

MARKET FUNDAMENTALS

	YOY Chg	Outlook
\$9.1B Q3 Investment Volume (SGD)		
\$3,235 Office Capital Value (SGD/sf)		
3.50% Office Net Yield		

ECONOMIC INDICATORS
Q2 2026

	YOY Chg	Outlook
5.9% Real GDP Growth		
1.8% Inflation Growth		
2.0% Unemployment Rate		
2.1% 10-Yr Government Bond Yield		

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

INTEREST RATE TRAJECTORY TO BE CLOSELY WATCHED

Singapore recorded 5.9% yoy economic growth in Q2 2026, bringing H1 2026 growth to 6.1% yoy growth. In mid-September, the U.S. Federal Reserve raised its benchmark interest rate by 25 basis points to a target range of 3.75% to 4.00%, marking the first rate hike since 2023. The possibility of another increase later this year remains on the table. As of end-September 2026, Singapore 3M-SORA has risen slightly to 1.23%, from 1.18% at the start of the year. Historically, Singapore's interest rate environment has generally moved in tandem with the U.S. However, interest rates in Singapore have remained relatively resilient in recent quarters.

OFFICE INVESTMENT ACTIVITY COULD REBOUND IN Q4

Total investment volume fell by 41.1% qoq to \$9.1 billion (b) in Q3 2026, driven by the residential (\$5.3b), followed by industrial (\$1.7b) and mixed/others (\$1.3b) sectors. That said, 2026 is shaping up to be a record year for investment sales with volumes reaching \$44.3b for 2026 YTD (Q1-Q3 2026), or an 86.6% yoy increase compared to the same period last year.

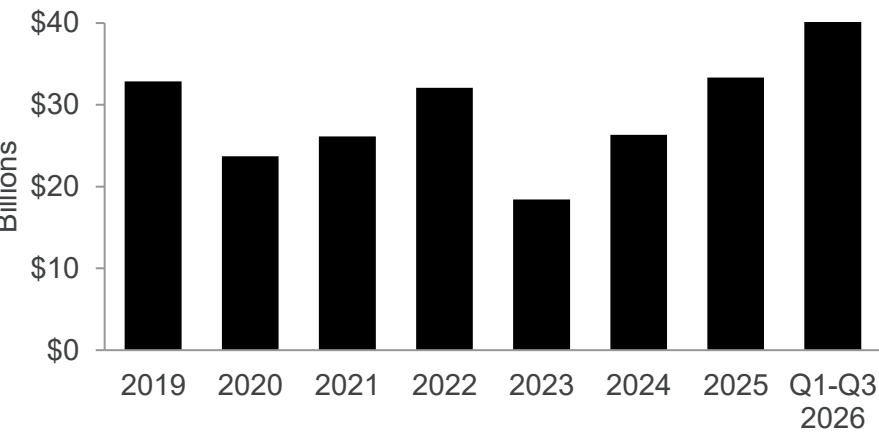
Residential investment volume rose slightly by 0.9% qoq in Q3 2026, with activity largely driven by the public market which saw the award of 5 Government Land Sales (GLS) sites. Notably, the GLS site at Lorong Puntong / Sin Ming Avenue was sold at \$1,612 psf ppr, surpassing expectations and setting a new record price for a residential-zoned site in the Rest of Central Region (RCR).

The mixed/others sector's investment volume more than doubled (191.6% qoq increase) in Q3 2026, led by the sales of Wheelock Place (\$1.1b) and Cuppage Terrace (\$175m).

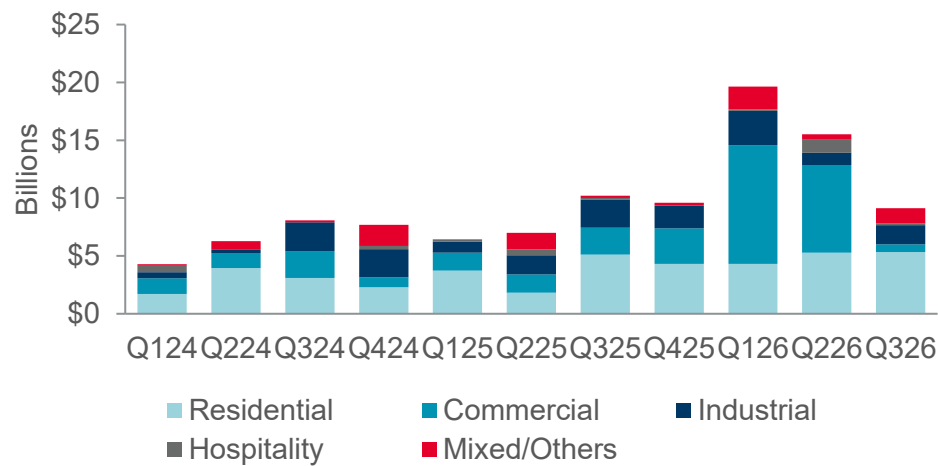
Commercial investment activity was dominated by the sales of several big-ticket retail assets, including Scotts Square (\$310m) and Rivervale Mall (\$276m). While office investment activity dipped in Q3 2026, office volumes could rebound in Q4 2026 if major assets currently on the market, including Marina One, Frasers Tower (50% stake), 30 Raffles Place, and Lazada One, materialize.

In a higher-for-longer global interest rate environment, investors are increasingly focused on income-driven returns rather than cap rate compression. This has been reflected by investment sales in 2026 where well-located assets with visible recurring cash flows and/or potential rental upside have attracted strong investor interest.

INVESTMENT SALES VOLUME



INVESTMENT SALES VOLUME BY SECTOR



INVESTMENT ACTIVITY

PROPERTY TYPE	PUBLIC VOLUME (SGD MILLIONS)	PRIVATE VOLUME (SGD MILLIONS)	TOTAL VOLUME (SGD MILLIONS)	Q-O-Q CHANGE (%)
Residential	4,373.6	949.8	5,323.3	0.9%
Commercial	0.0	664.6	664.6	-91.2%
Industrial	882.1	786.2	1,668.3	59.0%
Hospitality	0.0	134.0	134.0	-88.2%
Mixed/Others*	0.0	1,338.6	1,338.6	191.6%
TOTAL	5,255.6	3,873.2	9,128.8	-41.1%

Note: Figures may not tally precisely due to rounding
**Mixed/Others typically include shophouses and mixed-use developments*

SIGNIFICANT SALES*

PROPERTY NAME	TYPE	BUYER	SELLER	PURCHASE PRICE (\$\$ MILLION)	SUBMARKET
Wheelock Place	Mixed/Others	QIA, Hongkong Land, APG Group	Wharf REIC	1,110.5	Orchard
Scotts Square	Commercial	RB Capital, Royal Group	Wharf REIC	310.0	Orchard
Rivervale Mall	Commercial	Master Contract Services	SC Capital Partners	276.0	Sengkang
Kim Chuan Telecommunications Complex	Industrial	Private local investor	CapitaLand Ascendas REIT	200.4	Hougang
Cuppage Terrace	Mixed/Others	Frasers Property	Royal Group	175.0	Orchard

Sources: Real Capital Analytics, Cushman & Wakefield Research
**Significant transactions over \$10 million*

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