Strategy

Monthly Market Radar

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Highlights

- The STI surged 8.9% mom to 5,628.50, reaching a new all-time high of 5,713.19 on 29 July, supported by record-high bank shares and continued demand for Singapore's defensive, high-yielding equities.
- **Key events:** Renewed US-Iran hostilities disrupted Strait of Hormuz oil flows and lifted Brent crude, Fed held rates despite three policymakers favouring a hike, MAS tightened policy, Keppel's offshore fund transaction.
- **Key upcoming events:** MSCI Review (12 August), National Day rally (23 August), Jackson Hole Economic Symposium (27-29 August), 1H26 results (ongoing).

What's New

- **STI performance.** The Straits Times Index (STI) rose 458pt (+8.9% mom) to close at 5,628.50, setting a record closing high of 5,713.19 on 29 July before easing in the final week. Gains were led by a 13% rally in the banking sector, plantation, property and marine stocks, while semiconductor names lagged. The momentum was also supported by retail investors in July, with net inflows of S$545m offsetting institutional outflows of S$464m. Buying was focused on transport, infrastructure and industrial names, while institutional selling reflected portfolio rebalancing.
- **US-Iran tensions reinforce higher rates.** Renewed disruptions around the Strait of Hormuz lifted oil and freight costs, reviving global inflation concerns and weighing on risk sentiment. Brent rose 29% in July to reach around US$94/bbl. The FOC held the federal funds rate at 3.50-3.75%, but three policymakers favoured a hike, shifting market expectations towards a potential further tightening later in 2026 if inflation remains elevated.
- **AI demand drives NODX growth.** Singapore's non-oil domestic exports (NODX) rose 20.7% yoy, driven by a 105% surge in the electronics sector, supported by robust global demand for AI-related products. Non-electronic exports declined 2.9%, weighed down by weaker shipments of petrochemicals and food preparations. Singapore continued to benefit from the global AI and semiconductor upcycle, with exports to key markets such as Malaysia, South Korea, Taiwan, Thailand and the US posting strong gains.
- **MAS tightens policy.** MAS tightened policy again, slightly increasing the rate of appreciation of the S$NEER policy band, leaving its width and midpoint unchanged. The move aimed to contain renewed imported inflation pressures from higher global energy prices and stronger-than-expected economic growth, with Singapore's GDP expanding 5.7% yoy in 2Q26. MAS expects core inflation to begin picking up from July and remain elevated into early-27.

Corporate and market catalysts during the month included:

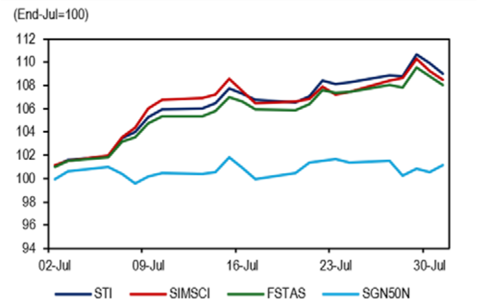
- **Banks propelled the STI to successive records.** DBS, OCBC and UOB reached all-time highs, benefitting from safe-haven inflows, expectations of sustained higher rates, resilient margins and strong dividend appeal.
- **SGX broadened access to global equities.** SGX introduced Singapore Depository Receipts for SpaceX, Grab and Sea, allowing investors to trade exposure to the companies in Singapore dollars during market hours.
- **Keppel accelerated its asset monetisation.** Keppel agreed to divest six offshore rigs, raising S$478m in cash and increasing assets under management by around S$3.9b.

Top Buys

Company	Ticker	Target Price (S$)	Last Price* (S$)	Return (Jul) (%)
Beng Kuang	BKM SP	0.75	0.485	4.2
CityDev	CIT SP	11.5	7.84	1.0
Food Empire	FEH SP	3.49	2.46	2.5
Hong Leong Asia	HLA SP	4.9	2.94	4.0
Huationg Global	HUAGL SP	1.23	0.735	6.6
Keppel	KEP SP	13.26	11.21	4.8
NTT DC REIT	NTTDCR SP	1.43	0.925	(2.1)
O C B C	OCBC SP	31.6	28.87	17.5
Oiltek	OTEK SP	2.78	1.46	0.7
Riverstone	RSTON SP	1.1	0.855	(1.8)
SIA Engineering	SIE SP	3.75	3.15	(10.4)
UIBREIT	UIBREIT SP	1.16	0.81	0.0
UltraGreen.ai	UGAI SP	1.95	1.22	(4.0)
Valuetronics	VALUE SP	1.88	1.06	(1.8)
Venture Corp	VMS SP	20.65	16.01	(6.5)

**Last price based on closing price on 31 Jul 26*
Source: Bloomberg

Singapore Indices: Monthly Performance



Indices	Jul 26 (mom %)
Straits Times Index (STI)	8.9
MSCI Singapore Index (SIMSCI)	8.5
FTSE ST All-Share Index (FSTAS)	8.1
iEdge SG Next 50 Index (SGN50N)	1.1

Source: Bloomberg, UOB Kay Hian

Action

- Our top large-cap picks are CIT, KEP, NTTDCR, OCBC, SIE, UIBREIT and VMS. For small-/mid-cap companies, our top picks are BKM, FEH, HLA, HUAGL, OTEK, RSTON, UGAI and VALUE.

Singapore Coverage Universe – Large-Cap Stocks

Company	Ticker	Rec	Price 31 Jul 26 (S$)	Price Target (S$)	+/- TP %	Monthly Perf (%)	Last Year End	PE 2026F (x)	PE 2027F (x)	Yield 2026F (%)	ROE 2026F (%)	Market Cap (S$m)	Price/ NAV (x)	ND/ Equity (%)
AVIATION														
S I A	SIA SP	HOLD	7.7	6.71	(12.9)	0.3	3/26	22.9	24.0	4.3	6.3	24,262	1.4	17.7
SIA Engineering	SIE SP	BUY	3.1	3.75	21.0	(10.4)	3/26	20.6	17.6	3.7	9.5	3,477	2.0	0.2
SATS	SATS SP	BUY	4.73	5.00	5.7	4.4	3/26	21.1	18.6	1.9	11.8	7,031	2.6	26.2
ST Engineering	STE SP	BUY	10.08	11.75	16.6	(3.0)	12/25	30.0	25.9	2.0	38.4	31,443	12.2	30.1
FINANCE														
DBS	DBS SP	BUY	74.02	76.85	3.8	13.2	12/25	19.2	18.5	4.5	15.7	210,501	3.0	n.a.
O C B C	OCBC SP	BUY	29.13	31.6	8.5	17.5	12/25	17.2	16.4	3.0	12.0	130,792	2.2	n.a.
SGX	SGX SP	HOLD	24.46	21.70	(11.3)	1.6	6/26	35.6	32.1	1.8	31.8	26,138	11.5	15.1
U O B @	UOB SP	NR	43.4	n.a.	n.a.	9.2	12/25	12.7	11.8	4.0	11.1	71,608	1.5	n.a.
HEALTHCARE														
Raffles Medical	RFMD SP	HOLD	0.88	0.94	6.8	(3.8)	12/25	22.1	21.0	3.4	5.4	1,618	1.6	0.0
LAND TRANSPORT														
ComfortDelGro	CD SP	HOLD	1.34	1.54	14.9	0.0	12/25	14.8	14.1	5.4	7.5	2,902	1.1	25.6
PLANTATION														
Bumitama	BAL SP	BUY	1.64	2.01	22.6	0.0	12/25	1.2	1.3	6.1	20.2	2,844	2.5	15.1
FirstRes	FR SP	BUY	3.39	3.65	7.7	9.0	12/25	10.8	11.4	5.4	23.8	5,248	2.7	33.0
Wilmar	WIL SP	BUY	3.93	3.50	(10.9)	8.9	12/25	12.9	11.3	3.5	6.8	24,535	0.9	46.9
PROPERTY														
CapitaLandInvest	CLI SP	BUY	2.66	3.93	47.7	6.8	12/25	21.3	19.5	4.5	5.0	13,283	1.1	32.3
CityDev	CIT SP	BUY	7.85	11.50	46.5	1.0	12/25	15.9	14.1	2.5	4.7	7,013	0.7	49.5
SHIPYARD														
Keppel	KEP SP	BUY	11.47	13.26	15.6	4.8	12/25	22.0	20.2	4.2	9.1	20,651	2.0	42.7
Sembcorp Ind	SCI SP	BUY	5.52	8.06	46.0	(13.1)	12/25	11.3	8.2	4.5	15.4	9,827	1.8	48.6
Seatrium	STM SP	HOLD	2.15	2.30	7.0	9.1	12/25	16.7	17.0	1.9	6.1	7,275	1.0	12.5
YZJ ShipBldg SGD	YZJSGD SP	BUY	3.92	4.75	21.2	14.6	12/25	8.4	8.0	5.9	28.1	15,428	2.6	9.4
TECHNOLOGY														
Sea Ltd (in US$)	SE US	BUY	106.24	181.18	70.5	10.9	12/25	35.0	23.1	0.0	13.8	60,233	4.6	6.3
Venture Corp	VMS SP	BUY	15.99	20.65	29.1	(6.5)	12/25	19.3	18.3	5.0	8.5	4,594	1.7	0.0
TELECOMS														
NetLink NBN Tr	NETLINK SP	HOLD	1.01	1.01	0.0	3.6	3/26	40.2	38.5	5.3	4.4	3,936	1.7	25.7
SingTel	ST SP	BUY	4.44	5.50	23.9	0.7	3/26	24.6	23.4	4.4	10.5	72,460	2.7	23.0
StarHub	STH SP	HOLD	1.1	1.26	14.5	6.8	12/25	11.2	10.3	7.1	28.8	1,899	3.8	46.1
OTHERS														
DFIRG USD	DFI SP	BUY	3.95	5.2	31.6	4.2	12/25	18.8	18.2	3.7	76.7	6,862	25.9	4.1
Genting SP	GENS SP	HOLD	0.635	0.75	18.1	4.1	12/25	18.6	16.8	6.3	5.0	7,660	0.9	0.0
ThaiBev	THBEV SP	HOLD	0.46	0.475	3.3	5.7	9/25	10.7	10.5	4.7	18.8	11,561	2.0	44.1
REITS														
CapLand Ascendas Reit	CLAR SP	BUY	2.57	3.78	47.1	3.2	12/25	16.7	15.3	5.8	6.8	12,838	1.1	39.0
CapLand Ascott T	CLAS SP	BUY	0.905	1.42	56.9	2.3	12/25	19.4	19.0	6.8	3.7	3,486	0.8	37.7
CDL Htrust	CDREIT SP	BUY	0.795	1.11	39.6	2.6	12/25	22.6	22.9	7.0	2.4	1,018	0.6	35.3
Cent Accom REIT	CAREIT SP	BUY	1.13	1.55	37.2	6.6	12/25	18.6	16.4	5.9	7.0	1,949	1.3	22.1
Far East HTrust	FEHT SP	BUY	0.575	0.81	40.9	0.9	12/25	16.8	16.3	6.5	3.9	1,185	0.7	32.8
Frasers Cpt Tr	FCT SP	BUY	2.27	2.99	31.7	0.4	9/25	14.5	12.1	5.6	6.7	4,629	1.0	40.0
Frasers L&C Tr	FLT SP	BUY	0.99	1.33	34.3	2.6	9/25	20.5	20.0	6.0	4.4	3,763	0.9	33.7
Keppel DC Reit	KDCREIT SP	BUY	2.23	2.95	32.3	(0.4)	12/25	18.3	18.5	5.1	7.1	5,455	1.3	34.0
Kep REIT	KREIT SP	BUY	0.92	1.13	22.8	7.0	12/25	21.2	20.8	5.9	3.6	4,570	0.7	40.0
Lendlease REIT	LREIT SP	BUY	0.59	0.78	32.2	3.5	6/26	21.4	21.8	6.3	3.7	1,963	0.8	38.4
Mapletree PanAsia Com Tr	MPACT SP	BUY	1.33	1.75	31.6	3.1	3/26	19.1	18.8	6.0	3.9	7,028	0.8	37.7
Mapletree Ind Tr	MINT SP	HOLD	1.93	2.07	7.3	0.5	3/26	16.9	16.5	5.9	6.4	5,510	1.2	37.5
Mapletree Log Tr	MLT SP	HOLD	1.24	1.29	4.0	1.6	3/26	25.1	25.3	5.6	3.6	6,349	1.0	40.5
NTT DC REIT USD	NTTDCR SP	BUY	0.92	1.43	55.4	(2.1)	3/26	n.a.	n.a.	11.0	(0.4)	1,221	0.6	29.2
PLife REIT	PREIT SP	BUY	4.22	5.45	29.1	4.2	12/25	24.5	24.0	4.2	6.6	2,754	1.6	33.3
Suntec REIT	SUN SP	BUY	1.48	1.75	18.2	2.1	12/25	22.4	21.5	5.4	3.1	4,383	0.7	43.0
UIBREIT	UIBREIT SP	BUY	0.8	1.16	45.0	0.0	3/26	14.3	13.0	8.8	6.6	1,094	0.9	37.9

Note: NR – Not rated
Source: Bloomberg, UOB Kay Hian

Singapore Coverage Universe – Small-/Mid-Cap Stocks

Company	Ticker	Rec	---------- Price ---------- 30 Jun 26 (S$)	Target (S$)	+/- TP % (%)	Monthly Perf (%)	Last Year End	---------- PE ---------- 2026F (x)	2027F (x)	Yield 2026F (%)	ROE 2026F (%)	Market Cap (S$m)	Price/ NAV (x)	ND/ Equity (%)
AEM	AEM SP	BUY	8.24	12.99	57.6	(22.5)	12/25	40.5	32.1	0.6	12.5	2,633	5.2	2.6
Aoxin Q & M	AOXIN SP	BUY	0.24	0.36	50.0	(2.0)	12/25	177.2	36.9	0.4	2.1	278	3.8	0.0
ASL Marine	ASL SP	BUY	0.32	0.43	34.4	10.3	6/26	9.7	9.0	0.6	27.7	329	2.5	33.7
Aztech Gbl	AZTECH SP	HOLD	0.67	0.73	9.0	(23.4)	12/25	25.9	17.5	3.0	7.5	517	2.4	2.4
Beng Kuang	BKM SP	BUY	0.495	0.75	51.5	4.2	12/25	16.6	9.3	1.2	29.3	148	3.9	13.2
BRC Asia	BRC SP	BUY	4.26	5.30	24.4	(3.0)	9/25	11.2	10.5	5.2	19.5	1,169	2.2	15.3
China Aviation Oil	CAO SP	BUY	1.74	2.63	51.1	(4.9)	12/25	9.7	9.3	4.1	10.8	1,497	1.1	0.0
ChinaSunsine	CSSC SP	HOLD	0.675	0.70	3.7	(1.5)	12/25	8.4	8.1	4.1	9.0	644	0.8	0.0
Civmec	CIVMEC SP	HOLD	1.54	0.80	(48.1)	(11.5)	6/26	20.0	18.8	3.5	8.6	785	1.7	5.6
CSE Global	CSE SP	BUY	1.200	1.79	49.2	(10.4)	12/25	21.0	19.1	2.4	14.3	875	3.2	27.6
Delfi	DELFI SP	BUY	0.875	1.68	92.0	(2.8)	12/25	14.3	13.3	3.5	10.2	535	1.5	3.3
Dezign Format	DFG SP	BUY	0.19	0.37	94.7	(5.0)	12/25	5.4	4.8	5.6	49.6	38	3.4	8.2
Food Empire	FEH SP	BUY	2.43	3.49	43.6	2.5	12/25	17.0	15.4	4.1	19.3	1,608	2.8	14.6
Frencken	FRKN SP	BUY	2.47	3.30	33.6	(17.7)	12/25	23.4	21.7	1.3	9.1	1,060	2.2	3.0
Hong Leong Asia	HLA SP	BUY	2.87	4.90	70.7	4.0	12/25	15.3	14.0	2.3	12.4	2,291	2.0	11.5
Huationg Global	HUAGL SP	BUY	0.725	1.23	69.7	6.6	12/25	6.5	6.1	2.2	14.8	137	1.0	19.8
iFAST	IFAST SP	BUY	9.09	12.18	34.0	2.9	12/25	24.5	20.8	1.1	25.7	2,787	6.2	8.1
Kimly	KMLY SP	HOLD	0.39	0.34	(12.8)	(1.3)	9/25	13.3	12.7	4.5	17.8	486	2.5	1.3
LHN	LHN SP	BUY	0.555	0.71	27.9	(2.6)	9/25	9.6	7.9	6.3	8.9	242	0.8	36.9
Lum Chang Creations	LUCC SP	BUY	0.37	0.51	37.8	(5.1)	6/26	10.6	9.4	2.8	78.4	244	3.5	3.2
MarcoPolo Marine	MPM SP	BUY	0.133	0.23	72.9	(0.7)	9/25	14.4	12.6	1.5	13.7	521	2.0	19.0
Nanofilm	NANO SP	BUY	1.06	1.91	80.2	(12.4)	12/25	34.2	23.3	0.6	4.5	690	1.6	14.4
Oiltek	OTEK SP	BUY	1.5	2.78	85.3	0.7	12/25	58.3	15.5	0.7	32.8	644	20.3	0.0
PanUnited	PAN SP	BUY	1.61	1.42	(11.8)	19.3	12/25	19.6	17.1	2.8	18.8	1,126	3.9	1.9
PropNex	PROP SP	BUY	1.85	2.55	37.8	(0.5)	12/25	17.6	17.5	5.4	64.7	1,369	11.8	0.0
Reclaims Global	RGL SP	BUY	0.21	0.27	28.6	6.6	1/26	4.5	3.9	10.5	15.6	63	1.3	0.0
RH PetroGas	RHP SP	BUY	0.163	0.263	61.3	13.2	12/25	12.1	14.7	0.0	14.8	137	1.8	0.0
Riverstone	RSTON SP	BUY	0.84	1.1	31.0	(1.8)	12/25	21.9	19.9	4.6	12.5	1,245	2.7	0.0
Sheng Siong	SSG SP	BUY	3.34	3.71	11.1	3.4	12/25	31.9	30.3	2.2	25.8	5,022	8.2	0.0
Soon Hock	SHOCK SP	BUY	0.58	0.71	22.4	(4.9)	12/25	3.2	3.1	6.5	29.9	180	1.1	29.9
Tiong Woon	TWC SP	BUY	1.04	1.11	6.7	2.0	6/26	10.2	9.1	2.1	7.1	241	0.7	21.4
UltraGreen.ai USD	UGAI SP	BUY	1.2	1.95	62.5	(4.0)	12/25	16.0	13.4	0.0	20.6	1,697	4.3	0.9
UMS	UMSH SP	BUY	2.28	4.01	75.9	(14.0)	12/25	34.7	27.5	2.2	13.3	2,025	3.8	0.0
Valuetronics	VALUE SP	BUY	1.07	1.88	75.7	(1.8)	3/26	16.8	15.4	6.0	10.9	436	1.8	0.0
REITs														
DigiCore Reit USD	DCREIT SP	BUY	0.49	0.93	89.8	(3.0)	12/25	20.1	16.0	7.0	3.0	815	0.6	39.2
EliteUKREIT GBP	ELITE SP	BUY	0.31	0.39	25.8	(1.6)	12/25	10.3	10.4	9.7	7.4	250	0.8	42.8
KOREReitUSD	KORE SP	BUY	0.179	0.25	39.7	(1.6)	12/25	5.1	5.2	4.0	5.1	240	0.3	43.3
Prime US ReitUSD	PRIME SP	BUY	0.157	0.21	33.8	(2.5)	12/25	7.8	7.4	10.5	3.8	290	0.3	45.0
UtdHampshReitUSD	UHU SP	BUY	0.525	0.72	37.1	1.9	12/25	12.2	11.5	9.3	5.5	410	0.7	38.6

Source: Bloomberg, UOB Kay Hian