



For Immediate Release

Singapore's industrial market goes from strength to strength: Colliers

Industrial rents and prices trudge ahead despite economic uncertainties and higher supply

SINGAPORE, August 5, 2025 – Leading diversified professional services and investment management firm Colliers today released its **Q2 2025 Industrial Report and Outlook**. The report offers a comprehensive view of the market, highlighting key trends and forward-looking insights.

Report highlights

- The JTC All Industrial rental index marked its 19th consecutive quarterly increase. Rents rose 0.7% QoQ in Q2 2025, up from 0.5% in Q1, bringing the index to its highest level since Q2 1996—a 24.6% increase since its Q3 2020 low.
- Rental growth was positive across all segments, led by the multiple-user factory and business park segments. Overall industrial occupancy declined marginally to 88.8%, dragged down by the warehouse segment which saw occupancy declining by 1.7%.
- The price index grew by 1.4% QoQ, slightly slower than the 1.5% growth in Q1, reaching its highest level since Q4 2015, implying a 26.9% increase from its last trough in Q3 2020.

Industrial sector to remain resilient with manageable pipeline and new demand patterns

Despite global uncertainties, the evolving trade landscape is creating new demand patterns that favour Singapore's role as a neutral and efficient logistics hub. In the logistics and business park segments, a manageable pipeline is expected to support rental stability and healthy occupancy levels. Leasing interest in high-tech multi-user factories and business parks is predicted to strengthen, driven by easing supply pressure and sustained demand from technology, artificial intelligence, and biomedical firms.



Colliers Industrial Rents

	Q2 2025 (SGD)	% Change QoQ	% Change YoY
High-specs	3.43	0.6%	-0.3%
Factory*	1.70	0.6%	1.2%
Warehouse*	1.63	-	0.6%
Prime Logistics	1.74	-	-
Business Park	3.53	-	-3.0%
Prime Business Park	6.20	-	-1.1%

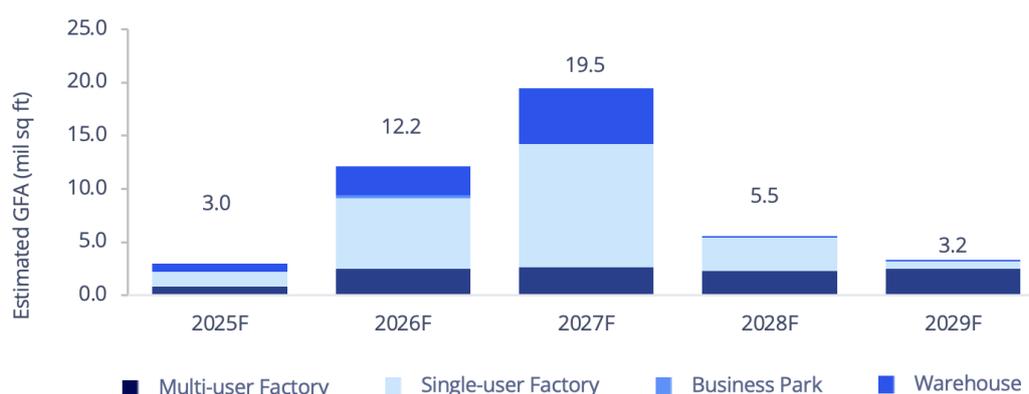
*Average of upper and lower floor rents

Source: Colliers, JTC

Surge in upcoming supply

The supply of industrial space is expected to increase from now until the end of 2027 (amounting to a supply of approximately 1.3 million sqm), significantly higher than the historical average. In comparison, the average annual supply and demand were about 0.9 million sqm and 0.6 million sqm respectively, over the past three years.

Upcoming Supply



Source: Colliers, JTC



“With careful calibration of supply and a strong reputation as a trusted regional hub, Singapore is well-positioned to capture long-term demand from high value occupiers seeking operational stability and supply chain efficiency,” said Nicolas Menville, Executive Director and Head of Singapore-based Industrial Clients at Colliers.

Rental growth to moderate due to cautious sentiments

The boost from front-loading is expected to taper off in the second half of the year as economic activity normalises. Singapore’s high degree of trade reliance—where re-exports comprise nearly two-thirds of total trade means it remains highly sensitive to external headwinds, particularly trade policy developments.

The potential introduction of new tariffs on key exports like semiconductors and pharmaceuticals could exert pressure on these sectors. While leasing remains active, sentiment is cautious, and rental growth is forecast to moderate in the coming quarters.

Catherine He, Head of Research, Colliers Singapore added, “Singapore’s industrial real estate market continues to demonstrate resilience in the face of growing global uncertainty. While near-term risks related to tariffs and global trade may weigh on traditional manufacturing, opportunities could emerge in specialised logistics, bonded storage, and high-tech industrial formats.”

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About Colliers

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