

26th ASEAN Valuers Association Congress

Embracing Globalisation in the Region - Valuation Education, Sustainability and Standards

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Country Reports Speaker



Ms Gan Bee Ghee

Singapore Institute of Surveyors and Valuers (SISV) Valuation and General Practice council member

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**26th Asean Valuer's
Association Congress
4th Nov to 6th Nov 2024
SINGAPORE**

SINGAPORE COUNTRY REPORT



Presented By: GAN BEE GHEE
Council Member of SISV

OUTLINE OF PRESENTATION

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



SINGAPORE'S DEMOGRAPHY



POPULATION



SINGAPORE DEMOGRAPHICS (1)

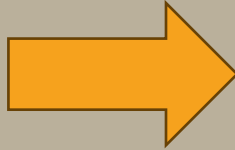
- Total Population - **6.04 million** (Jun 2024)
- Reflects Growth - **2% from 2023** (5.9 million)
- Contributing factors – **smaller increase** in resident population and **larger increase** in non-resident population sectors (foreigners who are working, studying or living in Singapore but not granted residency)

SINGAPORE DEMOGRAPHICS (2)

- Singapore's population continues to age - with low fertility rates and longer life expectancies
- Proportion of citizens aged 65 and above has increased :
 - Faster pace compared to last decade
 - From **12%** in 2014 to **20%** in 2024.

HOUSEHOLD SIZE (3)

- Over the last decade, the household size has **decreased** from **3.47** persons per household (2013) to **3.11** (2023)
- This reflects a reducing family size due to **families having lesser children & more pets**



RESIDENTS DWELLING TYPES AS AT 2023 (4)

- About **77.8%** live in **public housing** (HDB flats)
- Remaining **22.2 %** live in **private housing and landed properties**
- Increasing Trend of residents' aspiration to live in private properties

Property Types	2010 (%)	2023(%)
HDB Flats	82.4%	77.8%
Private Properties		
i. Condominiums & Apartments	11.5%	17.2%
ii. Landed properties	5.7%	4.8%

SINGAPORE ECONOMY



ECONOMIC OVERVIEW (1)

- Economic Outlook for 2024 –
 - For **2Q 2024**, Spore Economy grew **by 2.9%** on year-on-year basis
 - **Main sectors** that contributed to the growth – **finance & insurance, wholesale trade, Information & communication**
 - **Downside risks** in global economy remains - **intensification of geopolitical & trade conflicts; disruptions to global disinflation process** could lead to tighter financial conditions & **trigger market volatility in banking & financial systems.**
 - Overall Economy outlook remains resilient for the year with a growth forecast of **2% - 3% GDP** for 2024

GDP GRAPH (2)

OVERALL ECONOMY

**Real Gross
Domestic Product**
(YoY Growth)



1Q24
+3.0%

2Q24
+2.9%

**Gross Domestic
Product**
at Current Market Prices



1Q24
\$172.9
billion

2Q24
\$180.4
billion

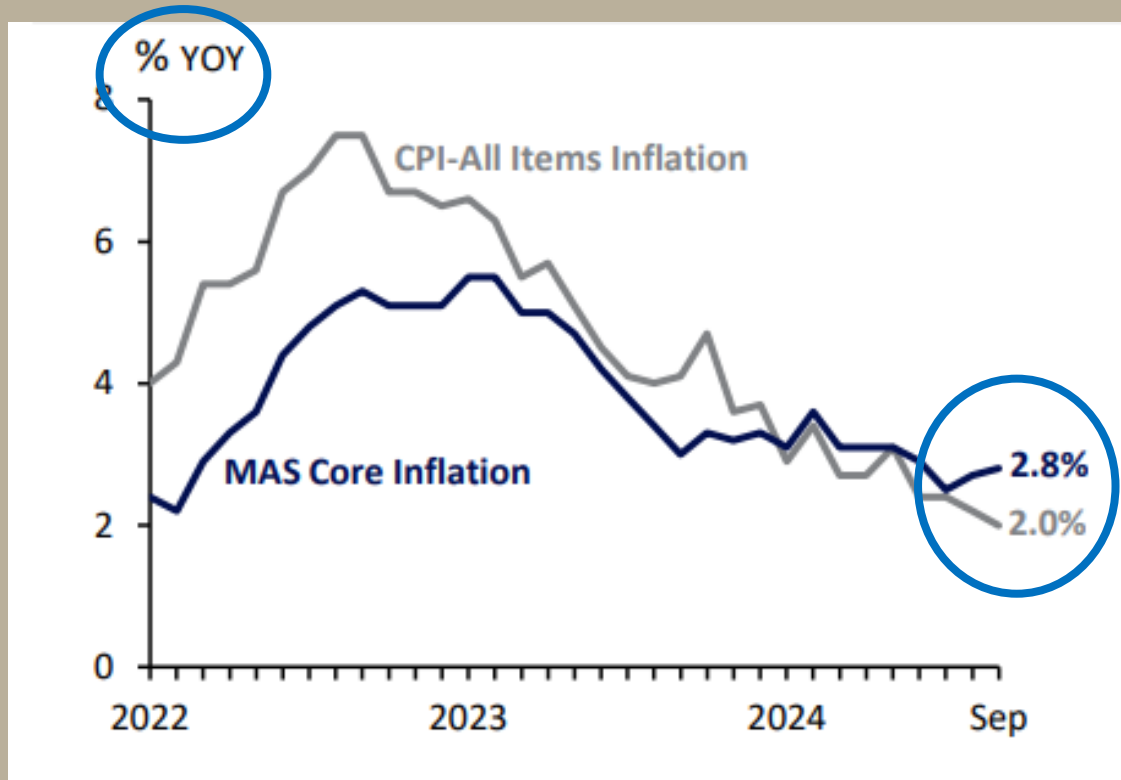
➤ Source : MTI Economic Survey of Singapore, 2nd Quarter 24

INFLATION RATE (3)

- MAS Core Inflation – expected to trend gradually to reach around **2% by end 2024**.
- Core inflation projected to **average 2.5 – 3.0%** for year 2024
- **Risk factors** to the fluctuation in the inflation rate are:
 - stronger-than-expected labour market conditions
 - intensification of geopolitical tensions
 - significant downturn in the global economy

INFLATION RATE (4)

Chart – MAS Core & CPI – All Items Inflation



PROPERTY MARKET UPDATES



RESIDENTIAL PROPERTY MARKET



SINGAPORE RESIDENTIAL PROPERTY MARKET (1)

- Overall private **housing prices** saw a slight **decline** in 3rd Quarter 2024 after rising for the 1st 2 Quarters
 - Reasons – economic uncertainties, effectiveness of the Government's hefty Additional Buyers Stamp Duties, financial prudence of buyers
- Private residential **property rentals** continues to rise, albeit at a **slower pace** of 0.8% quarter-on-quarter
 - Reason – **decline in demand** as rentals keeps rising up

PRIVATE RESIDENTIAL MARKET DATA (2)

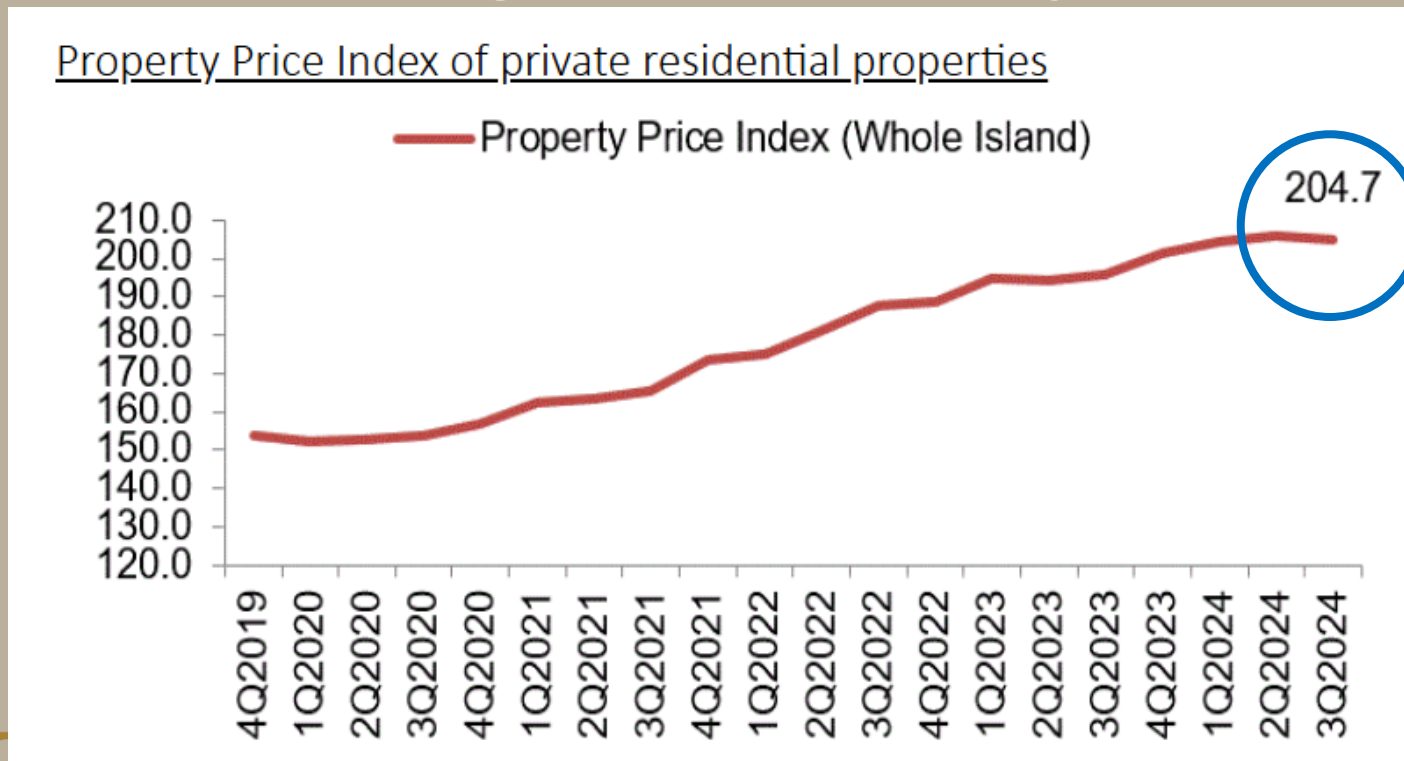
Private residential market at a glance:

Key indicators	Change	2Q2024	3Q2024
Price index	-0.7%	206.1	204.7
Rental index	+0.8%	156.6	157.9
Take-up*	+60.0%	725	1,160
Pipeline supply*	-6.1%	37,768	35,475
Vacancy rate*	+1.1% point	6.1%	7.2%

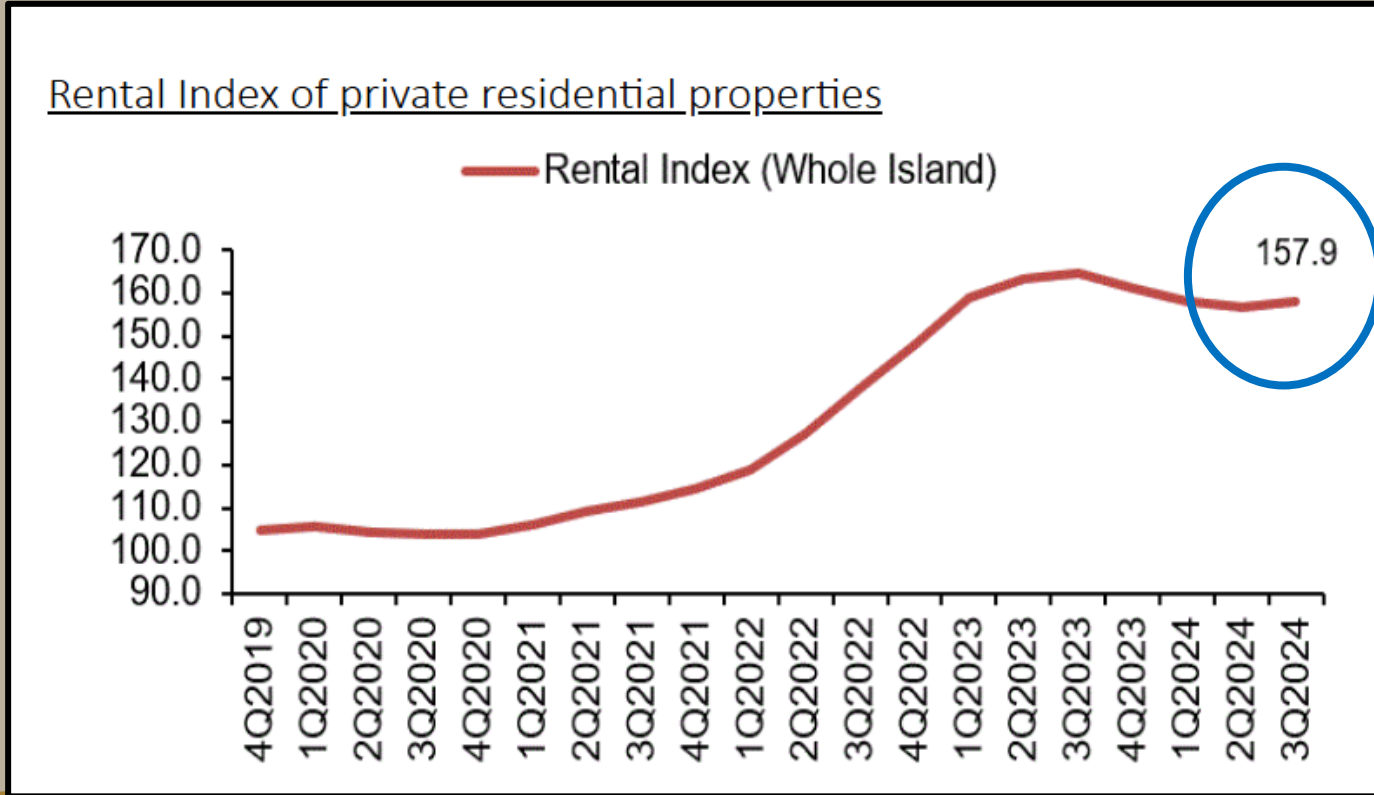
* Figures exclude Executive Condominium (ECs)

PROPERTY PRICE INDEX - PRIVATE RESIDENTIAL PROPERTY (3)

Graph shows a slight dip in the property price trend



RENTAL PRICE INDEX - PRIVATE RESIDENTIAL PROPERTIES (4)



OFFICE PROPERTY MARKET



OFFICE PROPERTY MARKET –PRICE & RENTAL (1)

Office market at a glance:

Key indicators	Change	2Q2024	3Q2024
Price index	+0.6%	113.2	113.9
Rental index	-0.5%	202.8	201.8
Pipeline supply	-10.7%	1,011,000	903,000
Vacancy rate	+0.2% point	10.8%	11.0%

➤ **Prices** - increase by **0.6%** in 3rd Qter 2024, compared to **3.1% increase** in previous quarter.

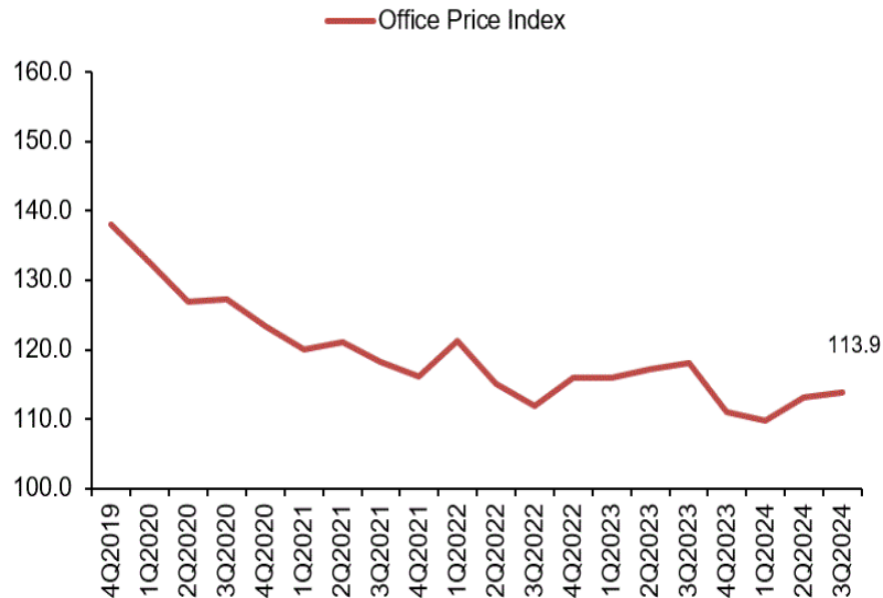
➤ **Rentals** - decrease by **0.5%** in 3rd Qter 2024, compared to **3.1% increase** in the previous quarter



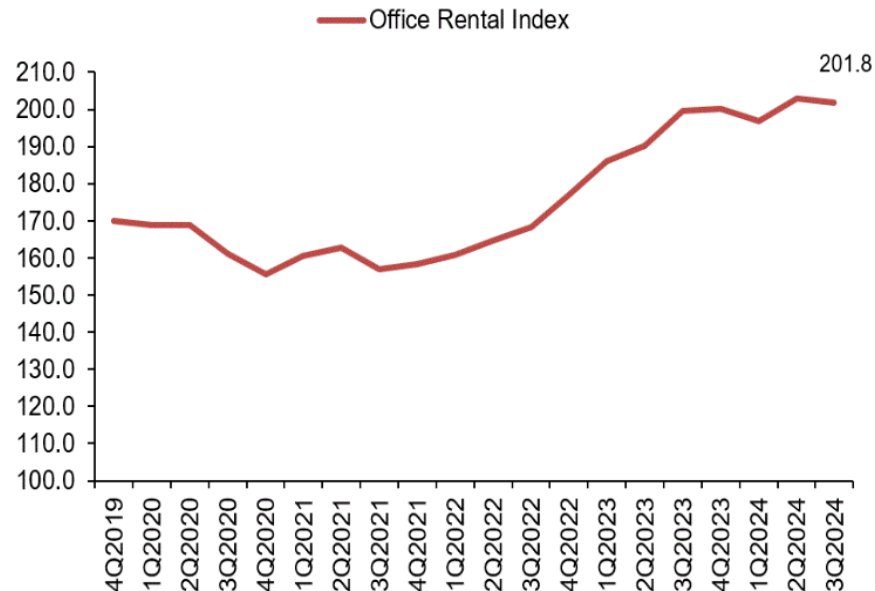
PROPERTY PRICE & RENTAL INDEX OF OFFICE SPACE – CENTRAL REGION (2)

Charts showing the office price & rental movement over the years

Property Price Index of office space in Central Region



Rental Index of office space in Central Region



RETAIL PROPERTY MARKET



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SINGAPORE RETAIL PROPERTY MARKET (1)

Prices of retail space **increased by 1.7%** in 3rd Quarter 2024, compared with the 1.2% increase in the previous quarter.

Rentals of retail space **increased by 0.3%** in 3rd Quarter 2024, after remaining unchanged in the previous quarter

Retail market at a glance:

Key indicators	Change	2Q2024	3Q2024
Price index	+1.7%	98.0	99.7
Rental index	+0.3%	78.4	78.6
Pipeline supply	-4.8%	580,000	552,000
Vacancy rate	-0.1% point	6.6%	6.5%

RETAIL PROPERTY MARKET- PRICE & RENTAL INDEX AS AT 3Q 2024 (2)

Retail Price Index

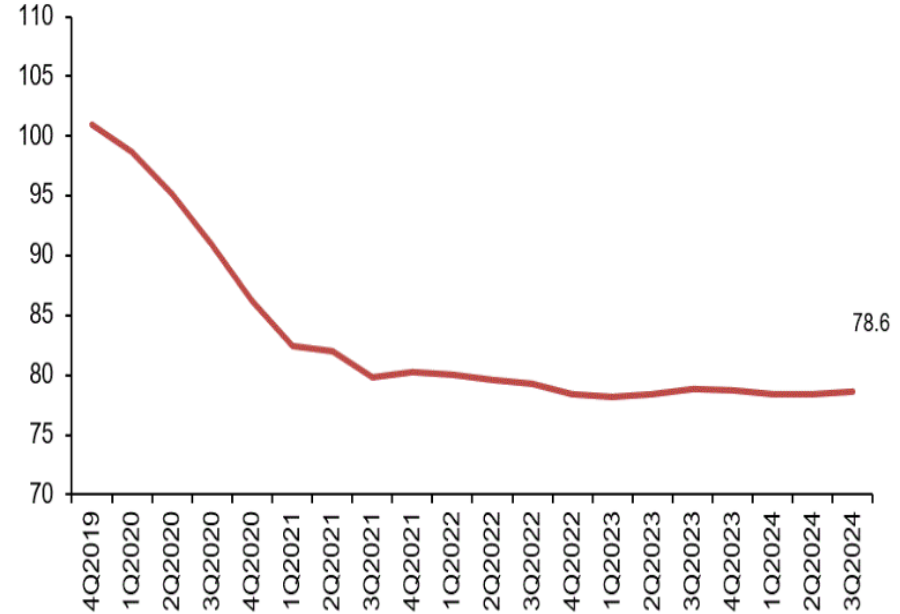
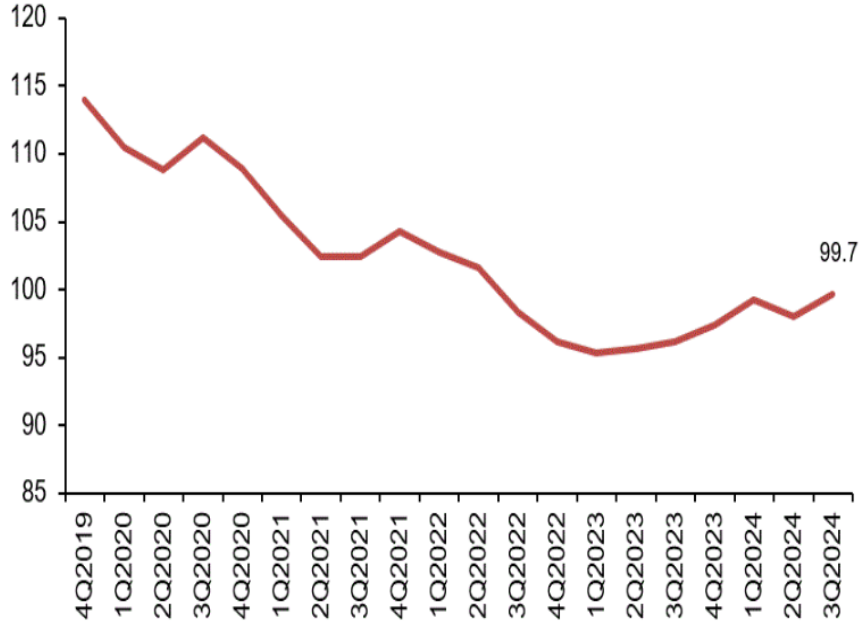
Rental Index

Property Price Index of retail space in Central Region

Rental Index of retail space in Central Region

— Retail Price Index

— Retail Rental Index



INDUSTRIAL PROPERTY MARKET

Types of Industrial Properties



Manufacturing Buildings



Warehouse or Bulk Distribution Buildings



Cold Storage Building



Truck Terminals



Research & Development Building



Data Center



Showroom

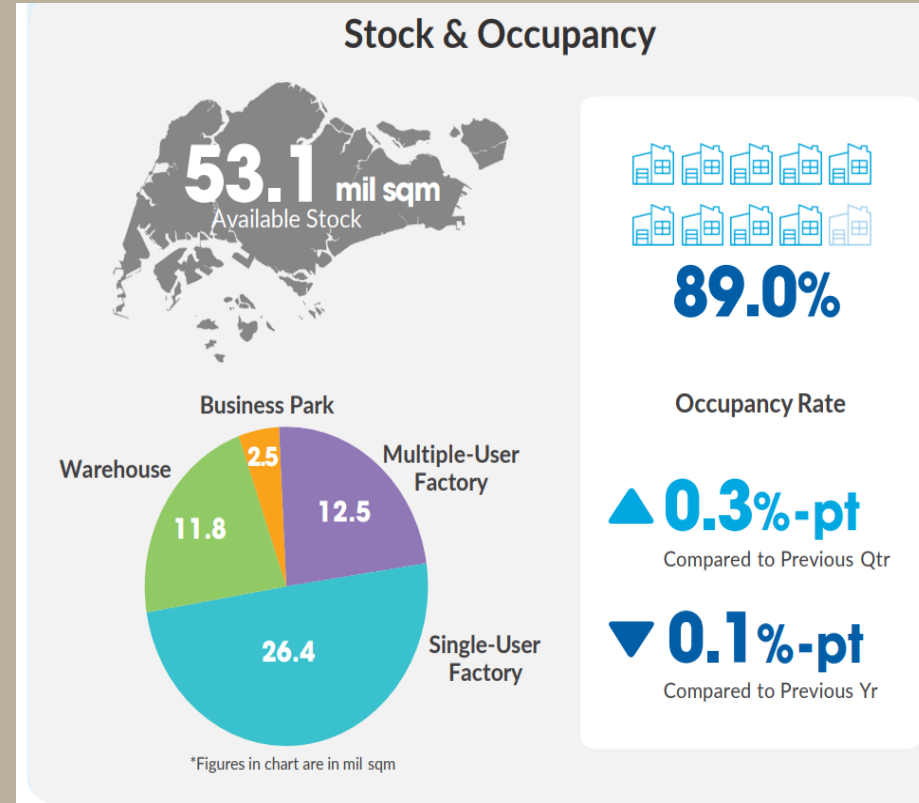


Flex Building or Co-working Spaces



INDUSTRIAL PROPERTY MARKET (2Q 2024)(1)

- Total Stock – **53.1 mil sm**
- Warehouse - 11.8 msm,
- Business Park - 2.5 msm
- Multi-user factories - 12.5 msm
- Single-user factories - 26.4msm



INDUSTRIAL PROPERTY MARKET - SUPPLY (2Q 2024)(2)

Outlook on Upcoming Supply

Expected Completion

2024 **0.8** mil sqm

2025 **1.7** mil sqm



0.3 mil sqm
Multiple-User
Factory



1.1 mil sqm
Single-User
Factory



0.3 mil sqm
Business Park



0.7 mil sqm
Warehouse

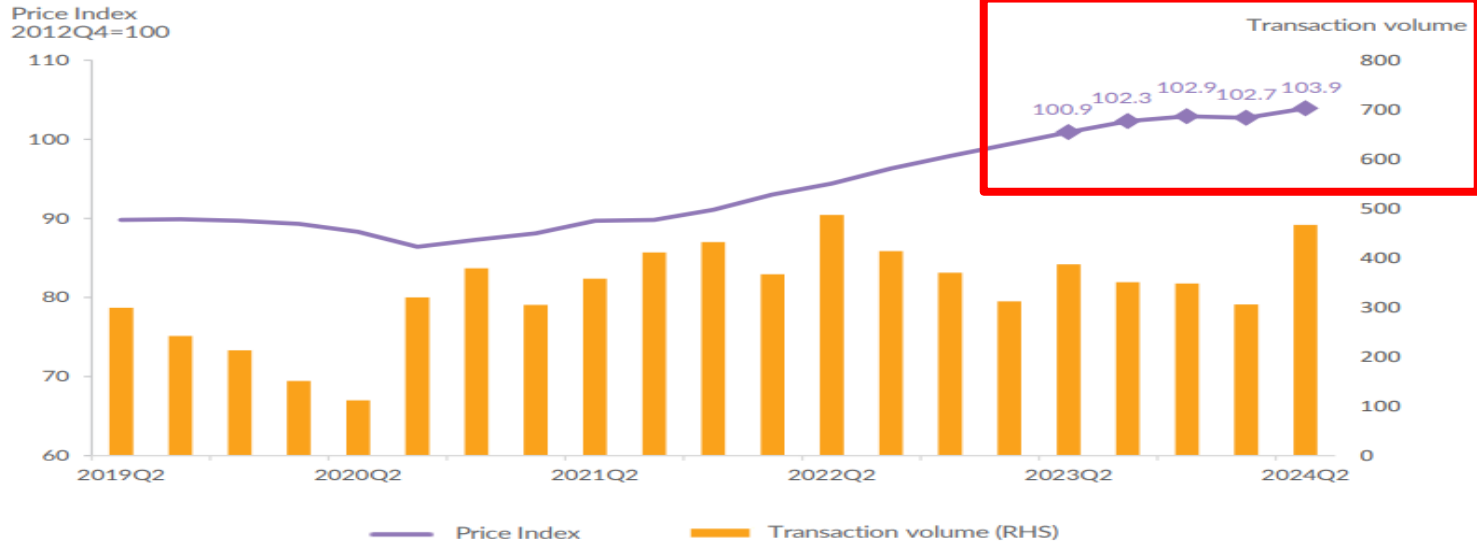
INDUSTRIAL PROPERTY PRICE TREND - 2024

PRICE

Q-o-Q
1.2%

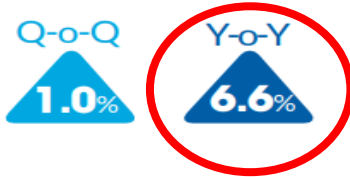
Y-o-Y
3.0%

In 2Q 2024, the price index of all industrial space rose by 1.2% compared to the previous quarter. Compared to the previous year, the price index increase of all industrial space slowed to 3.0% compared to the year-on-year increase of 3.3% in 1Q 2024. Meanwhile, transaction volume of industrial properties, estimated based on caveats lodged for industrial properties, rose by 21% compared to the previous year.



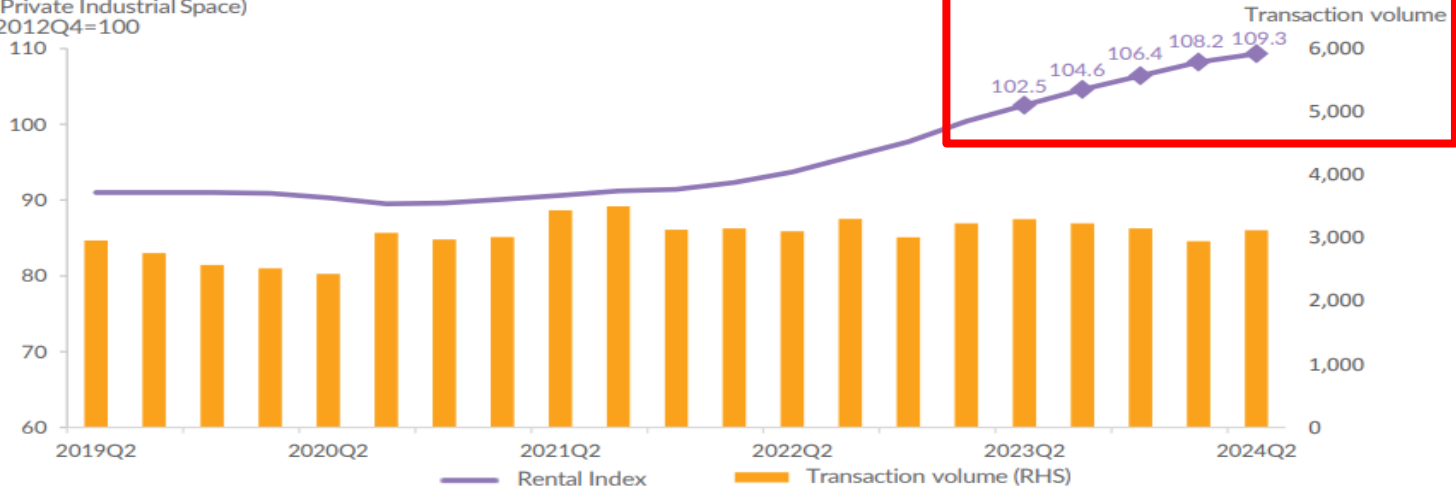
INDUSTRIAL PROPERTY RENTAL TREND - 2024

RENTAL



In 2Q 2024, the rental index increase of all industrial space slowed to 1.0% compared to the previous quarter and 6.6% compared to the previous year, moderating from the quarter-on-quarter increase of 1.7% and year-on-year increase of 7.8% in 1Q 2024, which also represented the slowest rate of rental growth since 1Q 2022, following Singapore's Covid-pandemic recovery. Meanwhile, rental transaction volume fell by 5% compared to the previous year.

Rental Index
(Private Industrial Space)
2012Q4=100



MARKET OUTLOOK



Singapore Institute of
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MARKET OUTLOOK

- In conclusion, the overall market outlook' projections are:-
 - Spore economy will remain **conservatively resilient**
 - Real estate sector will remain **optimistically bullish** as demands continue to be stronger than the inflow of more supply





thank
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