



The winning team from the Singapore Management University, (from left) Louis Quek, Nevin Tan, Yim Yi Xiang and Jonathan Khoh, had a target price of S\$4.52 for Singtel.



Runners-up Nanyang Technological University was represented by (from left) Kimberley Tan, Lim Jiing Wei, Lim Yu Xin and Chia Ying Wen. The team had a "sell" call on supermarket chain Sheng Siong.



The team from third-placed National University of Singapore, (from left) Dennis Woo Kai Mun, Chia Yikai, Chng Guo Wei and Kelvin Tan Wei Ming, had a "buy" call on beauty and health products direct seller Best World.

SMU wins stock-pitch competition with Singtel 'buy' call

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A SINGAPORE Management University (SMU) team of four accountancy, business management and economics undergraduates has won the fourth edition of a local stock pitch competition among tertiary students.

Nevin Tan Jian Ming, Yim Yi Xiang, Louis Quek Yi Fu and Jonathan Khoh had made a pitch to "buy" telco giant Singtel with a target price of S\$4.52.

"We wanted a challenge because we knew the valuation for Singtel is a tough one, as we

had to value every single subsidiary," Mr Tan said.

The team argued that Singtel is a first mover in the next-generation 5G mobile network and can receive a boost in data consumption once it is implemented. Its associate companies are also poised for growth, while its diversified free cash flow sources would mean sustainable dividends, the team said.

Teams from Nanyang Technological University (NTU) and the National University of Singapore (NUS) also shared the spoils by coming in second and third respectively.

NTU accountancy and business undergraduates Lim Yu Xin, Kimberley Tan Zhi Ying, Lim Jiing Wei and Chia Ying Wen had a

contrarian "sell" call on homegrown supermarket chain Sheng Siong. They gave a target price of S\$0.79.

The team said the chain might be hit by smaller players and bigger ones who are aggressively bidding up new store prices. Sheng Siong's China expansion is unlikely to move the needle given consumer preferences for smaller mom-and-pop stores, they said. And disruptors like AmazonFresh and Alibaba can pull younger customers away.

Meanwhile, NUS business undergraduates Dennis Woo Kai Mun, Chia Yikai, Chng Guo Wei and Kelvin Tan Wei Ming had a "buy" call on beauty and health products direct seller Best World International.

The firm is capitalising on opportunities in China amid an improving regulatory environment and a preference by Chinese consumers for word-of-mouth marketing, they said. They gave a target price of S\$2.39.

A record 85 teams took part in the NUS-SGX Stock Pitch Competition 2017 organised by the NUS Investment Society and Singapore Exchange (SGX). Teams from the Singapore Institute of Management and the Singapore University of Technology and Design also took part.

Participants had five days to submit a research report on a single stock. Eight finalists were then selected and given 48 hours to prepare a final presentation.

Judging criteria included quality of the analysis, presentation delivery and responses during the question-and-answer session. Judges included senior investment professionals from the sell side and buy side.

Cash prizes of S\$1,500, S\$700 and S\$300 for the three winners were sponsored by SGX.

NTU's Ms Lim Yu Xin said the experience taught the team that investing is not an easy process, especially at the beginning.

"However, if one hustles on, it will eventually prove to be an intellectually stimulating and extremely financially rewarding journey," she said. "We would like to encourage everyone to start investing and try their hand at analysing a firm."