REAL ESTATE TIMES

JULY 2020

SINGAPORE Q2 2020

Liquidity amid low-interest environment continues to support transactions even as overall market remains subdued

EDMUND TIE

ECONOMY

Market commentary

Key economic indicators

- The International Monetary Fund (IMF) has forecasted in June 2020 that the global economy is expected to contract sharply by 4.9 per cent in 2020 due to the impact of the Covid-19 pandemic (previously -3.0 per cent). If the pandemic stabilises in H2 2020, the global economy is projected to grow by 5.4 per cent in 2021 as economic activity normalises amid policy support. However, as the pandemic situation is still evolving, the global growth forecast is still very much uncertain. For the Asean-5 countries (Indonesia, Malaysia, Philippines, Singapore and Thailand), the IMF has revised down the growth rate to minus 2.0 per cent in 2020 (previously -1.3 per cent). In particular, Singapore's economic contraction is projected to be 3.5 per cent in 2020, with a recovery to 3 per cent growth in 2021.
- Based on advanced estimates released by the Ministry of Trade and Industry (MTI) on 14 July 2020, the Singapore economy contracted by 12.6 per cent year-on-year (y-o-y) in Q2 2020, extending from the 0.3 per cent y-o-y decline in Q1 2020 (Table 1). The greater plunge in GDP in Q2 2020 was due to the Circuit Breaker measures that were implemented from 7 April to 1 June 2020 to control the spread of the Covid-19 pandemic, as well as subdued external demand amidst a global economic downturn. The construction sector trended downwards by 54.7 per cent y-o-y in Q2 2020 due to a cessation of most construction activities and manpower disruptions. For the full year of 2020, MTI has forecasted that there will be a 4 to 7 per cent contraction in GDP.

Table 1: Singapore's Gross Domestic Product (GDP)

Selected indicators	Year-on-year (y-o-y) change (%)				
	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020*
Overall GDP	**0.2**	**0.7**	**1.0**	**-0.3**	**-12.6**
Manufacturing	-2.7	-0.7	-2.3	8.2	2.5
Construction	2.3	3.1	4.3	-1.1	-54.7
Services producing industries	1.1	0.8	1.5	-2.4	-13.6

* Based on advanced estimates released by MTI on 14 July 2020

Source: MTI, EDMUND TIE Research

- As a result of market contraction compounded by cautious sentiments, inflation (both core and all-items) has decelerated and unemployment rate increased. However, fixed-asset investment commitments of some S$12.4bn was recorded in Q1 2020, compared to 2019's S$15.2 billion over the entire year (Table 2). These was largely contributed by the manufacturing, chemicals and electronics clusters in Q1 2020.

Table 2: Inflation, unemployment rate and fixed asset investments

Selected indicators	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Consumer Price Index (Core inflation) Y-o-y % change	1.3	0.6	0.5	0.2
Consumer Price Index (All items inflation) S.A. Y-o-y % change	0.5	0.5	0.8	-0.1
Unemployment rate, S.A. (per cent)	2.2	2.3	2.3	2.4
Fixed asset investments (S$bn)	4.3	0.2	6.9	12.4

Source: Singapore Department of Statistics, MAS, MTI, EDMUND TIE Research

The Singapore Government is dedicating S$93bn, or nearly 20 per cent of GDP, comprising the Unity, Resilience, Solidarity and Fortitude Budgets to support Singaporeans in this battle against the Covid-19 pandemic. The first Unity Budget announced on February 18 saw S$6.4bn set aside. On March 26, Deputy Prime Minister Heng added S$48.4bn to the effort in a supplementary Resilience Budget. On April 6, he announced a further S$5.1bn in support measures under the Solidarity Budget. On May 26, a S$33bn Fortitude Budget was announced aimed primarily at helping workers and businesses.

Many businesses have been facing difficulties due to the overall weakened global business climate. As such, the government has introduced the Jobs Support Scheme to cover employee wages till August 2020. The foreign worker levy has also been waived in April 2020. This waiver extended to June and July 2020 as well, for businesses that are not allowed to resume operations after the circuit breaker. The government has also introduced rental waivers and property tax rebates to non-residential tenants (summarised in Appendices 1 and 2). However, global weakness, technology disruption and ongoing business uncertainty will likely cause further job losses.

The retail sector was one of the hardest-hit sectors, and the rental waivers will go some way in helping retailers' tide through this period. However, besides rents and taxes, retailers will still need to grapple with other costs, such as overheads and advertising costs that are beyond near-term relief.

For the residential sector, the deferment of mortgage payments till the end of the year will help homebuyers that are struggling with their finances. Additionally, the extension of the project completion period and extension of the sale of housing units relating to the Additional Buyer's Stamp Duty (ABSD) remission will also assist developers who were affected by manpower constraints.

INVESTMENT

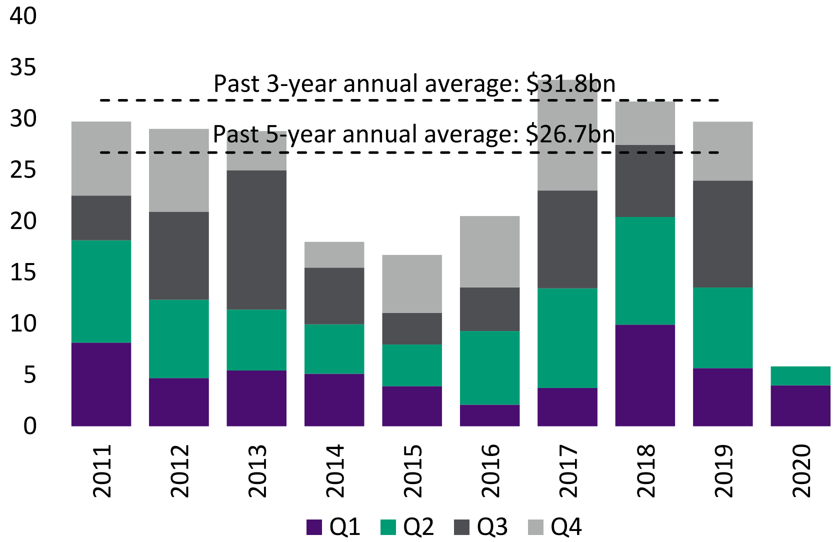
Market commentary

Investment sales

With the continual threat of the Covid-19 pandemic, market sentiments have been greatly dampened. As the global economic outlook remains uncertain, investors adopted a wait-and-see approach towards investment decisions. Additionally, transactions in Q2 2020 were generally of lower price quantum as investors were wary about their spending. Hence, investment sales declined for the third consecutive quarter, by a steep 53.5 per cent quarter-on-quarter (q-o-q) to S$1.9bn in Q2 2020 (Figure 1).

With no significant GLS sites being awarded, there were no public investment sales in Q2 2020, in contrast to the S$1.6bn public investment sales in Q1 2020 (Table 3). In the private investment sales market, three transactions exceeded S$100m in Q2 2020, of which one was above S$500m.

Figure 1: Total investment sales (S$bn)



Source: Various sources, EDMUND TIE Research

In comparison, three deals in the private investment sales market exceeded S$100m in Q1 2020, and two of the transactions were above S$500m. The larger deals in Q2 2020 were from the office sector, indicating sustained investor confidence in Singapore's economy and office market in the long term.

Table 3: Investment sales summary* (S$m)

Key investment sale type	Q1 2020	Q2 2020	Q-o-q change (%)
Private	**2,399 (60.2%)**	**1,853 (100%)**	**-22.8** ▼
Residential/Residential mixed-use	615 (15.4%)	261 (14.1%)	-57.6 ▼
Office/Office mixed-use	784 (19.7%)	1,324 (71.5%)	68.9 ▲
Industrial/Industrial mixed-use	910 (22.8%)	174 (9.4%)	-80.9 ▼
Retail/retail mixed-use	22 (0.6%)	43 (2.3%)	95.5 ▲
Hospitality/Hospitality mixed-use	-	-	-
Shophouses	15 (0.4%)	50 (2.7%)	228.9 ▲
Others	53 (1.3%)	-	-
Public (GLS)	**1,587 (39.8%)**	**-**	**-**
Residential/Residential mixed-use	1,363 (34.2%)	-	-
Office/Office mixed-use	-	-	-
Industrial/Industrial mixed-use	224 (5.6%)	-	-
Hospitality/Hospitality mixed-use	-	-	-
Total	**3,986 (100%)**	**1,853 (100%)**	**-53.5** ▼

* Refers to the sale of land, building and multiple units with value above S$10m.

Source: Various sources, EDMUND TIE Research

Sector trends and outlook

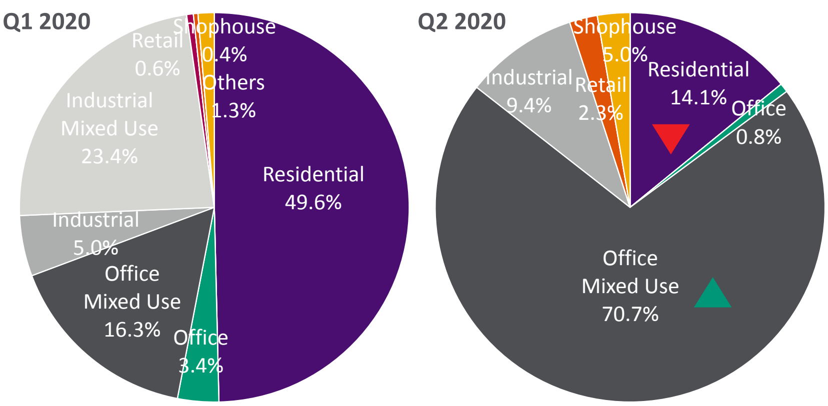
- **Office** (and office mixed-use) investment sales made up the bulk, or 71.5 per cent, of total investment sales in Q2 2020 (Figure 2), with investment sales increasing by 68.9 per cent q-o-q to S$1.3bn. This was mainly contributed by the sale of 30 and 50 per cent stakes of TripleOne Somerset and AXA Tower respectively, as well as sale of retail and office units at 30 Raffles Place (Table 4). With the sale of the 30 per cent stake in TripleOne Somerset for S$155.1m (S$2,250 psf strata area), the purchaser, Shun Tak Holdings, will own 100 per cent of the building, having previously acquired 70 per cent stake in January 2017 from a consortium led by Perennial Holdings. The purchase came after an asset enhancement initiative of the development in 2019. The largest transaction in Q1 2020 was the sale of 50 per cent stake of AXA Tower for S$840m to Alibaba Group, an anchor tenant of the building, from a Perennial-led consortium which included Singapore Press Holdings, HPRY Holdings and Piermont Holdings. Once the deal is completed, AXA Tower will commence its redevelopment. At 30 Raffles Place, formerly known as Chevron House, Saudi Arabia-based Olayan Group was reported to purchase the retail podium and the three lowest office floors for S$315.0m ($2,596 psf strata area).

Table 4: Key private investment sale transactions in Q2 2020

Development name/location	Tenure/ (remaining tenure)	Purchase price (S$)	Purchaser/ investor type
Office/Office mixed-use			
AXA Tower (50% stake)	99 years (61 years)	840.0m (S$1,600 psf GFA)	Alibaba Group (Listed company)
Retail podium and office units at 30 Raffles Place	99 years (32 years)	315.0m ($2,596 psf strata area)	Olayan Group (Listed company)
TripleOne Somerset (30% stake)	99 years (54 years)	155.1m (S$2,250 psf strata area)	Shun Tak Holdings (Listed company)
Industrial/Industrial mixed-use			
Luxasia Building	30+30 years (44 years)	66.1m (S$772 psf land area)	Unknown
Retail/Retail mixed-use			
Retail unit at St Martin's Apartment	Freehold	43.0m (S$4,586 psf strata area)	D'League Pte Ltd (Private company)

Source: Various sources, EDMUND TIE Research

Figure 2: Total investment sales by asset type



Source: URA, EDMUND TIE Research

- Similarly, **retail** investment sales almost doubled from S$22.2m in Q1 2020 to S$43.0m in Q2 2020. Nevertheless, activity in the retail investment market was still lacklustre, as there was only one transaction in the quarter. In Q2 2020, a freehold retail unit at St Martin's Apartment was reportedly sold to D'League Pte Ltd, which holds the Asia distributorship for Richard Mille, and is likely to become another watch showroom for the watch brand. The site is rare, with a large carpark space at the frontage. As the commercial unit constitutes around 42 per cent share value in the development, the purchaser will be pivotal to any en bloc sale of the development.
- On the other hand, **industrial** investment sales declined by 80.9 per cent q-o-q to S$174.3m in Q2 2020. This was largely contributed by two transactions: Luxasia Building (S$66.1m, or S$772 psf land area) and 65 Tech Park Crescent (S$25m, or S$291 psf land area). However, this sum excluded the acquisition of a four-storey warehouse at 11 Sunview Way by Deutsche Bank for an undisclosed sum, which is understood to be within the range of S$75m to S$100m. With the inclusion of this transaction, the decline in industrial sales would have been lesser. Demand for warehouse space remains strong, particularly due to disruption to supply chains during the Covid-19 pandemic, resulting in tenants requiring additional space for stockpiling as, well as increased demand for e-commerce.
- **Residential** investment sales were muted due to the lack of awarded GLS sites in Q2 2020 and dampened market sentiments amid the economic uncertainties. Moreover, in contrast to four Good Class Bungalows (GCBs) being transacted in Q1 2020, there were two GCBs sold in Q2 2020, which was 53 Windsor Park Road at S$21.7m (S$1,028 psf land area) during the Circuit Breaker period and 76 Windsor Park Road at $21.3m ($1,063 psf land area). The residential collective sales market remained subdued as well with no collective sales concluded in Q2 2020. However, some activity was observed, as Wing Fong Mansions and Wing Fong Court were put up for tender for the second time in 2020 in June, with the tenders closing in August 2020. Residential investment sales plunged to S$261.3m in Q2 2020 from nearly S$2.0bn in Q1 2020, with the Circuit Breaker period limiting viewing opportunities in Q2.

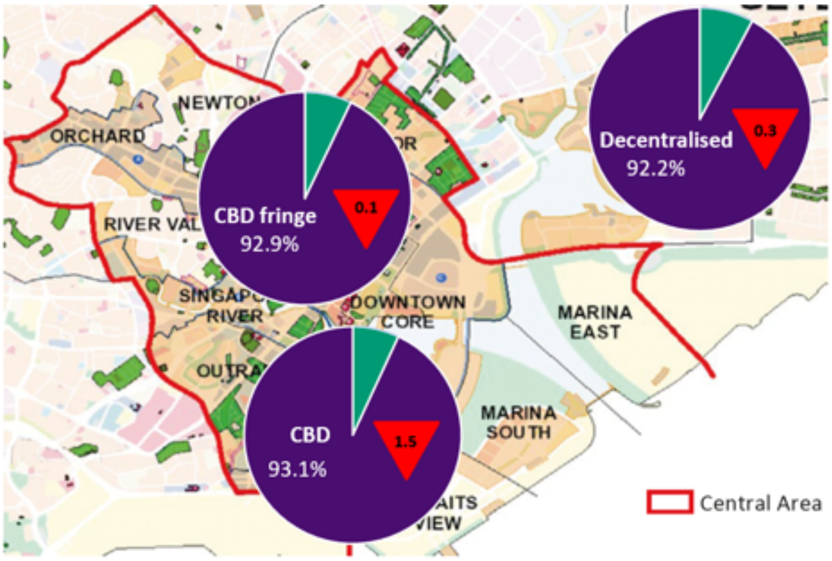
While there was a slight improvement in the business sentiment outlook among local firms for Q3 2020 from the record-low sentiments in Q2 2020, forecasts for the overall business environment remained in contraction territory, according to the Singapore Commercial Credit Bureau's Business Optimism Index in June 2020. Despite some optimism from the gradual reopening of Singapore's economy, uncertainties still remain, given the threat of a second wave of Covid-19 infections, continued global social unrest and trade tensions between US and mainland China. Nevertheless, foreign companies and investors are still seen as confident of Singapore's economy in the long term. In the first four months of 2020, a total of S$13bn in investment commitments was secured, which was higher than the annual average amount from 2013 to 2018, as well as the initial forecast of S$8bn to S$10bn for 2020. This can be attributed to the openness and connectivity of Singapore's economy, absence of export restrictions and its robust network of free trade agreements. With Singapore topping the ranks as the world's most competitive economy, investors remain keen to acquire investment assets for long-term stable returns, with net yields ranging from 3.0 to 6.0 per cent.

OFFICE

Office demand and occupancy rates

- In Q2 2020, office demand softened due to the uncertain business climate and the economic contraction. In particular, travel-based and hospitality-related industries were impacted greatly.
- Many employees worked from home and adopted various teleconferencing tools to communicate. Even though the Circuit Breaker measures were lifted in June 2020, the economy did not return to the pre-Covid-19 state. There were three stages to the re-opening of Singapore. Phase 1 comprised the safe re-opening of Singapore from 2 to 18 June 2020 and employees were still encouraged to work from home unless required to operate machinery/software or complete a contract/transaction that is legally required to be done in person. It was announced on 15 June 2020 that working from home should continue to be a default option even as Phase 2 of Singapore's economy began on 19 June 2020.
- Besides the government and landlords supporting office tenants by waiving their rents through the various budgets, landlords were also more flexible on tenants' rent-free periods in this climate.
- Based on EDMUND TIE Research estimates, occupancy rates of office developments* islandwide contracted by 0.8 percentage points q-o-q to 92.8 per cent in Q2 2020 (Figure 3). The decline in occupancy rates was largely due to the contraction of demand for office space in the CBD and CBD Fringe subzones with net absorption reporting negative figures of 463,000 sq ft and 12,000 sq ft respectively.

Figure 3: Office occupancy rates* and q-o-q percentage point change (in arrows) in Q2 2020



* In-house estimates of purpose-built office developments and mixed-use premises with NLA of 20,000 sq ft and above

Source: URA, OneMap, EDMUND TIE Research

- Despite the current cautious and soft market, there were still several new companies who established their offices in Singapore in Q2 2020, most of which were from the technology and financial sectors (Table 5). Technology firms are faring well in this business climate as companies push for more teleconferencing tools and digitalisation of work processes.
- On the other hand, travel-based and hospitality companies have been hardest-hit from the Covid-19 pandemic due to travel restrictions and lockdowns imposed by many countries. One example is Uber, a multinational ride-hailing company, which will be closing its Asia-Pacific HQ in Frasers Tower in the next 12 months.

Table 5: Key tenant movements in Q2 2020

<table>
<tr><th>Building</th><th>Location</th><th>Tenant</th><th>Sector</th><th>Remarks</th></tr>
<tr><td>Marina Bay Financial Centre Tower 2</td><td rowspan="4">Marina Bay (CBD)</td><td>HSBC</td><td>Finance and banking</td><td rowspan="4">Relocation</td></tr>
<tr><td rowspan="2">Marina Bay Financial Centre Tower 3</td><td>CapGemini</td><td>Business Services</td></tr>
<tr><td>Here Solutions</td><td>Technology</td></tr>
<tr><td>One Raffles Quay North Tower</td><td>ByteDance/Tik Tok</td><td>Technology</td></tr>
<tr><td>One George Street</td><td>Raffles Place (CBD)</td><td>AJ Capital</td><td>Finance</td><td>Relocation</td></tr>
<tr><td>City House</td><td rowspan="2">Shenton Way/ Robinson Road/ Tanjong Pagar (CBD)</td><td>Verifone</td><td>Electronic Payments</td><td rowspan="2">Relocation</td></tr>
<tr><td>79 Anson Road</td><td>Inchcape Shipping</td><td>Shipping</td></tr>
<tr><td>Centennial Tower</td><td rowspan="2">CBD Fringe</td><td>Envysion Wealth Management Pte. Ltd.</td><td>Finance</td><td>New office in Singapore</td></tr>
<tr><td>Suntec Tower 2</td><td>MCTC</td><td>Maritime catering and training</td><td>New office in Singapore</td></tr>
</table>

Source: Various sources, EDMUND TIE Research

Rental rates

All the various subzones in the office sector showed q-o-q declines in monthly average rental rates in Q2 2020 (Table 6). Most companies were affected by the preventive measures taken to contain Covid-19 outbreak. Within the CBD, Grade B offices at Shenton Way/Robinson Road/Tanjong Pagar showed the greatest rental contraction of 2.0 per cent q-o-q. Older office developments in this subzone did not hold up so well as tenants relocated to more efficient and better quality buildings.

Supply pipeline

Total supply pipeline from Q2 2020 to 2024 is estimated to be approximately 4.3m sq ft (or 905,000 sq ft per annum), with most of the supply completing in 2022 (Figure 4). In 2021, pre-committed rates for most buildings in the CBD are healthy. For instance, CapitaSpring currently has a pre-committed rate of around 35 per cent (comprising tenants such as The Work Project and J.P. Morgan). However, the market will have to grapple with the huge supply coming on board in 2022 such as Central Boulevard Towers (NLA: 1.3m sq ft) and Guoco Midtown (NLA: 650,000 sq ft).

Outlook

The office leasing market in Singapore is facing downward pressure. Companies are currently working hard to shore up their cash flows as business sentiment weakens substantially. As enterprises currently plan Safe Management practices mandated by the Ministry of Manpower, they are still weighing their options on lease renewal and expansion plans in the longer term. In our view, risks are on the downside for take-up and rents for the rest of 2020.

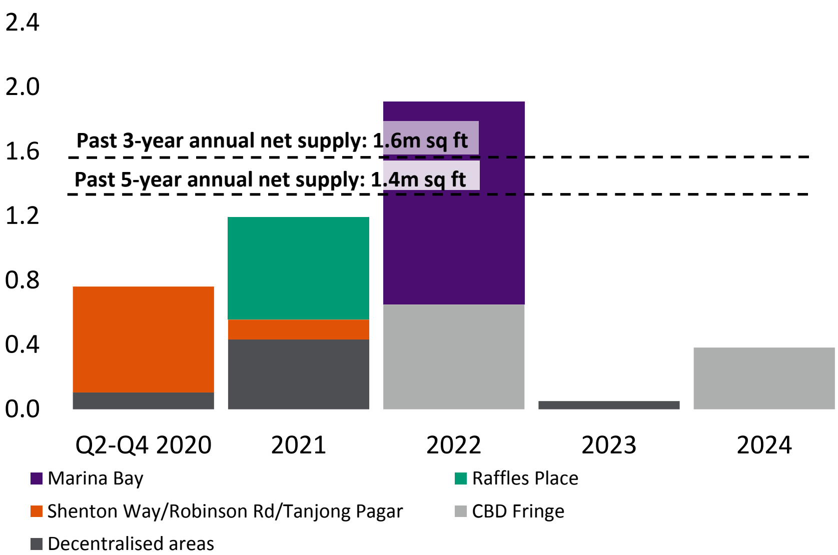
Table 6: Average monthly gross office rents (S$ per sq ft)

Location		Grade	Q1 2020	Q2 2020	Q-o-q change (%)
CBD	Marina Bay	A+	11.30 – 13.35	11.20 – 13.25	-0.9
	Raffles Place	A	9.60 – 11.70	9.50 – 11.50	-1.5
	Shenton Way/ Robinson Road/ Tanjong Pagar	A+	10.20 – 12.30	10.10 – 12.15	-1.0
		A	8.05 – 10.05	8.00 – 9.95	-1.0
		B	6.80 – 8.90	6.65 – 8.65	-2.0
CBD fringe	Marina Centre	A	8.95 – 10.95	8.90 – 10.90	-0.5
	Beach Road/ North Bridge Road	A	9.80 – 11.80	9.75 – 11.75	-0.6
		B	6.55 – 8.00	6.50 – 8. 00	-0.4
	Orchard Road	*	8.50 – 10.50	8.40 – 10.40	-0.9
Decentralised areas**	Decentralised areas	*	5.10 – 7.80	5.10 – 7.65	-0.9

* Ungraded office space
** Key purpose-built offices outside of CBD and CBD fringe

Source: EDMUND TIE Research

Figure 4: Office development pipeline, million (m) sq ft



Source: URA, EDMUND TIE Research

The current debate is the role of the office, as Work-from-Home (WFH) and flexible work arrangements become more widely accepted. The new normal of work and the role of office space will only get clearer over the next few months as enterprises monitor the impact on public health, productivity, and corporate culture of their workforce between WFH and work-in-office options.

INDUSTRIAL

Market commentary

Key indicators

According to the PMI reading, the manufacturing sector contracted for the fourth straight month in May 2020 (Table 7). This was also reflected in the sharply weaker NODX performance. The implementation of the Circuit Breaker in Singapore from 7 April to 1 June 2020, together with the disruption of global production and supply chains worsened the already weak industrial market.

Private demand, occupancy and supply

- Based on JTC's estimates, islandwide net absorption expanded from 1.3m sq ft in Q1 2020 to 1.6m sq ft in Q2 2020. However, net supply reversed from 2.1m sq ft in Q1 2020 to -301,000 sq ft in Q2 2020.
- The occupancy for warehouse space increased by 0.8 percentage points q-o-q to 88.3 per cent in Q2 2020 (Figure 5).
- This was largely due to the increase in overall e-commerce sales and stockpiling by supermarkets.
- Notable leases secured in Q2 2020 included:
  - Techcross, a ballast water management system manufacturer, which relocated to Tradehub 21
  - Smart WFM, a HR workforce management consultancy, which opened its first Singapore office at Mega@Woodlands

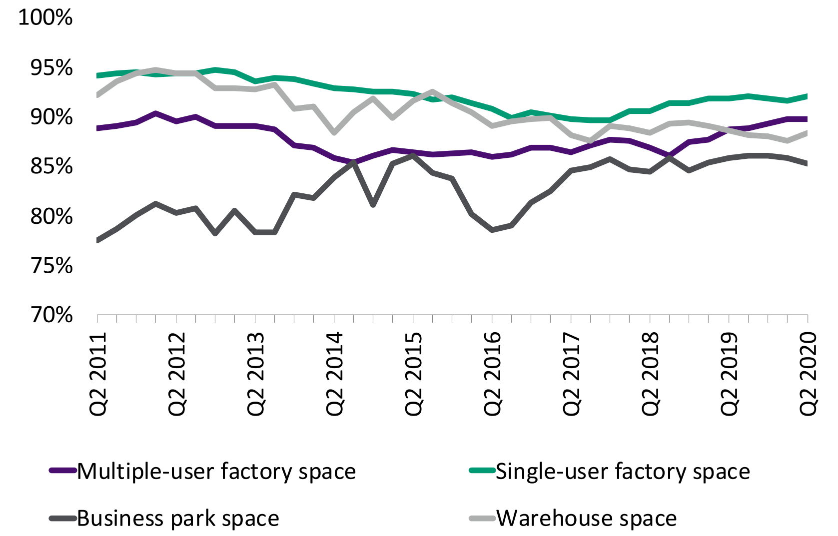
Table 7: Singapore's NODX and PMI

Key economic indicators	Q1 2020	Q2 2020	Key trends
NODX	17.6%	-4.5% (May 2020)	• NODX declined by 4.5 per cent y-o-y in May 2020, from the 9.7 per cent y-o-y growth in April 2020 due to the contraction in the global economy and trade. While the electronics segment grew, the non-electronics sectors contracted mainly due to the petrochemicals cluster.
PMI*	45.4	46.8 (May 2020)	• The PMI increased by 2.1 points from 45.4 in April 2020 to 46.8 in May 2020. May's PMI reading was attributed to slower contractions in the key indexes of new orders, new exports, factory output and employment. • The electronics sector PMI also remained in the contractionary territory at 46.2 in May 2020.

* Reading above 50 indicates an expansion, while below 50 indicates a contraction.

Source: MTI, Enterprise Singapore, SIPMM, EDMUND TIE Research

Figure 5: Occupancy rates of private industrial space by type



Source: JTC, EDMUND TIE Research

Rental rates

- According to EDMUND TIE research, the monthly average rental rates for most market segments declined q-o-q in Q2 2020 due to weak manufacturing performance (Table 8, Figure 6). The location of the developments is a key factor in determining the extent of decline of rents. For instance, the average monthly rents for business parks in the Central Region held up, while those in the suburban areas contracted by 0.2 per cent q-o-q in Q2 2020.

Supply pipeline

- The supply pipeline from Q2 2020 to 2023 is around 27.9 m sq ft (NLA) or an average of 7.4m sq ft per annum, staying below the 3- and 5-year annual average of 8.2m and 12.4m sq ft respectively (Figure 7).
- The majority of the supply pipeline will be completed between Q2 and Q4 2020 (41.8 per cent), followed by 2022 with 8.5m sq ft (30.4 per cent). The bulk of the pipeline supply will be single-user factories between Q2 and Q4 2020.

Outlook

The outlook of the industrial sector is envisaged to remain markedly uncertain in 2020, considering the fluid and unpredictable nature of the pandemic, a possibly steep global economic slowdown and resultant ramifications on Singapore's open manufacturing sector.

The high number of Covid-19 infections in many worker dormitories has contributed to disruptions in production and construction capacities, as well as to a certain extent, logistics efficiency and workflow. As companies review their demand needs and expansion plans in the wake of the weakened economic outlook, we expect the impact on the industrial property market to be felt in the next few quarters. Overall rents of factories are likely to post an overall decline for 2020. Rents in the business park and hi-tech sectors could also ease further in the near term owing to the pandemic. Nonetheless, the bright spot for the industrial sector is the warehouse sector, as rising online sales and the increase in groceries sales incentivise retailers to stockpile and expand their warehouse facilities to cater to the surge in demand.

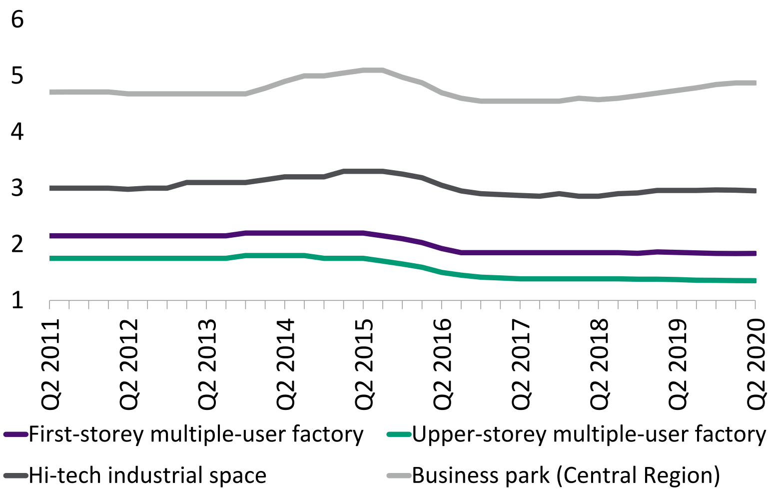
Table 8: Average monthly gross rents (islandwide) (S$ per sq ft)

Industrial type*	Subcategory	Q1 2020	Q2 2020	Q-o-q change (%)
Multiple-user factory	First-storey	1.70 – 2.00	1.75 – 2.00	0.2 ▲
	Upper-storey	1.35 – 1.55	1.30 – 1.50	-0.2 ▼
Warehouse/ logistics	Overall	1.55 – 1.70	1.50 – 1.65	-0.1 ▼
High-tech industrial	Overall	2.90 – 3.10	2.85 – 3.05	-0.4 ▼
Business park	Central Region	4.40 – 4.95	4.40 – 4.95	0.0 —
	Suburban	3.55 – 3.85	3.50 – 3.80	-0.2 ▼

* In-house estimates of key selected private industrial premises.

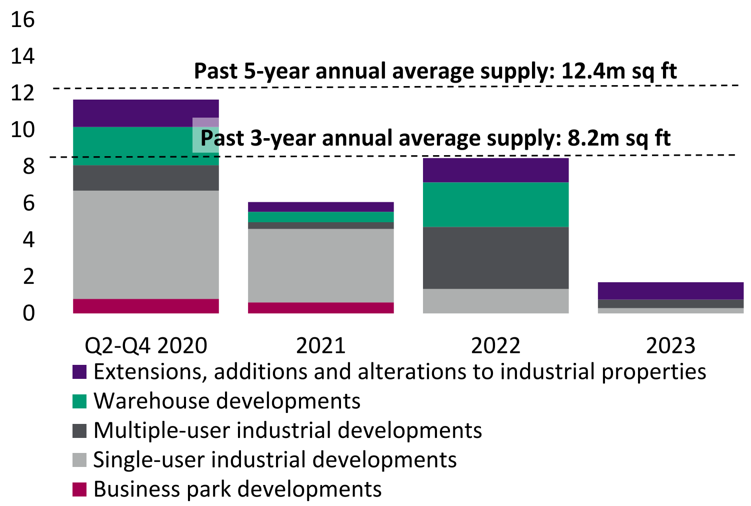
Source: EDMUND TIE Research

Figure 6: Private monthly industrial gross rents (S$ psf) by type



Source: EDMUND TIE Research

Figure 7: Private industrial development pipeline (with planning approvals and GLS sites which are pending approvals), million(m) sq ft



Source: EDMUND TIE Research

RETAIL

Market commentary

Key indicators

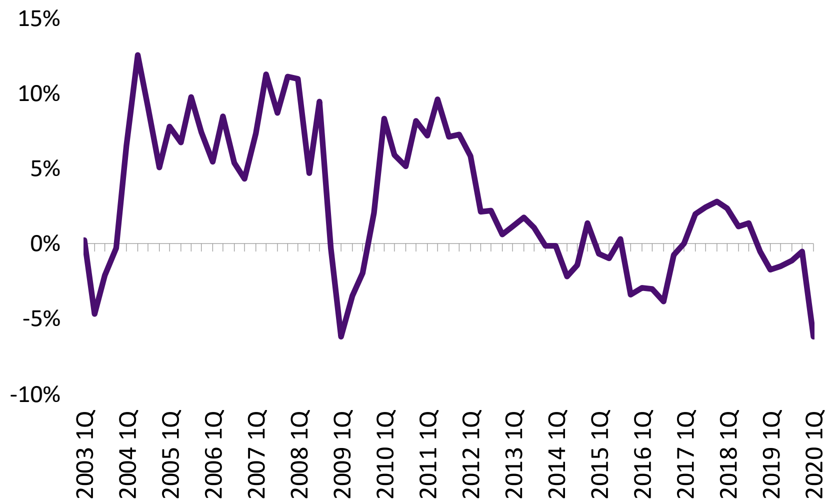
- The retail sector is facing one of its greatest challenges as the pandemic necessitated the temporary closure of many retail outlets with the exception of essential services, such as F&B, supermarkets, clinics and approved healthcare-related trades during the Circuit Breaker period (7 April to 1 June 2020) as well as in Phase 1 of Singapore's reopening (2 to 18 June 2020).

- Due to travel restrictions, visitor arrivals plunged to around 2.7m visitors in Q1 2020, the lowest since Q4 2009. It was reported by the Singapore Tourism Board (STB) in February 2020 that Singapore lost an average of 18,000 to 20,000 international visitor arrivals daily and this loss is expected to increase further. In April 2020, there were only 748 visitors to Singapore.

- As international visitor arrivals fell and residents were forced to stay home except when going out for essential services, retailers faced increasing pressures to sustain their businesses while coping with fixed overhead costs. The Covid-19 (Temporary Measures) Act was passed to ensure a pass-through of property tax rebate from property owners to tenants. A new Bill on rental rebates, involving landlords and the government, was also dished out to help retailers. This will add cashflow strains on landlords, especially for smaller landlords.

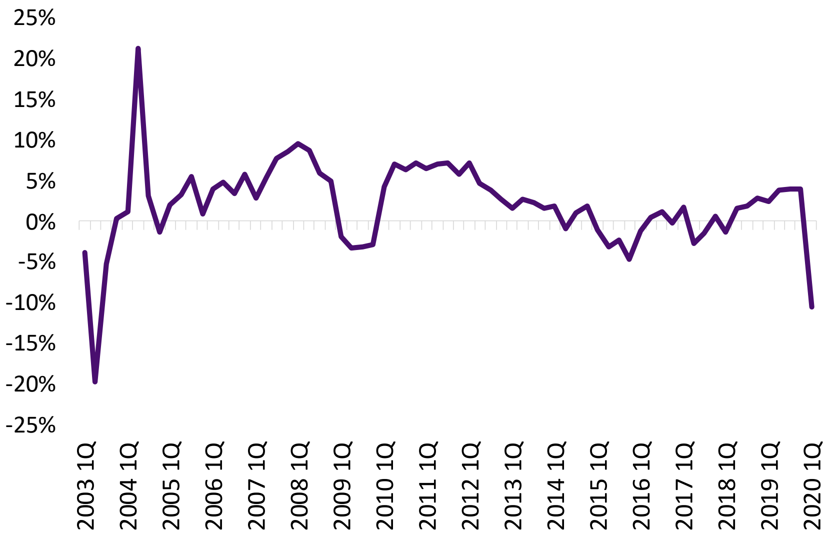
- Retail sales index (excluding motor vehicles) fell for the sixth consecutive quarter by 6.2 per cent y-o-y in Q1 2020 (Figure 8). The F&B services index also contracted by 10.5 per cent y-o-y in Q1 2020, after seven consecutive quarters of increases (Figure 9).

Figure 8: Y-o-y change in retail sales index (excluding motor vehicles)



Source: Department of Statistics Singapore

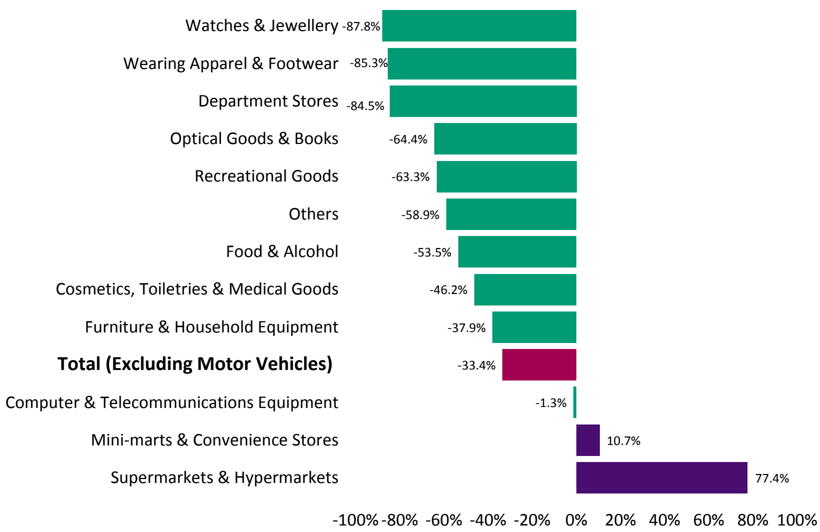
Figure 9: Y-o-y change in food and beverage services index



Source: Department of Statistics Singapore

- In April 2020, the worst performing sectors were watches and jewellery and wearing apparel and footwear (Figure 10) as people shopped for essential goods rather than luxury items in view of the sober economic climate. Overall, the total retail sales (excluding motor vehicles) declined by 33.4 per cent y-o-y in April 2020.

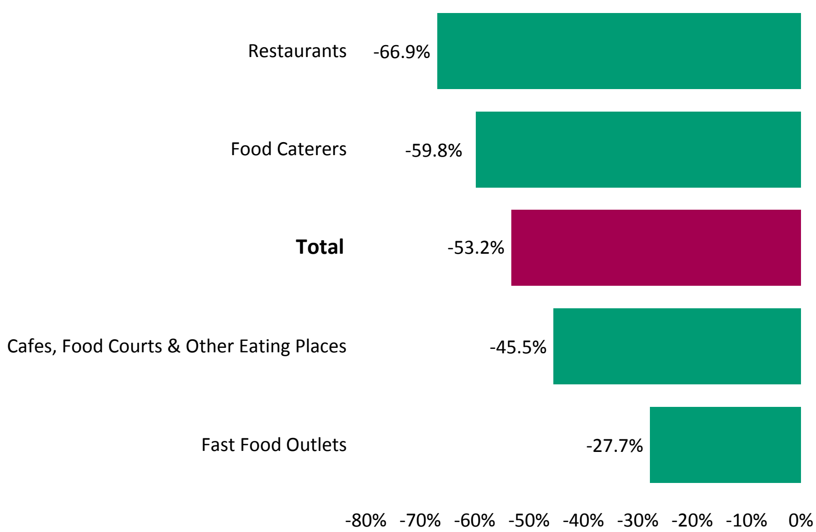
Figure 10: Retail sales index (Apr 2020), y-o-y change



Source: Retail Sales Index at Current Prices (SSIC 2015 Version 2018) from Department of Statistics Singapore

- The food and beverage index trended downwards by 53.2 per cent y-o-y in April 2020, and restaurants (which were largely relying on takeaway sales) were the hardest hit, contracting by 66.9 per cent y-o-y (Figure 11).

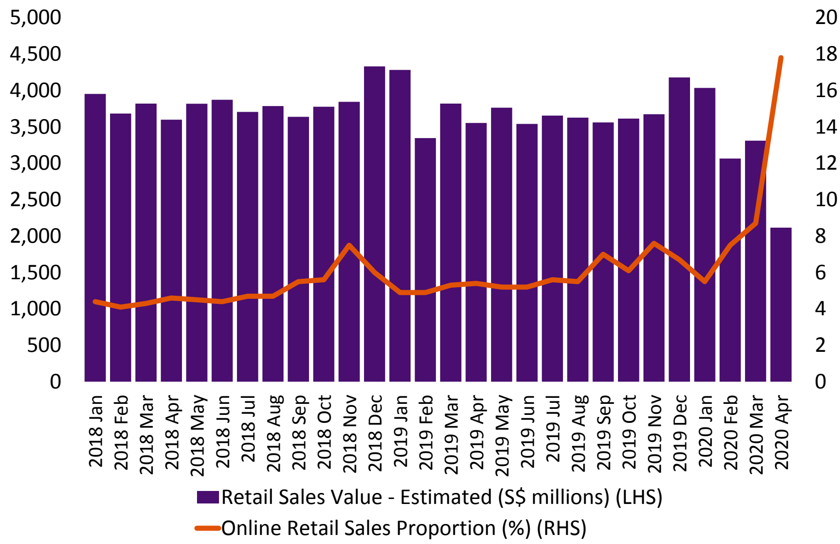
Figure 11: Food and Beverage index (Apr 2020), y-o-y change



Source: Food & Beverage Services Index at Current Prices (SSIC 2015 Version 2018) from Department of Statistics Singapore

- As people started to shop online due to the temporary closure of many retail outlets, the online retail sales proportion increased to 17.8 per cent in April 2020 (Figure 12).

Figure 12: Retail sales value (S$ millions) and proportion of online retail sales (%)



Source: Department of Statistics Singapore, EDMUND TIE Research

Private demand and occupancy

- Based on URA statistics, islandwide net absorption declined further to -798,000 sq ft in Q2 2020 from -561,000 sq ft in Q1 2020. The food & beverage sector was one of the more badly affected sectors due to the preventive measures implemented to contain the Covid-19 pandemic.

	Orchard/Scotts Road (OSR)	Other city areas[1] (OCA)	Fringe/Suburban areas[2] (FSA)
Net absorption	• The net absorption was reversed from 5,000 sq ft in Q1 2020 to -99,000 sq ft in Q2 2020 • The lack of tourist arrivals in Q2 2020 contributed to the decline in demand	• Net absorption contracted by -243,000 sq ft in Q2 2020 • As people started to carry out remote working and avoided going out, retail outlets in the OCA were impacted greatly by the decline in sales	• Net absorption declined further to -456,000 sq ft in Q2 2020, from -202,000 sq ft in Q1 2020 • Retailers in FSA were affected greatly due to the lack of sales as people avoided going to malls
Occupancy	• Occupancy contracted by 1.2 percentage points q-o-q to 90.8 per cent in Q2 2020 (Figure 13)	• Occupancy trended downwards by 1.9 percentage points q-o-q to 88.3 per cent in Q2 2020	• Occupancy rates declined by 2.1 percentage points q-o-q to 88.8 per cent in Q2 2020
Closures (Q2 2020)	• Modesto's @ Orchard (F&B) at Orchard Rendezvous Hotel • Salt Grill & Sky Bar (F&B) at ION Orchard • Imperial Treasure Nan Bei Restaurant (F&B) at Ngee Ann City	• China Club (F&B) at Capital Tower • Rookery (F&B) at Capital Tower • Tao Seafood (F&B) at Asia Square Tower 2 • Muji (household and consumer goods) at Marina Square	• Esprit (fashion and apparel) closing all outlets • The Chophouse (F&B) at Vivocity

[1] Other City Areas refer to Downtown Core and Rest of Central Area
[2] Fringe/Suburban Areas refer to Fringe Areas and Suburban Areas (Outside Central Region)

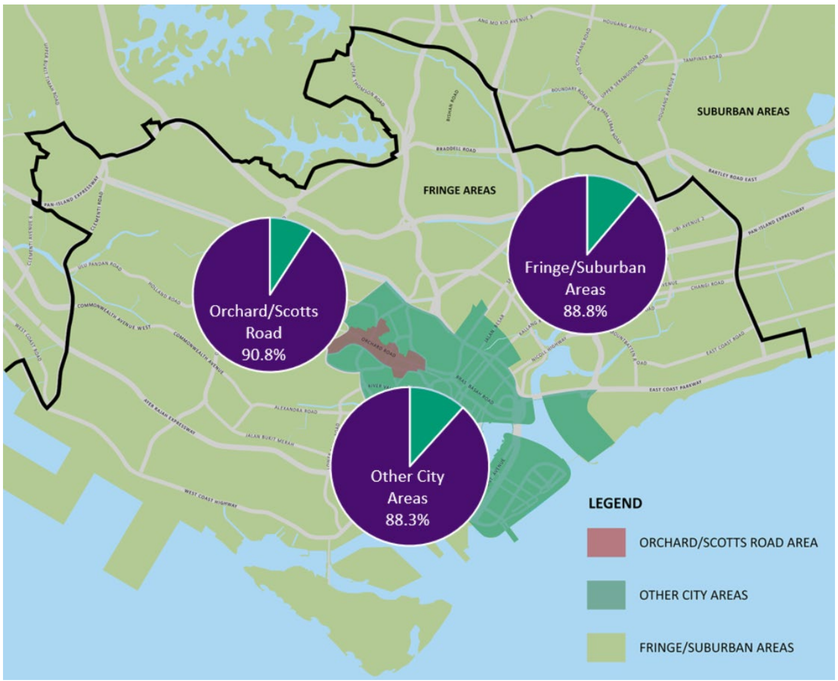
Source: URA, EDMUND TIE Research

Rental rates

Monthly retail rents contracted further in Q2 2020 amidst the preventive measures taken to contain the Covid-19 pandemic. First, the number of short-term visitors to Singapore plummeted to a historic low of 748 in April 2020, after the ban on short-term visitors was put in place on 23 March 2020 (entry allowed only under extenuating circumstances). Second, the implementation of the Circuit Breaker from 7 April to 1 June 2020 also dampened the already weak retail market, as only essential retailers such as supermarkets or food and beverage outlets could operate. On 21 April 2020, the government also announced that the list of essential services has been tightened, with shops selling snacks, drinks and desserts, as well as barber and hairdressing shops being prohibited from operation. From 12 May 2020, businesses like home-based bakeries, selected food shops, barbers, manufacturing of confectionery and laundry services were allowed to operate. Most retail outlets continued to remain closed in Phase 1 of Singapore's reopening. On 19 June 2020, most retail outlets were allowed to resume operations.

In terms of rental performance, upper-storey monthly average rents in the OSR declined the most as compared to the other subzones, largely due to the lack of visitor arrivals (Table 9). On the other hand, the average monthly rents for first-storey retail in the FSA held up relatively well in Q2 2020, due to the proximity of these outlets to residential estates. People were encouraged to do most of their daily activities at home and only visited nearby retail outlets to get their essential necessities.

Figure 13: Retail occupancy rates (Q2 2020)



Source: URA, EDMUND TIE Research

Table 9: Average monthly gross rents (S$ per sq ft)

Location	Level	Q1 2020	Q2 2020	Q-o-q change (%)
Orchard/ Scotts Road (OSR)	First-storey	34.10 – 39.10	34.00 – 39.05	-0.2 ▼
	Upper-storey	13.80 – 17.80	13.40 – 17.30	-3.0 ▼
Other city areas (OCA)	First-storey	16.20 – 22.15	16.10 – 22.10	-0.3 ▼
	Upper-storey	8.10 – 12.10	8.00 – 12.00	-0.6 ▼
Fringe/ Suburban areas (FSA)	First-storey	25.35 – 31.35	25.25 – 31.25	-0.2 ▼
	Upper-storey	14.80 – 19.60	14.50 – 19.30	-2.0 ▼

Source: EDMUND TIE Research

Supply pipeline

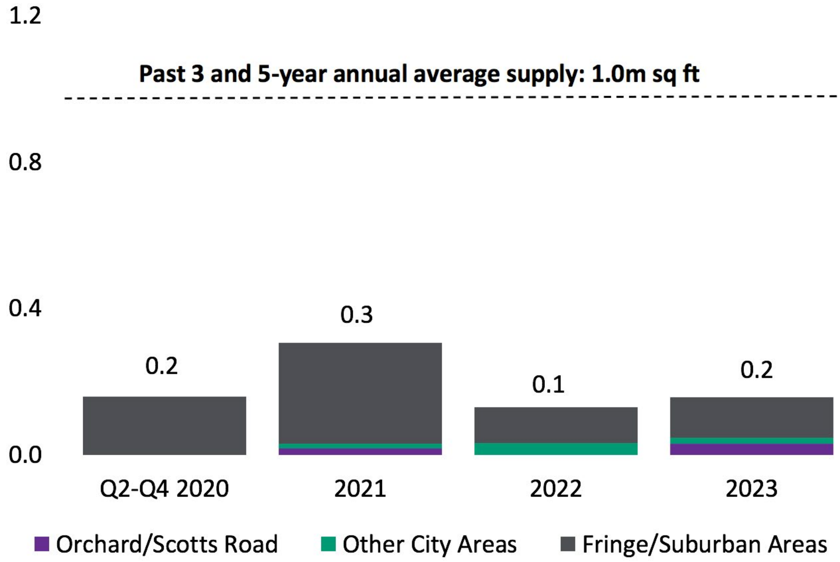
The supply pipeline from Q2 2020 to 2023 is projected to be limited, comprising some 750,000 sq ft NLA (Figure 14). This is lower as compared to the past 3- and 5-year annual average supply of 1.0m sq ft. The additions/alterations to existing i12 Katong mall is the largest development with an NLA of 189,000 sq ft, and the works are estimated to complete in 2021.

Outlook

Moving forward, it will be some time before the retail market finds a footing. We expect cautious behaviour to prevail among consumers even as Singapore starts reopening itself as there may be a second wave of infection as seen from other countries. Retailers will also need to uphold strict safety distancing measures and new guidelines when most of them reopen to a new normal during Phase 2, thereby limiting sales volume.

The poor business climate fuelled by the increase in retrenchments as well as the lack of tourism spending will weigh on the luxury and discretionary retail segments, while the sales of groceries retailers and food services are anticipated to grow.

Figure 14: Retail development pipeline, million (m) sq ft



Source: URA, EDMUND TIE Research

RESIDENTIAL

Market commentary

Key indicators

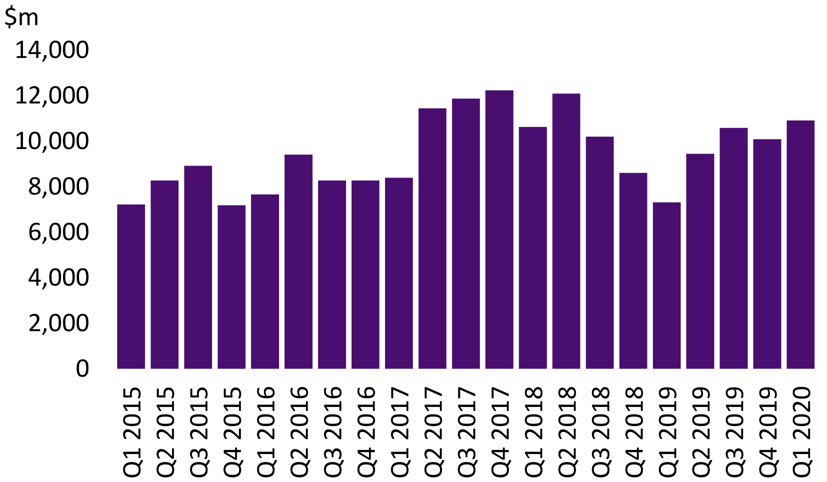
- Based on Q2 2020 Urban Redevelopment Authority (URA) statistics, private home prices registered a slight q-o-q uptick of 0.3 per cent, after a decline of 1.0 per cent in Q1 2020 (Table 10).
- Private non-landed property prices rose by 0.4 per cent q-o-q in Q2 2020 after two consecutive quarters of decline. All market segments except the RCR registered growths in prices, with prices of non-landed properties in the CCR and OCR increasing by 2.7 per cent and 0.1 per cent q-o-q respectively. Prices of non-landed properties in the RCR fell by 1.7 per cent on a q-o-q basis in Q2 2020.
- Similarly, URA Landed Property Price Index remained unchanged q-o-q in Q2 2020, after a q-o-q drop of 0.9 per cent in Q1 2020.
- Relief is provided for Singaporean married couples who seek ABSD remission for the joint purchase of their second residential property, with an extension of six months for the sale of their first residential property. This will help contain selling pressures in the market.
- Housing loans continued to grow for the third consecutive quarter by 49.2 per cent y-o-y in Q1 2020 (Figure 15), which may be attributed to lower interest rates, allowing homeowners to secure loans at favourable terms.

Table 10: URA Residential Price Indices in Q2 2020

Type/Market segment	Price Index (Q2 2020)	Q-o-q change (%)	Y-o-y change (%)
All Residential property	**152.6**	0.3 ▲	1.2 ▲
Non-Landed property	**148.7**	0.4 ▲	0.4 ▲
Core Central Region (CCR)	134.6	2.7 ▲	-0.5 ▼
Rest of Central Region (RCR)	150.0	-1.7 ▼	-2.2 ▼
Outside Central Region (OCR)	177.4	0.1 ▲	3.3 ▲
Landed property	**170.3**	0.0 –	3.7 ▲

Source: URA, EDMUND TIE Research

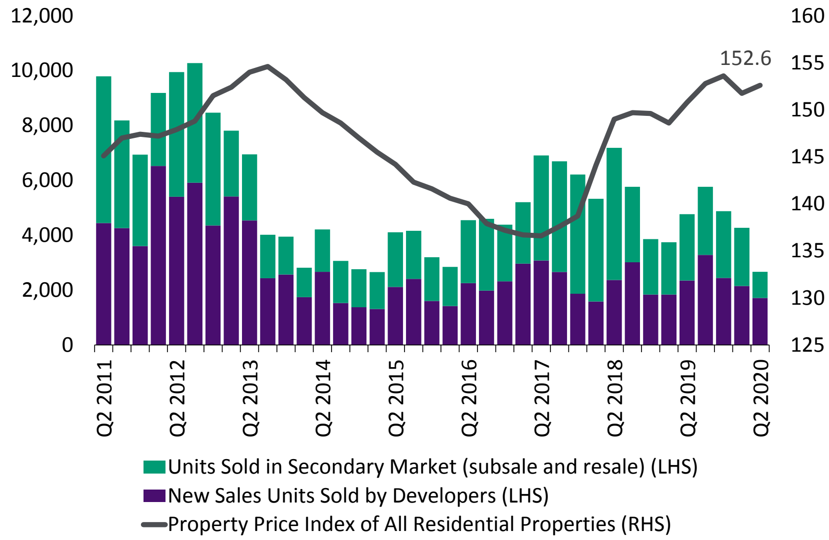
Figure 15: New housing loans limits granted (S$m)



Source: Monetary Authority of Singapore (as of 15 June 2020), EDMUND TIE Research

- **New sales** volume dominated the private residential market in Q2 2020 (Figure 16), as homebuyers purchased homes with the aid of virtual showflats or had visited the showflats before the Circuit Breaker period. Nevertheless, new sales declined by 27.1 per cent y-o-y and 20.3 per cent q-o-q to 1,713 units in Q2 2020, despite an uptick in new sales in June 2020 due to pent-up demand. The lower new sales in Q2 2020 was largely attributed to a reduction in new launches, closure of show galleries during the Circuit Breaker period as well as dampened sentiment with the gloomy economic outlook.
- In Q2 2020, there were three new launches. Kopar at Newton, which was launched before the Circuit Breaker period from 7 April to 1 June 2020, after its sale preview in late March 2020, was the largest project. Despite uncertainty amid anticipated recession, the take-up rate of 31.7 per cent (120 of 378 units sold) in Q2 2020 of Kopar at Newton was relatively encouraging (Table 11). Transacted prices at Kopar at Newton ranged from S$2,083 to S$2,531 per sq ft. Out of the 120 units sold, 70 units were transacted before the commencement of the Circuit Breaker on 7 April 2020. Most of the units sold were the smaller one-bedroom and two-bedroom apartment units.

Figure 16: Private homes sales volume (excluding ECs) and URA All Residential Price Index



Source: URA REALIS, EDMUND TIE Research

- **Resale** volume fell by a larger magnitude of 55.1 per cent on a q-o-q basis to 951 units in Q2 2020. This may be due to the prohibition of home-viewing during the Circuit Breaker period and sellers may hence withhold their selling decisions until the easing of the Circuit Breaker measures, as viewing is more important for completed properties.
- Total private homes sales volume in Q2 2020 amounted to 2,664 units, a q-o-q drop of 37.6 per cent. This followed sales volume of 4,269 units in Q1 2020, which was 12.5 per cent lower q-o-q.

Table 11: Non-landed private residential launches (excluding ECs) in Q2 2020

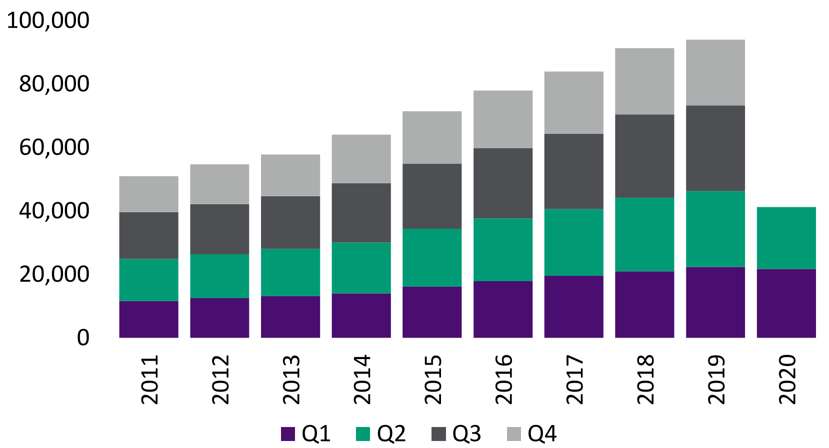
Development	Developer	District (market segment)	Total units	Launch month in 2020	Units sold	Initial sell-down rate (%)	Indicative average price (S$ psf)
Kopar at Newton	Chip Eng Seng	9 (CCR)	378	April[3]	120	31.7	2,272
15 Holland Hill	Kheng Leong	10 (CCR)	59	April	3	5.1	2,797
Parkwood Residences	Oxley Holdings	19 (OCR)	18	June	1	5.6	1,323

[3] The sales preview for Kopar at Newton was in March 2020 and it was officially launched in the start of April 2020.

Source: URA, EDMUND TIE Research

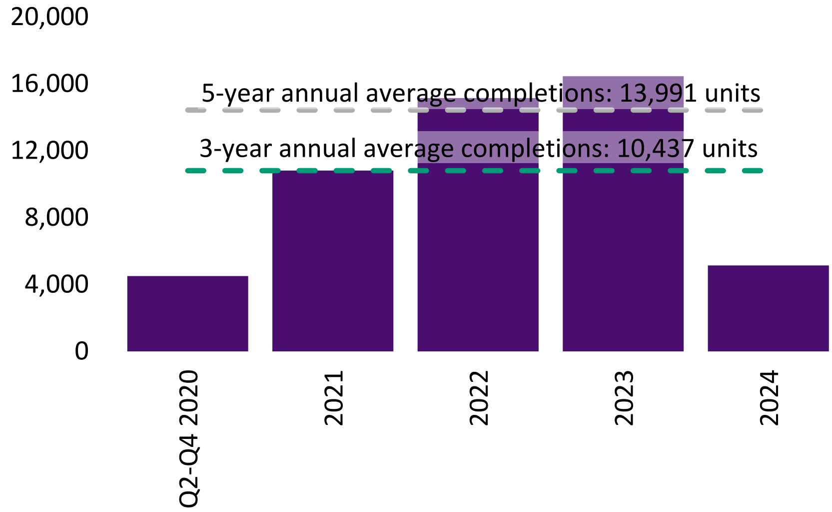
- In the **private residential leasing market**, total rental volume fell by 18.4 per cent y-o-y and 10.0 per cent q-o-q to 19,506 transactions in Q2 2020 (Figure 17). This was attributed to the Circuit Breaker, which prevented prospective tenants from visiting and viewing properties for lease, as well as travel restrictions/ lockdowns that reduced the rental demand. The URA Rental Index for All Residential Property declined by 1.2 per cent q-o-q in Q2 2020 after a q-o-q rebound of 1.1 per cent in Q1 2020, which may be due to the reduction of companies' rental budgets and salaries amid the economic uncertainties.
- As at Q1 2020, there are nearly 52,100 units in the pipeline. The bulk of the pipeline supply is slated to complete in 2022 and 2023 (Figure 18). Around 4,500 units will be expected to complete from Q2 to Q4 2020. About 37.9 per cent of the pipeline supply (around 19,700 units) are sold while the remaining 62.1 per cent (around 32,000 units) are unsold. Based on the five-year annual average take-up of new sale units of around 8,900 units, the unsold units will take around 3.6 years to be absorbed. However, a prolonged climate of lower sales will reduce the absorption rate.

Figure 17: Number of private home rental transactions (excluding ECs)



Source: REALIS, EDMUND TIE Research

Figure 18: Number of private homes in the pipeline (excluding ECs)



Source: REALIS, EDMUND TIE Research

Outlook

- To provide support for the construction industry which was impacted by stop work orders arising from the Covid-19 pandemic, the government announced on 7 May 2020 that the Project Completion Period for eligible residential, commercial and industrial developments would be extended by six months, providing some relief for developers as they faced delays in construction progress.
- Despite overseas travel restrictions/ lockdowns, foreign demand for residential properties in Singapore is not absent altogether. High-net worth mainland Chinese homebuyers were reported to have snapped up luxury properties in Singapore through online marketing platforms, as they seek to divert their funds overseas as a hedge against inflation and devaluation risks. With countries gradually easing their lockdown measures, foreign demand for residential properties may be expected to improve over time.
- After the Circuit Breaker period of nearly two months, Phase 1 of Singapore's reopening began on 2 June 2020, while Phase 2 commenced on 19 June 2020. As such, the sales galleries as well as physical viewings and interactions are able to take place. The pent-up demand is expected to lead to an increase in buying activity, with new projects launching in H2 2020. We expect projects that are well-located, attractively priced and possessing strong project attributes to continue to attract buyers. The resale market is also expected to see stronger sales as viewings resume.

APPENDIX

Appendix 1: Covid-19 Preventive Measures (Jan till Jun 2020)

Date of announcement	Details	Affected Sector(s)
23 Jan 2020	• Travel restrictions were imposed on visitors from Wuhan. From 1 February 2020, travel or transit into Singapore was banned for all visitors with recent travel history to mainland China within the last 14 days.	• **All**
22 Mar 2020	• Singapore announced a ban on all short-term visitors arriving or transiting through Singapore.	• **Retail/Hospitality**
24 Mar 2020	• Any residents returning from the US or the UK would be required to serve out their Stay-Home Notices (SHN) in dedicated hotels. • Under the Infectious Diseases (Measures to Prevent Spread of Covid-19) Regulations 2020, all sporting events, exhibitions, trade fairs, and public entertainment at cinemas, theatres, amusement or computer games centres, among other venues, were prohibited between 27 March and 30 April 2020, both dates inclusive. • Enrichment activities for children at an enrichment or tuition centre or sporting facility, and the provision of goods, entertainment or services at bars, karaoke lounges, nightclubs or discotheques were also prohibited. • Owners or occupiers of places such as eateries and malls must also ensure that seats that are not fixed must always be at least 1m apart. Public places such as transit stations and shopping centres were required to reduce crowd density to one person per 16 square metres of space. If the seats are fixed to the floor, alternate seats must be demarcated as seats not to be occupied. • Groups other than for work and school purposes would be limited to 10 people at any time, as well as for groups for diners and private worship.	• **Retail/Hospitality** • **Retail/Hospitality** • **Retail/Hospitality** • **Retail** • **All**
28 Mar 2020	• The government issued an advisory that people should stay at home and avoid malls except for buying essentials such as food and groceries - which could also be bought via online channels.	• **Retail**
4 Apr 2020	• The 14-day Stay-Home Notice (SHN) at dedicated hotels was expanded to include returnees/residents coming back from ASEAN countries, France, India and Switzerland, in addition to those coming back from the USA and UK.	• **Retail/Hospitality**
7 Apr 2020	• Most workplaces except for essential services and key economic sectors would be shut down temporarily from 7 April 2020 as part of the government's stricter measures to "minimise physical contact" and keep the Covid-19 outbreak in check. It was also known as the Circuit Breaker period. • Food establishments, markets and supermarkets, clinics, hospitals, utilities, transport and key banking services would however remain open. • People should go out only to do essential things - to buy food at markets, or to take out from restaurants and hawker centres, or to exercise in neighbourhood parks, keeping a safe distance from others. Only takeaway was allowed, and dining in was prohibited. • Under The Covid-19 (Temporary Measures) Act, there was a ban on social gatherings of any size in private or public areas from 7 April 2020 and that would be valid for up to 6-12 months.	• **All** • **Retail** • **Retail** • **All**
9 Apr 2020	• All travellers returning to Singapore from overseas will have to serve their 14-day SHN at dedicated facilities instead of in their homes. The Ministry of Health announced that the rule had been extended to all Singaporeans, permanent residents and long-term pass holders regardless of the country they were coming from.	• **All**
11 Apr 2020	• People using public transport will be required to wear masks as safe distancing would not be possible. The Singapore Food Agency said that masks would be required for anyone who sells or prepares food. Anyone who went to supermarkets, convenience stores, pharmacies or shopping malls would need to wear a mask.	• **All**
21 Apr 2020	• The circuit breaker period was extended to 1 June, partly due to a sustained number of unlinked cases in the community. Existing measures would also be tightened until 4 May, including tightening the list of essential services, and restricting entry to certain hotspots such as wet markets. In addition, all workers residing in dormitories would not be allowed to resume work until 4 May. • Crowd control will be implemented at four wet markets, with the last digit of NRICs to control entry. • The list of essential services was tightened, with shops selling snacks, drinks and desserts, as well as barber and hairdressing shops disallowed to operate. Eateries and vending machines in parks would also be shut. Optician shops would no longer allow walk-ins. Pet and laundry shops were ordered to close their physical shops, with only online services available. The number of staff in shops were reduced and a ban on cross-deployment was imposed. Temperature taking would be taken before entry to all supermarkets and malls, along with particulars for contact tracing.	• **All** • **Retail** • **Retail**
1 May 2020	• SHN for those holding construction work permits and S Passes was extended to 18 May.	• **All**
5 May 2020	• Some Circuit Breaker measures was eased, with Traditional Chinese Medicine shops and essential condo activities allowed.	• **Retail**
12 May 2020	• Businesses like home-based bakeries, some food shops, barbers, manufacturing of confectionery, and laundry was permitted to operate.	• **Retail**
19 May 2020	• Phase 1 of Singapore's reopening begun on 2 Jun 2020, with more workers returning to work, starting with businesses in critical sectors. Most retail outlets remain closed with people allowed to visit parents or grandparents (limited to 2 people from same household in a day). Selected healthcare services could also resume.	• **All**
15 Jun 2020	• Phase 2 of Singapore's reopening begun on 19 Jun 2020. Dining in, personal wellness services such as massages and spas, as well as home-based services like private tuition could resume, except for singing or voice training classes. • Retail shops, parks, beaches, and sports and other public facilities, including stadiums, swimming pools, playgrounds and fitness studios, could also reopen, as could similar facilities in condominiums. • Singapore residents and long-term pass holders entering Singapore from selected countries, including Australia, mainland China and South Korea, were allowed to serve their SHN at home, instead of at dedicated facilities, but they would be subject to a compulsory Covid-19 test towards the end of their SHN, for which they must pay. • Employees should not mix socially and working from home should remain the default option.	• **Retail** • **Retail** • **All**
28 Jun 2020	• Social gatherings of up to five people are allowed. • Residential showflats were allowed to resume operations. • The tourism businesses in Singapore will be permitted to resume operations in stages from July 1, starting with 13 attractions. They are: – Bounce – Flower Dome at Gardens by the Bay – Jurong Bird Park – Madame Tussauds – River Safari – Singapore Zoo – Zero Latency – ArtScience Museum, Sands SkyPark and Observation Deck and Casino at Marina Bay Sands – Universal Studios Singapore, S.E.A. Aquarium and Casino at Resorts World Sentosa. • As a further precautionary measure, most attractions would be restricted to no more than 25 per cent of their operating capacity at any given time. • Access to the casinos would be limited to existing casino members and annual levy holders only.	• **Residential** • **Retail/Hospitality**

Source: Ministry of Trade and Industry, Ministry of Finance, Ministry of Health, Singapore Tourism Board, EDMUND TIE Research

Appendix 2: Government Support Measures (Jan till Jun 2020)

Affected sector(s)	Government support
All sectors	**Ease Labour Costs for Employers** • Waiver of monthly Foreign Worker Levy due in April and May 2020 • Foreign Worker Levy Rebate of S$750 in April and May 2020 from levies paid this year, for each Work Permit or S Pass holder **Enhance Financing Support** • Increase Government's risk share of loans from 80 per cent to 90 per cent for loans initiated from 8 April 2020 till 31 Mar 2021, under the Temporary Bridging Loan Programme, Enterprise Financing Scheme – Working Capital Loan, and Enterprise Financing Scheme – Trade Loan **Ensure Pass-through of Property Tax Rebate** • Up to 100 per cent property tax rebate for non-residential properties, for tax payable in 2020. – Retail/Hospitality - 100% – Integrated Resorts - 60% – Office/Industrial - 30% • The COVID-19 (Temporary Measures) Act to ensure pass-through of property tax rebate from property owners to tenants. **Rental Relief for Government Tenants** – Retail - 4 months – Industrial/Office - 2 months **Expanding Rental Relief for SMEs** – Offset 2 months' rental for qualifying SME tenants of commercial properties – Offset 1 month's rental for qualifying SME tenants of industrial and office properties **Amended Covid-19 laws (for SMEs)** As part of the changes that will be implemented at the end of July 2020, commercial property owners must give eligible tenants a waiver of base rent for June and July. Landlords that own industrial and office properties will have to waive the base rent for the month of May. **Jobs Support Scheme** • The government will pay 75 per cent of the first S$4,600 of monthly wages paid in April and May 2020 for every local worker in employment. • Wage support levels will be differentiated by sectors for the remaining qualifying months[4]. • Firms will receive the first payout in April 2020, including the enhanced payout for April wages. • Extended for 1 more month to cover wages in August 2020, bringing total coverage to 10 months of wages. – 25% to 75% of the first S$4,600 of wages for each local employee • For firms that are not allowed to resume operations, the government will continue providing wage support at 75% until August 2020 or when allowed to reopen, whichever is earlier. • Increased support for some affected sectors (e.g. aerospace, retail, marine and offshore) from 25% to 50% or 75%. **Self-Employed Person (SEP) Income Relief Scheme (SIRS)** • Annual value threshold raised from S$13,000 to S$21,000, to support more SEPs • Automatic inclusion of SEPs who also earn a small income from employment work • Other criteria remain unchanged • Eligible SEPs will receive three quarterly cash payouts of S$3,000 each in May, July, and Oct 2020 **COVID-19 Support Grant** • The government to roll out Covid-19 Support Grant from May 2020 to give those who lose their jobs because of the crisis, an S$800 monthly grant for three months. **Solidarity Utilities Credit** • One-off S$100 Solidarity Utilities Credit for each household with at least one Singapore Citizen. • Covers all property types. • Will be credited in households' July or August 2020 utilities bills with SP Group. • Comes on top of the Solidarity Payment and Care & Support Package.
Residential	• Six-month extension of the project completion period (PCP) for residential, commercial and industrial development projects. • Six-month extension for the commencement, completion and sale of housing units in residential development projects relating to Additional Buyer's Stamp Duty (ABSD) remission for housing developers. • An extension of the PCP and/or disposal period by up to six months for residential development projects under the Qualifying Certificate regime for foreign housing developers; and • A six-month extension for the sale of the first residential property in relation to ABSD remission for the second residential property bought by a Singaporean married couple. • The Ministry of Law will enhance the relief afforded by the Covid-19 (Temporary Measures) Act in two ways. First, two new contracts will be covered under the Act. These are (i) options to purchase ("OTPs"); and (ii) sale and purchase agreements ("S&P Agreements") or agreements for lease ("AFLs") for residential property. Only OTPs and S&P Agreements / AFLs between housing developers (both private housing developers and the Housing & Development Board) and buyers will be covered. Second, additional actions relating to the unilateral increase of charges will be prohibited under the Act. • Homeowners who have difficulty paying their mortgage can get help in deferring payment of principal and interest up to 31 December 2020. The scheme covers purchase loans and mortgage equity withdrawal loans, including debt reduction plans, for owner-occupied property as well as investment residential properties.
Retail	**Digital Resilience Bonus** • Pilot starting with food services and retail sectors • Payout of up to S$5,000 to help businesses digitalise with: – PayNow Corporate, e-invoicing, business process or e-commerce solutions • Additional payout of S$5,000 for businesses that use advanced solutions.

[4] 75 per cent wage support for aviation, accommodation, and tourism sectors, 50 per cent for food services sectors, and 25 per cent for all other sectors.

Source: Ministry of Trade and Industry, Ministry of Finance, Ministry of Health, EDMUND TIE Research

CONTACTS

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

PROFESSIONAL SERVICES

Valuation Advisory

Poh Kwee Eng
Executive Director
Regional Head of
Valuation Advisory
+65 6393 2312
kweeeng.poh@etcsea.com

Nicholas Cheng
Executive Director
+65 6393 2317
nicholas.cheng@etcsea.com

Property Tax Advisory & Statutory Valuation

Ng Poh Chue
Executive Director
+65 6393 2515
pohchue.ng@etcsea.com

Research & Consulting

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

Lam Chern Woon
Senior Director
+65 6393 2340
chernwoon.lam@etcsea.com

Hospitality

Nicholas Cheng
Executive Director
+65 6393 2317
nicholas.cheng@etcsea.com

Heng Hua Thong
Senior Advisor
+65 6393 2398
huathong.heng@etcsea.com

Tay Hock Soon
Senior Director
+65 6887 0088
tayhs@treetops.com.sg

Property Management

Kwok Sai Kuai
Executive Director
Regional Head of
Property Management
+65 6417 9229
saikuai.kwok@etcsea.com

Paul Wong
Senior Director
+65 6417 9225
paul.wong@etcsea.com

AGENCY SERVICES

Investment Advisory

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

Poh Kwee Eng
Executive Director
+65 6393 2312
kweeeng.poh@etcsea.com

Yam Kah Heng
Senior Advisor
+65 6393 2368
kahheng.yam@etcsea.com

Heng Hua Thong
Senior Advisor
+65 6393 2398
huathong.heng@etcsea.com

Swee Shou Fern
Executive Director
+65 6393 2523
shoufern.swee@etcsea.com

Tan Chun Ming
Executive Director
Regional Investment Advisory
+65 6393 2360
chunming.tan@etcsea.com

Auction & Sales

Nicholas Cheng
Executive Director
+65 6393 2317
nicholas.cheng@etcsea.com

Joy Tan
Senior Director
+65 6393 2505
joy.tan@etcsea.com

Residential

Margaret Thean
Executive Director
Regional Head of Residential
+65 6393 2383
margaret.thean@etcsea.com

Karen Ong
Senior Director
+65 6393 2366
karen.ong@etcsea.com

Business Space & Retail

Chua Wei Lin
Executive Director
Regional Head of
Business Space
+65 6393 2326
weilin.chua@etcsea.com

China Desk

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

Yam Kah Heng
Senior Advisor
+65 6393 2368
kahheng.yam@etcsea.com

Heng Hua Thong
Senior Advisor
+65 6393 2398
huathong.heng@etcsea.com

Tan Chun Ming
Executive Director
+65 6393 2360
chunming.tan@etcsea.com

REGIONAL OFFICES

Malaysia

Eddy Wong
Managing Director
+603 2024 6380
eddy.wong@ntl.my

Thailand

Ong Choon Fah
Chief Executive Officer
+65 6393 2318
choonfah.ong@etcsea.com

Punnee Sritanyalucksana
Chief Operating Officer
+66 2257 0499 ext 101
punnee.s@etcthailand.co.th

Editor:

Saleha Yusoff
Executive Director
Regional Head of
Research & Consulting
+603 2161 7228 ext 302
saleha.yusoff@etcsea.com

Authors:

Lam Chern Woon
Senior Director
Research & Consulting
+65 6393 2340
chernwoon.lam@etcsea.com

Leong Kin Mun
Assistant Manager
Research
+65 6393 2548
kinmun.leong@etcsea.com

Isabelle Seto
Senior Research Analyst
Research
+65 6393 2382
isabelle.seto@etcsea.com

For more information, please contact us at research.sg@etcsea.com.

We are now on

Edmund Tie & Company (SEA) Pte Ltd
5 Shenton Way, #13-05 UIC Building, Singapore 068808.
T. +65 6293 3228 | F. +65 6298 9328 | mail.sg@etcsea.com | Please visit www.etcsea.com and follow us on

Scan the QR code with WeChat app to visit our WeChat account.