Top News for the Week

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- Minimum S$30,000 monthly salary for applicants of new One Pass
- Tuas Port officially opens with 3 berths, 500 workers as freight volumes reach record high levels
- Singapore factory output growth slows to 0.6% in July as electronics output falls
- Singapore services receipts up 14.7% in Q2
- Economists downgrade 2022 Singapore GDP forecast to 3.5%, raise core inflation outlook to 3.8%
- Singapore tourist arrivals rise for 6th straight month in July to post-Covid record of 726,601
- Aviation sector aims to hire 4,000 more workers by year end to cope with demand

Residential

Lentor Modern unit prices to start from $1,880 psf; analysts expect high demand

Units at Lentor Modern, a 605-unit integrated mixed-use development in Ang Mo Kio, are priced from $1,880 per sq ft (psf), developer GuocoLand said on Aug 31.
The 99-year leasehold development, which is integrated with Lentor MRT station on the Thomson-East Coast Line, comprises one- to four-bedroom units ranging from 527 sq ft to 1,528 sq ft.
A one-bedroom unit starts from $1.088 million, while a four-bedroom unit starts from $2.918 million. These each make up about 10 per cent of the units offered.
A two-bedroom unit starts from $1.388 million and a three-bedroom unit from $1.878 million.
Property analysts expect high demand for the development following the success of AMO Residence, where 98 per cent of units were sold during its launch in July.
Huttons Asia senior director of research Lee Sze Teck said Lentor Modern could see a spillover effect from AMO Residence.
"More than 1,000 disappointed buyers who couldn't get a unit there could be interested in Lentor Modern," he said.
Mr Lee noted that the development is the first project in the Lentor area in more than 10 years, and it should see robust interest, given the pent-up demand.
"Lentor Modern is offering buyers a very attractive entry price of slightly more than $1 million to buy into an integrated mixed-use development," he said.

Links to the story:
https://www.straitstimes.com/business/property/lentor-modern-unit-prices-to-start-from-1880-psf-analysts-expect-high-demand
https://www.businesstimes.com.sg/real-estate/guocoland-to-launch-preview-for-lentor-condo-project-prices-start-from-s1880-psf

Bukit Timah Link, Hillview Rise residential sites launched for sale

Two 99-year leasehold sites at Bukit Timah Link and Hillview Rise have been launched for sale under the confirmed list of the Urban Redevelopment Authority's (URA) second half 2022 Government Land Sales (GLS) programme.

In a press statement on Aug 31, URA said both sites combined can yield about 495 residential units.

The Bukit Timah Link land parcel on a site area of 4,611.1 square metres (sq m) and comes with a maximum gross floor area (GFA) of 13,834 sq m.

Lee Sze Teck, senior director of research at Huttons Asia, sees the site attracting interest from "small to mid-sized developers keen to ride on the transformation of the Beauty World area".

Given its small size, he views the estimated quantum of below S$200 million as "very palatable" and is expecting up to 10 bidders with the top bid ranging between S$1,200 and S$1,300 psf ppr.

Situated in the outside of central region (OCR) near the Beauty World Downtown Line MRT station, the Hillview Rise site spans an area of 10,395.2 sq m and has a maximum GFA of 29,107 sq m. It is estimated to yield about 335 housing units with a maximum building height of 120 metres SHD.

Lee foresees up to 8 bidders for this site, with a top bid of S$1,000 to S$1,110 psf ppr.

Links to the story:
https://www.businesstimes.com.sg/real-estate/bukit-timah-link-hillview-rise-residential-sites-launched-for-sale
https://www.straitstimes.com/business/property/two-private-residential-sites-in-bukit-timah-link-and-hillview-rise-for-sale

Close to 5,000 BTO flats launched in August, including 2 prime projects

The Housing and Development Board (HDB) has launched 4,993 flats for sale under its August build-to-order (BTO) exercise.

The flats are spread across 7 projects in both mature and non-mature estates Ang Mo Kio, Bukit Merah, Choa Chu Kang, Jurong East, Tampines and Woodlands.

Two of these projects are in Bukit Merah under the Prime Location Housing (PLH) model, which was launched in October 2021 and applies to flats built in prime, central locations.

The Bukit Merah PLH projects comprise Alexandra Vale and Havelock Hillside, where prices excluding grants start from S$370,000 for a 3-room flat from S$531,000 for a 4-room flat.

"PLH flats do not seem that exclusive anymore," commented Huttons Asia's senior research director Lee Sze Teck, noting that the latest launch brings the number of PLH BTO projects since November 2021 to 6.

Lee suggests that Alexandra Vale site could have been used for private housing as the area is surrounded by such residences, "but the government decided to push out a BTO project for inclusivity". He also believes the project is priced slightly lower than Bukit Merah Ridge possibly due to its distance from the city centre.

Lee of Huttons however found it "odd" that no 3-room flats were offered in the Central Weave @ AMK mature town project.

"While HDB had allowed residents affected by Sers in Ang Mo Kio to apply for flats at Central Weave, omitting the provision of 3-room flats will mean the 364 affected Sers owners of 3-room flats in Ang Mo Kio will have to downsize or buy a bigger flat at Central Weave @ AMK. This may be seen as excluding the 3-room Sers residents the opportunity to apply for a better-located flat," he said.

Links to the story:
https://www.businesstimes.com.sg/real-estate/close-to-5000-bto-flats-launched-in-august-including-2-prime-projects
https://www.straitstimes.com/singapore/housing/hdb-launches-4993-bto-flats-including-in-bukit-merah-under-prime-location-public-housing-model
https://www.straitstimes.com/singapore/housing/strong-demand-for-5-room-bto-flats-in-ang-mo-kio-despite-prices-of-up-to-877k
https://www.straitstimes.com/singapore/housing/first-bto-project-in-dover-forest-to-be-launched-in-november-1330-flats-up-for-sale

Private rents to rise further but recession could dampen 'super bull cycle'

With private residential rents in Singapore already up by 11.7 per cent for the first half of the year, a consultancy is raising its year-on-year growth forecast for all of 2022 to 15-20 per cent, from 10-15 per cent previously.
Rental increases are likely to continue well into 2023 with a 5 per cent on-year rise.
The higher projection comes after the Urban Redevelopment Authority rental index for private residential properties surged 6.7 per cent on quarter in the second quarter of 2022, on the back of rental demand growth and tight completions resulting from construction delays.
This "unabated" rise in private residential rents is not without risks. For instance, high rents could prompt companies to reduce their number of foreign hires or relocate them to work remotely from resort hubs. This could in turn lead to a reduction in rental demand and affect rental prices adversely.

Link to the story:
https://www.businesstimes.com.sg/real-estate/private-rents-to-rise-further-but-recession-could-dampen-super-bull-cycle-savills

New suburban condos now cost 53.6% more than million-dollar HDB flats

A new condominium in the suburbs now costs at least 50 per cent more than a 4-room million-dollar Housing and Development Board (HDB) flat in any location.
The median price of 4-room million-dollar flats in all regions (S$1.13 million) is around 53 per cent lower than the S$1.73 million median price of new condos in the outside of central region.

Link to the story:
https://www.businesstimes.com.sg/real-estate/new-suburban-condos-now-cost-536-more-than-million-dollar-hdb-flats-orangetee

Singapore housing deemed 'relatively affordable' in Asia-Pacific

Singapore is the only gateway city in the Asia-Pacific region where housing is deemed relatively affordable and attainable, a new report has found.
This is when compared to the most populous cities in the region, said the Urban Land Institute (ULI) in its first home attainability index report. The non-profit education and research institute

gathered data on housing and household income for Singapore and 28 cities in China, Japan, Australia and South Korea.

The Republic has the highest homeownership rate of nearly 90 per cent, due to the low cost of Housing Development Board (HDB) units, which have a median price of US$379,283. Private homes with a median price of US$1.13 million represent less than 20 per cent of the total housing stock.

Link to the story:
https://www.businesstimes.com.sg/real-estate/singapore-housing-deemed-relatively-affordable-in-asia-pacific-report

More BTO flats in non-mature estates set aside for first-time applicants; next launch on Aug 30

First-timer applicants will now stand a better chance at securing a Build-To-Order (BTO) flat in non-mature estates, starting with the upcoming sales launch on Aug 30.

At least 95 per cent of the four-room and larger BTO flats in these estates will be set aside for first-timer families, up from 85 per cent, said the Ministry of National Development (MND) and the Housing Board (HDB) on Aug 27.

The allocation quota for first-timer families for three-room flat supply in non-mature estates will also increase to at least 85 per cent, up from 70 per cent.

Huttons Asia senior director of research Lee Sze Teck said the quota adjustment is good news for first-timers who may be priced out of the HDB resale market in the light of rising interest rates.

Second-timers will likely be squeezed out of the BTO market and will have to turn to either the HDB resale or private markets, he added.

Link to the story:
https://www.straitstimes.com/singapore/housing/more-bto-flats-in-non-mature-estates-set-aside-for-first-time-applicants-next-launch-on-aug-30-hdb

Latest property curbs, higher mortgage rates putting off some HDB upgraders

Housing Board upgraders' love affair with private property cooled in the first half of this year following the Dec 16 round of property curbs and higher mortgage rates.

Fewer HDB flat owners bought private property even as HDB resale flat prices gained 5.3 per cent in the first half compared with a 4.2 per cent rise in private home prices.

Meanwhile, there is also a growing, albeit smaller, proportion of buyers with HDB addresses snapping up pricier private homes in the $1.5 million to $3 million range, due to the strong resale market and more HDB households doing well financially

Link to the story:
https://www.straitstimes.com/business/property/latest-property-curbs-higher-mortgage-rates-putting-off-some-hdb-upgraders

Retail

Great Singapore Sale back in full force to woo shoppers with Covid-19 curbs eased

The Great Singapore Sale (GSS) is back in full force next month to woo shoppers with the significant easing of Covid-19 curbs, including masks no longer required in malls from Aug 29.
The 28th GSS will be held from Sept 9 to Oct 10, timed to coincide with the return of the Formula One Singapore Grand Prix (F1) from Sept 30 to Oct 2 after the race's two-year hiatus.
Retailers are pulling out all the stops this year, integrating both online and offline efforts, to attract shoppers back to malls and stores after businesses took a hit in the past two years because of the pandemic.

Links to the story:
https://www.straitstimes.com/singapore/great-singapore-sale-back-in-full-force-to-woo-shoppers-with-covid-19-curbs-eased
https://www.straitstimes.com/singapore/make-great-singapore-sale-great-again-go-beyond-sales-to-focus-on-experiences-retail-observers

Government

Minimum S$30,000 monthly salary for applicants of new One Pass

With the competition for global talent heating up, Singapore will soon introduce a new pass for top talent to better attract such high achieving individuals to its shores.
The Overseas Networks and Expertise (One) Pass will be open to top talent across all sectors, and allows them to start, operate and work for multiple companies at any one time. Pass holders will also be able to sponsor their dependants, and have their spouses work in Singapore on a Letter of Consent. Pass holders will be exempted from the Fair Consideration Framework job advertising requirements, as well as the upcoming Complementarity Assessment Framework (Compass).
To qualify, applicants must earn a monthly salary of at least S$30,000, either within the past year or with a future employer in Singapore. This is comparable to the top 5 per cent of EP holders in Singapore.
Overseas applicants must also show that they are playing a lead role in an established company – defined as one with a market capitalisation of at least US$500 million or having an annual revenue of at least US$200 million.
Applications for the One Pass will open from Jan 1, 2023. The pass will be valid for 5 years and is renewable, subject to the eligibility criteria for renewal.

Links to the story:
https://www.businesstimes.com.sg/government-economy/minimum-s30000-monthly-salary-for-applicants-of-new-one-pass
https://www.straitstimes.com/singapore/jobs/singapore-to-launch-new-work-pass-to-attract-global-top-talent-30k-monthly-pay-among-criteria
https://www.straitstimes.com/singapore/jobs/work-pass-changes-will-also-benefit-local-talent-says-tan-see-leng
https://www.straitstimes.com/business/economy/4-things-to-know-about-singapores-work-pass-framework-enhancements

Singapore's transformation will include mature estates, not just new ones

Mature estates are part of the effort to reimagine and transform Singapore, said Prime Minister Lee Hsien Loong on Aug 28, stressing that the plans he laid out during last week's National Day Rally do not apply to just new estates.
At his National Day Rally speech on Aug 21, PM Lee revealed large-scale infrastructure projects such as Changi Airport's Terminal 5 (T5), Tuas Port, and homes to be built in Paya Lebar.
An estimated 150,000 new public and private homes - roughly the number in Punggol and Sengkang combined - can be built in the future town in Paya Lebar after the Paya Lebar Air Base relocates in the 2030s.

Link to the story:
https://www.straitstimes.com/singapore/singapores-transformation-will-include-mature-estates-not-just-new-ones-pm-lee

Singapore's first arts university to open in August 2024, applications accepted from 2023

A new university called the University of the Arts Singapore (UAS) will open its doors in August 2024.
The university - the first in Singapore to focus on the arts - will be formed by an alliance between Lasalle College of the Arts and the Nanyang Academy of Fine Arts (Nafa) and start receiving applications in the third quarter of next year, said the Ministry of Education, Lasalle and Nafa in a joint statement on Aug 30.

Link to the story:
https://www.straitstimes.com/singapore/parenting-education/university-of-the-arts-singapore-to-open-in-august-2024-applications-accepted-from-2023

SLA to update charging framework for remnant land from Sep 1

The charging framework for remnant land will be updated from Sep 1 to better reflect the economic value that landowners can garner from combining remnant land parcels with their adjoining private land, the Singapore Land Authority (SLA) announced on Aug 31.
The current rate for remnant land parcels - small and/or irregularly-shaped plots of land that are incapable of independent development but can potentially enhance adjoining land - is based on 50 per cent of the full land value. This is determined by applying the factor of 5/7 to the applicable Land Betterment Charge (LBC) rate, SLA said in a press release.
From Sep 1, the land will be valued for sale based on 100 per cent of the full land value for residential, commercial, industrial uses or where the sale of the land would result in gross floor area transfer.
However, for place of worship and civic and community institution use, remnant land will continue to be valued for sale based on 50 per cent of the full land value.

Link to the story:
https://www.businesstimes.com.sg/real-estate/sla-to-update-charging-framework-for-remnant-land-from-sep-1

Tuas Port officially opens with 3 berths, 500 workers as freight volumes reach record high levels

Three berths are now in operation and about 500 people are working in Tuas Port, which is set to be the world's biggest fully automated port when completed in the 2040s.
With work mostly done by unmanned machines that run on cleaner electricity, the S$20 billion facility is set to be a "game changer" in Singapore's port and supply chain operations, operator PSA said at the official opening of the new port on Sep 1.
The port's eventual handling capacity of 65 million twenty-foot equivalent units (TEUs) - a unit of measurement for containers - will make it the world's biggest - a one-third increase from Singapore's current capacity and larger than ports operated by competitors in Shanghai, Hong Kong and Amsterdam.

Links to the story:
https://www.businesstimes.com.sg/transport/tuas-port-officially-opens-with-3-berths-500-workers-as-freight-volumes-reach-record-high
https://www.straitstimes.com/singapore/tuas-port-opening-higher-efficiency-lower-carbon-footprint-justify-higher-operational-costs-say-companies

Economy

Singapore factory output growth slows to 0.6% in July as electronics output falls

Singapore's factory production saw surprisingly low growth of 0.6 per cent in July, vastly undershooting economists' expectations of 5.3 per cent – the median forecast in a Bloomberg poll of private analysts – owing to contraction in the key electronics cluster and further declines in biomedical manufacturing.
But all other clusters saw firm growth. Excluding the volatile biomedical manufacturing cluster, industrial production rose 2.9 per cent year on year in July.

Links to the story:
https://www.businesstimes.com.sg/government-economy/singapore-factory-output-growth-slows-to-06-in-july-as-electronics-output-falls
https://www.straitstimes.com/business/economy/spore-factory-output-growth-slows-sharply-to-06-in-july-chip-production-shrinks-again

Singapore services receipts up 14.7% in Q2

Singapore's services industries recorded a 14.7 per cent rise in business receipts on the year for the second quarter, according to the Department of Statistics (Singstat) on Aug 26. This marks an improvement from the 12.7 per cent year-on-year growth observed in the previous quarter.
On a quarter-on-quarter non-seasonally adjusted basis, business receipts were also up 4.9 per cent in Q2, recovering from a 1.8 per cent fall in Q1.

Link to the story:
https://www.businesstimes.com.sg/government-economy/singapore-services-receipts-up-147-in-q2

Indonesia's tech billionaires eye Singapore for family offices

Indonesia's newly-minted tech billionaires are beginning to diversify their wealth and are increasingly looking to Singapore to set up family offices and seek new investment opportunities. Based on estimates by the Monetary Authority of Singapore, there were about 400 single family offices (SFOs) as at the end of 2020, and about 700 at the end of last year.
Market players told The Business Times that the number of Indonesian family offices in Singapore has risen by as much as 50 per cent over the past 3 years.

Link to the story:
https://www.businesstimes.com.sg/asean-business/indonesias-tech-billionaires-eye-singapore-for-family-offices

Bridgewater sets up presence in Singapore, aims to hire local talent

Bridgewater Associates, a US$150 billion hedge fund founded by billionaire Ray Dalio, has established an office in Singapore, signalling its intent to further expand and deepen its investment research and client servicing activities in Asia.
Bridgewater is the world's largest hedge fund, catering to institutions including pension funds, sovereign wealth funds, third-party wealth managers and family offices. Asian monies are understood to comprise more than a third of the business. The firm has catered to Asia-Pacific institutions, including those in Singapore, for nearly 3 decades.

Link to the story:
https://www.businesstimes.com.sg/wealth-investing/bridgewater-sets-up-presence-in-singapore-aims-to-hire-local-talent

Economists downgrade 2022 Singapore GDP forecast to 3.5%, raise core inflation outlook to 3.8%

Private sector economists have again dialed down their expectations for the Singapore economy, according to a quarterly survey of professional forecasters by the Republic's central bank on Sep 1.
They are now expecting full-year gross domestic product (GDP) to grow 3.5 per cent, slightly worse than the 3.8 per cent projection they made in June.
The latest survey is based on the views of 21 respondents polled by the Monetary Authority of Singapore (MAS).
Respondents also raised their inflation forecasts, with full-year headline inflation now expected to hit 5.7 per cent, and core inflation, 3.8 per cent.

Links to the story:
https://www.businesstimes.com.sg/government-economy/economists-downgrade-2022-singapore-gdp-forecast-to-35-raise-core-inflation
https://www.straitstimes.com/business/economy/economists-cut-singapore-2022-growth-forecast-on-inflation-global-slowdown-woes-mas-poll

Hospitality

Singapore tourist arrivals rise for 6th straight month in July to post-Covid record of 726,601

Singapore's international visitor arrivals grew for the 6th straight month in July, setting yet another record since the beginning of the Covid-19 pandemic, going by the latest figures from the Singapore Tourism Board (STB) on Aug 26.
There were 726,601 arrivals in July, up from 543,733 in June, though the new figure remains far below the 1.8 million recorded in July 2019 before the pandemic.
Indonesia was the top source of arrivals for the 4th straight month, sending 119,071 visitors, up from 110,094 in June.
India and Australia held their 2nd and 3rd place rankings in July, respectively sending 75,105 travellers – up from 64,337 in June – and 68,367 travellers, up from 50,412.

Links to the story:
https://www.businesstimes.com.sg/government-economy/singapore-tourist-arrivals-rise-for-6th-straight-month-in-july-to-post-covid
https://www.straitstimes.com/singapore/consumer/f1-attendance-this-year-set-to-exceed-2019s-in-strong-comeback-for-spore-race-iswaran

Aviation sector aims to hire 4,000 more workers by year end to cope with demand

Singapore's aviation sector has to hire another 3,500 to 4,000 workers by the end of the year to cope with an expected surge in travellers during the winter period in the Northern hemisphere, said Transport Minister S. Iswaran.
Starting from October, Singapore needs to prepare for flight numbers to hit about 80 per cent of 2019 levels, up from the current 64 per cent, he said on Aug 30. Passenger numbers are now averaging 58 per cent, having increased steadily since Singapore reopened its borders five months ago.

Link to the story:
https://www.straitstimes.com/singapore/aviation-sector-aiming-to-hire-another-4000-workers-by-year-end-to-cope-with-demand-iswaran

Jurong Bird Park to close after Jan 3 to prepare for move to Mandai

Jurong Bird Park's last day of operations will be on Jan 3, 2023 - the park's 52nd anniversary since it first opened its doors to visitors in 1971.
The park's operator, Mandai Wildlife Group, said on Aug 30 that following the closure, the 20ha park's about 130 staff and about 3,500 birds will prepare to move to Bird Paradise in Mandai Wildlife Reserve.
It will join the Singapore Zoo, River Wonders and Night Safari there, as well as Mandai's other upcoming attractions including Rainforest Wild and a new resort operated by Banyan Tree Hotels & Resorts.

From Sept 3 until its final day of operations, Jurong Bird Park will run a series of activities, tours and trails that recall the park's history.

Link to the story:
https://www.straitstimes.com/singapore/1971-2023-jurong-bird-parks-last-day-of-operations-is-on-jan-3-as-it-prepares-to-move-to-mandai

New resort at Changi Village to be built out of old buses

Twenty decommissioned public buses will be getting a new lease of life as rooms for a new resort to be built in Changi Village by 2023.
Tentatively called The Bus Resort, the project by travel agency WTS Travel will be located next to the popular Changi Village Hawker Centre and span some 8,600 sq m, or an area slightly larger than a football field.

Link to the story:
https://www.straitstimes.com/singapore/consumer/new-resort-at-changi-village-to-be-built-from-old-buses

Hotel G, lyf Funan floated as possible asset sales

The improving performance of the Singapore hotel sector aided by the reopening of Singapore's borders since April is expected to spark investment interest in hospitality assets here. The owners of at least 2 such properties have roped in agents to suss out buying interest.
One is Hong Kong-based Gaw Capital Partners, for its Hotel G Singapore in the Middle Road/Bencoolen Street locale. The price expectation for the freehold property – in the bustling Bugis/Bras Basah area – is seen as being around S$320 million, which works out to about S$1 million per room.
A low-key campaign has also been underway for some weeks to source for potential buyers for lyf Funan Singapore, a co-living serviced residence property along Hill Street in the civic district. The property is held by the Ascott Serviced Residence (Global) Fund, equally owned by CapitaLand Investment's wholly-owned lodging business unit The Ascott Limited and the Qatar Investment Authority.
Word on the street is that the guide price for lyf Funan is "north of S$300 million". A price of S$300 million translates to nearly S$912,000 per unit and a lower S$728,000 per key. The 9-storey property has 329 units with a total of 412 keys. Facilities include a communal kitchen, co-working/event space and a laundromat.

Link to the story:
https://www.businesstimes.com.sg/real-estate/hotel-g-lyf-funan-floated-as-possible-asset-sales

Industrial

Pall Corp boosts semiconductor market with US$100 million manufacturing facility

Filtration, separation and purification technology company Pall Corporation broke ground for a US$100 million manufacturing facility in Singapore on Aug 30, making it the latest addition to the nation's recent wave of investments in the chip making sector.
When fully operational, the new facility is expected to more than double Pall's current production capacity and strengthen its position in Singapore as a regional and global hub for a US$1 trillion industry, the company said in a statement.
The site, spanning 7 acres in the Jurong industrial area, will hold more than 18,000 sq m of manufacturing and office space.
It is estimated that the facility will spawn 300 new jobs for associates in science, engineering and manufacturing — individuals who will help the company incorporate advanced technologies into its manufacturing processes.

Links to the story:
https://www.businesstimes.com.sg/companies-markets/pall-corp-boosts-semiconductor-market-with-us100-million-manufacturing-facility
https://www.straitstimes.com/business/pall-corp-breaks-ground-on-140m-facility-in-spore-boosting-semiconductor-industry

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