

WEEKLY S-REITS TRACKER

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15 January 2018

Weekly top gainers (%)

Soilbuild REIT	+2.9
Suntec REIT	+2.7
CDL Hospitality Trusts	+2.3

Weekly top laggards (%)

Sabana REIT	-2.4
Frasers Commercial Trust	-2.0
CapitaLand Mall Trust	-1.9

Weekly sector performance (%)

Office	+0.9
Hospitality	+0.7
Healthcare	+0.2
Data Centre	+0.0
Industrial	-0.1
Others	-0.6
Retail	-0.7
Overall	+0.0



The FTSE ST REIT Index was up 0.1% WoW while the STI increased 0.9% 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

- According to the Department of Statistics of Singapore, retail sales jumped by a robust 5.3% YoY and 5.1% MoM for the month of Nov. We still see value in selective retail REIT names, and highlight our preference for **Frasers Centrepoint Trust** [BUY; FV: S\$2.40] and **CapitaLand Mall Trust** [BUY; FV: S\$2.20]. Maintain **NEUTRAL** on the broader S-REITs sector. **(15 Jan)**
- Far East Hospitality Trust (FEHT)** has entered into a conditional agreement with its sponsor to acquire a 65-year leasehold estate in Oasia Hotel Downtown (OHD), a 314-room hotel in Tanjong Pagar, for S\$210.0m. Against an annual NPI of S\$9.6m (the asset's 9M17 NPI annualized), this represents an acquisition cap rate of 4.6%. After updating our terminal growth rate from 1.5% to 2% and other adjustments, our fair value increases from S\$0.65 to S\$0.77. We upgrade FEHT from a Hold to a **BUY**. **(12 Jan)**
- Singapore Tourism Board's Oct data showed that industry-wide RevPAR increased 1.8% YoY for luxury hotels, 3.2% YoY for upscale hotels, 3.6% YoY for mid-tier hotels, and 13.0% YoY for economy hotels. With the strong numbers expected for at least 2/3 of the fourth quarter, there may be a slight upside surprise to our FY17F DPU forecasts for hospitality REITs with significant exposure to Singapore: **OUE Hospitality Trust, Far East Hospitality Trust, CDL Hospitality Trusts**. We maintain **NEUTRAL** on the sector. **(11 Jan)**
- Over the past two months, we note that industrial REITs have continued to be active in driving their inorganic growth strategy. Recently, **Mapletree Logistics Trust** entered into a Sale and Purchase Agreement to acquire the remaining 38% strata share value of Shatin No. 3 in Hong Kong for HK\$610.0m while ESR REIT acquired an 80% stake in a SPV which owns the leasehold interest in a high-specifications building for S\$240.0m. We remain **NEUTRAL** on the broader S-REITs sector. Our preferred pick within the industrial REIT subsector is **Frasers Logistics & Industrial Trust** [BUY; FV: S\$1.25]. **(10 Jan)**
- Despite the sector tailwinds for **OUE Commercial REIT (OUECT)**, we are cognizant that the expiry of OUE Bayfront's income support is now within a one year horizon (Jan 2019), and believe that 2018 will be a year for OUECT to capitalize on the improving market sentiments to establish firmer rental reversions. All said, valuations for OUECT are not particularly cheap at this juncture, as it trades at a 12m blended forward consensus P/B of 0.67x, which is close to one standard deviation above the 3-year mean. We maintain our **HOLD** rating and fair value estimate of S\$0.67. **(9 Jan)**

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

OCBC Investment Research
Weekly S-REITs Tracker

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 (8)													
CapitalLand Commercial Trust	SGD	1.980	7,144.1	72.7	Dec	Semi-Anl	8.80	8.80	4.4	4.4	2.6	33.9	1.08
Frasers Commercial Trust	SGD	1.490	1,205.2	73.1	Sep	Quarter	9.50	9.60	6.4	6.4	0.0	34.7	0.93
IREIT Global	SGD	0.785	491.9	33.4	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	1.3	41.7	1.16
Keppel REIT	SGD	1.290	4,348.2	56.0	Dec	Quarter	6.00	6.00	4.7	4.7	2.4	38.8	0.91
Manulife US REIT	USD	0.950	982.0	94.5	Dec	Semi-Anl	5.30	6.00	5.6	6.3	5.0	33.1	1.11
OUE Commercial REIT	SGD	0.740	1,142.6	17.1	Dec	Semi-Anl	4.80	4.80	6.5	6.5	2.8	36.9	0.87
Suntec REIT	SGD	2.250	5,968.0	78.5	Dec	Quarter	10.00	9.90	4.4	4.4	4.7	36.8	1.06
Keppel-KBS US REIT	USD	0.905	568.9	46.8	Dec	Semi-Anl	5.97	6.32	6.6	7.0	0.0	36.0	1.08
	SGD	Total:	22,355.0					Average:	5.5	5.7	2.3	36.5	1.02
RETAIL (10)													
BHG Retail REIT	SGD	0.765	382.3	67.5	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	3.4	32.5	0.93
CapitalLand Mall Trust	SGD	2.060	7,305.6	63.3	Dec	Quarter	11.00	11.00	5.3	5.3	-3.3	34.7	1.06
CapitalLand Retail China Trust	SGD	1.650	1,594.3	63.0	Dec	Semi-Anl	10.10	11.00	6.1	6.7	1.9	35.4	1.01
Fortune REIT	HKD	9.680	18,530.9	72.0	Dec	Semi-Anl	51.30	52.50	5.3	5.4	0.7	28.4	0.72
Frasers Centrepoint Trust	SGD	2.260	2,091.1	58.0	Sep	Quarter	12.30	12.80	5.4	5.7	0.9	29.0	1.10
Lippo Malls Indo Retail Trust	SGD	0.405	1,143.7	63.1	Dec	Quarter	3.80	3.70	9.4	9.1	1.2	28.7	1.14
Mapletree Commercial Trust	SGD	1.660	4,779.0	65.9	Mar	Quarter	8.90	8.90	5.4	5.4	2.5	36.4	1.21
Mapletree Greater China Com	SGD	1.260	3,552.4	65.8	Mar	Semi-Anl	7.40	7.50	5.9	6.0	2.4	38.5	1.04
SPH REIT	SGD	1.050	2,693.9	25.2	Aug	Quarter	5.70	5.70	5.4	5.4	1.3	25.4	1.11
Starhill Global REIT	SGD	0.760	1,657.7	62.9	Jun	Quarter	5.00	5.00	6.6	6.6	-1.9	35.4	0.82
	SGD	Total:	28,339.2					Average:	6.1	6.2	0.9	32.4	1.02
INDUSTRIAL (11)													
AIMS AMP Capital Ind REIT	SGD	1.360	927.7	80.9	Mar	Quarter	10.70	11.00	7.9	8.1	0.0	37.3	1.00
Ascendas REIT	SGD	2.790	8,056.6	79.6	Mar	Semi-Anl	16.00	16.60	5.7	5.9	2.6	33.1	1.31
Cache Logistics Trust	SGD	0.870	928.4	99.5	Dec	Quarter	6.90	6.40	7.9	7.4	1.8	43.6	1.13
EC World REIT	SGD	0.770	604.2	50.7	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	1.3	29.2	0.77
ESR-REIT	SGD	0.575	755.3	69.2	Dec	Quarter	3.90	4.10	6.8	7.1	1.8	36.7	0.91
Frasers Logistics & Ind Trust	SGD	1.160	1,762.5	70.9	Sep	Semi-Anl	7.10	7.40	6.1	6.4	0.0	29.3	1.26
Mapletree Industrial Trust	SGD	2.120	3,996.1	68.3	Mar	Quarter	11.90	12.60	5.6	5.9	4.4	30.0	1.51
Mapletree Logistics Trust	SGD	1.340	4,096.3	63.5	Mar	Quarter	7.70	7.90	5.7	5.9	1.5	33.7	1.30
Sabana REIT	SGD	0.400	421.2	78.3	Dec	Quarter	N.A.	N.A.	N.A.	N.A.	1.3	36.0	0.70
Soilbuild REIT	SGD	0.715	750.8	64.5	Dec	Quarter	5.60	4.80	7.8	6.7	6.7	37.9	1.00
Viva Industrial Trust	SGD	0.940	911.9	42.7	Dec	Quarter	7.40	7.60	7.9	8.1	0.5	39.6	1.19
	SGD	Total:	23,211.2					Average:	6.8	6.8	2.0	35.1	1.10
HOSPITALITY (6)													
Ascendas Hospitality Trust	SGD	0.885	998.9	64.7	Mar	Semi-Anl	5.80	6.10	6.6	6.9	2.9	32.6	0.99
Ascott Residence Trust	SGD	1.240	2,665.6	58.9	Dec	Semi-Anl	6.90	7.20	5.6	5.8	1.6	31.9	1.00
CDL Hospitality Trusts	SGD	1.790	2,145.9	62.9	Dec	Semi-Anl	9.10	9.70	5.1	5.4	5.9	33.3	1.21
Far East Hospitality Trust	SGD	0.720	1,335.4	40.8	Dec	Quarter	4.00	4.20	5.6	5.8	0.0	32.1	0.81
Frasers Hospitality Trust	SGD	0.800	1,488.9	38.6	Sep	Semi-Anl	5.20	5.20	6.5	6.5	1.9	32.1	0.98
OUE Hospitality Trust	SGD	0.885	1,598.8	51.8	Dec	Quarter	5.10	5.10	5.8	5.8	4.1	38.1	1.17
	SGD	Total:	10,233.5					Average:	5.8	6.0	2.7	33.4	1.03
HEALTHCARE (2)													
First REIT	SGD	1.410	1,099.7	67.3	Dec	Quarter	8.60	8.70	6.1	6.2	1.4	32.5	1.41
ParkwayLife REIT	SGD	2.990	1,809.0	54.3	Dec	Quarter	13.50	12.50	4.5	4.2	0.0	37.3	1.74
	SGD	Total:	2,908.7					Average:	5.3	5.2	0.7	34.9	1.57
DATA CENTRE (1)													
Keppel DC REIT	SGD	1.45	1,634.4	64.6	Dec	Semi-Anl	7.30	7.70	5.0	5.3	1.4	32.1	1.51
	SGD	Total:	1,634.4					Average:	5.0	5.3	1.4	32.1	1.51
OTHERS (1)													
Cromwell European REIT	EUR	0.58	912.9	27.9	Dec	Semi-Anl	4.30	4.40	7.4	7.6	4.5	36.8	1.09
	SGD	Total:	1,474.6					Average:	7.4	7.6	4.5	36.8	1.09
39 S-REITS		GRAND TOTAL:	90,156.6					AVERAGE:	6.1	6.2	1.9	34.4	1.09
Business Trusts													
REAL ESTATE (3)													
Accordia Golf Trust	SGD	0.700	769.4	71.1	Mar	Semi-Anl	4.74	4.90	6.8	7.0	2.2	24.6	0.79
Ascendas India Trust	SGD	1.140	1,065.5	74.4	Mar	Semi-Anl	6.20	6.70	5.4	5.9	-0.9	30.0	1.45
Dasin Retail Trust	SGD	0.850	469.6	29.7	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	-3.4	31.5	0.56
	SGD	Total:	2,304.4					Average:	6.1	6.4	-0.7	28.7	0.93
INFRASTRUCTURE (3)													
Asian Pay Television Trust	SGD	0.585	840.5	99.9	Dec	Quarter	6.50	6.30	11.1	10.8	-0.8	49.4	0.71
Keppel Infrastructure Trust	SGD	0.590	2,275.9	56.0	Mar	Quarter	3.90	3.90	6.6	6.6	2.6	39.7	1.94
NetLink NBN Trust	SGD	0.835	3,254.0	75.0	Mar	Semi-Anl	3.00	4.80	3.6	5.7	0.0	11.9	1.04
	SGD	Total:	6,370.4					Average:	7.1	7.7	0.6	33.7	1.23
PORT AND SHIPPING (2)													
First Ship Lease Trust	SGD	0.094	59.9	74.7	Dec	Irreg	N.A.	N.A.	N.A.	N.A.	4.4	44.7	0.22
Hutchison Port Holdings	USD	0.415	3,615.1	72.3	Dec	Semi-Anl	2.61	2.70	6.3	6.5	0.0	30.0	0.71
	SGD	Total:	4,849.9					Average:	6.3	6.5	2.2	37.4	0.46
HEALTHCARE (1)													
RHT Health Trust	SGD	0.825	666.5	67.0	Mar	Semi-Anl	5.00	5.50	6.1	6.7	-1.8	28.1	0.99
	SGD	Total:	666.5					Average:	6.1	6.7	-1.8	28.1	0.99
9 BUSINESS TRUSTS		GRAND TOTAL:	14,191.2					AVERAGE:	6.6	7.0	0.3	32.2	0.93

Source: Managers, Bloomberg, OIR estimates (15 Jan 2018)

NOTES:

1) SGD/JPY = 0.011933; SGD/USD = 1.325; SGD/HKD = 0.1694; USD/HKD = 0.12784; SGD/EUR = 1.6153; SGD/AUD = 1.048; CNY/SGD = 4.8707

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

6) Keppel-KBS US REIT's Curr DPU and Fwd DPU are based on its prospectus' FY18 and FY19 forecasted figures, respectively. D/A and P/B calculations are based on pro forma figures as at 30 Jun 2017

7) Cromwell European REIT's Curr DPU and Fwd DPU are based on its prospectus' FY18 and FY19 forecasted figures, respectively. D/A and P/B calculations are based on pro forma figures as at listing date

Exhibit 2: OIR coverage

	BBRG Ticker		Price	Fair Value	Rating
Ascendas REIT	AREIT SP	SGD	2.790	2.67	HOLD
Ascott Residence Trust	ART SP	SGD	1.240	1.11	HOLD
Cache Logistics Trust	CACHE SP	SGD	0.870	0.81	HOLD
CapitaLand Commercial Trust	CCT SP	SGD	1.980	1.66	HOLD
CapitaLand Mall Trust	CT SP	SGD	2.060	2.20	BUY
CapitaLand Retail China Trust	CRCT SP	SGD	1.650	1.63	HOLD
CDL Hospitality Trusts	CDREIT SP	SGD	1.790	1.555	HOLD
Far East Hospitality Trust	FEHT SP	SGD	0.720	0.77	BUY
First REIT	FIRT SP	SGD	1.410	1.44	BUY
Frasers Centrepoint Trust	FCT SP	SGD	2.260	2.40	BUY
Frasers Commercial Trust	FCOT SP	SGD	1.490	1.51	BUY
Frasers Logistics & Ind Trust	FLT SP	SGD	1.160	1.25	BUY
Keppel DC REIT	KDCREIT SP	SGD	1.450	1.50	BUY
Lippo Malls Indo Retail Trust	LMRT SP	SGD	0.405	0.460	BUY
Mapletree Greater China Com	MAGIC SP	SGD	1.260	1.28	BUY
Mapletree Industrial Trust	MINT SP	SGD	2.120	2.06	HOLD
Mapletree Logistics Trust	MLT SP	SGD	1.340	1.35	BUY
OUE Commercial REIT	OUECT SP	SGD	0.740	0.67	HOLD
OUE Hospitality Trust	OUEHT SP	SGD	0.885	0.83	HOLD
Soilbuild REIT	SBREIT SP	SGD	0.715	0.66	HOLD
SPH REIT	SPHREIT SP	SGD	1.050	1.08	HOLD
Starhill Global REIT	SGREIT SP	SGD	0.760	0.77	HOLD
Suntec REIT	SUN SP	SGD	2.250	1.80	HOLD
Viva Industrial Trust	VIT SP	SGD	0.94	0.90	HOLD

Source: Bloomberg, OIR estimates (15 Jan 2018)

Exhibit 3: Distribution details

	DPU (S cents)	Date announced	Ex-date	Record date	Pay date	Annualised yield (%)
SPH REIT	1.340	1/5/2018	1/11/2018	1/15/2018	2/14/2018	5.1
AIMS AMP Capital Ind REIT	1.910	11/21/2017	11/28/2017	11/30/2017	1/17/2018	8.4

Source: Managers, Bloomberg, OIR estimates (15 Jan 2018)

NOTES:

1) AIMS AMP Capital Ind REIT's DPU is an advanced distribution for 1 Oct 2017 to 30 Nov 2017

Exhibit 4: Results release dates

	Financial quarter	Release date	Remarks
ESR-REIT	4QFY17	17 Jan 2018	Before market open
First REIT	4QFY17	17 Jan 2018	After market close
Soilbuild REIT	4QFY17	17 Jan 2018	After market close
Cache Logistics Trust	4QFY17	18 Jan 2018	After market close
Keppel DC REIT	4QFY17	22 Jan 2018	After market close
Frasers Commercial Trust	1QFY18	22 Jan 2018	After market close
Mapletree Logistics Trust	3QFY18	22 Jan 2018	After market close
Keppel REIT	4QFY17	23 Jan 2018	After market close
Frasers Centrepoint Trust	1QFY18	23 Jan 2018	After market close
Mapletree Industrial Trust	3QFY18	23 Jan 2018	After market close
CapitaLand Mall Trust	4QFY17	24 Jan 2018	Before market open
Mapletree Commercial Trust	3QFY18	24 Jan 2018	After market close
Frasers Hospitality Trust	1QFY18	24 Jan 2018	After market close
CapitaLand Commercial Trust	4QFY17	25 Jan 2018	Before market open
Mapletree Greater China Com	3QFY18	25 Jan 2018	After market close
Ascendas REIT	3QFY18	25 Jan 2018	After market close
Ascott Residence Trust	4QFY17	26 Jan 2018	Before market open
CDL Hospitality Trusts	4QFY17	26 Jan 2018	Before market open
ParkwayLife REIT	4QFY17	26 Jan 2018	Before market open
Frasers Logistics & Ind Trust	1QFY18	02 Feb 2018	Before market open
Manulife US REIT	4QFY17	06 Feb 2018	Before market open
Lippo Malls Indo Retail Trust	4QFY17	13 Feb 2018	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%.

Co.Reg.no.: 198301152E

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