

# INVESTING in CRISIS

During the last crises:

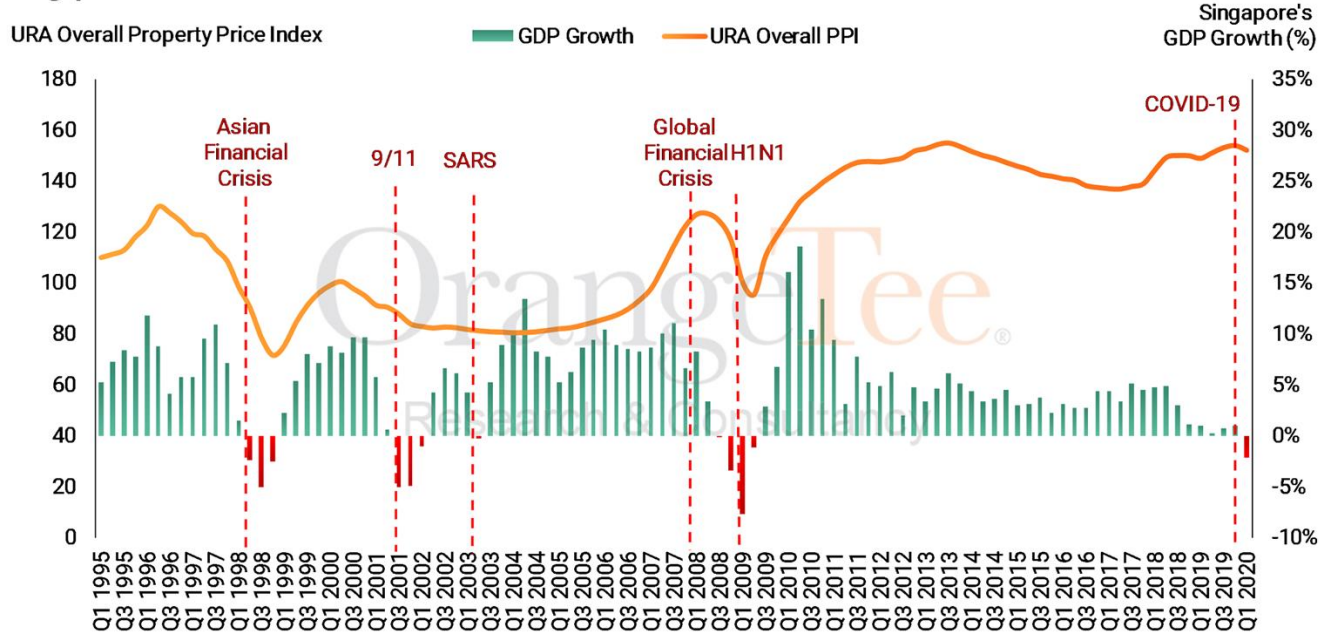
1. Prices fell but for a *short period*
2. *Buying opportunity was short* as sales volume rebounded quickly

Those who bought during the last crisis:

1. Seem to have made *higher average gross profits*
2. Seem to have a *lower probability* of making losses
3. Need a *shorter holding period* to yield the same gross profits

# Prices may dip temporarily during a crisis

**Singapore GDP Growth vs URA Overall PPI**

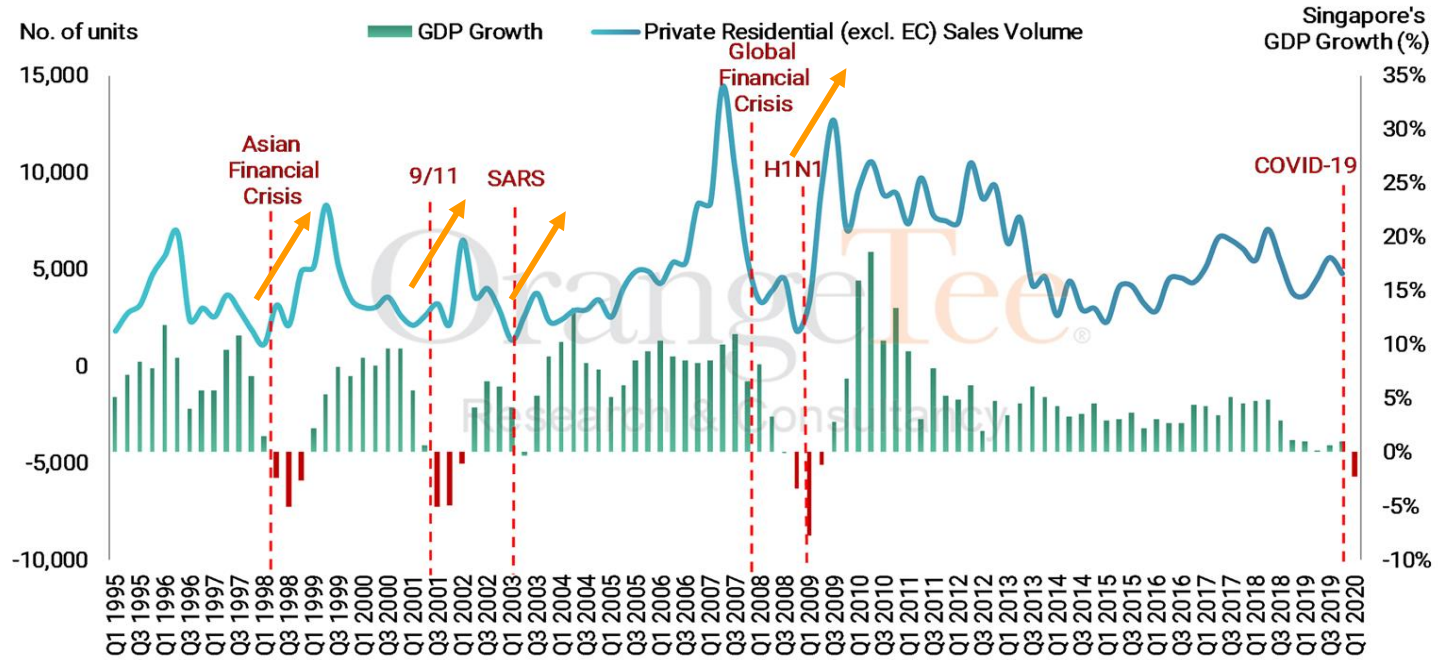


\*Flash estimates used for Q1 2020

Source: data.gov.sg, URA, OrangeTee & Tie Research & Consultancy  
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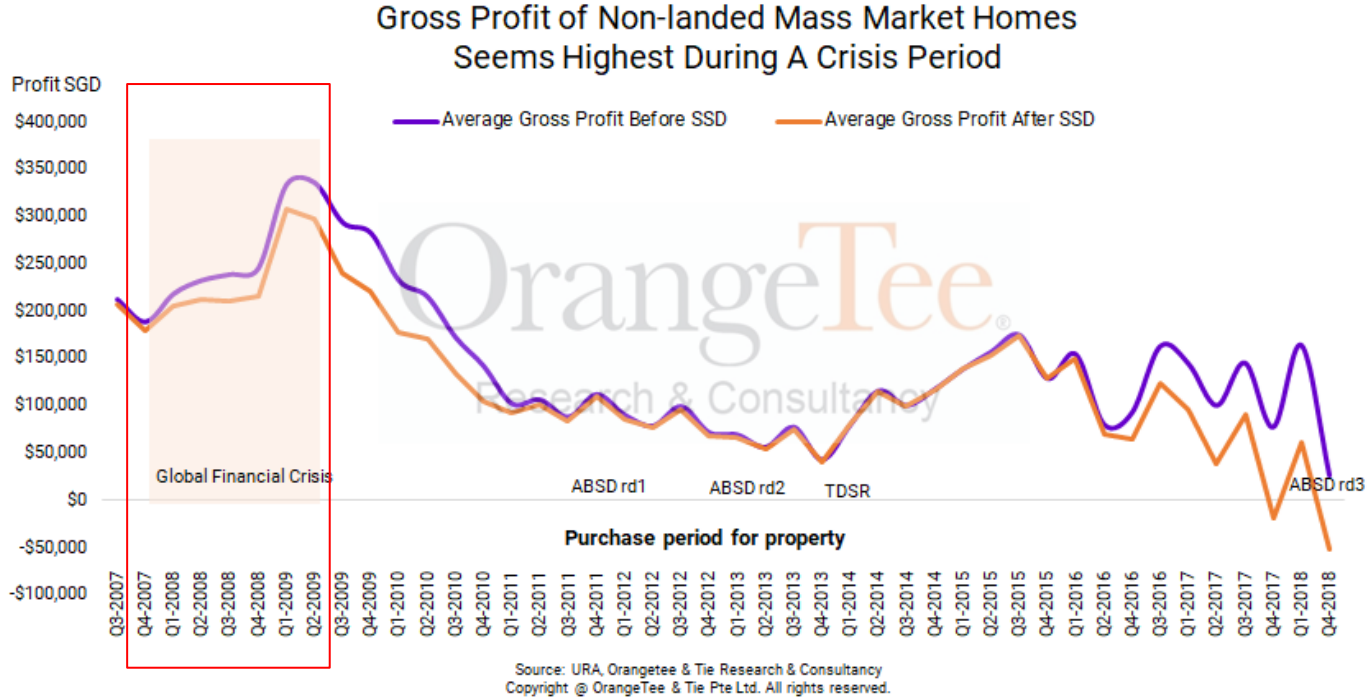
# Very short window of opportunity to buy during a crisis before volume rebounds quickly

**Singapore GDP Growth vs Private Residential (excl. EC) Sales Volume**



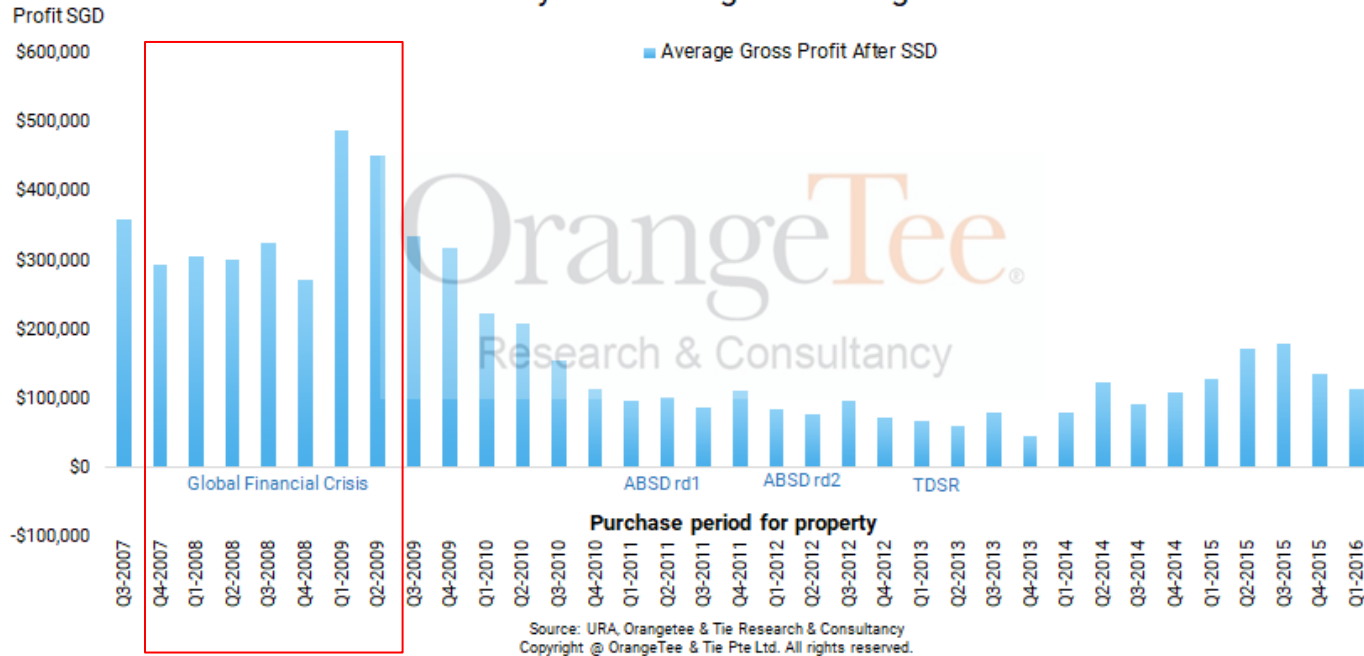
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# New condos purchased in the 2008 crisis achieved highest profit



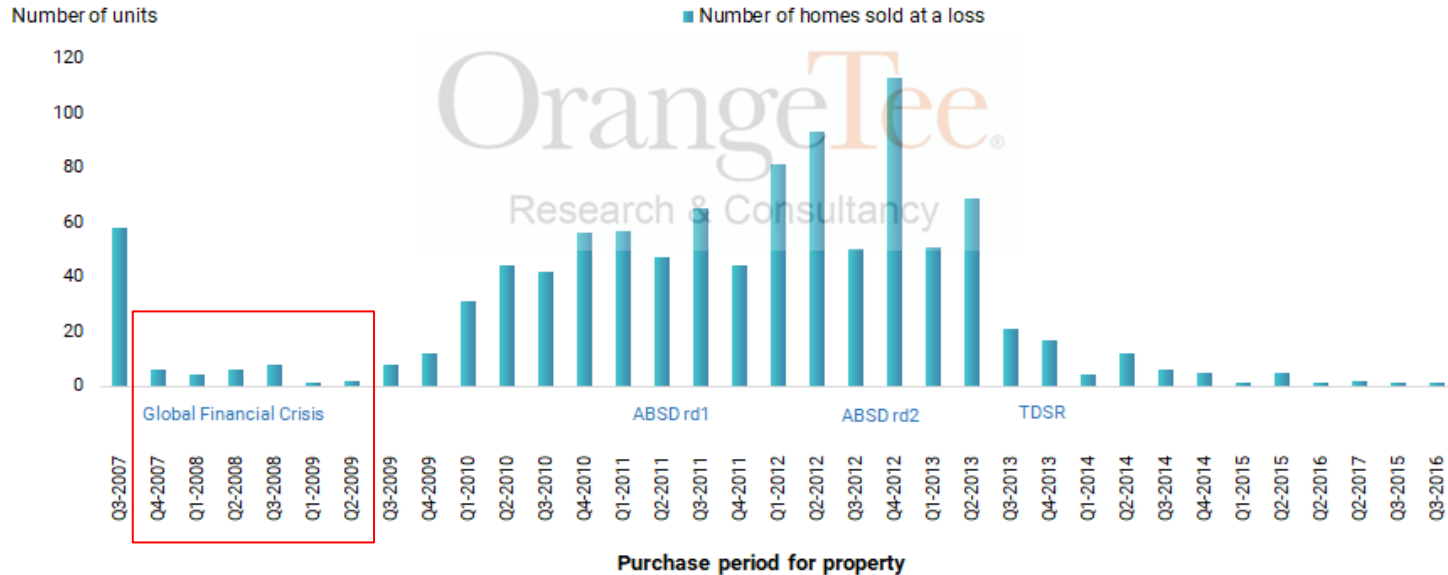
# Gross profit still high after taking into account SSD and those holding property for longer term (> 4 years)

Gross Profit of Non-landed Mass Market Homes Sold after 4 years still Highest During A Crisis Period



# Incidence of making losses is very low for properties bought during crisis

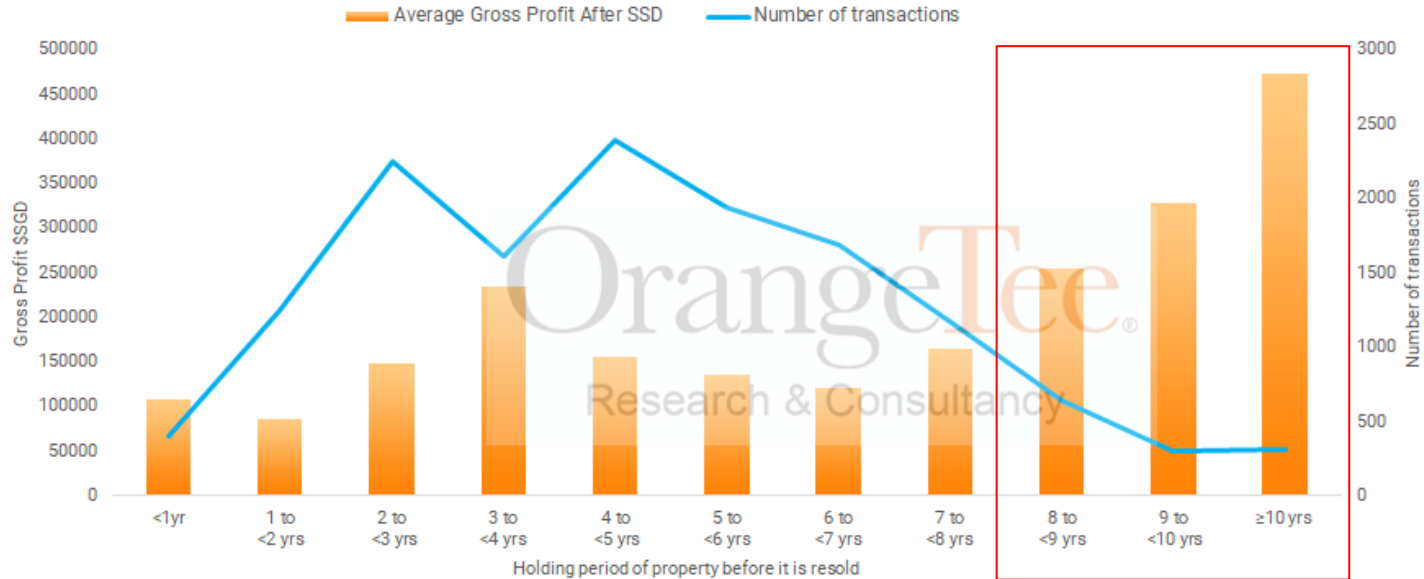
Lower Chance of Making Losses When Property is Bought During A Crisis Period



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# Optimal holding period for maximum profit is after 8 yrs

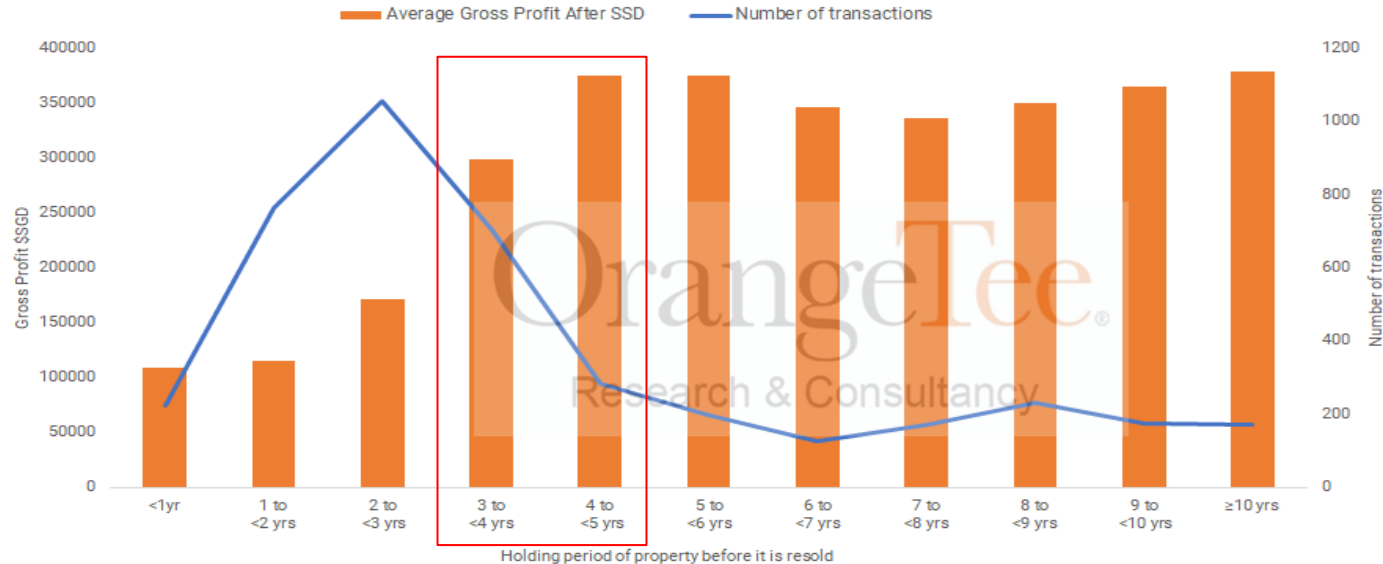
Most people sold their properties before 5 yrs but profits usually rise after 8 yrs



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# Optimal profits achieved faster (3-4 years) if the units were bought during the last crisis (Q3 2007 to Q4 2009)

Those who bought during crisis period can achieve optimal profits faster



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