CBRE

Future Cities

Retail Reimagined: Sustaining Singapore's Position as a Global Retail Destination

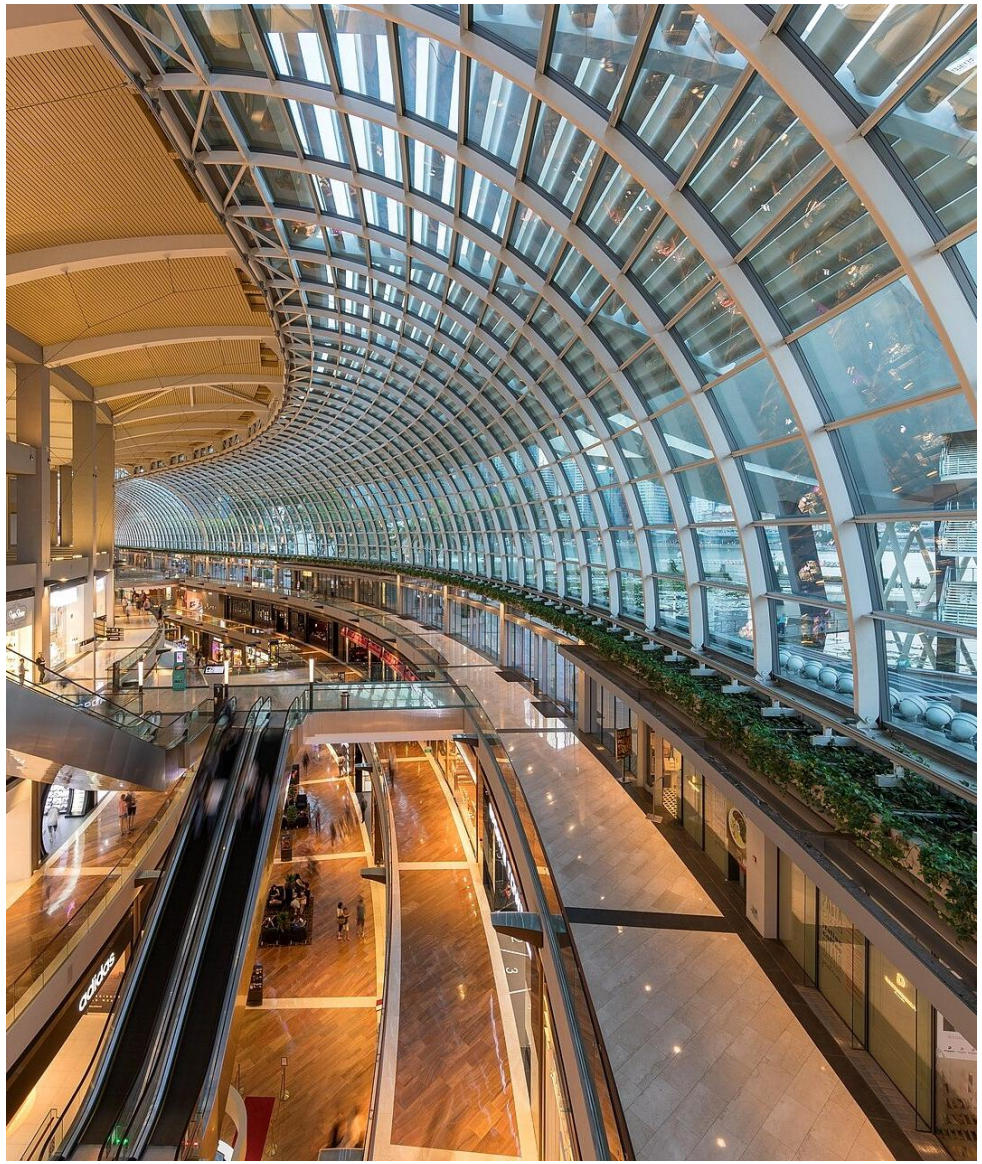
REPORT

Opportunities for retailers, landlords and investors

SINGAPORE RESEARCH

NOVEMBER 2026





The Shoppes at Marina Bay Sands, Singapore

Summary

Singapore's retail landscape has evolved from a collection of traditional high streets and community shopping precincts into one of the world's most sophisticated retail destinations.

Yet past success does not guarantee future relevance. Consumers are increasingly fickle, digitally empowered and experience-driven. Competition is no longer limited to neighbouring cities. Singapore now competes across Asia for shopper spend, tourist arrivals and retail investment capital.

To remain relevant, Singapore's retail real estate must be continuously reinvented. The future lies not in building more retail space, but in creating more compelling retail experiences, curating distinctive tenant mixes and transforming assets into mixed-use destinations where shopping integrates into a broader lifestyle proposition.

REPORT AT A GLANCE

30.9%

Retail & F&B share of tourism spending (2025)

$7.4 bn

Retail investment volume in Q1 – Q3 2026 (>3x y-o-y)

2.7% p.a.

Retail value growth forecast (2025 – 2029)

© 2026 CBRE, INC.

01

The evolution of Singapore's retail landscape

1970s

Birth of the modern mall

Retail shifts from shophouses and street markets to purpose-built, multi-storey shopping centres.

1. People's Park Complex
2. Plaza Singapura

1980s

Suburban retail expansion

Retail expands into new HDB towns; department stores anchor malls in the suburbs and the city.

3. Parkway Parade
4. Raffles City
5. Marina Square

1990s

Regional centres & mega malls

Planned regional centres decentralise shopping; large-format malls proliferate.

6. Northpoint City South Wing
7. Ngee Ann City
8. Suntec City
9. Tampines Mall
10. Jurong Point

2000s

REITisation & integration

The first retail REIT (2002) brings a new form of mall ownership; malls integrate with MRT, offices and homes.

11. VivoCity
12. ION Orchard

2010s

Destination retail & e-commerce

Iconic destinations draw global attention; e-commerce scales up and shifts the focus to experiential retail.

13. The Shoppes at Marina Bay Sands
14. Jewel Changi Airport
15. Funan AEI

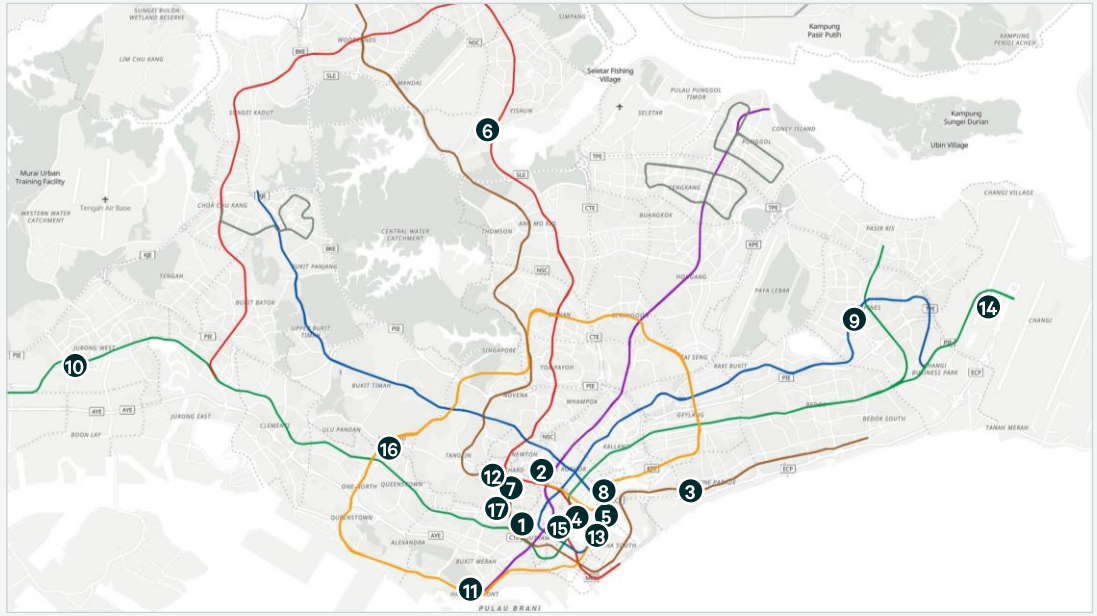
2020s

Disruption, recovery & reinvention

COVID-19 accelerates digital adoption and omnichannel retail; retailers explore alternative retail formats, e.g. shophouse, pop-ups, lifestyle-led concepts; AEIs and curated offerings keep malls relevant.

16. One Holland Village
17. New Bahru

Fig. 1: Landmark retail developments by era



Source: CBRE Research | Note: Coloured lines denote existing MRT lines.

Singapore's retail landscape has been shaped by decades of planning, infrastructure investment and destination development.

What began as traditional shophouse districts and community shopping streets has evolved into a network of shopping malls, and more recently, mixed-use developments and internationally recognised retail destinations that play an important role in Singapore's tourism and lifestyle ecosystem.



Shophouses

Pre-1970s



Shopping malls

1970s – 2000s



Mixed-use developments

2000s onwards

© 2026 CBRE, INC.

02

Why brands choose Singapore as a launchpad

Singapore's retail and F&B sectors account for approximately **9.6%** of total employment and **2.3%** of GDP in 2025. While retail's contribution to the economy may seem modest, its influence extends far beyond economic output. Retail shapes the vibrancy of urban precincts, supporting tourism and enhancing Singapore's global appeal as a lifestyle destination.

Fig. 2: Retail and F&B sector contributions (2025)

Retail & F&B in Singapore





9.6%

of total employment



2.3%

of GDP



30.9%

of tourism spending

Source: CBRE Research, MOM, Singstat

Fig. 3: The appeal of Singapore



Demand

Varied consumer profile

comprising different ethnic backgrounds and nationalities

Strong spending power

Highest GDP per capita (PPP) globally (2025)

Tourism as a demand driver

Record tourism spending in 2025: **$32.8 bn** | 2026F: $31 – $32.5 bn

Visitor arrivals in 2025: **16.9 mil** | 2026F: 17 – 18 mil

#1 cultural destination (Tripadvisor 2026)

#1 airport (Skytrax 2026)



Business environment

Ease of doing business

#1 IMD World Competitiveness Ranking 2026

#1 EIU Business Environment Rankings 2025

Government support for retailers

for productivity, digital capabilities and business resilience

F&B Process Optimisation Programme

Retail Industry Digital Plan (refreshed)



Access and reach

Strong connectivity

6 MRT lines (additional 2 under construction), complemented by strong infrastructure and reliable logistics networks

Singapore as a regional showcase

A gateway to Southeast Asia and wider Asia: success here helps brands build momentum and visibility before scaling across the region

Source: CBRE Research, STB, EIU, Enterprise Singapore, IMD, Skytrax, Tripadvisor, World Bank

© 2026 CBRE, INC.

03

Why capital backs Singapore retail

Singapore's political and economic stability, coupled with a stable currency, have reinforced its status as a safe-haven investment destination. Retail properties are generally viewed as defensive assets that offer portfolio diversification and resilience across economic cycles, particularly suburban assets supported by resilient catchment demand.

With expectations of continued rental growth and relatively low financing costs, investors can achieve positive carry as retail yields typically range from **4 – 5%**. These attractive fundamentals have driven a resurgence in investment activity, with retail investment volumes in Q1 – Q3 2026 rising **more than threefold** y-o-y and approaching double the full-year volume recorded in 2025.

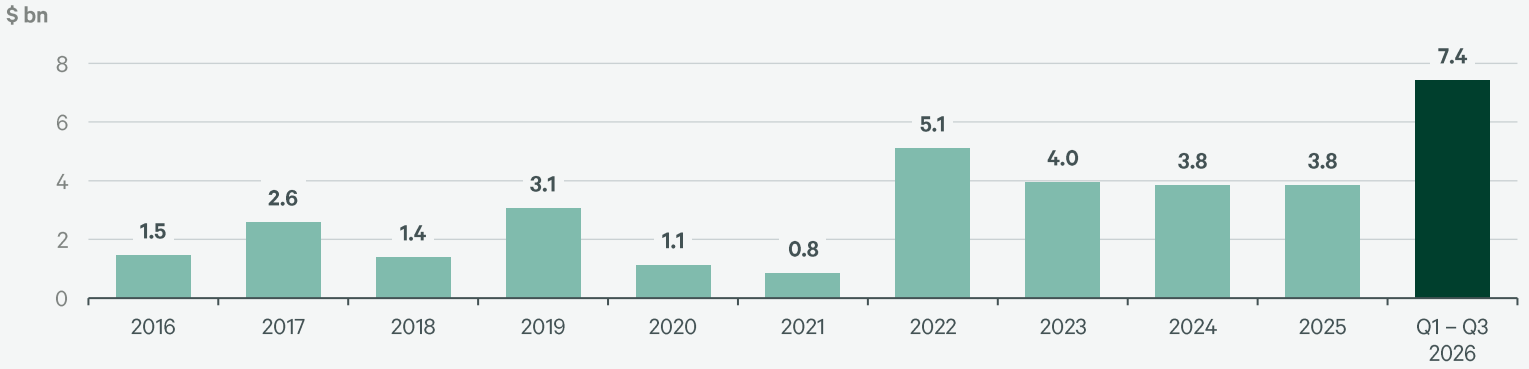
INVESTMENT CASE AT A GLANCE

Safe haven
Stable currency and political environment

Defensive income
Retail yields of 4 – 5%

Positive carry
Yields above current financing costs

Fig. 4: Retail real estate transactions (>$10 mil)



Source: CBRE Research, URA

Fig. 5: Largest retail transactions (Q1 – Q3 2026)

Location / property	Tenure	Remaining tenure (years)	Price ($ mil)	Unit price ($ psf)	Buyer
Paragon	Freehold	N.A.	3,900.00	5,455 on NLA	CICT
White Sands	99 years	66	462.30	3,075 on NLA	Jack Investment
Bukit Panjang Plaza	99 years	68	428.00	2,602 on NLA	Hines
The Centrepoint Rear Plot	99 years	52	391.90	2,577 on GFA	Frasers Property
i12 Katong	99 years	53	372.03	1,755 on NLA	Altallo Asset Management
Scotts Square	Freehold	N.A.	310.00	4,044 on NLA	Royal Holdings and RB Capital
Rivervale Mall	99 years	71	276.00	3,401 on NLA	Master Contract Services
PLQ Mall (30%)	99 years	89	265.50*	2,789 on NLA	Lendlease Global Commercial REIT

Source: CBRE Research, URA
Note: PLQ Mall transaction price is stated on a 30% stake basis.

© 2026 CBRE, INC.

04

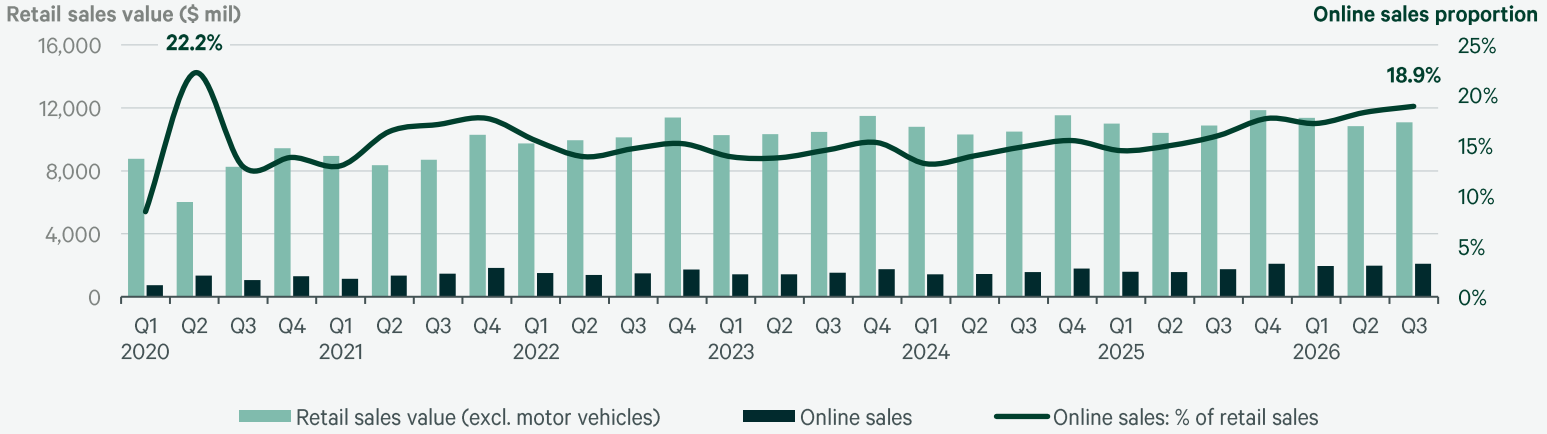
Emerging retail dynamics and disruptors

Consumers increasingly view physical stores as destinations for experiences rather than purely transactional spaces. With e-commerce penetration at around **15 – 19%** of retail sales, physical stores remain the dominant channel and continue to play an important role in discovery, social interaction and brand engagement. This is reflected in Singapore's tight retail market conditions, with islandwide private retail vacancy rate remaining low at 7.0% and prime rents recording 19 consecutive quarters of growth as at Q3 2026, signalling sustained retailer demand for well-located physical space.

At the same time, competition from alternative retail destinations and changing consumer expectations are raising the bar for retail environments. Destinations such as Bangkok's Song Wat Road and Seoul's Seongsu-dong have gained popularity by offering distinctive street culture, independent retail concepts and discovery-driven experiences. In addition, the Johor Bahru-Singapore Rapid Transit System (RTS) Link, slated to commence operations in Feb 2027, may also divert spending across the border, although improved connectivity could likewise attract more Malaysian visitors to Singapore.

Note: Prime rents refer to average rents of prime units in malls, i.e. those with high traffic, typically on level one or basement with direct connectivity to the MRT.

Fig. 6: Retail sales and e-commerce penetration



Source: CBRE Research, Singstat

Fig. 7: RTS Link impact

	Challenges	Opportunities
Retail sales	▼ 1 – 2 pp retail sales leakage	▲ More inbound Malaysian tourists
Trades	F&B; Services (Beauty & Massage); Entertainment (Karaoke & Cinema)	Brands not present in JB (incl. luxury); Nightlife
Region	North region	Tourist-centric areas (e.g. downtown and Orchard)
Labour	N.A.	More Malaysians may come to Singapore to work

Source: CBRE Research

© 2026 CBRE, INC.

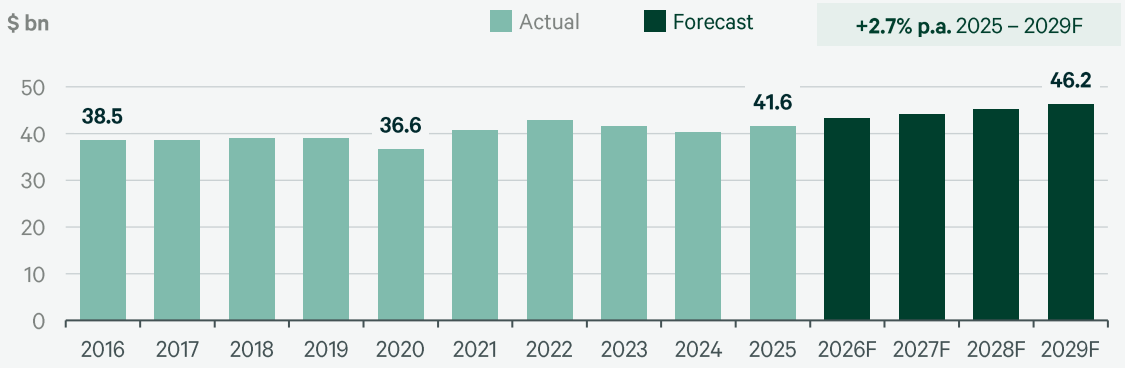
05

Strong fundamentals support long-term growth

Singapore's retail fundamentals remain well supported by a combination of economic growth, population growth and tourism demand. Real GDP is forecast to expand by **at least 3% annually** for the next few years, while sustained population growth (at 1% CAGR over the last 10 years) should steadily enlarge the consumer base. Retail value is therefore expected to continue expanding by **2.7% per annum**.

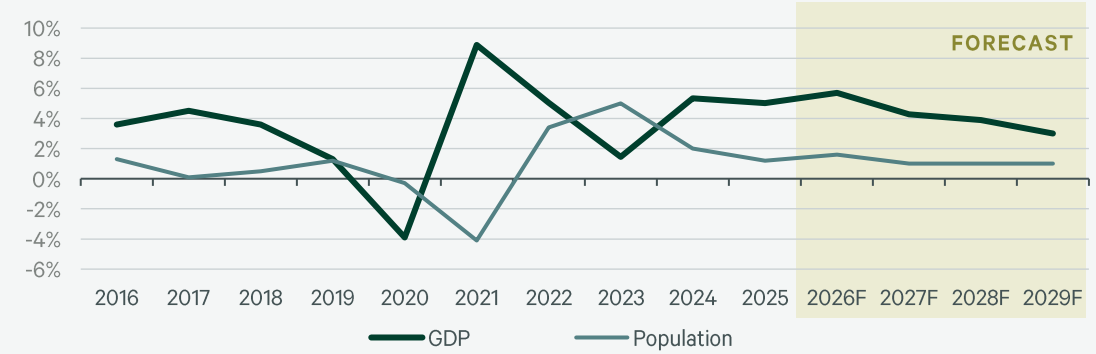
Looking further ahead, Singapore Tourism Board's Tourism 2040 strategy aims to raise tourism receipts to **$47 – $50 bn** through stronger MICE activity, new attractions and experiences, wellness tourism and expanded airport capacity. These initiatives should further strengthen visitor spending and support long-term consumption demand.

Fig. 9: Retail value ($ bn)



Source: CBRE Research, Euromonitor | Note: Retail value excludes sales tax, in real terms.

Fig. 8: GDP and population growth (y-o-y)



Source: CBRE Research, Singstat, Oxford Economics | Note: GDP in real terms. Forecast as of 10 Nov 2026.

Fig. 10: Tourism targets

Tourism receipts

+43 – 52%

vs 2025 record

2025 (record) **$32.8 bn**

2040 target **$47 – $50 bn**

Visitor spending to outpace arrivals

MICE receipts

3x

vs 2019

2019 **$1.4 bn**

2040 target **$4.5 bn**

MICE visitors spend 2x leisure travellers

Changi Airport capacity

+56%

vs today

Today **90 mil**

With Terminal 5 **140 mil**

Capacity increase to support visitor growth

Source: CBRE Research, STB, Changi Airport Group

© 2026 CBRE, INC.

06

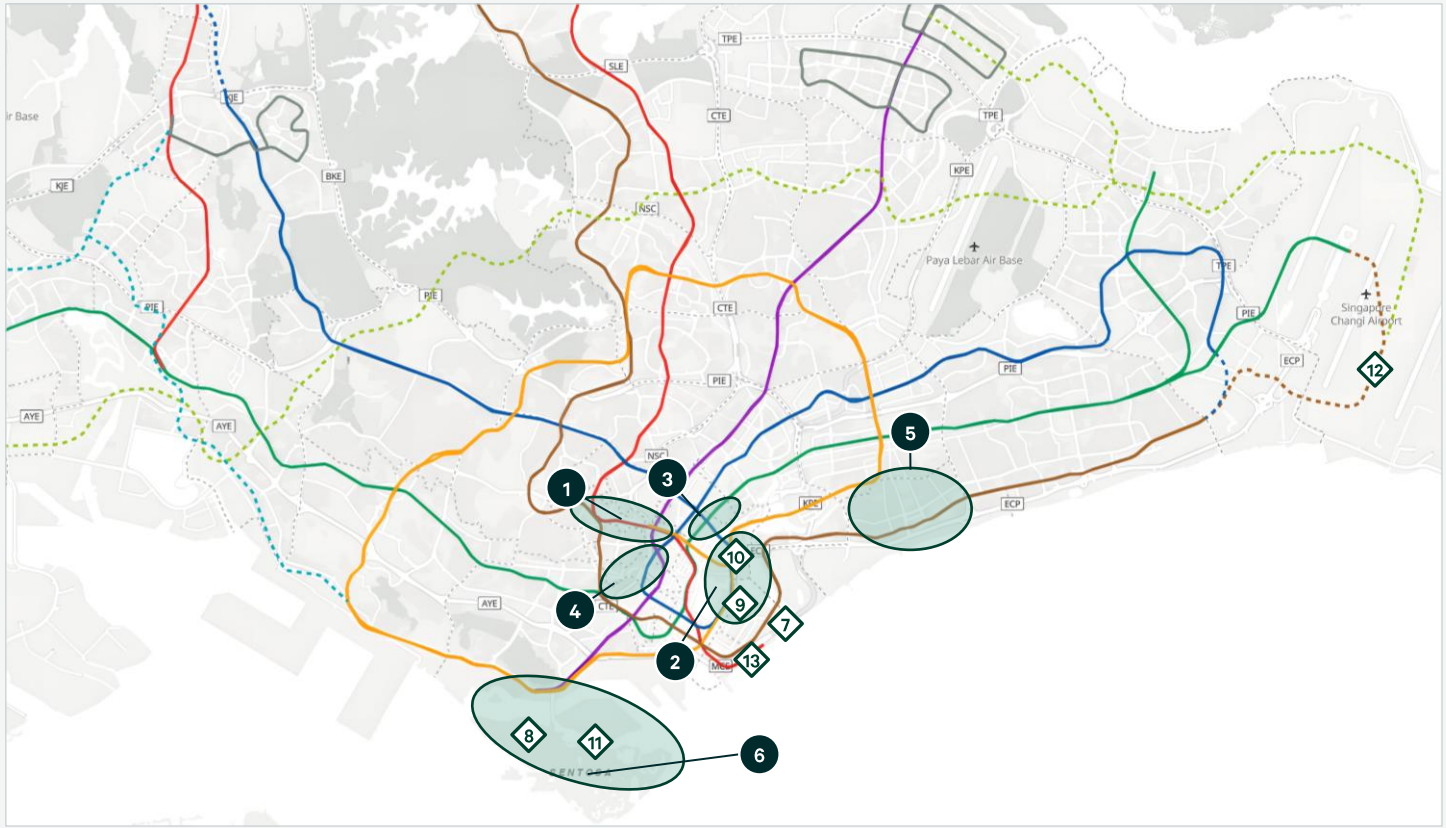
Destination retail: Reinvention and revitalisation

Create distinctive retail destinations

Retail precincts can evolve from shopping locations into destinations by cultivating distinct identities, curated experiences and strong placemaking elements. Together, these can create a diverse network of retail destinations that appeals to different consumer segments and encourages exploration across the city.

1. **Orchard Road**
   Luxury & Flagship Retail
2. **Marina Bay / Marina Centre**
   Premium Lifestyle & Entertainment
3. **Bugis / Kampong Glam**
   Youth Culture, Creative & Independent Retail
4. **Tiong Bahru / River Valley**
   Design, Lifestyle & Artisanal Brands
5. **Katong / Joo Chiat**
   Heritage & Lifestyle
6. **Harbourfront / Sentosa**
   Retail, Leisure & Entertainment

Fig. 11: Distinctive retail destinations and upcoming significant developments



Upcoming significant developments (excl. Orchard)

- 7 **Therme Singapore** (2030)
- 8 **Resorts World Sentosa waterfront development** (2030)
- 9 **Marina Bay Sands Tower 4** (2030)
- 10 **Marina Square redevelopment** (2031)
- 11 **Greater Sentosa** (2030s onwards)
- 12 **Changi Airport Terminal 5** (mid-2030s)
- 13 **Downtown MICE Hub** (mid-2030s)

Source: CBRE Research, URA, STB, LTA | As of 26 Nov 2026 | Note: Dashed lines denote upcoming MRT lines and extensions (see Fig. 13).

© 2026 CBRE, INC.

07

Orchard Road: Rejuvenation and repositioning

Transform Orchard Road belt into an experiential boulevard

As Singapore's main shopping belt, Orchard Road has huge potential to be reinvented as Asia's leading experiential boulevard. The government's Orchard Road rejuvenation plan is a step in the right direction, introducing differentiated zones and mixed-use developments, as well as street-level pop-ups and curated concepts. These can encourage exploration, increase dwell time and drive repeat visitation.

DIFFERENTIATED ZONES

TANGLIN

Arts and artisanal mixed-use neighbourhood

ORCHARD

Shopping paradise featuring luxury and flagship stores

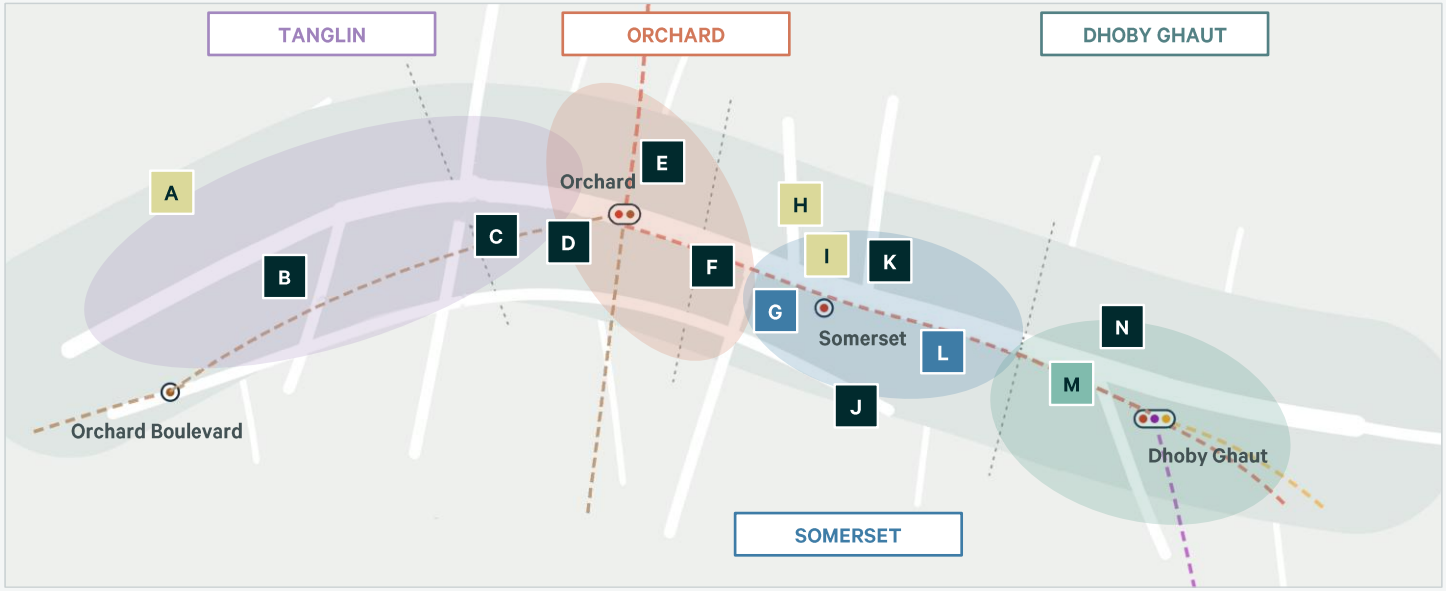
SOMERSET

Youthful and energetic entertainment spot

DHOBY GHAUT

Lush green spaces with family-friendly attractions

Fig. 12: Orchard Road rejuvenation



A **Seton Close hotel site** (tender to be launched in 2026)
B **Tanglin Shopping Centre redevelopment** (2030)
C **Forum, voco Orchard & HPL House redevelopment** (2031)
D **Landmark Orchard (former Wheelock Place)** (potential AEI)
E **Scotts Square AEI** (early 2028)
F **Ready-to-use pop-up spaces** (from end-2026)
G **Grange House** (mid-2027)
H **37 Emerald Hill** (tender launched in Q3 2026)
I **NoMad Hilton Hotel** (end-2026)
J **One Comcentre** (end-2028)
K **JustCo Place** (Retail: Dec 2026)
L **Redevelopment of Somerset Belt into 4 zones** (end-2027)
M **Istana Park expansion** (mid-2030s)
N **Plaza Singapura & The Atrium@Orchard AEI** (Q4 2028)

Retail & mixed-use **Hospitality** **Events & youth** **Parks & public space**

Source: CBRE Research, STB | As of 26 Nov 2026

© 2026 CBRE, INC.

08

Decentralised retail: Evolution and expansion

Create community-centric destinations

Suburban and city-fringe retail developments have evolved increasingly towards mixed-use and transit-oriented formats, improving accessibility and integrating retail more closely with consumers' daily routines. Supported by new or growing residential and worker catchments, these developments are well positioned to capture necessity-based spending. Building on this foundation, greater emphasis on community, wellness, education and lifestyle offerings can transform retail spaces from convenience-led centres into community-centric destinations, creating additional reasons for visitation beyond daily necessities.

Upcoming significant decentralised developments

1. **Bukit V** (2027)
2. **Chong Pang City** (2027)
3. **Jurong Gateway Hub** (2027)
4. **Tanjong Katong Complex** (2027/2029)
5. **Parktown Tampines** (2028)
6. **Chencharu Central** (2029)
7. **Pinery Mall** (2029)
8. **Tengah Garden Galleria** (2029)
9. **Bayshore Drive Development** (2030)
10. **Dover Drive Development** (2030)
11. **Hougang Central Residences** (2030)
12. **Woodlands Gateway Hub** (2030)
13. **Yishun 10 Redevelopment** (2031)

Fig. 13: Upcoming significant decentralised developments and MRT lines



Upcoming MRT lines and extensions

- Downtown Line extensions (2026, 2035)
- Thomson-East Coast Line extensions (2026, mid-2030s)
- Jurong Region Line (2028 – 2029)
- Cross Island Line (2030 – 2032, mid- to late-2030s)

Source: CBRE Research, URA, LTA | As of 26 Nov 2026

© 2026 CBRE, INC.

09

Future-proofing Singapore's retail spaces

Strategic Priorities	Retailers	Landlords	Investors
Engage	Deliver experiences instead of selling products	Drive footfall through events & experiences	Focus on high-quality, experience-led assets
Adapt	Pursue flexible store formats (e.g. pop-ups)	Introduce flexible leasing models	Prioritise assets with adaptable floorplates
Curate and Integrate	Adopt omnichannel retailing	Curate rather than lease	Integrate retail within mixed-use ecosystems
Renew	Refresh store layouts / designs	Rejuvenate ageing assets with sustainability enhancements	Invest in repositioning opportunities

© 2026 CBRE, INC.

Singapore Contacts

Research

Tricia Song
Head of Research, SEA
tricia.song@cbre.com

Teo Ling Yan
Senior Manager
lingyan.teo@cbre.com

Retail Services

Joan Chen
Head of Retail Services
joan.chen@cbre.com.sg

Capital Markets

Michael Tay
Deputy Managing Director and
Head of Capital Markets
michael.tay@cbre.com.sg

Clemence Lee
Executive Director
clemence.lee@cbre.com

© Copyright 2026. All rights reserved. This report has been prepared in good faith, based on CBRE's current anecdotal and evidence based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this report should be construed as an indicator of the future performance of CBRE's securities or of the performance of any other company's securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.

Asia Pacific Contacts

Research

Ada Choi
Head of Research,
APAC & MENA
ada.choi@cbre.com.hk

Retail Services

Vivek Kaul
Managing Director
Head of Retail Leasing, Asia
vivek.kaul@cbre.com

Capital Markets

Greg Hyland
Head of Capital Markets,
Asia Pacific
greg.hyland@cbre.com

Crystal Palar
Executive Managing Director
crystal.palar@cbre.com

© Copyright 2026. All rights reserved. This report has been prepared in good faith, based on CBRE's current anecdotal and evidence based views of the commercial real estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this report should be construed as an indicator of the future performance of CBRE's securities or of the performance of any other company's securities. You should not purchase or sell securities—of CBRE or any other company—based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CBRE as well as against CBRE's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.