

Singapore REITs Monthly: July24

Distributions still under pressure



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SINGAPORE | REAL ESTATE (REIT) | UPDATE

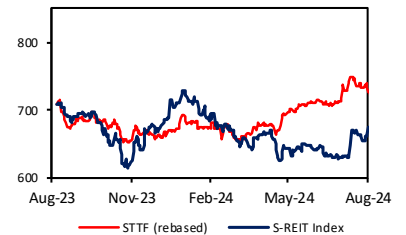
26 August 2024

OVERWEIGHT (Maintained)

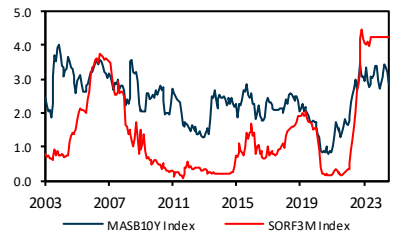
INDEX RETURN (%)

	1MTH	3MTH	YTD	1YR
S-REIT Index	5.4	3.1	(8.8)	(8.7)
STTF RETURN	3.8	6.3	6.8	2.6

S-REIT Index VS. STTF



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



Source: Bloomberg, PSR

- The S-REITs Index recovered 5.4% in July, following its 1.8% decline in June. The top performer for the month was Prime US REIT (Prime SP, BUY, TP US\$0.22) gaining 62.4% after the successful refinancing of its main credit facility. The worst performer was Daiwa House Logistics Trust (DHLT SP, non-rated), falling 1.8% as the weak yen continues to erode DPU. The overseas commercial sub-sector was the top performer in July, gaining 26.6%, driven by the US office REITs. In contrast, the worst-performing sub-sector was hospitality, which grew by 2%, as global RevPAR growth moderated.
- 1H24 results for S-REITs under our coverage were within expectations. Most S-REITs reported DPUs that were down YoY, averaging a c.12% decrease, mainly due to higher financing costs. S-REITs are now trading at a forward dividend yield spread of c.3.2% (-1.2x s.d.) and a P/NAV of 0.89x (-1.6x s.d.).
- We remain OVERWEIGHT on S-REITs but are selective. We prefer REITs with a healthy balance sheet, strong sponsors, and improving operating metrics, particularly those with the potential for higher rental reversions. Our sub-sector preferences are retail and hospitality. Catalysts are expected from a pick-up in the economy, asset recycling, and interest rate cuts. Cromwell European REIT (CERT SP, BUY, TP €1.91), OUE REIT (OUEREIT SP, BUY, TP S\$0.33), and CapitaLand Ascott Trust (CLAS SP, BUY, TP S\$1.04) are our top picks.

SECTOR ROUND-UP

With the markets now pricing in at least three Fed interest rate cuts in 2024, up from only one in June 24, we expect S-REITs to outperform in 2H24 and 2025. With lower interest rates, S-REITs will benefit from 1) lower financing costs, 2) higher dividend yield spreads over bonds, and 3) higher property valuations as cap rates compress. If three rate cuts occur in 2024, we expect DPU to return to organic growth in 2025, driven by REITs adopting a lower interest rate hedging or fixed-rate ratio. Additionally, we expect asset transactions to pick up pace as interest rates soften. Therefore, we expect a sector recovery in 2H24-2025.

We have compiled a snapshot of the YoY NPI and DPU performance for some S-REITs in the table below:

	Result Period	NPI (YoY)	DPU (YoY)
CapitaLand Integrated Commercial Trust	1H24	5.4%	2.5%
Far East Hospitality Trust	1H24	1.0%	2.1%
Mapletree Industrial Trust	1Q25	1.3%	1.2%
CapitaLand Ascendas REIT	1H24	3.9%	-2.5%
First REIT	1H24	-4.1%	-3.2%
Mapletree Pan Asia Commercial Trust	1Q25	0.1%	-4.1%
Sasseur REIT	1H24	-0.4%	-5.1%
CapitaLand Ascott Trust	1H24	12.0%	-8.0%
Mapletree Logistics Trust	1Q25	-0.9%	-8.9%
Cromwell European REIT	1H24	-4.4%	-9.5%
Keppel DC REIT	1H24	4.2%	-9.9%
OUE REIT	1H24	1.6%	-11.4%
Suntec REIT	1H24	-1.5%	-12.5%
Elite UK REIT	1H24	-4.7%	-19.5%
Lendlease Global Commercial	2H24	-7.2%	-21.2%
Prime US REIT	1H24	-14.0%	-92.0%

Source: PSR, Companies

1H24 results for S-REITs under over coverage was mostly within expectations, as higher finance costs continue to erode DPU. Rental reversion for retail and office assets in Singapore remained strong (+7.5% to +28%). RevPAR growth YoY has slowed to mid-single digit from moderating ADRs. Industrial rent growth has slowed from the double-digit growth seen in recent years.

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Many S-REITs are divesting non-core assets as part of their deleveraging strategy to lower gearing and strengthen their balance sheets. With interest rates likely to decrease in the coming months, we believe S-REITs will start to shift their focus to inorganic growth opportunities, particularly accretive acquisitions.

Retail

Rental reversions in 1H24 were exceptionally strong. Frasers Centrepoint Trust (FCT SP, ACCUMULATE, TP S\$2.38) and CapitaLand Integrated Commercial Trust (CICT SP, non-rated) had suburban mall rental reversions of c.+7.5% and +9.1%, respectively. Downtown malls reported even higher rental reversions, with Suntec REIT's (SUN SP, BUY, TP S\$1.41) Suntec City Mall, OUE REIT's (OUEREIT SP, BUY, TP S\$0.33) Mandarin Gallery, and Paragon REIT's (PGNREIT SP, non-rated) Paragon Mall achieving rental reversions of 20.8%, 28.4%, and 21.6%, respectively. Retail portfolio occupancy across all REITs in Singapore was above 95%. Despite some downtown malls reporting tenant sales that were slightly lower YoY in 1H24, landlords noted that tenants are still willing to pay higher rents as the outlook for tenant sales remain strong. Shopper traffic improved an average of 4% across REIT-owned malls in Singapore. We expect positive rent reversion to remain at similar levels for FY24e, supported by the limited supply of new retail space.

Valuations for Singapore retail assets remain strong, with Paragon REIT (PGNREIT SP, non-rated) and Lendlease Global Commercial REIT (LREIT SP, BUY, TP S\$0.80) reporting valuation uplifts of 1% to 3.5%, along with stable cap rates for their Singapore assets.

Hospitality

2Q24 RevPAR continued to improve for REITs under our coverage despite the higher base in 2023. CapitaLand Ascott Trust (CLAS SP, ACCUMULATE, TP S\$1.04) had portfolio RevPAR growth of 4% YoY, reaching 102% pre-COVID RevPAR. Far East Hospitality Trust (FEHT SP, BUY, S\$0.79) had hotel RevPAR increase 6% YoY. As average daily room rates (ADR) start to moderate from the high growth in 2023 due to pent-up travel demand, we expect growth in RevPAR to come from higher occupancy.

Singapore's international visitor arrivals grew 13% YoY in July 24 to 1.6mn, reaching 89% of pre-COVID levels (Figure 8). Visitor arrivals from China grew 79% YoY in July 24 and are now 6% above pre-COVID levels after the 30-day visa-free entry for Chinese citizens rolled out on 9 February 24. RevPAR in Singapore fell 3.1% YoY in June 24, after gaining 1.8% YoY in May 24, due to a 2.8ppt decrease in occupancy. We think RevPAR will return to growth in 2H24, supported by several concerts (Olivia Rodrigo, Andy Lau, Jay Chou), the Singapore F1 Grand Prix, and a packed MICE schedule in Singapore.

Office

Rental reversions for 1H24 continued to be strong. CapitaLand Integrated Commercial Trust (CICT SP, non-rated) had a positive rental reversion of 15% for its office portfolio. Keppel REIT (KREIT SP, non-rated) and Suntec REIT's (SUN SP, BUY, TP S\$1.41) Singapore office portfolio had positive reversions of 9.3% and 9.7%, respectively. Tenant retention was high as tenants were unwilling to spend capex for new premises. Flight to quality remains, and demand is mostly only from smaller tenants. Rental growth in 2H24 is expected to be subdued due to the recent completion of IOI Central Boulevard Towers (Phase 1), which added nearly 1mn sq ft of prime office space and brought core CBD (Grade A) office occupancy rates to 93.9% (-2.5ppts QoQ). The building is currently 45% pre-committed, with another 20% of space under discussions. Furthermore, with Keppel South Central (0.6mn sq ft) and the redeveloped Shaw Tower (0.4mn sq ft) on track for completion in 2025, supply over the next 12 to 18 months is significant. Therefore, we think that core CBD Grade A office rents at \$11.95 psf pm in 2Q24 (unchanged QoQ) will come under pressure as supply outstrips demand and vacancies increase.

The Singapore-listed US office REITs continue to remain weak, with negative rental reversions across the board and high vacancies. Among the three US-office REITs, only Prime US REIT (Prime SP, BUY, TP US\$0.22) is paying a dividend, which yields c.2% and is considered

insignificant. Challenges remain in the US office sector, with banks still unwilling to fund US real estate.

Industrial

Rents are starting to moderate from the double-digit positive rental reversion seen in the industrial sector over the past few years. Warehouse demand by 3PLs is moderating, while rising vacancies in business parks, driven by the high-cost environment and the continued work-from-home trend, will weigh on rental reversions. With the increase in prime logistics supply expected in 2025, landlords are focused on occupancy rates and lowering their rental growth expectations, which have risen by 42.7% since the trough in 1Q20, according to CBRE. Given the bleak economic outlook and the expected slowdown in manufacturing, industrial property demand is likely to be affected. As a result, we expect mid-single-digit positive rent reversions for this sector.

Logistics demand in China is expected to remain weak for the next few quarters due to 1) new supply into the market, 2) increased tenant incentives, and 3) subdued economic activity. Double-digit negative rent reversion is expected in the near term for logistic assets in China.

INVESTMENT RECOMMENDATION

OVERWEIGHT on SREITs (Maintained)

S-REITs are now trading a forward dividend yield of c.6.1%, 0.1x s.d. above the mean (Figure 5) and a P/NAV of 0.89x, 1.6x s.d. below the mean of 1.03x (Figure 4) after the S-REITs Index recovered 5.4% in July 24. As interest rates are widely expected to be cut multiple times in 2024, we think this is a good time for investors to reposition into SREITs. However, we still expect muted DPU growth in FY24 as higher finance costs continue to erode DPU, with a recovery expected in 2025.

The dividend yield spread fell from 3.3% to 3.2% MoM and is now 1.2x s.d. below the mean of 4% (Figure 2). With at least three interest rate cuts expected in 2024 and further rate cuts anticipated in 2025, we expect the dividend yield spread to widen as the SG10Y yield falls.

Sub-sector preferences: Hospitality and Retail (Unchanged)

We think the hospitality sub-sector will remain resilient due to higher RevPAR from increasing occupancy, with ADRs already surpassing pre-COVID levels. The return of international visitor arrivals could boost tenant sales and sentiment. We expect high single-digit positive rent reversion for suburban malls and double-digit positive rent reversion for downtown malls.

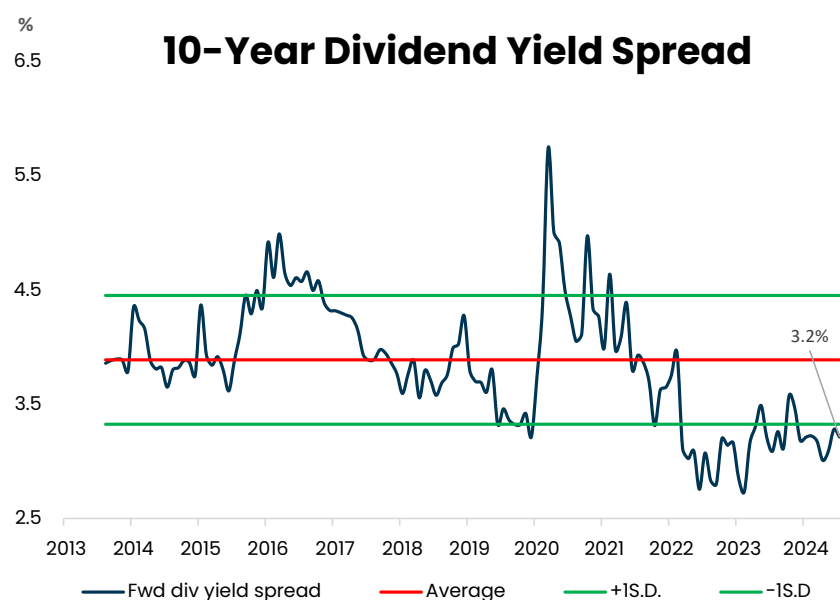
Figure 1: Our stock recommendations

	3M Daily Average Volume (mn)	Share Price S\$	P/NAV (x)	PSR Rating	Target Price S\$	FY21 DPU cents	FY22 DPU cents	FY23 DPU cents	FY24e DPU cents	FY25e DPU cents	FY24e DPU Yield	Total return
CapitaLand Ascott Trust	5.7	0.86	0.75	BUY	1.04	4.32	5.67	6.57	5.96	6.39	6.9%	27.9%
Cromwell European REIT	0.3	1.38	0.65	BUY	€1.91	16.96	17.19	15.69	13.96	13.16	10.1%	48.5%
Elite UK REIT	0.2	0.25	0.57	BUY	£0.32	5.35	4.74	3.07	2.70	4.05	11.0%	41.6%
Far East Hospitality Trust	1.4	0.61	0.66	BUY	0.79	2.63	3.27	4.09	4.19	4.29	6.9%	37.5%
First REIT	1.2	0.24	0.85	BUY	0.30	2.61	2.64	2.48	2.36	2.51	9.8%	34.8%
Frasers Centrepoint Trust	2.8	2.22	0.92	ACCUMULATE	2.38	12.09	12.23	12.15	12.12	12.43	5.5%	12.7%
Keppel DC REIT	5.1	2.01	1.46	ACCUMULATE	1.93	9.85	10.21	9.38	9.01	9.67	4.5%	0.5%
Lendlease Global Commercial	3.9	0.56	0.59	BUY	0.80	4.68	4.85	4.70	4.16	4.66	7.5%	51.6%
OUE REIT	2.4	0.27	0.45	BUY	0.33	2.60	2.12	2.09	1.85	2.82	6.9%	29.1%
Prime US REIT	5.4	0.15	0.28	BUY	US\$0.22	6.16	5.95	2.46	0.33	3.27	2.1%	45.0%
Sasseur REIT	0.5	0.66	0.81	BUY	0.87	7.10	6.55	6.25	6.27	6.34	9.5%	41.3%
Suntec REIT	7.2	1.16	0.55	BUY	1.41	8.67	8.88	7.14	6.20	7.49	5.3%	26.9%

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 August 2024), Company Results/Prospectuses, PSR

Figure 2: Dividend Yield Spread at 3.2% and -1.2x s.d.



Source: Bloomberg, Phillip Securities Research

The dividend yield spread has fallen from 3.3% to 3.2% MoM and is now trading at -1.2x s.d. from the mean.

Figure 3: List of S-REITs with perpetual bonds and their respective call dates

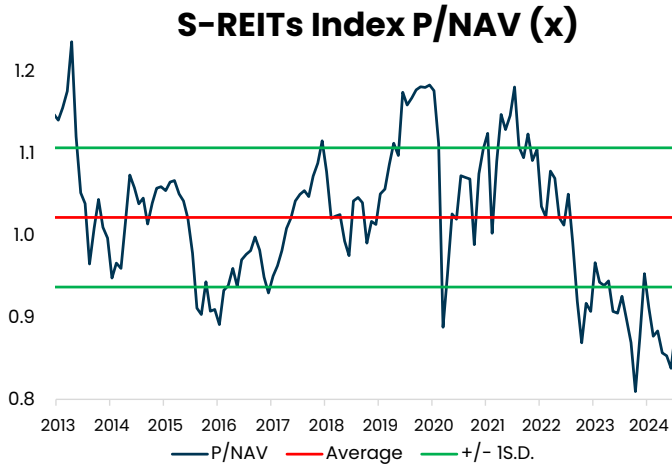
Issuer Name	Coupon	Currency	Next Call Date	Amt Issued	Issue Date	Mty Type	Amt Out
PARAGON REIT	4.1	SGD	30/8/2024	300,000,000	30/8/2019	PERP/CALL	300,000,000
CapitaLand Ascott Trust	3.88	SGD	4/9/2024	150,000,000	4/9/2019	PERP/CALL	150,000,000
Lippo Malls Indonesia Retail Trust	6.4751	SGD	27/9/2024	140,000,000	27/9/2016	PERP/CALL	140,000,000
Mapletree Logistics Trust	5.2074	SGD	28/9/2024	180,000,000	28/9/2017	PERP/CALL	180,000,000
ESR-LOGOS REIT	6.632	SGD	3/11/2024	150,000,000	3/11/2017	PERP/CALL	150,000,000
Lendlease Global Commercial REIT	5.25	SGD	11/4/2025	200,000,000	11/4/2022	PERP/CALL	200,000,000
AIMS APAC REIT	5.65	SGD	14/8/2025	125,000,000	14/8/2020	PERP/CALL	125,000,000
Keppel REIT	3.15	SGD	11/9/2025	300,000,000	11/9/2020	PERP/CALL	300,000,000
CapitaLand Ascendas REIT	3	SGD	17/9/2025	300,000,000	17/9/2020	PERP/CALL	300,000,000
Suntec Real Estate Investment Trust	3.8	SGD	27/10/2025	200,000,000	27/10/2020	PERP/CALL	200,000,000
CapitaLand China Trust	3.375	SGD	27/10/2025	100,000,000	27/10/2020	PERP/CALL	100,000,000
Starhill Global REIT	3.85	SGD	15/12/2025	100,000,000	15/12/2020	PERP/CALL	100,000,000
Mapletree Industrial Trust	3.15	SGD	11/5/2026	300,000,000	11/5/2021	PERP/CALL	300,000,000
Lendlease Global Commercial REIT	4.2	SGD	4/6/2026	200,000,000	4/6/2021	PERP/CALL	200,000,000
Mapletree North Asia Commercial Trust	3.5	SGD	8/6/2026	250,000,000	8/6/2021	PERP/CALL	250,000,000
Suntec Real Estate Investment Trust	4.25	SGD	15/6/2026	150,000,000	15/6/2021	PERP/CALL	150,000,000
AIMS APAC REIT	5.375	SGD	1/9/2026	250,000,000	1/9/2021	PERP/CALL	250,000,000
Mapletree Logistics Trust	3.725	SGD	2/11/2026	400,000,000	2/11/2021	PERP/CALL	400,000,000
Cromwell European Real Estate Investment Trust	5	SGD	24/11/2026	100,000,000	24/11/2021	PERP/CALL	100,000,000
ESR-LOGOS REIT	5.5	SGD	9/6/2027	150,000,000	9/6/2022	PERP/CALL	150,000,000

Source: Bloomberg, Phillip Securities Research

Paragon REIT and CapitaLand Ascott Trust have announced that they will be redeeming their respective perpetual bonds on the first call date.

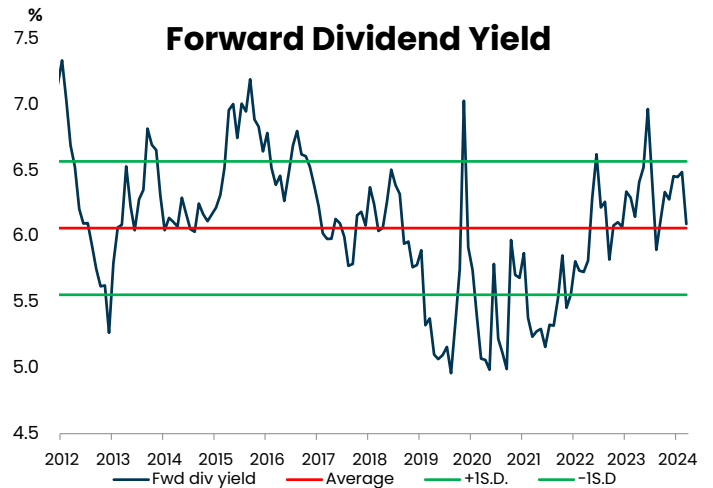
MACROECONOMIC ENVIRONMENT

Figure 4: P/NAV of 0.89x is at -1.6x s.d.



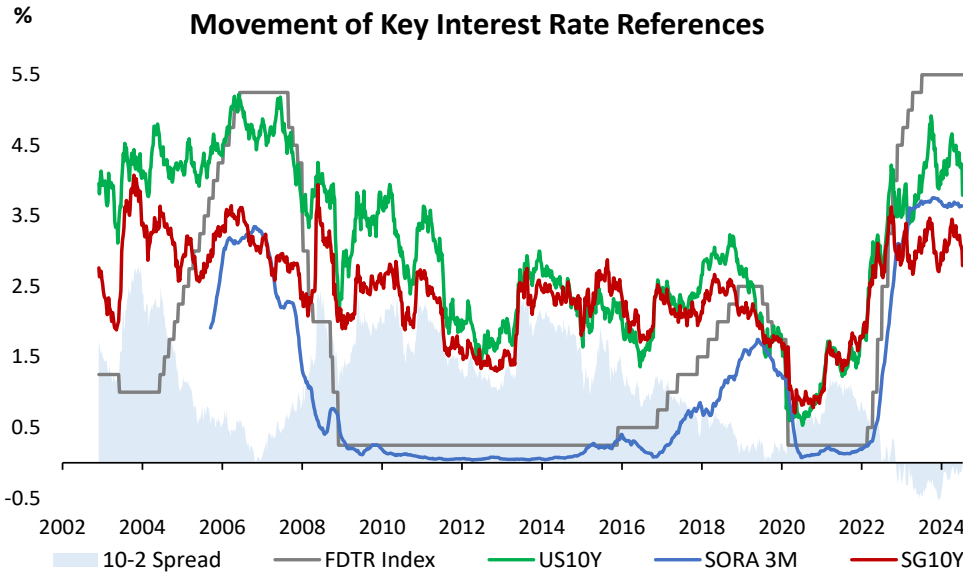
Source: Bloomberg, Phillip Securities, Research

Figure 5: Forward dividend yield of 6.1% is at +0.1x s.d.



Source: Bloomberg, Phillip Securities Research

Figure 6: Fed Funds rates vs Singapore interest rates



Source: Bloomberg, PSR

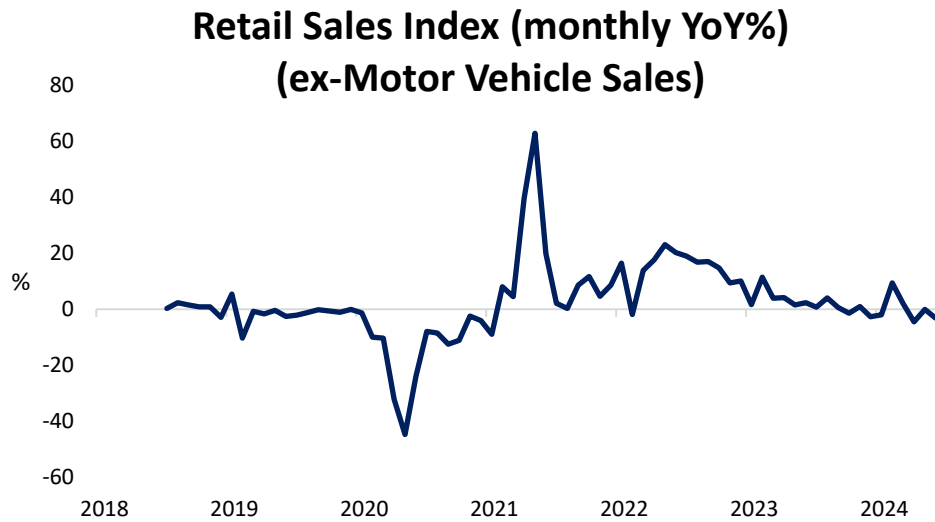
SG10Y yield fell 43bps MoM and 30bps YoY in Aug-24, while 3MSORA rose 1bps MoM and fell 3bps YoY.

(in %)	SG10Y	3MSORA
2 Aug 2024	2.79	3.64
2Q24 Average	3.28	3.66
1Q24 Average	3.00	3.66
10Y Ave. (2013-2023)	2.22	1.00

Source: Bloomberg, PSR

SUBSECTOR MONTHLY INDICATORS

Figure 7: Jun-24 RSI was down 3.1% YoY



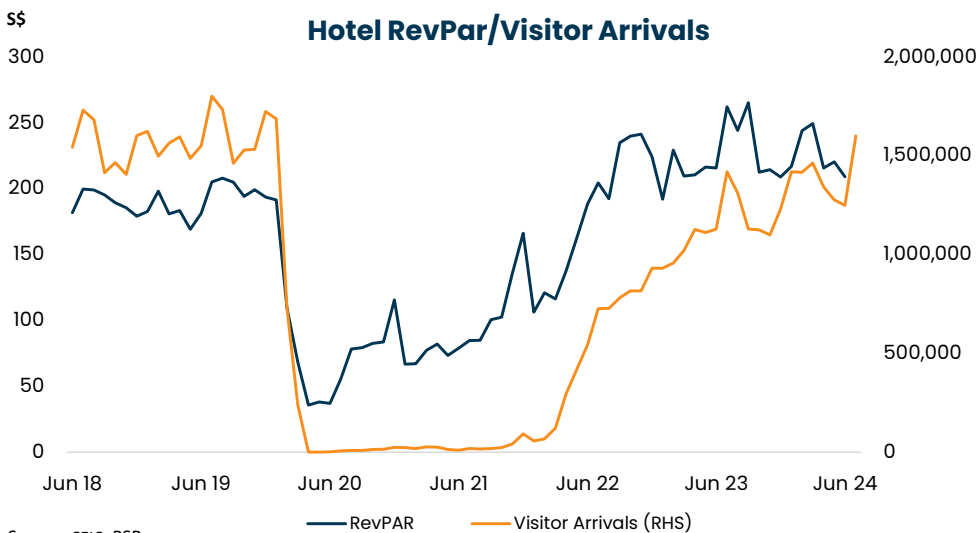
Source: CEIC, PSR

in %	RSI (excl. motor vehicles)	RSI (Dept stores)	RSI (Supermarkets)	RSI (Fashion)	F&B Services Index
Jun-24	-3.1	-5.4	1.6	-10.1	1.8
Jun-23	2.3	0.5	1.2	4.7	7.2

Jun-24 RSI (ex. MV) decreased 3.1% YoY, following the flat YoY growth in May-24.

Most trade sectors recorded YoY decline in sales. Optical goods & books and wearing apparel & footwear were the largest decliners at -12.5% and -10.1%, respectively. In contrast, food & alcohol was the biggest gainer at +5.3%.

Figure 8: Tourist arrivals and hotel RevPAR recovery



Source: CEIC, PSR

Jun-24 RevPAR and Jul-24 international visitor arrivals were +15% and -11% of pre-COVID levels, respectively.

	Visitor Arrivals		Hotel RevPAR (S\$)	Hotel Occupancy (%)	Hotel Average Room Rate (S\$)
Jul-24	1,602,568	Jun-24	209	77.8	269
Jul-23	1,419,642	Jun-23	216	80.6	268
YoY%	12.9%	YoY%	-3.1%	-2.8 ppts	0.4%

Figure 9: Historical and consensus forecasts for DPU growth and yields

	Mkt. Cap. (\$5mm)	% of REIT Market Cap	DPU (cents)								DPU Growth								DPU Yield (%)								
			2018A	2019A	2020A	2021A	2022A	2023A	2024F	2025F	2018A	2019A	2020A	2021A	2022A	2023A	2024F	2025F	2018A	2019A	2020A	2021A	2022A	2023A	2024F	2025F	
REIT INDEX	n.a.	n.a.	4805	4425	4205	4346	4421	4180	3991	4068	n.a.	-7.9%	-5.0%	3.4%	1.7%	-5.5%	-4.5%	1.9%	7.4	6.8	6.5	6.7	6.8	6.2	6.3	6.7	
SINGAPORE REITS																											
Healthcare																											
PARKWAYLIFE REAL ESTATE	2,160	2.4%	12.87	13.19	13.79	14.08	14.38	14.77	14.80	15.00	-3.6	2.5	4.5	2.1	2.1	2.7	0.2	1.4	3.6	3.7	3.9	3.9	4.0	4.1	4.1	4.1	4.2
Hospitality																											
CAPITALAND ASCOTT TRUST	3,256	3.7%	7.16	7.61	3.03	4.32	5.67	6.57	6.00	6.30	1.0	6.3	-60.2	42.6	31.3	15.9	-8.7	5.0	8.3	8.8	3.5	5.0	6.6	7.6	7.0	7.3	
CDL HOSPITALITY TRUSTS	1,103	1.2%	9.26	9.02	4.95	4.27	5.63	5.70	5.80	6.40	0.4	-2.6	-45.1	-13.7	31.9	1.2	1.8	10.3	10.5	10.3	5.6	4.9	6.4	6.5	6.6	7.3	
FRASERS HOSPITALITY TRUST	799	0.9%	4.76	4.41	1.40	0.98	1.64	2.44	2.50	2.60	-5.6	-7.3	-68.3	-29.7	66.4	49.3	2.3	4.0	11.5	10.6	3.4	2.4	3.9	5.9	6.0	6.3	
FAR EAST HOSPITALITY TRUST	1,217	1.4%	4.00	3.81	2.41	2.63	3.27	4.09	4.10	4.10	2.6	-4.8	-36.7	9.1	24.3	25.1	0.2	0.0	6.6	6.3	4.0	4.3	5.4	6.8	6.8	6.8	
Average		7.2%	6.62	6.73	3.04	3.57	4.70	5.43	5.16	5.43	0.4	0.9	-54.1	17.4	34.4	19.3	-3.8	4.8	8.8	8.8	4.0	4.5	6.0	7.1	6.8	7.1	
Retail																											
FRASERS CENTREPOINT TRUST	4,018	4.5%	11.98	12.04	9.02	12.09	12.23	12.15	12.00	12.10	1.0	0.5	-25.1	34.0	1.2	-0.6	-1.2	0.8	5.4	5.4	4.1	5.4	5.5	5.5	5.4	5.5	
PARAGON REIT	2,430	2.7%	5.54	5.60	2.72	5.40	n.a.	5.02	4.60	4.40	0.2	1.1	-51.4	98.5	n.a.	n.a.	-8.4	-4.3	6.5	6.5	3.2	6.3	n.a.	5.9	5.4	5.1	
STARHILL GLOBAL REIT	1,064	1.2%	4.48	2.96	3.95	3.80	3.80	3.63	3.90	3.90	-1.5	-33.9	33.4	-3.8	0.0	-4.5	7.4	0.0	9.5	6.3	8.4	8.1	8.1	7.7	8.3	8.3	
Average		8.5%	8.83	8.67	6.26	8.75	7.08	8.64	8.46	8.45	0.4	-4.2	-25.3	49.5	0.6	-1.0	-2.3	-1.0	6.3	5.9	4.4	6.1	4.1	5.9	5.8	5.8	
SG Office																											
KEPPEL REIT	3,188	3.6%	5.56	5.58	5.73	5.82	5.92	5.80	5.90	5.90	-2.5	0.4	2.7	1.6	1.7	-2.0	1.7	0.0	6.7	6.7	6.9	7.0	7.1	6.9	7.1	7.1	
Industrial																											
CAPITALAND ASCENDAS REIT	11,564	13.1%	15.68	15.63	14.69	15.26	15.80	15.16	15.00	15.70	1.6	-0.3	-6.0	3.9	3.5	-4.0	-1.1	4.7	6.0	5.9	5.6	5.8	6.0	5.8	5.7	6.0	
MAPLETREE LOGISTICS TRUST	6,521	7.4%	7.93	8.13	8.32	8.79	9.01	9.00	8.20	8.20	4.2	2.5	2.3	5.7	2.5	-0.1	-8.9	0.0	6.1	6.3	6.4	6.8	6.9	6.9	6.3	6.3	
MAPLETREE INDUSTRIAL TRUST	6,351	7.2%	12.12	12.20	12.51	13.80	13.57	13.43	13.20	13.50	3.5	0.7	2.5	10.3	-1.7	-1.0	-1.7	2.3	5.4	5.4	5.6	6.2	6.1	6.0	5.9	6.0	
KEPPEL DC REIT	3,464	3.9%	7.19	7.61	9.17	9.85	10.21	9.38	9.10	9.30	2.8	5.8	20.5	7.4	3.7	-8.1	-3.0	2.2	3.6	3.8	4.6	4.9	5.1	4.7	4.5	4.6	
ESR-LOGOS REIT	2,075	2.3%	3.83	3.99	2.79	2.98	2.99	2.56	2.30	2.30	1.1	4.2	-30.2	7.0	0.4	-14.4	-10.3	0.0	14.2	14.8	10.3	11.0	11.1	9.5	8.5	8.5	
AIMS APAC REIT	1,030	1.2%	10.23	9.48	8.94	9.44	9.93	9.36	9.20	6.60	-0.5	-7.3	-5.8	5.7	5.1	-5.7	-1.7	-28.3	8.1	7.5	7.0	7.4	7.8	7.4	7.2	5.2	
SABANA INDUSTRIAL REAL ESTAT	366	0.4%	3.18	2.92	2.76	3.05	3.05	2.76	2.80	2.90	-3.9	-8.2	-5.5	10.5	0.0	-9.5	1.4	3.6	9.8	9.0	8.5	9.4	9.4	8.5	8.6	8.9	
Average		35.5%	11.31	11.37	11.20	11.88	12.13	11.72	11.40	11.65	2.5	1.1	-1.2	6.3	2.1	-3.9	-3.6	1.5	6.3	6.3	6.0	6.4	6.5	6.3	6.0	6.1	
Diversified																											
CAPITALAND INTEGRATED COMMERCIAL	13,739	15.5%	11.50	11.97	8.69	10.40	10.58	10.75	11.00	11.00	3.0	4.1	-27.4	19.7	1.7	1.6	2.3	0.0	5.6	5.9	4.3	5.1	5.2	5.3	5.4	5.4	
SUNTEC REIT	3,380	3.8%	9.99	9.51	7.40	8.67	8.88	7.14	6.30	6.70	-0.2	-4.8	-22.1	17.1	2.5	-19.7	-11.7	6.3	8.6	8.2	6.4	7.5	7.7	6.2	5.4	5.8	
OUE REAL ESTATE INVESTMENT TRUST	1,483	1.7%	3.48	3.31	2.43	2.60	2.12	2.09	2.00	2.20	-15.3	-4.9	-26.6	7.0	-18.5	-1.4	-4.3	10.0	12.9	12.3	9.0	9.6	7.9	7.7	7.4	8.1	
LENDLEASE GLOBAL COMMERCIAL	1,319	1.5%	n.a.	n.a.	0.00	4.68	4.85	4.70	4.40	4.60	n.a.	n.a.	n.a.	n.a.	3.6	-3.1	-6.4	4.5	n.a.	n.a.	0.0	8.4	8.7	8.5	7.9	8.3	
Average		22.5%	9.88	10.11	7.43	9.15	9.28	9.09	9.10	9.19	0.9	1.6	-24.6	17.0	0.5	-2.5	-1.1	2.1	6.3	6.3	4.7	6.1	6.0	5.8	5.7	5.9	
OFFSHORE SREITS																											
Overseas Retail																											
SASSEUR REAL ESTATE INVESTMENT	822	0.9%	5.13	6.53	6.55	7.10	6.55	6.25	6.40	6.70	n.a.	27.4	0.2	8.5	-7.8	-4.6	2.4	4.7	7.8	9.9	9.9	10.8	9.9	9.5	9.7	10.2	
LIPPO MALLS INDONESIA RETAIL	139	0.2%	1.83	1.99	0.34	0.35	0.31	0.00	n.a.	n.a.	-40.4	8.8	-82.9	2.9	-11.4	-100.0	n.a.	n.a.	101.4	110.3	18.9	19.4	17.2	0.0	n.a.	n.a.	
DASIN RETAIL TRUST	20	0.0%	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.	286.4	288.8	272.8	157.6	208.8	0.0	n.a.	n.a.	
BHG RETAIL REIT	260	0.3%	5.16	3.87	1.95	2.17	1.17	1.40	n.a.	n.a.	-5.7	-25.0	-49.6	11.3	-46.1	19.7	n.a.	n.a.	10.3	7.7	3.9	4.3	2.3	2.8	n.a.	n.a.	
UNITED HAMPSHIRE US REIT	245	0.3%	n.a.	n.a.	4.81	8.40	5.88	4.79	4.50	4.80	n.a.	n.a.	n.a.	74.6	-30.0	-18.5	-6.1	6.7	n.a.	n.a.	11.5	20.0	14.0	11.4	10.7	11.4	
Average		1.7%	4.01	4.57	4.88	5.78	4.90	4.49	4.28	4.50	-4.8	11.6	-16.4	18.7	-17.9	-12.8	0.3	3.7	19.4	21.0	13.5	14.0	12.6	7.6	7.1	7.5	
Overseas Commercial																											
MANULIFE US REAL ESTATE INVESTMENT	130	0.1%	5.55	5.96	5.64	5.33	4.97	0.00	1.80	1.60	-2.5	7.4	-5.4	-5.5	-6.8	-100.0	n.a.	-11.1	76.0	81.6	77.3	73.0	68.1	0.0	24.7	21.9	
PRIME US REIT	201	0.2%	n.a.	n.a.	6.31	6.16	5.95	2.46	0.50	2.10	n.a.	n.a.	n.a.	-2.3	-3.4	-58.6	-79.7	320.0	n.a.	n.a.	41.0	40.0	38.7	16.0	3.2	13.6	
KEPPEL PACIFIC OAK US REIT	197	0.2%	n.a.	6.01	6.23	6.34	5.80	2.50	0.00	0.00	n.a.	n.a.	3.7	1.8	-8.5	-56.9	-100.0	n.a.	n.a.	31.8	33.0	33.5	30.7	13.2	0.0	0.0	
IREIT GLOBAL	383	0.4%	3.16	3.14	2.56	2.90	2.66	1.87	2.10	2.00	-3.5	-0.6	-18.3	12.9	-8.2	-29.7	12.3	-4.8	11.1	11.0	9.0	10.2	9.3	6.6	10.7	10.2	
ELITE UK REIT	144	0.2%	n.a.	n.a.	4.37	5.35	4.74	3.07	2.80	3.20	n.a.	n.a.	n.a.	22.3	-11.4	-35.2	-8.8	14.3	n.a.	n.a.	17.9	21.8	19.3	12.5	11.4	13.1	
Average		1.2%	1.83	3.00	4.59	4.80	4.44	2.03	1.46	1.76	-1.6	0.7	-6.6	7.0	-7.6	-49.7	-30.6	29.9	13.4	20.0	29.2	29.5	27.5	9.6	9.1	10.8	
Overseas Industrial																											
DIGITAL CORE REIT MANAGEMENT	742	0.8%	n.a.	0.00	n.a.	n.a.	n.a.	3.70	3.50	3.60	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-5.4	2.9	n.a.	0.0	n.a.	n.a.	n.a.	n.a.	6.5	6.1	6.3
EC WORLD REIT	-	-	6.18	6.05	5.36	6.26	4.76	3.66	n.a.	n.a.	2.6	-2.1	-11.4	16.9	-24.0	-23.2	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	
DAIWA HOUSE LOGISTICS TRUST	390	0.4%	n.a.	0.00	n.a.	n.a.	n.a.	5.70	5.10	5.10	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-10.5	0.0	n.a.	0.0	n.a.	n.a.	n.a.	10.2	9.1	9.1	
CAPITALAND INDIA TRUST	1,407	1.6%	7.23	0.00	8.32	7.74	8.13	6.45	7.30	7.60	27.9	-100.0	n.a.	-6.9	5.0	-20.7	13.2	4.1	6.9	0.0	7.9	7.4	7.7	6.1	7.0	7.2	
Average		2.9%	4.00	0.00	4.61	4.29	4.50	5.53	5.85	6.05	15.48	-55.41	0.00	-3.85	2.77	-11.44	4.10</										

Figure 101: S-REIT universe

	Mkt. Cap. (\$5mn)	3M Daily Average Volume	Price (\$)	% of REIT Market Cap	PSR RATING	PSR Target Price (\$)	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.	173.7	647	n.a.			0.9	5.6	5.4	(8.8)	37.7	n.a.					76.3	11.8	18.6
SINGAPORE REITS																			
Healthcare																			
PARKWAYLIFE REAL ESTATE	2,160	0.6	3.57	2.4%			1.5	4.2	3.7	(1.1)	35.6	2.8	16.3	-	11.3	1.3	90.0	2.0	10.0
Hospitality																			
CAPITALAND ASCOTT TRUST	3,256	5.7	0.86	3.7%	BUY	1.04	0.7	7.6	2.9	(9.1)	37.2	5.4			4.0	2.4	81.0	18.0	10.0
CDL HOSPITALITY TRUSTS	1,103	1.3	0.88	1.2%			0.6	6.5	1.6	(13.1)	36.7	11.3			2.7	4.2	52.3	30.1	29.5
FRASERS HOSPITALITY TRUST	799	0.7	0.42	0.9%			0.6	5.5	1.2	(15.2)	34.5	5.8			3.4	3.3	73.8	21.0	37.0
FAR EAST HOSPITALITY TRUST	1,217	1.4	0.61	1.4%	BUY	0.79	0.7	6.8	0.8	(6.0)	31.3	9.9			3.5	3.3	42.6	0.0	21.0
Average				7.2%			0.7	7.0	2.0	(10.0)		7.3			3.5	2.9			
Retail																			
FRASERS CENTREPOINT TRUST	4,018	2.8	2.22	4.5%	ACCUMULATE	2.38	0.9	5.5	3.8	(2.2)	37.2	5.5	1.9	2.0	3.4	4.3	63.4	20.3	27.4
PARAGON REIT	2,430	0.9	0.86	2.7%			0.8	5.9	2.9	(0.6)	30.0	-	3.0	5.1	3.5	4.3	85.0	33.3	28.5
STARHILL GLOBAL REIT	1,064	1.3	0.47	1.2%			0.6	7.7	2.1	(5.7)	36.8	4.9	8.3	7.9	3.2	3.8	78.0	18.6	24.3
Average				8.5%			0.9	5.9	3.2	(2.2)		3.5			3.4	4.2			
Commercial																			
KEPPEL REIT	3,188	5.4	0.84	3.6%			0.6	6.8	4.8	(5.9)	38.9	5.6		5.5	3.4	2.9	75.0	22.0	21.0
Industrial																			
CAPITALAND ASCENDAS REIT	11,564	11.8	2.63	13.1%			1.2	5.8	6.3	(10.2)	37.9	7.2	3.9		3.9	3.5	79.1	14.5	23.9
MAPLETREE LOGISTICS TRUST	6,521	30.0	1.30	7.4%			0.9	6.1	0.0	(25.9)	38.8	7.6		2.9	3.7	2.5	83.0	7.0	16.0
MAPLETREE INDUSTRIAL TRUST	6,351	6.4	2.24	7.2%			1.2	5.4	9.5	(8.0)	38.6	5.0	4.4		4.7	3.1	79.5	11.5	19.1
KEPPEL DC REIT	3,464	5.1	2.01	3.9%	ACCUMULATE	1.93	1.5	4.7	12.2	3.6	37.4	9.7		7.6	4.7	3.3	74.0	4.0	7.0
ESR-LOGOS REIT	2,075	9.2	0.27	2.3%			0.8	11.1	1.9	(14.1)	35.7	1.8	3.4		2.5	3.9	81.6	0.0	11.8
AIMS APAC REIT	1,030	1.0	1.27	1.2%			1.0	6.0	4.8	0.8	32.2	9.4	4.6		3.8	4.0	76.0	0.0	17.1
SABANA INDUSTRIAL REAL ESTAT	366	0.3	0.33	0.4%			0.6	7.7	4.5	(14.8)	34.3	6.6	3.0		3.5	3.9	76.3	25.1	22.2
Average				35.5%			1.1	6.0	5.9	(11.4)		6.8			4.0	3.2			
Diversified																			
CAPITALAND INTEGRATED COMMER	13,739	20.3	2.04	15.5%			1.0	4.7	5.1	1.0	39.9	4.9	3.4		3.1	3.4	78.0	16.0	13.0
SUNTEC REIT	3,380	7.2	1.16	3.8%	BUY	1.41	0.6	6.6	12.4	(4.1)	42.4	4.5			2.4	2.9	66.0	9.3	15.7
OUÉ REAL ESTATE INVESTMENT T	1,483	2.4	0.27	1.7%	BUY	0.33	0.4	7.3	3.8	(5.3)	38.2	8.3	2.4		2.4	4.3	66.3	0.0	42.6
LENLEASE GLOBAL COMMERCIAL	1,319	3.9	0.56	1.5%	BUY	0.80	0.6	8.8	6.2	(7.8)	40.5	5.5	4.9	7.9	3.8	3.4	61.0	0.0	22.0
Average				22.5%			0.8	5.5	6.3	(0.9)		5.1			3.0	3.4			
OFFSHORE REITS																			
Overseas Retail																			
SASSEUR REAL ESTATE INVESTME	822	0.5	0.66	0.9%	BUY	0.87	0.8	6.7	(0.7)	(2.2)	25.3	5.7	1.2	2.1	4.3	5.6	87.0	0.0	13.0
LIPPO MALLS INDONESIA RETAIL	139	2.9	0.02	0.2%			0.3	-	35.7	11.8	44.3	2.2		2.2	1.9	8.6	30.5	29.5	3.2
DASIN RETAIL TRUST	20	0.0	0.03	0.0%			0.0	-	(8.3)	(60.0)									
BHG RETAIL REIT	260	0.0	0.50	0.3%			0.7	0.9	0.0	5.4	39.9	0.9	3.3	5.9		5.6	50.0		
UNITED HAMPSHIRE US REIT	245	0.3	0.42	0.3%			0.6	11.3	12.7	(11.9)	41.7	5.4	7.1		2.9	4.3	78.8	0.0	0.0
Average				1.7%			0.7	5.7	4.9	(1.9)		2.3			3.0	5.6			
Overseas Commercial																			
MANULIFE US REAL ESTATE INV	130	4.9	0.07	0.1%			0.2	65.1	26.6	1.3	56.7	(44.2)		7.6	2.6	4.1	80.2	3.8	13.8
PRIME US REIT	201	5.4	0.15	0.2%	BUY	0.22	0.3	16.0	62.4	(12.9)	42.8	(5.9)		3.9	3.4	3.9	80.0	0.0	63.5
KEPPEL PACIFIC OAK US REIT	197	3.7	0.19	0.2%			0.3	31.8	49.3	(46.7)	38.4	3.5		3.5	3.4	4.0	77.6	1.7	12.9
IREIT GLOBAL	383	0.4	0.29	0.4%			0.5	9.6	5.4	(27.2)	33.1	(5.9)		5.0	7.1	1.9	96.2	0.0	0.0
ELITE UK REIT	144	0.2	0.25	0.2%	BUY	€0.32	0.6	12	2.1	(12.5)	46.0	(10.8)		4.5	3.4	5.2	62.0	0.0	58.8
Average				1.2%			0.4	22.2	26.6	(22.6)		(7.5)			4.6	3.4			
Overseas Industrial																			
DIGITAL CORE REIT MANAGEMENT	742	2.8	0.57	0.8%			0.8	3.2	0.0	(11.6)	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	390	0.6	0.56	0.4%			0.7	9.3	(1.8)	(14.5)	35.7	7.8	6.6		11.7	1.0	100.0	0.0	29.4
CAPITALAND INDIA TRUST	1,407	2.1	1.05	1.6%			0.9	6.1	11.2	(4.4)	36.0	8.6		2.7	6.3	2.7	73.0	37.7	10.9
Average				2.9%			0.9	5.8	5.9	(8.1)		6.1			3.3	5.0			
Overseas Diversified																			
CAPITALAND CHINA TRUST	1,074	3.1	0.63	1.2%			0.5	10.2	3.0	(25.8)	40.2	4.0	1.8	1.9	3.2	3.5	74.0	0.3	14.8
FRASERS LOGISTICS & COMMERCI	3,795	10.5	1.01	4.3%			0.9	7.7	4.2	(13.9)	28.6	11.7	4.4	-	8.0	2.0	75.4	6.4	25.9
MAPLETREE PAN ASIA COM TRUST	6,519	21.0	1.24	7.4%			0.7	7.1	4.9	(18.5)	40.7	6.4	2.6	-	3.2	3.2	74.2	6.0	22.0
CROMWELL REIT EUR	776	0.3	1.38	0.9%	BUY	€ 1.91	0.7	12.4	0.0	(1.4)	39.5	(2.1)	4.4		4.1	2.9	94.0	0.0	0.0
Average				13.8%			0.7	7.9	4.2	(16.6)		7.3			4.8	2.8			
Other Overseas REITS																			
FIRST REAL ESTATE INVNT TRUST	501	1.2	0.24	0.6%	BUY	0.30	0.8	10.2	4.1	(3.8)	38.7	4.7		12.0	4.1	4.9	86.0	0.0	0.0
ARA US HOSPITALITY TRUST	165	2.2	0.29	0.2%			0.4	12	7.1	(1.6)	39.7	1.3			2.5	4.6	75.2	0.0	43.5
Average				0.8%			0.7	10.6	4.8	(3.2)		3.8			3.7	4.8			

Source: Bloomberg (Updated: 24 August 2024), Company Results/Prospectuses, PSR

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