

# Chartbook: SREITs & Property Trusts

**SGX Research**

June 2019

**Singapore Exchange**



# SGX is one of Asia's largest REIT & Property Trusts markets



No. of trusts	Market Cap	Avg. Div Yield	Avg. P/B	1 yr SDAV
44	S\$99.9B	6.5%	1.0	S\$181.8m

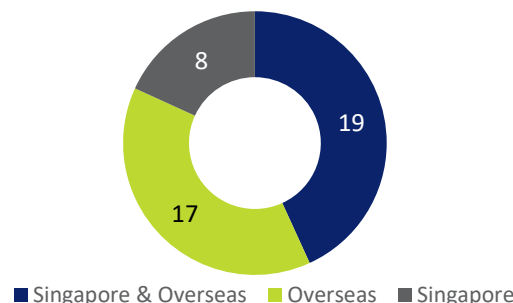
- SGX lists **44 REITs & Property Trusts** with a combined market capitalisation of **almost S\$100 billion**, representing c.10% of Singapore's overall market
- S-REITs have a regulated **gearing ratio limit of 45%** ([for more](#))
- SGX's REITs & Property Trusts **offer wide diversity** across property sub-segments ([chart on the right](#))
- REIT Indices:
  - FTSE ST REIT Index:** 35 out of the 44 trusts represented
  - iEdge S-REIT Index:** 36 out of the 44 trusts represented

## Key Statistics At a Glance

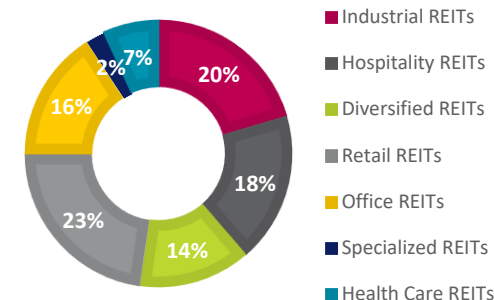
- Average dividend yield of 6.5%
- Average 3-year annualised total return of 10.9%
- Average gearing ratio of 34.2%\*
- 10 year market cap CAGR of 22%

\*Based on latest quarter filings  
 Source: Bloomberg, SGX, data as of 31 May 2019.  
 For more about REITs, [read more](#).

80% (36) of trusts have exposure to overseas properties

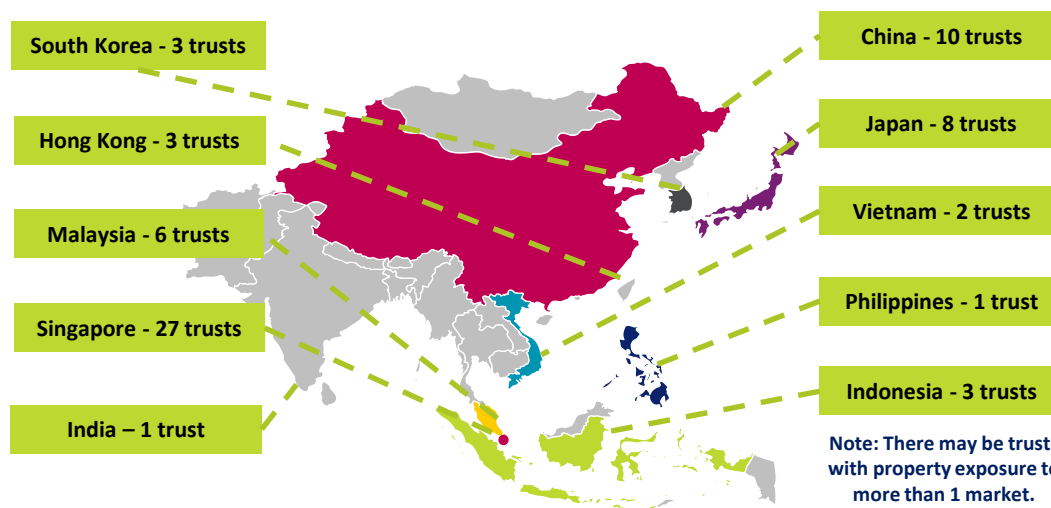


Trusts have diversified property sub-segments (% by trust count)



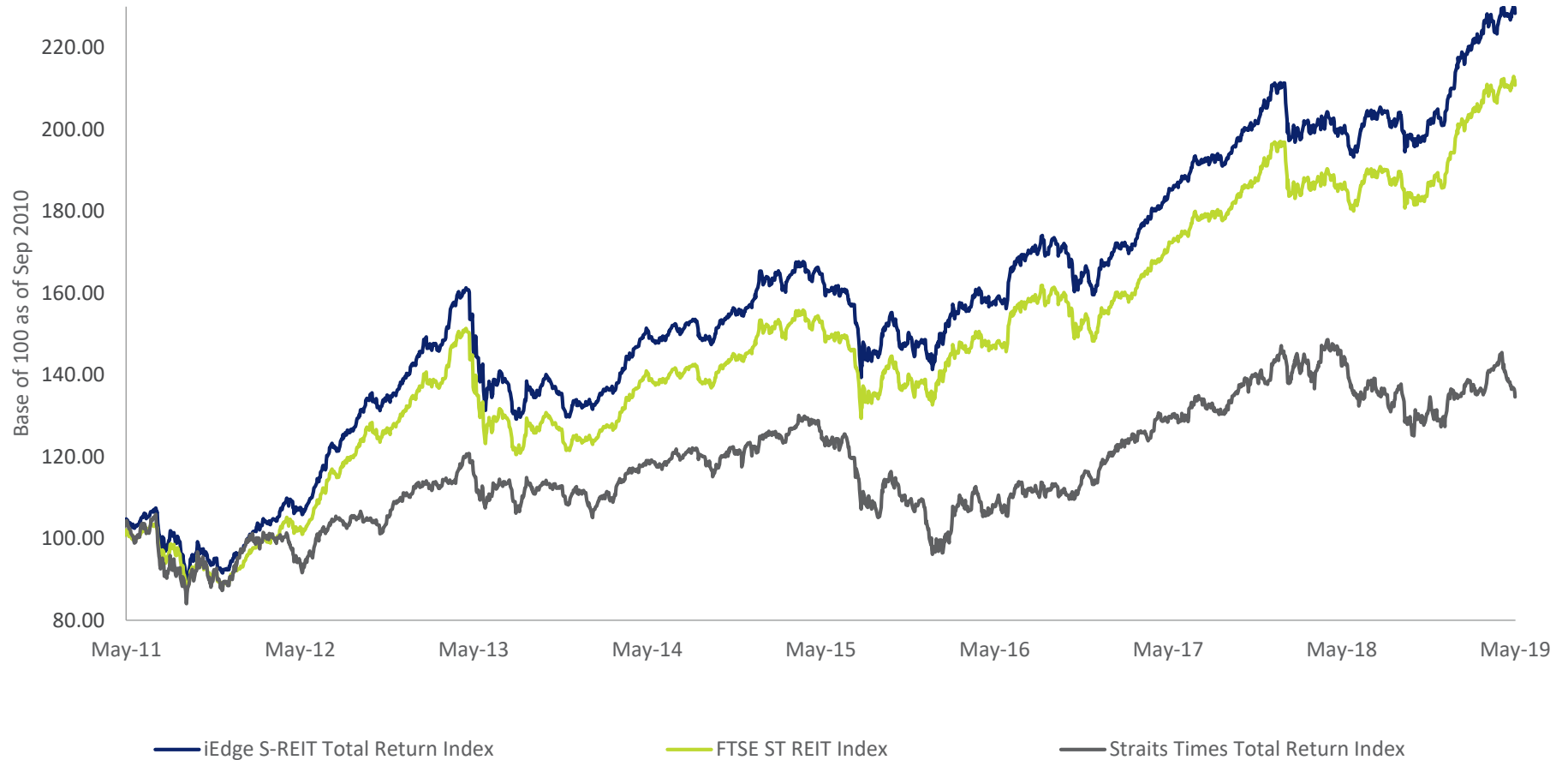
## Trusts that have Pan Asian Exposure (based on asset portfolio)

SGX also lists trusts with exposure to non-Asian markets, refer to page 20 for more.



Note: There may be trusts with property exposure to more than 1 market.

# Total Return Indices\*



\*Total Return Index assumes Reinvested Gross Dividends  
Figures indexed at 100 as of Sep 2010 (base date of iEdge S-REIT Index)  
Source: Bloomberg, SGX, data as of 31 May 2019

# Price Return Indices



Figures indexed at 100 as of Sep 2010 (base date of iEdge S-REIT Index)  
Source: Bloomberg, SGX, data as of 31 May 2019

# Correlation Matrix Between SREITs and Other Asset Classes

<i>Correlation Matrix (Jan 2012- May 2019)</i>	FTSE ST REIT Index	iEdge S-REIT Index	Asia ex Japan REITs	Asia Ex Japan Equities	Asia Bonds	US REITs	US Equities	US Bonds	Global REITs	Global Equities	Global Bonds
FTSE ST REIT Index	1.00	1.00	0.90	0.74	0.61	0.55	0.60	0.56	0.71	0.67	0.56
iEdge S-REIT Index	1.00	1.00	0.91	0.74	0.63	0.58	0.63	0.58	0.74	0.69	0.55
Asia ex Japan REITs	0.90	0.91	1.00	0.79	0.87	0.76	0.85	0.84	0.92	0.84	0.68
Asia Ex Japan Equities	0.74	0.74	0.79	1.00	0.67	0.47	0.78	0.60	0.76	0.88	0.66
Asia Bonds	0.61	0.63	0.87	0.67	1.00	0.89	0.93	0.99	0.96	0.87	0.67
US REITs	0.55	0.58	0.76	0.47	0.89	1.00	0.80	0.90	0.89	0.73	0.47
US Equities	0.60	0.63	0.85	0.78	0.93	0.80	1.00	0.90	0.96	0.97	0.62
US Bonds	0.56	0.58	0.84	0.60	0.99	0.90	0.90	1.00	0.94	0.81	0.66
Global REITs	0.71	0.74	0.92	0.76	0.96	0.89	0.96	0.94	1.00	0.94	0.67
Global Equities	0.67	0.69	0.84	0.88	0.87	0.73	0.97	0.81	0.94	1.00	0.63
Global Bonds	0.56	0.55	0.68	0.66	0.67	0.47	0.62	0.66	0.67	0.63	1.00

## Asia Indices

- 1) FTSE ST REIT Index
- 2) iEdge S-REIT Index
- 3) Asia ex Japan REITs (FTSE EPRA/NAREIT Asia ex Japan Index)
- 4) Asia ex Japan Equities (MSCI Asia ex Japan Index)
- 5) Asia Bonds (JP Morgan Asia Credit Index)

## US Indices

- 1) US REITs (MSCI US REIT Index)
- 2) US Equities (S&P 500 Index)
- 3) US Bonds (Bloomberg Barclays US Aggregate Index)

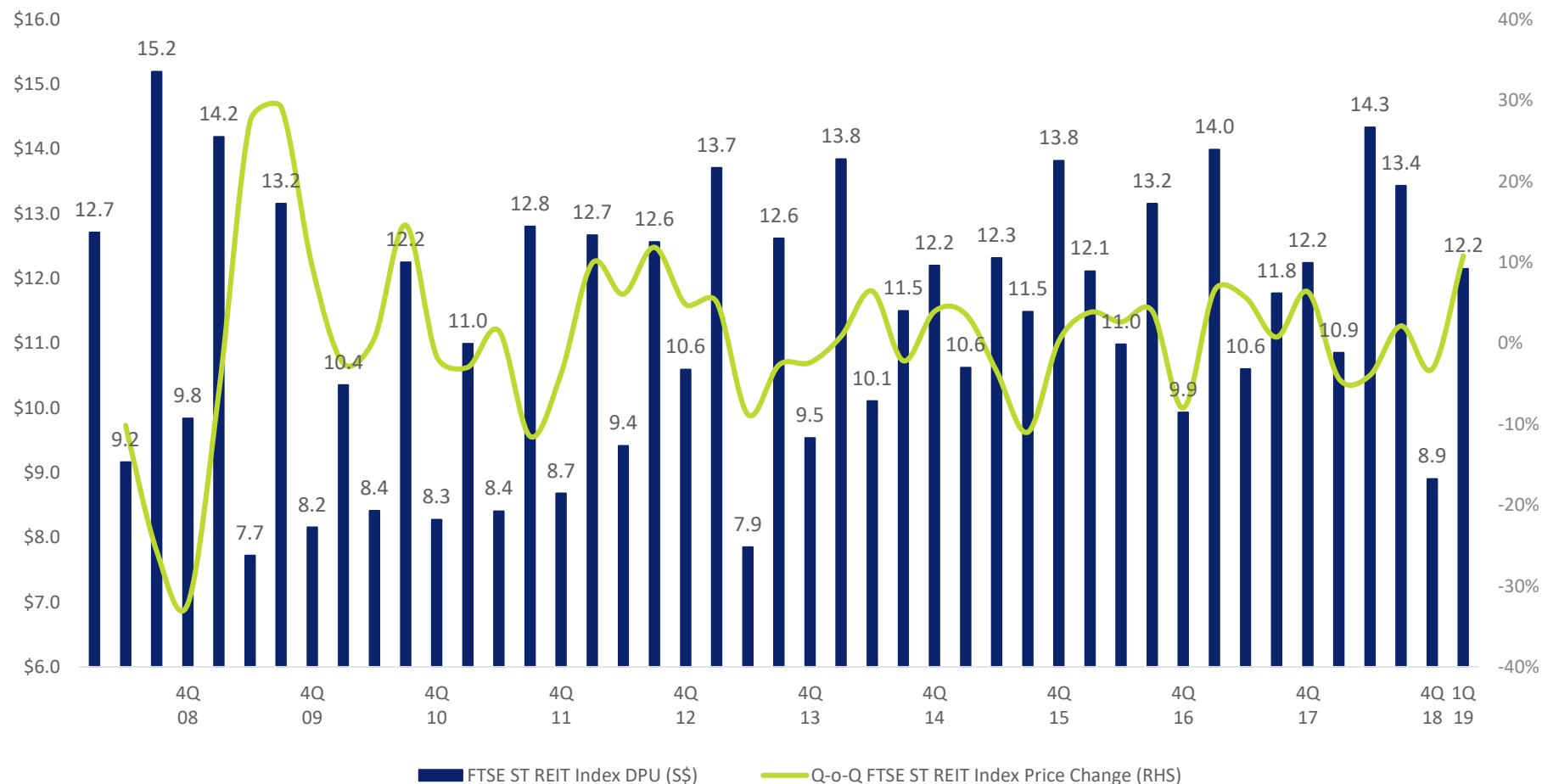
## Global Indices

- 1) Global REIT (FTSE EPRA/NAREIT Global REITs Index)
- 2) Global Equities (MSCI ACWI Index)
- 3) Global Bonds (Bloomberg Barclays Global Aggregate Index)

Figures refer to price correlation

Source: Bloomberg, SGX, data as of 31 May 2019

# FTSE ST REIT Index – Quarterly Dividend Distribution



Source: Bloomberg, SGX

Quarterly dividends of the FTSE ST REIT Index extracted from Bloomberg as of latest available quarter, 29 Mar 2019

## FTSE ST REIT Index: Q-o-Q Distribution Growth



## FTSE ST REIT Index: Y-o-Y Distribution Growth

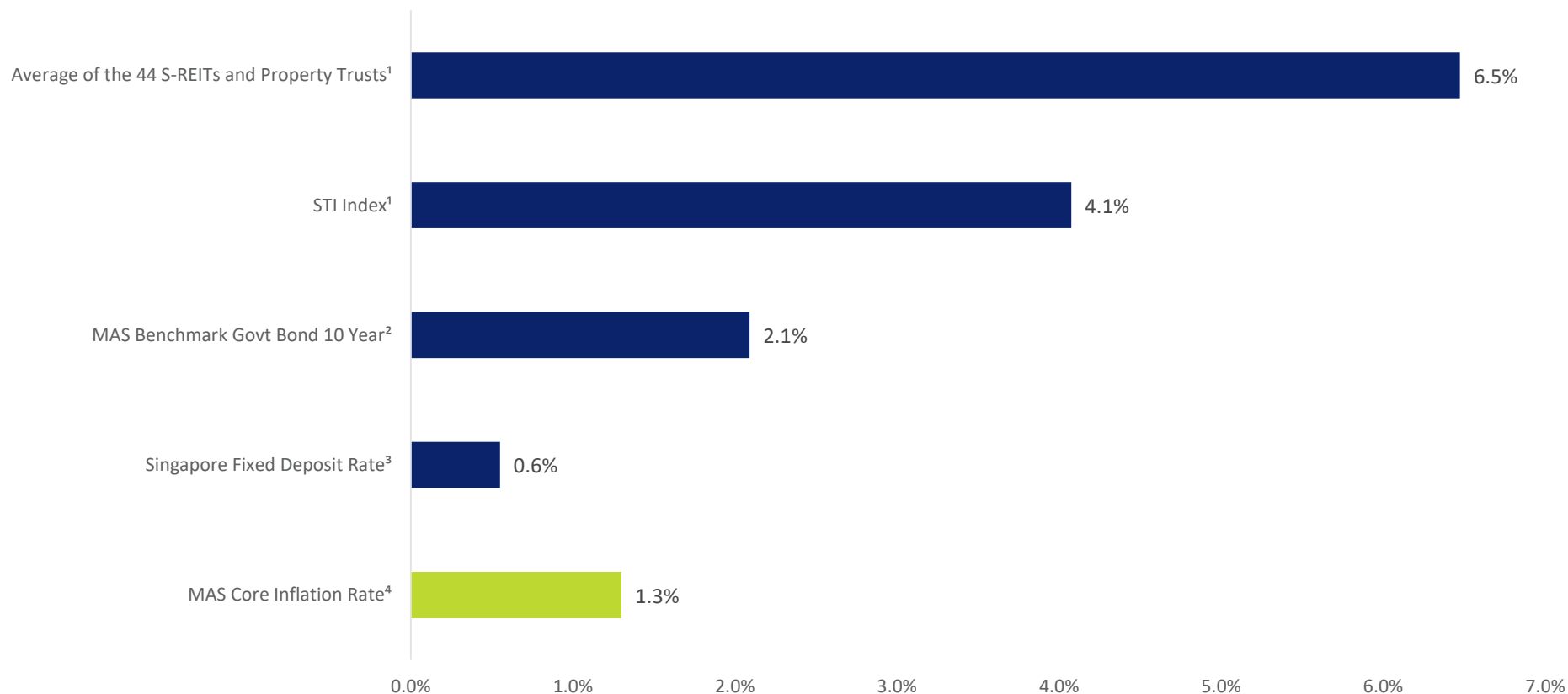


Source: Bloomberg, SGX

Quarterly dividends of the FTSE ST REIT Index extracted from Bloomberg as of latest available quarter, 29 Mar 2019

YoY Distribution Growth is based on the FTSE ST REIT Index's total full year dividends

# S-REITS & Property Trusts have Highest Yields vs other Asset Classes



<sup>1</sup>Based on 12M Average Dividend Yield

<sup>2</sup>Based on 10 Year Yield

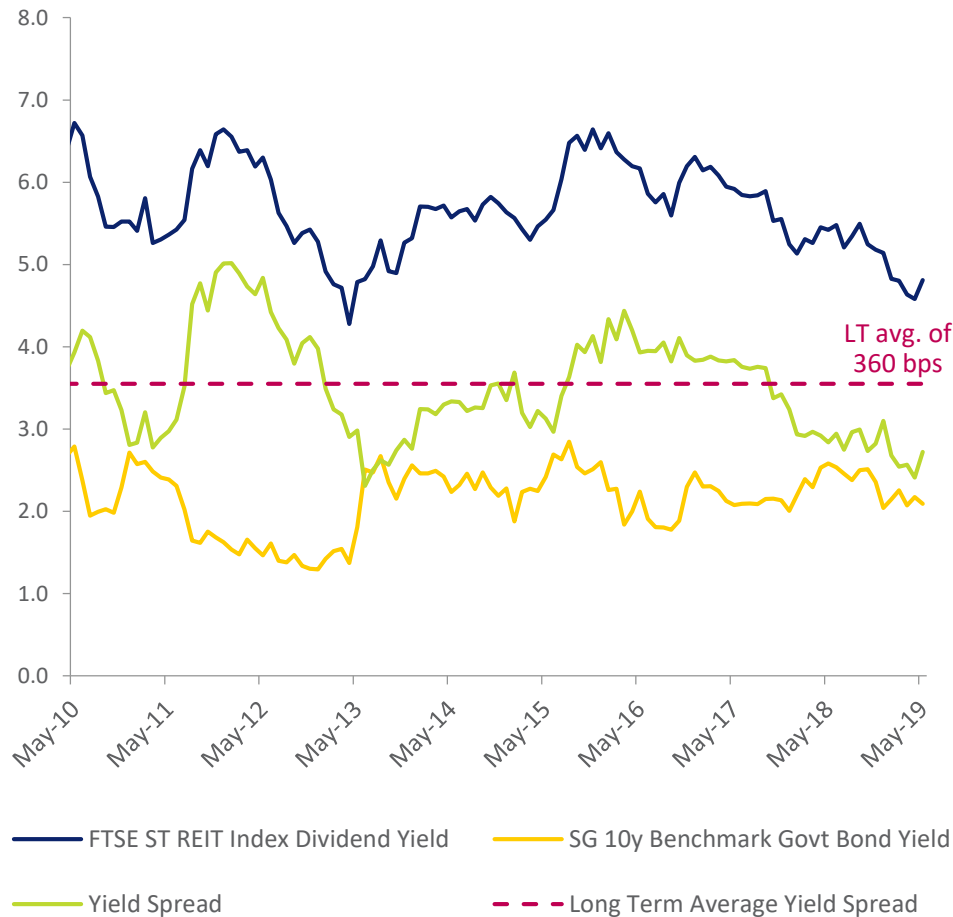
<sup>3</sup>Bank fixed deposit rates from MAS

<sup>4</sup>MAS Core Inflation based on Apr 2019 Figures

Source: Bloomberg, SGX, data as of 31 May 2019



## Yield Spread at 272 bps vs long term average of 360 bps

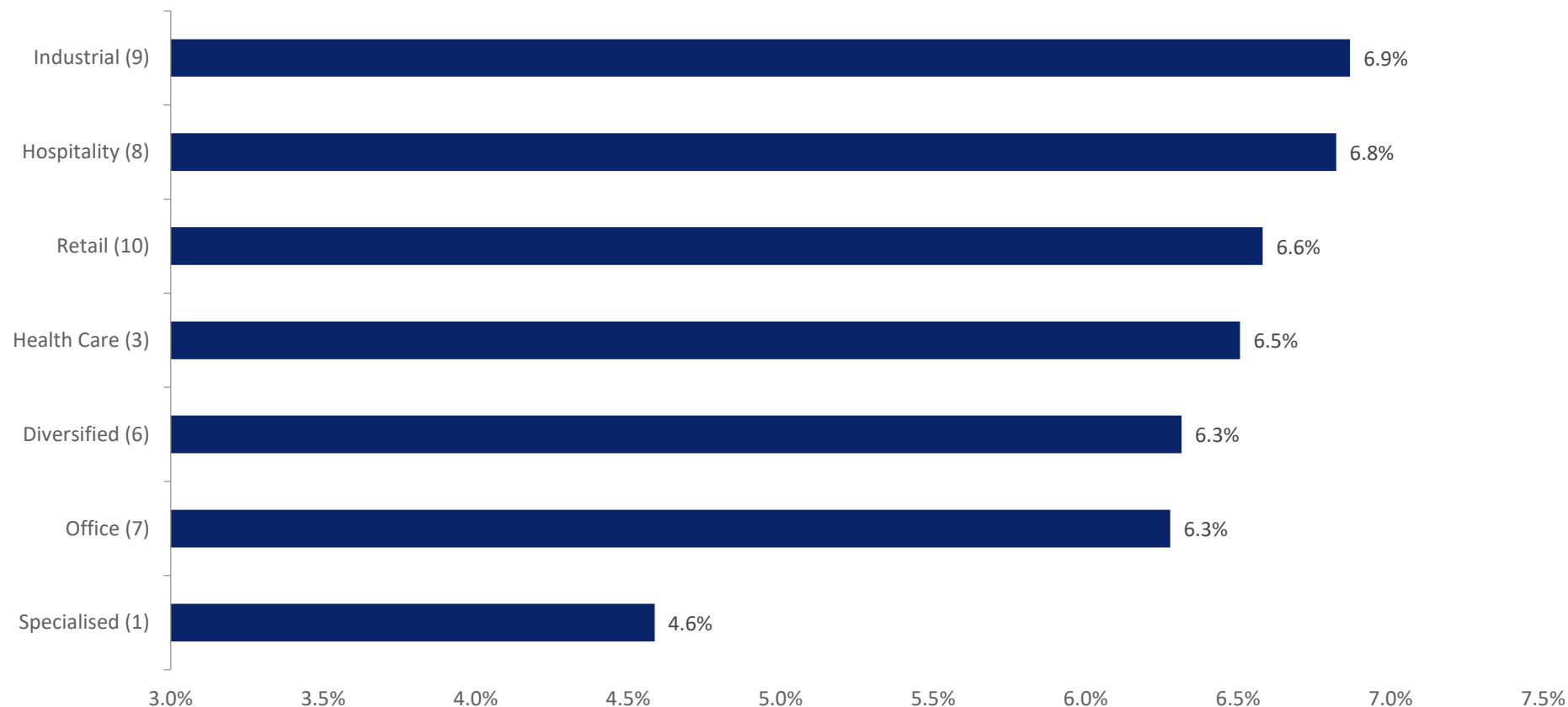


## FTSE ST REIT Index Long-term P/B Ratio and Dividend Yield



Source: Bloomberg, SGX, data as of 31 May 2019

## SREITs & Property Trusts – Average Dividend Yields By Sub-Segments

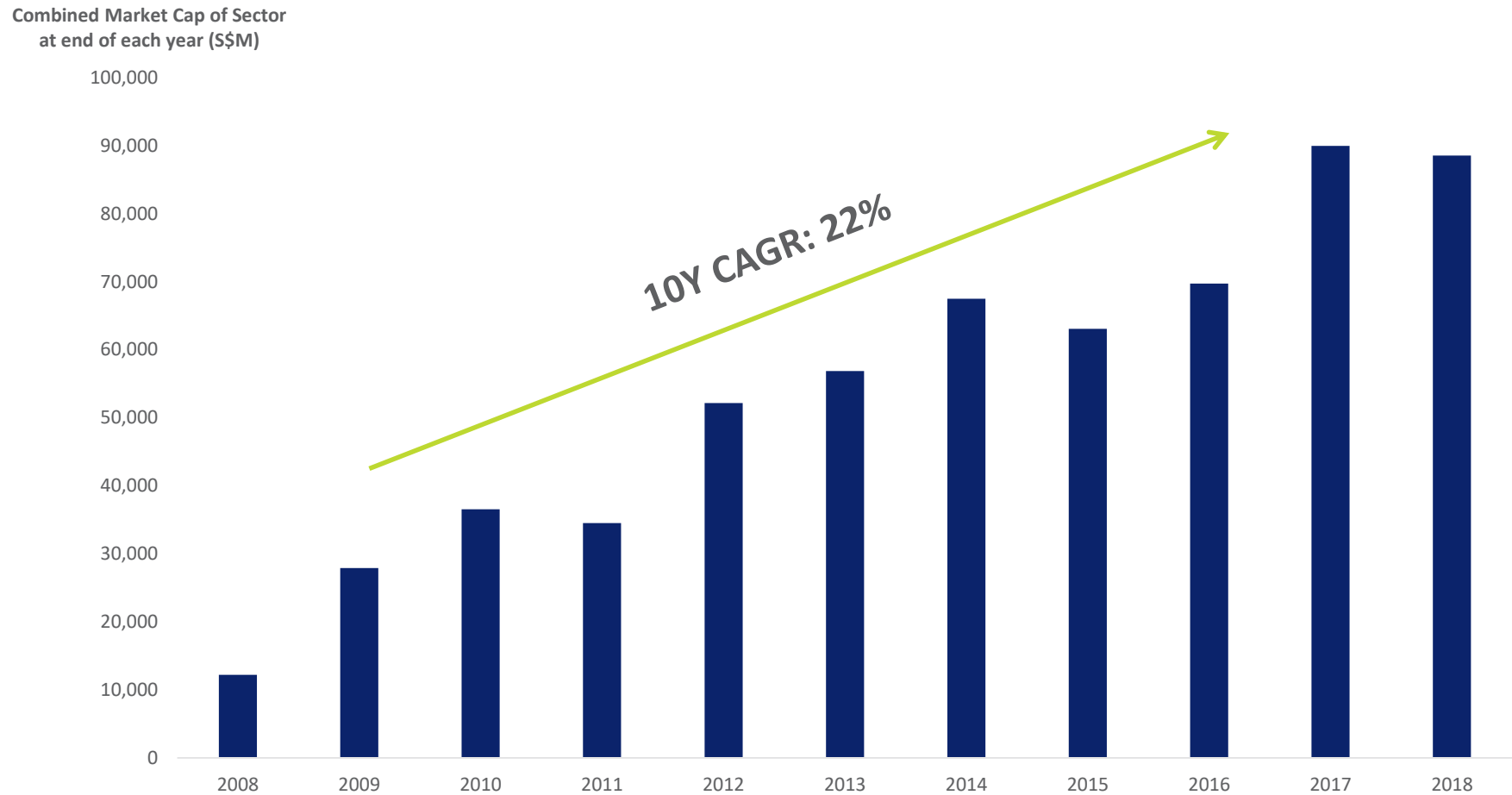


Source: Bloomberg, SGX, data as of 31 May 2019.

Sub-segments based on REITAS's classification, [for more](#).

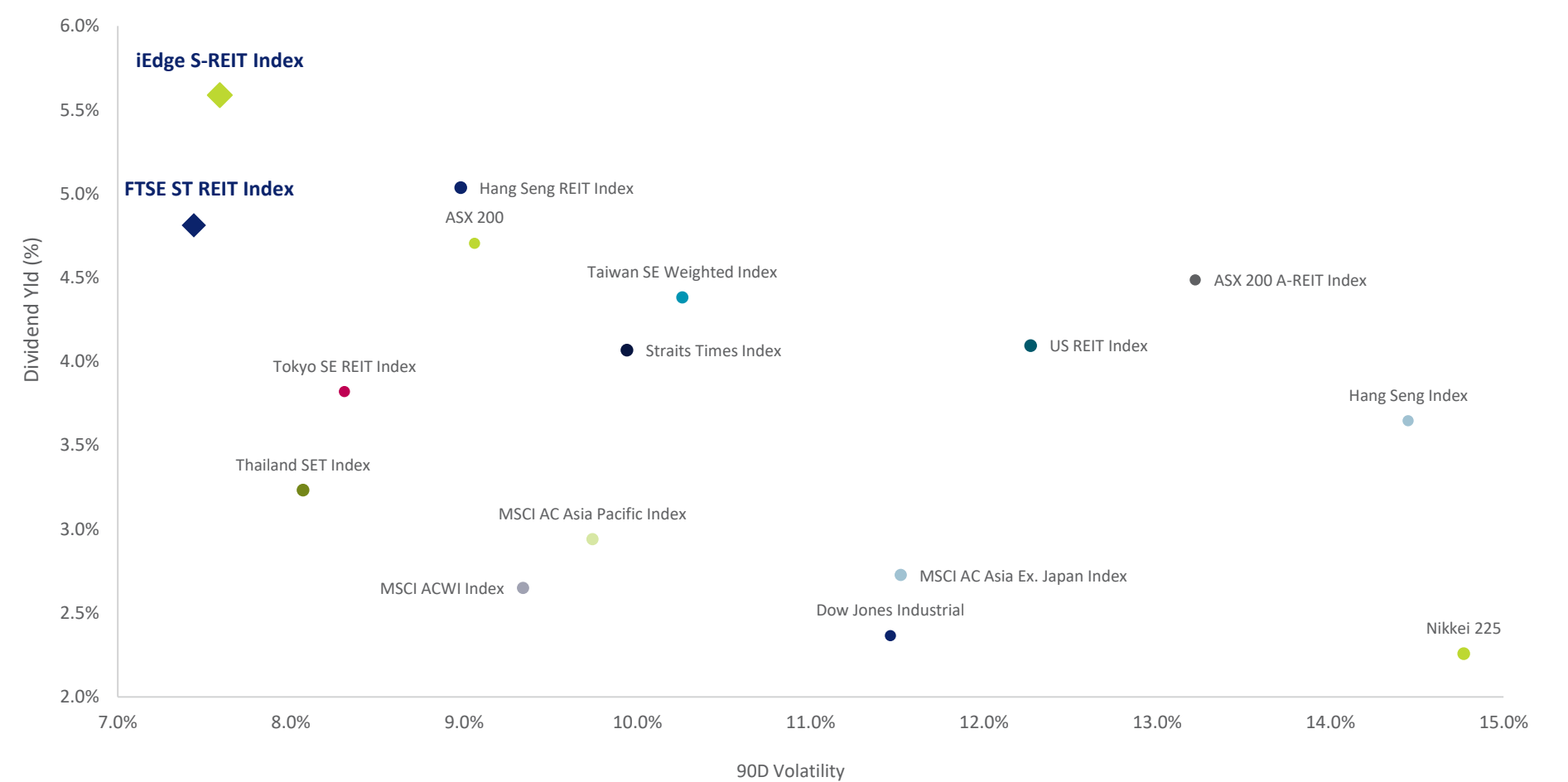
Note: RHT Health Trust is a cash trust, its dividend yield is not included in the calculation under Health Care REITs.

# SGX's SREITs & Property Trusts cluster has grown at a CAGR of 22% across 10 years



Source: Bloomberg, SGX, data as of 31 May 2019

# SREITs Offer One of the Highest Dividend Yields and Lower Volatility



Source: Bloomberg, SGX, data as of 31 May 2019

## Major REIT Indices Performance

Name	7D	30D	YTD	1YR	Dividend Yield (%)
FTSE ST REIT Index	-0.2	0.2	13.4	13.3	4.8
iEdge S-REIT Index	-0.2	0.3	14.4	15.2	5.6
ASX 200 A-REIT Index	-2.8	2.4	14.7	17.0	4.5
Hang Seng REIT Index	-3.0	-0.7	14.3	14.3	5.0
MSCI US REIT Index	-1.8	-0.1	16.3	14.6	4.1
Tokyo SE REIT Index	-1.3	1.7	9.7	15.1	3.8

## Asia Pacific Equity Indices Performance

Name	7D	30D	YTD	1YR	Dividend Yield (%)
FTSE Straits Times Index	-1.6	-7.0	3.7	-5.4	4.1
ASX 200 Index	-0.9	1.1	16.2	12.6	4.7
FTSE Bursa Malaysia KLCI Index	3.3	1.0	-0.9	-1.8	3.4
Hang Seng China Enterprises Index	-0.1	-9.1	3.6	-9.5	3.9
Hang Seng Index	-1.4	-8.4	5.7	-8.2	3.6
Jakarta SE Composite Index	2.8	-2.6	1.7	6.1	2.3
Korea SE KOSPI Index	-0.2	-7.3	0.2	-13.8	2.3
Nikkei 225 Index	-2.4	-7.4	4.0	-5.2	2.3
Shanghai SE Composite Index	1.8	-5.6	16.6	-4.1	2.4
Shenzhen SE Composite Index	2.6	-6.1	21.4	-12.3	1.3
Stock Exchange of Thailand SET Index	0.4	-2.8	5.6	-3.2	3.2
Taiwan SE Weighted Index	1.6	-4.3	7.9	0.4	4.4

Based on Total Return unless otherwise stated  
Source: Bloomberg, SGX, data as of 31 May 2019

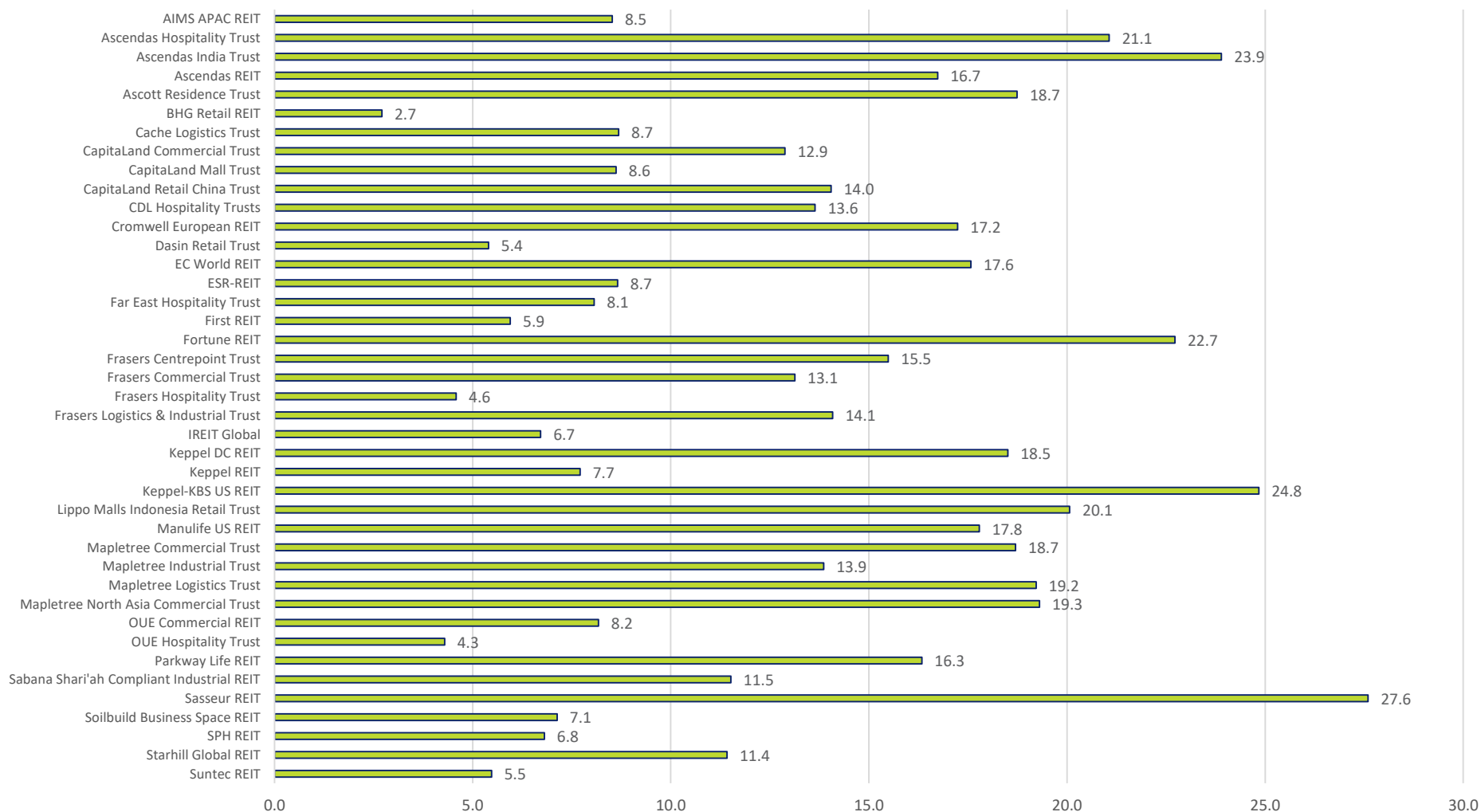
# Monthly Total Returns – May 2019



Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.

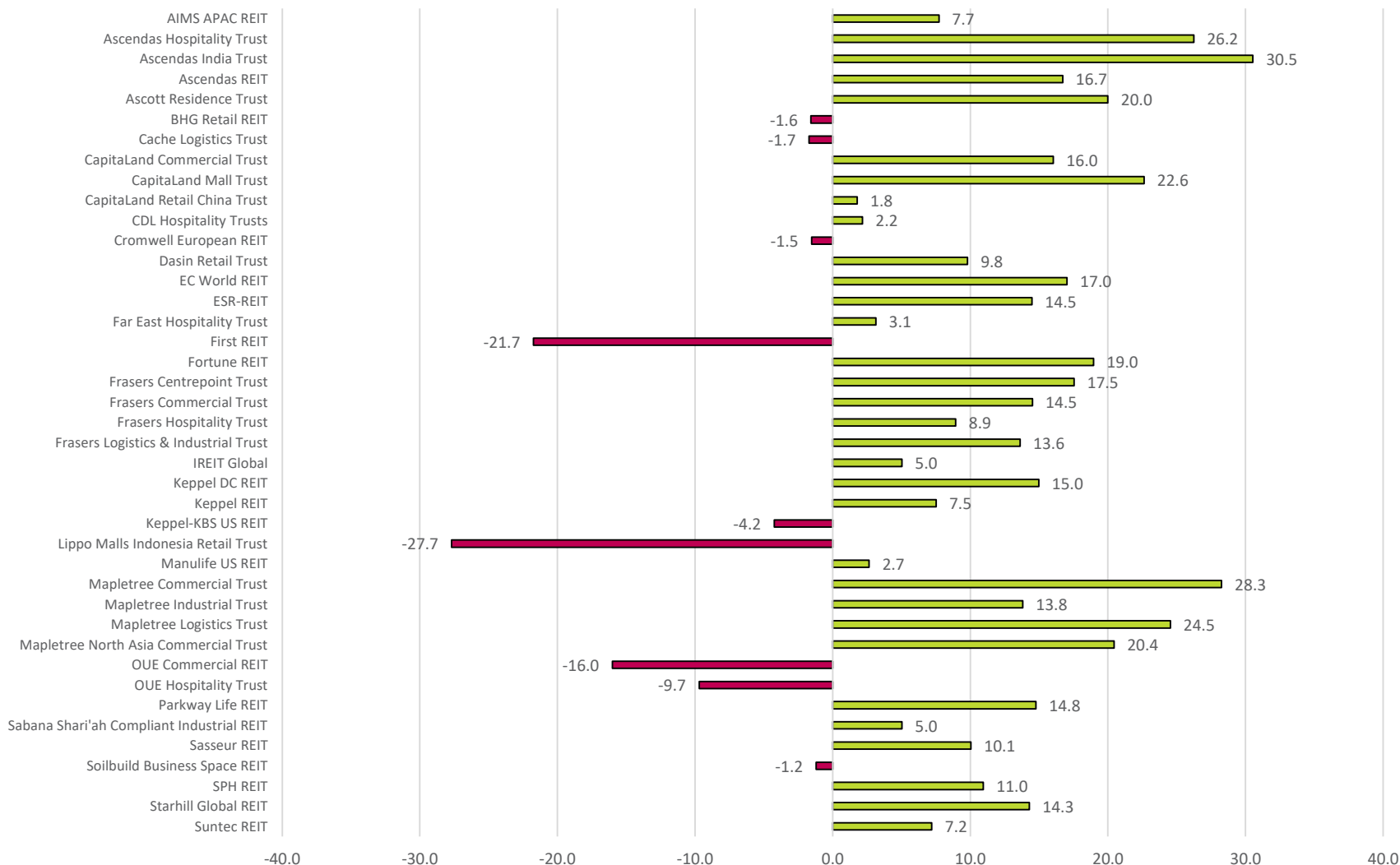
# Year-To-Date Total Returns – 5M 2019



Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.

# 1 Year Total Returns

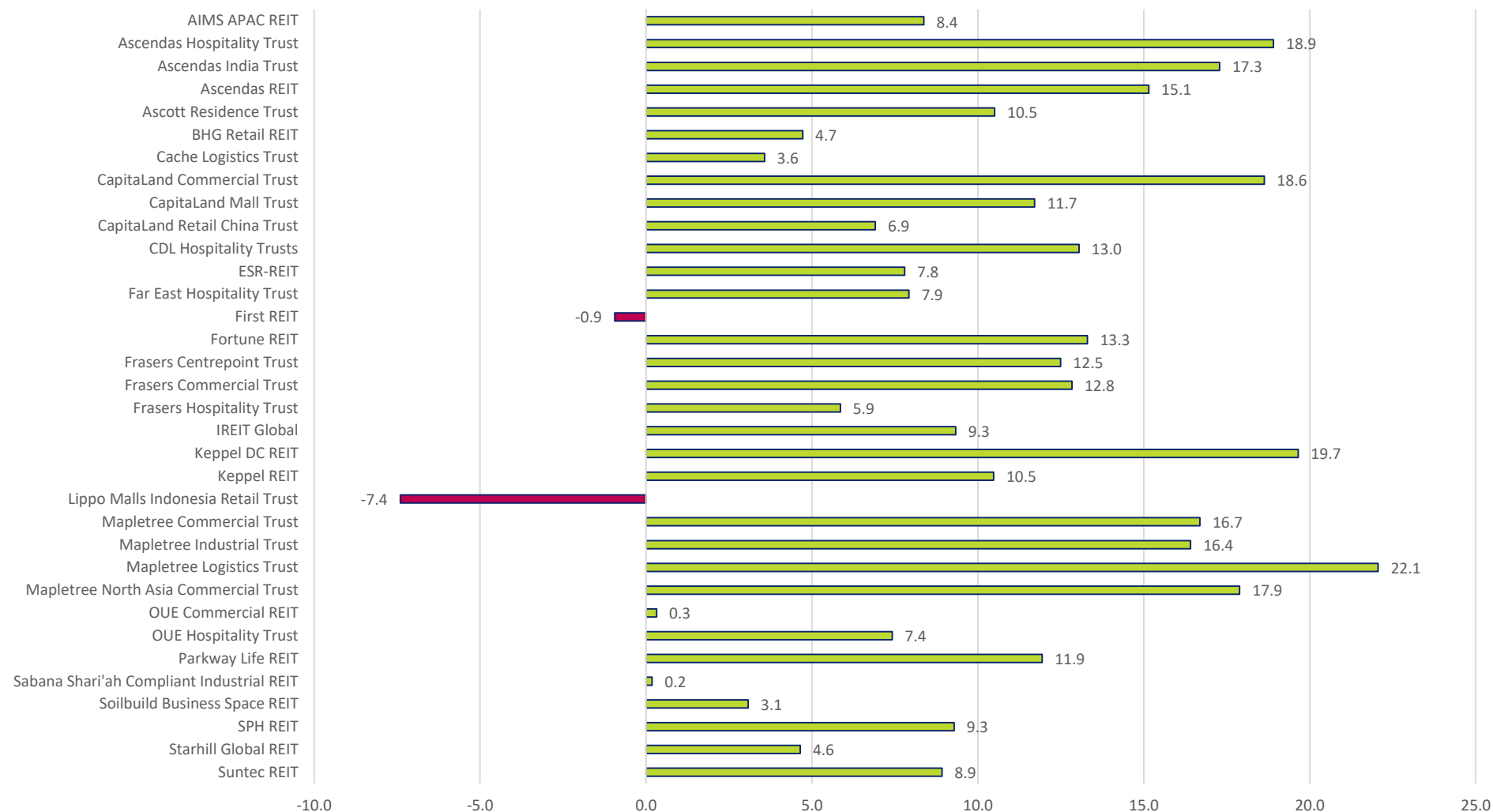


Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.



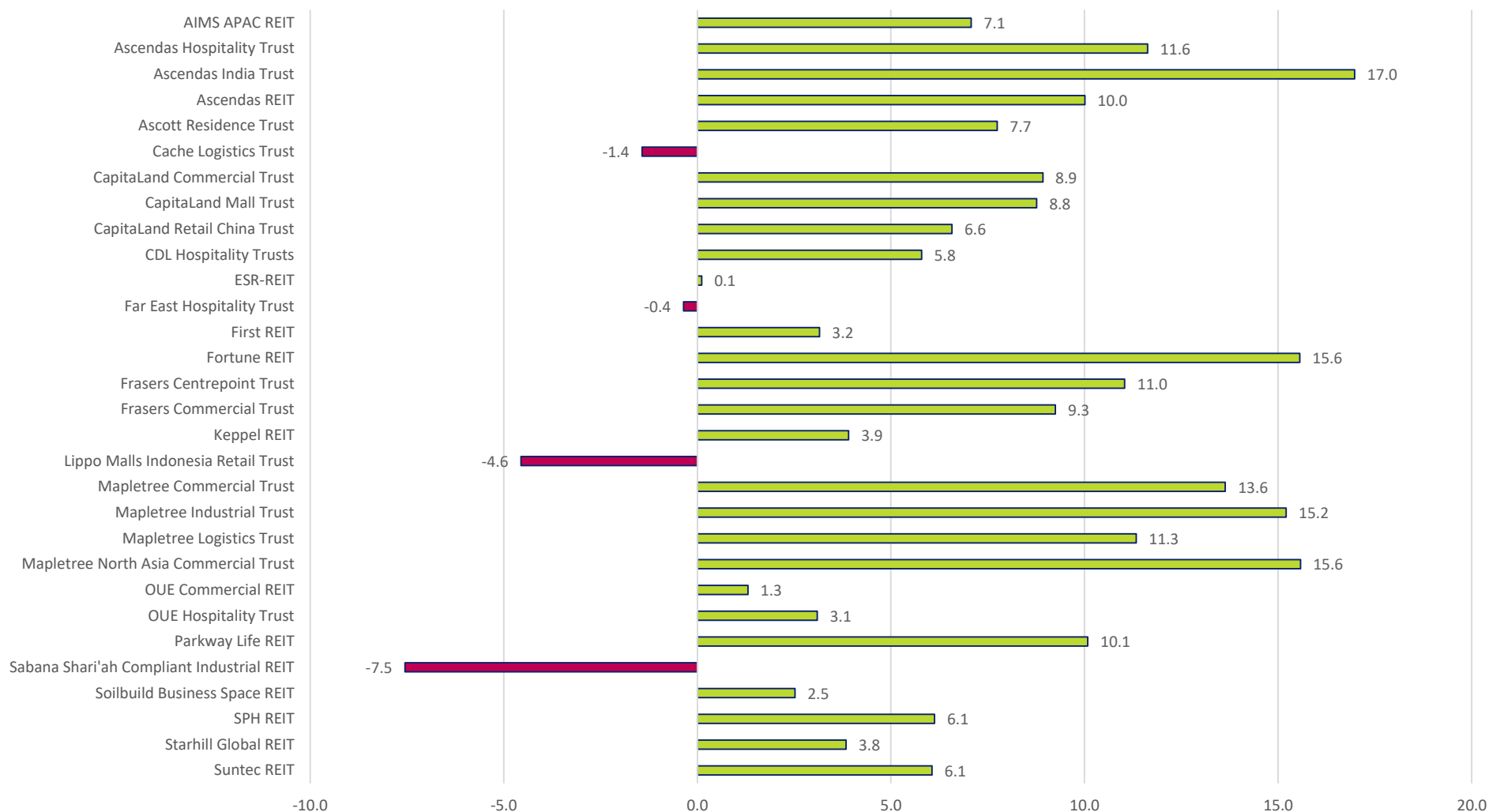
# 3 Year Annualised Total Returns



Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.

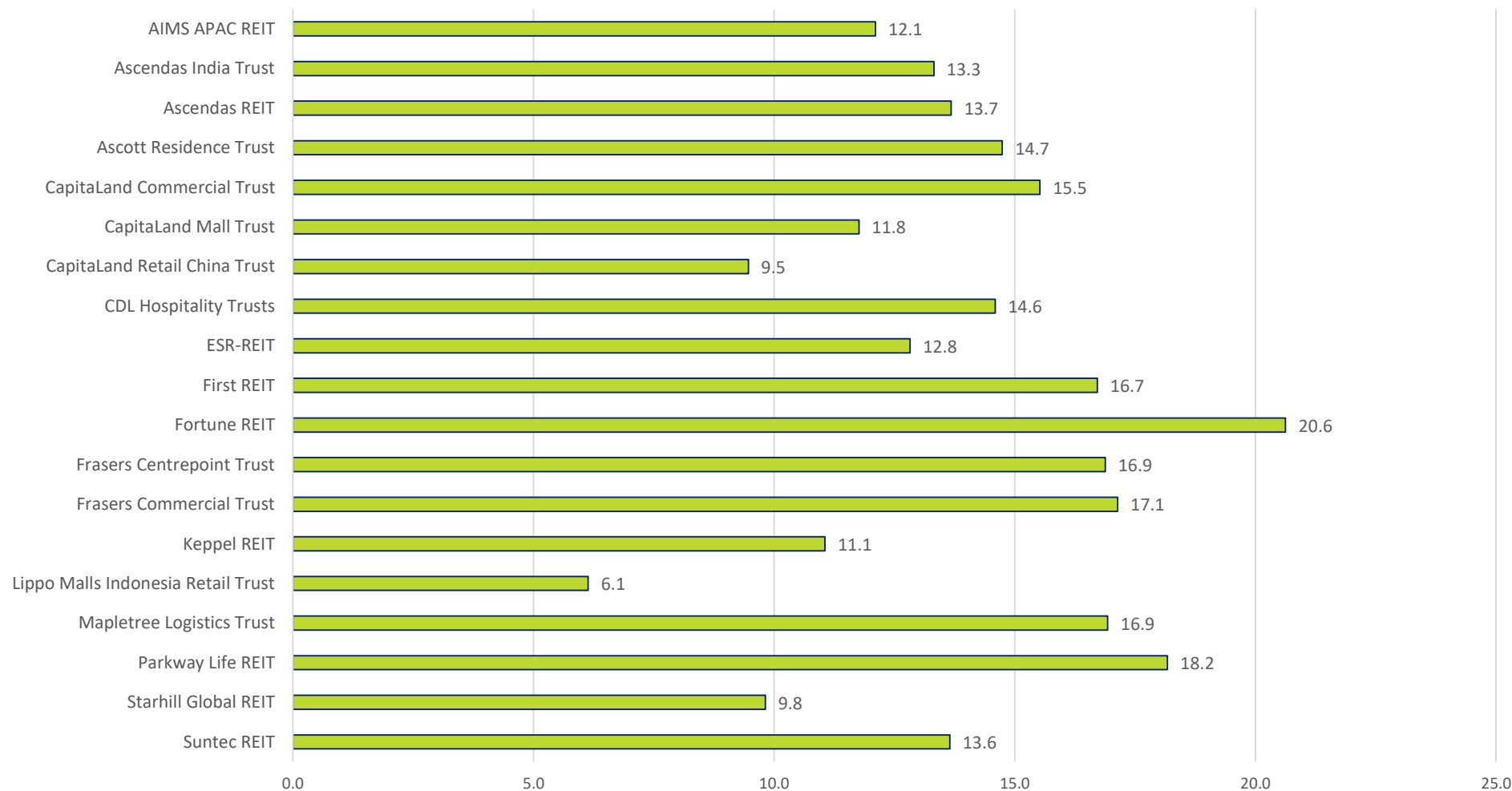
# 5 Year Annualised Total Returns



Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.

# 10 Year Annualised Total Returns



Source: Bloomberg, SGX, data as of 31 May 2019. Based on Total Returns (%).

Trusts which listed within the period are not included. RHT Health Trust is excluded as it has divested its portfolio on 15 Jan 19 and is now a cash trust.

## Key Statistics for 44 SREITs & Property Trusts

Name	Stock code	Type of Property Sub-segment	Market Cap (\$M)	Div Yield (%)	1yr Avg Daily Turnover (\$\$,000)	Debt/Asset (%)	P/B	Geographical breakdown by portfolio value (Source: Latest company info)
ARA US HOSPITALITY TRUST^#	XZL	Hospitality	673	8.0 <sup>1</sup>	1,779	35.9	N/A	100% US
AIMS APAC REIT	O5RU	Industrial	981	7.3	904	33.7	1.0	84.7% Singapore, 15.3% Australia
ASCENDAS HOSPITALITY TRUST^#	Q1P	Hospitality	1,056	6.4	742	33.2	0.9	36.7% AU, 36% JP, 10.3% KR, 17% SG
ASCENDAS INDIA TRUST^	CY6U	Diversified	1,351	5.8	1,049	31.0	1.3	100% India
ASCENDAS REIT	A17U	Industrial	9,333	5.3	25,948	34.0	1.4	79% SG, AU 14%, 7% UK
ASCOTT RESIDENCE TRUST	A68U	Hospitality	2,607	6.0	3,107	35.7	1.0	27.3% EU, 20.3% SG, 12.8% JP, 12.5% US, 10% CN, 5.7% VN, 5.3% AU, 3% PH, 2.1% ID, 1% MY
BHG RETAIL REIT	BMGU	Retail	359	7.3	32	32.5	0.8	100% China
CACHE LOGISTICS TRUST	K2LU	Industrial	819	7.8	1,711	37.4	1.0	71% Singapore, 29% Australia
CAPITALAND COMMERCIAL TRUST	C61U	Office	7,273	4.5	20,668	35.2	1.1	95% Singapore, 5% Germany
CAPITALAND MALL TRUST	C38U	Retail	8,926	4.8	23,663	34.4	1.2	100% Singapore
CAPITALAND RETAIL CHINA TRUST	AU8U	Retail	1,508	6.8	1,944	35.5	1.0	100% China
CDL HOSPITALITY TRUSTS^#	J85	Hospitality	1,930	5.8	3,186	35.2	1.1	62.5% SG, 16.2% EU, 13% Oceania, 8.3% others
CROMWELL EUROPEAN REIT	CNNU	Diversified	1,641	7.9	1,317	32.6	1.0	100% Europe
DASIN RETAIL TRUST^	CEDU	Retail	492	8.2	254	31.9	0.6	100% China
EAGLE HOSPITALITY TRUST^#	LIW	Hospitality	836	8.2 <sup>2</sup>	6,970	38.0	0.8	100% US
EC WORLD REIT	BWCU	Industrial	623	7.9	251	31.3	0.9	100% China
ESR-REIT	J91U	Industrial	1,682	7.2	1,109	42.0	1.2	100% Singapore
FAR EAST HOSPITALITY TRUST^#	Q5T	Hospitality	1,256	6.0	1,178	39.9	0.8	100% Singapore
FIRST REIT	AW9U	Health Care	769	8.8	1,354	34.5	1.0	96.8% ID, 2.6% SG, 0.6% KR
FORTUNE REIT	F25U	Retail	3,408	5.0	134	20.8	0.6	100% Hong Kong
FRASERS CENTREPOINT TRUST	J69U	Retail	2,221	5.1	2,359	28.8	1.1	100% Singapore
FRASERS COMMERCIAL TRUST	ND8U	Office	1,336	6.5	2,184	29.1	0.9	54% SG, 39% AU, 7% UK
FRASERS HOSPITALITY TRUST^#	ACV	Hospitality	1,443	6.3	773	34.1	1.0	35% SG, 33% AU, 14% UK, 8% JP, 6% MY, 4% GER

Source: Company Data, Bloomberg, SGX, as of 30 Apr 2019

Name	Stock code	Type of Property Sub-segment	Market Cap (S\$M)	Div Yield (%)	1yr Avg Daily Turnover (S\$,000)	Debt/Asset (%)	P/B	Geographical breakdown by portfolio value (Source: Latest company info)
FRASERS LOGISTICS & INDUSTRIAL TRUST	BUOU	Industrial	2,389	6.7	5,309	35.1	1.3	67% Australia, 33% Europe
IREIT GLOBAL	UD1U	Office	488	7.5	224	38.0	1.0	100% Germany
KEPPEL DC REIT	AJBU	Specialized	2,041	4.7	3,928	32.5	1.4	51% SG, 15% AU, 32.6% EU, 1.4% MY
KEPPEL REIT	K71U	Office	4,151	4.5	6,482	35.7	0.9	83% Singapore, 17% Australia
KEPPEL-KBS US REIT	CMOU	Office	831	8.1	788	38.1	0.9	100% United States
LIPPO MALLS INDONESIA RETAIL TRUST	D5IU	Retail	622	8.8	1,438	33.9	0.7	100% Indonesia
MANULIFE US REIT	BTOU	Office	1,516	6.4	1,829	37.6	1.0	100% United States
MAPLETREE COMMERCIAL TRUST	N2IU	Diversified	5,577	4.7	9,757	33.1	1.3	100% Singapore
MAPLETREE INDUSTRIAL TRUST	ME8U	Industrial	4,163	5.9	6,850	33.8	1.4	90.3% SG, 9.7% US
MAPLETREE LOGISTICS TRUST	M44U	Industrial	5,361	5.4	10,567	37.7	1.3	32.1% SG, 30% HK, 12.1% JP, 8.1% CN, 8.3% AU, 5.9% KR, 2.8% MY, 0.7% VN
MAPLETREE NORTH ASIA COMMERCIAL TRUST	RW0U	Diversified	4,316	5.5	6,943	36.6	1.0	64% HK, 25% CN, 11% JP
OUE COMMERCIAL REIT	TS0U	Office	1,429	6.4	420	39.4	0.7	86% Singapore, 14% China
OUE HOSPITALITY TRUST^#	SK7	Hospitality	1,310	7.0	1,237	38.4	1.0	100% Singapore
PARKWAYLIFE REIT	C2PU	Health Care	1,748	4.5	1,694	36.4	1.6	62.4% SG, 37.2% JP, 0.4% MY
RHT HEALTH TRUST^*	RF1U	Health Care	15	N.M.	948	29.3	N.M.	N.A.
SABANA SHARIAH COMP IND REIT	M1GU	Industrial	437	7.3	460	33.9	0.7	100% Singapore
SASSEUR REIT	CRPU	Retail	945	7.8	670	29.2	0.8	100% China
SOILBUILD BUSINESS SPACE REIT	SV3U	Diversified	642	8.5	781	39.3	1.0	91.2% Singapore, 8.8% Australia
SPH REIT	SK6U	Retail	2,664	5.3	1,245	30.1	1.1	100% Singapore <sup>3</sup>
STARHILL GLOBAL REIT	P40U	Retail	1,658	5.9	1,870	35.7	0.8	69.5% SG, 16.2% AU, 11.6% MY, 2.7% CN & JP
SUNTEC REIT	T82U	Diversified	4,965	5.4	12,976	38.6	0.9	89% SG, 11% AU

\*RHT Health Trust divested its portfolio on 15 Jan 19, it is now considered a cash trust

<sup>1</sup>ARA US Hospitality Trust dividend yields are based on the IPO prospectus

<sup>2</sup>Eagle Hospitality Trust dividend yields are based on IPO prospectus

<sup>3</sup>SPH REIT Revenue breakdown by Geography not including AU Property which was acquired on 21 Dec 18

Source: Company Data, Bloomberg, SGX, as of 31 May 2019

# Denotes Stapled Trusts.

^ Denotes Property Trusts

# Thank you

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