Singapore REITs Monthly: Oct23

3Q23 results within expectations

SINGAPORE | REAL ESTATE (REIT) | UPDATE

- S-REITs Index fell 6.9% MoM in October, due to the hawkish stance of FOMC to hold interest rates higher for longer. 3Q23 results were mostly in line with our expectations, as all REITs were negatively impacted by higher interest rates.
- S-REITs are now trading at a forward dividend yield of c.6.9%, 1.3x s.d. above the mean of 6.1% and a P/NAV of 0.8x, 2.6x s.d. below the mean of 1.03x. We think this is an opportune time to reposition into S-REITs for the eventual interest rate pause and decline.
- We remain OVERWEIGHT on S-REITs but are more selective. We prefer REITs with a healthy balance sheet, strong sponsor and improving operating metrics such as the hospitality and retail sub-sector. Catalysts are expected from a pick-up in the economy and asset recycling. Top picks are CapitaLand Ascott Trust (CLAS SP, BUY, TP S$1.04) and Frasers Centrepoint Trust (FCT SP, ACCUMULATE, TP S$2.29).

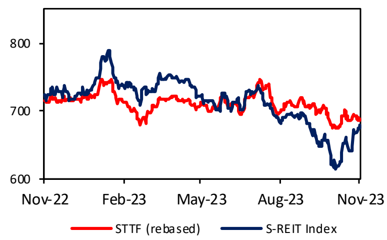
27 November 2023

OVERWEIGHT (Maintained)

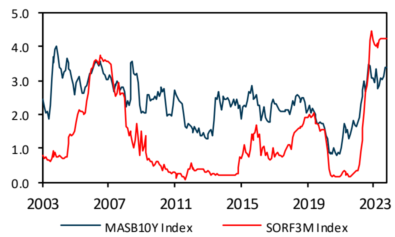
INDEX RETURN (%)

	1MTH	3MTH	YTD	1YR
S-REIT Index	(6.9)	(13.9)	(13.8)	(10.2)
STTF RETURN	(4.5)	(9.2)	(5.5)	(0.4)

S-REIT Index VS. STTF



10-year SGS (%) & 3-month SOR (%)



Source: Bloomberg, PSR

Darren Chan (+65 6212 1849)
Senior Research Analyst
darrenchanrx@phillip.com.sg

SECTOR ROUND-UP

The FOMC held the federal funds rate unchanged at 5.25-5.5% on 1 Nov 23 and stated that it would be appropriate to keep its restrictive stance for some time until inflation is clearly moving down sustainably to its 2% target. This higher for longer stance on interest rates impacted the sentiment of S-REITs as seen from its 6.9% MoM decline.

3Q23 S-REITs results under our coverage were in line with our expectations. Since most REITs release audited financial statements only bi-annually, minimal financial data were provided in the 3Q23 business updates. All S-REITs were affected by higher interest expenses, resulting in a negative impact on distributable income. Excluding the hospitality sub-sector, where improvements in revenue more than offset any rise in interest expenses, the 6-month DPU was down c.3.5% YoY on average for REITs that released financials this past quarter. In some cases, however, past divestment gains were used to top up DPU to offset the impact of higher interest rates. Some examples of this were Mapletree Logistics Trust (MLT SP, non-rated) and Mapletree Industrial Trust (MINT SP, non-rated).

Retail

Sep 23 retail sales index (excluding motor vehicles) grew 0.5% YoY but softened from the 4% growth in Aug 23. It is now at 16.6% above Sep 19 pre-COVID levels. The F&B services index grew 6.9% YoY in Sep 23 with food caterers (+24%) experiencing the largest growth due to increased gatherings. The strong retail sales supported mall owners' ability to raise rents, and this could be seen from Frasers Centrepoint Trust's and CapitaLand Integrated Commercial Trust's (CICT SP, non-rated) positive rental reversions from its retail portfolio of 4.7% and 7.8% respectively, for FY23. Furthermore, FCT's FY23 portfolio valuation for its retail portfolio increased 0.6% YoY with unchanged cap rates, suggesting that suburban retail malls in Singapore continue to exhibit resilience despite rising interest rates.

Hospitality

Singapore's international visitor arrivals grew 38% YoY in Oct 23 to 1.13mn, and it is still at 26% below pre-COVID Oct 19. RevPAR grew 14% YoY in Sep 23 to S$269 on the back of higher room rates. For stocks under our coverage, CLAS reported a 17% growth in 3Q23 RevPAU YoY and it has reached 102% of pre-COVID 3Q19 levels. All markets experienced RevPAU growth YoY, with Singapore, Australia, USA, UK and Japan performing above 3Q19 levels -- indicating a strong recovery post-pandemic.

Office

Singapore average core CBD grade A office rents continued to increase marginally to $11.85 psf pm in 3Q23 from $11.80 psf pm in the previous quarter. Core CBD occupancy also ticked up QoQ to 95.3% in 3Q23.

The US office sector continues to face headwinds, with higher vacancies and further valuation declines expected at year-end. Prime US REIT's (PRIME SP, BUY, TP US$0.37) occupancy is now at 85% with headline rental reversions at -2% for 3Q23. Prime will focus on net effective rents with lower capex requirements in this challenging US office environment.

Industrial

Logistics assets continue to outperform in this sub-sector with the continued growth of e-commerce and supply chain demand. ESR-LOGOS REIT (EREIT SP, non-rated) indicated that demand is coming from pharmaceutical companies with cold storage requirements as well as life sciences. Furthermore, some logistics properties were even bought over by end-users who use it for themselves.

However, China remains weak, especially in Tier-2 cities, as the consolidation among e-commerce providers negatively impacts demand. This is evident from MLT's negative rental reversions of 8.6% in China for the previous quarter.

INVESTMENT RECOMMENDATION

OVERWEIGHT on SREITs (Maintained)

With the share price correction following the recent FOMC meeting, S-REITs are now trading at a forward dividend yield of c.6.9%, 1.3x s.d. above the mean of 6.1% (Figure 4) and a P/NAV of 0.8x, 2.6x s.d. below the mean of 1.03x (Figure 3). We think this is an opportune time for investors to reposition into SREITs for the eventual interest rate pause and decline. However, we think it will remain challenging for S-REITs (apart from the hospitality sub-sector) to grow DPU with higher borrowing costs and forex headwinds expected.

Bloomberg consensus forecasts 2023/24 SG10Y yields at 2.97% and 2.83%, respectively. The dividend yield spread at 3.5% is 0.7x s.d. below the mean of 4% (Figure 2), improving from 3% MoM. We expect the yield spread to continue to widen as the SG10Y yield starts to soften.

Sub-sector preferences: Hospitality and Retail (Unchanged)

We think the hospitality sub-sector will be able to generate the most DPU growth on the back of higher RevPAR and the gradual reopening of China as outbound flight capacity from China increases. Suburban retail offers resilience in a downturn while downtown retail stands to benefit from the recovery of international visitor arrivals, which will in turn lift tenant sales and sentiment.

Retail (OVERWEIGHT). With tenant sales still growing YoY and higher than pre-COVID levels, we believe the potential for positive rental reversions is still intact for both downtown and suburban malls. Downtown malls benefit the most from reopening as international visitor arrivals pick up, while suburban malls which focus on essential services remain resilient in a slowdown. There is also very little new supply hitting the market. Return to office and a pick-up in major events to be held in Singapore in 2024 should continue to lift tenant sales and give confidence to retailers.

Office (NEUTRAL). We think core CBD Grade A office rents at $11.85 psf pm in 3Q23 will come under pressure as the market absorbs more supply coming in 2024 from IOI Central Boulevard Towers (1.2mn sq ft) and Keppel South Central (600k sq ft). More downsizing could occur as companies reassess their office space needs from hybrid work arrangements. We expect further declines in US office property valuations, due to cap rate expansion and weaker operating performance.

Industrial (NEUTRAL). The slowdown in manufacturing will likely affect industrial property demand. However, industrial REITs are benefiting from the secular growth of new economy tenants such as tech, life sciences, biomedical, semi-con and electronics manufacturing, which typically locate themselves in high-spec, science and business parks and warehouses. Logistics demand remains strong with demand coming from many third-party logistics businesses.

Hospitality (OVERWEIGHT). With average daily rates already surpassing pre-COVID 19 levels, we think the future growth in RevPAR will primarily come from higher occupancy. Also, the increase in MICE and entertainment events in Singapore will further boost this sector. We believe the hospitality sub-sector has the most potential for DPU growth as its increase in revenue can more than offset any rise in interest expenses and operating costs.

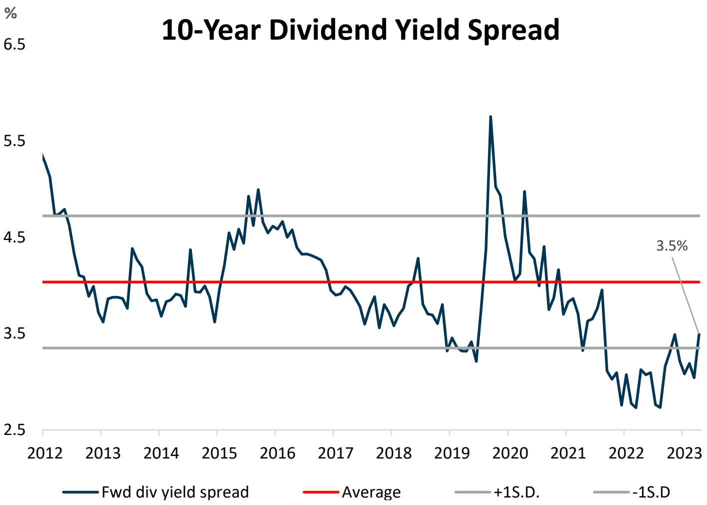
Figure 1: Our stock recommendations

	3M Daily Average Volume (mn)	Share Price S$	P/NAV (x)	PSR Rating	Target Price S$	FY20 DPU cents	FY21 DPU cents	FY22 DPU cents	FY23e DPU cents	FY24e DPU cents	FY23e DPU Yield	Total return
CapitaLand Ascott Trust	8.4	0.94	0.82	BUY	**1.04**	3.03	4.32	5.67	5.88	5.91	6.3%	16.9%
Frasers Centrepoint Trust	2.6	2.20	0.95	ACCUMULATE	**2.29**	12.09	12.23	12.15	12.07	12.35	5.5%	9.6%
Keppel DC REIT	6.0	1.89	1.36	BUY	**2.26**	9.17	9.85	10.21	9.91	10.29	5.2%	24.8%
Lendlease Global Commercial	8.2	0.59	0.75	BUY	**0.86**	4.68	4.85	4.70	4.38	4.63	7.4%	53.2%
Prime US REIT	3.9	0.18	0.24	BUY	**0.37**	6.94	6.78	6.55	4.92	4.94	27.3%	132.9%
Sasseur REIT	0.7	0.70	0.84	BUY	**0.90**	6.55	7.10	6.55	6.45	6.61	9.2%	37.8%
Suntec REIT	4.8	1.15	0.54	BUY	**1.47**	7.40	8.67	8.88	6.83	7.29	5.9%	33.8%

Note: 3M Daily Average Volume is calculated based on the total volume over the last three trading months divided by the number of trading days within the period

Source: Bloomberg (Updated: 24 November 2023), Company Results/Prospectuses, PSR

Figure 2: Dividend Yield Spread at 3.5% and -0.7x s.d.

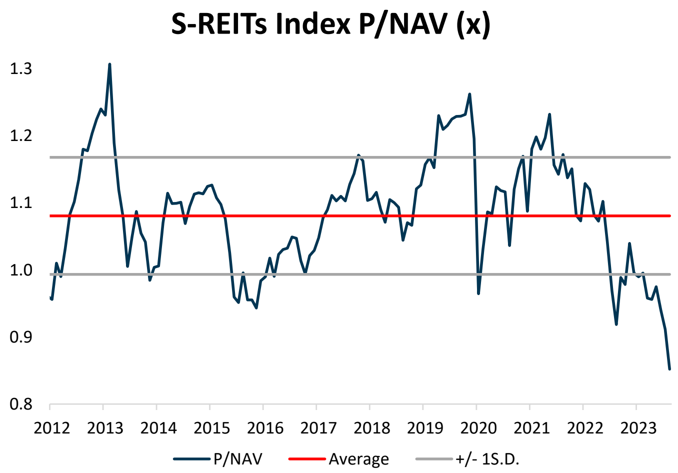


Source: Bloomberg, Phillip Securities Research

Dividend yield spread has risen to 3.5% and is now -0.7x s.d. from the mean due to the recent share price performance.

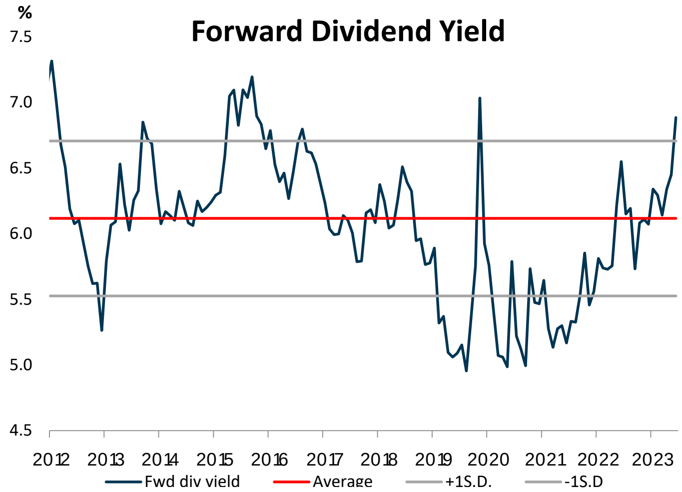
MACROECONOMIC ENVIRONMENT

Figure 3: P/NAV of 0.8x is at -2.6x s.d.



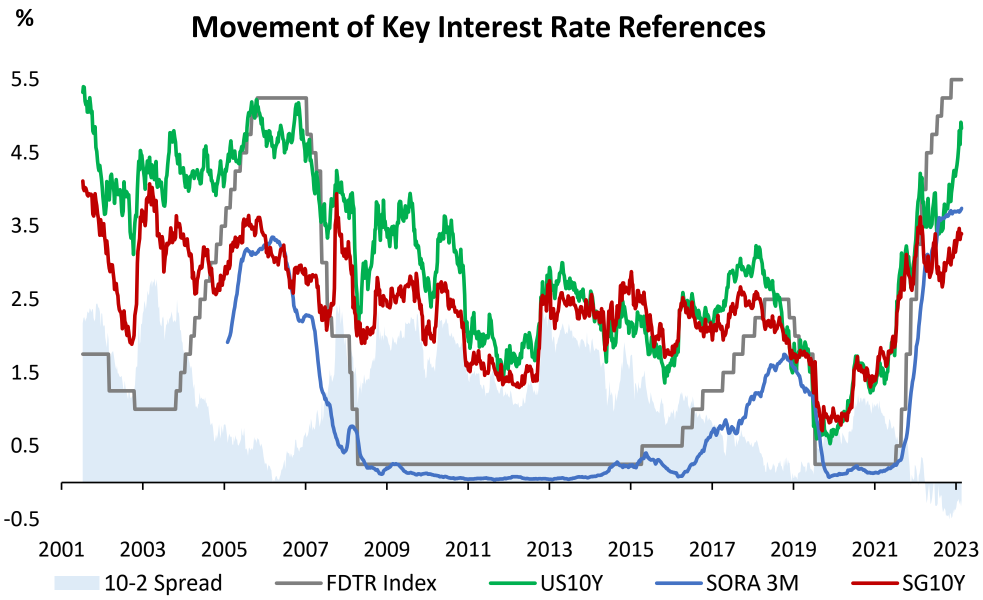
Source: Bloomberg, Phillip Securities, Research

Figure 4: Forward dividend yield of 6.9% is at +1.3x s.d.



Source: Bloomberg, Phillip Securities Research

Figure 5: Fed Funds rates vs Singapore interest rates



Source: Bloomberg, PSR

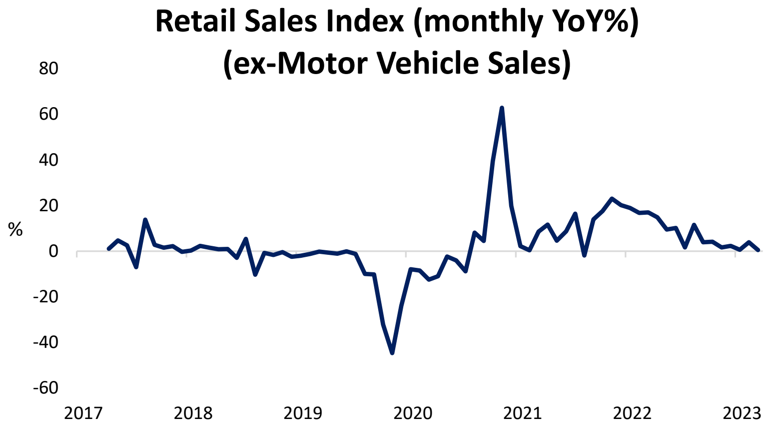
10YSGS yield fell 1bp MoM and was unchanged YoY in Oct23 while 3MSORA was up 3bps and 131bps MoM and YoY respectively.

(in %)	SG10Y	3MSORA
27 Oct 2023	3.39	3.74
3Q23 Average	3.29	3.70
2Q23 Average	2.96	3.65
10Y Ave. (2013-2023)	2.15	0.77

Source: Bloomberg, PSR

SUBSECTOR MONTHLY INDICATORS

Figure 6: Sep 23 RSI up 0.5% YoY



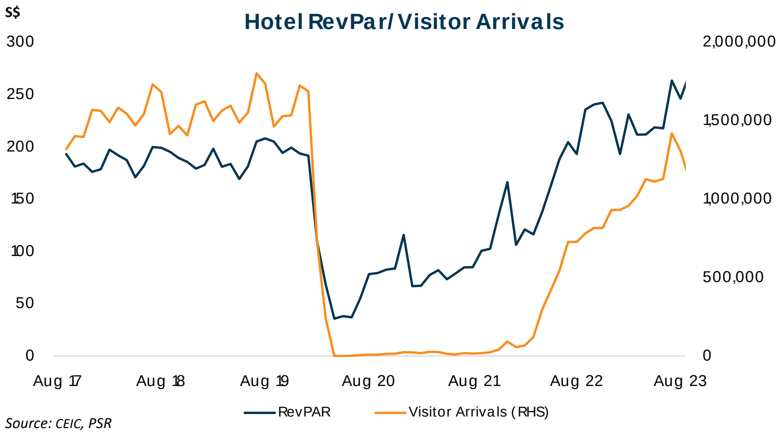
Source: CEIC, PSR

in %	RSI (excl. motor vehicles)	RSI (Dept stores)	RSI (Supermarkets)	RSI (Fashion)	F&B Services Index
Sep-23	0.5	0.8	1.5	8.1	6.9
Sep-22	17.0	34.7	-3.5	53.0	29.6

Sep-23 RSI (ex. MV) grew 0.5% YoY, softening from the 4% growth in Aug-23.

Food & alcohol recorded the largest growth of 22.6% YoY mainly due to increased sales of alcoholic products, while Computer & Telecom Equipment recorded a YoY decline in sales of 12.7%.

Figure 7: Tourist arrivals and hotel RevPAR recovery



Source: CEIC, PSR

	Visitor Arrivals		Hotel RevPAR (S$)	Hotel Occupancy (%)	Hotel Average Room Rate (S$)
Oct-23	1,125,948	Sep-23	269	82.7	325
Oct-22	816,833	Sep-22	236	82.7	285
YoY%	*37.8%*	*YoY%*	*14.1%*	-0.1 ppts	*14.2%*

Sep-23 RevPAR and Oct-23 international visitor arrivals is +31% and -26% of pre-COVID levels respectively.

Figure 8: Historical and consensus forecasts for DPU growth and yields

	Mkt. Cap.	% of REIT	DPU (cents)								DPU Growth								DPU Yield (%)							
	(S$mn)	Market Cap	2017A	2018A	2019A	2020A	2021A	2022A	2023F	2024F	2017A	2018A	2019A	2020A	2021A	2022A	2023F	2024F	2017A	2018A	2019A	2020A	2021A	2022A	2023F	2024F
REIT INDEX	n.a	n.a.	n.a.	n.a.	n.a.	n.a.	935	4,251	4,355	4,485	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.4%	3.0%	n.a.	n.a.	n.a.	n.a.	1.4	6.3	6.4	6.6
SINGAPORE REITS																										
Healthcare																										
PARKWAYLIFE REAL ESTATE	2,160	2.3%	13.35	12.87	13.19	13.79	14.08	14.38	15.00	15.00	10.1	-3.6	2.5	4.5	2.1	2.1	4.3	0.0	3.7	3.6	3.7	3.9	3.9	4.0	4.2	4.2
Hospitality																										
CAPITALAND ASCOTT TRUST	3,538	3.8%	7.09	7.16	7.61	3.03	4.32	5.67	5.90	6.40	-10.6	1.0	6.3	-60.2	42.6	31.3	4.1	8.5	7.5	7.6	8.1	3.2	4.6	6.0	6.3	6.8
CDL HOSPITALITY TRUSTS	1,296	1.4%	9.22	9.26	9.02	4.95	4.27	5.63	6.30	6.90	-4.2	0.4	-2.6	-45.1	-13.7	31.9	11.9	9.5	8.9	8.9	8.7	4.8	4.1	5.4	6.1	6.6
FRASERS HOSPITALITY TRUST	973	1.1%	4.76	4.41	1.40	0.98	1.64	2.44	2.60	2.70	-5.6	-7.3	-68.3	-29.7	66.4	49.3	6.4	3.8	9.4	8.7	2.8	1.9	3.2	4.8	5.1	5.3
FAR EAST HOSPITALITY TRUST	1,322	1.4%	3.90	4.00	3.81	2.41	2.63	3.27	3.90	4.30	-9.9	2.6	-4.8	-36.7	9.1	24.3	19.3	10.3	5.9	6.1	5.8	3.7	4.0	5.0	5.9	6.5
Average		**7.7%**	6.57	6.58	6.31	2.98	3.63	4.78	5.15	5.60	-8.6	0.0	-7.6	-48.9	29.4	32.5	8.6	8.4	7.7	7.7	7.0	3.4	4.2	5.6	6.0	6.5
Retail																										
FRASERS CENTREPOINT TRUST	3,766	4.1%	11.98	12.04	9.02	12.09	12.23	12.15	11.90	12.20	1.0	0.5	-25.1	34.0	1.2	-0.6	-2.1	2.5	5.4	5.5	4.1	5.5	5.6	5.5	5.4	5.5
PARAGON REIT	2,382	2.6%	5.53	5.54	5.60	2.72	5.40	n.a.	4.60	5.10	0.5	0.2	1.1	-51.4	n.a.	n.a.	n.a.	10.9	6.6	6.6	6.7	3.2	6.4	n.a.	5.4	6.0
STARHILL GLOBAL REIT	1,106	1.2%	4.55	4.48	2.96	3.95	3.80	3.80	3.90	3.90	-7.5	-1.5	-33.9	33.4	-3.8	0.0	2.6	0.0	9.3	9.1	6.0	8.1	7.8	7.8	8.0	8.0
Average		**7.9%**	8.73	8.75	6.97	7.77	8.70	6.89	8.28	8.60	-0.5	0.1	-17.8	5.8	0.0	-0.3	-0.7	4.9	6.4	6.4	5.2	5.1	6.2	4.0	5.8	6.1
SG Office																										
KEPPEL REIT	3,234	3.5%	5.70	5.56	5.58	5.73	5.82	5.92	5.90	5.90	-10.5	-2.5	0.4	2.7	1.6	1.7	-0.3	0.0	6.7	6.5	6.5	6.7	6.8	6.9	6.9	6.9
Industrial																										
CAPITALAND ASCENDAS REIT	12,425	13.5%	15.44	15.68	15.63	14.69	15.26	15.80	15.50	15.80	2.5	1.6	-0.3	-6.0	3.9	3.5	-1.9	1.9	5.5	5.5	5.5	5.2	5.4	5.6	5.5	5.6
MAPLETREE LOGISTICS TRUST	7,897	8.6%	7.61	7.93	8.13	8.32	8.79	9.01	8.80	8.70	2.9	4.2	2.5	2.3	5.7	2.5	-2.3	-1.1	4.8	5.0	5.1	5.2	5.5	5.7	5.5	5.4
MAPLETREE INDUSTRIAL TRUST	6,573	7.1%	11.71	12.12	12.20	12.51	13.80	13.57	13.20	13.50	3.2	3.5	0.7	2.5	10.3	-1.7	-2.7	2.3	5.0	5.2	5.3	5.4	5.9	5.8	5.7	5.8
KEPPEL DC REIT	3,254	3.5%	7.00	7.19	7.61	9.17	9.85	10.21	10.00	10.00	16.0	2.8	5.8	20.5	7.4	3.7	-2.1	0.0	3.7	3.8	4.0	4.9	5.2	5.4	5.2	5.2
ESR-LOGOS REIT	2,384	2.6%	3.79	3.83	3.99	2.79	2.98	2.99	2.70	2.50	-7.7	1.1	4.2	-30.2	7.0	0.4	-9.8	-7.4	12.2	12.4	12.9	9.0	9.6	9.7	8.7	8.1
AIMS APAC REIT	1,045	1.1%	10.28	10.23	9.48	8.94	9.44	9.93	9.70	9.80	-6.8	-0.5	-7.3	-5.8	5.7	5.1	-2.3	1.0	8.0	7.9	7.4	6.9	7.3	7.7	7.5	7.6
SABANA INDUSTRIAL REAL ESTAT	428	0.5%	3.31	3.18	2.92	2.76	3.05	3.05	3.00	3.00	-20.6	-3.9	-8.2	-5.5	10.5	0.0	-1.6	0.0	8.6	8.3	7.6	7.2	7.9	7.9	7.8	7.8
Average		**37.0%**	10.97	11.23	11.29	11.10	11.76	12.02	11.74	11.87	2.7	2.5	1.1	-1.6	6.2	2.1	-2.7	0.4	5.6	5.8	5.8	5.6	5.9	6.0	5.8	5.8
Diversified																										
CAPITALAND INTEGRATED COMMER	12,511	13.6%	11.16	11.50	11.97	8.69	10.40	10.58	11.00	11.00	0.3	3.0	4.1	-27.4	19.7	1.7	4.0	0.0	5.9	6.1	6.4	4.6	5.5	5.6	5.9	5.9
SUNTEC REIT	3,332	3.6%	10.01	9.99	9.51	7.40	8.67	8.88	7.00	6.70	0.0	-0.2	-4.8	-22.1	17.1	2.5	-21.2	-4.3	8.7	8.7	8.3	6.4	7.5	7.7	6.1	5.8
OUE COMMERCIAL REAL ESTATE I	1,399	1.5%	4.11	3.48	3.31	2.43	2.60	2.12	2.00	2.00	-9.8	-15.3	-4.9	-26.6	7.0	-18.5	-5.7	0.0	16.1	13.6	13.0	9.5	10.2	8.3	7.8	7.8
LENDLEASE GLOBAL COMMERCIAL	1,388	1.5%	n.a.	n.a.	n.a.	4.68	4.85	4.70	4.40	4.50	n.a.	n.a.	n.a.	n.a.	3.6	-3.1	-6.4	2.3	n.a.	n.a.	n.a.	7.9	8.2	8.0	7.5	7.7
Average		**20.3%**	9.59	9.77	9.99	7.69	9.09	9.20	9.12	9.07	-0.6	0.9	1.5	-24.4	17.1	0.0	-2.0	-0.6	6.8	6.7	6.7	5.6	6.4	6.4	6.2	6.1
OFFSHORE SREITS																										
Overseas Retail																										
SASSEUR REAL ESTATE INVESTME	868	0.9%	0.00	5.13	6.53	6.55	7.10	6.55	6.30	6.60	n.a.	n.a.	27.4	0.2	8.5	-7.8	-3.8	4.8	0.0	7.3	9.3	9.4	10.1	9.4	9.0	9.4
LIPPO MALLS INDONESIA RETAIL	154	0.2%	3.06	1.83	1.99	0.34	0.35	0.31	n.a.	n.a.	0.9	-40.4	8.8	-82.9	2.9	-11.4	n.a.	n.a.	153.2	91.3	99.3	17.0	17.5	15.5	n.a.	n.a.
DASIN RETAIL TRUST	47	0.1%	7.16	7.22	6.82	3.94	5.22	0.00	n.a.	n.a.	n.a.	0.8	-5.5	-42.2	32.5	-100.0	n.a.	n.a.	121.4	122.4	115.6	66.8	88.5	0.0	n.a.	n.a.
BHG RETAIL REIT	255	0.3%	5.47	5.16	3.87	1.95	2.17	1.17	n.a.	n.a.	0.4	-5.7	-25.0	-49.6	11.3	-46.1	n.a.	n.a.	11.2	10.5	7.9	4.0	4.4	2.4	n.a.	n.a.
UNITED HAMPSHIRE US REIT	238	0.3%	n.a.	n.a.	n.a.	4.81	8.40	5.88	5.00	5.00	n.a.	n.a.	n.a.	n.a.	74.6	-30.0	-15.0	0.0	n.a.	n.a.	n.a.	11.7	20.5	14.3	12.2	12.2
Average		**1.7%**	1.41	4.09	4.66	4.84	5.78	4.76	4.26	4.43	0.1	-4.9	11.8	-17.4	19.3	-20.6	-4.4	2.6	20.6	18.5	19.8	11.3	13.9	9.3	6.9	7.1
Overseas Commercial																										
MANULIFE US REAL ESTATE INV	172	0.2%	5.69	5.55	5.96	5.64	5.33	4.97	1.90	2.70	75.9	-2.5	7.4	-5.4	-5.5	-6.8	-61.8	42.1	58.7	57.2	61.4	58.1	54.9	51.2	19.6	27.8
PRIME US REIT	214	0.2%	n.a.	n.a.	n.a.	6.94	6.78	6.55	4.50	4.10	n.a.	n.a.	n.a.	n.a.	-2.3	-3.4	-31.3	-8.9	n.a.	n.a.	n.a.	38.6	37.7	36.4	25.0	22.8
KEPPEL PACIFIC OAK US REIT	298	0.3%	n.a.	n.a.	6.01	6.23	6.34	5.80	5.00	4.90	n.a.	n.a.	n.a.	3.7	1.8	-8.5	-13.8	-2.0	n.a.	n.a.	21.1	21.9	22.2	20.4	17.5	17.2
IREIT GLOBAL	484	0.5%	3.27	3.16	3.14	2.56	2.90	2.66	1.90	2.10	-10.1	-3.5	-0.6	-18.3	12.9	-8.2	-28.5	10.5	9.1	8.8	8.7	7.1	8.0	7.4	7.7	8.5
ELITE COMMERCIAL REIT	159	0.2%	n.a.	n.a.	n.a.	4.44	5.43	4.81	3.60	3.80	n.a.	n.a.	n.a.	n.a.	22.3	-11.4	-25.2	5.6	n.a.	n.a.	n.a.	13.5	16.5	14.6	10.9	11.5
Average		**1.4%**	1.93	1.87	3.27	4.72	4.91	4.55	3.22	3.33	6.1	-1.6	0.8	-6.6	6.7	-7.7	-29.6	8.1	10.9	10.6	15.9	22.9	23.1	21.5	14.6	15.6
Overseas Industrial																										
DIGITAL CORE REIT MANAGEMENT	669	0.7%	n.a.	n.a.	n.a.	n.a.	n.a.	3.98	3.70	3.60	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-7.0	-2.7	n.a.	n.a.	n.a.	n.a.	n.a.	6.7	6.2	6.1
EC WORLD REIT	-	-	6.03	6.18	6.05	5.36	6.26	4.76	n.a.	n.a.	311.8	2.6	-2.1	-11.4	16.9	-24.0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
DAIWA HOUSE LOGISTICS TRUST	393	0.4%	n.a.	n.a.	n.a.	n.a.	n.a.	5.70	5.40	5.40	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-5.3	0.0	n.a.	n.a.	n.a.	n.a.	n.a.	10.1	9.6	9.6
CAPITALAND INDIA TRUST	1,441	1.6%	5.65	7.23	8.32	8.76	7.74	8.13	7.70	8.80	3.5	27.9	15.1	5.3	-11.7	5.0	-5.3	14.3	5.2	6.7	7.7	8.1	7.2	7.5	7.1	8.1
Average		**2.7%**	3.25	4.16	4.79	5.05	4.46	6.64	6.27	6.88	1.99	16.09	8.72	3.07	-6.72	2.88	-5.74	7.50	3.01	3.85	4.44	4.67	4.13	7.70	7.23	7.77
Overseas Diversified																										
CAPITALAND CHINA TRUST	1,402	1.5%	10.05	10.17	9.87	6.35	8.73	7.50	7.50	7.80	0.5	1.2	-3.0	-35.7	37.5	-14.1	0.0	4.0	12.1	12.3	11.9	7.7	10.5	9.0	9.0	9.4
FRASERS LOGISTICS & COMMERCI	4,082	4.4%	7.09	7.00	7.12	7.68	7.62	7.04	7.00	7.20	-3.7	-1.3	1.7	7.9	-0.8	-7.6	-0.6	2.9	6.5	6.4	6.5	7.0	7.0	6.5	6.4	6.6
MAPLETREE NORTH ASIA COMMERC	7,297	7.9%	7.34	7.48	7.69	7.12	6.18	6.82	7.00	7.10	1.3	1.9	2.8	-7.4	-13.3	10.4	2.7	1.4	5.3	5.4	5.5	5.1	4.4	4.9	n.a.	n.a.
CROMWELL REIT EUR	737	0.8%	n.a.	n.a.	20.40	17.42	16.96	17.19	16.00	16.30	n.a.	n.a.	n.a.	-14.6	-2.6	1.3	-6.9	1.9	n.a.	n.a.	15.6	13.3	12.9	13.1	12.2	12.4
Average		**14.7%**	7.15	7.21	8.44	7.77	7.46	7.52	7.54	7.70	-0.39	0.76	1.72	-6.09	-3.68	1.94	0.88	2.15	6.07	6.12	7.04	6.41	6.31	6.25	3.54	3.65
Other Overseas REITs																										
FIRST REAL ESTATE INVT TRUST	497	0.5%	7.91	7.94	7.94	3.83	2.61	2.64	2.70	2.76	1.2	0.4	0.0	-51.7	-31.9	1.1	2.3	2.2	33.0	33.1	33.1	16.0	10.9	11.0	11.7	12.0
ARA US HOSPITALITY TRUST	168	0.2%	n.a.	n.a.	n.a.	n.a.	0.36	3.05	4.10	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	34.3	n.a.	n.a.	n.a.	n.a.	n.a.	1.2	10.5	14.1	n.a.
Average		**0.7%**	5.92	5.94	5.94	2.87	2.04	2.74	3.05	2.06	0.88	0.26	0.00	-38.70	-23.85	0.86	10.34	1.66	24.66	24.75	24.75	11.94	8.44	10.88	12.31	8.97

Source: Bloomberg (Updated: 24 November 2023), PSR

Figure 91: S-REIT universe

	Mkt. Cap. (S$mn)	3M Daily Average Volume	Price (S$)	% of REIT Market Cap	PSR RATING	PSR Target Price (S$)	P/NAV	Trailing yield (%)	Returns 1M (%)	Returns YTD (%)	Gearing (%)	ROE (%)	WALE by GRI (years)	WALE by NLA (years)	Adjusted Interest Coverage Ratio (x)	Cost of Debt (%)	% of debt on fixed rate	% debt expiring in current FY	% debt expiring in next FY
REIT INDEX	n.a.	169.5	677	n.a.			0.9	5.5	(6.9)	(13.8)	37.4	n.a.					75.8	6.1	16.9
SINGAPORE REITS																			
Healthcare																			
PARKWAYLIFE REAL ESTATE	2,160	0.4	3.57	2.3%			1.5	4.1	(8.9)	(10.6)	36.4	2.8	16.7	-	13.8	1.2	77.0	7.0	20.4
Hospitality																			
CAPITALAND ASCOTT TRUST	3,538	8.4	0.94	3.8%	BUY	1.04	0.8	4.6	(6.2)	(14.3)	39.2	5.4			4.3	2.3	80.0	13.0	19.0
CDL HOSPITALITY TRUSTS	1,296	2.4	1.04	1.4%			0.7	5.9	(6.7)	(22.4)	39.1	11.3			3.2	4.1	47.9	7.6	32.4
FRASERS HOSPITALITY TRUST	973	1.8	0.51	1.1%			0.8	4.8	1.0	14.6	36.4	5.8			3.6	3.0	73.8	0.0	30.0
FAR EAST HOSPITALITY TRUST	1,322	1.4	0.66	1.4%			0.7	5.5	(7.1)	(4.8)	28.9	9.9			3.6	3.2	47.2	17.0	21.0
Average				**7.7%**			0.8	5.0	(5.5)	(10.1)		7.3			3.8	2.8			
Retail																			
FRASERS CENTREPOINT TRUST	3,766	2.6	2.20	4.1%	ACCUMULATE	2.29	0.9	5.4	(5.5)	(1.4)	40.2	5.5	1.9	2.0	3.9	3.7	63.0	17.1	22.8
PARAGON REIT	2,382	0.8	0.84	2.6%			0.8	5.8	(4.8)	(11.7)	29.9	-	3.0	5.3	3.4	4.1	85.0	7.3	18.0
STARHILL GLOBAL REIT	1,106	1.7	0.49	1.2%			0.6	7.8	(8.2)	(17.6)	36.6	4.9	4.3	6.5	3.1	3.7	84.0	0.2	20.4
Average				**7.9%**			0.9	5.9	(5.7)	(7.3)		3.5			3.6	3.8			
Commercial																			
KEPPEL REIT	3,234	9.7	0.86	3.5%			0.6	6.8	(7.0)	(12.6)	39.2	5.6		5.7	3.0	2.8	76.0	2.0	22.0
Industrial																			
CAPITALAND ASCENDAS REIT	12,425	12.9	2.83	13.5%			1.2	2.7	(5.5)	(5.1)	38.0	7.2	3.9	-	4.1	3.3	81.5	13.5	13.3
MAPLETREE LOGISTICS TRUST	7,897	12.9	1.59	8.6%			1.1	5.0	(12.5)	(7.5)	37.0	7.6		3.1	3.3	2.5	82.0	5.0	13.0
MAPLETREE INDUSTRIAL TRUST	6,573	4.8	2.32	7.1%			1.2	5.3	(4.9)	(3.2)	33.7	5.0	3.9	-	4.4	3.5	78.0	3.3	14.0
KEPPEL DC REIT	3,254	6.0	1.89	3.5%	BUY	2.26	1.4	5.2	(18.8)	(4.5)	35.9	9.7	4.7	8.0	6.0	3.3	73.0	0.0	4.1
ESR-LOGOS REIT	2,384	11.3	0.31	2.6%			0.9	9.7	(1.8)	(25.5)	39.4	1.8	3.1	-	2.5	4.0	74.8	0.0	26.2
AIMS APAC REIT	1,045	1.6	1.29	1.1%			1.0	5.7	(7.7)	(3.1)	38.1	9.4	4.3	-	2.2	3.9	87.0	0.0	20.7
SABANA INDUSTRIAL REAL ESTAT	428	0.3	0.39	0.5%			0.7	8.0	(1.3)	(11.5)	37.2	6.6	2.8	-	3.5	3.9	82.2	0.0	0.0
Average				37.0%			1.2	4.6	(8.0)	(6.7)		6.8			4.0	3.2			
Diversified																			
CAPITALAND INTEGRATED COMMER	12,511	15.1	1.88	13.6%			0.9	5.1	(4.9)	(13.7)	39.0	4.9	3.6	-	3.3	3.2	78.0	1.0	15.0
SUNTEC REIT	3,332	4.8	1.15	3.6%	BUY	1.47	0.5	6.7	(5.2)	(20.3)	41.4	4.5		-	2.1	3.6	58.0	2.3	20.8
OUE COMMERCIAL REAL ESTATE I	1,399	7.2	0.26	1.5%			0.4	8.2	0.0	(29.9)	39.1	8.3	3.1	-	2.3	4.1	68.2	0.0	0.0
LENDLEASE GLOBAL COMMERCIAL	1,388	8.2	0.59	1.5%	BUY	0.86	0.7	8.3	(6.4)	(27.7)	40.6	5.5	5.5	8.2	2.0	2.7	61.0	0.0	26.1
Average				20.3%			0.8	5.8	(4.7)	(17.1)		5.1			2.9	3.3			
OFFSHORE SREITs																			
Overseas Retail																			
SASSEUR REAL ESTATE INVESTME	868	0.7	0.70	0.9%	BUY	0.90	0.8	9.2	(7.4)	(17.2)	27.6	5.7	0.8	2.1	4.0	5.8	77.0	0.0	12.9
LIPPO MALLS INDONESIA RETAIL	154	1.8	0.02	0.2%			0.3	6.5	11.8	(36.7)	42.1	2.2		2.9	2.1	8.7	39.2	16.8	49.1
DASIN RETAIL TRUST	47	0.0	0.06	0.1%			0.1	-	(17.6)	(80.4)	46.5	(54.6)		-	n.a	n.a	n.a	100.0	0.0
BHG RETAIL REIT	255	0.0	0.49	0.3%			0.7	1.6	(2.1)	(5.0)	39.3	0.9	3.3	5.4	2.1	5.7	50.0	5.0	0.0
UNITED HAMPSHIRE US REIT	238	0.4	0.41	0.3%			0.6	13.7	(15.1)	(21.5)	42.8	5.4		7.2	2.8	3.6	80.9	0.0	6.6
Average				1.7%			0.7	8.1	(6.1)	(19.7)		2.3			3.2	5.6			
Overseas Commercial																			
MANULIFE US REAL ESTATE INV	172	15.8	0.10	0.2%			0.2	49.0	(12.3)	(83.3)	56.7	(44.2)		7.6	2.6	4.1	80.2	3.8	13.8
PRIME US REIT	214	3.9	0.18	0.2%	BUY	0.37	0.2	30.3	(32.6)	(77.0)	42.8	(5.9)		3.9	3.4	3.9	80.0	0.0	63.5
KEPPEL PACIFIC OAK US REIT	298	2.3	0.29	0.3%			0.4	21.1	(16.4)	(60.0)	38.4	3.5		3.5	3.4	4.0	77.6	1.7	12.9
IREIT GLOBAL	484	0.4	0.36	0.5%			0.5	8.8	(16.5)	(33.9)	33.1	(5.9)		5.0	7.1	1.9	96.2	0.0	0.0
ELITE COMMERCIAL REIT	159	0.2	0.33	0.2%			0.6	12	(8.0)	(51.1)	46.0	(10.8)		4.5	3.4	5.2	62.0	0.0	58.8
Average				1.4%			0.4	20.7	(17.5)	(55.2)		(7.5)			4.6	3.4			
Overseas Industrial																			
DIGITAL CORE REIT MANAGEMENT	669	3.7	0.60	0.7%			0.7	6.5	(4.7)	(8.2)	34.2	-1.2	3.9		n.a.	4.7	72.0	0.0	0.0
EC WORLD REIT	-	-	-	-			-	-	-	-	36.2	7.1	1.2	1.0	2.4	6.2	n.a	81.7	0.0
DAIWA HOUSE LOGISTICS TRUST	393	0.8	0.57	0.4%			0.7	9.2	(7.2)	(18.9)	35.7	7.8	6.6		11.7	1.0	100.0	0.0	29.4
CAPITALAND INDIA TRUST	1,441	2.8	1.08	1.6%			1.0	6.7	(8.6)	(14.4)	36.0	8.6			2.7	6.3	73.0	37.7	10.9
Average				2.7%			0.9	7.0	(7.3)	(13.4)		6.1			3.4	5.0			
Overseas Diversified																			
CAPITALAND CHINA TRUST	1,402	3.1	0.83	1.5%			0.6	7.7	(10.7)	(29.5)	40.2	4.0	1.8	1.9	3.2	3.5	74.0	0.3	14.8
FRASERS LOGISTICS & COMMERCI	4,082	9.2	1.09	4.4%			0.9	7.2	(2.8)	(10.3)	28.6	11.7	4.4	-	8.0	2.0	75.4	6.4	25.9
MAPLETREE PAN ASIA COM TRUST	7,297	8.8	1.39	7.9%			0.8	6.4	(7.0)	(20.4)	40.7	6.4	2.6	-	3.2	3.2	74.2	6.0	22.0
CROMWELL REIT EUR	737	0.3	1.31	0.8%			0.6	13.0	(10.2)	(23.3)	39.5	(2.1)	4.4		4.1	2.9	94.0	0.0	0.0
Average				14.7%			0.8	7.1	(6.3)	(18.4)		7.3			4.7	2.8			
Other Overseas REITs																			
FIRST REAL ESTATE INVT TRUST	497	1.9	0.24	0.5%			0.8	10.5	2.2	(9.6)	38.7	4.7		12.0	4.1	4.9	86.0	0.0	0.0
ARA US HOSPITALITY TRUST	168	0.1	0.29	0.2%			0.4	11	(15.5)	(30.0)	39.7	1.3			2.5	4.6	75.2	0.0	43.5
Average				0.7%			0.7	10.6	(2.3)	(14.8)		3.8			3.7	4.8			

Source: Bloomberg (Updated: 24 November 2023), Company Results/Prospectuses, PSR

Contact Information (Singapore Research Team)

Head of Research
Paul Chew – paulchewkl@phillip.com.sg

Research Admin
Qystina Azli - qystina@phillip.com.sg

Technical Analyst
Zane Aw – zaneawyx@phillip.com.sg

Property | REITs
Darren Chan – darrenchanrx@phillip.com.sg

Banking & Finance
Glenn Thum – glennthumjc@phillip.com.sg

Credit Analyst
Shawn Sng – shawnsngkh@phillip.com.sg

Property | REITs
Liu Miaomiao – liumm@phillip.com.sg

Conglomerate | Transport
Peggy Mak – peggymak@phillip.com.sg

US Tech Analyst (Software/Services)
Ambrish Shah – amshah@phillipventuresifsc.in

US Tech Analyst (Digital Media & Entertainment)
Jonathan Woo – jonathanwookj@phillip.com.sg

Contact Information (Regional Member Companies)

SINGAPORE
Phillip Securities Pte Ltd
Raffles City Tower
250, North Bridge Road #06-00
Singapore 179101
Tel +65 6533 6001
Fax +65 6535 6631
Website: www.poems.com.sg

MALAYSIA
Phillip Capital Management Sdn Bhd
B-3-6 Block B Level 3 Megan Avenue II,
No. 12, Jalan Yap Kwan Seng, 50450
Kuala Lumpur
Tel +603 2162 8841
Fax +603 2166 5099
Website: www.poems.com.my

HONG KONG
Phillip Securities (HK) Ltd
11/F United Centre 95 Queensway
Hong Kong
Tel +852 2277 6600
Fax +852 2868 5307
Websites: www.phillip.com.hk

JAPAN
Phillip Securities Japan, Ltd.
4-2 Nihonbashi Kabuto-cho Chuo-ku,
Tokyo 103-0026
Tel +81-3 3666 2101
Fax +81-3 3666 6090
Website: www.phillip.co.jp

INDONESIA
PT Phillip Securities Indonesia
ANZ Tower Level 23B,
Jl Jend Sudirman Kav 33A
Jakarta 10220 – Indonesia
Tel +62-21 5790 0800
Fax +62-21 5790 0809
Website: www.phillip.co.id

CHINA
Phillip Financial Advisory (Shanghai) Co Ltd
No 550 Yan An East Road,
Ocean Tower Unit 2318,
Postal code 200001
Tel +86-21 5169 9200
Fax +86-21 6351 2940
Website: www.phillip.com.cn

THAILAND
Phillip Securities (Thailand) Public Co. Ltd
15th Floor, Vorawat Building,
849 Silom Road, Silom, Bangrak,
Bangkok 10500 Thailand
Tel +66-2 6351700 / 22680999
Fax +66-2 22680921
Website www.phillip.co.th

FRANCE
King & Shaxson Capital Limited
3rd Floor, 35 Rue de la Bienfaisance 75008
Paris France
Tel +33-1 45633100
Fax +33-1 45636017
Website: www.kingandshaxson.com

UNITED KINGDOM
King & Shaxson Capital Limited
6th Floor, Candlewick House,
120 Cannon Street,
London, EC4N 6AS
Tel +44-20 7426 5950
Fax +44-20 7626 1757
Website: www.kingandshaxson.com

UNITED STATES
Phillip Capital Inc
141 W Jackson Blvd Ste 3050
The Chicago Board of Trade Building
Chicago, IL 60604 USA
Tel +1-312 356 9000
Fax +1-312 356 9005
Website: www.phillipusa.com

AUSTRALIA
Phillip Capital Limited
Level 10, 330 Collins Street
Melbourne, Victoria 3000, Australia
Tel +61-03 8633 9803
Fax +61-03 8633 9899
Website: www.phillipcapital.com.au

CAMBODIA
Phillip Bank Plc
Ground Floor of B-Office Centre,#61-64,
Norodom Blvd Corner Street 306,Sangkat
Boeung Keng Kang 1, Khan Chamkamorn,
Phnom Penh, Cambodia
Tel: 855 (0) 7796 6151/855 (0) 1620 0769
Website: www.phillipbank.com.kh

INDIA
PhillipCapital (India) Private Limited
No.1, 18th Floor, Urmi Estate
95, Ganpatrao Kadam Marg
Lower Parel West, Mumbai 400-013
Maharashtra, India
Tel: +91-22-2300 2999 / Fax: +91-22-2300 2969
Website: www.phillipcapital.in

TURKEY
PhillipCapital Menkul Degerler
Dr. Cemil Bengü Cad. Hak Is Merkezi
No. 2 Kat. 6A Caglayan
34403 Istanbul, Turkey
Tel: 0212 296 84 84
Fax: 0212 233 69 29
Website: www.phillipcapital.com.tr

DUBAI
Phillip Futures DMCC
Member of the Dubai Gold and
Commodities Exchange (DGCX)
Unit No 601, Plot No 58, White Crown Bldg,
Sheikh Zayed Road, P.O.Box 212291
Dubai-UAE
Tel: +971-4-3325052 / Fax: + 971-4-3328895

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