

SIAS, NRA join forces in research scheme

By **JOYCE HOOI**

HALF a year after the Singapore Exchange (SGX) revamped its companies research scheme and shrank the number of participating research firms, independent research houses SIAS Research and NRA Capital Pte Ltd are back in the game with their own research scheme.

The two houses – which were among the research firms affected by the scrapping of SGX's Research Incentive Scheme (RIS) last year – had a soft launch of the SIAS-NRA Corporate Initiated Research (SNCIR) Scheme (pronounced "sincere") last November.

To date, the scheme has 14 firms onboard, including SGX heavyweight Noble Group.

David Gerald, president of the Securities Investors Association (Singapore) or SIAS, which administers the scheme, expects to sign up 80-100 companies within the year.

Mr Gerald does not believe that the SNCIR scheme will be competing directly with SGX's new scheme – the SGX Equity Research Insights (SERI) scheme – which has engaged Standard & Poor's (S&P) as one of the two research firms.

"The S&P reports do not have an investment recommendation, and this allows readers like financial professionals to form their own conclusions," said Mr Gerald.

"SNCIR's reports will follow the traditional analyst format for retail investors. They will estimate a value for the company and make an investment call."

The research reports are available for free to the public. Investors who want free access to all research reports will need to register at www.sncir.com

Under the old scheme, SIAS Research and NRA Capital covered 82 companies between them. Kevin Scully, executive chairman

of NRA Capital, is expecting more firms that had separately signed with his firm after the old scheme was terminated to sign up with SNCIR.

"Small-cap companies will be able to find value in this scheme. It gives them the chance to tell their story at affordable prices. We are filling a niche in the market," said Mr Scully.

Companies which sign up for the scheme and for coverage from both SIAS Research and NRA Capital will pay \$16,000 a year in total, while companies that sign up for one firm's coverage will pay \$10,000 a year.

This fee includes one year's worth of analyst coverage in the form of four research reports.

In the pipeline also are plans to hold seminars on a quarterly basis that showcase participating companies.

Interested parties can contact the administrator of the scheme at sncir@sias.org.sg