

Reit picks

| REIT | BROKERAGE | TARGET PRICE | REASON |
|---------------------------------------|-----------------|--------------|--|
| Ascendas Reit | DBS | S\$3.40 | Reit continues to add duration to its portfolio weighted average lease expiry (WALE); latest acquisition of suburban office asset in Melbourne is seen as positive |
| Frasers Centrepont Trust | DBS | S\$2.95 | FCT and Frasers Property's increased combined stake in PGIM Real Estate AsiaRetail Fund to 87.93% offers significant maneuverability and influence in the fund's future strategic direction |
| Mapletree Logistics Trust | DBS | S\$1.85 | DBS favours defensive play such as logistics |
| Ascendas Reit | Maybank Kim Eng | S\$3.30 | Maybank likes its scale and sees it as the best proxy for a recovering industrial sector, given its concentrated business-park and high-spec portfolio |
| Mapletree Industrial Trust | Maybank Kim Eng | S\$2.50 | Visible growth drivers from its refurbishment at 30A Kallang Place, recently completed Sunview 1 BTS data centre, and recent acquisition of 18 Tai Seng from sponsor |
| Mapletree North Asia Commercial Trust | OCBC | S\$1.43 | Resilient portfolio underpinned by its Festival Walk mall in Hong Kong, and two properties in China; robust rental reversions for its portfolio, while its entry into the Japanese commercial market in 2018 has diversified its income streams and enhanced its earnings quality |
| Suntec Reit | OCBC | S\$2.07 | Continued momentum for office rental growth in Singapore and resilient retail scene; Suntec Singapore Convention & Exhibition Centre's performance has been soft but is likely to improve in 2020; Reit's increased exposure to Australia also provides a more diversified income stream |
| CDL Hospitality Trusts | RHB | S\$1.79 | Good proxy to growing tourist arrivals in Singapore |
| Manulife US Reit | RHB | US\$1.00 | High yields, favourable outlook for US office market, and long WALE to mitigate possible near-term challenges |
| Suntec Reit | RHB | S\$2.08 | Relatively cheap valuations, organic DPU growth from completion of three development assets and positive rental reversion outlook |