

# Sembcorp Industries: Wind energy outperformed broad market YTD

DIGITAL ENGAGEMENT TEAM

15 JULY 2022

## TRADING MATTERS SERIES: STOCK HIGHLIGHT

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

KEY METRICS	
Current Price	2.92
Latest Dividend	0.03
Dividend Ex-Date	26/4/2022
Indicated Dividend Yield	1.71%
14 Day RSI	59.17
Analysts 12M Target Price	3.42

**REFINITIV STOCKREPORTS+ AVERAGE SCORE**

**9/10**  
As of 14 Jul 2022

Refer to page 3 for indicator components

## Sembcorp Industries (SCI 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 14 Jul 2022 closing

## KEY MARKET EVENTS

- 22 Jul**  
US PMI Release (Jul)
- 25 Jul**  
SG CPI Release (Jun)
- 26 Jul**  
US Consumer Confidence
- 28 Jul**  
US Fed Interest Rate Decision
- 31 Jul**  
China PMI Release (Jul)

## Straits Times Index Price Chart



As of 14 Jul 2022 closing

## Headline News & Information

- Sembcorp Industries Ltd provides utilities and integrated services for industrial sites such as power, gas, steam, water, wastewater treatment and other on-site services. Sembcorp Industries serves industrial parks, business, commercial, and residential spaces (Bloomberg)
- Singapore's state-owned investor Temasek reports record portfolio value (12 Jul 2022, CNBC)
  - More than 60% of Temasek's portfolio is in Asia, with Singapore making up 27% of it and China accounting for 22%
  - Temasek continues to engage with its portfolio companies in growing capacity for sustainability leadership and climate transition management
  - Sembcorp Industries hopes that by 2025, the company will be able to make its sustainable solutions portfolio contribute 70% of the group's net profit, Temasek said
- Wind shares outperformed broad market, but lagged Energy in 1H (13 Jul 2022, Bloomberg Intelligence)
  - Wind energy shares have declined about 11% year-to-date, based on the median company in BI's wind theme basket, which compares with a 21% drop in Bloomberg's world index. The broader set of companies in Bloomberg's world energy index have increased about 4% so far this year buoyed by the run-up in commodity prices
  - Sembcorp Industries is the 2<sup>nd</sup> best performing member of the BI wind theme basket YTD, with a price return of +46.00% as of 12 July 2022
- Next earnings announcement date: **05 Aug 2022** (Bloomberg)
- Next expected dividend: **SGD 0.02**, ex-date on **15 Aug 2022** (Bloomberg Forecast)

### TRADING FLOWS

- Shares are up 3.5% in the past 5 days and rose 4.3% in the past 30 days

### RESISTANCE LEVELS

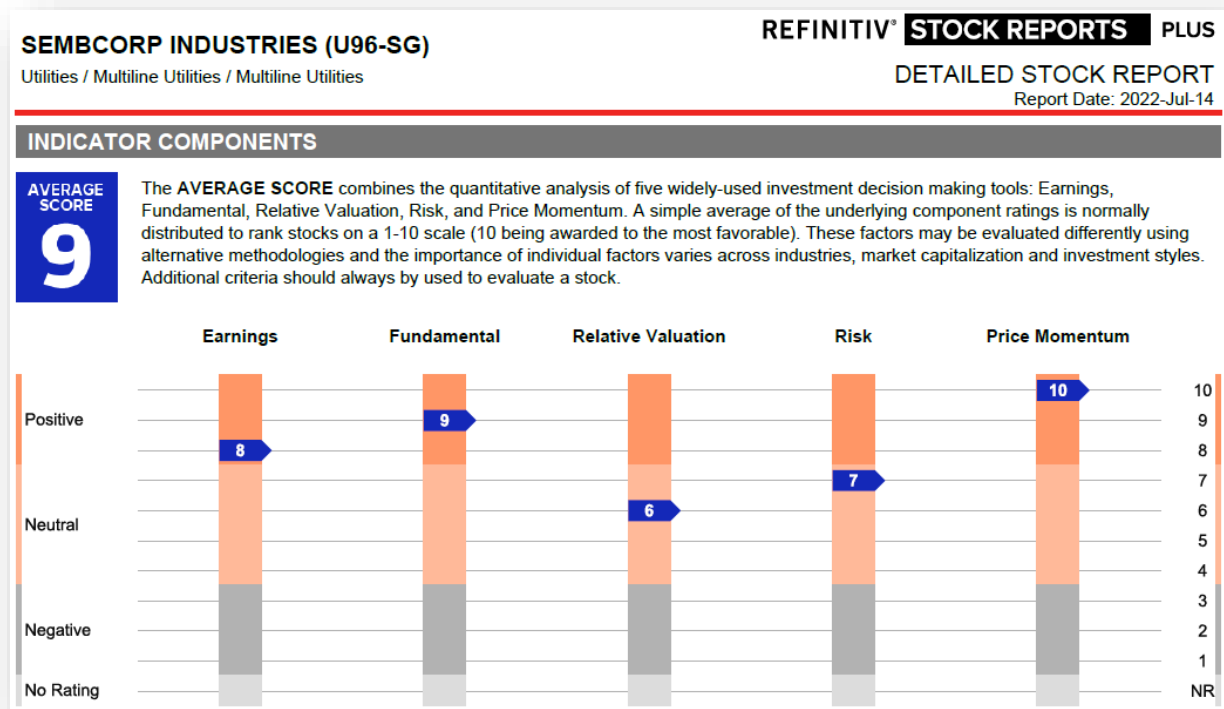
- 3.00 (May 2022)
- 3.40 (Oct 2007)

### SUPPORT LEVELS

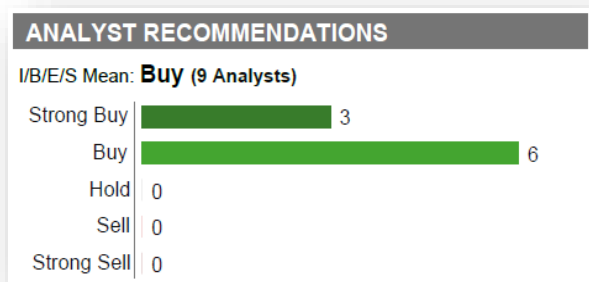
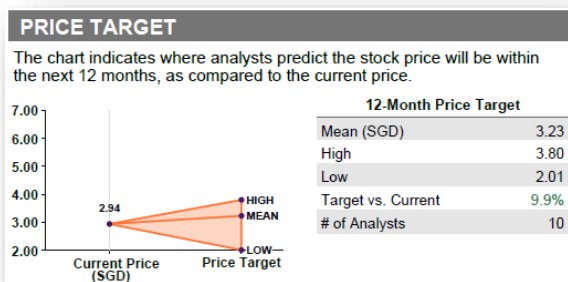
- 2.84 (50 Day MA)
- 2.70 (Jun 2022)
- 2.60 (Mar 2022)

# Fundamental Viewpoint

## An Extract from STOCKREPORTS+



## Analyst Price Target and Recommendations



Source: REFINITIV STOCKREPORTS+, extracted 14 Jul 2022

## SG Peer Analysis (STOCKREPORTS+)

PEER ANALYSIS													Currency in SGD	
Average Score	Ticker	PRICE MOMENTUM				VALUATION			FUNDAMENTAL		ANALYSTS			
		Price (2022-07-13)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts	
9	U96	2.94	5.4%	3.2%	38.0%	5.2B	19.1	10.5	1.7%	3.6%	4.0%	Buy	9	
8	U9E	0.29	-1.7%	-6.5%	11.5%	830M	3.9	--	7.6%	17.4%	--	--	--	
8	BHK	0.21	2.4%	-4.5%	2.4%	554M	3.7	--	7.1%	9.7%	--	--	--	
9	5WE	0.06	1.8%	-4.9%	-12.1%	248M	6.1	--	--	15.4%	--	--	--	
5	TWL	0.35	-5.4%	20.7%	304%	244M	150.9	--	0.20%	3.4%	--	--	--	
7.8	Average	0.77	0.49%	1.6%	68.7%	1.4B	36.7	10.5	4.2%	9.9%	4.0%	Buy	9	

PEER COMPANIES			
5WE	Moya Holdings Asia	TWL	Memiontec Holdings
BHK	SIIC Environment Holdings	U9E	China Everbright Water

Source: REFINITIV STOCKREPORTS+, extracted 14 Jul 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>2,681</b>	<b>872.33</b>	<b>34.80</b>	<b>10.72</b>	<b>2.36</b>	<b>1.79</b>	<b>2.18</b>
SCI SP	SEMBCORP INDUSTRIES LTD	3,721	2.92	18.67	10.72	1.38	0.84	1.71
APG US	API GROUP CORP	3,544	15.20	N/A		1.56	2.25	N/A
OPCE IT	OPC ENERGY LTD	2,188	3,599.00	N/A		3.02	2.94	N/A
NORVA SS	NORVA24 GROUP AB	570	33.05	N/A		3.66		N/A
DRX LN	DRAX GROUP PLC	3,379	711.50	50.94		2.21	1.12	2.64

Source: Bloomberg, extracted 14 Jul 2022 closing

## DISCLAIMER

---

The information provided herein is a compilation or summary of materials and data based from external sources available to OCBC Securities Private Limited ("OSPL"), and does not represent OSPL's view on the matters mentioned. Whilst we have taken all reasonable care to ensure that the information contained in this publication is not untrue or misleading at the time of publication, we cannot guarantee its accuracy or completeness, and you should not act on it without first independently verifying its contents.

Trading in capital markets products and borrowing to finance the trading transactions (including, but not limited to leveraged trading or gearing) can be very risky, and you may lose all or more than the amount invested or deposited. Where necessary, please seek advice from an independent financial adviser regarding the suitability of any trade or capital markets product taking into account your investment objectives, financial situation or particular needs before making a commitment to trade or purchase the capital markets product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the capital markets product is suitable for you. You should consider carefully and exercise caution in making any trading decision whether or not you have received advice from any financial adviser. You should also read the relevant prospectus and/or profile statement (a copy of which may be obtained from the relevant fund manager or any of its approved distributors), prior to any trading or investment decision. Please refer to the prospectus of the relevant fund for the name of the fund manager and the investment objectives of the fund. In relation to collective investment schemes, the value of the units and the income accruing therefrom, if any, may rise or fall. For funds that are listed on an approved exchange, investors cannot redeem their units of those funds with the manager, or may only redeem units with the manager under certain specified conditions. The listing of the units of those funds on any approved exchange does not guarantee a liquid market for the units.

No representation or warranty whatsoever (including without limitation any representation or warranty as to accuracy, usefulness, adequacy, timeliness or completeness) in respect of any information (including without limitation any statement, figures, opinion, view or estimate) provided herein is given by OSPL and it should not be relied upon as such. OSPL does not undertake an obligation to update the information or to correct any inaccuracy that may become apparent at a later time. OSPL shall not be responsible for any loss or damage howsoever arising, directly or indirectly, as a result of any person acting on any information provided herein.

The information provided herein is intended for general circulation/discussion purposes only and may not be published or circulated in whole or in part without our written consent. All trademarks, registered trademarks, product names and company names or logos mentioned herein are the property of their respective owners, and you agree that you will not do anything to infringe or prejudice those rights. Reference to any products, services, processes or other information, does not constitute or imply endorsement, sponsorship or recommendation thereof by OSPL.