

Better than expected performance

1Q 2026 at a glance

			QoQ change	YoY change
Investment		Total sales: S\$15.6 billion	▲ 14.3%	▲ 175.6%
		Top 5 private deals: S\$8.6 billion	▲ 20.0%	▲ 139.3%
Office		CBD Grade A rents: S\$9.80 psf	■ 0.0%	■ 0.0%
		Supply pipeline NLA: 6.0 million sq ft (2026 – 2030)		
Industrial		First-storey multiple-user factory rents: S\$2.11 psf	▲ 0.25%	▲ 0.75%
		Supply pipeline NLA: 38.1 million sq ft (2026 – 2030)		
Retail		Orchard/Scotts Road first-storey rents: S\$41.95 psf	▲ 0.25%	▲ 1.6%
		Supply pipeline NLA: 2.70 million sq ft (2026 – 2030)		
Residential		Price index: 218.3	▲ 0.9%	▲ 3.4%
		Volume of rental transactions: 20,862 units	▲ 4.0%	▼ -0.6%

Key highlights

Investment

Singapore's investment sales activity strengthened in 1Q 2026 to S\$15.6 billion. This was driven by large deals that took place across both private and public sectors, as well as easing interest rates and currency stability. Eight Government Land Sales were awarded, showing strong developer interest and market confidence.

Office

Office rents in the Central Region declined marginally by 0.2% QoQ in 1Q 2026, reversing the 0.4% increase in 4Q 2025. Island-wide occupancy dipped marginally to 95.0%, with a negative net absorption of 282,663 sq ft of Net Lettable Area (NLA). Total available shadow space decreased by 2.3% to 422,000 sq ft NLA, due to a reduction of around 25,000 sq ft NLA in the CBD area.

Industrial

Industrial property prices grew at a slower pace in 1Q 2026, led by multiple-user factories which posted a quarterly increase of 1.7%, while prices of single-user factories declined marginally. Overall occupancy rose to 88.9% in 1Q 2026. Overall industrial rents rose marginally with all segments recording positive QoQ rental growth.

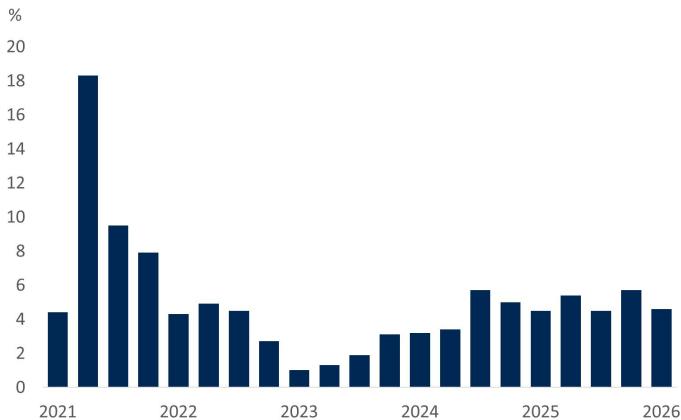
Retail

International visitor arrivals rose 9.8% to 4.4 million in 1Q 2026 and is projected to reach 17.0 to 18.0 million for the full year. Island-wide retail occupancy held steady, despite several high-profile store closures as vacancies backfilled quickly by new and existing brands opening outlets. Occupancy in Fringe / Suburban Areas increased marginally to 94.3% in 1Q2026.

Residential

Private home prices rose at a faster pace in 1Q 2026, although sales activity softened. Private home sales volume dipped for a second consecutive quarter to 5,413 units in 1Q 2026, due to fewer new project launches. Rental prices rebounded marginally from a 0.5% QoQ drop in 4Q 2025 to a 0.3% increase in 1Q 2026.

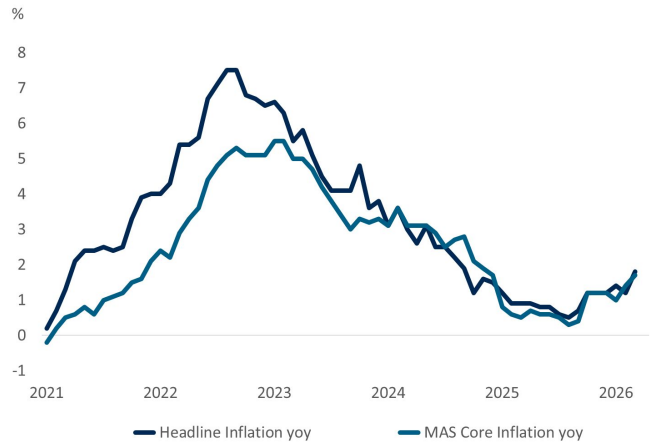
GDP growth



Source: MTI, Realion (OrangeTee & ETC) Research

Singapore's economy grew 4.6% YoY in 1Q 2026, moderating from the 5.7% YoY increase recorded in 4Q 2025. While GDP growth remained resilient in 1Q 2025, economic activity may be impacted by the Middle East conflict in the upcoming months.

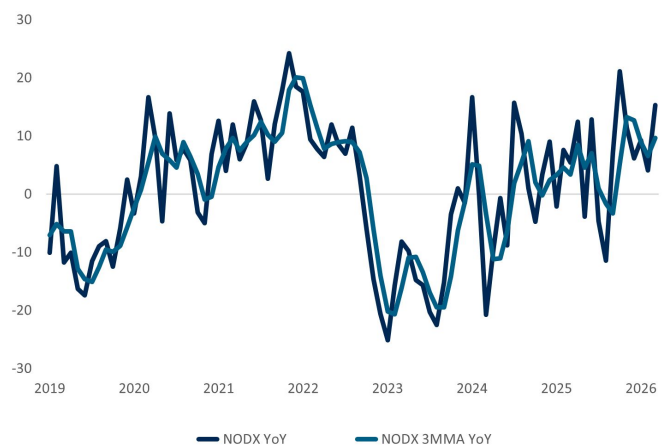
Inflation



Source: SingStat, MAS, Realion (OrangeTee & ETC) Research

Core inflation rate rose to 1.7% in March 2026 from 1.2% in December 2025. This was attributed to higher inflation in retail and other goods and services. According to MAS, Singapore's imported cost pressures are expected to pick up over the coming months due to Middle East conflict and disruption to global oil supply, with core and overall inflation projected to average around 1.5% to 2.5% in 2026.

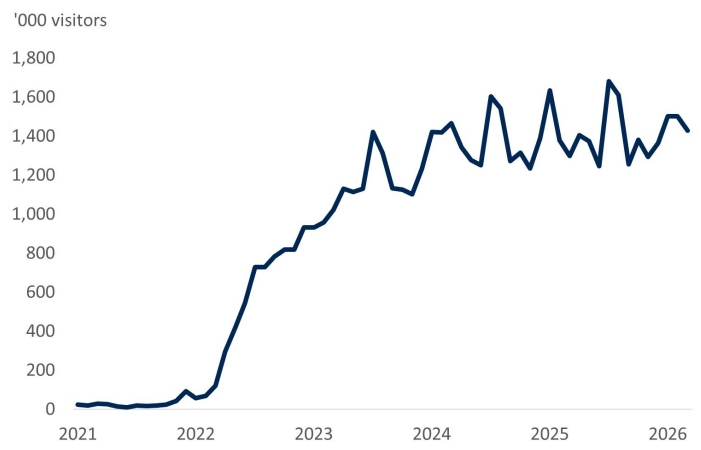
Non-oil domestic exports



Source: SingStat, Realion (OrangeTee & ETC) Research

Non-oil domestic exports (NODX) (3MMA YoY) rose by 9.6% in March 2026, slower than the 12.7% growth recorded in December 2025. According to Enterprise SG, the growth was driven by electronics, supported by strong demand for AI-related hardware, while non-electronics declined.

International visitor arrivals



Source: SingStat, Realion (OrangeTee & ETC) Research

According to the Singapore Tourism Board (STB), international visitor arrivals picked up in 1Q 2026 to 4.4 million tourists. For the whole of 2026, total international visitor arrivals are projected to reach 17 to 18 million, and tourism receipts are expected to hit a new record range of approximately S\$31.0 to S\$32.5 billion.

Investment | Strong start to 2026

- In 1Q 2026, total investment sales in Singapore reached S\$15.6 billion, marking a 14.3% QoQ increase from S\$13.7 billion in 4Q 2025. Investment sales momentum was driven by large deals that took place across both private and public sectors.
- Eight Government Land Sales sites were awarded in 1Q 2026, totalling S\$4.9 billion. Major sites sold in the quarter include the mixed-use site at Hougang Central, the residential site at Dover Drive, and another residential site at Tanjong Rhu Road, highlighting strong developer interest for well-located sites near key amenities.
- In the private segment, the office sector contributed to the bulk of investment activity. The injection of Asia Square Tower 1, valued at S\$4.1 billion, from Qatar Investment Authority to Singapore Central Private Real Estate Fund, was the largest deal in 1Q 2026. Allgreen Properties and Kuok (Singapore) also acquired 78 Shenton Way, estimated at around S\$600 million to S\$630 million.
- In the retail sector, major deals include the acquisition of Bukit Panjang Plaza for S\$428 million by Hines, and a portfolio of 11 retail assets that were sold for S\$281 million to Altallo Asset Management.

- In the industrial sector, the public listing of UI Boustead REIT contributed to S\$1.36 billion in deal value. Other major acquisitions included CapitaLand Ascendas REIT's purchase of industrial assets at 25 Loyang Crescent and a 50% stake of Ascent, a business park asset at Science Park.
- Two collective sales were recorded in 1Q 2026; namely, the sale of the rear block of The Centrepoint at S\$391.9 million and the industrial property Kewalram House at S\$120.5 million.

Outlook

- The low-interest rate environment in Singapore is expected to keep investment sales activity strong. Although caution may arise due to the recent Middle East conflict and resulting global uncertainty, some investors are still actively looking out for well-performing assets.
- The relative stability of the Singapore economy and strength of the Singapore dollar will continue to draw investors. With several major deals already occurring at the start of the second quarter of 2026, momentum in the investment sales market is expected to be sustained, unless the Middle East situation worsens.

Figure 1: Investment sales sectoral contribution (%)

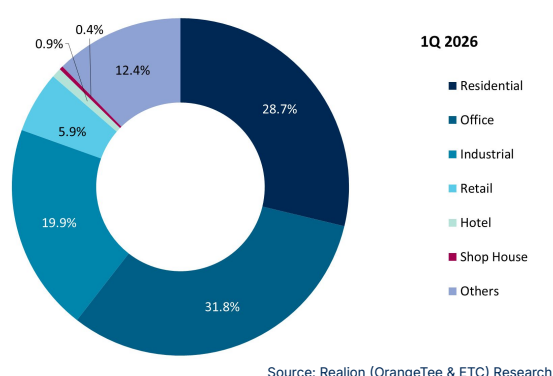
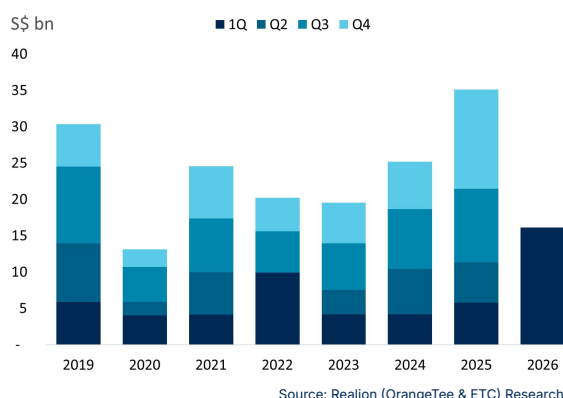


Table 1: Selected private investment sales transaction 1Q 2026

Development	Purchase Price	Purchaser	Seller
	S\$ million		
Retail			
Bukit Panjang Plaza	428.0	Hines	CapitaLand Integrated Commercial Trust (CICT)
Portfolio of 11 Retail Units	281.0	Altallo Asset Management	Mercatus Co-operative Limited
Office			
Asia Square Tower 1	4,100.0	Singapore Central Private Real Estate Fund	Qatar Investment Authority
78 Shenton Way	600.0 - 630.0	Allgreen Properties & Kuok (Singapore)	PGIM Real Estate
Industrial			
25 Loyang Crescent	455.0	CapitaLand Ascendas REIT	Toll Group

Source: Realion (OrangeTee & ETC) Research

Figure 2: Investment sales (S\$ billion)



Office | Sustained flight-to-quality demand

- Office rents in the Central Region have remained relatively stable during the first quarter of 2026. Based on URA's Central Region rental index, rents declined by 0.2% QoQ in 1Q 2026, reversing the 0.4% increase in 4Q 2025. However, certain locales in the central area experienced marginal rental growth.
- Island-wide occupancy rates remained consistent with a slight decrease to 95.0% in 1Q 2026 from 95.1% in 4Q 2025. This was accompanied by a negative net absorption of 46,000 sq ft NLA. A key driver contributing to the tight occupancy levels was the 'flight-to-quality' movements, where tenants increasingly favoured newer and better quality spaces. As a result, strong occupancy rates were observed for the majority of premium offices in the Central Region, reaching at least 97.0% in the reviewed quarter.
- In contrast, non-CBD areas of the Central Region recorded a slight increase in occupancy to 97.2% in 1Q 2026, supported by a positive net absorption of 40,000 sq ft NLA. Decentralised areas experienced a decline in occupancy, easing to 93.7%. This reversed the previous quarter's increase.
- Office shadow spaces fell by 2.3% in 1Q 2026, dipping to approximately 422,000 sq ft NLA. This decline was primarily contributed by a reduction of around 25,000 sq ft NLA in available shadow spaces in Shenton Way/Anson Road and Marina Centre areas, which reinforces the growing preference for CBD office spaces.

Outlook

- Demand for higher-grade office space is expected to remain stable, buoyed by a lower interest rate environment that continues to underpin investment activity. Additionally, occupiers are expected to prioritise newer, higher-specification buildings to enhance workplace quality and corporate positioning, sustaining the flight-to-quality movements.
- On the supply side, new completions are anticipated to be highly limited, with Shaw Tower being the only major addition expected in 2Q 2026. The tight supply pipeline is likely to shift rental pricing power towards landlords, supporting a gradual uptick in rents throughout the year.

Figure 3: CBD premium and grade A office net absorption

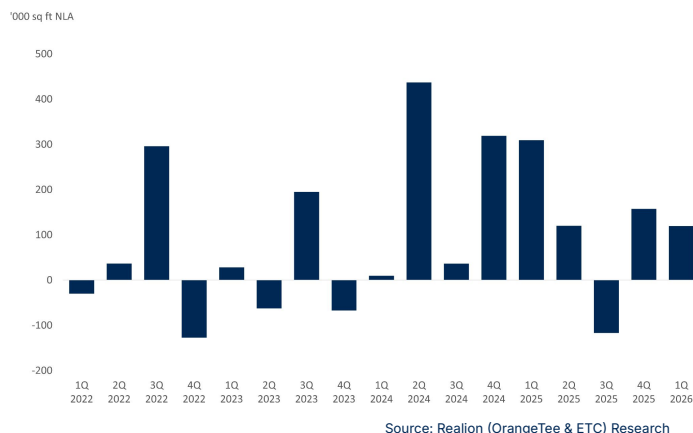


Table 2: Selected CBD micro-market rents

Selected CBD micro-markets	4Q 2025 psf	1Q 2026 psf	QoQ	Occupancy Rate
Marina Bay (Premium)	S\$13.00	S\$13.05	0.5%	97.3%
Raffles Place (Grade A)	S\$10.55	S\$10.55	0.0%	93.3%
Shenton Way/Robinson Road/Tanjong Pagar (Grade A)	S\$9.00	S\$9.00	0.0%	86.7%

Source: Realion (OrangeTee & ETC) Research

Figure 4: Shadow space (NLA)

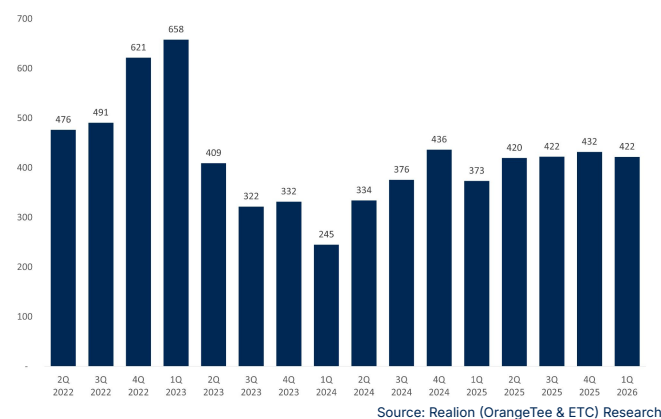


Table 3: Selected office supply pipeline

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Shaw Tower Redevelopment	381	381
2027	Newport Tower	263	263
	Solitaire on Cecil	173	1,927
2028	The Skywaters	701	1,283
	Clifford Centre Redevelopment	409	

Source: Realion (OrangeTee & ETC) Research

Industrial | Expansion despite Middle East conflicts

- The manufacturing sector continued to expand in 1Q 2026 amid the Middle East conflict. Based on data from SIPMM, Singapore's PMI rose marginally by 0.2 points to 50.5 in March 2026, from 50.3 in December 2025. March marks the eighth consecutive month of the manufacturing sector in expansionary territory, indicating steady manufacturing growth. Electronics PMI rose to 51.4 in March 2026 from 50.9 in December 2025, marking the 10th successive month of expansion. The sustained growth is largely driven by global AI-related tailwinds and demand for semiconductors, AI hardware, and data centre components.
- Overall industrial rents rose marginally in 1Q 2026, as the JTC all industrial rental index climbed by 0.4% QoQ to 113.2 in 1Q 2026, easing from the 0.5% quarterly growth in 4Q 2025. All industrial segments recorded positive quarterly rental growth, led by single-user factories which saw a 1% QoQ increase. Industrial rental volume declined for the third straight quarter by 3.4% QoQ to 2,964 units in 1Q 2026.
- Industrial property prices grew at a slower pace in 1Q 2026. The JTC price index for all industrial properties rose by 1.2% QoQ in 1Q 2026, easing from the 1.4% QoQ growth recorded in 4Q 2025. The price growth was driven by multiple-user factories, which posted a quarterly increase of 1.7%. In contrast, prices of single-user factories declined marginally by 0.1%. According to URA Realis caveat data, 386 industrial properties were transacted in 1Q 2026, a 16.1% decrease from the 460 transactions in 4Q 2025.

- Overall occupancy for all industrial space rose to 88.9% in 1Q 2026, up by 0.2 percentage points (pp) from 88.7% in 4Q 2025. The slight uptick in overall occupancy rate was mainly attributed to the increase in occupier demand for multiple- and single-user factory spaces. Corresponding occupancy levels rose by 0.3 pp and 0.4 pp in 1Q 2026, as businesses moved into developments that were completed towards the end of 2025. In contrast, the business park and warehouse segments both registered a 0.4 pp QoQ decrease in occupancy to 76.7% and 89.4%, respectively.
- In 1Q 2026, around 1.4 million sq ft GFA was added to the total industrial stock. Key completions include Smart Food @ Mandai and Stellar@Tampines. Based on planning approvals as of March 2025, around 8 million sq ft GFA of industrial space is expected to be completed over the next three quarters of this year.

Outlook

- Looking ahead, the Middle East conflict could lead to a surge in energy prices, driving up production and logistic costs which could apply some supply pressures to the manufacturing sector. The electronics segment is expected to remain resilient due to investment from the Economic Development Board (EDB). With macroeconomic and geopolitical uncertainties, occupiers could be more cautious in selecting industrial spaces to rent. We expect overall industrial rents to grow at a steady pace of 1 to 3% in 2026.

Figure 5: Manufacturing & Electronics PMI

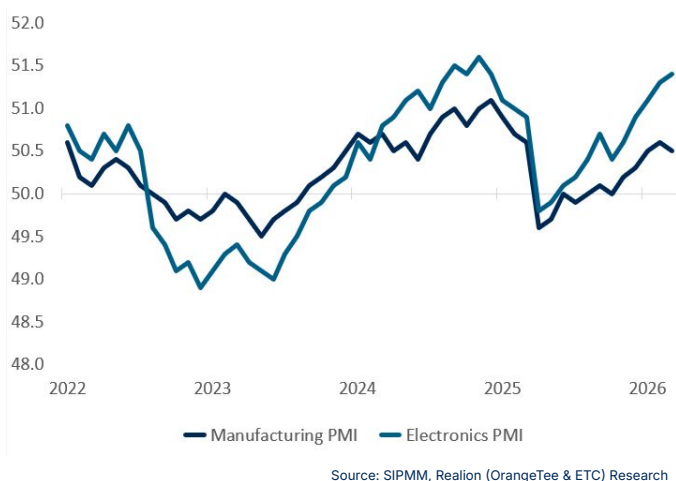
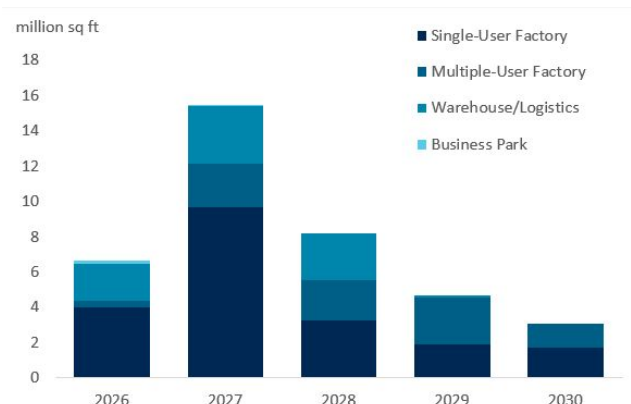


Table 4: Industrial rents

Selected industrial micro-markets	4Q 2025	1Q 2026	QoQ
First-storey multiple-user factory	S\$2.10 psf	S\$2.11 psf	0.25%
Hi-tech industrial space	S\$3.47 psf	S\$3.47 psf	0.00%
Warehouse/logistics	S\$1.90 psf	S\$1.91 psf	0.50%
Business park (Central Region)	S\$5.35 psf	S\$5.36 psf	0.25%

Source: Realon (OrangeTee & ETC) Research

Figure 6: Industrial supply pipeline (NLA)



Retail | Occupancy stable despite high-profile store closures

- In 1Q 2026, International Visitor Arrivals (IVA) reached 4.4 million, reflecting a 9.8% increase from 4.0 million visitors in 4Q 2025. According to the Singapore Tourism Board (STB), international visitor arrivals are projected to reach between 17.0 and 18.0 million in 2026, with tourism receipts estimated to be between S\$31 billion and S\$32.5 billion. While various events are planned for the rest of the year to boost visitor numbers, global uncertainty may weigh on the tourism sector.
- Island-wide retail occupancy remained stable at 93.7% in 1Q 2026, indicating steady leasing demand across malls. Despite several high-profile store closures, vacancies were generally backfilled quickly as new and existing brands continued to open outlets in Singapore. Store closures include The Providore, T2 Tea, Itacho Sushi and Pull & Bear.
- Occupancy in Fringe/Suburban Areas increased marginally from 94.2% in 4Q 2025 to 94.3% in 1Q 2026, supported by strong local demand and steady footfall at food and beverage businesses, as well as essential goods and services operators. However, occupancy dipped slightly in both the Orchard/Scotts Road and Other City Areas, falling from 93.2% and 92.7% in 4Q 2025 to 92.9% and 92.6% in 1Q 2026, respectively. Store closures may have contributed to the minor increase in vacancies, despite some new entrants taking over portions of the retail space.

- Prime first-storey rental rates inched up in Orchard/Scotts Road by 0.25% QoQ in 1Q 2026 to S\$41.95 psf, while rents of prime first-storey rents in Other City Area retail spaces remained flat. Prime first-storey rents in Fringe/Suburban Areas grew by 0.25% QoQ in 1Q 2026 to S\$34.70 psf.

Outlook

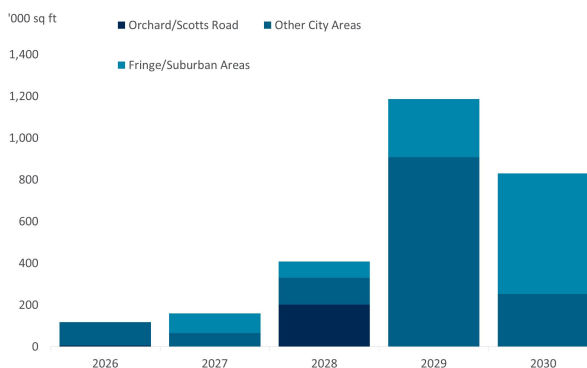
- Geopolitical uncertainties stemming from the ongoing Middle East conflict will continue to pose significant downside risk. Inflationary pressures from surging energy costs and supply chain disruptions could dampen discretionary spending for the rest of the year. Retailers may continue to struggle with manpower shortages and high business costs.
- Nevertheless, the projected strong international visitor arrivals will boost luxury and tourist-centric retail spending, especially for prime retail malls. The tight retail supply will also support occupancy and rental performance. Overall, retail rents are projected to remain broadly stable with modest growth this year.

Table 5: Retail prime rental rates

Region	Floor	4Q 2025 psf	1Q 2026 psf	QoQ
Orchard/ Scotts Road	First storey	S\$41.85	S\$41.95	0.3%
	Upper storey	S\$15.65	S\$15.70	0.3%
Other city areas	First storey	S\$19.60	S\$19.60	0.0%
	Upper storey	S\$8.75	S\$8.75	0.0%
Fringe/ Suburban areas	First storey	S\$34.65	S\$34.70	0.3%
	Upper storey	S\$18.45	S\$18.50	0.3%

Source: Realion (OrangeTee & ETC) Research

Figure 7: Retail supply pipeline (NLA)



Source: Realion (OrangeTee & ETC) Research

Table 6: Selected retail pipeline

	Selected major upcoming developments	NLA '000 sq ft	Total '000 sq ft
2026	Canninghill Square	90	95
	ParkRoyal Collection Faber House	5	
2027	Clifford Centre Redevelopment	35	88
	Chill @ Chong Pang	53	
2028	The Reserve Residences	74	276
	Forum Mall, voco Orchard Hotel	202	
2029	Marina Square Redevelopment	660	747
	Golden Mile Complex Redevelopment	87	

Source: Realion (OrangeTee & ETC) Research

Residential | Private home prices grew at a faster pace

- Private home prices rose at a faster pace in 1Q 2026, although sales activity softened, with transactions dipping YoY. According to URA, the overall price index for private residential properties rose marginally by 0.9% in 1Q 2026.
- Prices of non-landed homes increased by 1.3%, compared to the 0.2% decrease in the previous quarter. Prices of landed properties fell by 0.4% in 1Q 2026, a strong reversal when compared to the 3.4% growth in the preceding quarter. Among the sub-markets, prices of non-landed properties increased the most by 2.2% QoQ in the OCR, followed by 0.8% in the RCR and 0.6% in the CCR.
- Private home sales volume dipped for a second consecutive quarter to 5,413 units in 1Q 2026 due to fewer projects being launched during the Chinese New Year period. As a result, there was a 29.9% decline in launched uncompleted private residential units (excluding EC) to 1,844 units in 1Q 2026. Resale volume similarly dipped by 8.6% QoQ. This is the lowest quarterly resale volume in two years, since 2,689 units were transacted in 1Q 2024.
- Rental prices rebounded marginally from a 0.5% QoQ drop in 4Q 2025, to a 0.3% increase in 1Q 2026. The rental pick-up could be due to more tenants returning to the market after the year-end holidays. Macroeconomic uncertainties and potential rate hikes may exert pressure on the private rental market. The private rental market may face more impact as its tenants tend to be higher-paid expats who may have greater exposure to macroeconomic challenges.

Outlook

- The property market has yet to reflect the full impact of the ongoing Middle East conflicts. Although tensions have heightened geopolitical risks, the scale of impact will be contingent on how the situation unfolds. If the conflict escalates or prolongs, the increased volatility, coupled with higher oil prices and construction costs, could drive up business costs. Inflationary pressures may persist and elevate interest rates, which would have an adverse impact on borrowing costs and home-buying sentiment.
- New home sales is expected to be stronger in 2Q, given a few blockbuster launches like Vela Bay, which is the first private home launch in the new Bayshore precinct, as well as Tengah Garden Residences, also the first private residential development in the Tengah estate. Both projects sold very well in their first weekend launch.

Figure 8: Residential supply pipeline

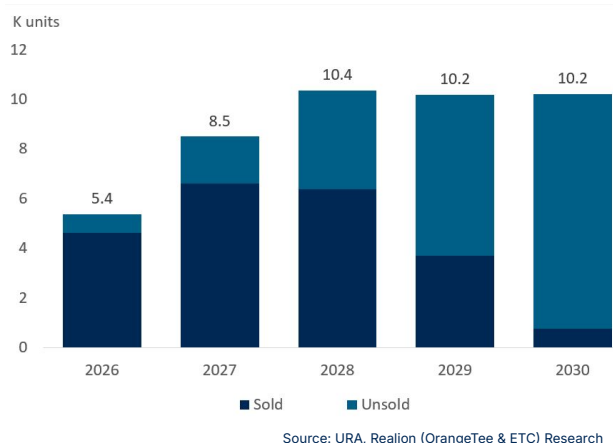


Figure 9: Property price index

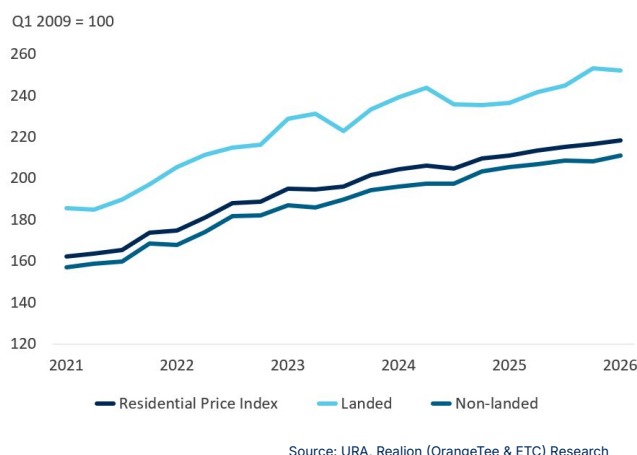


Figure 10: Residential sales and launch volume



- Overall, private residential prices are to grow by 2.5 to 4.5 per cent, with 23,500 to 25,500 transactions expected for the whole year.

Contacts

Professional services

Asset & Portfolio Management

Joe Leow
Senior Director
+65 6393 6323
joe.leow@etcsea.com

Hospitality

Kwok Sai Kuai
Executive Director
+65 6417 9229
saikuai.kwok@etcsea.com

Tay Hock Soon
Senior Director
+65 6887 0088
tayhs@treetops.com.sg

Property Management

Kwok Sai Kuai
Executive Director
+65 6417 9229
saikuai.kwok@etcsea.com

Paul Wong
Senior Director
+65 6417 9225
paul.wong@etcsea.com

Property Tax Advisory & Statutory Valuation

Ng Poh Chue
Executive Director
+65 6393 2515
pohchue.ng@etcsea.com

Research & Consulting

Christine Sun
Chief Researcher & Strategist
christine.sun@realion.com

Valuation Advisory

Low Cherng Chiat
Executive Director
+65 6393 2353
cherngchiat.low@etcsea.com

Agency services

Auction & Sales

Joy Tan
Executive Director
+65 6393 2505
joy.tan@etcsea.com

Business Space & Retail

Velinda Kwan
Senior Director
+65 6393 2339
velinda.kwan@etcsea.com

Ong Mei Fen
Senior Director
+65 6393 2353
meifen.ong@etcsea.com

Investment Advisory

Swee Shou Fern
Executive Director
+65 6393 2523
shoufern.swee@etcsea.com

China Desk

Desmond Sim
Chief Executive Officer
+65 6393 2366
desmond.sim@etcsea.com

Japan Business

Tokuji Murata
Executive Director
+65 6393 2398
tokuji.murata@etcsea.com

Regional offices

Malaysia

Daniel Ma
Managing Director
+603 2161 7228
daniel.ma@ntl.my

Thailand

Punnee Sritanyalucksana
Chief Operating Officer
+66 2257 0499 ext 101
punnee.s@etcthailand.co.th

A product by Realion (OrangeTee & ETC) Research



A member of Realion Group

Edmund Tie & Company (SEA) Pte Ltd

5 Shenton Way
#13-05 UIC Building
Singapore 068808
www.etcsea.com



For research enquiries, please reach out to Realion (OrangeTee & ETC) Research.



Christine Sun
Chief Researcher & Strategist
christine.sun@realion.com



Timothy Eng
Manager
timothy.eng@realion.com



Yuvana Mahendran
Assistant Manager
yuvanalakshmi.m@realion.com



Kenneth Tan
Senior Research Analyst
kenneth.tan@realion.com

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