

Business today

UAE woos S'pore firms

Hopes to seal up to \$600 million of deals during Global Entrepolis next week

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TOP guns from the United Arab Emirates (UAE) are in town to sell the destination as a business oasis of choice.

In unprecedented fashion, an 80-strong team led by UAE's Minister for Labour, Dr Ali Bin Abdullah Al Kaabi, will hold an investment forum next week in the hope of sewing up \$600 million worth of deals.

"We are bringing the cream of UAE projects to Singapore. There are a lot of synergies between both countries," Mr Walid Hareb Al Falahy, chief executive officer (CEO) of Dubai Consultancy Group, told reporters on Friday.

His company and the Singapore Business Federation (SBF) are co-organising the first-ever UAE-Asia Investment Forum to take place during Global Entrepolis @Singapore 2006, an annual networking session for the world's business community.

UAE's efforts to woo Singapore firms include dangling discounts and food.

Dubai's Akar Properties is offering brand new prime office space at the 20-storey "Singapore Tower", which will be ready by the end of



MAKING ITS MARK: The Singapore Tower in Dubai will be ready by the end of 2008.

2008. Tenants from the Republic will enjoy fixed rentals that will be "much cheaper" than the current market rate of 250 dirhams (\$107) per square foot per year, said Akar's CEO Sultan Hareb Al Falahi. As

the city is currently seeing hot demand for offices, the rising influx of Singapore companies would appreciate having leases that are fixed for "the medium to long term", he explained.

The \$150-million commercial project — which includes a so-called "Singapore-style food court" and a fountain with a Merlion sculpture — is designed by Ong & Ong Architects, a firm founded by the late President Ong Teng Cheong and his wife. Akar has also roped in Singapore's Surbana International for a \$150-million residential project — the Sky Villa — which will be completed in early 2009, said Mr Sultan.

More investment opportunities will be highlighted at the UAE Pavilion in Suntec Singapore, where one of the world's biggest malls — "City of Arabia" — will be showcased. There will also be a series of conferences under the inaugural Middle East-Asia Business Exchange on Monday and Tuesday. This year's focus will be on the UAE, Egypt and Saudi Arabia.

Singapore companies can also leverage on SBF's newly-formed "Middle East Business Group" for better support when venturing into the Middle East and North Africa.

DBS Q3 profit rises to \$552m

DBS Group Holdings, South-east Asia's biggest bank by assets, said that third-quarter profit rose 32 per cent, as economic growth spurred demand for loans.

Net income at the Singapore-based company rose to \$552 million, or an annualised \$1.46 per share, in the quarter ended Sept 30 from a restated \$419 million, or an annualised \$1.11 per share, in the corresponding period a year earlier, it said.

DBS said that net interest income, or interest revenue from borrowers after interest was paid to depositors, rose 22 per cent to \$912 million.

"The Singapore bank story in the past 12 months has been about the interest-rate rise which has restored the local banks' competitiveness with the foreign banks," said UBS analyst Jaj Singh in a report on Oct 13.

"With the rates peaking,

we believe the focus could now turn to loan growth which has been lacklustre for many years because of the deflationary environment."

"DBS should show good third-quarter fee and commission growth from surging trade finance, investment banking and syndicated lending fees," said Deutsche Bank in a report on Oct 19.

Deutsche said that DBS would benefit from growth in Singapore's gross domestic product, a broad measure of economic performance, which Deutsche forecast at 8.1 per cent this year.

The net interest margin at DBS, or the difference between what it earned on loans and paid for funds, widened to 2.17 percentage points from 1.92 percentage points. Customer loans expanded 2 per cent to \$85.3 billion, the bank said. — BLOOMBERG

ICBC shares do well on debut

SHARES of Industrial and Commercial Bank of China surged on their debut in the world's biggest-ever initial public offering, increasing its market value by about US\$26 billion (\$40.7 billion) to make it the world's fifth-largest bank.

ICBC shares in Hong Kong rose 14.7 per cent on Friday to close at HK\$3.52 (71 cents) from the IPO price of HK\$3.07.

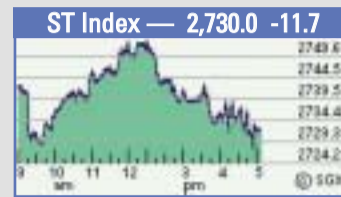
ICBC shares in Shanghai rose 5.1 per cent to close at 3.28 yuan (65 cents), from the 3.12-yuan sale price.

Hong Kong billionaire Li Ka-shing was among investors who ordered more than US\$500 billion of stock in the Beijing-based bank, or 26 times what was on offer.

ICBC's market capitalisation, which is calculated by multiplying shares outstanding by the price of each, was US\$156.5 billion. The bank sold 35.4 billion shares at the top of the range marketed to investors in Hong Kong and 13 billion shares in Shanghai in the nation's first simultaneous IPO.

The sale price was 2.23 times ICBC's estimated book value for this year. — BLOOMBERG

marketwatch



Index	Value	Change	Pts	%
Nikkei 225	16669.07	-142.53	-0.85	
Hang Seng	18297.55	-56.19	-0.31	
ASX	5358.50	-31.20	-0.58	
Taiwan Wtd	7086.74	+5.90	+0.08	
Korea Comp	1369.09	-4.56	-0.33	
KLCI	989.90	+7.27	+0.74	
SET Index	725.77	-2.72	-0.37	
Jakarta Comp	-	-	-	
Phils Comp	2702.37	+19.43	+0.72	
Shenzhen B	331.27	-2.94	-0.88	
Mumbai Sensex	12906.81	+208.40	+1.64	

SGX most active				
By volume	Close	Change	%	'000
Wee Poh	0.010	-	-	182,592
Centillion	0.155	-	-	125,166
SingTel	2.640	+0.020	+0.8	56,793
ICBC SGA070305	0.380	-	-	50,112
Jiutian	0.920	+0.095	+11.5	49,159
Equation	0.165	-0.005	-2.9	44,630
SinoTechfib	0.950	+0.025	+2.7	38,659
PineAgriTech	0.650	+0.015	+2.4	31,562
ICBC RBD070518	0.370	-	-	25,557
SPH SGA070226	0.205	-	-	24,449

SGX top rises					
By \$	Close	Change	By percentage	Close	Change
Sp Land	8.800	+0.300	DBS DB061204	0.010	+100.0
STI ETF 100	28.000	+0.300	ST EnggSGA061106	0.010	+100.0
HS17800MBL061229	0.825	+0.260	SPH DBeCW061106	0.085	+88.9
JSH 500US\$	11.700	+0.200	BanJoo	0.040	+60.0
KeptCorp	16.000	+0.200	UOB MBL061205	0.400	+56.9
SIA	15.600	+0.200	BakerTech W110613	0.015	+50.0
SIA 200	15.600	+0.200	PDC Corp	0.015	+50.0
Venture	14.400	+0.200	SHC Cap	0.090	+50.0
PineAgri DB061211	1.770	+0.180	HS17800MBL061229	0.825	+46.0
UOB MBL061205	0.400	+0.145	SingTel JPO61218	0.140	+40.0

SGX top falls					
By \$	Close	Change	By percentage	Close	Change
OmegaNav 50	24.100	-0.600	HS1 1600DB061130	0.005	-50.0
DBS	21.200	-0.300	Vita W081127	0.035	-36.4
OCBCCap3.93%Pref10	97.000	-0.300	ChinaMikDBS61108	0.020	-33.3
OSIM	1.630	-0.300	Jasper	0.010	-33.3
Shang Asia 2kHK\$	16.500	-0.300	BOC DBeCW061218	0.035	-30.0
Lyxor China H 10US\$	9.500	-0.250	KeptLandMBL061204	0.405	-29.6
CITYDEV	10.900	-0.200	HSCE7400SGA61129	0.240	-28.4
Jardine C&C	11.700	-0.200	BOC DBeCW061204	0.170	-22.7
UOB	18.200	-0.200	UTAC BNP070126	0.075	-21.1
HS17400SGA061129	0.995	-0.175	CharteredDB061218	0.040	-20.0

Singapore

THE ST Index (STI) ended lower on Friday, following four sessions of record high closes, and traders expect the market to continue correcting next week.

The STI fell 11.7 points, or 0.4 per cent, to close at 2,730.

But in the broad market, gainers led decliners 319 to 297 as 1.86 billion shares worth \$1.52 billion were traded.

"Most of the big companies have already announced their earnings results. All this excitement could start to fizzle out as only a few big ones haven't given their reports yet," said one trader.

"Even the strong gains in Wall Street weren't able to prop up the STI this time," said another broker.

"There could be a downward bias next week, with a support level at around 2,700. Still, this wouldn't be so bad since the market will likely go up again in the Christmas season."

— DOW JONES

Your S\$1 buys

US\$	0.6385
UK£	0.3377
Yen	75.584
HK\$	4.9683
RM	2.3423
Euro	0.5030
Rupiah	5813.4
Baht	23.634
Peso	31.838
AS	0.8352
Indian Rs	28.833
Won	606.56
C\$	0.7171
Yuan	5.0414
NZ\$	0.9712
NT\$	21.239

Commodities

Gold US\$/oz	599.80
Silver US\$/oz	12.24
Platinum US\$/oz	1,083.30
Rubber cents/kg	292.00
Palm oil RM/tonne	543.00
Brent crude US\$/barrel	62.05

Information provided by SGX, Bloomberg

SIA's Q2 profit down 15%

SINGAPORE Airlines' (SIA) profit fell for a sixth quarter in seven, as higher fuel costs eroded gains from increased travel demand.

Net income dropped 15 per cent to \$293 million, or 23.9 cents a share, in its fiscal second quarter ended Sept 30.

The group's revenue improved to \$3.61 billion from \$3.35 billion last year, boosted by a 5.9-per-cent rise in passenger traffic and a 2.9-per-cent increase in average yields.

The carrier is paying a dividend of 15 cents per share.

SIA's catering and ground-handling unit, Singapore Airport Terminal Services (Sats), said that second-quarter profit fell 6.5 per cent on mounting competition.

Its net income declined to \$52.2 million, or 5 cents a share, in the three months to Sept 30 from \$55.8 million, or 5.4 cents per share, in the year-ago period.

Revenue fell 1.3 per cent to \$235.7 million. — AGENCIES