



Artist's Impression of Food Vision

Q4 2025 Industrial

Steady growth amid global uncertainties

At A Glance

Industrial | Q4 2025

QoQ Change

YoY Change

Multiple-User Factory Rents: **S\$2.10 psf**

▲ 0.5%

▲ 0.5%

Occupancy Rate: **88.7%**

▼ 0.4%

▼ 0.3%

All Industrial Price Index: **111.8**

▲ 1.4%

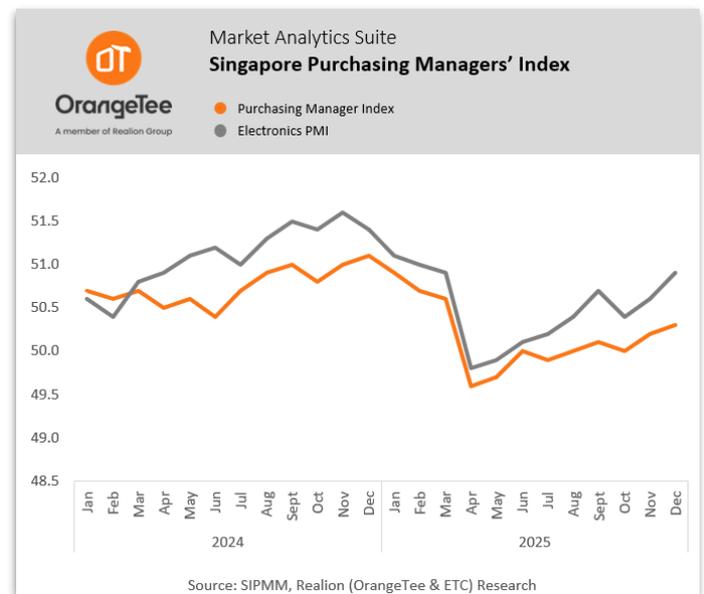
▲ 5.0%

Supply Pipeline NLA: **39.0 million sq ft (2026 to 2030)**

Manufacturing | Continued Expansion

- The manufacturing sector continued its recovery in Q4 2025 amid global tariff uncertainty. Based on data from the Singapore Institute of Purchasing and Materials Management (SIPMM), the Purchasing Managers' Index (PMI) rose marginally by 0.2 points to 50.3 in December 2025, from 50.1 in September 2025 (Figure 1). December marks the fifth consecutive month of the manufacturing sector in expansionary territory, indicating steady manufacturing growth.
- The electronics segment, which is a key pillar of manufacturing output, continued to show strong performance, with electronics PMI reaching 50.9 in December 2025 from 50.7 in September 2025 (Figure 1), marking the seventh straight month of expansion. The sustained growth in the electronics segment is largely driven by robust artificial intelligence (AI)-related server demand and US tariff exemptions on electronics goods.
- The latest PMI reading underlines the resilience of Singapore's manufacturing sector. Based on the monthly manufacturing performance report released by the Singapore Economic Development Board (EDB), Singapore's manufacturing output rose year-on-year (y-o-y) in 11 out of the 12 months in 2025, an upswing compared to 2024 when manufacturing output grew y-o-y in nine of these months.

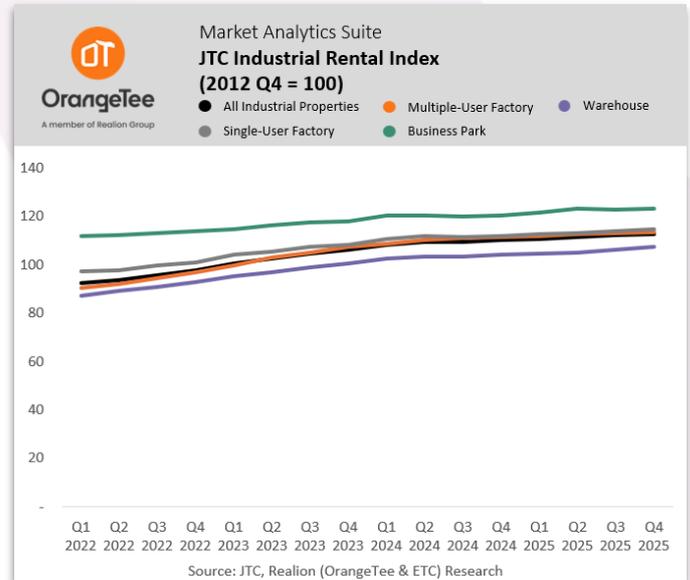
Figure 1: Singapore PMI continued to recover



Rental Trends | Rents rose modestly

- Overall industrial rents rose marginally in Q4 2025, as the JTC all industrial rental index climbed by 0.5 per cent quarter-on-quarter (q-o-q) to 112.7 in Q4 2025, matching the 0.5 per cent quarterly growth in Q3 2025 (Figure 2). All industrial segments recorded positive quarterly rental growth, led by the warehouse segment which saw a 1.1 per cent q-o-q increase. Business park rents rebounded to register a 0.4 per cent growth q-o-q, a reversal from the 0.2 per cent quarterly decline in the previous quarter.
- Industrial rental volume declined by 3.2 per cent q-o-q to 3,068 units in Q4 2025, marking the second straight quarter of decline. Business Park rental volumes declined by 13.1 per cent in Q4 2025, a reversal from the 18.9 per cent growth in Q3 2025. Other industrial segments also registered a drop in tenancies, including Multiple-User Factory (2.4 per cent), Single-User Factory (8.2 per cent), and Warehouse (2.8 per cent).

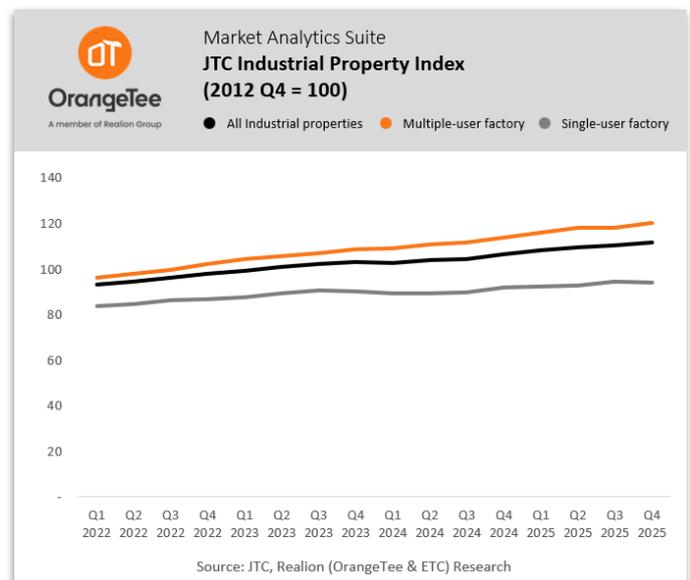
Figure 2: Industrial rental index rose modestly



Sales Trends | Highest sales quantum since Q3 2017

- Industrial property prices grew at a faster pace in Q4 2025. The JTC price index for all industrial properties rose by 1.4 per cent q-o-q in Q4 2025, greater than the 0.6 per cent q-o-q growth recorded in Q3 2025. The price growth was driven by multiple-user factories, which posted a quarterly increase of 1.9 per cent (Figure 3). In contrast, single-user factories registered a 0.3 per cent decline in q-o-q growth.
- Transaction volume in Q4 2025 contracted when compared to the preceding quarter. According to URA Realis caveat data, 446 industrial properties were transacted in Q4 2025, a 9.2 per cent decrease from the 491 transactions in Q3 2025.
- Total industrial sales quantum more than doubled in Q4 2025, rising by 144.6 per cent to S\$2,242 million, from S\$916.6 million in Q3 2025. This is the highest sales quantum recorded in a quarter since Q3 2017. The largest transaction was a warehouse deal at 680 Upper Thomson Road, sold for S\$351 million in October 2025. The freehold industrial site was previously owned by NTUC FairPrice.

Figure 3: Multiple-user factory prices drove industrial price growth





Occupancy | Strong completions weigh on occupancy

- Overall occupancy for all industrial space decreased to 88.7 per cent in Q4 2025, down by 0.4 percentage points from 89.1 per cent in the previous quarter (Figure 4). On a y-o-y basis, the overall occupancy rate declined marginally by 0.3 percentage points from 89 per cent in Q4 2024.
- The fall in overall occupancy rate was attributed to strong completions, with around 3.7 million sq ft GFA added to the total industrial stock in Q4 2025, reversing the decline in overall industrial stock in the previous quarter.
- Among the industrial segments, the occupancy rate for multiple-user factory recorded the largest q-o-q decline of 1.1 percentage points in Q4 2025, followed by a 0.3 percentage points decline for single-user factory. Despite the increase in net supply for all segments, business park and warehouse recorded positive occupancy growth, increasing marginally by 0.1 and 0.2 percentage points q-o-q in Q4 2025, respectively. This suggests that occupier demand in the warehouse and business park segments remains resilient, enabling the market to absorb new supply.
- Based on planning approvals as of December 2025, around 10.7 million sq ft GFA of industrial space is expected to be completed this year. Warehouse space accounts for 29 per cent of the upcoming supply, while multiple-user factory space and business park space make up 16 per cent and 2 per cent respectively. The remaining 53 per cent of supply comprise of single-user factory space (Figure 5).

Figure 4: Overall occupancy rate declined q-o-q and y-o-y

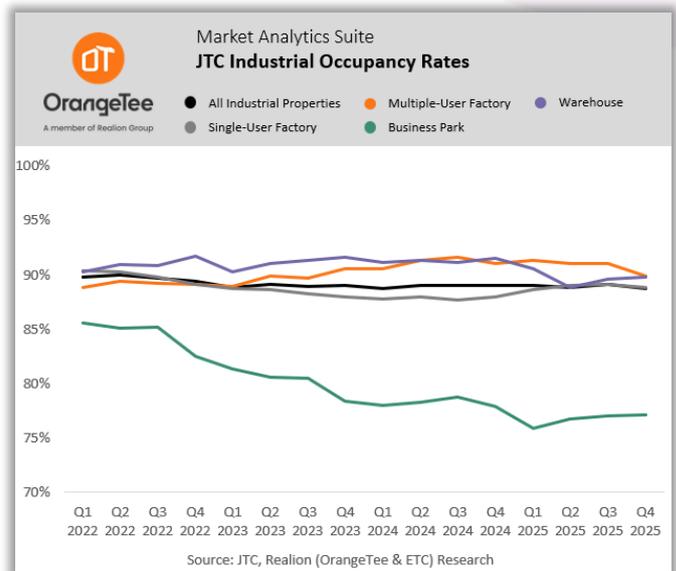
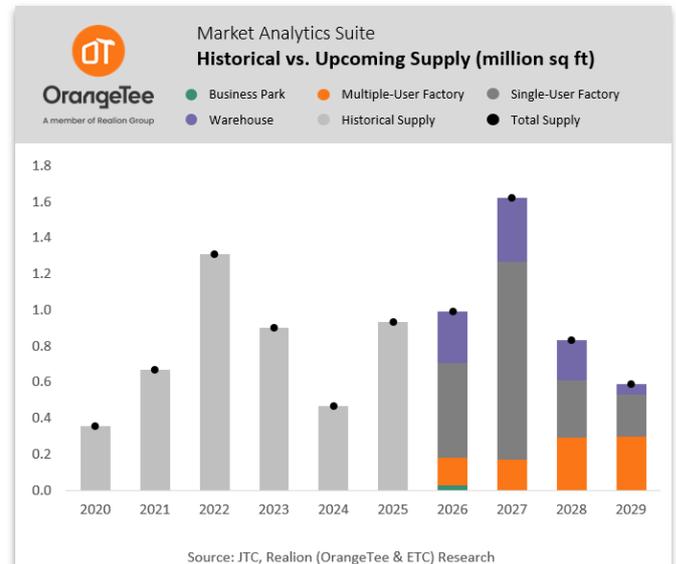


Figure 5: Single-user factories form bulk of supply pipeline



Outlook | Steady Growth

- Looking ahead, there are signs of caution, as the manufacturing sector could face potential headwinds from US semiconductor tariffs, higher logistics costs and capacity constraints.
- Nonetheless, according to EDB, business outlook for the sector remains optimistic in the upcoming months, with a net weighted balance of six per cent of manufacturing firms anticipating a rise in output in the first quarter this year, compared to Q4 2025. Optimism is the highest in the electronics segment and is expected to drive growth on the back of sustained AI-related demand despite the aforementioned challenges.
- Total industrial supply is projected to reach 37.1 million sq ft GFA between 2026 to 2028, which equates to an average annual supply of 12.4 million sq ft GFA, well above the average supply of 8.3 million sq ft GFA over the past three years. However, impending supply of business park space is expected to tighten, with only 27 International Business Park (IBP) slated for completion in 2026.
- In light of the current economic backdrop, occupiers could be more selective in choosing industrial spaces that align with their needs. Hence, we expect overall industrial rents to grow at a steady pace of 1 to 3 per cent in 2026.

Industrial Market Projection

Indicators	2022	2023	2024	Q3 2025	Q4 2025	2025	Projection for 2026
JTC Overall Rental Index	6.9%	8.9%	3.5%	0.5%	0.5%	2.4%	1% to 3%
JTC Overall Price Index	7.5%	5.1%	3.5%	0.6%	1.4%	5.0%	2% to 4%

Source: JTC, Realion (OrangeTee & ETC) Research

A product by Realion (OrangeTee & ETC) Research



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