

Building a Diversified REIT Portfolio

This 2-day course aims to provide financial professionals with the knowledge and skills about the fundamentals of investing in REITs (specifically Singapore REITs) and enable them to make informed decisions in relation to investing in REITs.

This course has been accredited under the Skills Framework for Financial Services and is eligible for funding under the IBF Standards Training Scheme (IBF-STs), subject to all eligibility criteria being met. Candidates are advised to assess the suitability of the course and its relevance to participants' business activities or job roles. **IBF-STs provides up to 90% course fee subsidy for direct training costs subject to a cap of S\$7,000 per candidate per course subject to all eligibility criteria being met.**

The IBF-STs Enhanced Funding Scheme is eligible for Singapore Citizens or Singapore Permanent Residents that are physically based in Singapore.

To find out more about the IBF-STs Enhanced Funding Scheme, please visit <https://www.ibf.org.sg/programmes/Pages/IBF-STs.aspx>.

Key Learning Outcomes:

- To help financial professionals understand if investing in REITs does or does not help them (and/or their clients) in achieving their investment objectives.
- Understand how REITs work, their business model, their different sectors, and the market that REITs operate in.
- Understand the different criteria and financial ratios of different REITs to make an informed decision when investing in a particular REIT.
- Learn about how external events and news (such as a pandemic) can affect the REIT market.
- Learn several technical analysis techniques to be able to time their entry/exit into the market.
- Learn how to increase their return and/or reduce their investment risk through tools available to them (e.g diversification and leverage).

The Programme is Suitable for:

- Financial Professionals who deal with REIT investments or looking to learn more about REITs.

Duration

- 14 hours of training:
 - 13.5 hours of virtual classroom training
 - 0.5 hours of assessment



After-Course Support

This comprehensive training programme comes with an after-course support, which includes:

- Access to Facebook Closed Group
- Telegram Channel for:
 - REIT Market update
 - REIT news
- Monthly blog update on Singapore REIT market
- Monthly Singapore REIT Update Interview with MoneyFM89.3
- Kenny Loh email address for further questions

To gain maximum benefits from the course, you are strongly recommended to have a trading account before attending the class.



Outline

1. Course Introduction

- 1.1 Course Agenda
- 1.2 What is your Investment Objective
- 1.3 Pre-Course Example
 - 1.3.1 Common mistakes made

2. Introduction to REITs

- 2.1 History of REITs
- 2.2 Overview of the S-REITs Industry
- 2.3 What is REIT?
- 2.4 Objectives on Investing in REITs
- 2.5 The REIT Business Model: How do REITs work?
 - 2.5.1 Funding
 - 2.5.2 Distribution
- 2.6 REITs vs Business Trusts
- 2.7 Total Return Concept
- 2.8 Investing in Physical Property vs REITs

3. The REIT Market and Macro-environment

- 3.1 Market Sentiment in the REIT Sector
 - 3.1.1 S-REIT Indexes (FTSE ST and iEdge)
- 3.2 Case Studies on how News Headlines affect REITs
- 3.3 Insider Trading

4. REIT Sectors & Geographical Distributions

- 4.1 The Different REIT Sectors, Characteristics of each REIT sector, Examples of S-REITs in each sector
 - 4.1.1 Retail
 - 4.1.2 Office
 - 4.1.3 Industrial
 - 4.1.4 Hospitality
 - 4.1.5 Healthcare

4.1.6 Others

- 4.1.6.1 Specialised: Data Centres
- 4.1.6.2 Future: Student Accommodation

4.2 Geographical Distributions of REITs

- 4.2.1 Local
- 4.2.2 Global

5. Terminology & Financial Ratios of REITs

- 5.1 How to read and interpret REIT Financial Results
- 5.2 Financial Ratios and their formulae (if applicable)
 - 5.2.1 Net Property Income (NPI)
 - 5.2.2 Distribution per Unit
 - 5.2.2.1 Distribution Growth
 - 5.2.3 Yield
 - 5.2.4 Yield Spread
 - 5.2.5 Gearing Ratio
 - 5.2.6 Net Asset Value (NAV)
 - 5.2.7 NAV per unit
 - 5.2.8 Price/NAV
- 5.3 Fundamental Ratios
 - 5.3.1 Portfolio Valuation
 - 5.3.2 Sponsor
- 5.4 Lease Management Ratios
 - 5.4.1 Occupancy Rate
 - 5.4.2 Weighted Average Lease Expiry (WALE)
 - 5.4.3 Hospitality Trust Ratios
 - 5.4.3.1 Average Daily Rate/Average Room Rate (ADR/ARR)
 - 5.4.3.2 Revenue per Available Room/Unit (RevPAR/RevPAU)
- 5.5 Debt Related Ratios and their formulae (if applicable)

- 5.5.1 Weighted Average Debt Maturity (WADM)
- 5.5.2 Cost of Debt/Interest Cost Fixed Interest Rate
- 5.5.3 Interest Coverage Ratio (ICR)
- 5.5.4 Secured Borrowings
- 5.5.5 Unsecured Borrowings

6. Impact of COVID-19 on S-REITs

- 6.1 Singapore Government Support for S-REITs during COVID-19
- 6.2 General Impact of COVID-19 on S-REITs
- 6.3 Impact on COVID-19 different REIT sectors, including comparison with Pre COVID-19 Financial Ratios
 - 6.3.1 Retail
 - 6.3.1.1 Suburban vs Prime Malls
 - 6.3.2 Office
 - 6.3.3 Industrial
 - 6.3.4 Healthcare
 - 6.3.5 Hospitality
 - 6.3.5.1 Eagle Hospitality Trust collapse
- 6.4 Actions taken by S-REITs due to COVID-19
- 6.5 Lessons Learnt from COVID-19

7. SGX New Initiatives for S-REITs

- 7.1 Environmental, Social, and (Corporate) Governance (ESG)
 - 7.1.1 ESG Ratings (MSCI, Sustainalytics)
 - 7.1.2 ESG Indexes (iEdge)
- 7.2 Singapore Governance and Transparency Index (SGTI)
 - 7.2.1 Methodology and Rankings

8. Obtaining Information on REITs

- 8.1 News outlets and media
- 8.2 Brokerage and analyst reports
- 8.3 Industry sources, Exchanges
- 8.4 Trust/REIT websites

9. Selecting REITs for your investment portfolio

- 9.1 Kenny's 8 Criteria for Selecting REITs
- 9.2 Using a REIT screener to analyse REITs
- 9.3 Qualitative Analysis
- 9.4 Risk Assessment for REITs - 5 Risks

10. Technical Analysis

- 10.1 Trend Analysis - Identifying Trends
- 10.2 20/50/200 Simple Moving Average
- 10.3 Support & Resistance
- 10.4 Buying Strategies
 - 10.4.1 Buying on dips during an Uptrend
 - 10.4.2 Buying at Supports

11. How to increase your returns on REITs

- 11.1 Increasing Yield through Margin Financing
 - 11.1.1 Margin Ratio
- 11.2 Dollar-Cost Averaging Strategy (DCA)
- 11.3 What are Exchange Traded Funds (ETFs)?
- 11.4 ETFs in Singapore

12. Building a Diversified REIT Portfolio

- 12.1 5 Steps to build a diversified REIT portfolio
- 12.2 Why you should diversify your Investment Portfolio
- 12.3 Regular Re-balancing of REIT Portfolio
- 12.4 Dealing with Portfolio-related Operational Issues

13. Practical Work

- 13.1 Using a REIT Screener
- 13.2 Hands-on Case Studies

Assessment: MCQ (70% passing score)

Course Fees & Funding

For training programmes commencing between 1 January 2022 and 30 June 2022 (both date inclusive):

- 80% of direct training cost
- Singapore Citizens aged 40 years old and above will be eligible for 90% co-funding of direct training costs
- Registrants have to be physically based in Singapore

For Singapore Citizen

| Course Fees (S\$) | 40 years old & above | | Below 40 years old | |
|--|------------------------|----------------------------|------------------------|----------------------------|
| | Fees after 90% IBF-STs | | Fees after 80% IBF-STs | |
| | Company-Sponsored | Self-Sponsored Individuals | Company-Sponsored | Self-Sponsored Individuals |
| S\$2,000.00 (inclusive of GST) | S\$317.76 * | S\$200.00 * | S\$504.67 * | S\$400.00 * |

For Permanent Resident

| Course Fees (S\$) | Fees after 80% IBF-STs | |
|---------------------------------------|------------------------|----------------------------|
| | Company-Sponsored | Self-Sponsored Individuals |
| S\$2,000.00 (inclusive of GST) | S\$504.67 * | S\$400.00 * |

Eligible company-sponsored and self-sponsored individuals will be required to pay course fees net of enhanced course fee subsidies, subject to the prevailing grant cap.

****The IBF-STs Enhanced Funding Scheme is eligible for Singapore Citizens or Singapore Permanent Residents that are physically based in Singapore; and are only applicable when you have successfully completed the course and passed the assessment. You will not be eligible for the course fee subsidy if you drop out halfway through the course or did not pass your assessment. SGX Academy is entitled to claw back the course fee subsidy from you.***

Trainer's Profile

Kenny Loh is a Certified Financial Planner and REITs Specialist of Singapore's top Independent Financial Advisor. He helps clients construct diversified portfolios consisting of different asset classes from REITs, Equities, Bonds, ETFs, Unit Trusts, Private Equity, Alternative Investments and Fixed Maturity Funds to achieve an optimal risk adjusted return. He has won multiple awards in financial planning and investment planning.

Kenny is also a certified Institute of Banking & Finance Singapore (IBFSG) Trainer and a regular speaker at INVEST Fair and the REITs Symposium organised by ShareInvestor, some of the biggest financial industry events in Singapore.

IBF Standards Training Scheme (IBF-STS)

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About IBF Certification:

This course addresses the following Technical Skills and Competencies (TSCs) and proficiency level:

- **Research and Information Synthesis (Proficiency Level 4)**

Participants are encouraged to access the [IBF MySkills Portfolio](#) to track their training progress and skills acquisition against the Skills Framework for Financial Services. You can apply for IBF Certification after fulfilling the required number of Technical Skills and Competencies (TSCs) for the selected job role.

Find out more about IBF certification and the application process on <https://www.ibf.org.sg/certification/Pages/Why-be-Certified.aspx>

Terms and Conditions

All seminar/course registrations must be received by SGX Academy Secretariat by the published closing date. Singapore Exchange reserves the right to make changes to the time, date, syllabus, speakers, and venue or cancel the course if warranted by circumstances beyond its control.

Cancellation of a registration must be made in writing at least 10 business days before the event and a refund (net of administrative fee) will be made. No refunds will be given for cancellations received less than 10 business days.

Data Protection Notice

By providing my personal information herewith, I authorise Singapore Exchange Limited ("SGX") and/or its affiliates (collectively with SGX, the "SGX Group Companies") to collect and use the information I have provided, and to share such information with the SGX Group Companies and any third parties with which the SGX Group Companies have service arrangements in connection with the SGX Academy subscription, the operation of my securities account with The Central Depository (Pte) Limited, if any, or other ancillary purposes, including the marketing of SGX Group Companies' products and services to me.

For more information, please refer to <https://www2.sgx.com/terms-use#SGX%20Privacy%20Policy>.