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One of our speakers being surrounded by his fans at Investment Roadmap 2008

3. Bull Run® 2007 Sponsorship

OCBC Securities was the title sponsor of "Friends of Beneficiaries" in The Bull Run® 2007, organised by Singapore Exchange Limited (SGX). Held on October 12, 2007 at The Padang, this iconic event saw a record turnout of 2,650 participants. It was a great opportunity for staff to bond and keep fit, all while doing our part for fourteen charities.

4. iOCBC Mobile Trading Showcase

Visitors to OCBC Securities during October 15 to 19, 2007 would have noticed our dealers demonstrating the use of the iOCBC Mobile Trading Platform with partners from StarHub Mobile. Customers were able to learn about the capability of mobile trading as well as enjoy special StarHub promotions. The response to the event was well received with over twenty clients taking advantage of the exclusive promotions. The showcase also allowed others to check out the features available on their mobile phones and to receive personal instructions on usage and configuration from our friendly staff.

5. A Forecast of Opportunities

Customers got a good head start to the year during our seminar - *Investment Roadmap 2008: A Forecast of Opportunities*, held on December 15, 2007. Organised by OCBC Securities, this seminar showcased speakers who shared their thought-provoking views on the market in 2008.

Albert Cheng, Director of World Gold Council (Far East), gave his perspective on the Gold Market. For thousands of years, this precious metal had been widely used as both a form of currency and an investment and is now back in the spotlight after its spot price peaked at the end of 2007, reaching levels unseen since January 1980.

Helen Ong from Senses - The Art of Living via Chinese Metaphysics, provided a fresh market outlook for 2008 by showing the attendees how the monthly elements will influence the financial market.

Carmen Lee, Head of OCBC Investment Research, rounded off the seminar with her outlook on how to forge ahead with Asia's consumer revolution while riding on Singapore's strong growth economy.

With these valuable insights, our customers can certainly look forward to an exciting and prosperous year ahead.



REMINISCE PAST ACTIVITIES

1. Preferred Treats

Three events were held in the second half of 2007 exclusively for our *Preferred* customers, beginning with a fireworks viewing on the new floating gallery at Marina Bay in conjunction with the National Day Celebrations.

Preferred customers also attended a private preview of "The Home Song Stories" at GV Gold Class at Vivocity. This movie went on to win a number of accolades at the Golden Horse Awards including Best Original Screenplay and Best Actress, as well as eight other awards by the Australian Film Institute.

Finally, our *Preferred* customers were invited to "play minister" at the "Infra-Structuring Growth" Seminar. Held at the former Parliament House, management representatives from five organisations - Asia Water Technology Limited, Boustead Singapore Limited, Midas Holdings Limited, RH Energy Limited and Asia Carbon Group shared insights and plans for their companies, and engaged our customers in active discussion.



Preferred customers enjoying refreshments before the private screening of "The Home Song Stories" at GV Gold Class at Vivocity

2. Invest Fair 2007

OCBC Securities participated in the inaugural Invest Fair held on August 25 and 26, 2007 at the Suntec Singapore International Convention and Exhibition Centre. The event was organised by Share Investor and supported by Singapore Exchange and Bursa Malaysia.

In addition to offering complimentary subscriptions to Smart Investor magazine, our in-house product experts also conducted seminars on how to better manage one's investments. With a huge turnout of 18,000 visitors, this event proved to be the ideal platform for OCBC Securities to share information about our products and services and to engage local investors.



Our booth in Invest Fair 2007

STAY TUNED

1. **The Asia Trader & Investor Convention 2008** **March 1 - 2, 2008**
Suntec Singapore International Convention and Exhibition Centre, Hall 401
2. **IT Show 2008** **March 6 - 9, 2008**
Suntec Singapore International Convention and Exhibition Centre, Levels 3, 4 and 6

HEAR WHAT THE RESEARCH TEAM SAYS

By Carmen Lee, Head of OCBC Investment Research

2007 was a fairly eventful time for the local equity market as the STI hit several record highs. This unprecedented strong performance was prevalent throughout the year and came from broad-based gains for most sectors. However, the benchmark STI corrected in March, August and November. The first incident in March happened because of jitters over how the Chinese government, which is running the fastest-growing major economy in the world, would tighten controls on investments. However, this was eclipsed by the subprime crisis in the US, which led to the next two major corrections in the market in August and November.

The subprime situation has wide-reaching repercussions as investors fret over further write-downs in the banking system as more banks wrote down their investments. Further aggravating this situation is the potential drag on the US economy. The housing slump has already led to lower prices of new homes as well as concerns that there will be more foreclosures in the months ahead. As the US remains a key market, the potential impact from a slowdown in the US economy will ultimately impact Asia.

Recently, the US consumer confidence index also fell to the lowest level in 5 months when the index hit 87.3 in November, the first time it dipped below the 90 mark in 2007 and the third consecutive month that it stayed below the 100 mark (versus 108.5 in May 2007), and it was no better in December at 88.6. Besides the subprime crisis, weaker economic outlook and still-high oil prices, there are also fears of rising inflationary pressure in the region.

However, there are mitigating factors in Asia that will help the region to weather any near-term storms and continue to see good longer term growth. These include strong economic growth projections for the region, especially double-digit growth for China, robust consumer demand, possibility of more merger and acquisition deals, good liquidity in the market and still healthy consumer and business confidence in the region. The Singapore economy is

likely to enjoy long-term growth of 4-6% and investments flow into the country remains good despite competition from the region. The Republic attracted a record S\$16.1 billion of investments in 2007 versus S\$8.8 billion in 2006 and the EDB is expecting another bumper year in 2008. Singapore is also gearing up for its bid to host the Youth Olympic Games (YOG) in 2010. Increasingly, the oil exporting countries in the Middle East are emerging as a key group of investors, especially since the surge in oil prices has swelled their cash coffers.

In 2007, we opted for oil & gas and China consumer companies as our top picks in the Singapore market and this bore fruit as most energy and China-linked stocks enjoyed strong gains in 2007. Moving into 2008, where the US subprime worries are likely to remain, the outlook is less optimistic than six months ago. For the near term, we expect volatility in the market to remain as investors are worried about the potential repercussions from the slowdown in the US economy. We continue to rate the oil & gas sector as an overweight due to strong order book and earnings visibility. We also like the banking sector as banks have done well in 2007 with record earnings. We believe that the prospects for banks will start to look brighter in 2H08 once the subprime crisis blows over and banks re-focus and grow their income streams. Overall, we like oil & gas, banking, selective industrial and consumer stocks. Our 2008 stock picks are Cacola, China Sports, DBS, Ezra, KepCorp, Man Wah, Midas, Pacific Andes, Rotary Engineering, ST Engineering, Tat Hong and UOB.

QUICK FACTS

1. Stocks picked by OCBC Investment Research in end 2006 recorded an average of 31% gains in December 2007.
2. At OCBC Securities, customers can obtain financing for more than 1,400 securities listed in Singapore, Malaysia and Hong Kong.

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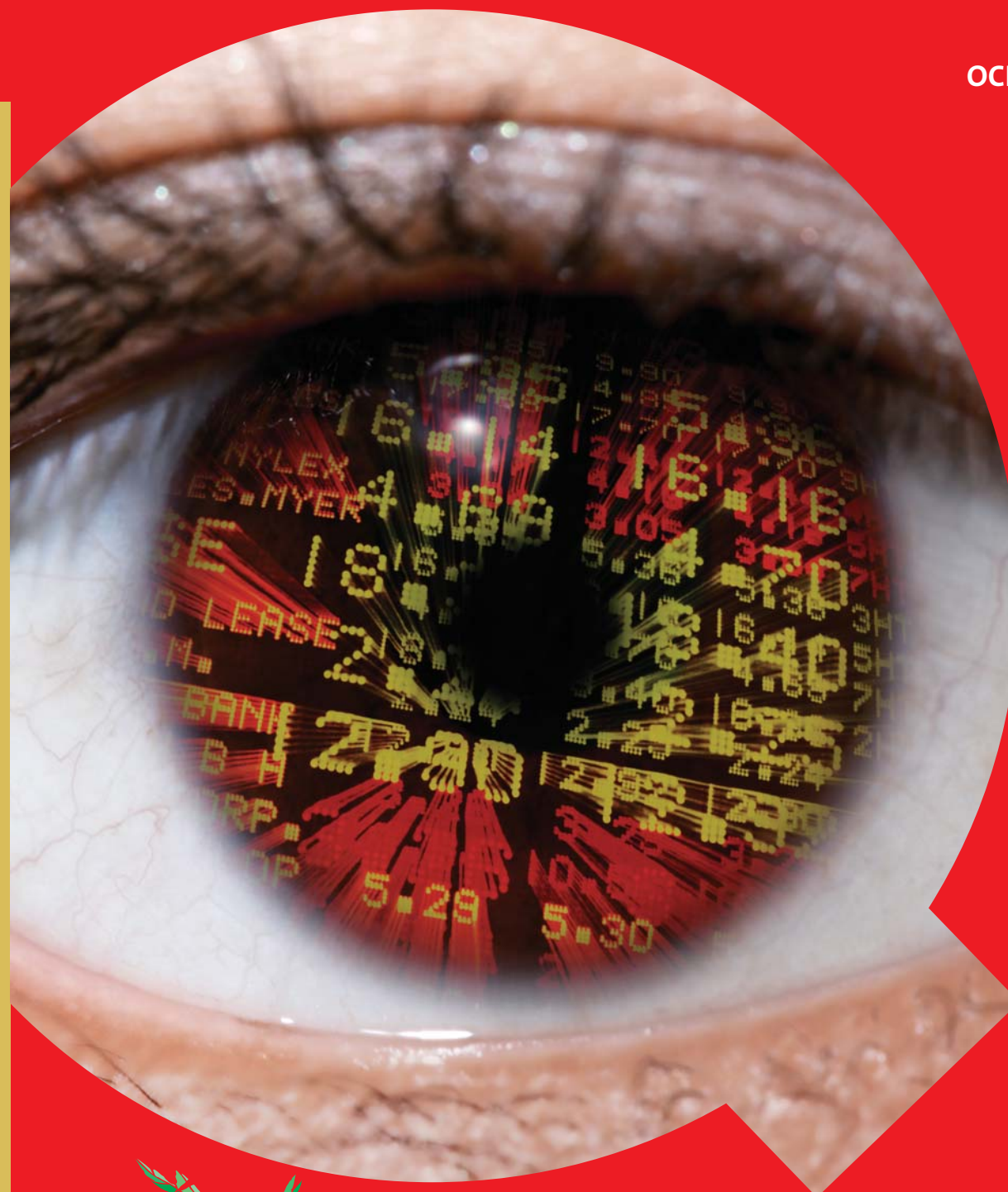


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Our foresight has given OCBC Securities' customers access to superior trading power with customised features for trading in local and overseas stock markets. Having grown our expertise in the last two years, we are poised to provide better value for our customers by building more capabilities into the system.



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