

# Singapore REITs Monthly: Aug24

Rate cut fuelled rally



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## SINGAPORE | REAL ESTATE (REIT) | UPDATE

- The S-REITs Index advanced 4.2% in August, building on its 5.4% rally from July. The top performer for the month was Keppel Pacific Oak US REIT (KORE SP, non-rated), gaining 30%, while the worst performer was ARA US Hospitality Trust (ARAUS SP, non-rated), falling 23.3% after weak 1H24 results. The overseas commercial sub-sector was the top performer in August, gaining 10.2%, driven by the US office REITs. In contrast, the worst-performing sub-sector was hospitality, which grew by 0.9%.
- The Fed lowered its benchmark rate by 50bps on 18 September 2024 to a target range of 4.75%-5%, the first reduction since March 2020. According to our sensitivity analysis, every 100bps decrease in interest rates will improve S-REITs DPU by c.5% on average. S-REITs are now trading at a forward dividend yield spread of c.3.3% (-1x s.d.) and a P/NAV of 0.93x (-1.1x s.d.).
- We remain **OVERWEIGHT** on S-REITs. We prefer REITs with a healthy balance sheet, strong sponsors, and improving operating metrics, particularly those with the potential for higher rental reversions. We also favour REITs with a lower interest rate hedging ratio, as they stand to benefit the most from interest rate cuts. Our sub-sector preferences are retail and hospitality. Catalysts are expected from a pick-up in the economy, asset recycling, and more interest rate cuts. Cromwell European REIT (CERT SP, BUY, TP €1.91), OUE REIT (OUEREIT SP, BUY, TP S\$0.40), and CapitaLand Ascott Trust (CLAS SP, BUY, TP S\$1.04) are our top picks.

### SECTOR ROUND-UP

The S-REITs Index rallied over the past two months due to lower interest rate expectations, and on 18 September, the Fed finally cut its Fed Funds Rate by 50 bps to a target range of 4.75%-5%. The September Fed dot plot at the median is now projecting 100bps of total rate cuts in 2024 compared to only 25bps projected in the June Fed dot plot. The current projection is for the Fed Funds Rate to reach a target range of 2.75-3% by end-2026. As a result, we expect S-REITs to continue their recent rally and to outperform in 4Q24 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. With S-REITs adopting a lower interest rate hedging ratio, we expect DPU to return to organic growth in 2025. Based on our sensitivity analysis, every 100bps decrease in interest rates will improve S-REITs DPU by c.5% on average. Additionally, we expect asset transactions to pick up pace as interest rates continue to decline.

### CICT's acquisition of 50% stake in ION Orchard

In early September, CapitaLand Integrated Commercial Trust (CICT SP, non-rated) announced the acquisition of a 50% interest in ION Orchard from its sponsor CapitaLand Investment Limited (CLI SP, BUY, TP S\$3.38) for a total acquisition outlay of S\$1.1bn. This was based on an agreed property value of S\$3.7bn (100% basis) and at a gross yield of 7.1% (NPI yield is estimated to be 4.9%). This transaction is 0.9% DPU accretive, with further upside if tax transparency treatment can be achieved. Post-acquisition, the aggregate leverage is expected to remain stable at 39.9%. CICT will fund this transaction with a private placement at S\$2.04 to raise S\$350mn (which was 3.7 times covered) and a preferential offering at S\$2.007, at a rate of 56 units for every 1000 units owned to raise S\$757mn.

We believe this marks the beginning of more accretive acquisitions in the S-REITs space, especially as interest rates decline. When rates were high, many S-REITs divested non-core assets to lower gearing and strengthen their balance sheets. However, with rates expected to decrease further in the coming months, we anticipate S-REITs will shift their focus toward inorganic growth opportunities.

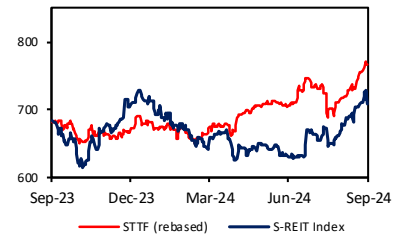
23 September 2024

### OVERWEIGHT (Maintained)

#### INDEX RETURN (%)

	1MTH	3MTH	YTD	1YR
S-REIT Index	4.2	7.8	(5.0)	(0.5)
STTF RETURN	(1.2)	3.0	5.5	6.1

#### S-REIT Index VS. STTF



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



Source: Bloomberg, PSR

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### Upgrade on OUE REIT

We maintain our BUY recommendation for OUE REIT with an increased DDM-TP of S\$0.40 (prev: S\$0.33). We lower our cost of equity (COE) assumption by 1.62ppts to 8.6%, factoring in a lower market risk premium. This is supported by OUE REIT's recent refinancing of a S\$180mn green bond at 3.9% (June 2024 issuance: S\$250mn at 4.1%), marking a historically low rate since its IPO, highlighting favorable market response and a lower risk premium amid improved operating metrics. Our forecast for the all-in cost of borrowing remains stable at c.4.8% by year-end, with a 100bps rate cut potentially leading to a c.15% uplift in FY25e DPU, according to our sensitivity analysis. Bookings during the F1 period remain strong, and we expect occupancy rates to be on par with FY23, though average daily rates (ADR) may show slight moderation. As a result, 3Q24 RevPAR is expected to normalise from FY23 highs, with performance dragged down by July and August. Despite the global economic softness, we expect rental reversion for Singapore office and retail properties to remain healthy, sustaining a 10% rental reversion in FY24e, with occupancy rates staying above 95%. China remains the drag for the REIT, with increased supply expected from 3Q24 onwards, hurting reversion and occupancy further. OUE REIT is actively seeking divestment opportunities to monetise its assets, though the bid-ask gap in the market remains wide. Despite a 16% increase in share price over the past month, OUE REIT continues to trade at an attractive discount, with a 0.5x price-to-net asset value (P/NAV) ratio. No change in our estimates. OUE REIT is trading at an FY24e dividend yield of 5.7%.

### Downgrade on Keppel DC REIT

Due to the recent share price movement of Keppel DC REIT (KDCREIT SP, REDUCE, TP: S\$1.93), we have downgraded our recommendation from ACCUMULATE to REDUCE with an unchanged target price of S\$1.93. Our estimates have not changed. Keppel DC REIT is trading at an FY24e dividend yield of 4.1%.

### Hospitality

Singapore's international visitor arrivals grew 17% YoY in August 24 to 1.5mn, reaching 89% of pre-COVID levels (Figure 8). Visitor arrivals from China grew 87% YoY in August 24 and are now 2% above pre-COVID levels after the 30-day visa-free entry for Chinese citizens rolled out on 9 February 24. RevPAR in Singapore fell 4.7% YoY in July 24, after falling 3.1% YoY in June 24, due to a 1.3ppt decrease in occupancy and a 3.3% decrease in room rates. We think RevPAR will return to growth in 4Q24, supported by several concerts (Olivia Rodrigo, Andy Lau, Jay Chou, Dua Lipa), the Singapore F1 Grand Prix, and a packed MICE schedule in Singapore.

## INVESTMENT RECOMMENDATION

### OVERWEIGHT on SREITs (Maintained)

S-REITs are now trading a forward dividend yield of c.6%, 0.1x s.d. below the mean (Figure 5), and a P/NAV of 0.93x, 1.1x s.d. below the mean of 1.03x (Figure 4) after the S-REITs Index gained 4.2% in August 24. With interest rates expected to be cut by 100bps 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 has risen from 3.2% to 3.3% MoM and is now 1x s.d. below the mean of 4% (Figure 2). After the 50bps interest rate cut, we expect more rate cuts on the horizon, and we expect the dividend yield spread to widen as the SG10Y yield continues to fall.

### Sub-sector preferences: Hospitality and Retail (Unchanged)

We think the hospitality sub-sector will remain resilient due to higher RevPAR from improving occupancy, supported by the return of international visitor arrivals which are expected to reach pre-COVID levels in 2025, and normalising ADRs. The return of international visitor arrivals could also 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.

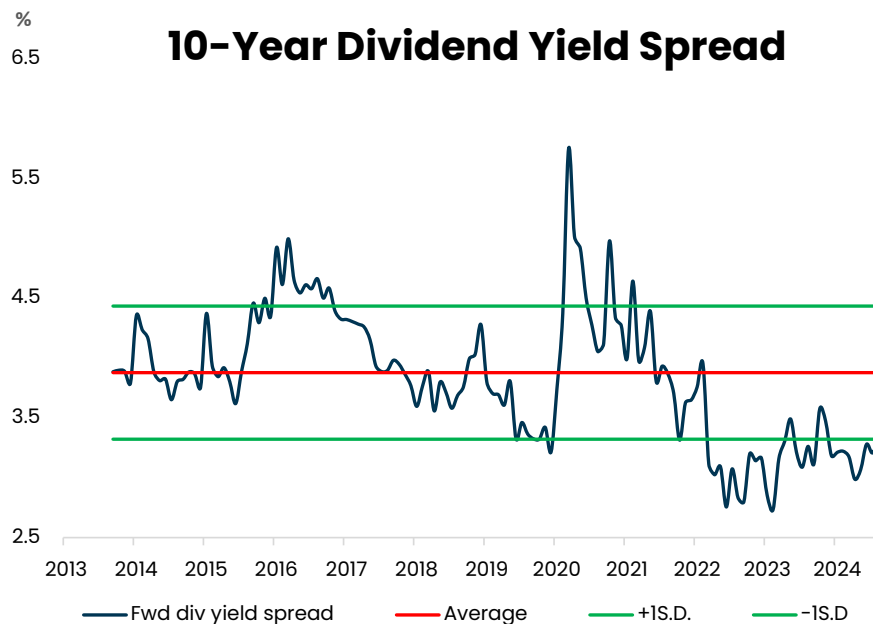
Figure 1: Our stock recommendations

	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	6.8	0.96	0.83	BUY	1.04	4.32	5.67	6.57	5.96	6.39	6.2%	15.1%
Cromwell European REIT	0.3	1.62	0.77	BUY	€1.91	16.96	17.19	15.69	13.96	13.16	8.6%	26.5%
Elite UK REIT	0.2	0.31	0.77	BUY	£0.32	5.35	4.74	3.07	2.70	4.05	8.7%	11.9%
Far East Hospitality Trust	1.3	0.64	0.69	BUY	0.79	2.63	3.27	4.09	4.19	4.29	6.5%	30.0%
First REIT	1.4	0.28	0.99	BUY	0.30	2.61	2.64	2.48	2.36	2.51	8.4%	15.6%
Fraser's Centrepoint Trust	3.6	2.27	0.94	ACCUMULATE	2.38	12.09	12.23	12.15	12.12	12.43	5.3%	10.2%
Keppel DC REIT	5.9	2.18	1.59	REDUCE	1.93	9.85	10.21	9.38	9.01	9.67	4.1%	-7.3%
Lendlease Global Commercial	5.4	0.60	0.79	BUY	0.80	4.68	4.85	4.70	4.16	4.66	6.9%	40.3%
OUE REIT	3.7	0.33	0.54	BUY	0.40	2.60	2.12	2.09	1.85	2.82	5.7%	28.8%
Prime US REIT	9.0	0.19	0.35	BUY	US\$0.22	6.16	5.95	2.46	0.33	3.27	1.7%	16.3%
Sasseur REIT	0.8	0.68	0.80	BUY	0.87	7.10	6.55	6.25	6.27	6.34	9.2%	37.2%
Suntec REIT	10.1	1.33	0.63	BUY	1.41	8.67	8.88	7.14	6.20	7.49	4.7%	10.7%

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: 22 September 2024), Company Results/Prospectuses, PSR

Figure 2: Dividend Yield Spread at 3.3% and -1x s.d.



Source: Bloomberg, Phillip Securities Research

The dividend yield spread has risen from 3.2% to 3.3% MoM and is now trading at -1x s.d. from the mean.

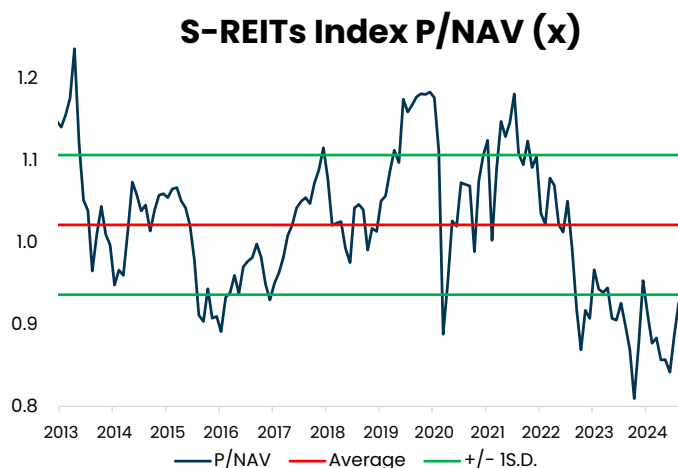
Figure 3: List of S-REITs with perpetual bonds and their respective call dates

Issuer Name	Coupon	Currency	Next Call Date	Amt Issued	Issue Date	Mty Type	Amt Out
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

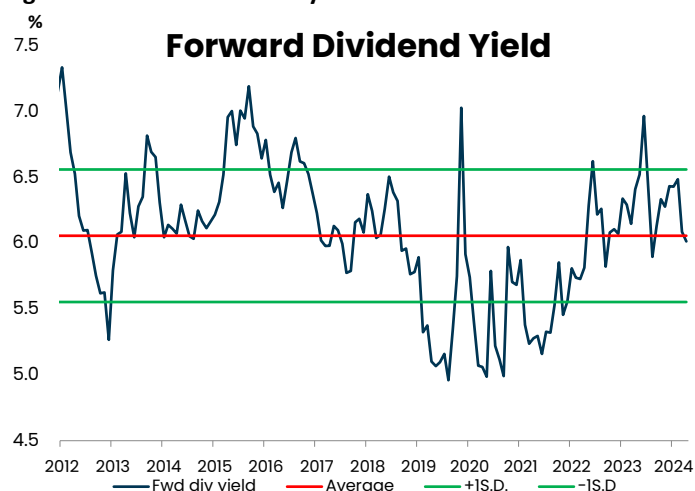
## MACROECONOMIC ENVIRONMENT

Figure 4: P/NAV of 0.93x is at -1.1x s.d.



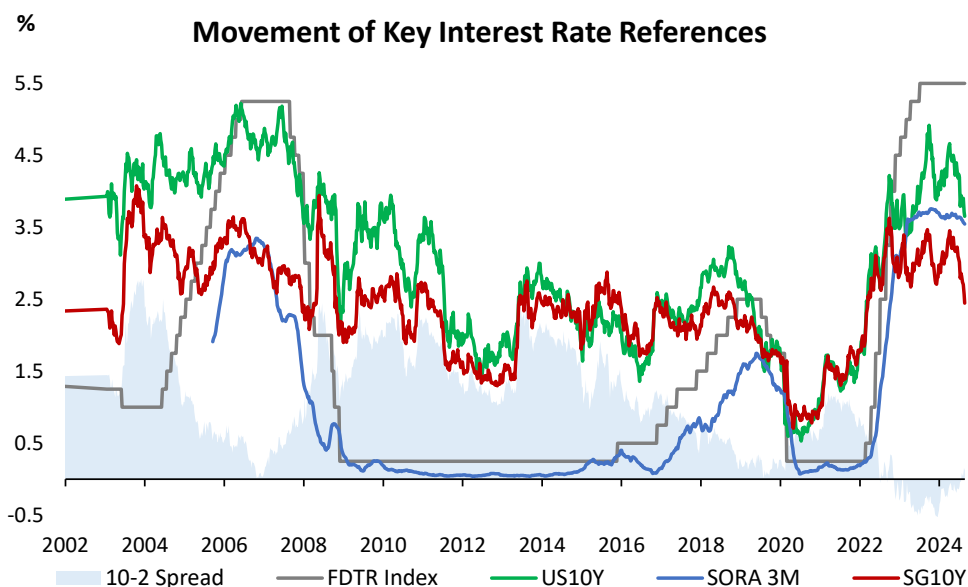
Source: Bloomberg, Phillip Securities, Research

Figure 5: Forward dividend yield of 6% 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 8bps MoM and 43bps YoY in Aug-24, while 3MSORA fell 7bps MoM and 12bps YoY.

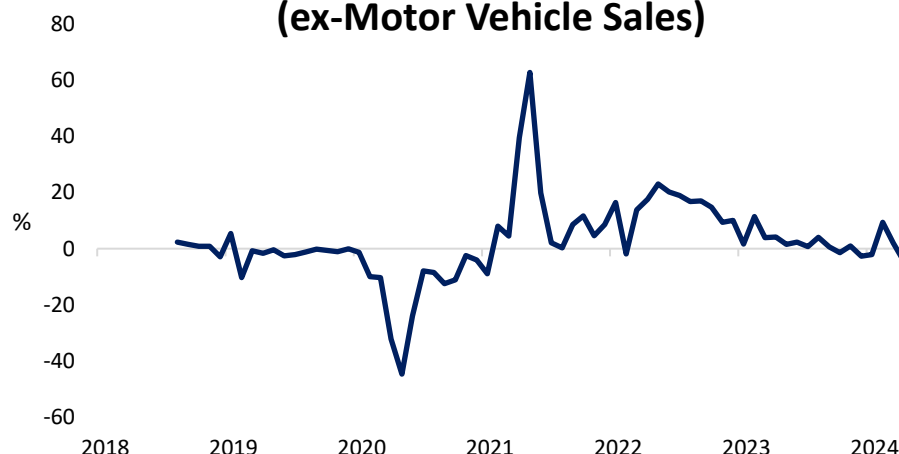
(in %)	SG10Y	3MSORA
30 Aug 2024	2.71	3.57
2Q24 Average	3.28	3.66
1Q24 Average	3.00	3.66
10Y Ave. (2013-2023)	2.22	1.00

Source: Bloomberg, PSR

## SUBSECTOR MONTHLY INDICATORS

Figure 7: Jul-24 RSI was down 2.3% YoY

### Retail Sales Index (monthly YoY%) (ex-Motor Vehicle Sales)



Source: CEIC, PSR

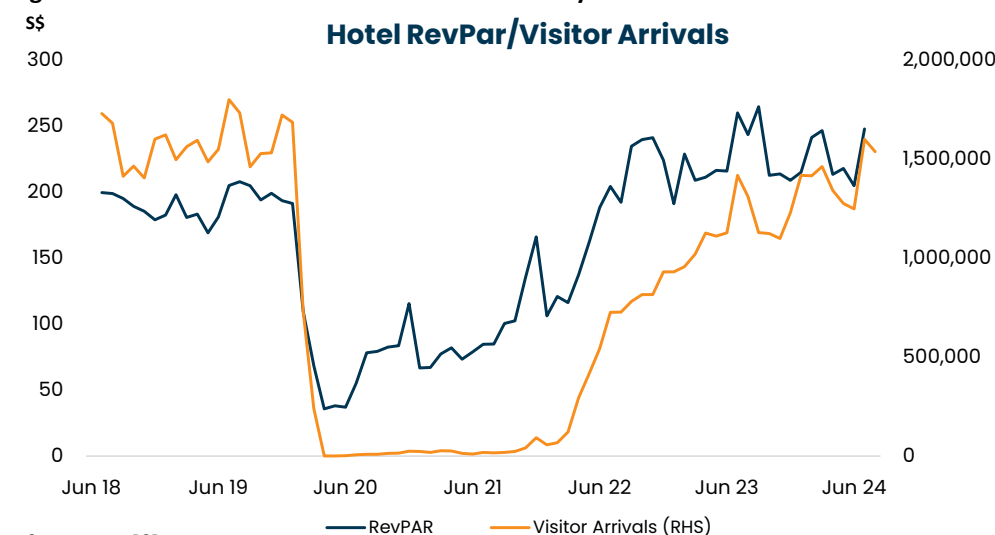
in %	RSI (excl. motor vehicles)	RSI (Dept stores)	RSI (Supermarkets)	RSI (Fashion)	F&B Services Index
Jul-24	-2.3	-11.2	1.8	-10.3	0.2
Jul-23	0.7	-1.7	-2.2	6.6	6.4

Jul-24 RSI (ex. MV) decreased 2.3% YoY, extending the 3.1% YoY decline in Jun-24.

Most trade sectors recorded YoY declines in sales. Department stores and wearing apparel & footwear were the largest decliners at -11.2% and -10.3%, respectively.

In contrast, food & alcohol was the biggest gainer at +4.7%.

Figure 8: Tourist arrivals and hotel RevPAR recovery



Source: CEIC, PSR

	Visitor Arrivals		Hotel RevPAR (S\$)	Hotel Occupancy (%)	Hotel Average Room Rate (S\$)
Aug-24	1,539,787	Jul-24	248	89.2	278
Aug-23	1,312,693	Jul-23	260	90.4	288
YoY%	17.3%	YoY%	-4.7%	-1.3 ppts	-3.3%

Jul-24 RevPAR and Aug-24 international visitor arrivals were +21% and -11% of pre-COVID levels, respectively.

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

	Mkt. Cap. (\$mm)	% 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.	4854	4470	4248	4390	4466	4223	4120	4085	n.a.	-7.9%	-5.0%	3.4%	1.7%	-5.5%	-2.4%	-0.8%	6.8	6.3	6.0	6.2	6.3	5.8	5.8	6.2	
SINGAPORE REITS																											
Healthcare																											
PARKWAYLIFE REAL ESTATE	2,474	2.5%	12.87	13.19	13.79	14.08	14.38	14.77	14.70	15.00	-3.6	2.5	4.5	2.1	2.1	2.7	-0.5	2.0	3.1	3.2	3.4	3.4	3.5	3.6	3.6	3.7	
Hospitality																											
CAPITALAND HOSPITALITY TRUST	3,616	3.7%	7.16	7.61	3.03	4.32	5.67	6.57	6.00	6.20	1.0	6.3	-60.2	42.6	31.3	15.9	-8.7	3.3	7.5	8.0	3.2	4.5	5.9	6.9	6.3	6.5	
CDL HOSPITALITY TRUSTS	1,228	1.3%	9.26	9.02	4.95	4.27	5.63	5.70	5.70	6.00	0.4	-2.6	-45.1	-13.7	31.9	1.2	0.0	5.3	9.4	9.2	5.1	4.4	5.7	5.8	5.8	6.1	
FRASERS HOSPITALITY TRUST	896	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	10.2	9.5	3.0	2.1	3.5	5.3	5.4	5.5	
FAR EAST HOSPITALITY TRUST	1,287	1.3%	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	6.3	6.0	3.8	4.1	5.1	6.4	6.4	6.4	
Average		7.2%	6.64	6.75	3.04	3.58	4.71	5.44	5.15	5.32	0.3	1.0	-54.3	17.4	34.6	19.3	-4.1	3.1	8.0	8.0	3.6	4.1	5.4	6.4	6.1	6.3	
Retail																											
FRASERS CENTREPOINT TRUST	4,109	4.2%	11.98	12.04	9.02	12.09	12.23	12.15	12.00	12.00	1.0	0.5	-25.1	34.0	1.2	-0.6	-1.2	0.0	5.3	5.3	4.0	5.3	5.4	5.4	5.3	5.3	
PARAGON REIT	2,472	2.5%	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	6.4	6.4	3.1	6.2	n.a.	5.8	5.3	5.1	
STARHILL GLOBAL REIT	1,200	1.2%	4.48	2.96	3.95	3.80	3.80	3.63	3.80	3.90	-1.5	-33.9	33.4	-3.8	0.0	-4.5	4.7	2.6	8.5	5.6	7.5	7.2	7.2	6.8	7.2	7.4	
Average		8.0%	8.77	8.59	6.24	8.68	7.04	8.57	8.38	8.34	0.3	-4.6	-24.4	48.7	0.6	-1.0	-2.6	-1.0	6.1	5.7	4.2	5.9	3.9	5.7	5.6	5.5	
SG Office																											
KEPPEL REIT	3,647	3.7%	5.56	5.58	5.73	5.82	5.92	5.80	5.90	6.00	-2.5	0.4	2.7	1.6	1.7	-2.0	1.7	1.7	5.8	5.8	6.0	6.1	6.2	6.1	6.2	6.3	
Industrial																											
CAPITALAND ASCENDAS REIT	12,575	12.9%	15.68	15.63	14.69	15.26	15.80	15.16	14.90	15.60	1.6	-0.3	-6.0	3.9	3.5	-4.0	-1.7	4.7	5.5	5.5	5.1	5.3	5.5	5.3	5.2	5.5	
MAPLETREE LOGISTICS TRUST	7,223	7.4%	7.93	8.13	8.32	8.79	9.01	9.00	8.10	8.20	4.2	2.5	2.3	5.7	2.5	-0.1	-10.0	1.2	5.5	5.6	5.8	6.1	6.3	6.3	5.6	5.7	
MAPLETREE INDUSTRIAL TRUST	6,947	7.1%	12.12	12.20	12.51	13.80	13.57	13.43	13.20	13.30	3.5	0.7	2.5	10.3	-1.7	-1.0	-1.7	0.8	4.9	5.0	5.1	5.6	5.5	5.5	5.4	5.4	
KEPPEL DC REIT	3,757	3.9%	7.19	7.61	9.17	9.85	10.21	9.38	9.10	9.40	2.8	5.8	20.5	7.4	3.7	-8.1	-3.0	3.3	3.3	3.5	4.2	4.5	4.7	4.3	4.2	4.3	
ESR-LOGOS REIT	2,190	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	13.4	14.0	9.8	10.5	10.5	9.0	8.1	8.1	
AIMS APAC REIT	1,079	1.1%	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	7.7	7.1	6.7	7.1	7.5	7.0	6.9	5.0	
SABANA INDUSTRIAL REAL ESTAT	405	0.4%	3.18	2.92	2.76	3.05	3.05	2.76	n.a.	n.a.	-3.9	-8.2	-5.5	10.5	0.0	-9.5	n.a.	n.a.	8.8	8.1	7.7	8.5	8.5	7.7	n.a.	n.a.	
Average		35.1%	11.31	11.38	11.21	11.88	12.14	11.73	11.32	11.57	2.5	1.1	-1.2	6.3	2.1	-3.8	-4.1	1.6	5.8	5.8	5.5	5.9	6.0	5.7	5.4	5.5	
Diversified																											
CAPITALAND INTEGRATED COMMER	14,510	14.9%	11.47	11.94	8.67	10.37	10.55	10.72	10.80	11.20	3.0	4.1	-27.4	19.7	1.7	1.6	0.7	3.7	5.5	5.7	4.1	4.9	5.0	5.1	5.1	5.3	
SUNTEC REIT	3,875	4.0%	9.99	9.51	7.40	8.67	8.88	7.14	6.20	6.60	-0.2	-4.8	-22.1	17.1	2.5	-19.7	-13.1	6.5	7.5	7.1	5.6	6.5	6.7	5.4	4.7	5.0	
OUE REAL ESTATE INVESTMENT T	1,785	1.8%	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	10.7	10.2	7.5	8.0	6.5	6.4	6.2	6.8	
LENDLEASE GLOBAL COMMERCIAL	1,426	1.5%	n.a.	n.a.	0.00	4.68	4.85	4.70	3.80	3.90	n.a.	n.a.	n.a.	n.a.	3.6	-3.1	-19.1	2.6	n.a.	n.a.	0.0	7.8	8.1	7.8	6.3	6.5	
Average		22.2%	9.79	10.00	7.35	9.05	9.18	8.97	8.78	9.15	0.7	1.5	-24.6	16.9	0.3	-2.8	-3.5	4.6	5.9	5.9	4.4	5.7	5.6	5.4	5.2	5.5	
OFFSHORE SREITS																											
Overseas Retail																											
SASSEUR REAL ESTATE INVESTME	847	0.9%	5.13	6.53	6.55	7.10	6.55	6.25	6.20	6.50	n.a.	27.4	0.2	8.5	-7.8	-4.6	-0.8	4.8	7.5	9.6	9.6	10.4	9.6	9.2	9.1	9.6	
LIPO MALLS INDONESIA RETAIL	169	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.	83.0	90.3	15.5	15.9	14.1	0.0	n.a.	n.a.	
DASIN RETAIL TRUST	31	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.	188.4	190.0	179.5	103.7	137.4	0.0	n.a.	n.a.	
BHG RETAIL REIT	226	0.2%	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.	11.9	8.9	4.5	5.0	2.7	3.2	n.a.	n.a.	
UNITED HAMPSHIRE US REIT	289	0.3%	n.a.	n.a.	4.81	8.40	5.88	4.79	4.30	4.60	n.a.	n.a.	n.a.	74.6	-30.0	-18.5	-10.2	7.0	n.a.	n.a.	9.7	17.0	11.9	9.7	8.7	9.3	
Average		1.6%	3.87	4.46	4.89	5.84	4.94	4.48	4.16	4.38	-5.2	12.2	-16.2	19.6	-17.0	-15.9	-2.3	3.9	18.5	20.0	12.9	13.3	12.0	7.2	6.6	6.9	
Overseas Commercial																											
MANULIFE US REAL ESTATE INV	222	0.2%	5.55	5.96	5.64	5.33	4.97	0.00	0.00	n.a.	-2.5	7.4	-5.4	-5.5	-6.8	-100.0	n.a.	n.a.	44.4	47.7	45.1	42.6	39.8	0.0	0.0	n.a.	
PRIME US REIT	251	0.3%	n.a.	n.a.	6.31	6.16	5.95	2.46	0.40	1.80	n.a.	n.a.	n.a.	-2.3	-3.4	-58.6	-83.8	350.0	n.a.	n.a.	32.9	32.1	31.0	12.8	2.1	9.4	
KEPPEL PACIFIC OAK US REIT	292	0.3%	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.	21.5	22.3	22.6	20.7	8.9	0.0	0.0	
IREIT GLOBAL	417	0.4%	3.16	3.14	2.56	2.90	2.66	1.87	n.a.	n.a.	-3.5	-0.6	-18.3	12.9	-8.2	-29.7	n.a.	n.a.	10.2	10.1	8.3	9.3	8.6	6.0	n.a.	n.a.	
ELITE UK REIT	182	0.2%	n.a.	n.a.	4.37	5.35	4.74	3.07	2.90	3.50	n.a.	n.a.	n.a.	22.3	-11.4	-35.2	-5.5	20.7	n.a.	n.a.	14.1	17.3	15.3	9.9	9.4	11.3	
Average		1.4%	1.87	3.22	4.78	4.96	4.59	1.97	0.46	0.80	-1.5	1.0	-5.7	6.0	-7.6	-53.0	-37.6	67.2	10.3	15.5	22.6	22.9	21.3	7.4	1.6	3.2	
Overseas Industrial																											
DIGITAL CORE REIT MANAGEMENT	798	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.	6.0	5.7	5.9	
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	450	0.5%	n.a.	0.00	n.a.	n.a.	n.a.	5.70	5.00	5.00	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-12.3	0.0	n.a.	0.0	n.a.	n.a.	n.a.	8.8	7.8	7.8	
CAPITALAND AIUA TRUST	1,541	1.6%	7.23	0.00	8.32	7.74	8.13	6.45	7.40	8.00	27.9	-100.0	n.a.	-6.9	5.0	-20.7	14.7	8.1	6.3	0.0	7.2	6.7	7.1	5.6	6.4	7.0	
Average		2.9%	3.99	0.00	4.60	4.28	4.49	5.54	5.90	6.26	15.45	-55.27	0.00	-3.84	2.76	-11.42	4.61	5.30	3.47	0.00	4.00	3.72	3.91	6.25	6.43	6.77	
Overseas Diversified																											
CAPITALAND CHINA TRUST	1,278	1.3%	10.17	9.87	6.35	8.73	7.50	6.74	6.10	6.20	1.2	-3.0	-35.7	37.5	-14.1	-10.1	-9.5	1.6	13.6	13.2	8.5	11.6	10.0	9.0	8.1	8.3	
FRASERS LOGISTICS & COMMERC	4,321	4.4%	7.09	7.00	7.12	7.68	7.62	7.04	7.00	7.00	-3.7	-1.3	1.7	7.9	-0.8	-7.6	-0.6	0.0	6.2	6.1	6.2	6.7	6.6	6.1	6.1	6.1	
MAPLETREE NORTH ASIA COMMER	7,623	7.8%	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	5.1	5.2	5.3	4.9	4.3	4.7	n.a.	n.a.	
CROMWELL REIT EUR	911	0.9%	n.a.	20.40	17.42	16.96	17.19	15.69	14.00	13.80	n.a.	n.a.	-14.6	-2.6	1.3	-8.7	-10.8	-1.4	n.a.	12.6	10.8	10.5	10.6	9.7	8.6	8.5	
Average		14.5%	7.05	8.38	8.02	8.07	7.45	7.45	7.37	7.42	-0.35	0.36	-2.14	1.66	-8.61	1.82	-0.30	0.83	5.84	6.65	6.21	6.42	5.91	5.85	3.15	3.16	
Other Overseas REITS																											
FIRST REAL ESTATE INV'T TRUST	584	0.6%	7.94	7.94	3.83	2.61	2.64	2.48	2.36	2.51	0.4	0.0	-51.7	-31.9	1.1	-6.1	-4.8	6.6	28.4	28.4	13.7	9.3	9.4	8.9	11.7	12.0	
ARA US HOSPITALITY TRUST	151	0.2%	n.a.	n.a.	0.00	n.a.	3.05	3.43	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.0	n.a.	11.7	13.2	n.a.	n.a.	
Average		0.8%	6.31	6.31	3.05	2.07	2.72	2.67	1.88	1.99	0.28	0.00	-41.12	-25.35	0.91	-4.82	-3.85	5.25	22.54	22.54	10.88	7.41	9.90	9.75	9.30	9.54	

**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.	193.3	709	n.a.			1.0	5.2	4.2	(5.0)	37.7	n.a.					76.3	11.7	18.6
<b>SINGAPORE REITS</b>																			
<b>Healthcare</b>																			
PARKWAYLIFE REAL ESTATE	2,474	0.7	4.09	2.5%			1.7	3.7	3.3	2.2	35.6	2.8	16.3	-	11.3	1.3	90.0	2.0	10.0
<b>Hospitality</b>																			
CAPITALAND ASCOTT TRUST	3,616	6.8	0.96	3.7%	BUY	1.04	0.8	6.9	1.1	(8.1)	37.2	5.4			4.0	2.4	81.0	18.0	10.0
CDL HOSPITALITY TRUSTS	1,228	1.7	0.98	1.3%			0.7	5.8	(3.1)	(15.8)	36.7	11.3			2.7	4.2	52.3	30.1	29.5
FRASERS HOSPITALITY TRUST	896	0.8	0.47	0.9%			0.7	4.9	3.6	(12.1)	34.5	5.8			3.4	3.3	73.8	21.0	37.0
FAR EAST HOSPITALITY TRUST	1,287	1.3	0.64	1.3%	BUY	0.79	0.7	6.5	2.4	(3.8)	31.3	9.9			3.5	3.3	42.6	0.0	21.0
Average				7.2%			0.8	6.4	0.9	(9.1)		7.3			3.5	2.9			
<b>Retail</b>																			
FRASERS CENTREPOINT TRUST	4,109	3.6	2.27	4.2%	ACCUMULATE	2.38	0.9	5.3	7.7	5.3	37.2	5.5	1.9	2.0	3.4	4.3	63.4	20.3	27.4
PARAGON REIT	2,472	1.6	0.87	2.5%			0.8	7.8	1.7	1.1	30.0	-	3.0	5.1	3.5	4.3	85.0	33.3	28.5
STARHILL GLOBAL REIT	1,200	1.7	0.53	1.2%			0.7	6.8	3.0	(2.9)	36.8	4.9	8.3	7.9	3.2	3.8	78.0	18.6	24.3
Average				8.0%			0.9	6.3	5.1	2.7		3.5			3.4	4.2			
<b>Commercial</b>																			
KEPPEL REIT	3,647	8.0	0.96	3.7%			0.7	6.0	0.6	(5.4)	38.9	5.6		5.5	3.4	2.9	75.0	22.0	21.0
<b>Industrial</b>																			
CAPITALAND ASCENDAS REIT	12,575	11.8	2.86	12.9%			1.3	5.3	5.9	(5.0)	37.9	7.2	3.9		3.9	3.5	79.1	14.5	23.9
MAPLETREE LOGISTICS TRUST	7,223	22.0	1.44	7.4%			1.0	5.5	5.4	(21.8)	38.8	7.6		2.9	3.7	2.5	83.0	7.0	16.0
MAPLETREE INDUSTRIAL TRUST	6,947	7.1	2.45	7.1%			1.3	5.0	5.6	(2.8)	38.6	5.0	4.4		4.7	3.1	79.5	11.5	19.1
KEPPEL DC REIT	3,757	5.9	2.18	3.9%	REDUCE	1.93	1.6	4.3	5.4	9.2	37.4	9.7		7.6	4.7	3.3	74.0	4.0	7.0
ESR-LOGOS REIT	2,190	11.2	0.29	2.3%			0.9	10.5	(1.8)	(15.6)	35.7	1.8	3.4		2.5	3.9	81.6	0.0	11.8
AIMS APAC REIT	1,079	1.0	1.33	1.1%			1.0	7.0	(0.8)	0.0	32.2	9.4	4.6		3.8	4.0	76.0	0.0	17.1
SABANA INDUSTRIAL REAL ESTAT	405	0.2	0.36	0.4%			0.7	6.9	(1.4)	(16.0)	34.3	6.6	3.0		3.5	3.9	76.3	25.1	22.2
Average				35.1%			1.2	5.6	4.9	(7.2)		6.8			4.0	3.2			
<b>Diversified</b>																			
CAPITALAND INTEGRATED COMMER	14,510	28.0	2.10	14.9%			1.0	4.5	1.9	2.9	39.9	4.9	3.4		3.1	3.4	78.0	16.0	13.0
SUNTEC REIT	3,875	10.1	1.33	4.0%	BUY	1.41	0.6	5.8	4.2	0.0	42.4	4.5			2.4	2.9	66.0	9.3	15.7
QUE REAL ESTATE INVESTMENT T	1,785	3.7	0.33	1.8%	BUY	0.40	0.5	6.1	7.4	1.8	38.2	8.3	2.4		2.4	4.3	66.3	0.0	42.6
LENDLEASE GLOBAL COMMERCIAL	1,426	5.4	0.60	1.5%	BUY	0.80	0.8	8.2	(1.7)	(9.3)	40.5	5.5	4.9	7.9	3.8	3.4	61.0	0.0	22.0
Average				22.2%			0.9	5.1	2.6	1.5		5.1			3.0	3.4			
<b>OFFSHORE REITS</b>																			
<b>Overseas Retail</b>																			
SASSEUR REAL ESTATE INVESTME	847	0.8	0.68	0.9%	BUY	0.87	0.8	9.3	3.7	1.5	25.3	5.7	1.2	2.1	4.3	5.6	87.0	0.0	13.0
UPPO MALLS INDONESIA RETAIL	169	2.9	0.02	0.2%			0.4	-	5.3	17.6	44.3	2.2		2.2	1.9	8.6	30.5	29.5	3.2
DASIN RETAIL TRUST	31	0.1	0.04	0.0%			0.1	-	77.3	(29.1)									
BHG RETAIL REIT	226	0.0	0.44	0.2%			0.6	0.8	(3.1)	2.2	39.9	0.9	3.3	5.9		5.6	50.0		
UNITED HAMPSHIRE US REIT	289	0.3	0.50	0.3%			0.7	8.4	0.0	(11.9)	41.7	5.4	7.1		2.9	4.3	78.8	0.0	0.0
Average				1.6%			0.7	6.7	3.7	0.2		2.3			3.1	5.6			
<b>Overseas Commercial</b>																			
MANULIFE US REAL ESTATE INV	222	8.8	0.13	0.2%			0.4	38.0	22.2	23.8	56.7	(44.2)		7.6	2.6	4.1	80.2	3.8	13.8
PRIME US REIT	251	9.0	0.19	0.3%	BUY	0.22	0.3	2.1	0.5	(12.5)	42.8	(5.9)		3.9	3.4	3.9	80.0	0.0	63.5
KEPPEL PACIFIC OAK US REIT	292	4.3	0.28	0.3%			0.4	21.5	30.0	(30.7)	38.4	3.5		3.5	3.4	4.0	77.6	1.7	12.9
IREIT GLOBAL	417	0.6	0.31	0.4%			0.5	8.9	(6.8)	(32.1)	33.1	(5.9)		5.0	7.1	1.9	96.2	0.0	0.0
ELITE UK REIT	182	0.2	0.31	0.2%	BUY	£0.32	0.8	9	16.3	1.8	46.0	(10.8)		4.5	3.4	5.2	62.0	0.0	58.8
Average				1.4%			0.5	15.1	10.2	(14.6)		(7.5)			4.4	3.5			
<b>Overseas Industrial</b>																			
DIGITAL CORE REIT MANAGEMENT	798	3.3	0.62	0.8%			0.9	2.9	7.0	(5.4)	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	450	0.8	0.65	0.5%			0.9	7.8	3.6	(11.5)	35.7	7.8	6.6		11.7	1.0	100.0	0.0	29.4
CAPITALAND INDIA TRUST	1,541	2.1	1.15	1.6%			1.0	5.9	3.7	(0.9)	36.0	8.6			2.7	6.3	73.0	37.7	10.9
Average				2.9%			1.0	5.3	4.6	(3.9)		6.1			3.4	5.0			
<b>Overseas Diversified</b>																			
CAPITALAND CHINA TRUST	1,278	2.7	0.75	1.3%			0.6	8.5	0.7	(25.3)	40.2	4.0	1.8	1.9	3.2	3.5	74.0	0.3	14.8
FRASERS LOGISTICS & COMMERCI	4,321	12.3	1.15	4.4%			1.0	6.8	10.1	(5.2)	28.6	11.7	4.4	-	8.0	2.0	75.4	6.4	25.9
MAPLETREE PAN ASIA COM TRUST	7,623	15.7	1.45	7.8%			0.8	6.1	7.0	(12.7)	40.7	6.4	2.6	-	3.2	3.2	74.2	6.0	22.0
CROMWELL REIT EUR	911	0.3	1.62	0.9%	BUY	€ 1.91	0.8	10.5	3.6	2.1	39.5	(2.1)	4.4		4.1	2.9	94.0	0.0	0.0
Average				14.5%			0.9	6.8	7.2	(10.6)		7.3			4.7	2.8			
<b>Other Overseas REITS</b>																			
FIRST REAL ESTATE INV TRUST	584	1.4	0.28	0.6%	BUY	0.30	1.0	8.7	2.0	(1.9)	38.7	4.7		12.0	4.1	4.9	86.0	0.0	0.0
ARA US HOSPITALITY TRUST	151	2.2	0.26	0.2%			0.4	10	(23.3)	(24.6)	39.7	1.3			2.5	4.6	75.2	0.0	43.5
Average				0.8%			0.9	9.0	(3.2)	(6.5)		3.8			3.8	4.8			

Source: Bloomberg (Updated: 22 September 2024), Company Results/Prospectuses, PSR



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