THE SMART INVESTOR

# YEAR IN REVIEW 2024

5 Best-Performing Blue-Chip Stocks of 2024

5 Best-Performing Stocks of 2024

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# Introduction

As 2024 draws to a close, it's time to look back at what the year has offered.

This year was an interesting one for the Singapore stock market as the Straits Times Index (SGX: ^STI) breached a 17-year high.

As of 3 December, the bellwether blue-chip index has gained over 16% as the three local banks powered on to new all-time highs.

We take a look at the best-performing stocks and REITs for the year and also look ahead to determine if the Straits Times Index can continue its momentum.

At the same time, we also looked at stocks that increased their dividends and highlight several interesting candidates that look well-positioned to do well in 2025.

# 5 Best-Performing Blue-Chip Stocks of 2024

Time flies, and the end of 2024 draws near.

The Straits Times Index delivered a stunning performance year-to-date, logging a total return of 19.1% up till 7 November.

Along the way, many blue-chip stocks within the bellwether index also shot up and touched either their 52-week or all-time highs.

Amid the ebullient mood, we took stock of five of the best-performing blue-chip stocks up till 29 November 2024.

These stocks could have what it takes to enjoy continued prosperity and you may want to consider adding them to your buy watchlist.

## Yangzijiang Shipbuilding (SGX: BS6)

Yangzijiang Shipbuilding, or YZJ, is one of the largest non-state-owned shipbuilding companies in China.

The group owns four shipyards in Jiangsu province and can produce a broad range of commercial vessels including large containerships, bulk carriers, and LNG carriers.

The shipbuilder takes the crown as the blue-chip stock with the largest year-to-date (YTD) gain of 56.5% as its share price hit S$2.41.

There are several reasons for this stellar share price performance.

For the first half of 2024 (1H 2024), YZJ saw its revenue rise 15.3% year on year to RMB 13 billion.

Gross profit margin expanded by 8.1 percentage points year on year to 26.7%.

Net profit for 1H 2024 leapt 77.2% year on year to RMB 3.1 billion.

Back in September 2024, the group also announced a joint venture agreement with Japanese shipyard Tsuneishi Group whereby YZJ will acquire a 34% stake in the latter's Chinese subsidiary.

This joint venture should help to drive decarbonisation in the shipbuilding and maritime industry.

A month ago, YZJ's third quarter 2024 (3Q 2024) business update also showed a strong improvement in its order book, jumping from US$14.4 billion at the end of last year to S$22.1 billion as of 7 November.

The group snagged US$11.6 billion of order wins YTD, more than doubling its original 2024 target of US$4.5 billion.

## DBS Group (SGX: D05)

DBS Group is no stranger to most Singaporeans, being the country's largest bank by market capitalisation.

The lender is in second place with a YTD gain of 40.3% as its financial performance was boosted by higher interest rates.

DBS saw its net interest income for 3Q 2024 rise 3% year on year to S$3.8 billion even though net interest margin fell from 2.19% to 2.11% over the same period.

The bank saw its loan book grow by 2% year on year assuming constant currency.

Fee and commission income climbed 32% year on year to S$1.1 billion, resulting in an 11% year-on-year increase in total income to S$5.8 billion.

Net profit came in at S$3 billion, up 17% year on year and at a record quarterly high.

DBS also declared a quarterly dividend of S$0.54 for 3Q 2024, up nearly 23% year on year.

## SATS Ltd (SGX: S58)

SATS is one of the world's largest air cargo handlers and Asia's leading airline caterer.

The group provides airfreight and ground handling services and also operates central kitchens with large-scale food production and distribution capabilities.

SATS' shares delivered a robust performance with a 36.7% YTD gain to close at S$3.76.

The ground handler reported a strong set of financial results for the first half of fiscal 2025 (1H FY2025) ending 30 September 2024.

Revenue rose 14.8% year on year to S$2.8 billion while operating expenses increased by just 9.3% year on year.

Because of this, operating profit more than tripled year on year to S$240.1 million.

SATS also reported a net profit of S$134.7 million, reversing the prior year's net loss of S$7.8 million.

The group declared an interim dividend of S$0.015.

SATS expects this positive momentum to continue as demand for air travel and cargo reaches their seasonal peak.

The group will continue to scale its business to achieve revenue growth and improve its cost efficiency to increase its margins.

## Hongkong Land Holdings (SGX: H78)

Hongkong Land Holdings, or HKL, is a property investment, development, and management group that owns more than 850,000 square metres of prime luxury retail and commercial property in Singapore, Hong Kong, Shanghai, and Jakarta.

Shares of the property giant have rallied 31.5% YTD to reach US$4.55 after the group announced the results of a strategic review conduced to unlock shareholder value.

HKL will simplify its business by focusing on investment properties with long-term recurring income.

As a result, the group will no longer invest in the build-to-sell segment but will recycle capital out of this segment and into investment properties.

This strategy will allow the group to focus on a small number of ultra-premium projects that are consistent with HKL's brand name and reputation.

SATS also reported a net profit of S$134.7 million, reversing the prior year's net loss of S$7.8 million. The group declared an interim dividend of S$0.015.

SATS expects this positive momentum to continue as demand for air travel and cargo reaches their seasonal peak. The group will continue to scale its business to achieve revenue growth and improve its cost efficiency to increase its margins.

## Singapore Exchange Limited (SGX: S68)

Singapore Exchange Limited, or SGX, is Singapore's sole stock exchange operator.

SGX's shares have soared by close to 30% YTD as the bourse operator reported a resilient set of results and promised to steadily increase its revenue and dividends.

For fiscal 2024 (FY2024) ending 30 June 2024, SGX's revenue rose 3.1% year on year to S$1.2 billion. Net profit excluding exceptional items increased by 4.5% year on year to S$525.9 million. The bourse operator also upped its quarterly dividend from S$0.085 to S$0.09, taking the annualised dividend to S$0.36 from S$0.34.

Management has pledged to grow the group's revenue by between 6% to 8% per annum in the medium term by tapping into growth opportunities in its foreign exchange franchise and enhancing connectivity across ASEAN through regional partnerships.

In terms of dividends, management also targets to increase the dividend per share by mid-single-digit % every year, subject to earnings growth.

# 5 Best-Performing Stocks of 2024

It's been an interesting year for investors.

As of 3 December, the Straits Times Index (SGX: ^STI) has gained over 16% and is trading at a 17-year high.

The index's performance came as a surprise to many as the Singapore stock market has been moribund since the pandemic ended.

But besides the strong performance of the blue-chip index, other non-blue-chip stocks also performed very well.

We round up five of the best-performing stocks for 2024 and review their latest earnings and prospects.

Note: Share price data as of 29 November 2024.

## Centurion Corporation (SGX: OU8)

Centurion Corporation owns, develops, and manages purpose-built worker accommodation assets (PBWA) in Singapore, Malaysia, and China.

The group also has a portfolio of purpose-built student accommodation (PBSA) assets in Australia, the UK, and the US along with build-to-rent assets in China.

Centurion's share price has leapt 129.3% year-to-date (YTD) to end at S$0.94, close to its 52-week high of S$1.01.

The group reported a strong set of earnings for the first nine months of 2024 (9M 2024).

Revenue rose 25% year on year to S$186.5 million.

PBWA set the pace with a 27% year-on-year revenue increase to S$143.8 million while PBSA saw revenue jump 20% year on year to S$42.1 million.

PBWA enjoyed a high financial occupancy of 95% while PBSA's financial occupancy touched 98% for 9M 2024.

For PBWA, a new 1,650-bed property (Westlite Ubi) is expected to be completed by December this year.

In Malaysia, several asset enhancement initiatives are ongoing to expand and enhance portfolio capacity.

One of these will add 680 beds by the end of this year while the other will add around 870 beds by the fourth quarter of 2025.

On the PBSA side, Centurion is redeveloping Dwell Village Melbourne City into a new PBSA block of 600 beds which will be completed by January 2026.

## Grand Banks Yachts (SGX: G50)

Grand Banks Yachts, or GBY, is a manufacturer of recreational motor yachts under the Grand Banks, Eastbay, and Palm Beach brands.

The group has a manufacturing yard in Pasir Gudang, Malaysia, and service yards located in the US and Australia.

GBY's share price has shot up 96.7% YTD, going from just S$0.30 to S$0.59.

The business has seen both its top and bottom lines grow steadily.

For the fiscal year 2024 (FY2024) ending 30 June 2024, revenue rose 17.1% year on year to S$133.7 million while net profit more than doubled year on year to S$21.4 million.

A final dividend of S$0.01 was declared, taking FY2024's dividend to S$0.015.

The yacht manufacturer kept up the momentum for the first quarter of fiscal 2025 (1Q FY2025).

Revenue climbed 29.1% year on year to S$40 million while net profit leapt 95% year on year to S$5.4 million.

Net order book stood at S$116 million as of 30 September 2024 with two new models introduced – the PB107 and PB GT50 RS Outboard, with the former being the group's first over 100 feet.

## Sim Leisure Group (SGX: URR)

Sim Leisure Group, or SLG, is a designer, developer, and operator of theme parks.

Some of SLG's attractions include the ESCAPE parks in Malaysia along with KidZania Singapore and Malaysia.

The theme park operator’s share price has shot up 63.5% YTD to touch S$0.85.

For the first half of 2024 (1H 2024), SLG reported a strong set of financial results.

Revenue increased by 56.2% year on year to RM 86.8 million with gross profit more than doubling year on year to RM 40.3 million.

Net profit increased by nearly 50% year on year to RM 18.1 million.

Preliminary construction work and installation of two indoor ESCAPE challenge parks in Putrajaya and Johor Bahru are proceeding well.

The Putrajaya theme park will launch in the fourth quarter of this year while the one in Johor will come onstream in the second quarter of 2025 (2Q 2025).

## Riverstone Holdings (SGX: AP4)

Riverstone manufactures nitrile and natural rubber cleanroom gloves for highly-controlled environments as well as premium nitrile gloves for the healthcare sector.

The glove manufacturer owns six manufacturing facilities in Malaysia (4), Thailand (1), and China (1).

The group’s share price jumped 46.5% YTD to S$1.04.

Riverstone also reported a sparkling set of earnings for 9M 2024.

Revenue rose 16% year on year to RM 794.8 million with gross profit jumping 46.8% year on year to RM 300.3 million.

Net profit increased by nearly 42% year on year to RM 216.9 million.

CEO Wong Teek Son commented that the group is on track to increase capacity for six new clean room production lines.

In line with its strategy to produce customised gloves, the group is also building six new single production lines for healthcare gloves.

These new lines should all be ready and commissioned by 1Q 2025.

## Azeus Systems (SGX: BBW)

Azeus Systems sells software products and services and is well-known for its Convene product which is a leading paperless meeting solution.

Azeus' share price has increased by 37.6% YTD to touch S$11.70.

The software company reported a robust set of results for the first half of fiscal 2025 (1H FY2025) ending 30 September 2024.

Revenue rose 27% year on year to HK$169.3 million while net profit shot up 79% year on year to HK$48.9 million.

The company continues to expand its geographic footprint and is investing in its new product line – the ESG reporting platform.

Its CERKS contract has also entered the deployment phase and is expected to contribute to both its revenue and profits moving forward.

# 5 Best-Performing REITs of 2024

The REIT sector has taken it on the chin for 2024 as a mixture of high interest rates and weak sentiment buffeted the industry.

Despite the poor sentiment, several REITs managed to perform admirably for this year.

These REIT managers utilised a mixture of capital recycling techniques and organic rental growth to mitigate the macroeconomic headwinds.

As a result, distributions either dipped slightly or managed to even rise.

As the year wraps up, we take stock of five of the best-performing* Singapore REITs that income investors may wish to add to their REIT watchlist for 2025.

**Note: Share prices are as of 29 November 2024.*

## Manulife US REIT (SGX: BTOU)

Manulife US REIT, or MUST, is a pure-play US office REIT with a portfolio of nine freehold office properties with a total net lettable area of 4.6 million square feet.

MUST's portfolio was valued at US$1.4 billion as of 31 December 2023.

The office REIT has the honour of logging the best year-to-date (YTD) gain of 25.6% in the Singapore REIT (S-REIT) sector.

Its third quarter of 2024 (3Q 2024) business update showed that MUST is on the path to recovery after the repayment of loans and a divestment during 2024.

The REIT's recent sale of 400 Capitol at US$233 per square foot helps the REIT to significantly reduce liquidity risk and improve its financial ratios.

Its current portfolio occupancy stood at 77% with a portfolio weighted average lease expiry (WALE) of 5.1 years.

Aggregate leverage stood at 58.2%, largely because of a depreciation in the value of the REIT's property portfolio and does not constitute a breach of the aggregate leverage limit of 50%.

Under a Master Restructuring Agreement signed with its lenders, MUST is obliged to raise a minimum of US$328.7 million through asset divestments by June 2025.

## Keppel DC REIT (SGX: AJBU)

Keppel DC REIT is a data centre REIT with a portfolio of 23 data centres spread across 10 countries.

The REIT's assets under management (AUM) stood at S$3.9 billion as of 30 September 2024.

Keppel DC REIT's unit price rose 16.2% YTD to reach S$2.22 after putting up an admirable performance for its 3Q 2024 business update.

Gross revenue rose 8.9% year on year to S$76.9 million while net property income (NPI) dipped by 0.2% year on year to S$64.5 million.

The better revenue performance was because of positive rental reversion but this was offset by loss allowances for the REIT's Guangdong data centres.

Distribution per unit (DPU) inched up 0.4% year on year to S$0.02501.

Keppel DC REIT reported a high portfolio occupancy of 97.6% along with a long WALE of 6.3 years.

Last month, the REIT announced a major transaction – the acquisition of two data centres in Singapore from its sponsor, Keppel Ltd (SGX: BN4).

This purchase will not only be DPU-accretive but also have the potential for further organic rental income growth.

## Cromwell European REIT (SGX: CWBU)

Cromwell European REIT, or CEREIT, is a European-focused REIT with a portfolio of 100+ predominantly freehold properties in countries such as Italy, Poland, Germany, France, and Denmark.

The portfolio is valued at €2.2 billion.

CEREIT's unit price has climbed nearly 15% YTD to €1.62.

For 3Q 2024, the REIT's gross revenue inched up 0.6% year on year to €53.9 million.

NPI shot up 7% year on year to €34.5 million, but distributable income fell by 7.8% year on year to €20.8 million.

CEREIT’s portfolio enjoyed a high occupancy rate of around 94% as of 30 September 2024.

It also logged a positive rental reversion of 2.3% for the quarter, with a long WALE of 4.7 years.

Aggregate leverage stood at 41% with an all-in interest rate of 3.16%.

## Elite UK REIT (SGX: MXNU)

Elite UK REIT is a UK REIT with a portfolio of mostly freehold properties with a total value of £415 million.

Elite’s unit price has improved by 7.1% YTD to close at £0.30.

The UK-based office REIT reported an admirable performance for the first nine months of 2024 (9M 2024).

Revenue came in at £28 million, dipping slightly below £28.5 million in 9M 2023.

Distributable income rose 2.4% year on year to £14 million for 9M 2024.

DPU, at £0.0213, was higher than the £0.0205 paid out in the previous year.

The REIT recently completed refinancing and has no refinancing requirements until 2027.

Gearing stood at 43.6% with borrowing cost at 5%, and Elite UK REIT has hedged 87% of its borrowings to fixed rates through interest rate swap arrangements.

Just last week, the UK REIT entered into a contract to divest Hilden House in Warrington at a 6% premium to its valuation of £3.1 million as of 30 June 2024.

## Parkway Life REIT (SGX: C2PU)

Parkway Life REIT, or PLife REIT, is a healthcare REIT with a portfolio of 64 properties worth S$2.25 billion.

These properties comprise three hospitals in Singapore, 60 nursing homes in Japan, and a specialist centre in Malaysia.

PLife REIT managed to eke out a small 3% YTD gain, putting it in fifth place among the S-REITs.

The healthcare REIT reported a mixed performance for 9M 2024.

Both gross revenue and NPI dipped by 2.2% and 2.1%, respectively, to S$108.5 million and S$102.4 million.

The fall was mainly due to currency weakness as the Japanese Yen depreciated against the Singapore Dollar.

DPU for 9M 2024, however, increased by 2.8% year on year to S$0.113.

PLife REIT enjoyed a moderate gearing of 37.5% and a very low all-in cost of debt of 1.36%.

The REIT pulled off a major acquisition in October with the purchase of 11 nursing homes in France for €112 million.

This acquisition will help to further boost its DPU and open up more opportunities for acquisitions in Europe in the future.

# 8 Companies That Raised Their Dividends in 2024

It's been an interesting year for investors as interest rates and inflation started to ease.

Income investors enjoyed a bonanza as several companies announced dividend increases.

These increases will help to improve the flow of passive income and help you better prepare for retirement.

So here they are – eight companies that increased their dividends this year.

## DBS Group (SGX: D05)

DBS is Singapore's largest bank by market capitalisation.

The lender reported a strong set of earnings for the first nine months of 2024 (9M 2024).

Total income rose 11% year on year to S$16.8 billion, led by a 5% year-on-year increase in net interest income and a sharp 27% year-on-year jump in fee and commission income.

Net profit for 9M 2024 came in at S$8.8 billion, 12% higher than the level last year.

DBS paid out a total dividend per share of S$1.62 for 9M 2024, 28.6% higher than the S$1.26 paid out in the previous corresponding period.

CEO Piyush Gupta expects growth in the bank's non-interest income but net profit should be below 2024 levels because of a global minimum tax of 15% levied on the business.

## iFAST Corporation Limited (SGX: AIY)

iFAST is a financial technology company that operates a platform for the buying and selling of unit trusts, equities, and bonds.

Like DBS, the fintech also reported a stellar set of earnings for 9M 2024.

Net revenue surged by 75.5% year on year to S$183.5 million while operating profit nearly tripled year on year to S$60.1 million.

Net profit more than tripled year on year from S$15.1 million to S$47.4 million.

The group's dividend jumped by 26.5% year on year from S$0.034 to S$0.043.

Its assets under administration also grew by 23.6% year on year to hit a new record of S$23.6 billion.

Looking ahead, management expects the Hong Kong ePension division and the group's digital bank to become important growth drivers in 2025 and beyond.

## OCBC Ltd (SGX: O39)

OCBC is Singapore's second-largest bank by market capitalisation.

The lender also reported a strong set of earnings for 9M 2024, buoyed by higher interest rates and healthy fee income growth.

Total income rose 8% year on year to S$11.1 billion while net profit improved by 9% year on year to S$5.9 billion. For the first half of 2024 (1H 2024), OCBC paid out an interim dividend of S$0.44, 10% higher than the S$0.40 paid out a year ago.

CEO Helen Wong believes that the bank is well-positioned to deliver 2024's targets of low single-digit loan growth and a return of equity above 14%.

## Singapore Post (SGX: S08)

Singapore Post, or SingPost, is a postal and eCommerce logistics provider in the Asia Pacific region.

The group saw its revenue for the first half of fiscal 2025 (1H FY2025) ending 30 September 2024 rise 20% year on year to S$992.4 million.

The uplift came mainly from SingPost's Australian business which saw a 44% year-on-year increase in revenue to S$574.9 million.

The postal company's underlying net profit for 1H FY2025 soared 88% year on year to S$25.2 million.

An interim dividend of S$0.0034 was declared, 89% higher than the S$0.0018 paid out in 1H FY2024.

## Singtel (SGX: Z74)

Singtel is Singapore's largest telecommunication company and offers mobile, Pay TV, and broadband services.

For 1H FY2025, the group reported a mixed set of earnings with revenue dipping by 0.5% year on year to S$7 billion.

Operating profit, however, climbed 27% year on year to S$738 million while underlying net profit improved by 6% year on year to S$1.2 billion.

An interim dividend of S$0.07 was declared and paid, a 35% year-on-year jump from the S$0.052 paid out a year ago.

The telco will continue to focus on its ST28 long-term plan and drive operating profit improvements through enterprise growth in Singapore and Australia.

## United Overseas Bank (SGX: U11)

United Overseas Bank, or UOB, is the third of the trio of local banks.

For 9M 2024, the lender saw total income rise 3% year on year to S$10.8 billion while operating profit inched up 2% year on year to S$6.3 billion.

Net profit came in at S$4.5 billion, up 5% year on year.

The bank had raised its interim dividend during its 1H 2024 results from S$0.85 to S$0.88.

CEO Wee Ee Cheong provided a sanguine outlook for 2025 and expects high single-digit loan growth along with double-digit fee income growth.

## Singapore Exchange Limited (SGX: S68)

Singapore Exchange Limited, or SGX, is Singapore's only stock exchange operator.

The group reported a resilient set of earnings for its fiscal 2024 (FY2024) ending 30 June 2024. Revenue rose 3.1% year on year to S$1.2 billion while net profit (excluding exceptional items) increased by 4.5% year on year to S$525.9 million.

In line with the good results, SGX upped its quarterly dividend from S$0.085 to S$0.09, taking the annualised dividend per share to S$0.36 for FY2025.

Management aims to grow the group's revenue by between 6% to 8% per annum in the medium term.

## NetLink NBN Trust (SGX: CJLU)

NetLink NBN Trust designs, builds, owns, and operates the passive fibre infrastructure of Singapore's nationwide broadband network (NBN).

For 1H FY2025, NetLink reported a slight 0.2% year-on-year dip in revenue to S$204.8 million.

Net profit fell by 8.3% year on year to S$48.5 million.

Despite this drop, distribution per unit inched up 1.1% year on year from S$0.0265 to S$0.0268.

Management's focus for FY2025 is to complete the construction of its new central office to achieve operational readiness to serve the northern part of Singapore.

# 4 Singapore REITs That Raised Their DPU in 2024

2024 is shaping up to be a tough year for the REIT sector.

Despite the lowering of interest rates by 0.75 percentage points in the last three months, income investors are fretting over a possible “higher for longer” interest rate regime.

This tough environment has hit many REITs hard as their borrowing costs soared and put pressure on their distributions.

However, amid the pessimism, several REITs managed to eke out an increase in their distribution per unit (DPU).

We feature four Singapore REITs that managed to grow their DPU despite the macroeconomic headwinds.

## Parkway Life REIT (SGX: C2PU)

Parkway Life REIT, or PLife REIT, is a healthcare REIT with a portfolio of 64 properties across three countries.

The REIT owns three hospitals in Singapore, 60 nursing homes in Japan, and strata units in a specialist centre in Malaysia.

PLife REIT reported a mixed set of earnings for the first nine months of 2024 (9M 2024).

Gross revenue dipped by 2.2% year on year to S$108.5 million while net property income (NPI) slid 2.1% year on year to S$102.4 million.

The weaker performance was mainly due to the depreciation of the Japanese Yen against the Singapore Dollar.

DPU, however, inched up 2.8% year on year to S$0.113.

PLife REIT continued to maintain a moderate gearing of 37.5% and a very low cost of debt of just 1.36%.

In late October, the healthcare REIT announced the acquisition of 11 nursing homes in France from DomusVi.

The purchase is projected to increase the REIT's first half of 2024 (1H 2024) DPU by 1.8% to S$0.0768.

This acquisition also helps to open up a third strategic market for PLife REIT to expand into.

## Mapletree Industrial Trust (SGX: ME8U)

Mapletree Industrial Trust, or MIT, is an industrial REIT with a portfolio of 56 properties in the US, 83 properties in Singapore, and one in Japan.

As of 30 September 2024, MIT's assets under management (AUM) stood at S$8.9 billion.

The industrial REIT reported a respectable set of earnings for the first half of fiscal 2025 (1H FY2025) ending 30 September 2024.

Gross revenue rose 3.5% year on year to S$356.7 million while NPI inched up 2.9% year on year to S$267 million.

DPU edged up 1.3% year on year to S$0.068.

Portfolio occupancy improved slightly from 91.9% to 92.9% quarter-on-quarter.

MIT's aggregate leverage stood at 39.1% with just 5% of its loans coming due in FY2025.

The industrial REIT's cost of borrowing stood at 3.2% with the interest coverage ratio at 4.7 times.

The tenant retention rate stayed high at 73.2% and the portfolio enjoyed a positive rental reversion rate of 10.7% for renewal leases.

## CapitaLand Integrated Commercial Trust (SGX: C38U)

CapitaLand Integrated Commercial Trust, or CICT, is a retail and commercial REIT with a portfolio of 26 properties in Singapore (21), Germany (2), and Australia (3).

CICT's AUM stood at S$24.5 billion as of 31 December 2023.

For 1H 2024, the REIT pulled off an admirable performance as gross revenue rose 2.2% year on year to S$792 million.

NPI did even better and increased by 5.4% year on year to S$582.4 million.

DPU grew by 2.5% year on year to S$0.0543.

CICT's latest third quarter of 2024 (3Q 2024) business update continued this trend of good performance.

Gross revenue crept up 1.7% year on year to S$397.9 million while NPI climbed 5.4% year on year to S$289.8 million.

The retail and commercial REIT also sported a high committed portfolio occupancy of 96.4% with slightly more than three-quarters of its borrowings pegged to fixed rates.

For 9M 2024, CICT reported positive rental reversions of 9.2% and 11.7%, respectively, for its retail and office divisions.

CICT has ongoing asset enhancement initiatives (AEIs) at the IMM Building in Singapore and Gallileo in Germany.

IMM Building has achieved 100% committed occupancy for phases I and II while Gallileo's AEI is slated for completion in 2H 2025.

## AIMS APAC REIT (SGX: O5RU)

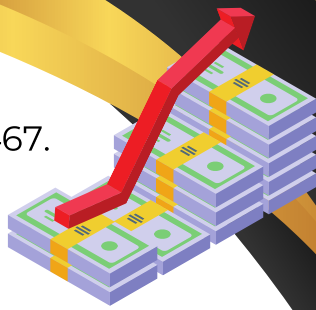
AIMS APAC REIT, or AAREIT, is an industrial REIT that owns a portfolio of industrial, logistics, and business park properties.

The REIT owns 25 properties in Singapore and three in Australia.

The industrial REIT reported a commendable set of earnings for 1H FY2025 with gross revenue rising by 7.7% year on year to S$93.5 million.

NPI improved by 5.1% year on year to S$67.6 million.

AAREIT’s DPU increased by 0.4% year on year to S$0.0467.



Portfolio occupancy stayed high at 95% and the REIT also recorded a strong positive rental reversion of 16.9%.

The industrial REIT has a low aggregate leverage of 33.4% with a blended funding cost of 4.4%.

Around 74% of its loans are on fixed rates, thus mitigating some of the impact of higher interest rates.

The manager will continue to make selective investments and developments and also partake in active asset management to drive further positive rental reversion.

Two AEIs are underway to help drive organic growth and further increase the REIT’s top line.

# Get Smart: To a more prosperous 2025

We are wrapping up 2024 with a bang as the Straits Times Index touches highs not seen since 2007.

The bulk of blue-chip stocks are doing well and look poised to continue doing so next year.

Interest rates, however, may stay higher for longer as the US Federal Reserve performs its delicate balancing.

The officials there need to tame inflation while ensuring that the economy does not sputter and run out of steam.

Hence, the REIT sector could face another tough year if interest rates hover at current levels.

For the discerning investor, there will always be great opportunities to buy solid stocks for the long term.

Wishing you a happy, prosperous and successful 2025!

Disclosure: Royston Yang owns shares of DBS Group, iFAST, Keppel DC REIT, Mapletree Industrial Trust, NetLink NBN Trust and Singapore Exchange Limited.

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