MARKETBEAT

SINGAPORE

OFFICE Q2 2026

CUSHMAN & WAKEFIELD

CBD GRADE A OFFICE

	YOY Chg	Outlook
4.7% Vacancy Rate	▲	▼
S$11.46 Gross Effective Rent, PSF/mo	▲	▲
0.9% Rental Growth, QoQ change	▲	▲

ECONOMIC INDICATORS Q1 2026

	YOY Chg	Outlook
6.0% Real GDP Growth	▲	▼
1.5% Inflation Growth	▲	▲
2.1% Unemployment	▲	▼

Source: Ministry of Trade & Industry (MTI), Moody's Analytics

RESILIENT ECONOMIC BACKDROP

Singapore's GDP growth forecast for 2026 remains at 2.0-4.0%, following a robust 6.0% expansion in Q1 2026. Growth was supported by continued strength in the finance and insurance, information and communications, and professional services sectors. While hiring activity has moderated amid global uncertainty, low unemployment points to a resilient labour market, and still-low interest rates should support business investment. As a regional business hub and safe-haven market, the city-state remains an attractive base for multinational corporations, underpinning office demand.

TIGHT SUPPLY CONTINUES TO SUPPORT RENTS

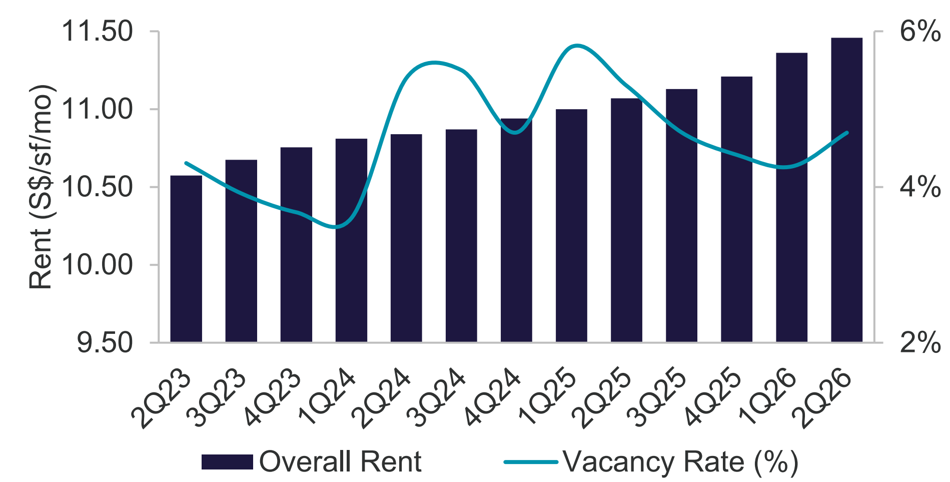
Supported by tight supply conditions, CBD Grade A office rents rose 0.9% qoq in Q2 2026, easing from 1.4% previously. A limited availability of prime space coupled with flight-to-quality demand has driven vacancy in several submarkets lower. Most notably in Marina Bay, where Grade A vacancy tightened for a fifth straight quarter to 2.1%, matching its Q3 2019 low. Nonetheless, CBD Grade A vacancy rose to 4.7% in Q2 2026 from 4.3% in the previous quarter, following the completion of Shaw Tower. Strong take-up at this new development, lifted CBD Grade A net demand to 0.3 msf in the quarter, up from 0.05 msf in Q1 2026.

GROWTH TO UNDERPIN BY TIGHTENING VACANCIES

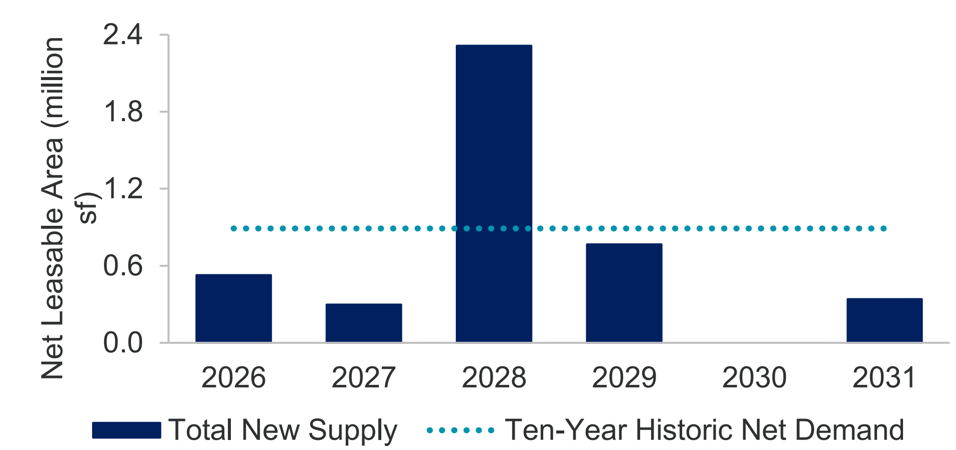
After rising 2.2% in H1 2026, CBD Grade A office rents are projected to grow 4-5% yoy for the full year, above 2025's 2.4% increase. Rental growth should remain supported by tight supply, with no major office completions in H2 2026 and only Newport Tower (0.2 msf NLA) expected in 2027. This is likely to push vacancy down to under 4% by end-2026. New CBD Grade A office supply is expected to remain below historical net demand for most years through 2031.

While financial services occupiers are expected to remain a key source of demand, AI firms are emerging as a growing occupier segment, drawn by Singapore's deep talent pool and supportive innovation ecosystem. According to media reports, several AI firms have announced plans to expand their presence in Singapore, which could contribute to future demand for premium office space.

GRADE A CBD OFFICE GROSS EFFECTIVE RENT & VACANCY RATE



GRADE A CBD OFFICE SUPPLY PIPELINE



** 2026 includes both completed and ongoing projects for the year*

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	PLANNED & UNDER CNSTR (SF)	GRADE A GROSS EFFECTIVE RENT *		
					S$/SF/MO	US$/SF/MO	EUR/SF/MO
Marina Bay	10,242,414	219,248	2.1%	0	13.21	10.20	8.95
Raffles Place	8,217,984	365,740	4.5%	360,000	11.54	8.91	7.82
Shenton Way / Tanjong Pagar	5,457,708	523,511	9.6%	1,641,000	11.02	8.51	7.47
City Hall / Marina Centre	4,899,772	157,485	3.2%	0	11.36	8.77	7.70
Orchard Road	2,981,632	52,532	1.8%	1,002,000	10.18	7.86	6.90
Bugis	2,432,930	289,467	11.9%	559,000	12.12	9.36	8.21
CBD GRADE A TOTAL	**34,232,440**	**1,607,983**	**4.7%**	**3,998,000**	**11.46**	**8.85**	**7.77**
City Fringe (All Grades)	7,897,775	200,494	2.5%	1,350,000	7.83	6.05	5.31
Suburban (All Grades)	6,610,924	182,422	2.8%	461,000	6.48	5.00	4.39

**Gross Effective Rents are after adjustments for any incentives*
US$/S$ = 1.295; €/S$ = 1.475, as of 30 June 2026

RECENT KEY LEASE TRANSACTIONS

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Asia Square Tower 1	Marina Bay	Shell	100,000	Relocation
Shaw Tower	Bugis	Allianz Insurance Singapore	78,000	Relocation
Marina One East Tower	Marina Bay	SpaceX	20,000	Expansion
Shaw Tower	Bugis	Sanofi-Aventis	18,000	Relocation
One Raffles Quay North Tower	Marina Bay	Capital International	18,000	Expansion

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	SELLER/BUYER	PRICE (S$M)
Asia Square Tower 2	Marina Bay	CapitaLand Integrated Commercial Trust / IOI Group	2,476
108 Robinson Road (3FL)	Shenton Way	PGIM Real Estate / Undisclosed	16.1

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