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Residential

New private home sales slump in August amid Hungry Ghost month, limited unsold stock

A dearth of new condominium launches amid the Hungry Ghost Festival and limited unsold stock sent new private home sales tumbling in August to a 28-month low.

Data released by the Urban Redevelopment Authority on Sep 15 showed that 437 residential units, excluding executive condominium (EC) units, were sold last month, down 47.6 per cent from 834 in July. This was the lowest monthly sales since April 2020 when just 277 new units were sold during the circuit breaker period.

This, as the number of new homes launched for sale plunged 66.7 per cent month on month to 134 - the lowest number of units launched since September 2017, Huttons Asia said.

A proxy for the luxury home segment, the prime district accounted for half of last month's new home sales with 220 units sold, while projects in the city fringe moved 127 units, and the suburbs 90 units, said Huttons Asia senior director of research Lee Sze Teck.

"It is the first time since October 2017 that sales in the prime district exceeded 50 per cent of total monthly sales. Buyers are shifting their focus to this segment as the median price psf between the prime and city-fringe segments narrowed to 14.9 per cent in August, compared with 41.6 per cent in January this year," added Mr Lee.

Links to the story:

<https://www.straitstimes.com/business/property/new-private-home-sales-slump-in-august-amid-hungry-ghost-festival-limited-new-stock>

<https://www.businesstimes.com.sg/real-estate/new-private-home-sales-tumble-in-august-on-lack-of-new-condo-launches>

Chuan Park en bloc sale dissenters file objection with Strata Titles Board

Dissenting owners of the Chuan Park en bloc sale have filed their objections to the Strata Titles Board (STB), alleging that its Collective Sale Committee (CSC) and marketing agent failed to

disclose material facts relating to a higher development baseline for the condominium – which translates into a “deep discount” for the buyers – among other issues.

The dissenters, which The Business Times (BT) understands comprise 10 subsidiary proprietors (SPs), say Chuan Park owners were told that the 37,215.6 sq m site’s plot ratio is 2.1 under the Urban Redevelopment Authority’s (URA) Master Plan 2019, which translates to a maximum gross floor area of 78,152.76 sq m.

However, a 2017 letter from the URA obtained in an earlier en bloc attempt shows that a development charge (DC) for the site kicks in for development above the maximum gross floor area of 89,824 sq m, that is, a baseline of 2.4.

Links to the story:

<https://www.businesstimes.com.sg/real-estate/chuan-park-en-bloc-sale-dissenters-file-objection-with-strata-titles-board>

State land tenders for private housing, EC plots draw fewer-than-expected bids

State tenders for 2 private housing sites near Lentor MRT station and an executive condominium (EC) site along Bukit Batok West Avenue 5 have fetched lower numbers of bids than had been forecast by most property consultants.

The top bids for the Lentor Central site (S\$1,108 per sq ft per plot ratio) and Lentor Hills Road Parcel B (S\$1,130 psf ppr) were within the range of expectations of analysts polled by The Business Times before the tenders closed on Sep 13. They were also above the price of the closest comparable site, which was sold in January for S\$1,060 psf ppr, and which will be developed into the Lentor Hills Residences project.

However, the top bid of about S\$626 psf ppr for the EC plot in Bukit Batok was 5.4 per cent lower than the S\$662 psf ppr winning bid for the next-door plot at a tender that closed in March.

Commenting on the dearth of bidders for the 2 Lentor private housing sites, Huttons Asia senior director of research, Lee Sze Teck, said: “Participation was muted as expected, probably because some developers are cautious about an area where the government can offer up to 11 sites for development.”

Links to the story:

<https://www.businesstimes.com.sg/real-estate/state-land-tenders-for-private-housing-ec-plots-draw-fewer-than-expected-bids>

<https://www.straitstimes.com/business/property/three-state-owned-sites-draw-tepid-bids-amid-economic-uncertainty-ample-home-supply-in-lentor-area>

Private home sales slowed in first half of 2022 as cooling measures tamped down demand

The number of private property transactions in the first six months of this year has slowed after cooling measures were introduced in December last year.

A total of 13,311 units were sold between January and June this year, which is about one-third that of the 37,433 units sold in the whole of last year.

However, the half-year figure for 2022 is still higher than half of the 22,543 units sold in 2020, and the 19,442 units sold in 2019 before the Covid-19 pandemic.

National Development Minister Desmond Lee provided the figures in a written parliamentary reply.

Link to the story:

<https://www.straitstimes.com/singapore/housing/private-home-sales-slowed-in-first-half-of-2022-as-cooling-measures-tamped-down-demand>

Euro-Asia Park up for en bloc sale at S\$500m

District 13 freehold condominium Euro-Asia Park will be put up for collective sale via public tender on Sep 13 with a guide price of S\$500 million.

The low-rise development was built in 1996 and has a total of 163 units. It has a land area of about 129,793 sq ft and is zoned for residential use with a gross plot ratio of 2.8 under the Urban Redevelopment Authority Master Plan 2019.

Developers can expand up to its maximum allowable gross floor area of 338,860 sq ft — which includes an additional 7 per cent bonus floor area for private outdoor spaces. This will bring the land rate per square foot per plot ratio to S\$1,520, taking into account an estimated land betterment charge of S\$71.5 million.

Links to the story:

<https://www.businesstimes.com.sg/real-estate/euro-asia-park-up-for-en-bloc-sale-at-s500m>

<https://www.straitstimes.com/business/property/euro-asia-park-condo-up-for-en-bloc-sale-at-500m>

Pasir Panjang redevelopment site for sale with guide price of over S\$18m

A freehold residential redevelopment site at 303/305 Pasir Panjang Road has been put up for sale by tender at an indicative guide price in excess of S\$18 million.

The guide price works out to S\$1,099 per sq ft (psf) based on its land area of 16,379 sq ft.

For a proposed redevelopment of the site up to a gross plot ratio of 1.4 for apartments, the land rate works out to about S\$1,308 psf per plot ratio (psf ppr) inclusive of land betterment charge.

The tender for 303/305 Pasir Panjang Road will close at 3pm on Oct 13, 2022.

Links to the story:

<https://www.businesstimes.com.sg/real-estate/pasir-panjang-redevelopment-site-for-sale-with-guide-price-of-over-s18m>

Fewer condo deals in Aug as rising interest rates, Hungry Ghost bite

The number of condominiums changing hands in the resale market continued to fall for the fourth consecutive month, with 1,135 units resold in August, according to flash figures.

This comes as rising interest rates and demand for new condo launches weighed on resale deals. Sales also tend to slow down during this time of the year, when some buyers avoid big-ticket purchases during the Hungry Ghost month, property analysts noted.

All regions saw price increases, with the Core Central Region (CCR), Rest of Central Region (RCR) and Outside Central Region (OCR) rising 1 per cent, 0.8 per cent and 1.5 per cent respectively. Year on year, resale prices in the CCR was up 7.6 per cent, the RCR increased 10 per cent while the OCR rose by 11.5 per cent.

“Resale condo sellers are anticipating higher prices for new condo launches in the months ahead and are pricing them in their selling prices,” said Huttons Asia chief executive Mark Yip.

Links to the story:

<https://www.businesstimes.com.sg/real-estate/fewer-condo-deals-in-aug-as-rising-interest-rates-hungry-ghost-bite-srx-99co>

<https://www.straitstimes.com/business/property/condo-resale-volume-falls-for-4th-straight-month-in-august-prices-continue-to-rise>

Condo and HDB rentals in August continue growth trend, more units leased

Rentals for Housing Board (HDB) flats and private apartments picked up pace last month, with analysts noting the trend shows no sign of letting up.

HDB rents climbed by 2.4 per cent in August, compared with July's 1.5 per cent, with rents across all flat types in both mature and non-mature estates rising, according to flash figures.

Condominium rents went up 3.2 per cent last month, compared with 1.7 per cent the month before, with those in central Singapore growing at the fastest pace at 3.7 per cent.

Last month, there was a rise in demand from foreign students and expatriates in information technology, banking and healthcare as hiring ramped up, added Huttons Asia chief executive Mark Yip.

Tenants displaced by successful collective sales added to the rental demand, driving up rents across all housing types, he added.

Links to the story:

<https://www.straitstimes.com/business/property/condo-and-hdb-rentals-in-august-continue-growth-trend-with-more-units-leased>

<https://www.businesstimes.com.sg/real-estate/condo-hdb-rents-rise-again-in-august-volumes-remain-lower-on-year>

Government

Singapore spent S\$72.3 billion on Covid-19 in FY2020 and FY2021, less than budgeted

Singapore's government spent S\$72.3 billion on Covid-19 in FY 2020 and 2021, less than the S\$100 billion committed in its budgets for those years, said Second Minister for Finance Indranee Rajah in Parliament on Sep 13.

Of this, S\$13.4 billion was spent on public health measures, S\$50.6 billion was used to protect jobs and S\$8.3 billion was for direct household and social support, she said in response to a supplementary question from People's Action Party (PAP) Member of Parliament (MP) Foo Mee Har (West Coast GRC).

For FY 2020, the government had initially set aside loan capital in anticipation of a tight credit market, but this was eventually not needed, she explained.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/singapore-spent-s723-billion-on-covid-19-in-fy2020-and-fy2021-less-than-budgeted>

<https://www.straitstimes.com/singapore/723-billion-spent-on-fight-against-covid-19-over-fy2020-and-fy2021-indranee>

‘Bulk purchases’ of private property uncommon, unlikely to impact market: MND

Instances of “bulk purchases” of private property are uncommon; and among all private residential property units transacted so far this year, units involved in such multiple-unit purchases accounted for about 1 per cent, Minister for National Development Desmond Lee disclosed on Sep 12.

Units involved in multiple-unit purchases of more than 2 units are even lower, at about 0.2 per cent. “Hence, bulk property purchases are unlikely to have a significant impact on the property market,” Lee said in a written reply to questions.

While “bulk buys” are not uncommon, agents say it is not prevalent, accounting for less than 5 per cent of units sold at launch.

“It could be parents and children who want to stay together, so they select units next to each other. We can also have siblings coming together to buy,” said Huttons Asia senior director of research Lee Sze Teck.

Links to the story:

<https://www.businesstimes.com.sg/real-estate/bulk-purchases-of-private-property-uncommon-unlikely-to-impact-market-mnd>

Surge in Singapore’s tax revenue in FY2021 driven by ‘sentiment-based revenue’

The sharp rise in Singapore’s tax revenue in financial year 2021 was partly driven by the higher-than-expected collection of “sentiment-based revenue”, which cannot be relied on to meet the city-state’s rising recurrent expenditure needs, said Deputy Prime Minister Lawrence Wong on Sep 12. Wong told the House that while the revenue increase was due partly to the low base in FY2020, there had been a higher-than-expected increase in “sentiment-based revenue”. Stamp duty collection in particular accounted for the largest share of tax revenue increase in FY2021.

“The property market has recovered at a much faster rate than many market observers had anticipated,” said Wong, who is also finance minister.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/surge-in-singapores-tax-revenue-in-fy2021-driven-by-sentiment-based-revenue-dpm>

<https://www.straitstimes.com/singapore/politics/gst-hike-will-go-ahead-but-support-measures-will-offset-impact-even-amid-inflation-says-lawrence-wong>

MOM to carefully vet, keep tabs on One Pass holders to prevent abuse

While holders of the upcoming pass for top talent will not need to stay employed for a specified period of time, the government will be in touch to keep up to date with their professional activities, said Minister for Manpower Tan See Leng in Parliament on Sep 12.

This is among the safeguards for the Overseas Networks and Expertise (One) Pass that Dr Tan laid out in a ministerial statement. Responding to questions from 16 Members of Parliament (MPs), he also addressed the targeted nature of the government’s recent work pass enhancements and what is being done to ensure locals can compete fairly.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/mom-to-carefully-vet-keep-tabs-on-one-pass-holders-to-prevent-abuse-tan-see-leng>

<https://www.straitstimes.com/singapore/politics/mom-to-carefully-vet-applicants-for-new-one-pass-put-in-place-safeguards-against-abuse-tan-see-leng>

<https://www.straitstimes.com/singapore/politics/one-pass-part-of-broader-suite-of-moves-tan-see-leng>

Shipping new products, attracting foreign traders among Singapore's routes to Trade 2030 goals

Nurturing homegrown global traders and getting more foreign traders to base themselves here – even if their goods never pass through the port – are among Singapore's strategies to achieve its Trade 2030 goals: increasing exports to at least S\$1 trillion, up from S\$805 billion now, and doubling offshore trade to US\$2 trillion.

Plant-based cheese, biofuels, customised steel solutions, refurbished mobile phones – these are just some of the new products that Singapore companies are trading to stay ahead of the curve.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/shipping-new-products-attracting-foreign-traders-among-singapores-routes-to-trade>

MAS unveils S\$400 million in grants for talent in finance, expects over 3,000 net jobs a year for industry

The Monetary Authority of Singapore (MAS) has unveiled a road map of growth strategies for the financial sector, with projections for over 3,000 net jobs being created per year and for the sector to grow faster than the broader economy.

The new Financial Services Industry Transformation Map (ITM) 2025, launched by Deputy Prime Minister (DPM) Lawrence Wong on Sep 15, sets out plans for Singapore to deepen capabilities and grow in areas such as sustainable and transition financing, private credit, philanthropy and the digital asset ecosystem.

MAS is also looking to foster a “skilled and adaptable workforce”, and announced that S\$400 million has been committed to fund grants in a Talent and Leaders in Finance programme.

Singapore's central bank estimates that the financial sector will create between 3,000 and 4,000 net jobs on average each year, between 2021 and 2025.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/mas-unveils-s400-million-in-grants-for-talent-in-finance-expects-over-3000-net>

<https://www.straitstimes.com/business/banking/refreshed-financial-sector-plan-aims-to-create-3000-net-jobs-a-year>

<https://www.straitstimes.com/business/banking/fostering-local-talent-key-to-achieve-goals-of-updated-industry-plan-for-financial-services-dpm-wong>

Economy

Local business sentiment moderates further for Q4

Local business sentiment continued to decline for the third consecutive quarter as the outlook for services and wholesale sectors deteriorated slightly in the fourth quarter of 2022.

According to data from the Singapore Commercial Credit Bureau (SCCB) released Sep 13, its quarterly Business Optimism Index fell to +4.98 percentage points for Q4 from +5.1 percentage points in the previous quarter, and from +5.78 percentage points in Q4 2021.

Five of 6 indicators – volume of sales, net profit, selling prices, new orders, inventory levels and employment – remained expansionary for the latest quarter, unchanged from the third quarter.

A total of 3 of 6 indicators saw quarter-on-quarter improvements as compared with only 2 in Q3.

Links to the story:

<https://www.businesstimes.com.sg/sme/local-business-sentiment-moderates-further-for-q4-sccb>

Half of Singapore employers plan to hire in Q4

One in two companies plans to increase headcount in the fourth quarter of this year despite economic and geopolitical headwinds, according to a survey.

This comes as some sectors, such as banking, finance, insurance and real estate, were reported to have had a sustained strong hiring environment since the first quarter of 2010. Hiring intentions for these sectors improved by 10 percentage points quarter on quarter and 44 percentage points year on year

Links to the story:

<https://www.straitstimes.com/singapore/jobs/half-of-singapore-employers-plan-to-hire-in-q4-survey>

<https://www.businesstimes.com.sg/government-economy/half-of-singapore-employers-plan-to-hire-in-q4-manpowergroup-survey>

Retrenchments fall to a record low in Q2 while job vacancies ease

Retrenchments in Singapore fell to a record low in the second quarter of 2022, but the number of job vacancies decreased slightly as companies filled more positions, according to the Ministry of Manpower (MOM)'s Labour Market Report on Sep 14.

There were 990 retrenchments in Q2, down from 1,320 in the previous quarter. Although the share of retrenched residents who re-entered employment within 6 months fell to 66 per cent, down from 72 per cent in the previous quarter, this was still better than the 64 per cent rate in the year-ago period.

The number of job vacancies dipped slightly to 126,100 in June, after rising for 7 consecutive quarters, but remained at “historical high levels”. Even with the dip in vacancies, the ratio of job vacancies to unemployed persons edged up to 2.53 as unemployment rates continued to decline.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/retrenchments-fall-to-a-record-low-in-q2-while-job-vacancies-ease-mom>

<https://www.straitstimes.com/singapore/jobs/vacancies-shrink-as-more-jobs-filled-total-employment-in-q2-near-pre-pandemic-level>

Employers ramp up hiring while retaining workers in tourism-related sectors

As global travel resumes, domestic Covid-19 restrictions ease and demand for consumer-facing services rise in Singapore, more people are being hired in the aviation, food and beverage, and accommodation sectors.

Figures by the Ministry of Manpower (MOM) for the second quarter of 2022 show the hiring rate was particularly strong for production and transport operators, cleaners and labourers in air transport and related services, at 11.6 per cent - the highest among all sectors tracked.

Overall recruitment rates in the second quarter rose to a rate last seen in 2014, resignation rates for all sectors held steady - indicating that employers have been able to not only bring in workers, but also retain them.

Link to the story:

<https://www.straitstimes.com/singapore/jobs/employers-ramp-up-hiring-while-retaining-workers-in-tourism-related-sectors>

Hospitality

Singapore tourist arrivals grow for 7th straight month in August to 728,744

Singapore's international visitor arrivals grew for the 7th straight month in August, once again setting a record from the beginning of the Covid-19 pandemic, based on the latest figures from the Singapore Tourism Board (STB) on Sep 14.

There were 728,744 arrivals in August, slightly higher than the 726,602 visitors recorded in July, though the new figure remains far below the 1.7 million recorded in August 2019 before the pandemic.

For the 5th consecutive month, Indonesia was the top source of arrivals, sending 108,252 visitors, though this was down from 119,072 in July.

Links to the story:

<https://www.businesstimes.com.sg/government-economy/singapore-tourist-arrivals-grow-for-7th-straight-month-in-august-to-728744>

F1 parties back in four locations, including Sentosa and Orchard, after two-year break

With flight bookings into the country picking up pace, the Formula 1 Singapore Grand Prix is set to see its biggest turnout since the inaugural night race in 2008, and fans can get up to speed and celebrate with parties back at four locations after a two-year hiatus.

The parties will be held in Sentosa for the first time, and in Orchard Road, Clarke Quay and Kampong Glam from Sept 23 to Oct 2, the Singapore Tourism Board (STB) said.

Each precinct party has a curated line-up of offerings showcasing the best of the location.

Link to the story:

<https://www.straitstimes.com/sport/formula-one/f1-parties-back-after-two-years-in-four-locations-including-sentosa-and-orchard>

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