UOBKayHian

Country Daily | Singapore

Thursday, 26 November 2026



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	50183.0	0.3	(0.0)	(3.9)	4.4
S&P 500	7182.8	(0.3)	(1.9)	(5.8)	4.9
FTSE 100	10426.9	(0.4)	(1.2)	(2.5)	5.0
AS30	8815.7	0.2	(0.2)	(1.2)	(2.3)
CSI 300	3898.2	(1.7)	(2.1)	(5.0)	(15.8)
FSSTI	4930.8	(0.6)	(2.5)	(9.0)	6.1
HSCEI	7384.9	(0.9)	(5.8)	(5.3)	(17.2)
HSI	21966.0	(1.1)	(5.7)	(4.9)	(14.3)
JCI	5197.6	(0.8)	(1.0)	(3.3)	(39.9)
KLCI	1562.3	0.0	(0.3)	(2.6)	(7.0)
KOSPI	4697.5	(6.2)	(7.3)	(14.1)	11.5
Nikkei 225	57011.6	(2.8)	(3.1)	(8.3)	13.3
SET	1428.5	(1.6)	(3.0)	(9.5)	13.4
TWSE	38195.4	(4.8)	(5.0)	(17.0)	31.9
BDI	3107	1.3	6.6	16.8	65.5
CPO (RM/mt)	3907	(1.9)	(6.5)	(12.1)	(0.7)
Brent Crude (US$/bbl)	95	3.7	3.1	(18.8)	55.7

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Regional 1H2027 Strategy Conference	Malaysia	02 Dec	02 Dec

Corporate and Macro Calendar

Economic Indicator/Event	Date
Industrial Production MoM OCT	26 Nov
Industrial Production YoY OCT	26 Nov
Bank Lending OCT	27 Nov
Export Prices YoY OCT	27 Nov

Top Stories

Sector Update | Technology Page 2 →

- Semiconductor-related stocks (AEM, UMS, Frencken), Venture and Riverstone reported robust earnings in 3Q26. Valuetronics raised its dividend by 75%. Semiconductor- and AI-related stocks may face a continued de-rating and more potential headwinds. We recommend staying selective on stocks that have strong balance sheets and offer attractive yields. Our top picks are Valuetronics (7.5% yield), Riverstone (8% yield) and Venture (5.8% yield).

Market Spotlight

Page 6 →

- US stocks were mixed on Wednesday. Dow Jones rose while S&P 500 and Nasdaq fell as the materials, real estate and industrials sectors gained. There were more advancers than decliners on both NYSE and NASDAQ.
- The FSSTI fell 28.04 points to 4,930.83, on the back of weakness in DBS, SIA and OCBC Bank, with both mid- and small-cap indices falling with a broad market decline on a S$1.87b turnover.

Technical Analysis

Singapore Exchange | SGX SP Page 7 →

- Trading Sell Range: S$19.51-19.52

CSE Global | CSE SP Page 7 →

- Trading Sell Range: S$0.750-0.755

Disclaimer: In Traders' Corner, technical analysis is carried out purely based on charting patterns, price movements and trends, and is thus independent of the fundamental research views of our analysts. As a result, and from time to time, we may make a technical recommendation that is opposite to our fundamental BUY/HOLD/SELL rating.

Technology

Strong Results In 3Q26; Stay Focused On Yield And Balance Sheet

Highlights

- Semiconductor-related stocks (AEM, UMS, Frencken), Venture and Riverstone reported robust earnings in 3Q26. Valuetronics raised its dividend by 75%, surprising on the upside.
- We recommend staying selective on stocks that have strong balance sheets and offer attractive yields. Semiconductor- and AI-related stocks may face a continued de-rating and more headwinds as AI spending slows down.
- Our top picks are Valuetronics (7.5% yield), Riverstone (8% yield) and Venture (5.8% yield) given their attractive yield, valuation and growth prospects. Maintain MARKET WEIGHT.

Analysis

- **Majority of companies reported earnings that exceeded or are in line with our forecasts.** All the tech companies under our coverage have released their results in Nov 26. We categorise the stocks into two groups: a) semiconductor-related names (AEM, UMS, Frencken), and b) other tech stocks (Valuetronics, Riverstone, Venture Corp, CSE, Nanofilm and Aztech). Stocks that exceeded our earnings estimates include AEM, Venture, Riverstone and CSE. On the other hand, UMS, Frencken, Nanofilm and Aztech reported earnings that were in line with our estimates.
- **Semiconductor-related stocks continue to maintain their positive outlook but we are caution of potential slowdown in AI spending.** All three semiconductor-related stocks delivered strong earnings growth in 3Q26, due to robust customer demand - AEM (+111% qoq), UMS (+102% yoy) and Frencken (+31% yoy). The outlook for all three stocks remains positive due to strong demand in the semiconductor equipment space. However, we notice that all three stocks have been sold down despite the strong results, mainly due to market concerns about the slowdown in AI spending, which may result in lower future demand for semiconductor equipment.
- **Top picks: Venture, Valuetronics and Riverstone, supported by robust results and positive outlook.** All three of our top picks reported robust results in 3Q26: Venture (+22% yoy), Valuetronics (1HFY27: -4% yoy/+36% hoh) and Riverstone (+35% yoy). Valuetronics stood out with a positive dividend surprise, raising its interim dividend by 75% yoy to 14 HK cents/share, while affirming its commitment to the HK$300m capital return programme. On the other hand, Venture sees robust demand underpinning its test & measurement instrumentation, networking & communications, and semiconductor-related equipment businesses, with life science adding another recovery driver. For Riverstone, we expect its cleanroom segment to benefit from the targeted expansion of cleanroom consumable products and new glove production capacity expansion of around 10%, which should commence full production in 1Q27.

Analyst(s)

John Cheong
johncheong@uobkh.com
+65 6590 6623

Tang Kai Jie
kaijietang@uobkh.com
+65 6590 6624

Shaina Mahtani
shainamahtani@uobkh.com
+65 6590 6633

MARKET WEIGHT
Maintained

Stocks Under Coverage

Company	Rec	Share Price (S$)	Target Price (S$)	Reported 3Q26 earnings summary
Top Picks				
Valuetronics	BUY	0.855	1.40	In Line. HK$90m for 1HFY27(-4% yoy/+36% hoh for core earnings)
Riverstone	BUY	0.77	1.08	Beat. RM70m (+35% yoy/+7% qoq)
Venture Corp	BUY	13.82	18.30	Beat. S$68m (+22% yoy/+8% qoq)
Semiconductor stocks				
AEM	BUY	5.79	9.08	Beat. S$35m (+3,910 yoy/+111% qoq)
UMS	BUY	1.59	2.40	In Line. S$21m (+102% yoy/+20% qoq)
Frencken	BUY	1.55	2.15	In Line. S$13m (+25% yoy/+9% qoq)
Others				
CSE	BUY	0.74	1.30	Beat. S$323m revenue (+8% yoy/-5% qoq)
Nanofilm	BUY	0.635	1.09	In line. S$74m revenue (+2% yoy/+25% qoq)
Aztech	HOLD	0.32	0.44	In line. 7m (-40% yoy/+20% qoq)

Source: Bloomberg, UOB Kay Hian

Peer Comparison

Company	Ticker	Rec	Price 25 Nov 26 (S$)	Target Price (S$)	Upside To TP (%)	Last Year End	PE 2025 (x)	PE 2026F (x)	PE 2027F (x)	Yield 2026F (%)	ROE 2026F (%)	Market Cap. (S$m)	Price/ NAV ps (x)
AEM	AEM SP	BUY	5.79	9.08	56.8	12/25	107.2	16.7	15.9	1.5	20.7	1,847.3	3.4
Aztech Gbl	AZTECH SP	HOLD	0.32	0.44	37.5	12/25	6.2	12.4	8.4	6.3	7.5	247.0	1.1
CSE Global	CSE SP	BUY	0.74	1.30	75.7	12/25	14.1	12.9	11.8	3.9	14.3	541.0	1.8
Frencken	FRKN SP	BUY	1.55	2.15	38.7	12/25	16.9	15.2	15.1	1.8	8.3	734.0	1.4
Nanofilm	NANO SP	BUY	0.635	1.09	71.7	12/25	35.3	20.5	14.0	1.0	4.5	411.7	0.9
Riverstone	RSTON SP	BUY	0.77	1.08	40.3	12/25	18.0	15.1	14.0	8.0	16.4	1,141.3	2.5
UMS	UMSH SP	BUY	1.59	2.40	50.9	12/25	27.2	19.4	16.1	3.1	15.0	1,496.4	3.2
Valuetronics	VALUE SP	BUY	0.855	1.40	63.7	3/26	18.0	13.3	12.2	7.5	10.9	348.8	1.5
Venture Corp	VMS SP	BUY	13.82	18.30	32.4	12/25	17.5	16.1	15.2	5.8	8.8	3,964.3	1.4

Source: Bloomberg, UOB Kay Hian

Action

- **Maintain MARKET WEIGHT.** We recommend investors remain selective, favouring stocks with strong balance sheets, attractive dividend yields and resilient earnings growth. Following the recent sector de-rating, semiconductor stocks are seeing more potential headwinds in the slowdown of AI spending. Our top picks remain Valuetronics (7.5% yield), Riverstone (8% yield) and Venture Corp (5.8% yield), supported by attractive valuations, dividend yields and positive growth prospects.

Valuetronics (VALUE SP/BUY/Target: S$1.40)

- **Maintain BUY with a 25% lower target price of S$1.40,** pegged to 16x FY28F ex-cash PE (+1SD above mean), with 50% discount ascribed to cash. This is lowered from 19x PE (+2SD above mean) previously to account for the general sector de-rating in the tech sector. Higher dividends, progress on capital return, and sustained ICE growth support our positive view.

Riverstone (RSTON SP/BUY/Target: S$1.08)

- **Maintain BUY with an 11% lower PE-based target price of S$1.08,** pegged to 19x 2027F PE based on historical mean. This is reduced from 24x (+0.5SD) previously to reflect the general small-mid cap sector de-rating. We believe there is room for Riverstone's multiple to re-rate, given its cleanroom moat, net cash balance sheet and consistent dividend track record of above 100% payout ratio.

Venture Corp (VMS SP/BUY/Target: S$18.30)

- **Maintain BUY with a lower target price of S$18.30** (S$21.10 previously), implying an upside of 28.1%. Our target price is pegged to a lower 20.2x 2027F PE, or 1.5SD above the historical mean, compared to 23.7x 2027F PE previously (+3.0SD above historical mean), as the sector has de-rated.

AEM Holdings (AEM SP/BUY/Target: S$9.08)

- **Maintain BUY with a 30% lower target price of S$9.08.** Our target price is based on 25x 2027F PE, pegged to 0.5SD above AEM's long-term forward mean. This is down from 35x (+1SD) previously, to reflect the general sector semiconductor industry de-rating.

UMS Holdings (UMSH SP/BUY/Target: S$2.40)

- **Maintain BUY with a 27% lower target price of S$2.40.** This is based on 24.3x 2027F PE (+1SD above mean) on the enlarged share base from the Malaysia placement exercise, vs the previous 32x (+1SD above mean) to account for the recent semiconductor sector de-rating. We remain positive on the semiconductor sector's outlook, rising contributions from the new customer, and capacity expansion.

Frencken Group (FRKN SP/BUY/Target: S$2.15)

- **Maintain BUY with a 35% lower target price of S$2.15** (previously S$3.30), implying 26.5% upside. Our target price is pegged to 21x 2027F PE (+1SD above historical mean), down from 29x (+3SD), reflecting the overall sector de-rating. The premium to historical mean remains supported by the semiconductor upcycle, Frencken's local-for-local manufacturing capabilities, and diversified geographical presence.

NanoFilm Technologies (NANO SP/BUY/Target: S$1.09)

- **Maintain BUY with a 27% lower target price of S$1.09.** We reduce our valuation peg to 24x 2027 EPS based on 0.5SD below PE mean, down from 37x, or 0.5SD above the long-term forward PE mean previously. This is to reflect the general sector de-rating in the small-mid cap space. Margin improvement, the completed flagship ramp-up, and new substrate development support the recovery outlook. Stronger programme execution and additional equipment orders could provide upside to earnings.

Aztech Group (AZTECH SP/HOLD/Target: S$0.44)

- **Maintain HOLD with a lower target price of S$0.44** (previously S$0.73), pegged to 13.6x 2027F PE (+1.5SD above the historical mean), compared

with 19x previously (+3SD above the historical mean). The lower multiple reflects the broader industry de-rating, alongside Aztech's weaker order visibility and uncertain operating environment.

Sector Catalyst/Risk

- Increasing capex spending by upstream global tech manufacturers.
- Better-than-expected 4Q26 sales and earnings.
- Improved guidance for 2027.

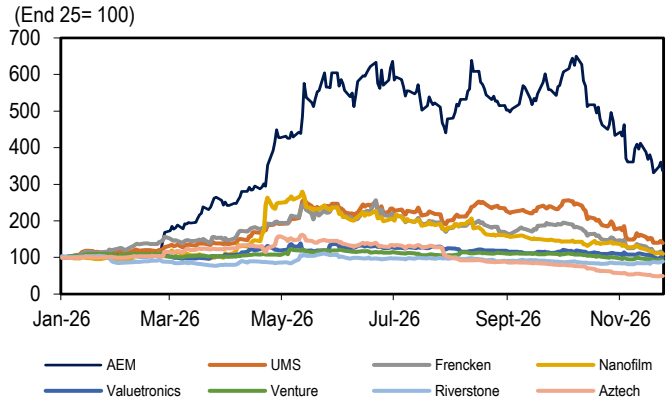
Assumption Changes

- No changes to our forecasts.

Sector Risks

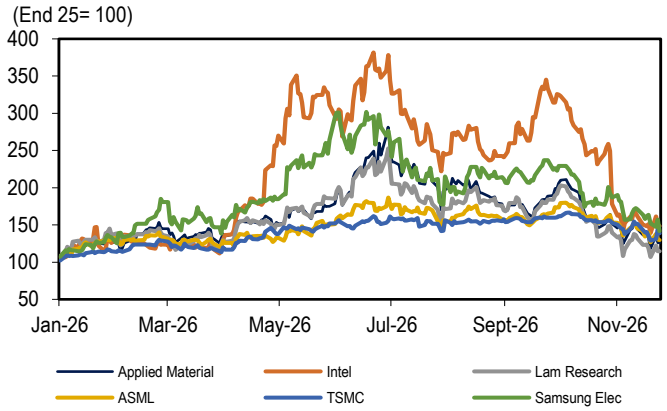
- Reduced demand for electronic goods as a result of global recession.
- Escalation of geopolitical tensions and trade conflict between the US and China.

Relative Share Price Comparison Of Singapore Tech Stocks



Source: Bloomberg, UOB Kay Hian

Relative Share Price Comparison Of Global Semiconductor Stocks



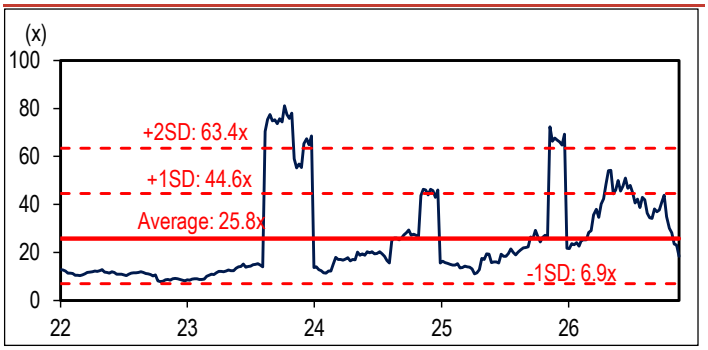
Source: Bloomberg, UOB Kay Hian

Peer Comparison Table

		Trading	Price @	Market	PE		P/B		EV/EBITDA		ROE	Yield
Company	Ticker	Curr	25 Nov 26	Cap	2026	2027	2026	2027	2026	2027	2026	2026
		(lcy)	(lcy)	(US$m)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)
Kulicke & Soffa	KLIC US	USD	57.59	3,046	16.5	8.1	3.1	n.a.	10.8	5.2	20.2	1.4
ASML	ASML NA	EUR	1181.6	501,570	28.4	20.7	18.3	12.4	22.9	16.5	70.0	0.8
Applied Materials	AMAT US	USD	323.76	256,935	25.5	16.7	9.8	7.9	21.8	14.0	43.4	0.6
Lam Research	LRCX US	USD	196.16	245,037	33.9	20.3	19.7	13.7	27.9	16.3	65.1	0.5
Kla Corp	KLAC US	USD	133.65	174,414	36.3	23.0	27.5	18.9	28.7	18.8	87.5	4.4
Teradyne	TER US	USD	213.22	33,289	22.6	17.4	8.9	6.9	17.6	13.4	42.9	0.2
Global average					**27.2**	**17.7**	**14.6**	**12.0**	**21.6**	**14.0**	**54.8**	**1.3**
UWC	UWC MK	MYR	5.73	1,535	67.3	36.5	11.0	8.5	40.9	25.8	17.9	0.0
Sam Engineering	SEQB MK	MYR	3.53	580	29.4	20.8	1.7	1.6	13.1	10.6	5.6	0.7
Coraza Integrate	CORAZA MK	MYR	1.06	128	26.5	18.6	3.1	2.7	11.1	8.6	12.6	n.a.
Greatech	GREATEC MK	MYR	2.07	1,264	35.7	22.0	4.6	3.8	25.3	15.9	13.1	0.1
Inari Amertron	INRI MK	MYR	2.11	1,987	63.0	30.6	2.9	2.8	35.7	17.0	4.6	2.2
Northeast	NE MK	MYR	0.89	160	17.0	15.9	n.a.	n.a.	n.a.	7.6	n.a.	n.a.
Oppstar	OPPSTAR MK	MYR	0.38	60	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Pentamaster	PENT MK	MYR	4.65	803	47.0	29.8	3.9	3.5	21.5	15.9	8.1	0.4
Vitrox	VITRO MK	MYR	9.2	4,232	49.5	39.1	12.6	10.4	42.0	34.2	26.9	0.5
Malaysia average					**41.9**	**26.7**	**5.7**	**4.7**	**27.1**	**17.0**	**12.7**	**0.6**

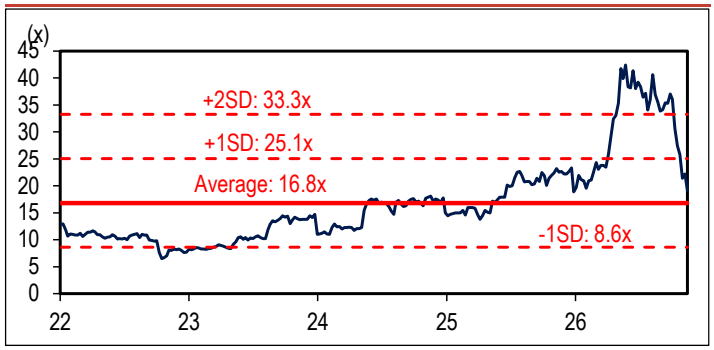
Source: Bloomberg, UOB Kay Hian

AEM 12-Month Forward PE Band



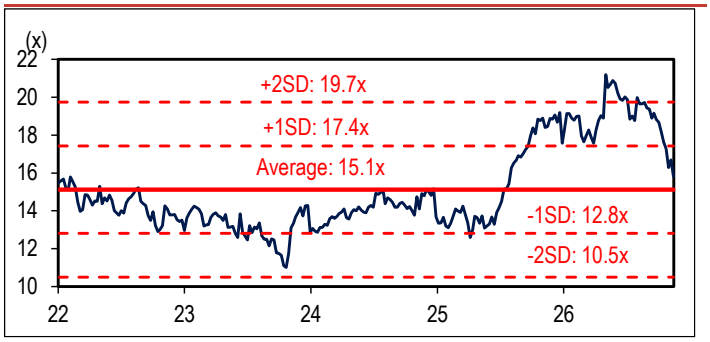
Source: Bloomberg, UOB Kay Hian

UMS Holdings 12-Month Forward PE Band



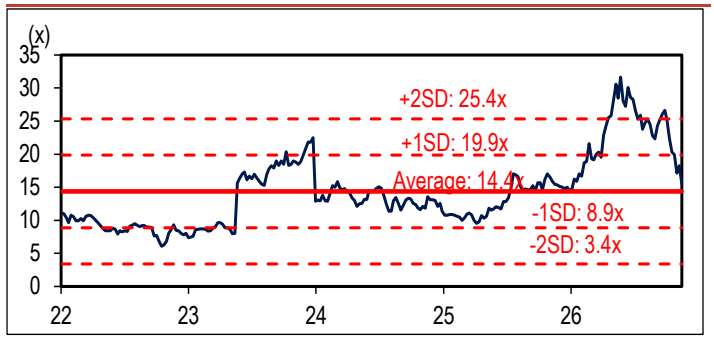
Source: Bloomberg, UOB Kay Hian

Venture Corp 12-Month Forward PE Band



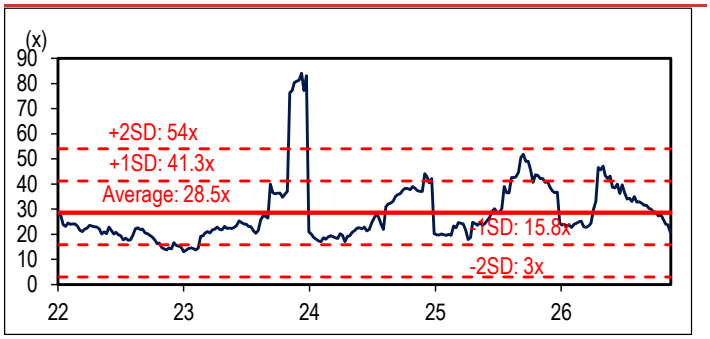
Source: Bloomberg, UOB Kay Hian

Frencken Group 12-Month Forward PE Band



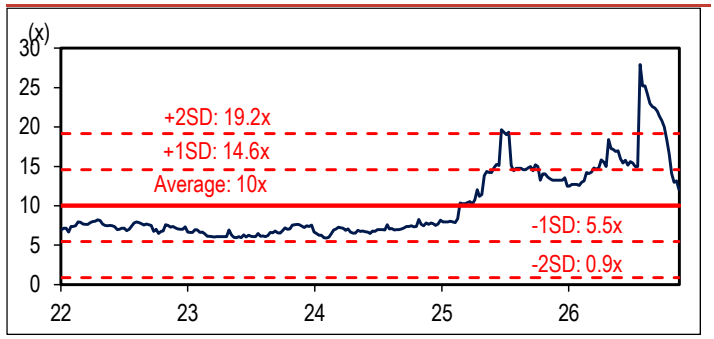
Source: Bloomberg, UOB Kay Hian

NanoFilm Technologies 12-Month Forward PE Band



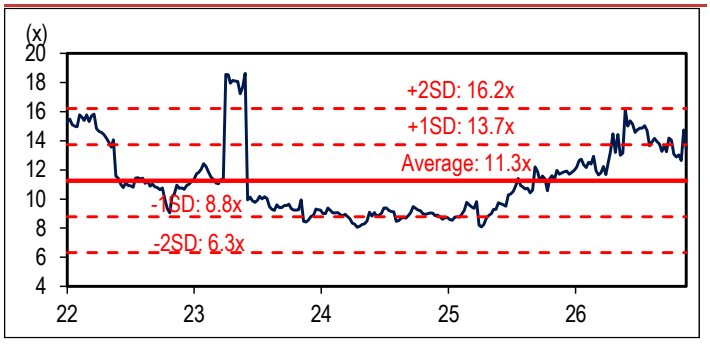
Source: Bloomberg, UOB Kay Hian

Aztech Global 12-Month Forward PE Band



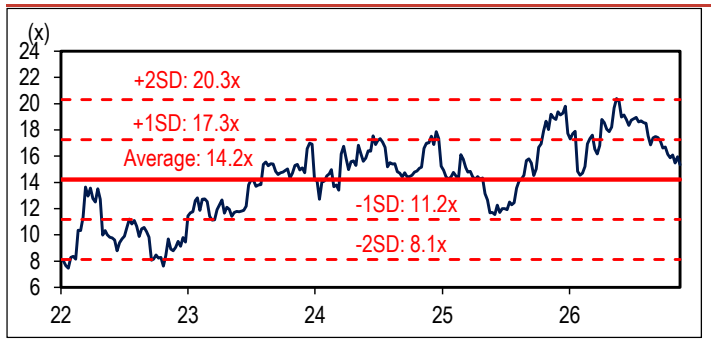
Source: Bloomberg, UOB Kay Hian

Valuetronics Historical PE Band



Source: Bloomberg, UOB Kay Hian

Riverstone Historical PE Band



Source: Bloomberg, UOB Kay Hian

Market News

US stocks were mixed on Wednesday, as the materials, real estate and industrials sectors led shares higher. At the close of the NYSE, the Dow Jones rose 0.33 % while the S&P 500 Index was down 0.25% and the NASDAQ Composite Index slid 0.62%. Advancing stocks outnumbered falling ones on the NYSE by 1,948 to 774 and 64 ended unchanged; on the Nasdaq Stock Exchange, 2,843 advanced and 2,107 declined, while 169 ended unchanged.

During the last trading session, the FSSTI Index fell 28.04pt to 4,930.83. Among the top active stocks were OCBC Bank (-0.9%), DBS (-1.2%), Riverstone (+1.3%), SIA (-0.4%) and Singtel (+1.9%). The FTSE ST Mid Cap Index fell 0.3%, while the FTSE ST Small Cap Index slid 0.8%. The broader market had 25 gainers and 342 losers with a total trading value of S$1.87b.

Technical Analysis

Analyst(s)

Wong Shueh Ting CFTe
shuehting@uobkh.com
+65 6590 6616



Singapore Exchange (SGX SP)

Trading Sell Range:	S$19.51-19.52
Last Price:	S$19.49
Target Price:	S$17.16
Protective Stop:	S$20.16

The price was capped by its support-turned-resistance ceiling, coinciding with its broken flag lower boundary. The RSI remains firmly in bearish territory and continues to fall. If the price remains capped below the resistance zone, we see continued downward progression until the next major support zone is tested.

The potential downside target is S$17.16. Stop-loss could be placed at S$20.16.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental HOLD and target price of S$23.40.



CSE Global (CSE SP)

Trading Sell Range:	S$0.750-0.755
Last Price:	S$0.740
Target Price:	S$0.605
Protective Stop:	S$0.820

The price was capped by its unfilled gap resistance zone, encountering firm rejection upon upward testing. The RSI remains firmly in bearish territory and continues to fall. If the price remains capped below the gap resistance zone, we see continued downward progression toward the next support zone.

The potential downside target is S$0.605. Stop-loss could be placed at S$0.82.

Approximate timeframe on average: 1-2 weeks (initiate this trade idea if the stock hits the entry price range within three trading days)

Our institutional research has a fundamental BUY and target price of S$1.79.

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at this link or by scanning the QR code below:

The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full.