

## Breakfast News

Wednesday, 10 Dec 2008

### Indices (Closed as at 09 Dec 08)

Indices	Close	Chge	% Chge
FTSE-STI	1,754.58	95.41	5.8
Hang Seng	14,753.22	-291.65	-1.9
Nikkei	8,395.87	66.82	0.8
DJIA	8,691.33	-242.85	-2.7
Nasdaq	1,547.34	-24.40	-1.6

### IPO Launches

Company	Offer Price	Offer Closes	Debut Day

### Results announcements

Company	Date of Release
Popular Hldgs Ltd	1H08 12/12

MICA (P) 009/09/2008

## Market Commentary

### Singapore market – Gap down phenomenon ended

- Singapore:** Singapore market closed sharply higher on stronger volume. Catching up with the world market rally after closed for a holiday on Monday, the market opened up with the benchmark STI surged almost 60 points higher. Buying momentum started to build up throughout the day and push the Index to close at its day high. At its close, the Index rose 95.41 points or 5.8% to 1,754.58. Turnover improved significantly, with 1.5 billion shares worth S\$1.4 billion transacted, compared to less than S\$1.0 billion worth of shares transacted in each of the past five trading days. Interests were broad based and across all sectors with all the FTSE Indices were in the black. Gainers led losers 334 to 125.
- Wall Street:** Wall Street retreated on Tuesday, as profit warnings from FedEx Corp and others prompted investors to retreat after two days of big gains. An agreement on a loan package for the auto industry had been expected late Monday. But lawmakers were still debating the details Tuesday, with a package now expected later today or Wednesday. Sony, Novellus, Danaher and Wyndham Hotel Group announced a total of 14,000 in job cuts. The Dow slumped 242.85 points or 2.7% to close at 8,395.87 while the tech-heavy Nasdaq shed 24.40 points or 1.6% to close at 1,547.34. Oil prices rose with the positive sentiment with light sweet crude fell US\$1.64 to close at US\$42.07 a barrel on NYMEX.
- Outlook:** The gap down phenomenon which lasted for the whole of last week has ended. We have witnessed substantial sell down during the after 5pm pre-close trading session which started last Monday. We have attributed this phenomenon to mild fund redemption. However, this phenomenon did not occur yesterday. This could signal that the current phase of fund redemption has ended. Market is likely to recover towards the end of the year. However, the route towards the year end is not without pitfalls. Market will still be sensitive to global economic and corporate releases and developments, as well as actions from governments and central banks. However, we believe the market is currently still undervalued. Investors should continue to accumulate on weakness.

## Company Highlights

### KTL Global Ltd – JV secured contracts worth US\$5.15m

- KTL Global Limited ("KTL"),** one of Asia's major suppliers of rigging equipment to the offshore oil and gas (O&G) sector, has clinched its first batch of production contracts to customise the design and manufacture of two winches through recently established subsidiary of the Group, KTL Logan Pte Ltd (KTL Logan). The two contracts are valued at US\$5.15m.
- KTL Logan** is expected to deliver the two anchor handling double drum winches to home-grown offshore O&G support services provider Britoil Offshore Services Pte Ltd (Britoil Offshore) in FY10. Each winch is capable of towing or pulling a weight of 300 tonnes, equivalent to one Airbus A380 aircraft. Britoil Offshore provides towing, anchor handling, pipe transportation and salvage support services via its fleet comprising

mainly anchor handling tugboats and cargo barges. KTL Logan will also test and certify the winches.

- The contracts are the first to be secured by KTL Logan and support the Group's strategic move to become one of Asia's top integrated rigging equipment specialists. The contract is expected contribute positively to KTL's bottomline in FY10, barring unforeseen circumstances.