Top News for the Week

- New private home sales up 17% in May from April, on the back of a doubling in launches
- Ong Beng Seng's HPL puts in development proposal for Forum mall, former Hilton, HPL House sites
- HDB to double interim rental flats for families to 4,000 units over next two years
- Labour demand shows signs of easing in Q1 as job vacancies fall for 4th straight quarter
- Singapore business confidence hits two-year low for Q3 2023
- Economists downgrade 2023 growth forecast to 1.4%, manufacturing set to shrink
- Singapore tourist arrivals slip in May, but remain at over a million

Residential

New private home sales up 17% in May from April, on the back of a doubling in launches

Developers in Singapore sold 1,038 private homes in May, 17 per cent higher than April's take-up, but fewer than the 1,355 units moved in the corresponding month the year before.
This came as 1,595 private homes were launched in May – nearly double that of April's 798 units, and nearly 30 per cent more than the 1,240 units released in May the year before.
May's surge in private home sales was driven mainly by the launches of freehold development The Continuum and 99-year leasehold condo The Reserve Residences, which collectively accounted for 72.1 per cent of all sales that month, noted Lee Sze Teck, senior research director at Huttons.
There was a sharp decline in the number of foreign buyers (excluding permanent residents or PRs) in May, primarily because of the hike in Additional Buyer's Stamp Duty (ABSD) rate.
Lee from Huttons highlighted that May's figures might not fully reflect the impact from the ABSD hike, since there was a transition provision. This allowed some buyers to use the previous ABSD rates if their option to purchase was exercised on or before May 17.
"The full effect of the cooling measure will be evident in June," said Lee, adding that he expects foreigners to account for just 1 per cent of all buyers. "The top nationality purchasing residential properties in Singapore... could be the US as their nationals are accorded the same tax treatment as Singaporeans."

Links to the story:
https://www.businesstimes.com.sg/property/new-private-home-sales-17-may-april-back-doubling-launches
https://www.straitstimes.com/business/new-private-home-sales-cross-1000-unit-mark-in-may-buoyed-by-two-major-new-launches

Three Eleven @ Holland housing units sold from S$1,050 to S$1,079 psf

Three cluster semi-detached houses at Eleven @ Holland were sold via a tender exercise that closed at noon on Jun 12, 2023.

The original seven cluster semi-detached houses belonged to Char Yong (Dabu) Association, a clan association that was founded in 1858 to look after the welfare of Hakka immigrants that migrated to Singapore from the Dabu county, Guangdong province in China.

Link to the story:
https://www.businesstimes.com.sg/property/three-eleven-holland-housing-units-sold-s1050-s1079-psf

Growing number of single, older yet more affluent people stirring debate about ideal home size

A property consultancy suggested on Jun 9 that developers in Singapore will need to consider building smaller homes to cater to the needs of an ageing yet affluent population, where an increasing number will be single. But not everyone agrees.
According to the index, the percentage of people aged 50 and above in Singapore will reach 48 per cent of the city's population in 2033, from around 40 per cent in 2023.
Therefore, future developments will have to include a larger number of apartments that are smaller to meet those needs, forcing residential developers to be creative with space.

Link to the story:
https://www.straitstimes.com/business/growing-number-of-single-older-yet-more-affluent-people-stirs-debate-about-ideal-home-size

Resale HDB flats with views of greenery fetch higher prices

Home owners place an increasing value on greenery, with a new study showing that resale flats located close – but not too close – to tree cover have been able to fetch higher prices over the past three decades.
For instance, the cooling effects from trees can mitigate against the urban heat island effect, where densely built cities experience higher temperatures. Parks could also mean new recreational spaces for exercise and play.
The study, which compared long-term land use changes from 1990 to 2019 to resale flat sales over the years, found that flats located close to tree cover – urban forests, street trees, woodlands and nature reserves – were more popular than those near grass patches.
Hutton Asia's senior director of research Lee Sze Teck said that with more people flocking to nature reserves or national parks during their free time or on weekends, staying close to nature makes it more convenient.

Link to the story:
https://www.straitstimes.com/singapore/resale-flats-with-views-of-greenery-fetch-higher-price-study

Commercial

Ong Beng Seng's HPL puts in development proposal for Forum mall, former Hilton, HPL House sites

IS a major redevelopment finally in the works for a stretch of prime Orchard Road real estate owned by Ong Beng Seng's Hotel Properties Limited (HPL)?

A development proposal has been submitted to the Urban Redevelopment Authority (URA) involving land parcels that currently house HPL's Forum The Shopping Mall, the voco Orchard Singapore hotel, and HPL House. The land that the voco Orchard Singapore stands on, currently zoned for hotel use, is up for rezoning to commercial use, according to a Jun 9yest update by the planning agency.

HPL's three properties sit on a total of an estimated 14,027.1 sq m or roughly 150,000 sq ft of freehold land, on a prime corner of Orchard Road and Cuscaden Road.

Rezoning would free up options for redevelopment, so that any future use on the plot need not be limited to hotel use. A commercial use zoning, however, may still include a hotel component.

While it is very early days yet and the proposed change of use is only the first step in a long planning process, market watchers suggest that HPL may integrate hotel and retail components into a massive luxury commercial project in the area.

Based on the current allowable plot ratios of the sites at 4.2 for HPL House, 4.9 for the Forum site, and 4.9 for the voco plot, Huttons senior research director Lee Sze Teck estimates a future development combining the three sites would yield over 700,000 sq ft of gross floor area. This would "put it on par with some of the largest malls in Orchard Road".

Link to the story:
https://www.businesstimes.com.sg/property/ong-beng-sengs-hpl-puts-development-proposal-forum-mall-former-hilton-hpl-house-sites

People's Park Centre eyes third collective sale bid; People's Park Complex jumps on the bandwagon

Two projects in Chinatown are looking to throw their hats into the en-bloc ring – the long-standing People's Park Centre for the third time, and landmark development People's Park Complex for the first.

This time, People's Park Centre is looking at a reserve price of between S$1.5 billion and S$1.7 billion.

Separately – and just a stone's throw away – the owners at the 31-storey People's Park Complex are also gunning for a collective sale, with the process of obtaining consent from unit owners well underway.

Some 300 m away from the centre is People's Park Complex, a strata-titled development comprising a six-storey podium of shops and offices as well as a 25-storey residential block housing 288 units.

Completed in 1971, the 99-year leasehold development has a site area of more than 114,000 sq ft, with a gross floor area of around 623,700 sq ft and gross plot ratio of 5.6.

Link to the story:
https://www.businesstimes.com.sg/property/peoples-park-centre-eyes-third-collective-sale-bid-peoples-park-complex-jumps-bandwagon

Retail

China EV-maker BYD opens Boat Quay restaurant as part of hybrid showroom

On Jun 13, BYD Singapore, its authorised distributor Vantage Automobiles, and new BYD dealer EightX Group opened BYD By 1826 restaurant in the historic lifestyle district at 33/34 Boat Quay. It is the last place you would expect to find a car dealership, but the fact that it is a restaurant first and car-retail space second shows how carmakers are going out of their way to get consumer attention and to drive home the message on the new way of electric motoring.
In BYD's case, the restaurant's food and drink are the still prime draw, but the take-away is the fact that EVs require a change in lifestyle, which BYD champions.

Link to the story:
https://www.businesstimes.com.sg/companies-markets/china-ev-maker-byd-opens-boat-quay-restaurant-part-hybrid-showroom

Golden Village and The Projector to set up shop in Cineleisure; mm2 Asia to exit

Cinema businesses Golden Village and The Projector will set up shop in Cineleisure, while Cathay Cineplexes – operated by entertainment group mm2 Asia – will move out, said Cineleisure on Jun 13.
Cathay Cineplexes will hold its last day of screenings in the mall on Jun 30, it added. Mm2 Asia declined to comment on the matter.
Meanwhile, Golden Village x The Projector at Cineleisure (GVxTP), an entertainment hub conceptualised by the cinema businesses, will start screenings by the end of 2023.

Links to the story:
https://www.businesstimes.com.sg/companies-markets/golden-village-and-projector-set-shop-cineleisure-mm2-asia-exit
https://www.straitstimes.com/life/entertainment/golden-village-and-the-projector-collaboration-to-replace-cathay-cineplex-at-cineleisure

Toast Box replaces Music Book Room at Bras Basah Complex

A coffee joint replaced an iconic bookshop at the Bras Basah Complex on Jun 15.
The Music Book Room, which shuttered at the end of February, has made way for Toast Box.
Toast Box's latest and 74th outlet pays homage to the past, and is a toast to the future, the home-grown coffee chain said.

Link to the story:
https://www.straitstimes.com/singapore/from-iconic-bookstore-to-popular-coffee-joint-toast-box-replaces-music-book-room-at-bras-basah-complex

Government

Nearly third of ethnic quota appeals for HDB flats successful in 2022

Almost a third of households that appealed for help with an ethnic quota policy on selling their HDB flats in 2022 were successful.
The sales made up a small minority, or 1.5 per cent, of all resale flats last year, said Minister for Law and Home Affairs K. Shanmugam on Jun 12.
In 2020, about 21 per cent of households successfully appealed for a waiver of the Ethnic Integration Policy (EIP) on their HDB flats, compared with 14 per cent in 2018.

Link to the story:
https://www.straitstimes.com/singapore/nearly-third-of-ethnic-quota-appeals-for-hdb-flats-successful-in-2022-shanmugam

HDB to double interim rental flats for families to 4,000 units over next two years

The Housing Board (HDB) will set aside more temporary housing for families waiting for their new flats, doubling the number of interim rental flats to 4,000 over the next two years.
Announcing this on Jun 12, Senior Minister of State for National Development Sim Ann said that HDB had met its earlier target of increasing the supply of flats under the Parenthood Provisional Housing Scheme (PPHS) from 800 units in 2021 to 1,800 in 2023.
The number of such flats will reach close to 2,000 by the end of this year, she noted, adding that application rates for the scheme have fallen significantly due to the higher supply – from over 20 per unit in 2021 to around three now.

Links to the story:
https://www.businesstimes.com.sg/property/hdb-double-interim-rental-flats-families-4000-units-over-next-two-years
https://www.straitstimes.com/singapore/housing/hdb-to-double-interim-rental-flats-for-families-to-4000-units-over-next-two-years

About S$500 million invested in AI innovation in last 5 years

The Singapore government has invested about S$500 million in artificial intelligence (AI) research and development in the last five years.
This was part of a bigger effort that the government has put in place to harness AI for public good, said Minister for Communications and Information Josephine Teo at German software provider SAP's first developer community conference in Singapore on Jun 14.
To that end, the government is running several initiatives with the private sector to nurture tech talent. One example is the Company-Led Training programme, which has trained and placed more than 2,600 individuals in AI and data analytics roles.

Link to the story:
https://www.businesstimes.com.sg/startups-tech/about-s500-million-invested-ai-innovation-last-5-years-josephine-teo

Economy

Labour demand shows signs of easing in Q1 as job vacancies fall for 4th straight quarter

While Singapore's labour market remains tight, there are some signs of cooling labour demand in the first quarter, said the Ministry of Manpower (MOM) in the latest Labour Market Report on Jun 15.
Both the number of job vacancies and the ratio of job vacancies to unemployed persons "remained high but have both eased", while employment growth moderated from the previous quarter, said MOM.
Job vacancies fell for the fourth straight quarter to 99,600 in March. While the ratio of job vacancies to unemployed persons declined from December, it remained high at 2.28.
There were 3,820 retrenchments in Q1, up from the 2,990 in the previous quarter, but still below the peak seen in 2020, said MOM. The uptick in layoffs was driven mainly by the electronics manufacturing, information and communications, and financial services sectors.
Total employment, excluding migrant domestic workers, grew by 33,000 in the first quarter, just slightly lower than the 43,500 rise recorded in the previous quarter.
Non-resident employment grew by 30,200, moderating from the quarter before. Similarly, resident employment was up 2,800, expanding at a slower rate than the previous quarter.
Nevertheless, non-resident employment exceeded its pre-pandemic level for the first time in the first quarter, reaching 1.7 per cent above pre-Covid levels as at March this year.
Unemployment rates have remained low, at 1.8 per cent overall, and at 2.6 per cent for residents and 2.7 per cent for citizens.

Links to the story:
https://www.businesstimes.com.sg/singapore/labour-demand-shows-signs-easing-q1-job-vacancies-fall-4th-straight-quarter
https://www.straitstimes.com/business/economy/singapore-shows-signs-of-cooling-labour-demand-as-job-vacancies-drop-for-4th-straight-quarter

Singapore business confidence hits two-year low for Q3 2023

Local business sentiment has hit a two-year low for the third quarter of 2023, amid a worsening outlook for the manufacturing and wholesale sectors.
Data from the Singapore Commercial Credit Bureau (SCCB) released on Jun 12 showed its quarterly Business Optimism Index falling to +3.98 percentage points for Q3 2023, from +4.60 percentage points in the previous quarter and +5.10 percentage points in Q3 2022.
Business sentiment was upbeat within the construction and financial sectors, with all six indicators in positive territory. The services and transportation sectors were mostly optimistic too, with five of six positive indicators.
Business confidence among manufacturers, however, deteriorated, with only two of six indicators in positive territory. Similarly, the wholesale sector remained weak, with half its indicators in negative territory.

Link to the story:
https://www.businesstimes.com.sg/singapore/singapore-business-confidence-hits-two-year-low-q3-2023-sccb

Demand to fill green jobs in Singapore fuels hiring optimism for Q3

Despite the uncertain economic outlook, there are signs that the need to fill green jobs has helped to restore hiring optimism among Singapore employers ahead of the third quarter of 2023.
This and stronger hiring sentiment in several other sectors have pushed the net employment outlook – a measure of hiring optimism – to post an improved 34 per cent for the third quarter, according to the results of a survey of more than 500 employers across nine sectors in Singapore.
In the Employment Outlook Survey for the third quarter of 2023, 48 per cent of 510 employers polled expressed plans to expand their headcount from July to September, while 14 per cent intend to cut jobs.
All nine sectors covered by the study reported a net positive outlook, ranging from 22 to 57 per cent.

Link to the story:
https://www.straitstimes.com/singapore/jobs/demand-to-fill-green-jobs-in-singapore-fuels-hiring-optimism-for-q3-survey

Economists downgrade 2023 growth forecast to 1.4%, manufacturing set to shrink

Private-sector economists downgraded their full-year economic growth forecast for Singapore to 1.4 per cent this year in a quarterly survey, following a brief uptick in the previous edition.
Gross domestic product (GDP) is now expected to be weighed down by a contraction in the manufacturing sector, as well as a deeper slump in non-oil domestic exports (NODX), the survey of professional forecasters showed on Jun 14.
However, compared with the previous survey, the outlook for the construction as well as accommodation and food services sectors improved.
Inflation outlook remained the same as in the previous survey, with the median forecast for full-year headline inflation at 5 per cent and that for core inflation, which excludes accommodation and private transport, at 4.1 per cent.
Overall unemployment rate is expected to hit 2.1 per cent this year, a notch below 2.2 per cent in the previous survey.

Links to the story:
https://www.businesstimes.com.sg/singapore/economists-downgrade-2023-growth-forecast-14-manufacturing-set-shrink-survey
https://www.straitstimes.com/business/economy/s-pore-s-gdp-growth-forecast-for-2023-dips-to-14-mas-survey

Software giant SAP to focus on AI, expand local team with 200 new roles

Software company SAP will double the headcount in its artificial intelligence (AI) workforce here with 200 new hires by 2025 to capitalise on the AI boom in the tech industry.
The company scaled back on its initial plan to employ more than 500 digital professionals by 2025 due to economic challenges following the Covid-19 pandemic in 2022.

Link to the story:
https://www.straitstimes.com/tech/software-giant-sap-to-focus-on-ai-expand-local-hub-with-200-new-roles

Singapore climbs 10 places to 8th in global start-up ecosystem ranking

Singapore climbed 10 places to eighth in Startup Genome's latest global start-up ecosystem ranking, the first time it has entered the top 10.
According to Startup Genome, a research and policy advisory firm focused on measuring the success of start-up ecosystems, Singapore is now ranked third in Asia, behind Tel Aviv (fifth globally) and Beijing (seventh globally).
Silicon Valley clinched top spot, maintaining its position since 2020.
The ranking is based on factors such as performance, market reach, infrastructure and the quality of the talent pool.

Link to the story:
https://www.straitstimes.com/business/singapore-jumps-10-places-to-8th-spot-in-global-start-up-ranking

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Shophouse

China, Singapore private wealth continues to support shophouse demand

The going may be slow for some segments of the commercial property market that typically rely on institutional investors, in the face of high interest rates.
However, the shophouse market continues to draw buyers in the private wealth segment, be they local or overseas.
A four-storey corner conservation shophouse at 11 New Bridge Road – where the popular Song Fa Bak Kut Teh outlet occupies the entire ground floor – is being sold for S$23.8 million.
Along the Singapore River, a seasoned shophouse investor is buying a three-storey shophouse at 37 Boat Quay for S$30 million.
Near Tanjong Pagar MRT station, 76 Peck Seah Street is changing hands for S$22.76 million.
In the suburbs, OCBC has sold a pair of two-storey, non-conservation corner shophouses at 86 and 88 Serangoon Garden Way for S$17.49 million.

Link to the story:
https://www.businesstimes.com.sg/property/china-singapore-private-wealth-continues-support-shophouse-demand

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Hospitality

Singapore tourist arrivals slip in May, but remain at over a million

Singapore's international visitor arrivals exceeded a million in May for the third straight month, but slipped from April's post-pandemic high.
Tourism arrivals slid to 1.11 million in May, down from 1.13 million recorded in the preceding month, based on the latest figures from the Singapore Tourism Board (STB) on Jun 12. But the month's arrival numbers were more than 2.5 times the 418,458 visitors recorded in the

corresponding month in 2022, even as arrivals remained below the 1.5 million visitors recorded in May 2019, before the pandemic.
Indonesia, for the 14th month, remained the top source of visitors to Singapore, recording 183,758 visitors in May – though this was lower than the 220,067 arrivals in the previous month.
The next-largest source country was India, overtaking Malaysia with 130,438 visitors in May. This was higher than the 97,029 tourist arrivals from India in April.
Malaysia, coming in third, posted 98,347 visitors, up from 98,190 in April. In fourth place was China, with 95,613 visitors, compared with 90,725 tourists in April. Australia fell to fifth place during the month, with 79,669 visitors, down from 92,937 in the month before.

Link to the story:
https://www.businesstimes.com.sg/singapore/singapore-tourist-arrivals-slip-may-remain-over-million

Sim Leisure to refurbish Sentosa's KidZania for S$3 million, expects reopening in Q1 2024

Theme park operator Sim Leisure announced on Jun 12 that it has secured an agreement with Sentosa Development Corporation to lease 31 Beach View #01-01/02, where the discontinued KidZania was located, for five years with an option to renew the lease for another five years.
It plans to refurbish the place via its newly incorporated and wholly-owned subsidiary, Kids Edutainment, with a projected capital expenditure of S$3 million. This is in addition to an earlier S$110,000 committed in the purchase of all non-movable assets, fittings and fixtures at the site.
Sim Leisure said the new concept for the revamped KidZania will include the latest design, theming and role-play activities, a new toddler-exclusive area and adult events lounge, among other new introductions.

Links to the story:
https://www.businesstimes.com.sg/companies-markets/sim-leisure-refurbish-sentosas-kidzania-s3-million-expects-reopening-q1-2024
https://www.straitstimes.com/business/companies-markets/kidzania-poised-to-return-to-sentosa-in-first-quarter-of-2024

Industrial

Siemens to invest 200 million euros in new Singapore plant, create over 400 jobs

Siemens has announced plans to invest 200 million euros (S$290.6 million) to build a new high-tech factory in Singapore, which will create over 400 jobs. These include positions in advanced manufacturing, supply chain management, quality management and finance.
At the press conference on Jun 15, the German engineering and technology group said the plant will showcase digitalisation possibilities and incorporate highly-automated manufacturing processes.
The plant is one of four Siemens factories to fulfil orders worldwide, and has flexibility in its function, with a focus on building automation technology.
It will primarily serve the growing demand from markets in South-east Asia, as the company expands its production network and research and design capabilities in Asia.

Links to the story:
https://www.businesstimes.com.sg/startups-tech/siemens-invest-200-million-euros-new-singapore-plant-create-over-400-jobs
https://www.straitstimes.com/business/new-290m-siemens-factory-set-to-open-by-2026-and-create-400-jobs-tuas-likely-site

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