

WEEKLY S-REITS TRACKER

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Weekly top gainers (%)

Cache Logistics Trust	+1.9
BHG Retail REIT	+1.4
Sabana REIT	+1.1

Weekly top laggards (%)

Soilbuild REIT	-4.9
OUE Hospitality Trust	-3.8
ParkwayLife REIT	-2.6

Weekly sector performance (%)

Retail	-0.4
Data Centre	-0.4
Hospitality	-0.7
Industrial	-1.1
Office	-1.2
Healthcare	-1.5
Overall	-0.8



The FTSE ST REIT Index dropped 0.9% WoW while the STI gained 0.3% over the same period.

Source: Bloomberg, OIR

NOTE: The calculation of the % gains/losses is based on last Friday's closing prices and the preceding week's Friday closing prices.

KEY TAKEAWAYS

- Frasers Commercial Trust's (FCOT)** announced that Hewlett-Packard Enterprise Singapore Pte Ltd (HPE) intends to vacate ~17.1% of the total NLA at Alexandra Technopark (ATP) upon the expiration of relevant leases, which constitutes 6.6% of FCOT's total gross rental income as at 30 June 2017. This development has been largely factored into our existing forecast as we assumed a conservative outcome arising from HPE's lease expiries. We maintain our **HOLD** rating with an unchanged fair value of S\$1.42. **(25 Sep)**
- CapitaLand Commercial Trust (CCT)** has proposed to acquire Asia Square Tower 2 which excludes the hotel component (AST2) from BlackRock for an agreed property value of S\$2,094m. This will be partially funded by a rights issue, involving 166 units for every 1,000 existing rights units. On a pro forma basis, CCT's FY16 DPU would dip 16.2% to 7.61 S cents, while 1H17 DPU would decline 7.2% to 4.23 S cents. Due to a change in analyst coverage, we are fine-tuning our assumptions and place our HOLD rating and S\$1.69 fair value **under review**. **(22 Sep)**
- Mapletree Logistics Trust (MLT)** recently concluded a private placement exercise, which was 3.3x covered. It has also launched a non-renounceable preferential offering (PO). Collectively, this equity fund raising exercise is expected to generate gross proceeds of S\$640m. We recommend unitholders to subscribe to their pro rata entitlement of the PO and reiterate our **BUY** rating on MLT with an unchanged fair value estimate of S\$1.35. **(22 Sep)**
- Overall attendance for the Singapore Formula 1 World Championship was 260.4k this year, 19% above last year's attendance of 218.8k. Also, we view the F1 Grand Prix extension positively, as it helps to maintain Singapore's position as a top tourist destination within the region. Our top pick within the hospitality REITs sector remains **OUHHT [BUY; FV: S\$0.82]**. Maintain **NEUTRAL** on the sector. **(21 Sep)**
- Soilbuild REIT** has issued a letter of demand to master lease tenant NK Ingredients Pte. Ltd. for arrears amounting to S\$3.4m, and has called upon an insurance guarantee amounting to S\$5.1m. While the REIT Manager does not expect there to be a material financial impact on FY17F DPU given the insurance guarantee, we note that the asset is sizeable relative to the REIT's portfolio. Our fair value drops from S\$0.67 to S\$0.66. Maintain **HOLD**. **(20 Sep)**

RECENT DEVELOPMENTS

- CapitaLand Commercial Trust has been downgraded by S&P Global Ratings to 'BBB+' as leverage is likely to increase following its portfolio enhancement. **(22 Sep)**

Sources: Reuters, Bloomberg, News agencies, Company announcements, OIR



Exhibit 1: Peer comparison
Singapore REITs

		Price (\$)	Mkt Cap (\$ m)	Float (%)	FYE (mth)	DPU (freq)	Curr DPU (cents)	Fwd DPU (cents)	Curr Yield (%)	Fwd Yield (%)	YTD Return (%)	D/A (%)	P/B (x)
OFFICE (7)													
CapitalLand Commercial Trust	SGD	1.670	5,181.8	69.0	Dec	Semi-Anl	9.10	8.90	5.4	5.3	19.7	35.2	0.91
Frasers Commercial Trust	SGD	1.395	1,107.4	73.1	Sep	Quarter	9.90	9.80	7.1	7.0	15.3	35.9	0.90
IREIT Global	SGD	0.760	475.2	30.4	Dec	Semi-Anl	5.94	5.94	7.8	7.8	15.1	41.3	1.13
Keppel REIT	SGD	1.165	3,925.2	53.7	Dec	Quarter	6.00	6.00	5.2	5.2	19.4	38.5	0.82
Manulife US REIT	USD	0.940	638.7	92.7	Dec	Semi-Anl	5.70	5.80	6.1	6.2	23.8	30.4	1.11
OUE Commercial REIT	SGD	0.695	1,071.2	17.1	Dec	Semi-Anl	4.90	4.80	7.1	6.9	7.2	36.4	0.81
Suntec REIT	SGD	1.855	4,901.3	78.6	Dec	Quarter	9.90	9.80	5.3	5.3	16.9	36.1	0.88
		<i>Total:</i>	<i>17,522.0</i>					<i>Average:</i>	<i>6.3</i>	<i>6.2</i>	<i>16.8</i>	<i>36.3</i>	<i>0.94</i>
RETAIL (10)													
BHG Retail REIT	SGD	0.730	364.1	67.5	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	20.1	32.4	0.88
CapitalLand Mall Trust	SGD	2.050	7,304.3	63.3	Dec	Quarter	11.10	11.10	5.4	5.4	14.0	34.7	1.06
CapitalLand Retail China Trust	SGD	1.595	1,433.9	61.2	Dec	Semi-Anl	11.00	11.00	6.9	6.9	24.0	35.3	1.01
Fortune REIT	HKD	9.180	17,517.0	72.1	Dec	Semi-Anl	51.50	52.50	5.6	5.7	12.5	28.4	0.69
Frasers Centrepoint Trust	SGD	2.120	1,964.8	58.2	Sep	Quarter	12.00	12.20	5.7	5.8	17.0	30.0	1.09
Lippo Malls Indo Retail Trust	SGD	0.430	1,214.3	63.1	Dec	Quarter	3.70	3.60	8.6	8.4	23.9	30.6	1.17
Mapletree Commercial Trust	SGD	1.525	4,373.9	66.0	Mar	Quarter	8.90	8.90	5.8	5.8	13.8	36.4	1.11
Mapletree Greater China Com	SGD	1.145	3,191.8	65.9	Mar	Semi-Anl	7.30	7.30	6.4	6.4	23.7	39.4	0.92
SPH REIT	SGD	1.000	2,543.3	24.5	Aug	Quarter	5.70	5.80	5.7	5.8	9.2	25.6	1.07
Starhill Global REIT	SGD	0.755	1,646.8	62.8	Jun	Quarter	5.00	5.10	6.6	6.8	7.0	35.3	0.82
		<i>Total:</i>	<i>27,057.3</i>					<i>Average:</i>	<i>6.3</i>	<i>6.3</i>	<i>16.5</i>	<i>32.8</i>	<i>0.98</i>
INDUSTRIAL (11)													
AIMS AMP Capital Ind REIT	SGD	1.415	905.6	79.0	Mar	Quarter	11.30	11.50	8.0	8.1	14.4	36.3	1.02
Ascendas REIT	SGD	2.670	7,676.2	79.7	Mar	Semi-Anl	15.90	16.40	6.0	6.1	20.9	33.9	1.29
Cache Logistics Trust	SGD	0.820	770.2	99.7	Dec	Quarter	6.80	6.80	8.3	8.3	12.0	43.4	1.06
EC World REIT	SGD	0.780	610.9	50.8	Dec	Semi-Anl	6.00	6.00	7.7	7.7	8.8	29.2	0.87
ESR-REIT	SGD	0.550	719.6	69.3	Dec	Quarter	4.00	4.00	7.3	7.3	7.2	37.9	0.87
Frasers Logistics & Ind Trust	SGD	1.070	1,624.8	71.4	Sep	Semi-Anl	6.70	6.90	6.3	6.4	22.4	29.3	1.14
Mapletree Industrial Trust	SGD	1.830	3,299.0	65.4	Mar	Quarter	11.90	12.50	6.5	6.8	16.8	29.8	1.30
Mapletree Logistics Trust	SGD	1.200	3,016.0	60.1	Mar	Quarter	7.50	7.80	6.3	6.5	26.0	39.0	1.18
Sabana REIT	SGD	0.475	500.2	78.3	Dec	Quarter	N.A.	N.A.	N.A.	N.A.	32.7	37.0	0.83
Soilbuild REIT	SGD	0.685	719.3	64.7	Dec	Quarter	5.70	5.20	8.3	7.6	14.4	37.9	0.96
Viva Industrial Trust	SGD	0.940	911.9	38.8	Dec	Quarter	7.20	7.60	7.7	8.1	31.7	39.1	1.19
		<i>Total:</i>	<i>20,753.6</i>					<i>Average:</i>	<i>7.2</i>	<i>7.3</i>	<i>18.9</i>	<i>35.7</i>	<i>1.06</i>
HOSPITALITY (6)													
Ascendas Hospitality Trust	SGD	0.835	941.5	59.8	Mar	Semi-Anl	5.80	6.10	6.9	7.3	23.1	32.7	0.94
Ascott Residence Trust	SGD	1.175	2,534.2	58.9	Dec	Semi-Anl	6.90	7.30	5.9	6.2	16.3	32.4	0.96
CDL Hospitality Trusts	SGD	1.590	1,910.9	63.0	Dec	Semi-Anl	9.20	9.70	5.8	6.1	32.0	38.7	1.03
Far East Hospitality Trust	SGD	0.670	1,250.2	40.8	Dec	Quarter	4.00	4.10	6.0	6.1	18.1	32.8	0.75
Frasers Hospitality Trust	SGD	0.735	1,365.7	39.4	Sep	Semi-Anl	5.00	5.20	6.8	7.1	18.0	34.1	0.98
OUE Hospitality Trust	SGD	0.765	1,398.4	51.9	Dec	Quarter	5.00	5.00	6.5	6.5	23.9	38.2	1.01
		<i>Total:</i>	<i>9,400.9</i>					<i>Average:</i>	<i>6.3</i>	<i>6.6</i>	<i>21.9</i>	<i>34.8</i>	<i>0.94</i>
HEALTHCARE (2)													
First REIT	SGD	1.340	1,042.9	67.5	Dec	Quarter	8.70	8.80	6.5	6.6	11.1	30.8	1.33
ParkwayLife REIT	SGD	2.650	1,609.3	54.3	Dec	Quarter	13.50	12.50	5.1	4.7	17.1	37.4	1.54
		<i>Total:</i>	<i>2,652.2</i>					<i>Average:</i>	<i>5.8</i>	<i>5.6</i>	<i>14.1</i>	<i>34.1</i>	<i>1.44</i>
DATA CENTRE (1)													
Keppel DC REIT	SGD	1.30	1,465.3	64.6	Dec	Semi-Anl	7.20	7.40	5.5	5.7	15.4	27.7	1.34
		<i>Total:</i>	<i>1,465.3</i>					<i>Average:</i>	<i>5.5</i>	<i>5.7</i>	<i>15.4</i>	<i>27.7</i>	<i>1.34</i>
37 S-REITS		GRAND TOTAL:	78,851.2					AVERAGE:	6.5	6.6	18.0	34.6	1.03

Business Trusts

REAL ESTATE (4)

Accordia Golf Trust	SGD	0.730	802.4	71.1	Mar	Semi-Anl	5.69	5.64	7.8	7.7	21.8	24.7	0.84
Ascendas India Trust	SGD	1.095	1,022.5	74.3	Mar	Semi-Anl	6.40	6.60	5.8	6.0	10.7	30.0	1.36
Croesus Retail Trust	SGD	1.165	898.9	97.0	Jun	Semi-Anl	7.83	7.96	6.7	6.8	50.5	44.6	1.17
Dasin Retail Trust	SGD	0.825	453.4	30.6	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	N.A.	31.8	0.56
		<i>Total:</i>	<i>3,177.2</i>					<i>Average:</i>	<i>6.8</i>	<i>6.9</i>	<i>27.7</i>	<i>32.8</i>	<i>0.98</i>

INFRASTRUCTURE (2)

Asian Pay Television Trust	SGD	0.570	819.0	99.9	Dec	Quarter	6.50	6.30	11.4	11.1	67.3	48.9	0.67
Keppel Infrastructure Trust	SGD	0.550	2,121.6	56.0	Mar	Quarter	3.90	3.90	7.1	7.1	22.1	44.8	1.79
		<i>Total:</i>	<i>2,940.5</i>					<i>Average:</i>	<i>9.2</i>	<i>9.1</i>	<i>44.7</i>	<i>46.9</i>	<i>1.23</i>

PORT AND SHIPPING (2)

First Ship Lease Trust	SGD	0.093	59.3	74.7	Dec	Irreg	N.A.	N.A.	N.A.	N.A.	-41.5	43.6	0.19
Hutchison Port Holdings	USD	0.450	3,920.0	72.3	Dec	Semi-Anl	2.75	2.83	6.1	6.3	12.1	29.7	0.76
		<i>Total:</i>	<i>5,337.2</i>					<i>Average:</i>	<i>6.1</i>	<i>6.3</i>	<i>-14.7</i>	<i>36.6</i>	<i>0.48</i>

HEALTHCARE (1)

RHT Health Trust	SGD	0.850	682.6	66.9	Mar	Semi-Anl	5.50	5.40	6.5	6.4	-5.2	27.9	1.01
		<i>Total:</i>	<i>682.6</i>					<i>Average:</i>	<i>6.5</i>	<i>6.4</i>	<i>-5.2</i>	<i>27.9</i>	<i>1.01</i>

9 BUSINESS TRUSTS

GRAND TOTAL:	12,137.5							AVERAGE:	7.3	7.3	17.2	36.2	0.93
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Source: Managers, Bloomberg, OIR estimates (25 Sep 2017)

NOTES:

- 1) SGD/JPY = 0.011978; SGD/USD = 1.3464; SGD/HKD = 0.1724; USD/HKD = 0.12805; SGD/EUR = 1.6059; SGD/AUD = 1.0725; CNY/SGD = 4.9026
- 2) Curr/Fwd DPU and yield are based on Bloomberg consensus forecasts for the current/next financial year
- 3) D/A (Debt-to-Asset) and P/B (Price-to-Book) are based on figures reported in latest available financial results
- 4) YTD return includes dividends distributed
- 5) Cambridge Industrial Trust has been renamed as ESR-REIT with effect from 23 Jun 2017

OCBC Investment Research
Weekly S-REITs Tracker

Exhibit 2: OIR coverage

	BBRG Ticker		Price	Fair Value	Rating
Ascendas REIT	AREIT SP	SGD	2.670	2.66	HOLD
Ascott Residence Trust	ART SP	SGD	1.175	1.10	HOLD
Cache Logistics Trust	CACHE SP	SGD	0.820	0.78	HOLD
CapitalLand Commercial Trust	CCT SP	SGD	1.670	1.69*	HOLD*
CapitalLand Mall Trust	CT SP	SGD	2.050	2.20	BUY
CapitalLand Retail China Trust	CRCT SP	SGD	1.595	1.59	HOLD
CDL Hospitality Trusts	CDREIT SP	SGD	1.590	1.525	HOLD
Far East Hospitality Trust	FEHT SP	SGD	0.670	0.66	HOLD
First REIT	FIRT SP	SGD	1.340	1.38	HOLD
Frasers Centrepoint Trust	FCT SP	SGD	2.120	2.28	BUY
Frasers Commercial Trust	FCOT SP	SGD	1.395	1.42	HOLD
Frasers Logistics & Ind Trust	FLT SP	SGD	1.070	1.22	BUY
Keppel DC REIT	KDCREIT SP	SGD	1.300	1.39	BUY
Lippo Malls Indo Retail Trust	LMRT SP	SGD	0.430	0.455	BUY
Mapletree Greater China Com	MAGIC SP	SGD	1.145	1.22	BUY
Mapletree Industrial Trust	MINT SP	SGD	1.830	1.92	HOLD
Mapletree Logistics Trust	MLT SP	SGD	1.200	1.35	BUY
OUE Commercial REIT	OUECT SP	SGD	0.695	0.68	HOLD
OUE Hospitality Trust	OUEHT SP	SGD	0.765	0.82	BUY
Soilbuild REIT	SBREIT SP	SGD	0.685	0.66	HOLD
SPH REIT	SPHREIT SP	SGD	1.000	1.08	BUY
Starhill Global REIT	SGREIT SP	SGD	0.755	0.82	BUY
Suntec REIT	SUN SP	SGD	1.855	1.80	HOLD
Viva Industrial Trust	VIT SP	SGD	0.94	0.895	HOLD

Source: Bloomberg, OIR estimates (25 Sep 2017)

*Under Review

Exhibit 3: Distribution details

	DPU (S cents)	Date announced	Ex-date	Record date	Pay date	Annualised yield (%)
EC World REIT	1.540	3/8/2017	11/8/2017	15/8/2017	28/9/2017	7.9
BHG Retail REIT	2.740	8/8/2017	8/9/2017	12/9/2017	27/9/2017	7.6

Source: Managers, Bloomberg, OIR estimates (25 Sep 2017)

Exhibit 4: Results release dates

	Financial quarter	Release date	Remarks
SPH REIT	4QFY17	09 Oct 2017	Not disclosed
Frasers Centrepoint Trust	4QFY17	25 Oct 2017	Before market open
Frasers Commercial Trust	4QFY17	20 Oct 2017	Before market open
Mapletree Industrial Trust	2QFY18	24 Oct 2017	After market close

Source: Managers, Bloomberg

SHAREHOLDING DECLARATION:

For shareholding disclosure on individual companies, please refer to the latest reports of these companies.

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- As a guide, OIR's BUY rating indicates a total expected return in excess of 10% based on the current price; a HOLD rating indicates total expected returns within +10% and -5%; a SELL rating indicates total expected returns less than -5%.
- For companies with market capitalisation of S\$150m and below, OIR's BUY rating indicates a total expected return in excess of 30%; a HOLD rating indicates total expected returns within a +/-30% range; a SELL rating indicates total expected returns less than -30%.

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