

Singapore Company Guide

Riverstone Holdings

Version 10 | Bloomberg: RSTON SP | Reuters: RVHL.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

26 Feb 2018

BUY (Upgrade from HOLD)

Last Traded Price (23 Feb 2018): S\$1.04 (STI : 3,533.22)

Price Target 12-mth: S\$1.27 (22% upside) (Prev S\$1.09)

Analyst

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What's New

- Riverstone delivers record earnings in FY17 despite unfavourable forex; headline profits up 7.4% y-o-y to RM129.3m
- Core earnings outpaced output growth slightly (+17.1% vs 16.9% y-o-y), implying its strategy to grow the higher-margin cleanroom segment is paying off
- Riverstone can outperform peers amid industry headwinds as it ramps up on cleanroom glove capacity
- Upgrade to BUY with a higher TP of S\$1.26

Price Relative



Forecasts and Valuation

FY Dec (RM m)	2016A	2017A	2018F	2019F
Revenue	655	817	934	1,055
EBITDA	169	186	230	260
Pre-tax Profit	139	151	178	199
Net Profit	120	129	154	173
Net Pft (Pre Ex.)	120	129	154	173
Net Pft Gth (Pre-ex) (%)	(4.9)	7.4	19.5	11.9
EPS (S cts)	5.46	5.86	7.01	7.84
EPS Pre Ex. (S cts)	5.46	5.86	7.01	7.84
EPS Gth Pre Ex (%)	(5)	7	19	12
Diluted EPS (S cts)	5.46	5.86	7.01	7.84
Net DPS (S cts)	2.19	2.36	2.82	3.15
BV Per Share (S cts)	25.1	28.8	33.0	37.6
PE (X)	19.1	17.7	14.8	13.3
PE Pre Ex. (X)	19.1	17.7	14.8	13.3
P/Cash Flow (X)	19.3	15.7	16.7	11.1
EV/EBITDA (X)	13.0	11.8	9.6	8.2
Net Div Yield (%)	2.1	2.3	2.7	3.0
P/Book Value (X)	4.1	3.6	3.2	2.8
Net Debt/Equity (X)	CASH	CASH	CASH	CASH
ROAE (%)	23.2	21.8	22.7	22.2
Earnings Rev (%):			0	6
Consensus EPS (S cts):			6.90	7.50
Other Broker Recs:		B: 1	S: 0	H: 2

Source of all data on this page: Company, DBS Bank, Bloomberg Finance L.P

Lifted by the semiconductor upcycle

Upgrade to BUY with TP of S\$1.27 as we see earnings growing on strong cleanroom ramp-up. A global market leader in niche Class 10 and Class 100 cleanroom gloves, Riverstone's edge in the high-tech cleanroom segment sets it apart from the bigger boys. Given intense competition in the healthcare space, we see value in Riverstone's growing cleanroom business – which allows the group to command consistently higher margins vs peers (16% vs peers' c.10-15% in FY17).

With new cleanroom facilities set to kick in from 2Q18, cleanroom capacity is expected to grow by c.33% to at least 2bn gloves p.a. The ramp-up on these new capacities should help drive higher growth in cleanroom gloves vis-à-vis the lower-margin healthcare business, allowing Riverstone's earnings growth of c.16% to catch up with larger peers' c.17%.

Where we differ: We are more bullish vs consensus as we expect the improved output mix to help sustain margins and drive bottom line.

Potential catalysts: Further capacity expansion, sustained increase in cleanroom glove mix (and thus margins), and inorganic growth.

Capacity expansion and improving mix to underpin long-term growth.

In anticipation of strong demand for both its cleanroom and healthcare gloves, Riverstone is now in the process of accelerating its expansion plans. Under its revised three-year expansion plan, we expect total glove production capacity to grow to 9bn pieces by end-2018 (vs 8.2bn previously) and 10.4bn pieces p.a. by end-2019.

Backed by robust demand and expectations of a higher cleanroom mix, we project earnings to grow at a c.16% CAGR from RM129m in FY17 to RM173m by FY19F.

Valuation:

Upgrade to BUY with TP of S\$1.27, based on 16x FY19F PE.

Underpinned by double-digit capacity growth and higher-quality earnings growth supported by more stable cleanroom margins, we believe that Riverstone deserves to at least trade at its historical average valuation of 16x FY19F PE, which represents a c.45% discount to larger peers' 29x.

Key Risks to Our View:

Global economic slowdown. While margins for cleanroom gloves tend to be resilient, demand for these gloves could be threatened in the event of a slowdown in the global economy.

At A Glance

Issued Capital (m shrs)	741
Mkt. Cap (S\$m/US\$m)	771 / 584
Major Shareholders (%)	
Ringlet Investment Limited	50.8
Wai Keong Lee	10.9
Free Float (%)	33.5
3m Avg. Daily Val (US\$m)	0.28

ICB Industry : Health Care / Health Care Equipment & Services

WHAT'S NEW

Riverstone rises above persistent headwinds to deliver record-breaking FY17

Record RM129.3m profit in FY17. Riverstone delivered a decent set of 4Q17 results despite challenging operating conditions. Sales grew 12.2% q-o-q to c.RM210.7m on the back of capacity growth, but the unfavourable mix shift towards a higher proportion of lower-margin healthcare gloves resulted in relatively flat earnings of c.RM34.2m (vs RM34.3m in 3Q17).

On a full-year basis, the record sales and earnings of RM817.4m and RM129.3m were largely in line.

Higher dividend of 7 Scts for FY17 as Riverstone maintains a 40% payout, up 8% from 6.49 Scts in FY16.

Forex volatility a drag on strong core growth momentum. Volatility in the USD/MYR rate has weighed heavily on the sector's performance, Riverstone was not spared. In FY17, the group incurred net foreign exchange losses of c.RM13m, partly offset by hedging gains of c.RM6.8m as the company typically hedges c.50% of contracted sales.

Apart from the forex drag, Riverstone's core growth was otherwise strong, growing c.17.1% y-o-y to c.RM135.5m (vs c.RM115.8m in FY16):

(RM\$ m)	FY16	FY17	%Chg (yoy)
Net Profit	120.4	129.3	+7.4%
<u>Adjustments:</u>			
Forex Loss (Gain)	(9.3)	13.0	
Fair Value Loss (Gain) on Derivatives	4.7	(6.7)	
Adjusted Net Profit	115.8	135.5	+17.1%

Source: Company, DBS Bank

Plans to further cultivate cleanroom business starting to pay off. Taking into account Riverstone's temporary operational hiccup in 3Q which affected its production ramp, we observe that core earnings momentum has in fact outpaced output growth at 17.1% vs 16.9% respectively, implying that plans to further grow cleanroom sales are starting to bear fruit.

While dipping lines can be used interchangeably between healthcare and cleanroom gloves, the latter typically undergo additional secondary processes in specialised cleanroom facilities. Discussions during the 3Q17 and 4Q17 results briefing revealed that utilisation for these facilities

have improved by >20% q-o-q to nearly 100% currently, which further supports our view that the cleanroom segment is starting to see stronger growth vs the healthcare segment.

Anticipate weaker 1Q18 as headwinds persist, but stronger growth to kick in from 2Q18. With operating conditions little changed, we expect industry headwinds – fluctuations in USD/MYR, volatile raw material prices and operating costs – to remain a bane for the glove industry at large. Further, with the revised foreign worker levy policy and gas price hike coming into force in January 2018, we anticipate 1Q18 results to be weak across the industry.

All else equal, underpinned by a c.33% increase in cleanroom capacity to at least 2bn by end-2Q18, Riverstone is set to see stronger growth ahead. Full contribution from these incoming cleanroom capacities will likely only come in from FY19 as the group ramps up on production progressively.

Riverstone due for a re-rating. While shares of larger peers – Kossan, Hartalega and Top Glove have re-rated strongly in recent months, Riverstone's strengths remain underappreciated. Based on consensus estimates, Hartalega currently trades at +1SD of its historical forward PE valuations, Top Glove and Kossan above +2SD. Meanwhile, Riverstone continues to trade below its historical average forward PE. As a result, Riverstone's discount gap has widened significantly vs peers, from c.28% to 49% currently.

Underpinned by capacity growth at c.17% CAGR (vs larger peers' average of c.15.2%) over FY17-19 and higher-quality earnings growth supported by more defensible margins, we believe that Riverstone deserves to at least trade at its historical average valuation of 16x FY19F PE (c.45% discount to larger peers' 29x) as earnings growth catches up. Better-than-expected execution on these incoming capacities could spark a further re-rating to 18x FY19F PE (+1SD), in line with peers.

Upgrade to BUY with a higher TP of S\$1.27, based on 16x FY19F PE. Post 4Q17, we assume higher margins on a more favourable product mix, and partly offset by lower ASPs resulting from the recent forex weakness, we raise our FY19F earnings projections by c.6% to RM172.8m. After rolling forward our earnings base to FY19F to better capture the strong growth potential from the roll-out of incoming cleanroom capacities, and pegging to historical average forward valuation of 16x, we arrive at a higher TP of S\$1.27 (vs S\$1.09 previously). Upgrade to BUY.

Quarterly / Interim Income Statement (RMm)

FY Dec	4Q2016	3Q2017	4Q2017	% chg yoy	% chg qoq
Revenue	183	188	211	15.1	12.2
Cost of Goods Sold	(135)	(137)	(159)	18.1	16.2
Gross Profit	48.2	50.8	51.5	6.8	1.3
Other Oper. (Exp)/Inc	(6.8)	(10.9)	(11.0)	61.7	0.8
Operating Profit	41.4	40.0	40.5	(2.2)	1.4
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	-	-
Associates & JV Inc	0.0	0.0	0.0	-	-
Net Interest (Exp)/Inc	0.0	(0.3)	(0.3)	nm	6.7
Exceptional Gain/(Loss)	0.0	0.0	0.0	-	-
Pre-tax Profit	41.4	39.7	40.3	(2.8)	1.5
Tax	(5.4)	(5.3)	(6.0)	11.8	13.3
Minority Interest	0.0	0.0	0.0	-	-
Net Profit	36.0	34.3	34.2	(5.0)	(0.3)
Net profit bef Except.	36.0	34.3	34.2	(5.0)	(0.3)
EBITDA	49.7	48.3	48.9	(1.7)	1.2
Margins (%)					
Gross Margins	26.3	27.1	24.4		
Opg Profit Margins	22.6	21.3	19.2		
Net Profit Margins	19.7	18.3	16.2		

Source of all data: Company, DBS Bank

CRITICAL DATA POINTS TO WATCH

Critical Factors

Growth in global demand for healthcare gloves, at least in near to medium term. The Malaysian Rubber Glove Manufacturers Association (MARGMA) estimates that demand for healthcare gloves is likely to grow at 8-12% p.a. between 2014 and 2020.

As a relatively new entrant in the healthcare glove industry and with ambitions to grow revenue from this segment quickly to drive its earnings, we project a ramp-up in Riverstone's healthcare glove production at a 17.5% CAGR over FY17-19F.

Long-term trends also indicate favourable demand prospects.

According to MARGMA, the global demand ratio of natural rubber and synthetic (nitrile) rubber gloves shifted from 74:26 in 2009 to 53:47 in 2014. On the back of rising awareness of latex allergies in emerging economies and the synthetic variety's low cost, we expect the ratio to shift away from natural rubber gloves in the long run.

Riverstone could be a beneficiary of the long-run substitution of rubber gloves and PVC gloves (especially for the cleanroom segment) by nitrile gloves as it is principally engaged in the production of the latter.

Capacity expansion to underpin growth. To capitalise on the favourable demand growth outlook in both the short and long term, Riverstone guided that it now expects to expand its manufacturing capacity to a minimum of 7.6bn gloves by end-2017, 9bn gloves by end-2018 and 10.4bn gloves by end-2019, as compared to 8.2bn gloves by 2018 previously.

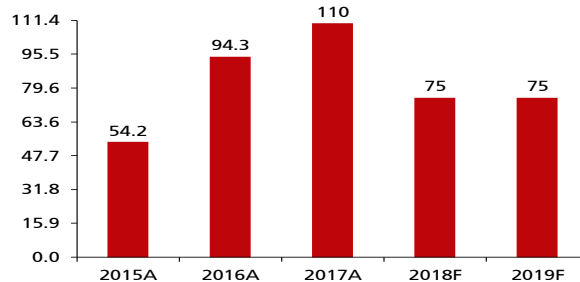
We expect new production capacities to propel top-line growth at a CAGR of 13.6% between FY17 and FY19F, as they gradually come on stream.

Higher proportion of cleanroom gloves. As Riverstone's glove production lines can be used interchangeably for both healthcare and higher-margin cleanroom glove production, priority is typically given to cleanroom glove orders.

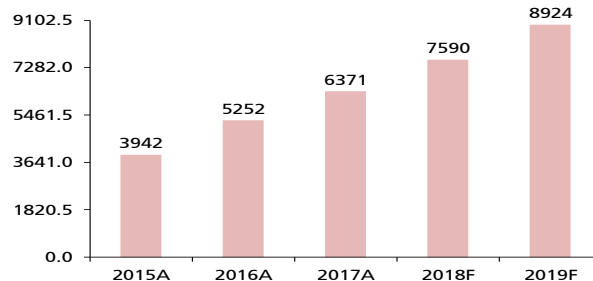
With demand in the niche cleanroom segment mainly stemming from the semiconductor and mobile tablet sectors, we see Riverstone as an indirect beneficiary of the current semiconductor upcycle. Given the current competitive landscape within the healthcare glove space, a higher sustained proportion of cleanroom glove production could help Riverstone better defend margins vs peers (which are predominantly focused in the production of healthcare gloves).

Greater efficiency from higher automation and larger scale should help to maintain margins. Despite competition and pressure on ASPs, we expect automation efforts and Riverstone's growing economies of scale to help shore up and sustain operating margins above 19%, to support stable growth in net profit ahead.

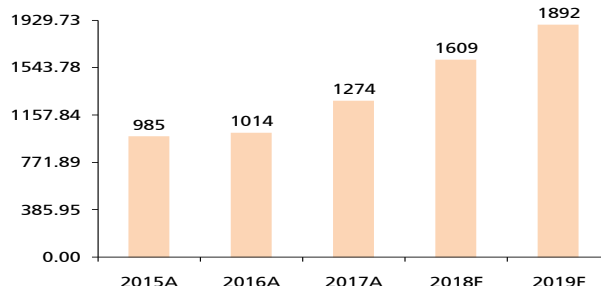
Capital Expenditure (RM\$m)



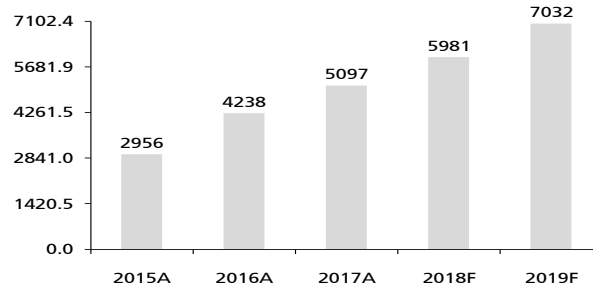
Production Capacity (m gloves)



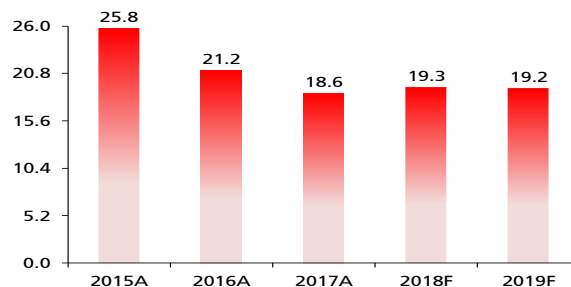
Cleanroom Gloves (m gloves)



Healthcare Gloves (m gloves)



Operating Margins (%)



Source: Company, DBS Bank

Balance Sheet:

Healthy balance sheet. In 1Q17, the company took on debt for the first time in five years to fund its upcoming expansion plans. Despite this, we note that Riverstone remained in a net cash position of RM89.3m as at end 4Q17.

Forecast net fixed asset growth at a CAGR of 10% between 2015 and 2019. As capacity is expected to double in 2019 from 2015 levels, we project the group's net fixed assets to jump by nearly 50% from RM286m in 2015 to RM419m in 2018.

Share Price Drivers:

Opportunities for inorganic growth. Due to the stringent requirements for the establishment of cleanroom facilities, Riverstone does not rule out the possibility of acquiring quality cleanroom glove manufacturing companies in the future.

Cultivation of new markets for cleanroom products. As cleanroom products are manufactured in controlled environments and are subject to stringent requirements, they are able to deliver much higher margins relative to healthcare gloves. The ability to cultivate new markets for cleanroom products, similar to what Riverstone recently achieved with its diversification into the consumer electronics sector, should help to boost earnings.

An acceleration of capacity expansion plans beyond the current guidance of 10.4bn gloves by end-2019 could drive a further re-rating of share price.

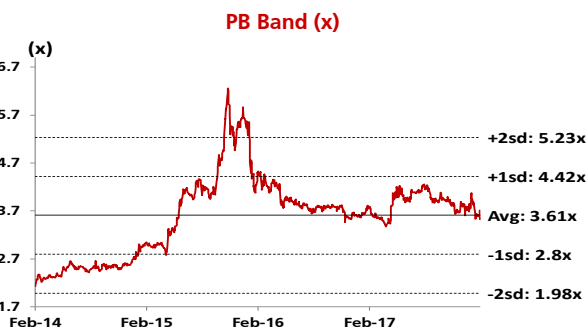
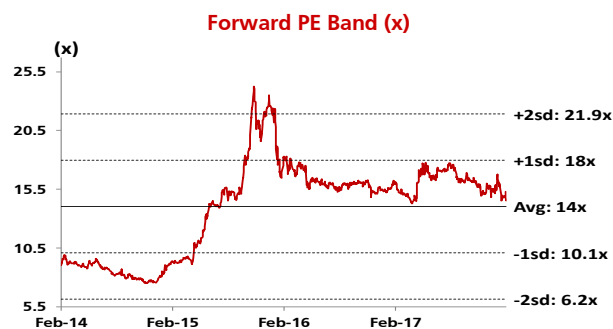
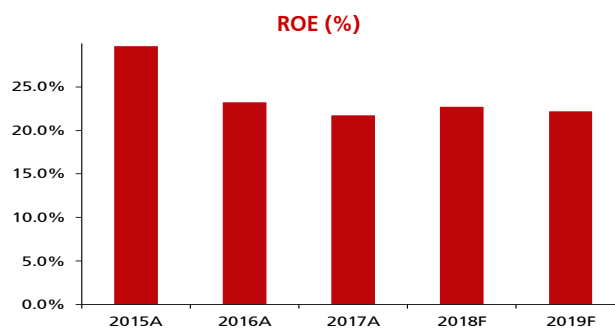
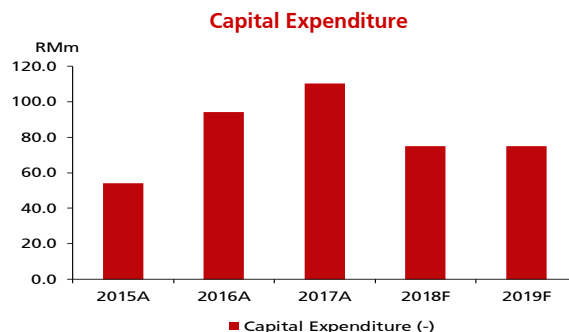
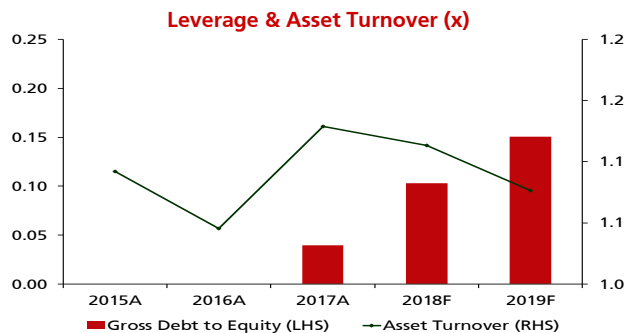
Key Risks:

Global economic slowdown could impact cleanroom sales. A slowdown in the general economy could lead to declines in discretionary spending and manufacturing activity in the HDD industry. Although Riverstone has been gradually reducing its exposure to HDDs, down from historical highs of up to 70%, they still make up less than 50% of the company's cleanroom portfolio today.

Intensifying competition could erode profitability. We believe that oversupply over the next few years is unlikely given the more balanced demand-supply outlook for healthcare gloves among Malaysian peers compared to a year ago. However, rising competition from budding glove manufacturing regions such as Thailand and China could threaten Riverstone's market share and pricing power later on if it fails to advance on the technological front.

Company Background

Riverstone Holdings (RSTON SP) is a natural rubber and nitrile (synthetic rubber) glove manufacturer specialising in cleanroom and healthcare gloves. It is also engaged in the manufacture and distribution of other ancillary products such as finger cots, packaging bags and face masks.



Source: Company, DBS Bank

Key Assumptions

FY Dec	2015A	2016A	2017A	2018F	2019F
Capital Expenditure	54.2	94.3	110	75.0	75.0
Production Capacity (m)	3,942	5,252	6,371	7,590	8,924
Cleanroom Gloves (m)	985	1,014	1,274	1,609	1,892
Healthcare Gloves (m)	2,956	4,238	5,097	5,981	7,032
Operating Margins (%)	25.8	21.2	18.6	19.3	19.2

Income Statement (RMm)

FY Dec	2015A	2016A	2017A	2018F	2019F
Revenue	560	655	817	934	1,055
Cost of Goods Sold	(385)	(482)	(620)	(702)	(795)
Gross Profit	175	173	198	233	260
Other Opng (Exp)/Inc	(30.5)	(34.3)	(45.9)	(52.8)	(57.2)
Operating Profit	144	139	152	180	202
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	0.0	0.0	(1.0)	(1.8)	(3.0)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	144	139	151	178	199
Tax	(17.8)	(18.5)	(21.5)	(23.7)	(26.6)
Minority Interest	0.0	0.0	0.0	0.0	0.0
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	127	120	129	154	173
Net Profit before Except.	127	120	129	154	173
EBITDA	169	169	186	230	260
Growth					
Revenue Gth (%)	40.3	16.9	24.8	14.3	12.9
EBITDA Gth (%)	68.4	(0.3)	10.5	23.6	12.8
Opg Profit Gth (%)	78.0	(3.8)	9.4	18.5	12.4
Net Profit Gth (Pre-ex) (%)	78.4	(4.9)	7.4	19.5	11.9
Margins & Ratio					
Gross Margins (%)	31.2	26.4	24.2	24.9	24.6
Opg Profit Margin (%)	25.8	21.2	18.6	19.3	19.2
Net Profit Margin (%)	22.6	18.4	15.8	16.5	16.4
ROAE (%)	29.7	23.2	21.8	22.7	22.2
ROA (%)	24.7	19.2	17.9	18.4	17.6
ROCE (%)	28.8	22.7	20.7	20.6	19.1
Div Payout Ratio (%)	37.8	40.0	40.2	40.2	40.2
Net Interest Cover (x)	NM	138,849.0	148.4	100.0	67.4

Source: Company, DBS Bank

Quarterly / Interim Income Statement (RMm)

FY Dec	4Q2016	1Q2017	2Q2017	3Q2017	4Q2017
Revenue	183	206	213	188	211
Cost of Goods Sold	(135)	(154)	(170)	(137)	(159)
Gross Profit	48.2	51.8	43.7	50.8	51.5
Other Oper. (Exp)/Inc	(6.8)	(12.4)	(11.7)	(10.9)	(11.0)
Operating Profit	41.4	39.4	32.0	40.0	40.5
Other Non Opg (Exp)/Inc	0.0	0.0	0.0	0.0	0.0
Associates & JV Inc	0.0	0.0	0.0	0.0	0.0
Net Interest (Exp)/Inc	0.0	(0.2)	(0.3)	(0.3)	(0.3)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	41.4	39.2	31.7	39.7	40.3
Tax	(5.4)	(5.6)	(4.6)	(5.3)	(6.0)
Minority Interest	0.0	0.0	0.0	0.0	0.0
Net Profit	36.0	33.6	27.1	34.3	34.2
Net profit bef Except.	36.0	33.6	27.1	34.3	34.2
EBITDA	49.7	47.6	40.3	48.3	48.9

Growth

Revenue Gth (%)	9.6	12.4	3.7	(11.9)	12.2
EBITDA Gth (%)	19.4	(4.2)	(15.3)	19.8	1.2
Opg Profit Gth (%)	21.7	(5.0)	(18.8)	25.0	1.4
Net Profit Gth (Pre-ex) (%)	20.8	(6.7)	(19.5)	26.8	(0.3)

Margins

Gross Margins (%)	26.3	25.2	20.5	27.1	24.4
Opg Profit Margins (%)	22.6	19.1	15.0	21.3	19.2
Net Profit Margins (%)	19.7	16.3	12.7	18.3	16.2

Balance Sheet (RMm)

FY Dec	2015A	2016A	2017A	2018F	2019F
Net Fixed Assets	277	337	420	444	462
Invts in Associates & JVs	0.0	0.0	0.0	0.0	0.0
Other LT Assets	9.61	8.62	9.74	9.74	9.74
Cash & ST Invts	129	103	114	165	277
Inventory	61.2	67.0	71.1	71.4	80.8
Debtors	103	140	145	187	211
Other Current Assets	6.06	11.9	20.9	20.9	20.9
Total Assets	585	668	781	898	1,062
ST Debt	0.0	0.0	6.00	6.00	6.00
Creditor	84.4	90.5	102	76.7	86.9
Other Current Liab	7.65	9.92	8.45	8.45	8.45
LT Debt	0.0	0.0	19.0	69.0	119
Other LT Liabilities	11.7	12.7	11.2	11.2	11.2
Shareholder's Equity	482	555	634	727	830
Minority Interests	0.0	0.0	0.01	0.01	0.01
Total Cap. & Liab.	585	668	781	898	1,062
Non-Cash Wkg. Capital	78.2	119	127	194	217
Net Cash/(Debt)	129	103	89.3	89.8	152
Debtors Turn (avg days)	61.8	67.8	63.7	64.8	68.8
Creditors Turn (avg days)	68.3	70.7	60.0	50.0	40.5
Inventory Turn (avg days)	52.3	51.8	43.1	39.9	37.7
Asset Turnover (x)	1.1	1.0	1.1	1.1	1.1
Current Ratio (x)	3.2	3.2	3.0	4.9	5.8
Quick Ratio (x)	2.5	2.4	2.2	3.9	4.8
Net Debt/Equity (X)	CASH	CASH	CASH	CASH	CASH
Net Debt/Equity ex MI (X)	CASH	CASH	CASH	CASH	CASH
Capex to Debt (%)	N/A	N/A	441.1	100.0	60.0
Z-Score (X)	16.6	15.4	14.7	14.7	10.9

Source: Company, DBS Bank

Cash Flow Statement (RMm)

FY Dec	2015A	2016A	2017A	2018F	2019F
Pre-Tax Profit	144	139	151	178	199
Dep. & Amort.	24.8	29.9	34.5	50.4	57.7
Tax Paid	(18.5)	(22.6)	(21.3)	(23.7)	(26.6)
Assoc. & JV Inc/(loss)	0.0	0.0	0.0	0.0	0.0
Chg in Wkg.Cap.	(26.3)	(31.8)	(11.6)	(67.3)	(23.4)
Other Operating CF	(2.3)	4.65	(6.8)	0.0	0.0
Net Operating CF	122	119	146	138	207
Capital Exp.(net)	(54.2)	(94.3)	(110)	(75.0)	(75.0)
Other Invts.(net)	0.0	(2.3)	0.0	0.0	0.0
Invts in Assoc. & JV	0.0	0.0	0.0	0.0	0.0
Div from Assoc & JV	0.0	0.0	0.0	0.0	0.0
Other Investing CF	0.0	0.0	0.0	0.0	0.0
Net Investing CF	(54.2)	(96.6)	(110)	(75.0)	(75.0)
Div Paid	(25.8)	(48.5)	(48.1)	(62.1)	(69.5)
Chg in Gross Debt	0.0	0.0	25.0	50.0	50.0
Capital Issues	0.0	0.0	0.0	0.0	0.0
Other Financing CF	0.0	0.0	0.0	0.0	0.0
Net Financing CF	(25.8)	(48.5)	(23.1)	(12.1)	(19.5)
Currency Adjustments	7.07	0.65	(1.3)	0.0	0.0
Chg in Cash	49.2	(25.5)	11.1	50.5	113
Opg CFPS (S cts)	6.73	6.84	7.13	9.29	10.5
Free CFPS (S cts)	3.08	1.12	1.61	2.84	5.99

Source: Company, DBS Bank

Target Price & Ratings History



S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	24 Feb 17	0.92	0.92	HOLD
2:	05 May 17	0.97	1.07	BUY
3:	17 Jul 17	1.05	1.07	BUY
4:	04 Aug 17	1.05	1.07	BUY
5:	07 Aug 17	1.06	1.09	HOLD
6:	08 Nov 17	1.07	1.09	HOLD

Note: Share price and Target price are adjusted for corporate actions.

Source: DBS Bank

Analyst: Carmen Tay

DBS Bank recommendations are based on 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 catalysts within this time frame)

Share price appreciation + dividends

Completed Date: 26 Feb 2018 08:01:40 (SGT)

Dissemination Date: 26 Feb 2018 08:56:54 (SGT)

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

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