UOBKayHian

Sector – Update | Singapore

Tuesday, 01 September 2026

REITs

S-REITs Monthly Update (Aug 26)

Highlights

- An influx of safe-haven liquidity and low domestic interest rates have led to a record volume of transaction for commercial properties, encompassing office and retail properties. Thus, the S-REIT sector is supported by firm asset valuation and continued low cost of debt.
- Maintain OVERWEIGHT. The S-REIT sector is a major laggard. Thus, S-REITs are likely to be more resilient in the event of a correction in the broader market: BUY CICT (Target: S$3.06), FLT (Target: S$1.33), MPACT (Target: S$1.75), NTTDCR (Target: US$1.31) and UIBREIT (Target: S$1.16).

Analysis

- The FSTREI corrected 4% in Aug 26, underperforming the STI's gain of 2.3%. Yield for 10-year Singapore government bonds was stable at 2.34%. US core PCE inflation was stable at 3.3% yoy in Jul 26.
- **Singapore's commercial real estate market is poised for a record year** in 2026, with transaction volume reaching US$10.3b in 1H26 and a further US$6b of deals currently in the pipeline. Full-year volume is expected to surpass the previous record of US$13.1b achieved in 2019. The strong recovery was underpinned by robust overseas capital inflows, with international investors accounting for a sizeable share of market activities. Major transactions, such as CICT's acquisition of Paragon and the sale of Asia Square Tower 2, boosted deal momentum. The resurgence reflects attractive rent growth and abundant liquidity, positioning Singapore as one of the strongest commercial property markets in the Asia Pacific region.
- **Singapore's office investment market is set to be highly active** in 2H26, with several landmark assets being marketed for sale alongside the anticipated Marina One transaction. S$10.8b of office properties changed hands in 1H26, already exceeding the total transaction value recorded in full-year 2025. Major buildings in the market include Frasers Tower, where Frasers Property is seeking a buyer for its 50% stake valued at slightly over S$1b, 30 Raffles Place with a guide price of at least S$1.1b, and Lazada One, which is being offered at its S$755m valuation. Investor appetite is robust, as evidenced by the strong interest in Income Centre, which reportedly attracted a dozen bids.

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OVERWEIGHT (Maintained)

Segmental Rating

S-REITs	OVERWEIGHT
Healthcare REITs	OVERWEIGHT
Hospitality REITs	OVERWEIGHT
Industrial REITs	OVERWEIGHT
Office REITs	OVERWEIGHT
Retail REITs	OVERWEIGHT

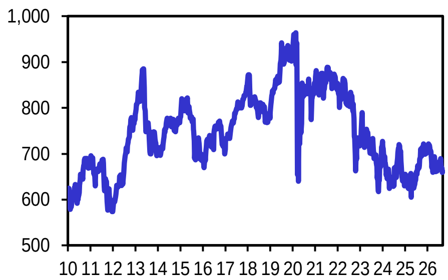
Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (S$)	Target Price (S$)
CICT	CICT SP	BUY	2.37	3.06
FLT	FLT SP	BUY	0.935	1.33
MPACT	MPACT SP	BUY	1.27	1.75
NTTDCR (USD)	NTTDCR SP	BUY	0.955	1.31
UIBREIT	UIBREIT SP	BUY	0.80	1.16

Source: UOB Kay Hian

FTSE ST All-Share REITS Index (FSTREI)



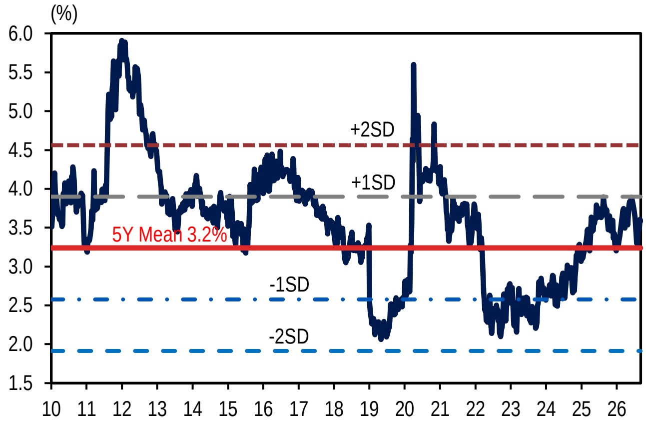
Source: UOB Kay Hian

Top-20 S-REITS Ranked By Market Capitalisation – Vital Statistics

				Price	Target	Mkt Cap	--- DPU (¢) ---		--- Yield (%) ---		-- Yield Spread* (%) --		Interest	Aggregate	WALE
Name	Ticker	Rec	Curncy	31 Aug 26	Price	(US$m)	Curr	Fwd	Curr	Fwd	Curr	Fwd	Coverage (x)	Leverage (%)	(years)
CapLand Int Comm Trust	CICT SP	BUY	S$	2.37	3.06	14,814	11.7	12.6	4.9	5.3	2.6	3.0	3.9	37.4	3.0
CapLand Ascendas	CLAR SP	BUY	S$	2.45	3.78	9,617	14.9	16.3	6.1	6.7	3.8	4.3	3.5	39.7	4.0
Mapletree Pan Asia	MPACT SP	BUY	S$	1.27	1.75	5,277	8.0	8.1	6.3	6.4	3.9	4.0	3.3	37.7	2.3
Mapletree Log Trust	MLT SP	HOLD	S$	1.17	1.29	4,725	6.9	6.9	5.9	5.9	3.6	3.6	2.9	40.5	2.5
Mapletree Ind Trust	MINT SP	HOLD	S$	1.94	2.07	4,354	11.5	11.7	5.9	6.1	3.6	3.7	4.0	37.5	4.5
Frasers Centrepoint	FCT SP	BUY	S$	2.17	2.99	3,477	12.7	13.2	5.8	6.1	3.5	3.7	3.7	40.4	1.7
Keppel REIT	KREIT SP	BUY	S$	0.875	1.13	3,424	5.4	5.3	6.2	6.1	3.9	3.8	2.7	40.0	4.5
Suntec REIT	SUN SP	BUY	S$	1.46	1.75	3,398	7.6	7.9	5.2	5.4	2.8	3.1	2.2	43.0	2.4
Frasers L&C Trust	FLT SP	BUY	S$	0.935	1.33	2,798	6.0	5.9	6.4	6.3	4.0	4.0	4.6	35.4	4.9
CapLand Ascott	CLAS SP	BUY	S$	0.855	1.42	2,591	6.2	6.3	7.2	7.4	4.9	5.1	2.9	37.7	n.a.
PLife REIT	PREIT SP	BUY	S$	4.16	5.45	2,134	17.9	18.3	4.3	4.4	2.0	2.1	8.2	33.8	14.6
OUE REIT	OUEREIT SP	NR	S$	0.365	n.a.	1,588	2.4	2.5	6.6	6.8	4.3	4.5	2.8	41.5	2.2
Centurion Acc REIT	CAREIT SP	BUY	S$	1.14	1.55	1,548	6.7	7.8	5.9	6.9	3.5	4.5	5.9	29.9	n.a.
ESR-REIT	EREIT SP	NR	S$	2.29	n.a.	1,457	22.0	22.3	9.6	9.7	7.3	7.4	2.6	41.4	4.8
Lendlease REIT	LREIT SP	BUY	S$	0.565	0.79	1,392	3.7	3.7	6.5	6.6	4.2	4.2	2.1	38.9	4.7
Stoneweg EU Trust EUR	SERT SP	NR	€	1.56	n.a.	1,005	13.3	13.6	8.5	8.7	5.2	5.4	2.5	41.9	4.9
NTT DC REIT USD	NTTDCR SP	BUY	US$	0.955	1.31	987	7.9	8.2	8.3	8.6	3.6	3.8	4.7	31.0	4.3
AIMS APAC REIT	AAREIT SP	NR	S$	1.49	n.a.	965	10.0	11.0	6.7	7.4	4.3	5.0	2.7	24.9	3.6
Starhill Global	SGREIT SP	NR	S$	0.525	n.a.	958	3.7	3.8	7.1	7.2	4.8	4.9	3.1	35.8	7.2

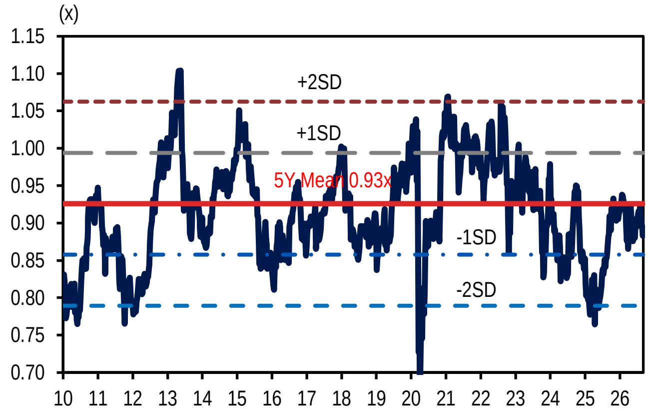
**Yield spread above 10-year government bond yield*
Source: Bloomberg, UOB Kay Hian

S-REIT Yield Spread



Source: UOB Kay Hian

S-REIT P/NAV



Source: UOB Kay Hian

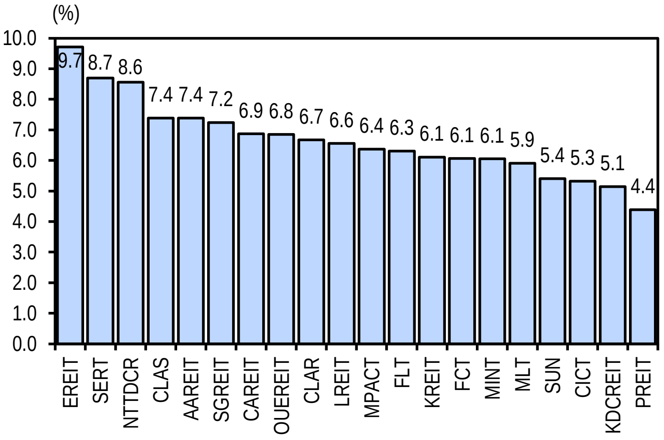
- **CICT is reconfiguring Paragon** to optimise retail space and enhance the mall's tenant mix, with areas currently occupied by Metro among those under review. Metro is expected to exit its traditional large-format department store format but has expressed interest to remain at Paragon through a new retail concept store. The initiative forms part of CICT's broader strategy to introduce fresh retail concepts and experiences following its S$3.9b acquisition of Paragon, while reinforcing the mall's positioning as a premium Orchard Road destination focused on luxury fashion, beauty, wellness, sports, and family-oriented offerings. CICT is also evaluating improvements to connectivity with surrounding properties.
- **KORE demonstrated strong leasing momentum** by securing a new 10-year lease for 32,000sf at The Westpark Portfolio in Redmond, Washington, with a publicly traded global life sciences instrumentation company. The lease will increase committed occupancy at the property from 73% to 77% and lift KORE's overall committed portfolio occupancy from 85.3% to 86.0% on a pro forma basis. The commitment follows KORE's record 1H26 leasing performance, during which it signed 550,522sf of leases, representing 11.5% of its portfolio NLA, reflecting the success of its proactive leasing strategy, targeted asset enhancement initiatives and spec-suite programmes.
- **Top outperformers.** Data centre REITs NTTDCR, DCREIT and MINT gained 3.8%, 3.1% and 0.5% respectively, while KDCREIT lost a marginal 1.3%. UIBREIT was stable in the month of August.
- **Top underperformers.** Logistics REITs with overseas exposure DHLT, MLT and FLT dropped 17.5%, 5.6% and 5.6% respectively. Industrial REITs EREIT and AAREIT dropped 12.6% and 6.9% respectively.

Top 10 Outperformers And Top 10 Underperformers Ranked By Monthly Share Price Performance

TOP OUTPERFORMERS (%)						TOP UNDERPERFORMERS (%)					
NAME	1MTH	3MTH	6MTH	1Y	YTD	NAME	1MTH	3MTH	6MTH	1Y	YTD
NTT DC REIT USD	3.8	-2.6	-4.0	1.6	-6.4	Daiwa Hse Log Trust	-17.5	-19.2	-28.6	-29.8	-29.2
Digi Core REIT USD	3.1	3.1	-1.9	-1.0	-1.0	ESR-REIT	-12.6	-3.8	-8.0	-16.4	-15.5
OUE REIT	2.8	2.8	-1.4	9.0	1.4	IREIT Global	-10.9	-30.2	-40.4	-40.4	-43.4
Elite UK REIT GBP	1.6	-7.4	-12.5	-10.0	-12.5	AIMS APAC REIT	-6.9	-5.7	-1.3	10.4	-0.7
Centurion Acc REIT	0.9	3.6	-0.9	29.5	2.7	Utd Hampshire REIT USD	-6.7	-5.8	-9.3	-1.0	-4.9
Mapletree Ind Trust	0.5	0.0	-4.9	-5.8	-6.7	First REIT	-6.5	-6.5	-17.3	-21.8	-21.8
UIBREIT	0.0	0.6	-9.1	-9.1	-9.1	Prime US REIT USD	-6.4	-11.4	-25.0	-20.1	-25.4
Keppel DC REIT	-1.3	-4.8	-4.8	-6.4	-2.2	Mapletree Log Trust	-5.6	-2.5	-9.3	-4.1	-11.4
Suntec REIT	-1.4	-0.7	2.8	10.6	1.4	Frasers L&C Trust	-5.6	-6.5	-5.6	2.7	-6.0
PLife REIT	-1.4	3.7	3.5	-1.4	2.0	CapLand Ascott	-5.5	-4.5	-11.9	-3.4	-10.5

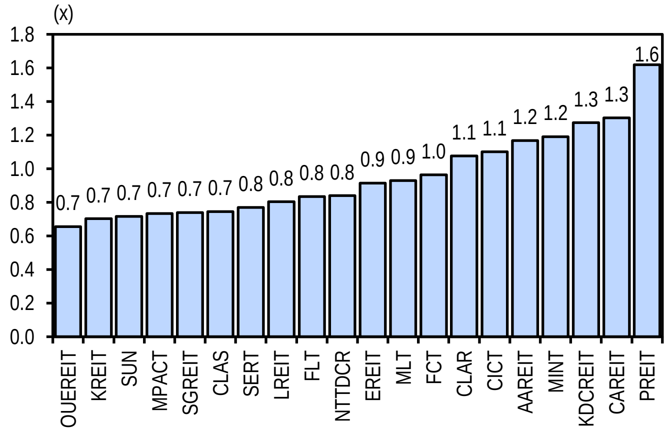
Source: Bloomberg, UOB Kay Hian

Ranking By Distribution Yield (Forward)



Source: UOB Kay Hian

Ranking By P/NAV (Current)



Source: UOB Kay Hian

Peer Comparison

Name	BBG Ticker	Trading Code	Rec	Curr	Price 31 Aug 26	Target Price	Mkt Cap (US$m)	Yield (%) Hist	Curr	Fwd 1Y	Fwd 2Y	Debt to Equity (%)	Debt to Assets (%)	P/NAV (x)
HEALTHCARE														
First REIT	FIRT SP	AW9U	NR	S$	0.215	n.a.	359	10.1	9.1	8.4	n.a.	96.3	45.7	0.93
PLife REIT	PREIT SP	C2PU	BUY	S$	4.16	5.45	2,134	3.7	4.3	4.4	4.4	53.4	33.7	1.62
HOSPITALITY														
CapLand Ascott	CLAS SP	HMN	BUY	S$	0.855	1.42	2,591	7.1	7.2	7.4	7.4	71.4	37.7	0.75
CDL HTrust	CDREIT SP	J85	BUY	S$	0.76	1.11	766	6.3	7.3	7.2	7.4	66.4	35.3	0.55
Cent Accom REIT	CAREIT SP	8C8U	BUY	S$	1.14	1.55	1,548	5.7	5.9	6.9	7.5	43.8	29.9	1.30
Far East HTrust	FEHT SP	Q5T	BUY	S$	0.56	0.81	907	6.6	6.2	6.6	6.8	42.6	32.8	0.64
INDUSTRIAL														
AIMS APAC REIT	AAREIT SP	O5RU	NR	S$	1.49	n.a.	965	6.6	6.7	7.4	7.7	54.5	24.9	1.17
CapLand Ascendas	CLAR SP	A17U	BUY	S$	2.45	3.78	9,617	6.1	6.1	6.7	7.0	72.8	39.7	1.08
Daiwa Hse Log Trust	DHLT SP	DHLU	NR	S$	0.40	n.a.	221	10.8	10.5	10.5	10.5	78.9	40.1	0.64
Digi Core REIT USD	DCREIT SP	DCRU	BUY	US$	0.505	0.93	647	7.1	6.8	8.1	8.1	67.9	39.2	0.64
ESR-REIT	EREIT SP	9A4U	NR	S$	2.29	n.a.	1,457	9.6	9.6	9.7	10.0	99.2	41.4	0.92
Mapletree Ind Trust	MINT SP	ME8U	HOLD	S$	1.94	2.07	4,354	6.6	5.9	6.1	6.3	66.3	37.5	1.19
Mapletree Log Trust	MLT SP	M44U	HOLD	S$	1.17	1.29	4,725	6.2	5.9	5.9	5.9	85.2	40.5	0.93
NTT DC REIT USD	NTTDCR SP	NTDU	BUY	US$	0.955	1.31	987	8.1	8.3	8.6	8.7	45.5	31.0	0.84
UIBREIT	UIBREIT SP	UIBU	BUY	S$	0.80	1.16	860	n.a.	8.8	8.6	9.0	65.9	36.4	0.94
OFFICE														
Keppel REIT	KREIT SP	K71U	BUY	S$	0.875	1.13	3,424	6.0	6.2	6.1	6.0	78.2	40.0	0.70
RETAIL														
Frasers Centrepoint	FCT SP	J69U	BUY	S$	2.17	2.99	3,477	5.6	5.8	6.1	6.2	58.3	40.4	0.96
Lendlease REIT	LREIT SP	JYEU	BUY	S$	0.565	0.79	1,392	6.5	6.5	6.6	6.6	73.0	38.9	0.80
Starhill Global	SGREIT SP	P40U	NR	S$	0.525	n.a.	958	7.0	7.1	7.2	7.4	61.6	35.8	0.74
DIVERSIFIED														
CapLand China Trust	CLCT SP	AU8U	NR	S$	0.645	n.a.	891	7.5	7.3	7.3	7.5	94.8	40.4	0.62
CapLand Int Comm Trust	CICT SP	C38U	BUY	S$	2.37	3.06	14,814	4.9	4.9	5.3	5.4	57.8	37.4	1.10
Frasers L&C Trust	FLT SP	BUOU	BUY	S$	0.935	1.33	2,798	6.4	6.4	6.3	6.3	58.7	35.4	0.83
Mapletree Pan Asia	MPACT SP	N2IU	BUY	S$	1.27	1.75	5,277	6.3	6.3	6.4	6.4	63.8	37.7	0.73
OUE REIT	OUEREIT SP	TS0U	NR	S$	0.365	n.a.	1,588	6.1	6.6	6.8	7.0	79.1	41.5	0.66
Suntec REIT	SUN SP	T82U	BUY	S$	1.46	1.75	3,398	4.8	5.2	5.4	5.4	70.8	43.0	0.72
INTERNATIONAL (US / EUROPE)														
Stoneweg EU Trust EUR	SERT SP	SEB	NR	€	1.56	n.a.	1,005	8.6	8.5	8.7	9.2	93.2	43.6	0.77
Elite UK REIT GBP	ELITE SP	MXNU	BUY	£	0.315	0.39	282	9.6	9.6	9.5	10.0	58.1	34.8	0.72
IREIT Global	IREIT SP	UD1U	NR	S$	0.164	n.a.	173	9.8	9.0	9.0	18.0	94.9	45.5	0.35
KORE REIT USD	KORE SP	CMOU	BUY	US$	0.171	0.25	179	1.5	5.0	8.8	13.3	82.9	43.3	0.24
Prime US REIT USD	PRIME SP	OXMU	BUY	US$	0.147	0.21	211	4.1	11.2	12.5	12.2	87.5	44.9	0.28
Utd Hampshire REIT USD	UHU SP	ODBU	BUY	US$	0.49	0.69	298	9.0	9.4	10.1	10.3	73.8	40.4	0.67

Source: Bloomberg, UOB Kay Hian