mapletree

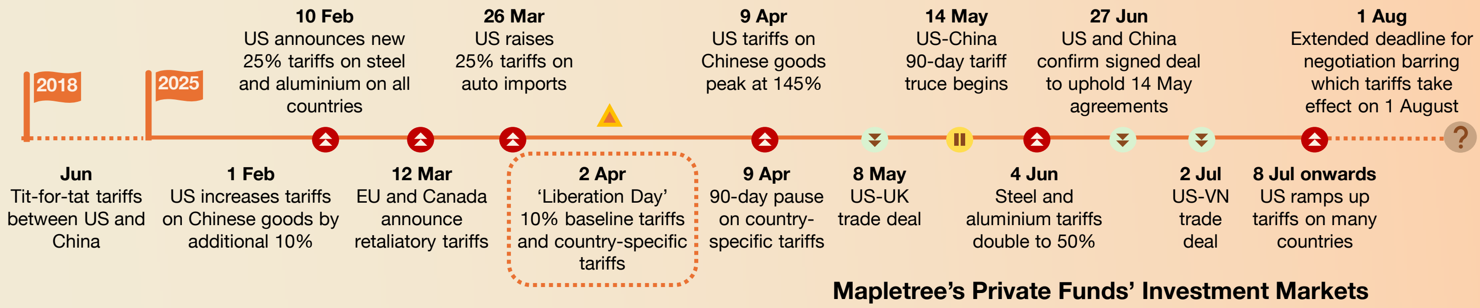
JULY 2025
PRIVATE INSIGHTS

Mr Hiew Yoon Khong
Group CEO

"Over the past 25 years, Mapletree has built up a geographically diversified, multi-sector real estate portfolio with strong on-the-ground presence, which positions us well to ride out current macroeconomic volatility. Our quality asset base, operational efficiency and financial discipline provide the resilience and adaptability needed in today's markets, amid rapidly evolving dynamics due to trade tariffs and shifts in tenant needs and preferences."

Navigating the Trade Tariffs Conundrum

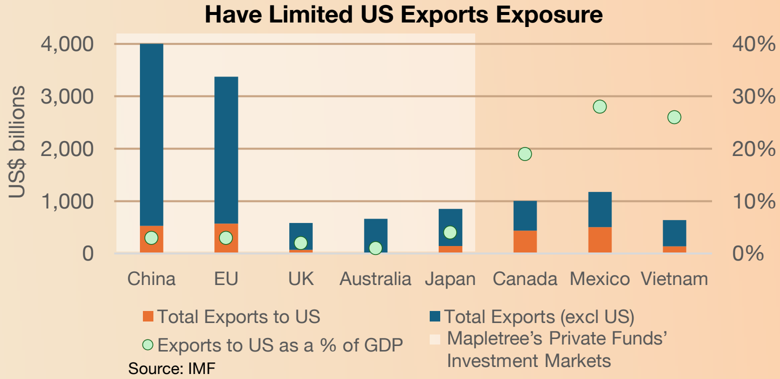
On 2 April, US President Donald Trump imposed a sweeping 10% tariff on most trade partners on what was termed as 'Liberation Day', with an aim to reset global trade in favour of the US. Countries with trade surpluses faced higher tariffs. Following the aftershocks that rippled through global financial markets and rising recession fears in the US, the Trump administration announced a 90-day pause on reciprocal tariffs on 9 April. Some governments took the opportunity to negotiate with the US to avert further tariffs, while others chose to adopt a harder stance. The thaw in US-China tensions on 14 May brought temporary relief to the markets, but the situation has intensified with the US ramping up tariffs on many countries from 8 July – reflecting the high degree of uncertainty that remains. Yet while Liberation Day has dominated headlines, tensions have been simmering since early 2018, during Trump's first presidency.



Potential Primary and Secondary Effects

Post Liberation Day, the IMF[1] downgraded its 2025 global GDP growth forecast from 3.3% to 2.8% and trade growth projections from 3.2% to 1.7% vs. January projections – marking the weakest global outlook since the pandemic. Mapletree assesses what this means for the Group's private capital management platforms that are invested in US, China, EU, UK, Japan and Australia, within the logistics, office and student housing sectors. As the situation remains fluid, the Group continues to monitor developments closely and engage stakeholders to proactively respond to evolving business dynamics and requirements.

Mapletree's Private Funds' Investment Markets Have Limited US Exports Exposure



Source: IMF

Current Tariffs on Sectors

25% on Automobiles | 50% on Steel & Aluminium

Threatened Tariffs on Sectors

Commercial Aircraft | Semiconductors & Electronics | Minerals | Timber & Lumber | Copper | Pharmaceuticals

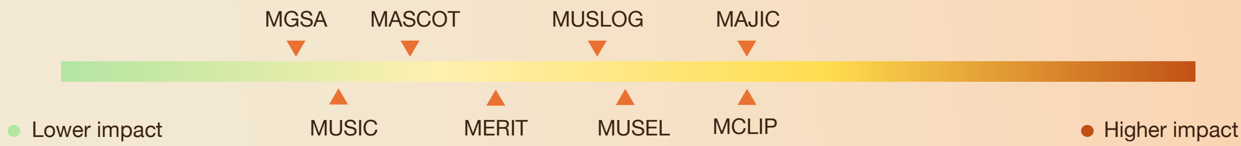
	Liberation Day vs Current Tariffs[2]	Change in GDP Growth Forecast[4]	Policy Measures
	NA	-0.9%	• Fed held interest rates
	54%[3] vs 30%[3]	0.0%	• PBOC cut its lending rates by 10bps in May 2025 from 1.5% to 1.4% and reduced banks' reserve requirement ratio by 50bps, injecting 1 trillion yuan in liquidity • Announced supplementary measures to boost domestic consumption • Actively strengthening economic ties with alternative trade partners in Europe and SEA
	20% vs 30% *(under negotiations)*	-0.3%	• ECB cut interest rates by 25bps in June 2025 • In negotiations with the US to lower tariff rate but ready to implement retaliatory tariffs • Pursuing new trade agreements to counter reduced trade with US
	10% Unchanged	-0.5%	• BOE cut rates from 4.5% to 4.25% in May 2025 • First country to secure US trade deal; exempted from doubled tariffs on steel and aluminium
	10% Unchanged	-0.5%	• RBA held rates at 3.85% in July 2025 after 25bps reduction in May 2025
	24% vs 25% *(under negotiations)*	-0.5%	• BOJ raised short-term rates to 0.5% in January 2025 and paused further hikes • US$6.3 billion relief package to support businesses and households affected by tariffs

1 The figures provided from the IMF are "reference forecast" two days after Liberation Day.
2 Current tariffs as of 13 Jul = in place or pending negotiation outcome. Imposed tariffs apply to most goods with some exceptions.
3 54% tariffs = 34% (reciprocal) + 20% (fentanyl-related) | 30% tariffs = 10% (reduced reciprocal following truce) + 20% (fentanyl-related)
4 Change in projected GDP growth figures (Jan 2025 vs. Jun 2025). Figures from World Bank Global Economic Prospects.

Mr Chua Tiow Chye
Deputy Group CEO

"As each Mapletree private fund has its own geographic and sectoral investment strategy, the potential impact of the trade tariff situation varies. We are confident in our logistics funds' ability to navigate the uncertain landscape; whilst the office and student housing sectors are sheltered from any immediate direct impact, we remain vigilant for potential secondary ripple effects affecting the broader economies. As a long-term real estate capital manager, we will continue to curate new funds and collaborate with like-minded capital partners."

Degree of Potential Impact on Mapletree's Funds from Trade Tariffs



Insights from Our Fund Managers

Mapletree Global Student Accommodation Private Trust (MGSA)

"While the student housing sector is not directly impacted by tariffs, increased geopolitical tension and tighter administration policies may reduce international student enrolments in the US. We expect minimal impact on our portfolio given higher proportion of domestic students in the US. In the medium term, our UK portfolio may benefit from higher enrolment of international students."

Mr Tam Wen De

Mapletree US & EU Logistics Private Trust (MUSEL)

"EU logistics markets could be impacted if tariff related uncertainty slows economic growth and affects trade flows. MUSEL's EU portfolio is generally leased to businesses focused on intra-EU logistics activities and there is limited direct exposure to US exports. Our quality logistics assets are well placed to weather changes in demand drivers, and benefit from reshoring and supply chain optimisation in the long term."

Mr Gregory Lui

Mapletree Australia Commercial Private Trust (MASCOT)

"As an office fund, MASCOT is relatively shielded from the direct effects of the tariffs and further protected by Australia's limited trade exposure to the US. However, a potential economic downturn across Asia could negatively impact Australia's economy. The Manager will continue to assess market conditions in its evaluation of potential exit strategies as the fund approaches the end of its fund term."

Mr Shailesh Sinha

Mapletree US Logistics Private Trust (MUSLOG)

"MUSLOG and the broader US logistics sector could benefit from the onshoring of manufacturing, assembly and packaging, which is expected to drive demand and support rental growth for warehouse space across the country. However, the benefits of these tailwinds hinge on stable US consumer spending, as a slowdown could soften storage demand."

Mr Richard Prokup

Mapletree Europe Income Trust (MERIT)

"While we do not expect the European office sector to be directly impacted by the imposition of tariffs, there may be indirect impact from the economic uncertainty it creates. As funding costs continue to normalise and office fundamentals remain intact, prime offices in good locations will be well positioned to benefit from the eventual recovery in valuations."

Mr Teah Huan Ying

Mapletree China Logistics Investment Private Fund (MCLIP)

"MCLIP's direct impact is limited, as >90% of our tenants are focused on domestic markets, and there's no exposure to the Greater Bay Area assets. Construction cost will see minimal impact as most materials are non-US sourced. We are confident that MCLIP's diversified portfolio in cities with substantial population base is well-positioned to benefit from government stimulus aimed at driving China consumer consumption growth."

Mr Jalen Wang

Mapletree US Income Commercial Trust (MUSIC)

"In the near term, heightened uncertainty due to tariffs is negatively impacting new leasing activity. However, higher construction costs will further limit new supply, which is already at historically low levels. This dynamic would benefit MUSIC by bolstering stabilising market fundamentals, as prospects shift their focus toward renovated assets in the market."

Mr Ben Goodsir

Mapletree Japan Investment Country Private Trust (MAJIC)

"MAJIC's assets serve large population clusters in Japan and should be relatively shielded from the impact of tariffs. The automobile industry will be most impacted but MAJIC's exposure to this sector is minimal. Construction cost is unlikely to be impacted based on feedback from contractors. There are also expectations of additional fiscal measures to support the economy, and the BoJ will continue to pause its rate hike cycle."

Mr Osamu Pedro Ebinuma