

# WEEKLY S-REITS TRACKER

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**12 Nov 2018**

## Weekly top gainers (%)

Keppel-KBS US REIT	+5.4
Manulife US REIT	+4.0
IREIT Global	+2.1

## Weekly top laggards (%)

Ascendas Hospitality Trust	-4.3
Far East Hospitality Trust	-2.4
Frasers Commercial Trust	-2.2

## Weekly sector performance (%)

Retail	+1.4
Industrial	+0.8
Data Centre	+0.7
Others	+0.7
Hospitality	-0.5
Office	-0.6
Healthcare	-0.9
<b>Overall</b>	<b>+0.5</b>



The FTSE ST REIT Index remained flat WoW while the STI was down 1.2% 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

- OUE Hospitality Trust's (OUEHT)** 3Q18 results were in-line, albeit on the lower end. DPU dropped 5.9% to 1.28 S cents or 25.4% of our initial full-year forecast. We continue to expect 2019 to be a strong year for Singapore hospitality. Recall that our base case is that OUEHT will not pursue an acquisition of its ROFR-asset Oakwood Premier in the near-term. Furthermore, we highlight that the ROFR for Downtown Gallery is held by OUE Commercial Trust, not OUEHT. On the other hand, we believe it is more likely that the REIT will pursue third-party acquisitions overseas. After adjustments, our fair value remains at S\$0.79. Maintain **BUY**. **(9 Nov)**
- OUE Commercial REIT's (OUECT)** results were within our expectations. 3Q18 revenue fell 4.8% YoY to S\$41.2m, while NPI dropped 5.1% YoY to S\$32.3m. All-considered, distributable income fell 10.8% YoY to S\$15.9m, comprising 22.9% of our full-year estimate. DPU came in at 0.55 S-cents (inclusive of recently issued rights units), which was 11.3% (restated) lower YoY. OUECT has completed the acquisition of the office components of OUE Downtown, which comes at a NPI yield of 5.0% (inclusive of rental support). We incorporate the transaction into our numbers, and apply the enlarged unit base for distributions made in 2H18. Maintain **HOLD** with a lower FV of S\$0.48. **(9 Nov)**
- Frasers Logistics & Industrial Trust's (FLT)** 4QFY18 results met our expectations, with DPU in SGD terms increasing 0.6% YoY to 1.78 S cents. Overall portfolio metrics remained largely healthy, with high occupancy of 99.6% and long WALE of 6.87 years. Rental reversions for FY18 were -3.2%, as built-in annual rental escalations for FLT's leases typically outpace market rental growth and thus it is not uncommon for signing rents to revert back to market levels upon renewal. Its aggregate leverage remains healthy at 34.6%, with 82% of its borrowings fixed/hedged. We fine-tune our assumptions, including i) factoring in a lower AUD-SGD exchange rate of A\$1: S\$0.98 for FY19F and A\$1: S\$1 for FY20F and beyond, ii) incorporating some distributions from its divestment gains and iii) adding in its recent Netherlands acquisition. Maintain **BUY** with unchanged FV of S\$1.19. **(8 Nov)**

## RECENT DEVELOPMENTS

- Lippo Malls Indonesia Retail Trust Group's** 3Q18 total gross revenue rose 30.7% YoY to S\$64.8m while available DPU dropped 43.0% YoY to 0.49 S-cents. **(9 Oct)**
- Mapletree Logistics Trust** has announced the proposed acquisition of a logistics property in South Korea for KRW37.85b. **(8 Nov)**

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



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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)
<b>OFFICE (8)</b>													
CapitalLand Commercial Trust	SGD	1.690	6,289.5	69.9	Dec	Semi-Anl	8.80	9.00	5.2	5.3	-8.8	35.3	0.93
Frasers Commercial Trust	SGD	1.360	1,213.9	74.4	Sep	Quarter	9.70	9.70	7.1	7.1	-2.4	28.3	0.84
IREIT Global	SGD	0.740	466.7	30.8	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	2.9	38.6	1.06
Keppel REIT	SGD	1.130	3,851.2	52.6	Dec	Quarter	5.80	5.90	5.1	5.2	-6.0	39.1	0.81
Manulife US REIT	USD	0.780	992.7	92.6	Dec	Semi-Anl	5.70	5.90	7.3	7.6	-7.8	37.4	0.96
OUE Commercial REIT	SGD	0.465	1,325.2	29.1	Dec	Semi-Anl	3.60	3.60	7.7	7.7	-21.8	41.4	0.53
Suntec REIT	SGD	1.750	4,646.9	72.3	Dec	Quarter	10.00	9.90	5.7	5.7	-14.7	38.2	0.84
Keppel-KBS US REIT	USD	0.585	383.4	85.5	Dec	Semi-Anl	5.97	6.32	10.2	10.8	-28.5	33.3	0.67
	SGD	Total:	19,690.6					Average:	6.9	7.1	-10.9	36.5	0.83
<b>RETAIL (11)</b>													
BHG Retail REIT	SGD	0.655	329.4	67.5	Dec	Semi-Anl	N.A.	N.A.	N.A.	N.A.	-4.9	32.7	0.84
CapitalLand Mall Trust	SGD	2.130	7,881.7	65.5	Dec	Quarter	11.20	11.60	5.3	5.4	6.7	31.7	1.05
CapitalLand Retail China Trust	SGD	1.380	1,353.2	62.3	Dec	Semi-Anl	10.50	10.50	7.6	7.6	-11.2	35.9	0.88
Fortune REIT	HKD	8.750	16,838.5	72.0	Dec	Semi-Anl	52.10	53.30	6.0	6.1	-3.9	22.3	0.54
Frasers Centrepoint Trust	SGD	2.160	2,013.0	57.9	Sep	Quarter	12.60	12.90	5.8	6.0	2.2	28.6	1.03
Lippo Malls Indo Retail Trust	SGD	0.240	685.3	63.4	Dec	Quarter	2.60	2.60	10.8	10.8	-36.3	37.1	0.87
Mapletree Commercial Trust	SGD	1.630	4,708.1	65.7	Mar	Quarter	9.00	9.20	5.5	5.6	6.3	34.8	1.10
Mapletree North Asia Com	SGD	1.110	3,506.4	69.0	Mar	Quarter	7.60	7.70	6.8	6.9	-3.7	39.0	0.84
SPH REIT	SGD	0.995	2,569.3	25.0	Aug	Quarter	5.70	5.80	5.7	5.8	0.1	26.3	1.05
Starhill Global REIT	SGD	0.680	1,483.2	65.3	Jun	Quarter	4.80	4.90	7.1	7.2	-6.5	35.4	0.75
Sasseur REIT	SGD	0.675	796.7	21.6	Dec	Semi-Anl	6.00	6.24	8.9	9.2	N.A.	32.5	0.88
	SGD	Total:	28,289.8					Average:	7.0	7.1	-5.1	32.4	0.89
<b>INDUSTRIAL (10)</b>													
AIMS AMP Capital Ind REIT	SGD	1.300	891.2	87.2	Mar	Quarter	10.30	11.00	7.9	8.5	1.6	33.6	0.95
Ascendas REIT	SGD	2.550	8,019.8	81.1	Mar	Semi-Anl	16.30	16.70	6.4	6.5	0.7	33.2	1.20
Cache Logistics Trust	SGD	0.680	729.6	90.3	Dec	Quarter	6.00	6.00	8.8	8.8	-14.1	35.6	0.98
EC World REIT	SGD	0.690	545.2	41.6	Dec	Semi-Anl	6.10	6.40	8.8	9.3	-3.4	30.7	0.69
ESR-REIT	SGD	0.490	1,552.7	57.7	Dec	Quarter	3.90	4.10	8.0	8.4	-5.6	30.3	0.84
Frasers Logistics & Ind Trust	SGD	1.050	2,047.0	78.6	Sep	Semi-Anl	7.10	7.10	6.8	6.8	-5.2	34.6	1.10
Mapletree Industrial Trust	SGD	1.860	3,528.9	68.2	Mar	Quarter	12.30	12.90	6.6	6.9	-2.8	35.1	1.26
Mapletree Logistics Trust	SGD	1.220	4,412.1	68.5	Mar	Quarter	7.90	8.10	6.5	6.6	-0.9	38.1	1.08
Sabana REIT	SGD	0.400	421.2	72.3	Dec	Quarter	N.A.	N.A.	N.A.	N.A.	9.5	38.6	0.76
Soilbuild REIT	SGD	0.575	608.7	65.7	Dec	Quarter	5.20	5.10	9.0	8.9	-7.0	39.2	0.91
	SGD	Total:	22,756.4					Average:	7.6	7.9	-2.7	34.9	0.98
<b>HOSPITALITY (6)</b>													
Ascendas Hospitality Trust	SGD	0.775	890.0	64.3	Mar	Semi-Anl	5.80	6.00	7.5	7.7	-1.7	30.8	0.77
Ascott Residence Trust	SGD	1.070	2,294.5	55.2	Dec	Semi-Anl	6.90	7.20	6.4	6.7	-7.9	36.4	0.88
CDL Hospitality Trusts	SGD	1.480	1,796.1	62.6	Dec	Semi-Anl	9.20	9.70	6.2	6.6	-6.7	33.8	1.00
Far East Hospitality Trust	SGD	0.610	1,160.6	40.2	Dec	Quarter	4.10	4.20	6.7	6.9	-8.5	40.4	0.70
Frasers Hospitality Trust	SGD	0.690	1,301.1	38.1	Sep	Semi-Anl	4.90	5.00	7.1	7.2	-6.1	33.6	0.89
OUE Hospitality Trust	SGD	0.695	1,258.0	51.5	Dec	Quarter	5.00	5.30	7.2	7.6	-15.1	38.7	0.92
	SGD	Total:	8,700.4					Average:	6.9	7.1	-7.7	35.6	0.86
<b>HEALTHCARE (2)</b>													
First REIT	SGD	1.170	922.5	59.6	Dec	Quarter	8.80	9.10	7.5	7.8	-10.2	34.3	1.16
ParkwayLife REIT	SGD	2.610	1,591.2	54.3	Dec	Quarter	12.70	13.00	4.9	5.0	-7.9	37.7	1.48
	SGD	Total:	2,513.7					Average:	6.2	6.4	-9.0	36.0	1.32
<b>DATA CENTRE (1)</b>													
Keppel DC REIT	SGD	1.35	1,824.6	74.7	Dec	Semi-Anl	7.60	7.90	5.6	5.9	-0.7	32.0	1.32
	SGD	Total:	1,824.6					Average:	5.6	5.9	-0.7	32.0	1.32
<b>OTHERS (1)</b>													
Cromwell European REIT	EUR	0.55	869.6	27.8	Dec	Semi-Anl	4.30	4.40	7.8	8.0	3.3	33.9	0.96
	SGD	Total:	1,357.9					Average:	7.8	8.0	3.3	33.9	0.96
<b>39 S-REITS</b>		<b>GRAND TOTAL:</b>	<b>85,133.5</b>					<b>AVERAGE:</b>	<b>7.1</b>	<b>7.2</b>	<b>-6.0</b>	<b>34.6</b>	<b>0.93</b>

**Business Trusts**

**REAL ESTATE (3)**

Accordia Golf Trust	SGD	0.490	533.1	71.1	Mar	Semi-Anl	4.04	4.90	8.2	10.0	-26.6	24.8	0.55
Ascendas India Trust	SGD	1.100	1,141.9	71.6	Mar	Semi-Anl	7.00	7.40	6.4	6.7	-1.3	32.0	1.27
Dasin Retail Trust	SGD	0.855	475.7	23.1	Dec	Semi-Anl	7.50	7.70	8.8	9.0	6.0	32.5	0.61
	SGD	Total:	2,150.7					Average:	7.8	8.6	-7.3	29.8	0.81

**INFRASTRUCTURE (3)**

Asian Pay Television Trust	SGD	0.320	459.8	99.9	Dec	Quarter	6.50	3.50	20.3	10.9	-39.2	51.4	0.40
Keppel Infrastructure Trust	SGD	0.460	1,774.8	56.0	Mar	Quarter	3.90	3.90	8.5	8.5	-14.2	40.2	1.65
NetLink NBN Trust	SGD	0.790	2,981.2	75.0	Mar	Semi-Anl	5.00	5.00	6.3	6.3	-1.6	14.6	1.00
	SGD	Total:	5,215.8					Average:	11.7	8.6	-18.3	35.4	1.02

**PORT AND SHIPPING (2)**

First Ship Lease Trust	SGD	0.075	47.8	75.1	Dec	Irreg	N.A.	N.A.	N.A.	N.A.	-16.7	37.9	0.20
Hutchison Port Holdings	USD	0.250	2,177.8	72.3	Dec	Semi-Anl	2.29	2.22	9.1	8.9	-34.6	29.7	0.44
	SGD	Total:	3,050.1					Average:	9.1	8.9	-25.6	33.8	0.32

**HEALTHCARE (1)**

RHT Health Trust	SGD	0.740	600.4	62.9	Mar	Irreg	5.10	5.90	6.9	8.0	-6.7	30.3	0.98
	SGD	Total:	600.4					Average:	6.9	8.0	-6.7	30.3	0.98

**9 BUSINESS TRUSTS**

<b>GRAND TOTAL:</b>	<b>11,017.0</b>							<b>AVERAGE:</b>	<b>9.3</b>	<b>8.5</b>	<b>-15.0</b>	<b>32.6</b>	<b>0.79</b>
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Source: Managers, Bloomberg, OIR estimates (12 Nov 2018)

NOTES:

- 1) SGD/JPY = 0.012103; SGD/USD = 1.3786; SGD/HKD = 0.176; USD/HKD = 0.12768; SGD/EUR = 1.5615; SGD/AUD = 0.9963; CNY/SGD = 5.0492
- 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) Mapletree Greater China Commercial Trust has changed its name to Mapletree North Asia Commercial Trust with effect from 25 May 2018
- 6) Keppel-KBS US REIT's Curr DPU and Fwd DPU are based on its prospectus' FY18 and FY19 forecasted figures, respectively.
- 7) Cromwell European REIT's Curr DPU and Fwd DPU are based on its prospectus' FY18 and FY19 forecasted figures, respectively.
- 8) Sasseur REIT's Curr DPU is for FY18, based on the annualised DPU for the Forecast Period 2018 (with Entrusted Management Agreements) as stated in the prospectus. Fwd DPU is calculated from the prospectus' FY19 forecasted yield. D/A and P/B calculations are based on pro forma figures as at listing date.

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Weekly S-REITs Tracker

**Exhibit 2: OIR coverage**

	BBRG Ticker		Price	Fair Value	Rating
Ascendas REIT	AREIT SP	SGD	2.550	2.64	HOLD
Ascott Residence Trust	ART SP	SGD	1.070	1.03	HOLD
Cache Logistics Trust	CACHE SP	SGD	0.680	0.78	BUY
CapitaLand Commercial Trust	CCT SP	SGD	1.690	1.68	HOLD
CapitaLand Mall Trust	CT SP	SGD	2.130	2.12	HOLD
CapitaLand Retail China Trust	CRCT SP	SGD	1.380	1.39	HOLD
CDL Hospitality Trusts	CDREIT SP	SGD	1.480	1.45	HOLD
Far East Hospitality Trust	FEHT SP	SGD	0.610	0.675	BUY
First REIT	FIRT SP	SGD	1.170	1.34	HOLD
Frasers Centrepoint Trust	FCT SP	SGD	2.160	2.50	BUY
Frasers Commercial Trust	FCOT SP	SGD	1.360	1.56	BUY
Frasers Logistics & Ind Trust	FLT SP	SGD	1.050	1.19	BUY
Keppel DC REIT	KDCREIT SP	SGD	1.350	1.48	BUY
Mapletree North Asia Com	MAGIC SP	SGD	1.110	1.34	BUY
Mapletree Industrial Trust	MINT SP	SGD	1.860	2.01	HOLD
Mapletree Logistics Trust	MLT SP	SGD	1.220	1.37	BUY
OUE Commercial REIT	OUECT SP	SGD	0.465	0.48	HOLD
OUE Hospitality Trust	OUEHT SP	SGD	0.695	0.79	BUY
Soilbuild REIT	SBREIT SP	SGD	0.575	0.665	BUY
SPH REIT	SPHREIT SP	SGD	0.995	0.99	HOLD
Starhill Global REIT	SGREIT SP	SGD	0.680	0.74	BUY
Suntec REIT	SUN SP	SGD	1.750	1.83	HOLD

Source: Bloomberg, OIR estimates (12 Nov 2018)

**Exhibit 3: Distribution details**

	DPU (\$ cents)	Date announced	Ex-date	Record date	Pay date	Annualised yield (%)
ESR-REIT	1.168	28 Sep 2018	4 Oct 2018	8 Oct 2018	26 Nov 2018	8.1
SPH REIT	1.430	11 Oct 2018	17 Oct 2018	19 Oct 2018	21 Nov 2018	5.7
Keppel REIT	1.360	15 Oct 2018	19 Oct 2018	23 Oct 2018	27 Nov 2018	4.8
First REIT	2.150	16 Oct 2018	30 Oct 2018	1 Nov 2018	29 Nov 2018	7.3
Soilbuild REIT	1.245	17 Oct 2018	23 Oct 2018	25 Oct 2018	22 Nov 2018	8.6
Frasers Commercial Trust	2.400	19 Oct 2018	26 Oct 2018	30 Oct 2018	29 Nov 2018	7.0
Mapletree Industrial Trust	3.010	23 Oct 2018	29 Oct 2018	31 Oct 2018	6 Dec 2018	6.4
Suntec REIT	2.491	23 Oct 2018	30 Oct 2018	1 Nov 2018	28 Nov 2018	5.6
CapitaLand Mall Trust	2.920	24 Oct 2018	2 Nov 2018	7 Nov 2018	30 Nov 2018	5.4
Frasers Centrepoint Trust	2.862	24 Oct 2018	30 Oct 2018	1 Nov 2018	29 Nov 2018	5.3
Mapletree Commercial Trust	2.270	24 Oct 2018	30 Oct 2018	1 Nov 2018	29 Nov 2018	5.5
ParkwayLife REIT	3.230	25 Oct 2018	31 Oct 2018	2 Nov 2018	26 Nov 2018	4.9
AIMS AMP Capital Ind REIT	2.500	25 Oct 2018	1 Nov 2018	5 Nov 2018	21 Dec 2018	7.6
Ascendas REIT	0.639	25 Oct 2018	31 Oct 2018	2 Nov 2018	27 Nov 2018	6.2
Cache Logistics Trust	1.475	26 Oct 2018	31 Oct 2018	2 Nov 2018	28 Nov 2018	8.6
Sabana REIT	0.770	26 Oct 2018	1 Nov 2018	5 Nov 2018	29 Nov 2018	7.6
Mapletree North Asia Com	1.926	26 Oct 2018	1 Nov 2018	5 Nov 2018	26 Nov 2018	6.9
Frasers Hospitality Trust	2.338	26 Oct 2018	1 Nov 2018	5 Nov 2018	28 Dec 2018	6.8
Far East Hospitality Trust	1.050	29 Oct 2018	5 Nov 2018	8 Nov 2018	13 Dec 2018	6.8
Starhill Global REIT	1.150	30 Oct 2018	5 Nov 2018	8 Nov 2018	29 Nov 2018	6.7
Ascendas Hospitality Trust	2.810	31 Oct 2018	7 Nov 2018	9 Nov 2018	7 Dec 2018	7.3
Frasers Logistics & Ind Trust	2.570	5 Nov 2018	12 Nov 2018	14 Nov 2018	19 Dec 2018	6.7
OUE Hospitality Trust	1.280	7 Nov 2018	13 Nov 2018	15 Nov 2018	6 Dec 2018	7.3
EC World REIT	1.570	7 Nov 2018	28 Nov 2018	30 Nov 2018	28 Dec 2018	9.0
Lippo Malls Indo Retail Trust	0.490	9 Nov 2018	15 Nov 2018	19 Nov 2018	30 Nov 2018	8.1

Source: Managers, Bloomberg, OIR estimates (12 Nov 2018)

NOTES:

1) Ascendas REIT's annualised yield includes an advanced distribution of 7.25 S cents for the period from 1 Apr 2018 to 17 Sep 2018.

**Exhibit 4: Results release dates**

	Financial quarter	Release date	Remarks
IREIT Global	3QFY18	12 Nov 2018	After market close
Accordia Golf Trust	2QFY19	13 Nov 2018	After market close
Asian Pay Television Trust	3QFY18	14 Nov 2018	Before market open
Cromwell European REIT	3QFY18	14 Nov 2018	Before market open

Source: Managers, Bloomberg

ANALYST DECLARATION:

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

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- OIR's fundamental views and ratings (Buy, Hold, Sell) are medium-term calls within a 12-month investment horizon.
- 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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