



24th Asean Valuer's Association Congress

22nd Nov to 24th Nov 2022

Bali, Indonesia



SINGAPORE COUNTRY REPORT



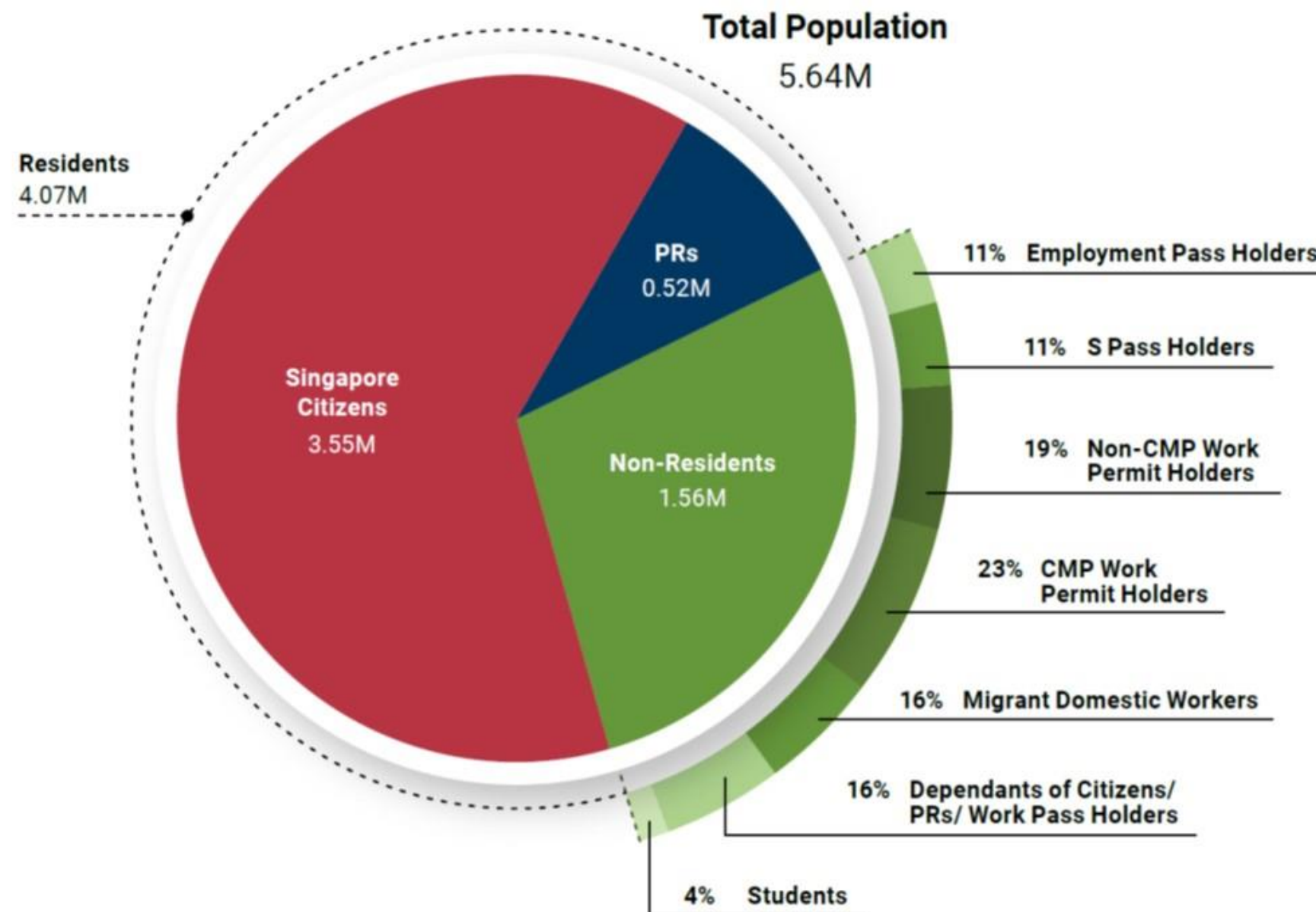
Presented By : GAN BEE GHEE

OUTLINE OF PRESENTATION

- ▶ 1. Singapore Demographics
- ▶ 2. Singapore Economy Overview
- ▶ 3. Singapore Residential Property Market
- ▶ 4. Singapore Office Property Market
- ▶ 5. Singapore Retail Property Market
- ▶ 6. Singapore Industrial Property Market
- ▶ 7. Market Outlook

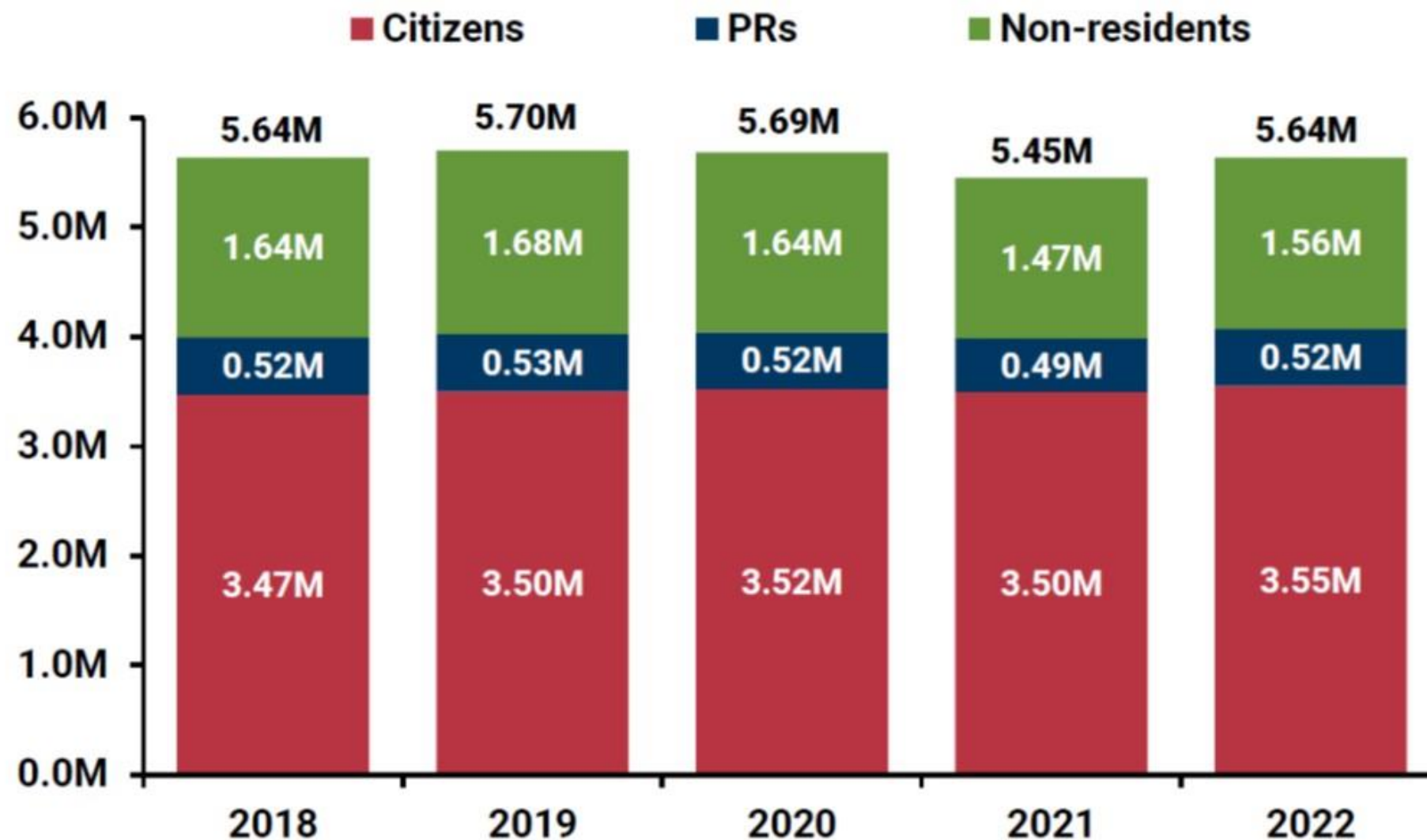
Singapore Demographics (1)

- ▶ Total Population as at June 2022 – 5.64 million
- ▶ Total population grew by 3.4% from June 2021 to June 2022 (See Pie Chart below)



Singapore Demographics (2)

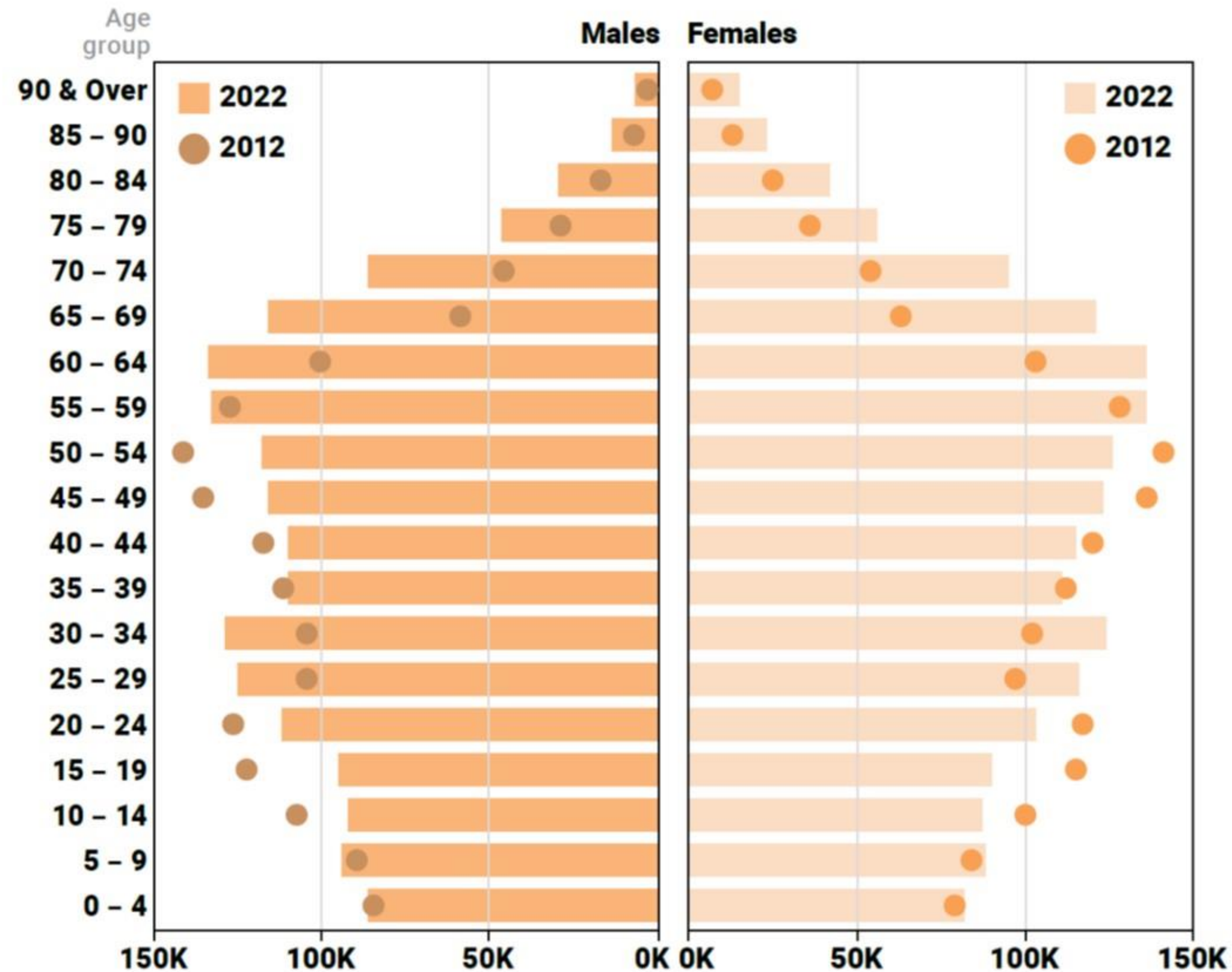
- ▶ Increase in population (Jun 2021 to Jun 2022) is contributed from:
 - ▶ a. Citizen increased by 1.6% (3.5 million to 3.55 million)
 - ▶ b. PR populations increased by 6.3 per cent (0.49 million to 0.52 million) (*See Bar Chart- Total Population by residency status, as of June 2022*)



Singapore Demographics (3)

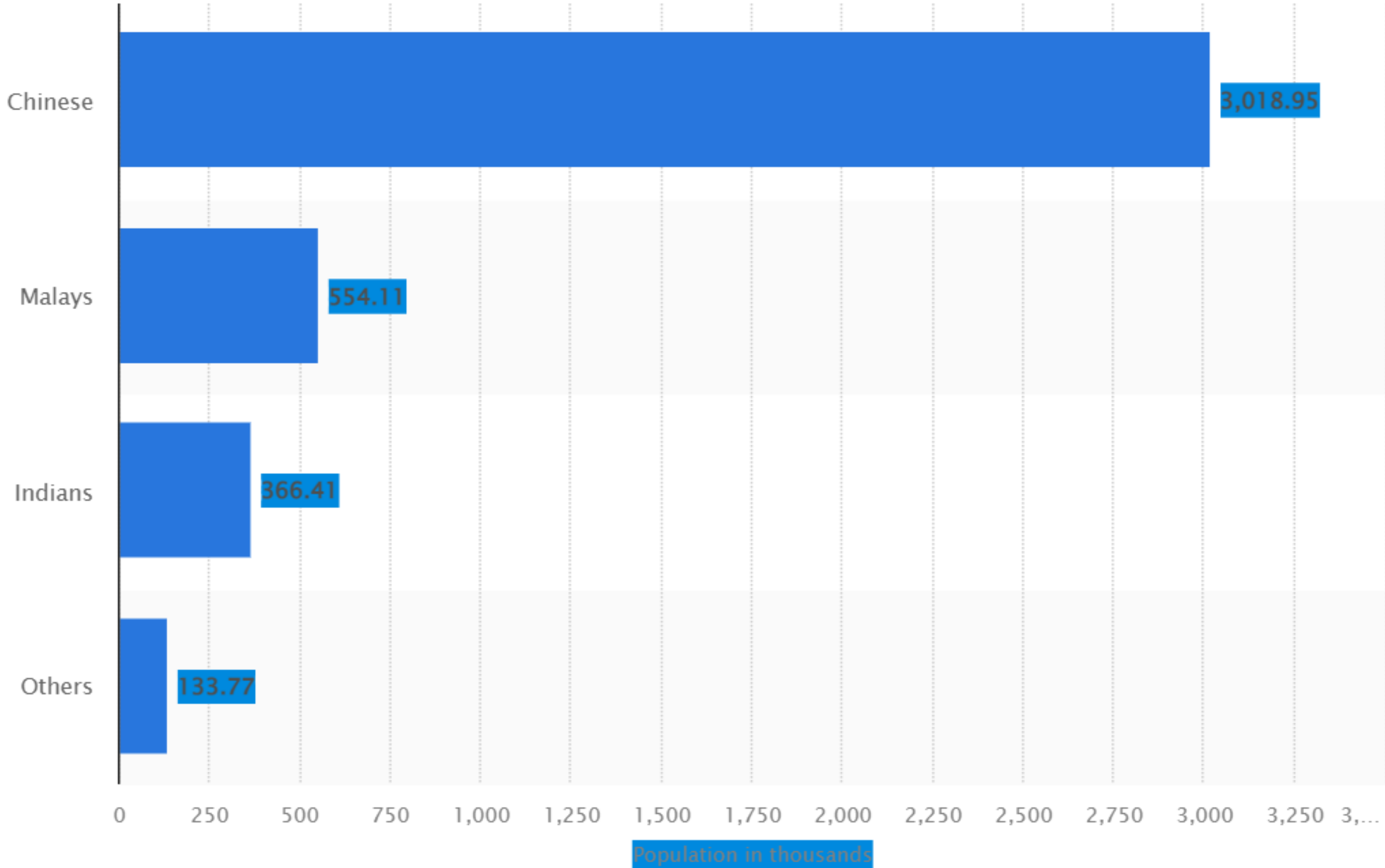
- ▶ Singapore's population is ageing rapidly - with low fertility rates and longer life expectancies.
- ▶ Large cohorts of “baby boomers” have begun entering the post-65 age range (See Chart - next Slide).
- ▶ Proportion of citizens aged 65 and above has increased from 11.1% in 2012 to 18.4% in 2022. By 2030, around 1 in 4 citizens (23.8%) will be aged 65 & above.

Citizen population by broad age groups, as at June 2022



Resident Population by Ethnic Group

► Resident population in Singapore as of June 2022, by ethnic group (in 1,000s)



Singapore Economy Overview (1)

- ▶ Economic Outlook for 2022
- ▶ Since May, the global economic environment has deteriorated further.
- ▶ Stronger than-expected inflationary pressures & more aggressive tightening of monetary policy are expected to weigh on growth in major advanced economies such as the US and Eurozone.
- ▶ Meanwhile, China continues to grapple with a deepening property market downturn and recurring domestic COVID-19 outbreaks.
- ▶ Notwithstanding recent signs of a slight easing in global supply disruptions, disruptions are likely to persist for the rest of the year as underlying factors such as the Russia-Ukraine conflict and China's zero-COVID policy remain.
- ▶ While Singapore does not face an imminent threat of a recession, it could be hit if economies such as the US & European Union enter a prolonged downturn.

Singapore Economy Overview (2)

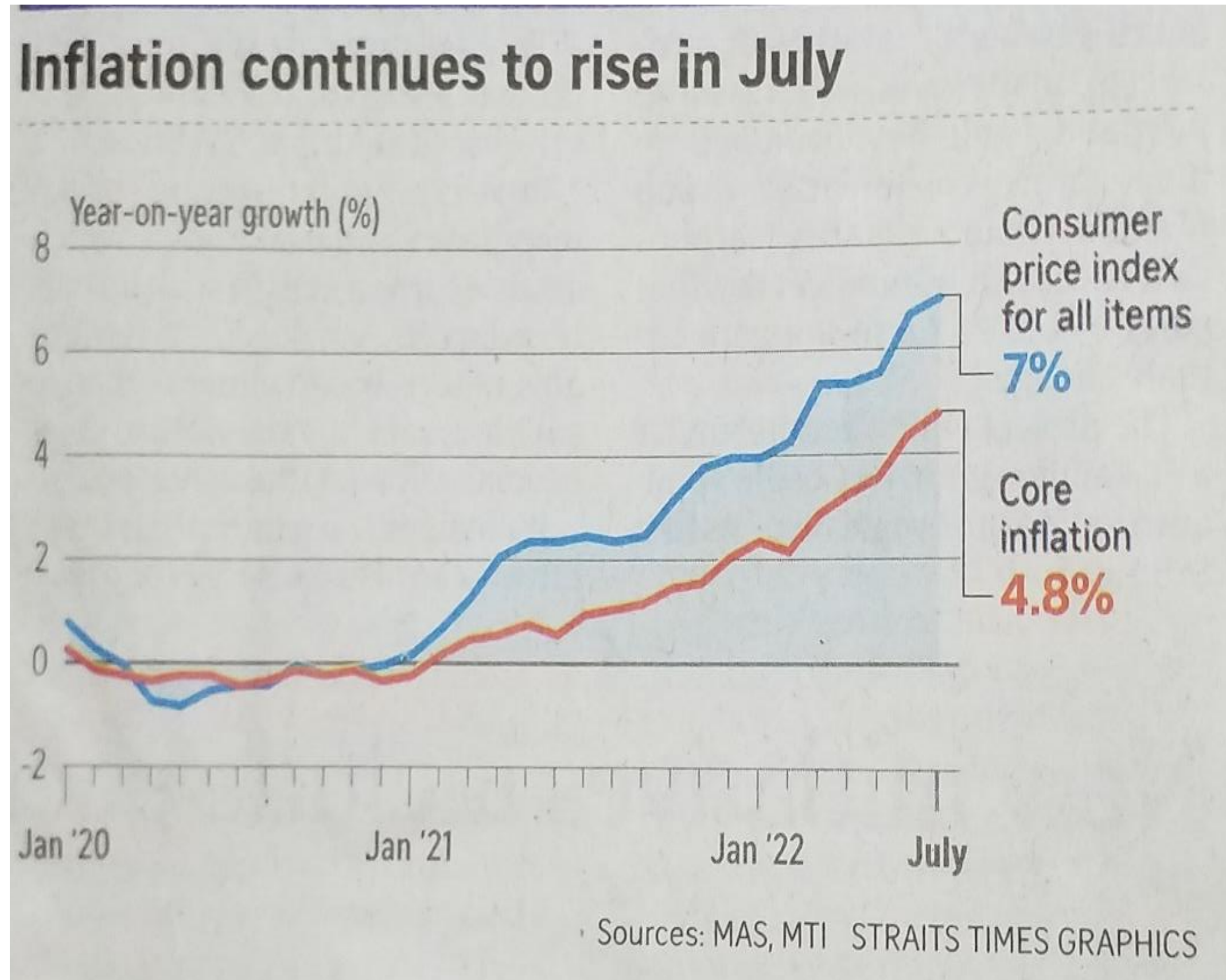
- ▶ Singapore's Ministry of Trade & Industry (MTI) has, in August 2022 forecast Singapore's GDP growth for 2022 at between 3.0 to 4.0 per cent from an earlier forecast of "3.0 to 5.0 per cent".
- ▶ Economic Performance in Second Quarter 2022 - Singapore economy grew by 4.4 per cent on a year-on-year basis in the second quarter, faster than the 3.8 per cent growth recorded in the previous quarter.

Singapore Economy Overview (3)

INFLATION TO REMAIN HIGH

- ▶ Singapore's MAS forecasts for core inflation to average around 4 per cent in 2022.
- ▶ This is due to imported inflation remaining “significant” across a range of goods & services, while a tight labour market will continue to support wage increases.
- ▶ Also, amid conducive demand conditions, businesses are expected to raise prices further to pass the accumulated imported & domestic costs within production chains in Singapore and abroad.
- ▶ Hence, core inflation is expected to remain elevated in 1st half 2023.

Singapore Economy Overview (4)



Singapore Residential Property Market (1)

- ▶ Singapore's Urban Redevelopment Authority flash estimate of price index for private residential property for 3rd Quarter 2022 is as follows:-
 - ▶ Overall, **private residential property index** increased by 6.2 points from 180.9 points in 2nd Quarter 2022 to 187.1 points in 3rd Quarter 2022. Represent an increase of 3.4%, compared to the 3.5% increase in the previous quarter
 - ▶ Prices of **non-landed private residential properties** in the Core Central Region (CCR) increased by 2.3%, compared to the 1.9% increase in the previous quarter.
 - ▶ Prices in the Rest of Central Region (RCR) increased by 2.5%, compared to the 6.4% increase in the previous quarter.
 - ▶ Prices in Outside Central Region (OCR) increased by 7.0%, compared to the 2.1% increase in the previous quarter

Singapore Residential Property Market (2)

COMPARISON OF PROPERTY PRICE INDEX FOR 2ND QUARTER 2022 AND 3RD QUARTER 2022

	Price Index ^{1/}		% Change over Previous Quarter	
	2Q/22	3Q/22	2Q/22	3Q/22
All Residential (1Q09=100)	180.9	187.1	3.5	3.4
Landed Property	211.3	213.8	2.9	1.2
Non-landed Property	173.9	181.0	3.6	4.1
CCR ^{2/}	141.2	144.4	1.9	2.3
RCR ^{3/}	193.3	198.1	6.4	2.5
OCR	208.4	223.0	2.1	7.0

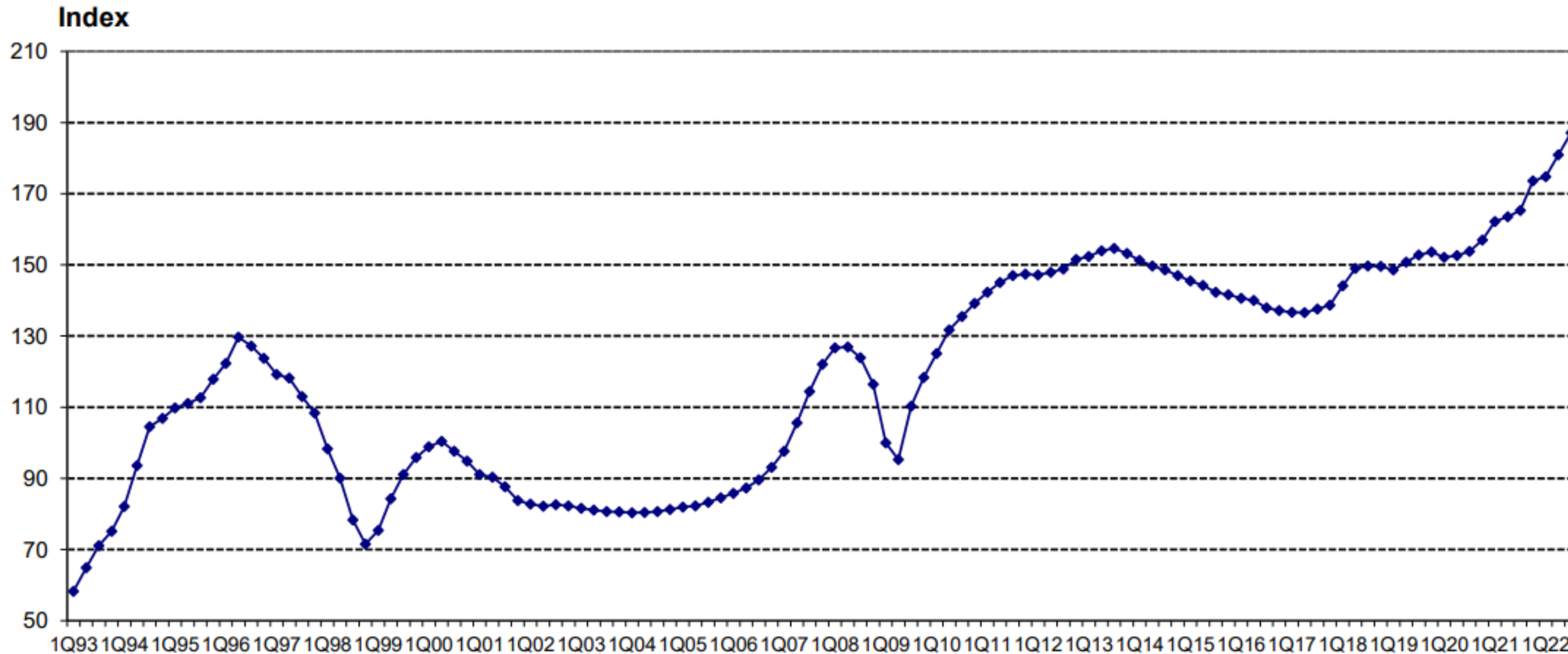
1/ The Index for 3rd Quarter 2022 is a flash estimate.

2/ Core Central Region comprises Postal Districts 9, 10, 11, Downtown Core Planning Area and Sentosa. A map of Central Region showing the Core Central Region (CCR) and the Rest of Central Region (RCR) is available at: https://www.ura.gov.sg/-/media/Corporate/Property/REALIS/realis-maps/map_ccr.pdf

3/ Rest of Central Region comprises the area within Central Region that is outside postal districts 9, 10, 11, Downtown Core Planning Area and Sentosa. A map of Central Region showing the Core Central Region (CCR) and the Rest of Central Region (RCR) is available at: https://www.ura.gov.sg/-/media/Corporate/Property/REALIS/realis-maps/map_ccr.pdf

Singapore Residential Property Market (3)

Private Residential Property Price Index (1Q09=100)

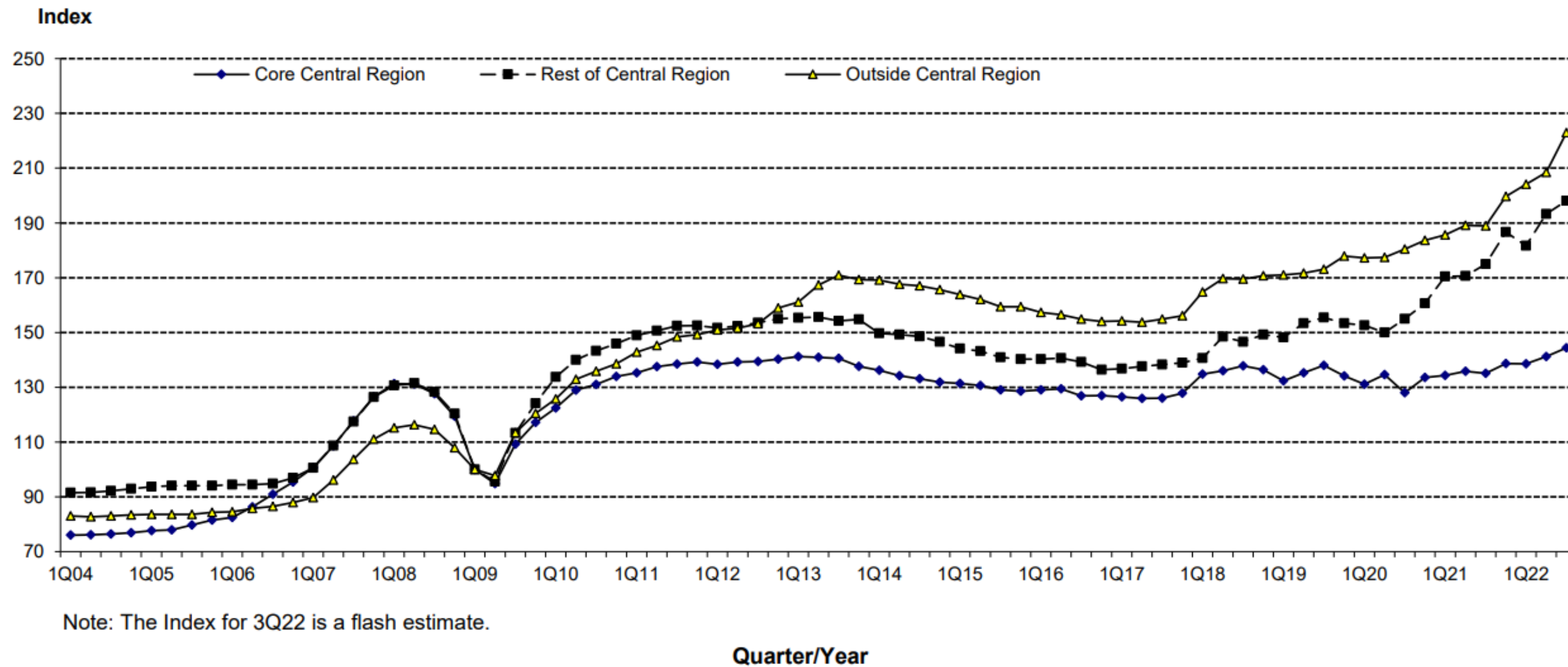


Note: The Index for 3Q22 is a flash estimate.

Quarter/Year

Singapore Residential Property Market (4)

Property Price Index of Non-Landed Private Residential Property (1Q09=100)

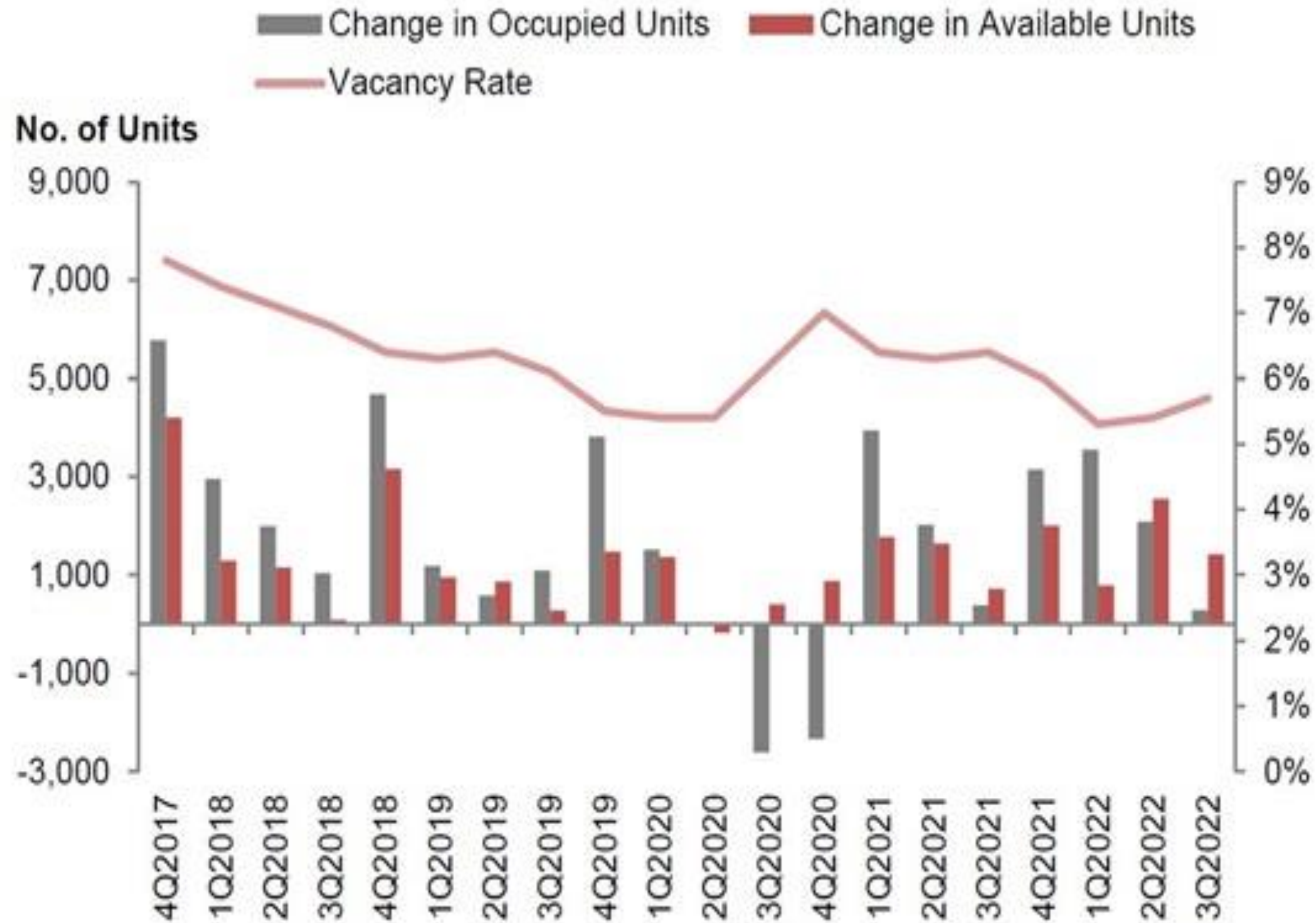


Singapore Residential Property Market (5)

Stock and Vacancy

- ▶ Stock of completed private residential units (excluding ECs) increased by 1,424 units in 3rd Qter 2022, compared with the increase of 2,551 units in previous quarter.
- ▶ Stock of occupied private residential units (excluding ECs) increased by 291 units in 3rd Qter 2022, compared with the increase of 2,085 units in previous quarter.
- ▶ Result - vacancy rate of completed private residential units (excluding ECs) increased to 5.7% as at end of 3rd Qter 2022, from 5.4% in previous quarter
- ▶ Vacancy rates of completed private residential properties as at end of 3rd Qter 2022 in CCR, RCR and OCR were 7.3%, 7.3%, and 4.0% respectively, compared with the 7.4%, 6.6%, and 3.8% in the previous quarter

Singapore Residential Property Market (6)



Singapore Office Property Market (1)

- ▶ Office market prices, rentals, supply & vacancy rate at a glance:

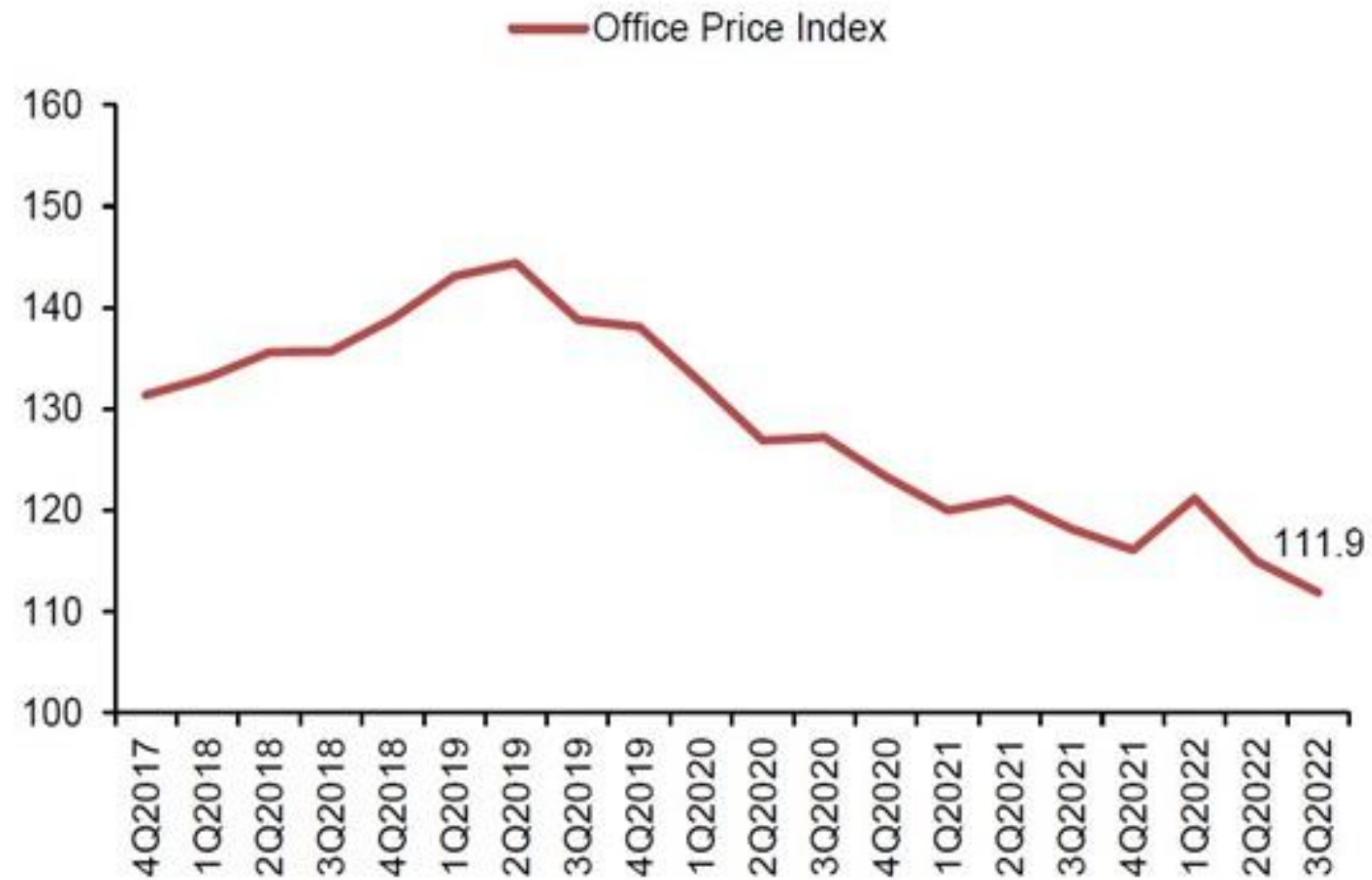
Key indicators	Change	2Q2022	3Q2022
Price index	-2.7%	115.0	111.9
Rental index	+2.1%	164.8	168.3
Pipeline supply	-1.2%	868,000 sq m (GFA)	858,000 sq m (GFA)
Vacancy rate	-0.3% point	12.0%	11.7%

- ▶ **Prices** of office space decreased by 2.7% in 3rd Quarter 2022, compared with the 5.1% decrease in the previous quarter.
- ▶ **Rentals** of office space increased by 2.1% in 3rd Quarter 2022, compared with the 2.4% increase in the previous quarter

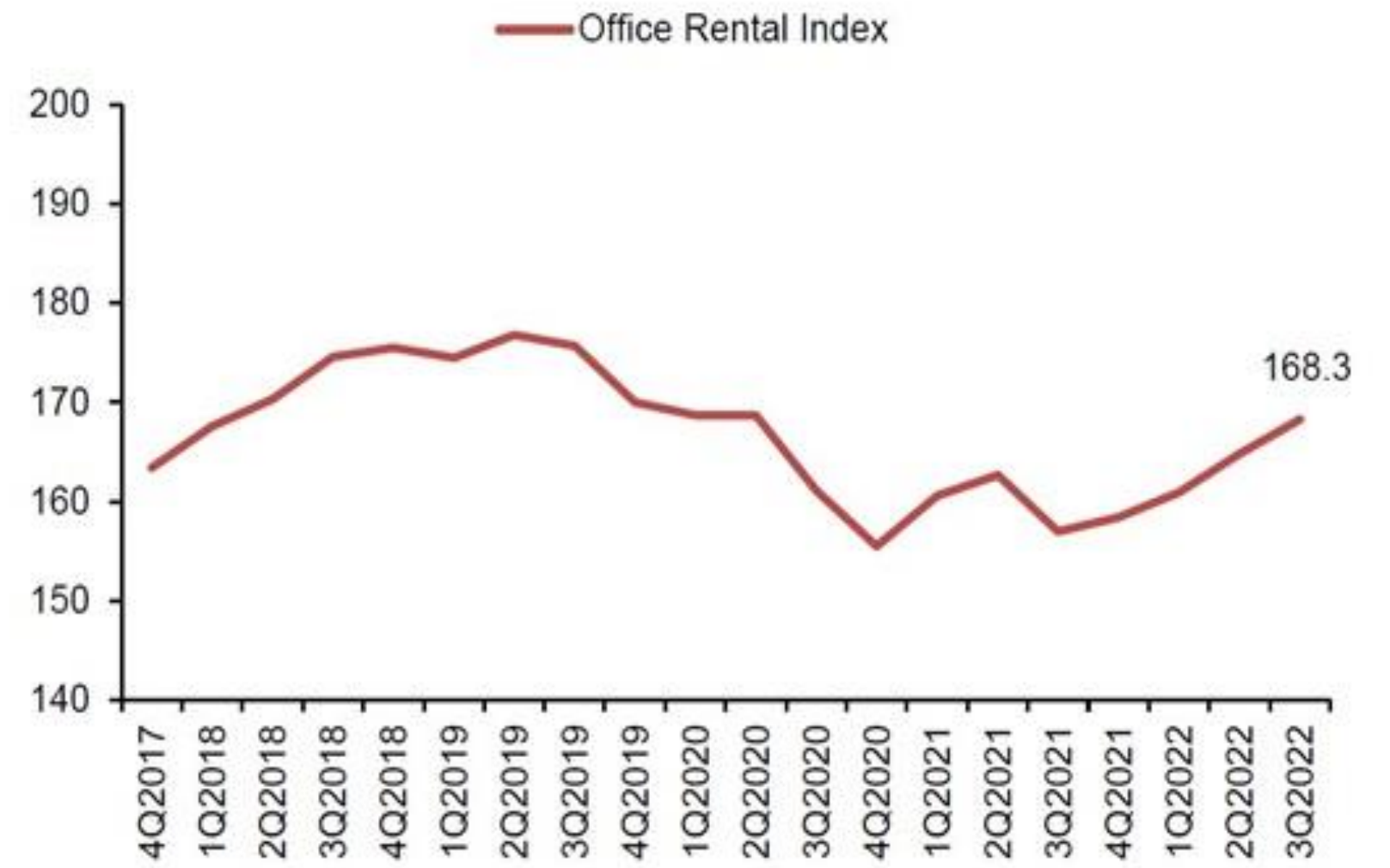
Singapore Office Property Market (2)

► Office Space In Central Region

Property Price Index



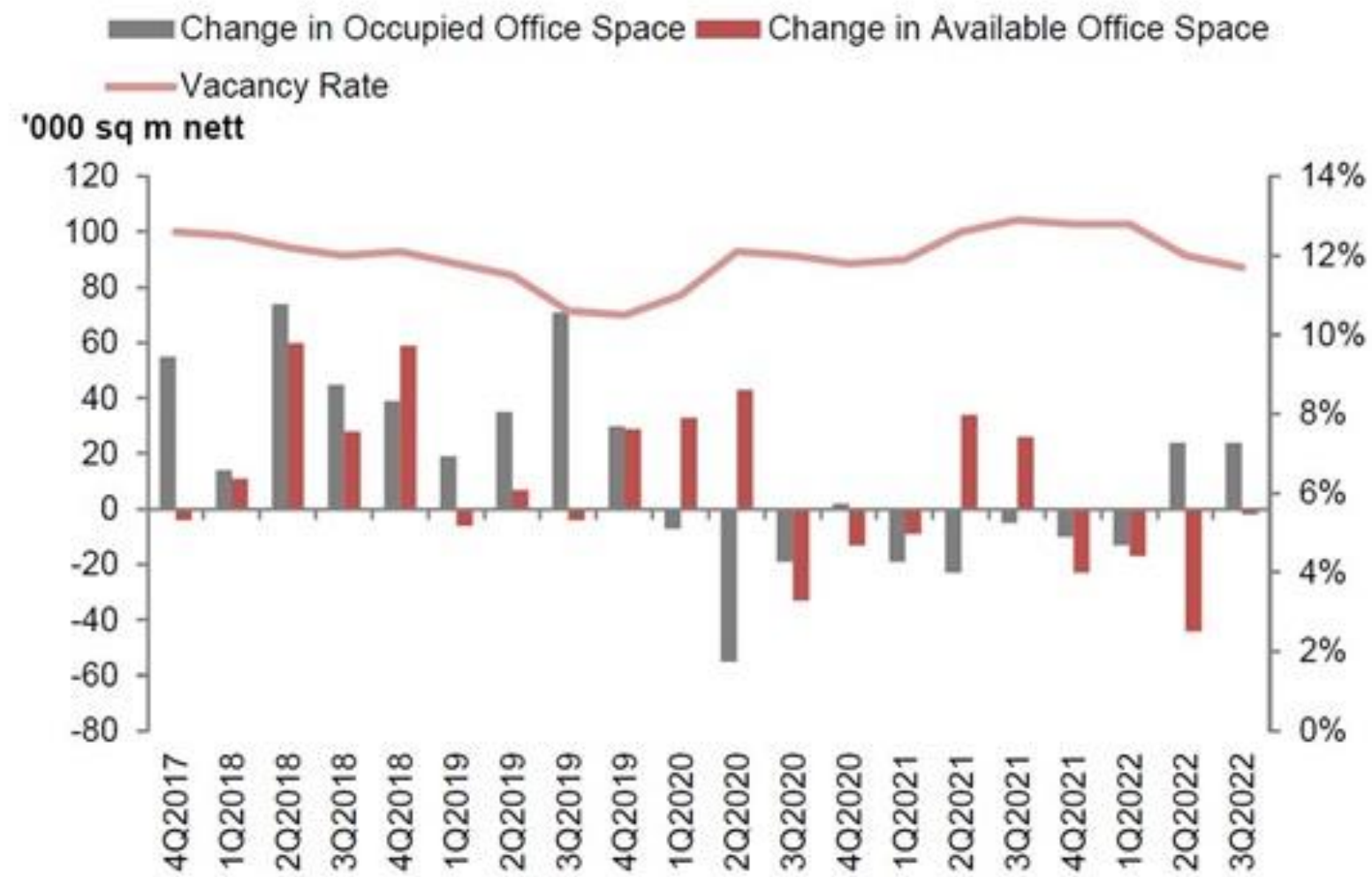
Rental Index



Singapore Office Property Market (3)

Stock and Vacancy

- ▶ Amount of occupied office space increased by 24,000 sq m (nett) in 3rd Quarter 2022, same as that in the previous quarter.
- ▶ Stock of office space decreased by 2,000 sq m (nett) in 3rd Quarter 2022, compared with the decrease of 44,000 sq m (nett) in the previous quarter.
- ▶ Outcome - vacancy rate of office space decreased to 11.7% as at the end of 3rd Quarter 2022, from 12.0% as at the end of the previous quarter



Singapore Retail Property Market (1)

► Prices and Rentals At a Glance

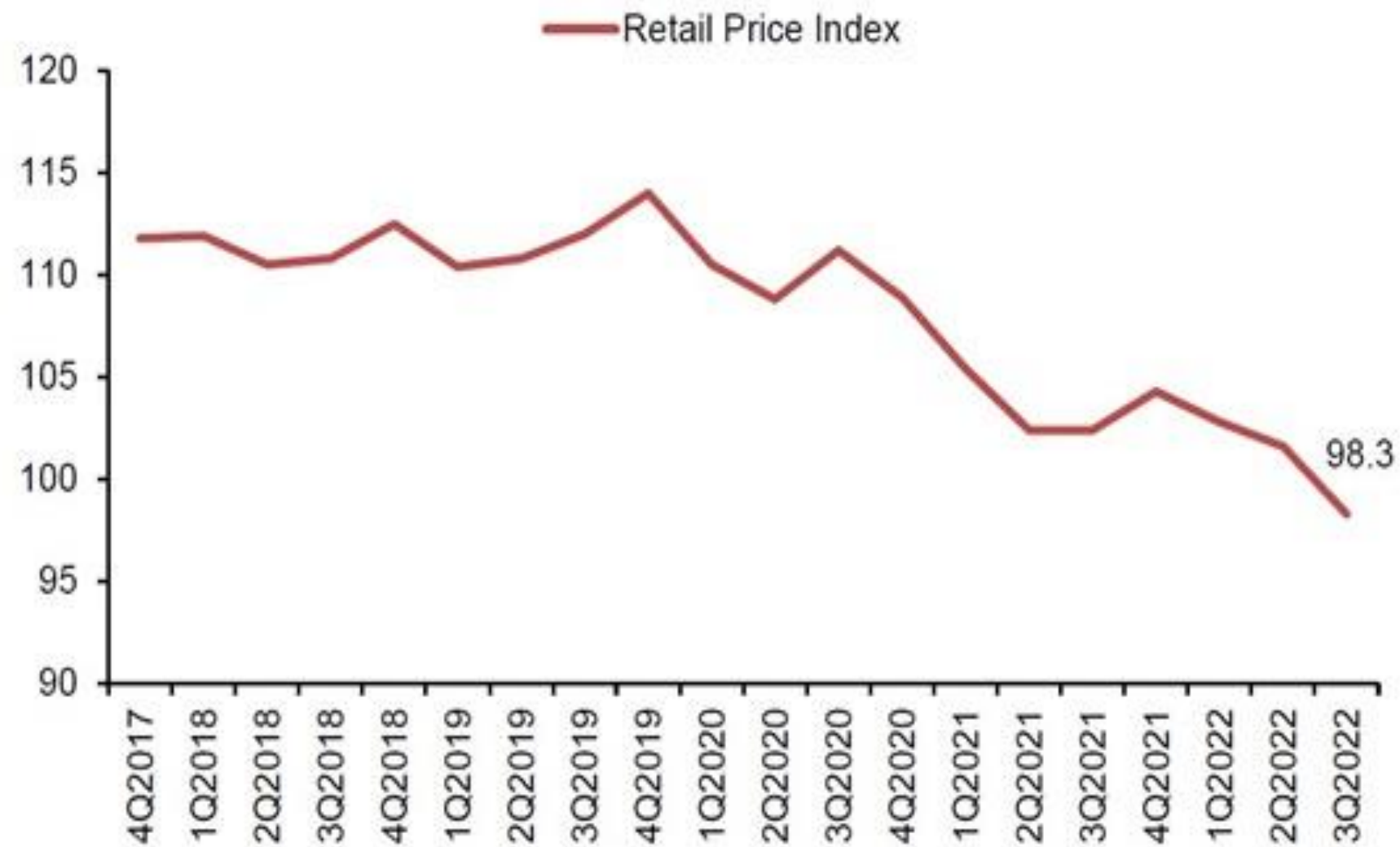
Key indicators	Change	2Q2022	3Q2022
Price index	-3.2%	101.6	98.3
Rental index	-0.4%	79.6	79.3
Pipeline supply	-5.3%	438,000 sq m (GFA)	415,000 sq m (GFA)
Vacancy rate	-0.4% point	8.2%	7.8%

- Prices of retail space decreased by 3.2% in 3rd Quarter 2022, compared with the 1.2% decrease in the previous quarter.
- Rentals of retail space decreased by 0.4% in 3rd Quarter 2022, compared with the 0.5% decrease in the previous quarter.

Singapore Retail Property Market (2)

► Retail Space In Central Region

Property Price Index



Rental Index



Singapore Retail Property Market (3)

Stock and Vacancy

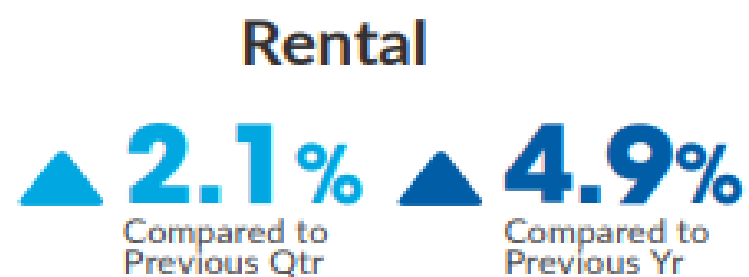
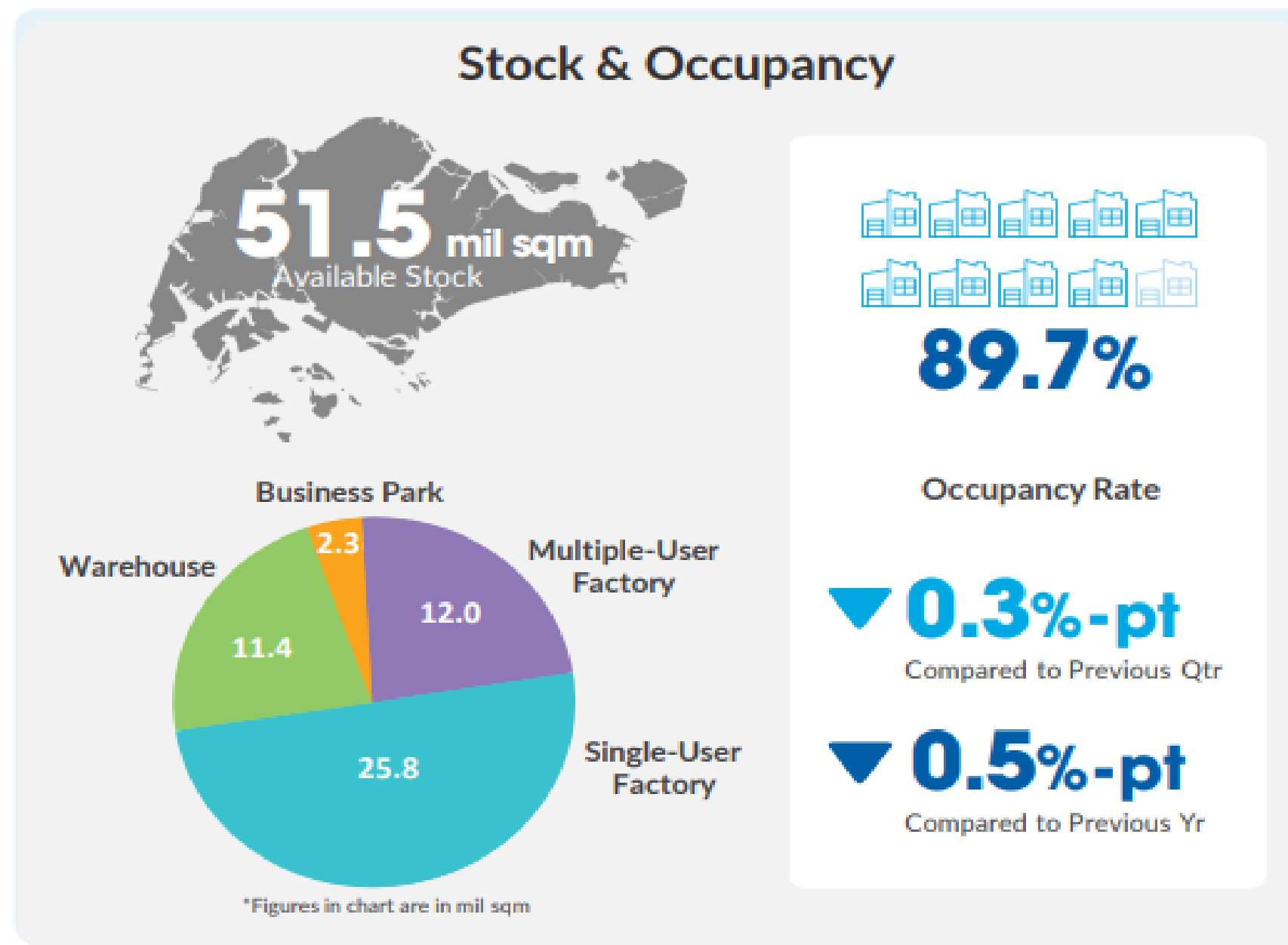
- ▶ Amount of occupied retail space increased by 30,000 sq m (nett) in 3rd Quarter 2022, compared with the increase of 8,000 sqm m (nett) in the previous quarter.
- ▶ Stock of retail space increased by 10,000 sq m (nett) in 3rd Quarter 2022, compared with the increase of 1,000 sq m (nett) in the previous quarter.
- ▶ Outcome - **vacancy rate** of retail space decreased to 7.8% as at the end of 3rd Quarter 2022, from 8.2% as at the end of the previous quarter

Singapore Retail Property Market (4)



Singapore Industrial Property Market (1)

► 3Q 2022 Industrial Properties Report



Singapore Industrial Property Market (2)

► Supply

Outlook on Upcoming Supply

Expected Completion

2022 **0.6** mil sqm

2023 **1.6** mil sqm



0.5 mil sqm
Multiple-User
Factory



1.0 mil sqm
Single-User
Factory



0.1 mil sqm
Business Park



0.5 mil sqm
Warehouse

Singapore Industrial Property Market (3)

► Stock & Vacancy Rate

Table 9: Stock and Vacancy Rate of All Industrial Space (4Q 2019 - 3Q 2022)

Period	Stock ('000 sq m)			Vacancy Rate (%)
	Available	Occupied	Vacant	
4Q 2019	49,633	44,288	5,346	10.8
1Q 2020	49,832	44,431	5,401	10.8
2Q 2020	49,930	44,639	5,291	10.6
3Q 2020	49,952	44,747	5,205	10.4
4Q 2020	49,990	44,962	5,028	10.1
1Q 2021	50,116	45,101	5,015	10.0
2Q 2021	50,420	45,467	4,954	9.8
3Q 2021	50,648	45,687	4,961	9.8
4Q 2021	50,659	45,705	4,954	9.8
1Q 2022	50,992	45,776	5,216	10.2
2Q 2022	51,314	46,176	5,139	10.0
3Q 2022	51,485	46,170	5,314	10.3

Note:

1. The figures may not add up due to rounding.
2. Vacancy rate is calculated by taking the ratio of the exact vacant and available floor area. It may not be the same as the ratio of the rounded vacant and available floor area.
3. The statistics on occupied/vacant space and occupancy/vacancy rate of industrial space are based on physical occupation. From 2Q 2020, industrial premises were considered occupied even if on-site operations were halted due to official restrictions.

Market Outlook (1)

▶ Private Residential Sector

- ▶ Market activity is expected to slow down in the short term with price increase to moderate towards end 2022 to mid 2023.
- ▶ Moderated by increase in mortgage loan interest rate and lower mortgage loan amount due the Government's recent cooling measures

▶ Office Sector

- ▶ Market activity is expected to increase as the economy returns to normalcy
- ▶ With less available office spaces and lower vacancy rate, prices and rentals for office spaces likely to take an upward trend

Market Outlook (2)

▶ Retail Sector

- ▶ Market activity is expected to increase as the economy returns to normalcy
- ▶ Prime floor retail space prices and rent are expected to take an upward trend in 2023

▶ Industrial Sector

- ▶ With an increase in economic activities, this is likely to drive the industrial sector into a higher gear of action
- ▶ As more supply of industrial space will come into the market in 2023, it may provide a price stabilising effect on the demand aspects in terms of prices and rentals.



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