

# DBS: Loan growth in focus on first quarter results

DIGITAL ENGAGEMENT TEAM

27 APRIL 2022

## TRADING MATTERS SERIES: STOCK HIGHLIGHT

Features a single stock and zooms in on its performance in the market

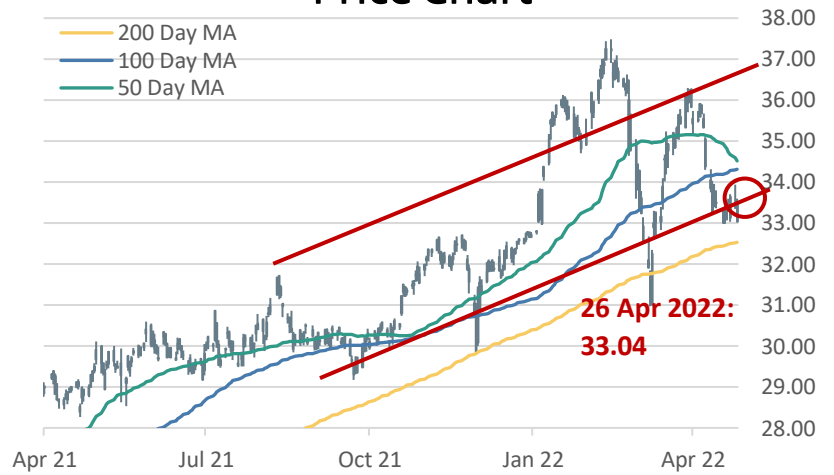
KEY METRICS	
Current Price	33.04
Latest Dividend	0.36
Dividend Ex-Date	8/4/2022
Indicated Dividend Yield	3.63%
14 Day RSI	37.26
Analysts 12M Target Price	39.48

**REFINITIV STOCKREPORTS+ AVERAGE SCORE**

**7/10**  
As of 26 Apr 2022

Refer to page 3 for indicator components

### DBS Group Holdings (DBS SP) Price Chart



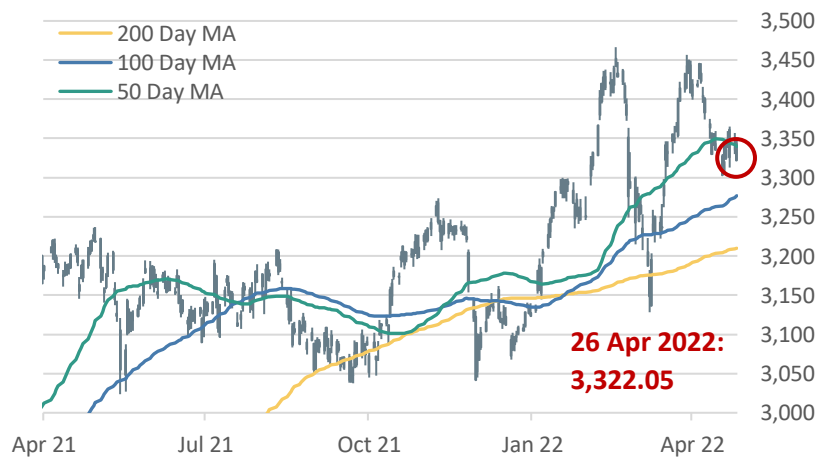
Any red lines drawn on the price charts are trendlines, which are visual representations of support & resistance levels. They are drawn by connecting a series of prices together to help indicate the data's best fit or the presence of any trend over a time frame, and are for illustration purposes only.

As of 26 Apr 2022 closing

### KEY MARKET EVENTS

- 05 May US Fed Interest Rate Decision
- 06 May US Unemployment Rate (Apr)
- 09 May China Trade Balance (Apr)
- 11 May China CPI Release (Apr)
- 16 May SG Vesak Day

### Straits Times Index Price Chart



As of 26 Apr 2022 closing

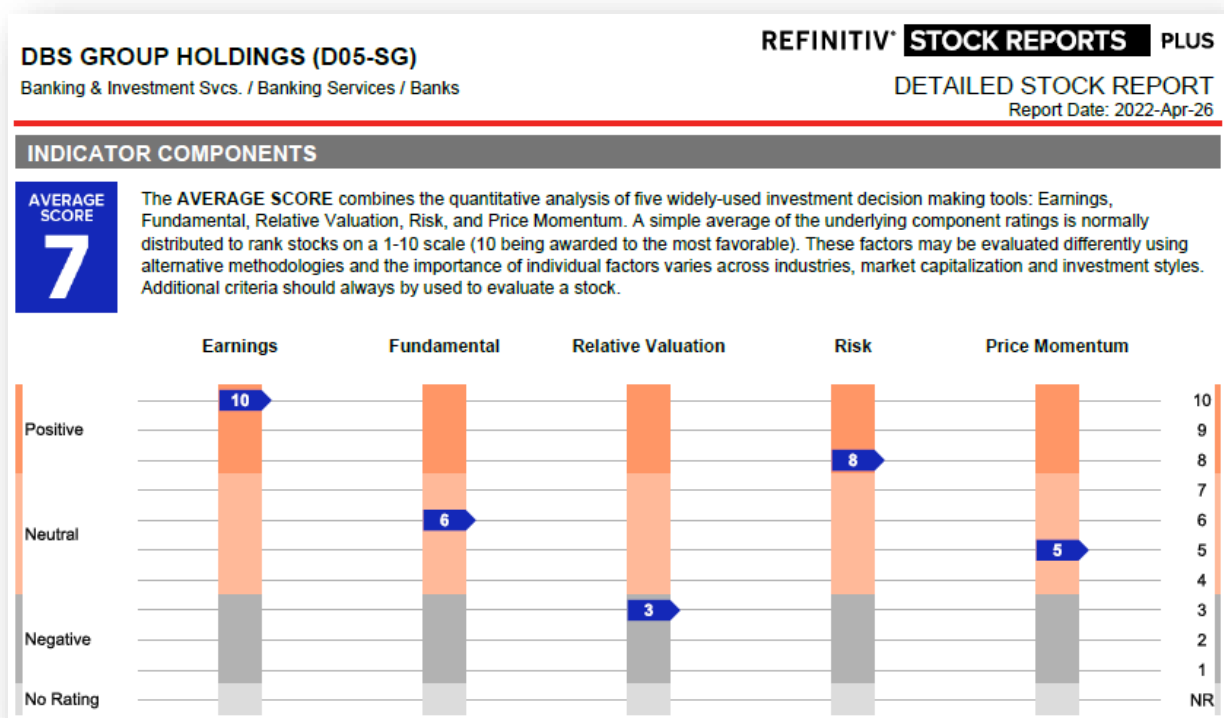
## Headline News & Information

- DBS Group Holdings Limited and its subsidiaries provide a variety of financial services. The company offers services including mortgage financing, lease and hire purchase financing, nominee and trustee, funds management, corporate advisory and brokerage . DBS Group also acts as the primary dealer in Singapore government securities (Bloomberg)
- DBS first-quarter net profit may decline on year (27 Apr 2022, Dow Jones)
  - DBS Group is scheduled to report its first-quarter results on 29 Apr 2022
  - Investors will be keeping watch to see if the Russia-Ukraine conflict impacts on the rate of growth in assets and fees, and possibly on credit costs for DBS
  - Loan growth will also be in focus, after loans expanded in the second half of 2021 by 9% on a constant-currency basis to S\$409 billion, which is DBS' fastest growth since 2014
- Singapore tightens monetary policy to fight inflation as growth slows in the first quarter (13 Apr 2022, CNBC)
  - Singapore's central bank tightened its monetary policy, a widely forecast move will slow inflation momentum as the city state ramps up its battle against soaring prices made worse by the Ukraine war and global supply snags
  - MAS manages monetary policy through exchange rate settings, rather than interest rates, because trade flows dwarf its economy, letting the Singapore dollar rise or fall against the currencies of its main trading partners within an undisclosed band
  - MAS said it will remain vigilant to developments in the external environment and their impact on the Singapore economy

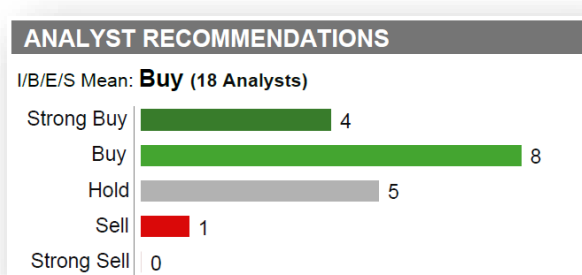
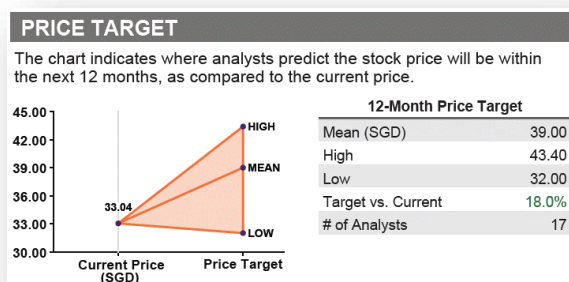
TRADING FLOWS	RESISTANCE LEVELS	SUPPORT LEVELS
<ul style="list-style-type: none"> <li>• Shares rose 0.1% in the past 5 days but are down 7.2% in the past 30 days</li> </ul>	<ul style="list-style-type: none"> <li>• 34.44 (50 Day MA)</li> <li>• 36.00 (Mar 2022)</li> <li>• 37.00 (Feb 2022)</li> </ul>	<ul style="list-style-type: none"> <li>• 31.00 (Mar 2022)</li> <li>• 30.00 (Sep 2021)</li> <li>• 28.00 (Feb 2021)</li> </ul>

# Fundamental Viewpoint

## An Extract from STOCKREPORTS+



## Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 26 Apr 2022

## SG Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in SGD	
Average Score	Ticker	PRICE MOMENTUM				Market Cap	VALUATION		FUNDAMENTAL		ANALYSTS		# of Analysts	
		Price (2022-04-26)	1-Mo Return	3-Mo Return	1-Yr Return		Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean		
7	D05	33.04	-7.2%	-6.4%	13.9%	87.0B	12.8	12.6	3.6%	41.4%	11.5%	Buy	17	
4	O39	11.91	-3.6%	-3.6%	-0.9%	54.7B	11.2	10.6	4.5%	15.7%	11.8%	Buy	19	
6	U11	30.67	-4.6%	2.2%	16.0%	52.5B	12.9	11.8	3.9%	33.5%	--	Buy	16	
5	S68	9.76	-0.8%	2.2%	-7.8%	10.6B	24.0	24.6	3.3%	40.2%	2.0%	Buy	13	
8	S41	2.56	-0.4%	5.8%	2.0%	1.2B	13.5	--	4.7%	33.7%	--	--	--	
9	S35	1.58	2.6%	6.0%	8.2%	251M	8.3	--	5.1%	40.0%	--	--	--	
5	5UF	0.17	0.0%	-1.8%	-9.3%	176M	11.8	--	23.3%	6.4%	--	--	--	
9	S23	0.89	1.1%	8.5%	1.1%	143M	14.9	--	2.3%	31.4%	--	--	--	
9	I49	0.19	3.8%	0.0%	-1.6%	73M	--	--	4.1%	17.6%	--	--	--	
8	5PO	0.07	-1.5%	1.5%	17.5%	21M	--	--	--	3.0%	--	--	--	
NR	5QY	0.02	-11.5%	-4.2%	-8.0%	13M	133.3	--	--	16.2%	--	--	--	
7	Average	8.26	-2.0%	0.9%	2.8%	18.8B	27.0	14.9	6.1%	25.4%	8.4%	Buy	16.3	

PEER COMPANIES			
5PO	Hiap Tong Corp	S23	Singapura Finance
5QY	Net Pacific Financial	S35	Sing Investments & Finance
5UF	Maxi-Cash Financial Services	S41	Hong Leong Finance
I49	IFS Capital	S68	Singapore Exchange
O39	Oversea-Chinese Banking Corp	U11	United Overseas Bank

Source: REFINITIV STOCKREPORTS+, extracted 26 Apr 2022

## Global Peer Analysis (Bloomberg)

Ticker	Name	Mkt Cap (USD) (Millions)	Last Px	P/E	P/E 5Yr Avg	P/B	P/B 5Yr Avg	Indicated Yield (%)
<b>Average</b>		<b>34,716</b>	<b>4259.11</b>	<b>8.72</b>	<b>7.90</b>	<b>0.87</b>	<b>0.77</b>	<b>4.72</b>
DBS SP	DBS GROUP	61,891	33.04	12.43	12.72	1.47	1.32	3.63
FIBIH IT	FIBI HOLDINGS	1,692	15,730	9.26	8.49	1.15	0.83	1.43
1288 HK	AGRICULTURAL BANK OF CHINA-H	161,120	2.91	3.70	3.83	0.41	0.42	8.53
UOB SP	UNITED OVERSEAS BANK	37,385	30.67	12.79	12.81	1.27	1.05	3.91
KBANK TB	KASIKORNBANK PCL	10,556	152.50	9.35	8.79	0.74	0.71	2.13
601577 CH	BANK OF CHANGSHA CO LTD-A	4,503	7.33	4.73	6.08	0.61	0.81	4.37
MASQ UH	MASHREQBANK	4,178	76.50	18.89	N/A	0.76	0.66	1.31
998 HK	CHINA CITIC BANK CORP LTD-H	33,076	3.89	2.85	2.78	0.31	0.30	9.32
ABG SJ	ABSA GROUP LTD	9,058	16,768	7.81	9.95	1.07	0.90	4.68
FIBI IT	FIRST INTL BANK ISRAEL	4,275	14,040	10.26	10.14	1.41	1.09	4.69
3328 HK	BANK OF COMMUNICATIONS CO-H	54,137	5.36	3.79	3.37	0.36	0.35	7.95

Source: Bloomberg, extracted 26 Apr 2022 closing

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