RUBIX INSIGHTS

Real Estate

China has emerged as one of the largest sources of property and land investment in Singapore, driven by the financial hub's safe-haven appeal amid global capital inflows. In 2025, mainland Chinese firms were the second-largest investors in the island state, accounting for 21% of the S$4.16 billion in total fixed-asset investments - a massive jump from 2.5% the previous year. Conversely, the 2026 outlook for the Thai housing market remains fragile, dragged down by soft domestic demand, a pullback in foreign buyers, and rising energy costs fuelled by the Middle East conflict. Nonetheless, the downturn will likely be cushioned by government stimulus measures, including a one-year extension of loan-to-value easing and property fee cuts.

Hospitality

Demand for luxury hotels in the Asia-Pacific region has surged, as investors increasingly view the asset class as a resilient bet with enduring appeal for global and regional travellers. While these properties have historically commanded premium rates, a narrowing occupancy gap between luxury and mainstream segments signals that luxury hotels are now year-round performers backed by sustained demand. Crucially, despite operating costs that run nearly twice as high as the regional industry average, luxury properties still generate GOP margins comparable to the wider market. This financial resilience is reflected in investment flows: according to JLL, regional luxury hotel transaction volumes vaulted 77% between 2017 and 2025 to US$2.1 billion.

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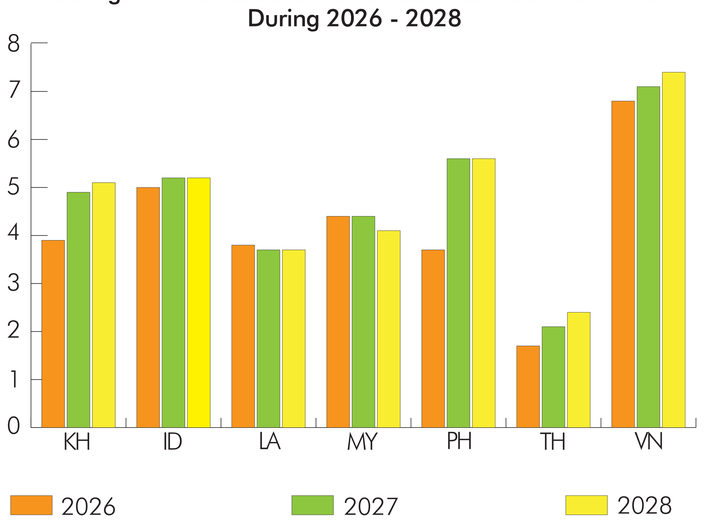
GDP growth forecasts for some Southeast Asian countries
During 2026 - 2028



Unit: %

Source: World Bank

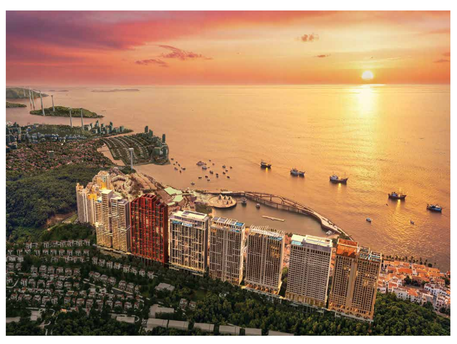
Economy

According to World Bank, economic growth in East Asia and the Pacific excluding China is expected to slow to 4.4% in 2026 from 4.8% in 2025, as the Middle East conflict stokes energy prices, elevates uncertainty, and in some cases, tightens financial conditions. Meanwhile, AMRO has held its 2026 ASEAN+3 growth forecast steady at 4.0% - aligning with its early April outlook - but bumped its inflation projection to 1.8% from 1.4%, reflecting more prolonged fallout from the geopolitical crisis. Despite these headwinds, ASEAN+3 growth has shown resilience, anchored by robust domestic demand and a tech export revival. Nevertheless, cracks are beginning to show, as energy, commodity, and logistics costs have surged, while petroleum product supplies continue to tighten.

Policy

The real estate markets in Vietnam and Singapore are undergoing significant regulatory shifts as both governments move to protect buyers and stabilize housing markets. In Vietnam, the government is actively navigating its market to combat speculation and urban housing crises caused by overpricing; this involves accelerating social housing projects and fostering a long-term rental market to build a more diverse, sustainable social welfare ecosystem. Meanwhile, Singapore is tightening developer accountability with strict new measures that ban companies from participating in residential land tenders or selling new homes for up to five years if they commit serious safety breaches or deliver defect-ridden projects.

RUBIX BRIEF



Vietnam emerging as a key growth market for Singaporean developers

CapitaLand, Mapletree, Keppel, and Frasers Property have built sizeable portfolios across Vietnam, propelled by the country's sustained GDP growth, expanding middle class, and improving infrastructure. In the hospitality industry, Ascott inked agreements with Sun Group to manage four projects in HCMC and Phu Quoc under its The Crest Collection, Ascott, lyf, and HARRIS brands. The operator also announced the signings of Diamond Crown Westlake by The Crest Collection and Citadines Riverside Hai Phong. Vying for market share, IHG is set to develop a four-hotel portfolio at Vinhomes Green Paradise Can Gio under the InterContinental, Crowne Plaza, Holiday Inn Express, and Garner brands. Separately, the hospitality giant secured a two-property deal to manage Regent Ho Tram and Crowne Plaza Saigon Binh Duong.

Thailand tops Asia's branded residences market by launched supply

Reported by C9 Hotelworks, this surge comes as global hospitality, lifestyle, and non-hospitality brands expand their footprints in the market and developers vie for the region's affluent buyers. Led by Bangkok and Phuket, Thailand now commands a 26% share of Asia's total supply. While Vietnam still holds the lead in overall market value, Thailand dominates the ultra-luxury tier with 30 projects, outpacing Vietnam (18) and South Korea (13). Reflecting this momentum in the wider hospitality sector, IHG has secured a deal for the 307-key voco Phuket Patong. Slated for a 2028 debut, the hotel will anchor Abov Patong, a mixed-use development incorporating hotels, branded residences, and premium amenities. Concurrently, Minor expanded its portfolio by inking two new deals for Colbert Collection Koh Samui and Avani Koh Phangan.

Singapore hotel transactions to continue upward trend in 2026

Singapore's hospitality M&A market maintained its momentum into 1H2026, highlighted by the recent S$273 million sale of the 272-key Orchid Hotel in Tanjong Pagar. This followed a May agreement by CapitaLand Ascott Trust to divest the 336-key Robertson House by The Crest Collection for S$360 million. Those deals mirror the high-profile acquisitions of 2025, which included the S$160 million takeover of the 344-key Hotel Miramar - since rebranded as DoubleTree by Hilton Singapore Robertson Quay, and IOI Properties' acquisition of the 634-key JW Marriott Hotel Singapore South Beach. The deal pipeline shows no signs of tapering heading into 2H2026, with BlackRock reportedly in exclusive due diligence to acquire the 304-key Capri by Fraser China Square for S$330 million.

Indonesia's luxury hotels led wider market recovery

Indonesia's luxury hotel occupancy returned to pre-pandemic levels for the 12 months ending March 2026, outperforming all other segments, according to STR data. Backed by new high-end supply, market-wide average room rates surged over 40% compared to 2019. Furthermore, the luxury segment has spearheaded the country's ADR growth since 2023, with Bali hotels demonstrating robust pricing power amid resilient international demand and diverse source markets. This luxury momentum is creating a halo effect across the wider industry. In details, Hyatt secured a deal for the 154-key Hyatt Place Semarang and IHG opened the 100-key Holiday Inn Express Bandung Braga, while Sono announced to debut the 90-key Sono Felice Bali Canggu in 2028.

Mandarin Oriental announces its return to Manila

Mandarin Oriental announced to open the 275-key Mandarin Oriental Makati, Manila in late 2026. The move marked the brand's return to the capital since its first hotel Mandarin Oriental Manila closed in 2014. At the same time, Radisson inaugurated the 144-key Radisson RED Cebu Mandaue, anchored within the Astra Centre mixed-use development. This hospitality momentum, however, stands in sharp contrast to the worsening housing crisis in the Philippines. Particularly, Metro Manila now ranks among the world's most unaffordable residential markets. Highlighting the severe affordability gap, 2024 data revealed that condominium prices reached 19.8 times the median annual household income, while townhouse prices skyrocketed to an even more extreme 33.4 times.

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