapitaLand China Trust, Digital Core REIT, Manulife US Real Estate Inv, Starhill Global REIT, Prime US REIT, Keppel Pacific Oak US REIT, LendLease Global Commercial REIT, Sasseur REIT, Frasers Hospitality Trust, Daiwa House Logistics Trust, recommended in this report as of 31 Dec 2021.

---

<sup>1</sup> An associate is defined as (i) the spouse, or any minor child (natural or adopted) or minor step-child, of the analyst; (ii) the trustee of a trust of which the analyst, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or discretionary object; or (iii) another person accustomed or obliged to act in accordance with the directions or instructions of the analyst.

<sup>2</sup> Financial interest is defined as interests that are commonly known financial interest, such as investment in the securities in respect of an issuer or a new listing applicant, or financial accommodation arrangement between the issuer or the new listing applicant and the firm or analysis. This term does not include commercial lending conducted at arm's length, or investments in any collective investment scheme other than an issuer or new listing applicant notwithstanding the fact that the scheme has investments in securities in respect of an issuer or a new listing applicant.

## Flash Note

---

3. DBS Bank Ltd, DBS HK, DBSVS, DBSVUSA or their subsidiaries and/or other affiliates beneficially own a total of 1% of any class of common equity securities of Ascendas REIT, Mapletree Logistics Trust, Mapletree Industrial Trust, Frasers Logistics & Commercial Trust, Suntec REIT, Frasers Centrepoint Trust, Keppel DC REIT, OUE Commercial REIT, Cromwell European Real Estate Investment Trust, Digital Core REIT, Manulife US Real Estate Inv, Starhill Global REIT, Prime US REIT, Keppel Pacific Oak US REIT, LendLease Global Commercial REIT, Sasseur REIT, Frasers Hospitality Trust, Daiwa House Logistics Trust as of 31 Dec 2021.

### Compensation for investment banking services:


4. DBS Bank Ltd, DBS HK, DBSVS their subsidiaries and/or other affiliates of DBSVUSA have received compensation, within the past 12 months for investment banking services from CapitaLand Integrated Commercial Trust, Ascendas REIT, Mapletree Logistics Trust, Mapletree Industrial Trust, Frasers Logistics & Commercial Trust, Keppel REIT, Keppel DC REIT, Parkway Life Real Estate Investment Trust, OUE Commercial REIT, Cromwell European Real Estate Investment Trust, CapitaLand China Trust, Digital Core REIT, Manulife US Real Estate Inv, Starhill Global REIT, Prime US REIT, AIMS AMP Capital Industrial REIT, LendLease Global Commercial REIT, Daiwa House Logistics Trust, as of 31 Dec 2021.
5. DBS Bank Ltd, DBS HK, DBSVS, their subsidiaries and/or other affiliates of DBSVUSA have managed or co-managed a public offering of securities for CapitaLand Integrated Commercial Trust, Ascendas REIT, Mapletree Logistics Trust, Mapletree Industrial Trust, Frasers Logistics & Commercial Trust, Keppel REIT, Keppel DC REIT, Parkway Life Real Estate Investment Trust, OUE Commercial REIT, Cromwell European Real Estate Investment Trust, CapitaLand China Trust, Digital Core REIT, Manulife US Real Estate Inv, Starhill Global REIT, Prime US REIT, Keppel Pacific Oak US REIT, AIMS AMP Capital Industrial REIT, LendLease Global Commercial REIT, Daiwa House Logistics Trust, in the past 12 months, as of 31 Dec 2021.
6. DBSVUSA does not have its own investment banking or research department, nor has it participated in any public offering of securities as a manager or co-manager or in any other investment banking transaction in the past twelve months. Any US persons wishing to obtain further information, including any clarification on disclosures in this disclaimer, or to effect a transaction in any security discussed in this document should contact DBSVUSA exclusively.

### Disclosure of previous investment recommendation produced:

7. DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates may have published other investment recommendations in respect of the same securities / instruments recommended in this research report during the preceding 12 months. Please contact the primary analyst listed on page 1 of this report to view previous investment recommendations published by DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS"), their subsidiaries and/or other affiliates in the preceding 12 months.

**Flash Note**

**RESTRICTIONS ON DISTRIBUTION**

<p><b>General</b></p>	<p>This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.</p>
<p><b>Australia</b></p>	<p>This report is being distributed in Australia by DBS Bank Ltd, DBS Vickers Securities (Singapore) Pte Ltd ("DBSVS") or DBSV HK. DBS Bank Ltd holds Australian Financial Services Licence no. 475946.</p> <p>DBS Bank Ltd, DBSVS and DBSV HK are exempted from the requirement to hold an Australian Financial Services Licence under the Corporation Act 2001 ("CA") in respect of financial services provided to the recipients. Both DBS and DBSVS are regulated by the Monetary Authority of Singapore under the laws of Singapore, and DBSV HK is regulated by the Hong Kong Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws.</p> <p>Distribution of this report is intended only for "wholesale investors" within the meaning of the CA.</p>
<p><b>Hong Kong</b></p>	<p>This report has been prepared by a person(s) who is not licensed by the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities in Hong Kong pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). This report is being distributed in Hong Kong and is attributable to DBS Bank (Hong Kong) Limited ("DBS HK"), a registered institution registered with the Hong Kong Securities and Futures Commission to carry on the regulated activity of advising on securities pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). DBS Bank Ltd., Hong Kong Branch is a limited liability company incorporated in Singapore.</p> <p>For any query regarding the materials herein, please contact Carol Wu (Reg No. AH8283) at dbsvhk@dbs.com</p>
<p><b>Indonesia</b></p>	<p>This report is being distributed in Indonesia by PT DBS Vickers Sekuritas Indonesia.</p>
<p><b>Malaysia</b></p>	<p>This report is distributed in Malaysia by AllianceDBS Research Sdn Bhd ("ADBSR"). Recipients of this report, received from ADBSR are to contact the undersigned at 603-2604 3333 in respect of any matters arising from or in connection with this report. In addition to the General Disclosure/Disclaimer found at the preceding page, recipients of this report are advised that ADBSR (the preparer of this report), its holding company Alliance Investment Bank Berhad, their respective connected and associated corporations, affiliates, their directors, officers, employees, agents and parties related or associated with any of them may have positions in, and may effect transactions in the securities mentioned herein and may also perform or seek to perform broking, investment banking/corporate advisory and other services for the subject companies. They may also have received compensation and/or seek to obtain compensation for broking, investment banking/corporate advisory and other services from the subject companies.</p> <p style="text-align: right;">   Wong Ming Tek, Executive Director, ADBSR </p>
<p><b>Singapore</b></p>	<p>This report is distributed in Singapore by DBS Bank Ltd (Company Regn. No. 196800306E) or DBSVS (Company Regn No. 198600294G), both of which are Exempt Financial Advisers as defined in the Financial Advisers Act and regulated by the Monetary Authority of Singapore. DBS Bank Ltd and/or DBSVS, may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, DBS Bank Ltd accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact DBS Bank Ltd at 6878 8888 for matters arising from, or in connection with the report.</p>



Flash Note

<p><b>Thailand</b></p>	<p>This report is being distributed in Thailand by DBS Vickers Securities (Thailand) Co Ltd.</p> <p>For any query regarding the materials herein, please contact [Chanpen Sirithanarattanaku] at [research@th.dbs.com]</p>
<p><b>United Kingdom</b></p>	<p>This report is produced by DBS Bank Ltd which is regulated by the Monetary Authority of Singapore.</p> <p>This report is disseminated in the United Kingdom by DBS Vickers Securities (UK) Ltd, ("DBSVUK"). DBSVUK is authorised and regulated by the Financial Conduct Authority in the United Kingdom.</p> <p>In respect of the United Kingdom, this report is solely intended for the clients of DBSVUK, its respective connected and associated corporations and affiliates only and no part of this document may be (i) copied, photocopied or duplicated in any form or by any means or (ii) redistributed without the prior written consent of DBSVUK. This communication is directed at persons having professional experience in matters relating to investments. Any investment activity following from this communication will only be engaged in with such persons. Persons who do not have professional experience in matters relating to investments should not rely on this communication.</p>
<p><b>Dubai International Financial Centre / United Arab Emirates</b></p>	<p>This communication is provided to you as a Professional Client or Market Counterparty as defined in the DFSA Rulebook Conduct of Business Module (the "COB Module"), and should not be relied upon or acted on by any person which does not meet the criteria to be classified as a Professional Client or Market Counterparty under the DFSA rules.</p> <p>This communication is from the branch of DBS Bank Ltd operating in the Dubai International Financial Centre (the "DIFC") under the trading name "DBS Bank Ltd. (DIFC Branch)" ("DBS DIFC"), registered with the DIFC Registrar of Companies under number 156 and having its registered office at units 608 - 610, 6th Floor, Gate Precinct Building 5, PO Box 506538, DIFC, Dubai, United Arab Emirates.</p> <p>DBS DIFC is regulated by the Dubai Financial Services Authority (the "DFSA") with a DFSA reference number F000164. For more information on DBS DIFC and its affiliates, please see <a href="http://www.dbs.com/ae/our-network/default.page">http://www.dbs.com/ae/our-network/default.page</a>.</p> <p>Where this communication contains a research report, this research report is prepared by the entity referred to therein, which may be DBS Bank Ltd or a third party, and is provided to you by DBS DIFC. The research report has not been reviewed or authorised by the DFSA. Such research report is distributed on the express understanding that, whilst the information contained within is believed to be reliable, the information has not been independently verified by DBS DIFC.</p> <p>Unless otherwise indicated, this communication does not constitute an "Offer of Securities to the Public" as defined under Article 12 of the Markets Law (DIFC Law No.1 of 2012) or an "Offer of a Unit of a Fund" as defined under Article 19(2) of the Collective Investment Law (DIFC Law No.2 of 2010).</p> <p>The DFSA has no responsibility for reviewing or verifying this communication or any associated documents in connection with this investment and it is not subject to any form of regulation or approval by the DFSA. Accordingly, the DFSA has not approved this communication or any other associated documents in connection with this investment nor taken any steps to verify the information set out in this communication or any associated documents, and has no responsibility for them. The DFSA has not assessed the suitability of any investments to which the communication relates and, in respect of any Islamic investments (or other investments identified to be Shari'a compliant), neither we nor the DFSA has determined whether they are Shari'a compliant in any way.</p> <p>Any investments which this communication relates to may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on any investments. If you do not understand the contents of this document you should consult an authorised financial adviser.</p>



**Flash Note**

<b>United States</b>	This report was prepared by DBS Bank Ltd. DBSVUSA did not participate in its preparation. The research analyst(s) named on this report are not registered as research analysts with FINRA and are not associated persons of DBSVUSA. The research analyst(s) are not subject to FINRA Rule 2241 restrictions on analyst compensation, communications with a subject company, public appearances and trading securities held by a research analyst. This report is being distributed in the United States by DBSVUSA, which accepts responsibility for its contents. This report may only be distributed to Major U.S. Institutional Investors (as defined in SEC Rule 15a-6) and to such other institutional investors and qualified persons as DBSVUSA may authorize. Any U.S. person receiving this report who wishes to effect transactions in any securities referred to herein should contact DBSVUSA directly and not its affiliate.
<b>Other jurisdictions</b>	In any other jurisdictions, except if otherwise restricted by laws or regulations, this report is intended only for qualified, professional, institutional or sophisticated investors as defined in the laws and regulations of such jurisdictions.

**DBS Regional Research Offices****HONG KONG****DBS (Hong Kong) Ltd**

Contact: Carol Wu  
13th Floor One Island East,  
18 Westlands Road,  
Quarry Bay, Hong Kong  
Tel: 852 3668 4181  
Fax: 852 2521 1812  
e-mail: [dbsvhk@dbs.com](mailto:dbsvhk@dbs.com)

**MALAYSIA****AllianceDBS Research Sdn Bhd**

Contact: Wong Ming Tek  
19th Floor, Menara Multi-Purpose,  
Capital Square,  
8 Jalan Munshi Abdullah 50100  
Kuala Lumpur, Malaysia.  
Tel.: 603 2604 3333  
Fax: 603 2604 3921  
e-mail: [general@alliancedbs.com](mailto:general@alliancedbs.com)  
Co. Regn No. 198401015984 (128540-U)

**SINGAPORE****DBS Bank Ltd**

Contact: Janice Chua  
12 Marina Boulevard,  
Marina Bay Financial Centre Tower 3  
Singapore 018982  
Tel: 65 6878 8888  
e-mail: [groupresearch@dbs.com](mailto:groupresearch@dbs.com)  
Company Regn. No. 196800306E

**INDONESIA****PT DBS Vickers Sekuritas (Indonesia)**

Contact: Maynard Priajaya Arif  
DBS Bank Tower  
Ciputra World 1, 32/F  
Jl. Prof. Dr. Satrio Kav. 3-5  
Jakarta 12940, Indonesia  
Tel: 62 21 3003 4900  
Fax: 6221 3003 4943  
e-mail: [indonesiaresearch@dbs.com](mailto:indonesiaresearch@dbs.com)

**THAILAND****DBS Vickers Securities (Thailand) Co Ltd**

Contact: Chanpen Sirithanarattanakul  
989 Siam Piwat Tower Building,  
9th, 14th-15th Floor  
Rama 1 Road, Pathumwan,  
Bangkok Thailand 10330  
Tel. 66 2 857 7831  
Fax: 66 2 658 1269  
e-mail: [research@th.dbs.com](mailto:research@th.dbs.com)  
Company Regn. No 0105539127012  
Securities and Exchange Commission, Thailand