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MONTHLY Newsletter

MAR 2024

HIGHLIGHTS

AUSTRALIA
2023 CoreLogic's National Home Value Index (HVI) increased by 8.1%, significantly improving from the 4.9% decrease in 2022.

GREECE
It is forecasted that the Vietnam real estate market will improve in the second half of 2024.

VIETNAM
Canada's real estate market showed varied dynamics, with Vancouver seeing a modest price decrease.

MALAYSIA
Perak's inaugural Halal Industrial Park and a substantial RM1 billion gross development value (GDV) industrial initiative is set to unfold.

THAILAND
Around 1.4 million square metres of new office space is slated for completion between 2024 and 2026

AUSTRALIA

LILY CHONG
Country Head of Australia

2023 CoreLogic's national Home Value Index (HVI) increased by 8.1%, a significant improvement from the 4.9% decrease in 2022 but considerably lower than the 24.5% surge in 2021. December's 0.4% rise marked a relatively modest monthly increase in home values to close the year.

CoreLogic's research director, Tim Lawless, noted that this was the smallest monthly gain in the national HVI since values began rising in February. Factors like rate hikes in June and November, ongoing cost of living pressures, affordability challenges, increased housing stock, and low consumer sentiment gradually tempered the market in the latter half of the year.

Despite the 8.1% annual increase, the housing market exhibited diverse patterns. Housing values varied widely, with Perth experiencing a 15.2% surge while regional Victoria saw a 1.6% decline.

A prominent trend throughout the year was the growing disparity in home value growth among the capital cities. Perth, Adelaide, and Brisbane have seen consistent monthly growth rates of over 1% since May, whereas Melbourne and Sydney have experienced a significant slowdown in growth since the June rate hike.

Listings for sale in Perth hit a record low of 3,648 by December, a 23.4% drop from November and a substantial 49.0% decline from December 2022, as reported by reiwa.com. REIWA CEO Cath Hart described it as a "perfect storm" due to intense demand, swift home sales, and a seasonal slowdown in new property listings during the festive period. She anticipated an upturn in listings during January as the market typically picks up after the holiday season.

Perth's median dwelling rent maintained stability at $600 weekly in December, marking a 15.4% increase from the previous year. House rents reached $620 weekly, up 1.6% from November and 12.7% higher than December 2022. Unit rents also surged, rising by 3.6% monthly and 20% annually to $570 weekly.

REIWA CEO Cath Hart highlighted the likelihood of further increases, attributing the trend to WA's expanding population driving up demand for rentals and established homes. Limited supply against high demand led to price hikes. However, she noted a slight increase in rental listings toward the year-end, suggesting a potential easing of market pressure.

This is a good time for investors to enter the market. If you want to start your investment journey through IQI in Australia, please email us at **sales@iqiwa.com.au**.

Index results as at 31 December, 2023	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	0.2%	0.8%	11.1%	14.3%	$1,128,322
Melbourne	-0.3%	-0.2%	3.5%	7.0%	$780,457
Brisbane	1.0%	3.7%	13.1%	17.9%	$787,217
Adelaide	1.3%	3.7%	8.8%	13.2%	$711,604
Perth	1.5%	5.1%	15.2%	20.7%	$660,754
Hobart	-0.3%	0.4%	-0.8%	3.2%	$656,947
Darwin	0.7%	0.4%	-0.1%	5.9%	$496,309
Canberra	-0.1%	0.6%	0.5%	4.5%	$843,171
Combined capitals	**0.4%**	**1.5%**	**9.3%**	**13.1%**	**$832,193**
Combined regional	**0.3%**	**1.5%**	**4.4%**	**8.9%**	**$605,780**
National	**0.4%**	**1.5%**	**8.1%**	**12.1%**	**$757,746**

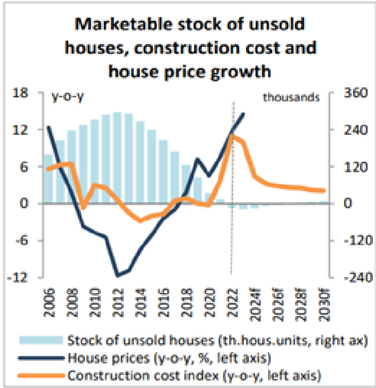
Source: CoreLogic, REIWA

Greek Real Estate's Dynamics Are Still Strong

The dynamics of the real estate market in Greece have remained strong over the last four years, and the residential real estate market is still pleasantly surprising. The upward trend in residential investment has been growing strongly since the first quarter of 2018, and 2023 was another year of solid returns to investors.

In Q3 2023, house prices increased at their fastest rate in over 30 years, a robust 14.5% year-over-year. Between Q32017, when they were at their lowest point during the Greek crisis, and Q32023, house prices in Greece increased by approximately 55%. Despite this, they are still 14% below the all-time high of Q3:2008.

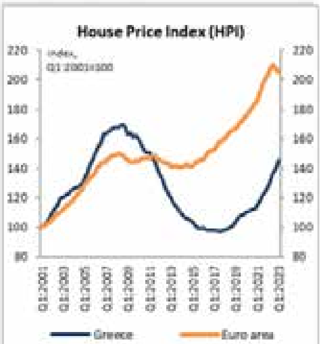
The Greek housing market appears to not only have corrected for the excess supply overhang but to now be experiencing demand and cost led price pressures



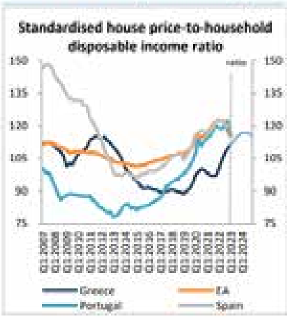
The turnaround results from a multi-year adjustment process that included a notable reduction in home prices and a substantial decline in residential buildings (which fell by approximately 90% in 2013–2020 compared with its average from 2000 to 2008). A significant supply overhang that peaked at about 350K units in 2012 seems to have been progressively absorbed by the market thanks to deficient investment levels over the previous ten years and rising demand more recently.

Regarding the relationship between supply and demand going forward, the sizeable stock of household financial savings and increasing real disposable income and bank lending is expected to lead housing demand to c. 35K units per annum in 2023-2024 (broadly stable until the end of the decade), according to a stylized housing demand equation estimated by NBG Research. The estimated number of transactions could have been even more significant if demand had not been weakened by increasing prices – which have been considered in the empirical relation. According to the current trajectory of building permit issuance, new house completions will have a slightly lower average at c. 30K annually in 2023-2024, as new permit issuance has stabilized due to high construction costs and labour shortages in the sector (broadly stable permit issuance, in y-o-y terms, in H2:2022 and H1:2023).

The average HPI level in Greece surged by 50% but remains c. 14% lower than its all-time high of 2008, whereas in the EA increased by 37% over the same period



New investment will secure a sustainable equilibrium as the price-to-disposable income ratio has reverted to its long-term average



Sources: ELSTAT, BoG, European Commission, ECB & NBG Economic Analysis

This trend is expected to continue the situation of an increase in excess demand (supply shortage) of c 30 K in FY 2023 and 2024, which, in conjunction with the lagged impact of rising construction costs, are estimated to lead to an average annual HPI growth of approximately 7% in 2023-2024. This increase in house prices is projected to push the HPI-to-disposable income ratio for Greece above the euro area average in 2023-2024 for the first time in a decade, pointing to increasing affordability concerns. It should be noted that this ratio increased sharply by 24.8% from 2019-Q1:2023 to 111.5 from a crisis of c. 90 in Q1:2019.

The outlook for the Greek housing market remains positive, as the outlook for the real estate market in Greece is strengthening in the short term through incentives included in the government budget for 2024, such as subsidies for residential renovation and energy saving, and the low-interest rate program lending for the purchase of first homes by young people and couples up to 39 years of age. The housing market is estimated to be positively affected by the investments expected to be implemented under the National Recovery and Resilience Plan. It relates to (i) energy upgrading and modernization of public and private buildings and (ii) diversifying the Greek tourism product through systematically promoting thematic investments. Moreover, it is worth noting that the plan provides for implementing reforms to reduce the complexity of procedures, including those relating to credit granting, registration of real estate, and obtaining a construction permit. However, significant sources of uncertainty exist in the current environment.

Global Macro-Economic Outlook 2024 - Can the Growth Pick Up?

The global economy continues to look for growth opportunities amid uncertainty and an unsteady outlook. Most of the investors are worried about 5 critical variables in 2024.

1. High interest rates
2. Geopolitical risk
3. Policy direction from the governments
4. Inflation outlook
5. Soaring debt levels

Markets are taking forward guidance from the USA debt market, and we at Juwai IQI follow the same asset class. According to the Economist magazine's Dec 9-15/2023 issue

"All this is straining a market that has malfunctioned frighteningly in the past. American government bonds are the bedrock of global finance: their yields are the risk-free rates upon which all asset pricing is based. However, such yields have become volatile, and market liquidity looks thin. Against this backdrop, regulators worry about the increasing activity in the Treasury market carried out by leveraged hedge funds rather than less risky players like foreign central banks. A "flash crash" in 2014 and a spike in rates in the "Repo" market, where treasuries can be swapped for cash, raised alarms in 2019. [September 2019]".

EQUITY MARKET SOARED IN 2023. WILL IT REPEAT IN 2024?

According to Financial Times, dated Dec 30/2023

Global stock markets recorded their strongest year since 2019 following a blistering two-month rally, as investors bet that big central banks have finished raising interest rates and will cut them rapidly next year.

The MSCI World index, a broad gauge of globally developed market equities, has surged by 16 per cent since late October and is up 22 per cent this year — its best performance for four years. That has largely been fuelled by Wall Street's benchmark S&P 500 index, which has risen 14 per cent since October and 24 per cent on the year, ending the last trading day of 2023 just shy of its record.

The growing consensus that borrowing costs will fall sharply in 2024 has also sparked a bond market rally, attracting investors to equities as they seek higher returns. The Federal Reserve boosted the trend in mid-December when its policy projections signalled substantial rate cuts next year. "Once the Fed pivoted, it put investors into a positive frame of mind," said Tim Murray, multi-asset strategist at T Rowe Price. "That was a big deal, and it was unexpected."

S&P 500 Index: Number of All-Time Highs (1929 - 2023)

Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH	Year	# ATH
1929	45	1948	0	1967	14	1986	31	2005	0
1930	0	1949	0	1968	34	1987	47	2006	0
1931	0	1950	0	1969	0	1988	0	2007	9
1932	0	1951	0	1970	0	1989	13	2008	0
1933	0	1952	0	1971	0	1990	6	2009	0
1934	0	1953	0	1972	32	1991	22	2010	0
1935	0	1954	27	1973	3	1992	18	2011	0
1936	0	1955	49	1974	0	1993	16	2012	0
1937	0	1956	14	1975	0	1994	5	2013	45
1938	0	1957	0	1976	0	1995	77	2014	53
1939	0	1958	24	1977	0	1996	39	2015	10
1940	0	1959	27	1978	0	1997	45	2016	18
1941	0	1960	0	1979	0	1998	47	2017	62
1942	0	1961	53	1980	24	1999	35	2018	19
1943	0	1962	0	1981	0	2000	4	2019	36
1944	0	1963	12	1982	2	2001	0	2020	33
1945	0	1964	65	1983	30	2002	0	2021	70
1946	0	1965	37	1984	0	2003	0	2022	1
1947	0	1966	9	1985	43	2004	0	2023	0

CREATIVE PLANNING @CharlieBilello *Note: Closing Prices*

COMMODITY'S MARKET OUTLOOK----STABLE AND STRUCTURED.

Commodity market returns globally in 2023.

Blackstone's Steve Schwarzman said his firm is eyeing a bevvy of buying opportunities in real estate across Europe as central banks become less aggressive with rate hikes, allowing deal volumes to begin to bounce back. The private equity giant has liked European deals with data centres, warehouses, and student housing.

"The deal business is not totally in mothballs, and these things start again," says Schwarzman. "I think we are more on that side of the cycle, although it has been somewhat dreary for a year."

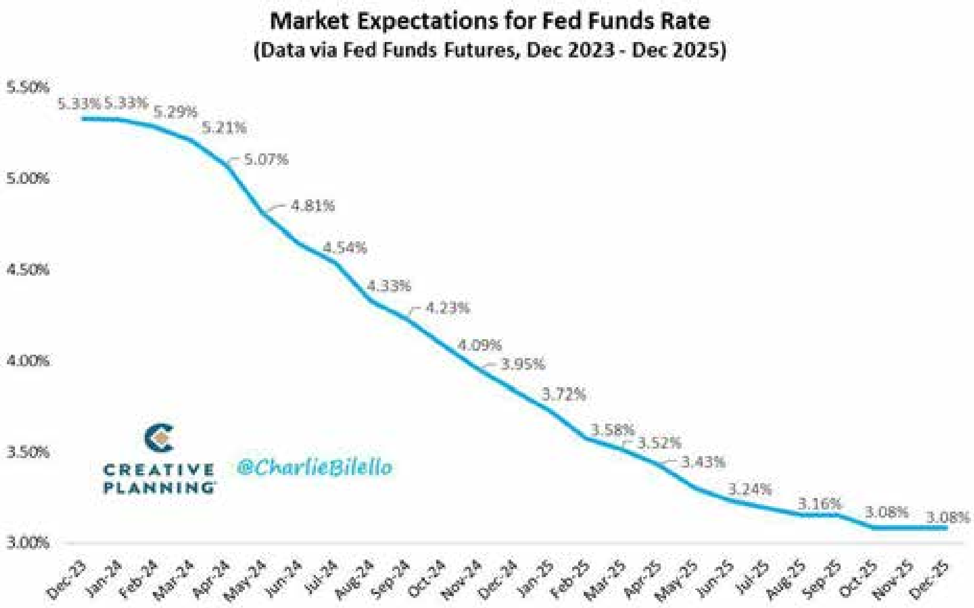
Gold	+13%
Coffee	+13%
US CPI	+3.1%
Sugar	+3%
Copper	+2%
Aluminum	+0.4%
Silver	+0.2%
Cotton	-3%
Brent Crude	-10%
WTI Crude	-11%
Zinc	-11%
Soybeans	-15%
Gasoline	-15%
Wheat	-21%
Heating Oil	-23%
Corn	-31%
Palladium	-38%
Natural Gas	-44%

FED INTEREST RATES LOWERING OUTLOOK IN 2024

All the investors are looking to the FED for the interest rate cuts as global economic growth slows down. QE5 came back in the global financial markets.

FED is projecting 3 rate cuts in 2024. Here is what the market's pricing is:

- Mar '24: 25 bps cut (5.00-5.25%)
- May '24: 25 bps cut (4.75-5.00%)
- Jun '24: 25 bps cut (4.50-4.75%)
- Jul '24: 25 bps cut (4.25-4.50%)
- Sep '24: 25 bps cut (4.00-4.25%)
- Dec '24: 25 bps cut (3.75-4.00%)



VIETNAM

DUSTIN TRUNG NGUYEN

Country Head of Vietnam

It is forecasted that the real estate market will improve in the second half of 2024

Managers, experts and investors predict that the real estate market will improve from the second half of 2024 thanks to factors such as specific real estate laws being passed, interest rates decreased, and expectations remaining low, leaving room to reduce lending rates, confidence and liquidity gradually improved, focusing on the apartment segment; Infrastructure development supports real estate market recovery.

Specifically, in terms of capital sources, lending interest rates are expected to continue to decline to low levels. The preferential lending policies of commercial banks for home buyers can help improve demand and increase liquidity—market account. Besides, reducing loan interest is also expected to reduce financial pressure, thereby restoring the business activities of real estate investors.

Furthermore, legal policies are expected to minimize difficulties.

Experts and investors expect liquidity to improve in 2024 in the mid-range and affordable apartment segments and social housing in the centre and suburban provinces due to the lack of new supply.

It improved, but housing demand increased; investors started trading again when lending rates decreased.

Infrastructure development is expected to support real estate market recovery. Significant projects have been simultaneously implemented, such as the North-South expressway for 2021 - 2025, Long Thanh International Airport, Ring Road 3 of Ho Chi Minh City, and Ring Road 4 of Hanoi.

This will solve Vietnam's current infrastructure problem, promoting business sector development. Expressway projects will help increase connectivity between economic regions, attracting more investment capital into Vietnam.

DANTE AZARMI
Head of Business Development

Introduction

Cryptocurrency investment has evolved into a dynamic and multifaceted landscape, offering a range of opportunities and challenges for investors. The crypto space has become a vibrant ecosystem from the pioneering digital asset, Bitcoin, to a myriad of alternative coins, each with distinct functionalities. Investors navigate through various options, including token sales, staking, mining, and funds, seeking avenues for potential returns. This exploration will delve into different types of crypto investments, shedding light on their characteristics, risks, and potential rewards. Understanding these facets is crucial for anyone considering entering the crypto market to make informed and strategic investment decisions.

Types of Crypto Investments

1. Bitcoin (BTC)

Store of Value: Bitcoin is often referred to as digital gold, primarily serving as a store of value. Its limited supply of 21 million coins and decentralized nature contribute to its appeal as a hedge against inflation.

Long-Term Holding: Many investors adopt a long-term "HODL" (hold) strategy with Bitcoin, believing in its potential for substantial appreciation over time.

2. Altcoins

Diverse Use Cases: Altcoins serve various purposes beyond being a medium of exchange. Ethereum, for example, enables intelligent contracts and decentralized applications (DApps). Ripple focuses on facilitating cross-border payments, showcasing the diversity in the crypto space.

Risk and Reward: Altcoins can offer higher potential returns than Bitcoin but often come with increased volatility and risk.

3. Initial Coin Offerings (ICOs) and Token Sales

Early Investment Opportunities: ICOs and token sales offer a chance to invest in promising projects at an early stage. However, the lack of regulatory oversight and the potential for fraud make thorough due diligence crucial.

Tokenomics: Understanding the tokenomics (economic model of the token) is essential to assess the potential value and utility of the tokens being sold.

4. Staking and Mining

Proof-of-Stake (PoS): Staking involves participating in the network by locking up a certain amount of tokens. In return, stalkers receive additional tokens as rewards. PoS is considered more energy-efficient than traditional proof-of-work (PoW) mining.

Mining (PoW): Mining involves solving complex mathematical problems to validate transactions and add blocks to the blockchain. It requires substantial computational power and electricity.

5. Crypto Funds

Professional Management: Crypto funds are managed by professionals who make investment decisions on behalf of investors, providing a more hands-off approach for those who may not have the time or expertise to manage their portfolios actively.

Diversification: Funds often diversify across various cryptocurrencies, reducing the risk of holding a single asset.

6. Cryptocurrency Exchanges and Trading

Market Orders vs. Limit Orders: Investors can place market orders for immediate execution at the current market price or set limit orders at a specific price, waiting for the market to reach that level.

Technical Analysis: Trading involves analyzing price charts, patterns, and trading volumes to make informed decisions. Technical analysis is commonly used to predict future price movements.

7. Security and Wallets

Hardware Wallets: These physical devices store private keys offline, reducing the risk of hacking. Popular choices include Ledger and Trezor.

Software Wallets: Exodus or MyEtherWallet are software-based and can be online (hot wallets) or offline (cold wallets).

Conclusion

As the cryptocurrency market continues to mature, investors find themselves presented with many options for capitalizing on the potential of blockchain technology. Each crypto investment type carries unique opportunities and risks, requiring a thoughtful and well-informed approach. The crypto landscape is diverse, from the stalwart Bitcoin to the innovative altcoins and the various investment strategies like staking and trading. While the potential for significant returns exists, it is paramount for investors to conduct thorough research, practice risk management, and stay abreast of market developments. In the ever-evolving world of cryptocurrency, knowledge and prudence are the keys to navigating this exciting and transformative financial frontier.

TURKEY

BERRAK OZOLTU
Country Head of Turkey

The internal migration caused by the pandemic that lasted for 2020 and the following 2 years, the ongoing trend of Middle Easterners acquiring citizenship-based properties, the participation of those fleeing from the Russia-Ukraine War that started in early 2022, and the migration caused by the earthquake disaster that occurred in February 2023 have brought the Turkish real estate market to its peak on a fundamental basis.
Furthermore, Bodrum, in particular, reached its historical peak in 2023, with an increase of 127% (in USD) (average price per square meter) in the last 5 years.

During this period, Turkey experienced the highest increase in residential property prices on an absolute basis compared to other countries, providing approximately 4 times more return to investors than its closest competitors. (2021-2022)

Residential property prices increased the most in Turkey.

It reached 190% in September 2022.

According to the housing price index announced by the Central Bank of the Republic of Turkey, housing prices increased by 189.1% in September 2022 compared to the same month of the previous year. It was the highest rate in the past 10 years.

Housing prices skyrocketed in September 2021 with the transition to a new economic model. In September 2011, the annual increase in housing prices was 36%. With the beginning of inflation decline, it reached 133% in March 2023.

Annual housing prices increased by 51% on an objective basis in the last quarter of 2021-2022 in Turkey. Compared to the average amortization period of 11.6 years in the United States, investing in Turkey has become unreasonable for foreign investors and has led domestic investors to different quests.

In January 2024, Canada's real estate market showed varied dynamics. Vancouver saw a modest price decrease from December but a notable yearly increase of 4.2%. Sales surged by 38.5% but fell below the seasonal average. Toronto witnessed strong sales growth, surpassing new listings, leading to tighter market conditions. However, prices in Toronto experienced slight declines. Quebec is outshone with upgrades of over 15% across all indicators, reflecting a robust market and positivity for the future.

Toronto

- There were 4,223 sales reported through TRREB's MLS® System in January 2024 – an increase of more than one-third compared to January 2023. The number of new listings was up year-over-year but by a lesser annual rate of approximately six per cent. More substantial sales growth relative to listings suggests buyers experienced tighter market conditions than a year ago.
- The MLS® Home Price Index Composite in January 2024 was down by less than one per cent year-over-year. The average selling price was down by one per cent year-over-year to $1,026,703. On a month-over-month seasonally adjusted basis, the MLS® HPI Composite and the average selling price also trended lower.

Sales & Average Price by Major Home Type

	Sales			Average Price		
January 2024	416	905	Total	416	905	Total
Detached	342	1,403	1,745	$1,570,520	$1,297,275	$1,350,828
Semi-Detached	106	237	343	$1,199,531	$968,193	$1,038,303
Townhouse	131	634	765	$895,307	$890,645	$891,443
Condo Apt	883	452	1,335	$709,419	$628,375	$681,979
YoY % change	416	905	Total	416	905	Total
Detached	7.5%	32.9%	27.0%	5.7%	0.1%	0.8%
Semi-Detached	26.2%	51.9%	42.9%	4.3%	1.8%	1.8%
Townhouse	42.4%	57.3%	54.5%	-8.8%	2.9%	0.5%
Condo Apt	46.4%	31.4%	41.0%	0.1%	-2.7%	-0.6%

Year-Over-Year Summary

	2024	2023	% Chg
Sales	4,223	3,083	37.0%
New Listings	8,312	7,836	6.1%
Active Listings	10,093	9,300	8.5%
Average Price	$1,026,703	$1,036,925	-1.0%
Avg. LDOM	37	29	27.6%
Avg. PDOM	54	41	31.7%

Vancouver

- The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently $1,161,300. This represents a 4.2 per cent increase over January 2023 and a 0.6 per cent decrease compared to December 2023.
- The Real Estate Board of Greater Vancouver (REBGV) reports that residential sales in the region totalled 1,427 in January 2024, a 38.5 per cent increase from the 1,030 sales recorded in January 2023. This was 20.2 per cent below the 10-year seasonal average (1,788).
- The total number of properties currently listed for sale on the MLS® system in Metro Vancouver is 8,633, a 9.8 per cent increase compared to January 2023 (7,862). This is 0.3 per cent below the 10-year seasonal average (8,657).

Quebec

Province of Québec — January 2024

Residential: Summary of Centris Activity

	January			Year-to-date		
	2024	2023	Variation	2024	2023	Variation
Total sales	4,635	4,040	↑ 15%	4,635	4,040	↑ 15%
Active listings	35,272	29,526	↑ 19%	35,272	29,526	↑ 19%
New listings	10,401	8,347	↑ 25%	10,401	8,347	↑ 25%
Sales volume	$2,111,461,200	$1,683,101,057	↑ 25%	$2,111,461,200	$1,683,101,057	↑ 25%

BILAL MOTI

Head of Middle East and North Africa

The Dubai Land Department recorded 11,287 real estate transactions worth AED 41 billion. The total sales transaction volume in December 2023 increased by 12% compared to November 2023 and 19% compared to last year. The total sales transactions value in December 2023 went up by 12% compared to November 2023 and increased by 58% compared to December 2022.

The average residential property price in December 2023 has decreased by -3 % compared to November 2023. Dubai property average price per square foot in December 2023 has increased by 8% compared to December last year.

On the mortgage side, we have witnessed a 12% increase in transactions compared to December 2022. The total transaction value reached AED 10.7 billion, a decrease of -25 % compared to December last year.

Al Barsha South Fourth topped the performing areas with 1,242 transactions. This is followed by Business Bay, Dubai Marina, Dubai Hills Estate and Al Merkadh.

In Abu Dhabi, the total sales transaction volume in Q4 of 2023 has decreased by -18% compared to Q3 of 2023 and increased by 28% compared to Q4 of 2022. The total sales transactions value has decreased by -35% compared to Q3 of 2023 and increased by 36% compared to Q4 of 2022.

Sharjah's Sales Price Index for residential apartments increased by 15.35% y-o-y, and the Rental Price Index increased by 12.78 % y-o-y.

In Ajman, the Sales Price Index for residential apartments increased by 6.88% y-o-y, and the Rental Price Index decreased by -0.39 % y-o-y.

In Ras Al Khaimah, the Sales Price Index for residential apartments increased by 30.46% y-o-y, and the Rental Price Index increased by 6.23% y-o-y.

We continue to see the UAE real estate market growing in 2024, given the increased transparency of the property market and the government's focus on leading foreign investments in the real estate sector. Prices are expected to rise by an estimated 5%, and additional developments are projected to hit the shelves.

Prospects and Potentialities in Malaysia's Property Market for 2024

Northern Region's Industrial Sector on the Rise

In the bustling northern region, the industrial sector is experiencing significant growth. Major projects like Perak's inaugural Halal Industrial Park and a substantial RM1 billiongross development value (GDV) industrial initiative are set to unfold in the state. Additionally, the area will witness the inception of 21 significant manufacturing ventures, primarily concentrated in Penang, Perak, and Kedah.

According to insights shared during the "Northern Malaysia Property Market Overview and Forecast 2024," the industrial landscape in Penang and Perak holds promise for the year ahead. Meanwhile, Kedah and Perlis are projected to maintain stability throughout 2024. Of particular interest is Kulim city, situated in Kedah, especially the Kulim Hi-Tech Park, poised for growth due to its proximity to Penang and the burgeoning industrial activities in the area.

Infrastructure Development Set to Transform Northern Region

Major infrastructure projects are reshaping the landscape in a region marked by progress. Notable among these are Penang's pioneering Light Rail Transit (LRT) system, the expansion of Penang International Airport, the Ayer Itam-Tun Dr Lim Chong Eu Expressway bypass, the construction of a new Penang Hill cable car, and the ongoing development of the West Ipoh Span Expressway.

Moreover, insights indicate a promising outlook for the residential sector in Penang, Perak, and Kedah, with Perlis poised for stability in 2024. Several factors underpin this optimistic projection, including the extension of the Penang Home Ownership Campaign (HOC) 3.0+ until the close of 2024, the prohibition of short-term rental accommodations on residential properties in Penang island, a growing emphasis on affordable housing initiatives across the northern region, and the revamped Malaysia My Second Home (MM2H) programme.

Southern Region

Exciting Developments Transforming Johor

Johor is currently abuzz with activity, driven by several mega projects underway in the state, notably the Johor Bahru (JB)-Singapore Rapid Transit System (RTS Link), set to be Malaysia's first cross-border infrastructure venture and targeted for completion by 2026, as highlighted by insights shared during the presentation on the southern region.

In addition to the RTS Link, another significant undertaking is the Wadihana Depot, slated to serve as the future train depot in JB for the RTS link, currently under construction. Furthermore, the Johor LRT project, a planned infrastructure initiative encompassing 30km in total length, 50 stations, and three proposed lines with terminal stations located in Ikea Tebrau, Iskandar Puteri, and Senai, is poised to enhance connectivity in the state further.

Johor also witnessed the revival of numerous abandoned projects, including the mega project by Greenland Group in Danga Bay, JB, which was halted during the COVID-19 pandemic. It is noteworthy that MB World Properties Sdn Bhd, a prominent local developer in JB, has taken over the development rights from Greenland to revive the project. Spanning 17 acres, this mixed-development endeavour holds an estimated gross development value (GDV) of RM2.4 billion.

Beyond large-scale infrastructure ventures, several abandoned projects are undergoing revival efforts, indicative of Johor's dynamic growth trajectory. Among these, SKS Group has taken charge of abandoned apartment buildings, transforming them into mixed-development projects. Moreover, in collaboration with Marriott International, SKS Group is spearheading the establishment of the first Sheraton hotel in JB, adding to the city's hospitality offerings.

In addition to revitalizing residential spaces, abandoned malls such as Danga City Mall, Waterfront City Mall, and Pacific Mall JB are also undergoing rejuvenation efforts, promising a revitalized retail landscape for Johor.

In light of these developments, the Johor market is experiencing a shift in focus towards the JB city centre. This transition is fueled by significant projects like the RTS Link and the recently inked deals for the Johor-Singapore Special Economic Zone (SEZ), which enhance connectivity and economic opportunities. The proximity of the JB city centre to the RTS side attracts considerable attention, signalling a promising future for the region's urban core.

EMMANUEL ANDREW VENTURINA

Country Head of Philippines

1. High occupancy seen fueling MREIT growth

Maybank Investment Banking Group said that Megaworld Real Estate Investment Trust Inc. (MREIT), the REIT arm of Megaworld Corp., will likely see more robust growth in 2024. This growth can be attributed to Megaworld's property infusions and stable occupancy rates across its office buildings. In 9M 2023, MREIT recorded an average occupancy rate of 95%, higher than 94% in 2022 and the industry average of 81% in Metro Manila. In 2024, MREIT aims to expand its portfolio to 500,000 square meters (5.4 million square feet) of gross leasable area (GLA), a 54% increase YOY.

2. Federal Land ramps up dev't in Riverpark

Federal Land is expanding its 600-hectare Riverpark development in Gen. Trias, Cavite. The company has invited the SM Group to build its SM City Gen. Trias mall on the property and anchor Riverpark's commercial area. Federal Land also disclosed plans to develop more projects within its Gen. Trias property in the next 10 to 15 years. Details of the project's masterplan have yet to be finalized. Federal Land said 70 hectares of the estate will be utilized to develop parks and greenways. The property also features a 1.8-kilometre bike trail.

3. Megaworld to build second Palawan hotel

Megaworld Corp. is building the Paragua Sands Hotel, its second hotel in its Paragua Coastown township in San Vicente, Palawan. The project will have 313 rooms ranging from twin to presidential suites between 32 and 140 square meters (344 and 1,506 square feet). The hotel's amenities include swimming pools, a kid's club, a spa, a fitness centre with a yoga area, and saunas. Paragua Sands Hotel is scheduled to be completed by 2029. Other components of Paragua Coastown include Savoy Hotel Palawan, the residential condominium Oceanfront Premier Residences, and the Mercato Shophouse District.

4. PIDS sees the economy growing 5.5-6% this year

The Philippine Institute for Development Studies (PIDS) expects the Philippine economy to grow between 5.5 % and 6% in 2024. This is below the government's 6.5% and 7.5% forecast. The government think tank noted that services, construction, utilities, and agriculture segments will likely support the economic expansion this year—highlighting that external economic shocks will remain risky. PIDS is expecting tempered inflation in 2024 on the back of easing pressure from essential commodities. In its report, PIDS noted that the Maharlika Investment Fund will likely drive the Philippines' economic growth.

SOMSAK CHUTISILP

Country Head of Thailand

As around 1.4 million square metres of new office space is slated for completion between 2024 and 2026, landlords of existing office space should renovate or add new amenities to retain their existing tenants as new office towers will seek to attract both new clients and tenants of existing properties looking to relocate.

Supply exceeded demand last year, but it will be more severe this year, with around 150,000 square metres from One Bangkok alone. This will be a game-changing year.

During this challenging period, there will still be opportunities, as the visa-free scheme for Chinese visitors could help attract more businesses from China, particularly electric vehicle manufacturers and related downstream operators.

Some new tenants of office spaces were local firms that relocated from home offices to high-rise office buildings of varying grades to attract young, talented staff and capitalize on a decrease in office rental rates.

Newly completed office towers aim to attract new users and those looking to relocate.

As of the end of 2023, the average rent for office space stood at 816 baht per sq m per month, up 0.7% from 2022. The rent of grade A office space was recorded at 1,181 baht per sq per month, grade B office space cost 840 baht per sq m per month, while grade C office space was priced at 510 baht per sq m per month on average last year.

However, the annual rental growth rates for all grades of office space were still considerably lower than the 10-year average, mainly due to pressure on the supply side.

As of the end of 2023, Bangkok office supply rose by 4.6% to 6.05 million sq m while demand reached 4.7 million sq m, an increase of 2.5%, resulting in the overall occupancy rate falling to 77.7%, compared with a 10-year average of 88%.

The occupancy rate in 2023 declined across the board, with grade A experiencing the most significant decrease of 6.6 percentage points to 81%. Nevertheless, it remained the highest in the market.

Occupancy of grade B saw a slight drop of 0.5 percentage points to 76%, which was much lower than its 10-year average of 88%, compared to grade C, which stood at 78% and 86%, respectively.

The office market in the CBD demonstrated robust demand, which was more substantial than in non-CBD areas. The demand in the CBD was mainly driven by new buildings, indicating a preference for modern, up-to-date office spaces.

Source: Bangkok Post

Growth & Trends in Retail Real Estate in India

Recent reports paint a picture of significant expansion in the retail real estate sector, withprojections indicating a remarkable 45% increase in new supply by 2028 across seven major Indiancities. Delhi NCR leads the charge, commanding the lion's share of retail space at 34%, closelyfollowed by Chennai, Bengaluru, and Hyderabad, each claiming 15%. Stable economic conditionshave paved the way for consumption-led growth, empowering retailers to expand their presenceand triggering a wave of new mall developments.

In 2023 alone, the retail sector witnessed record-breaking leasing activity, with an impressive 7.1million square feet leased across the top eight cities—an astounding 47% increase compared to theprevious year. Particularly noteworthy is the surge in the luxury segment, which saw a remarkable162% increase, driven by the entry and expansion of international brands. This trend bodes well forthe sector's future. The launch of India's first retail-led Real Estate Investment Trust (REIT) in2023 is set to fuel growth further, potentially opening up avenues for new acquisitions andportfolio expansion in the retail space.The retail real estate landscape is ripe with opportunities for investors and retailersalike. Whether you want to expand your portfolio or explore new retail ventures, now is anexciting time to be part of India's vibrant retail market.

Empowering Home Ownership amongst the Middle Class

In the recent interim budget for FY25, Finance Minister Nirmala Sitharaman unveiled a newscheme aimed at assisting sections of the middle class, particularly those residing in rented houses,slums, chawls, and unauthorized colonies, to realize their dream of owning or constructing theirown homes. This initiative aligns seamlessly with the government's overarching 'Housing for All'mission, encompassingPradhan Mantri Awas Yojana (PMAY)-Urban and PMAY-Rural schemes.

Expected to impact significantly, this scheme is poised to catalyze growth and developmentacross the real estate, construction, and plotted development sectors. Furthermore, the budgetallocates support for the construction of an additional 2 crore houses over the next five years underthe Prime Minister Awas Yojana - Gramin (PMAY Rural), with the budgetary allocation for PMAYwitnessing an increase to Rs 80,671 crore for 2024-25. Sitharaman also highlighted thegovernment's pledge to provide 2 crore more houses under the Pradhan Mantri Awas Yojna - Gramin emphasizes the near-achievement of the 3 crore target under the rural housing scheme and the construction of an additional 2 crore houses in the next five years.

This holistic approach directly supports developers and the construction industry andbolsters ancillary industries. Additionally, the Finance Minister's announcement of rooftopsolarisation and provision of free electricity further underscores the government's commitment tosustainable and inclusive housing solutions.Its introduction came when India's residential market was experiencing a notable upturn, fostering comprehensive economic growth and development.

In January 2024, new home sales doubled after the launch of three projects just before the Chinese New Year. According to data from the Urban Redevelopment Authority (URA), new home sales increased by 108.1 per cent from 135 units in December 2023 to 281 units in January 2024.

On a year-on-year basis, sales decreased by 28.7 per cent from 394 units in January 2023.

Sales were generally healthy, propelled by the successful launch of the executive condominium project at Bukit Batok West Avenue 5, Lumina Grand.

The other two launches were Hillhaven in the suburbs, which sold 64 of the 341 units available, making up 18.8 per cent of the total units, as well as The Arcady at Boon Keng, which moved 47 of 172 units or 27.3 per cent of its units.

As last month's launches were predominantly from the suburbs and the city fringe, most of January's transactions were in the Outside of Central Region (OCR) at 51.2 per cent or 144 units. This was followed by the Rest of Central Region (RCR) at 39.9 per cent (112 units) and the Core Central Region (CCR) at 8.9 per cent (25 units).

Besides the three top launches, the other best-selling projects include The Myst, North Gaia, The Landmark, Pinetree Hill, Altura, and Lentor Hills Residences.

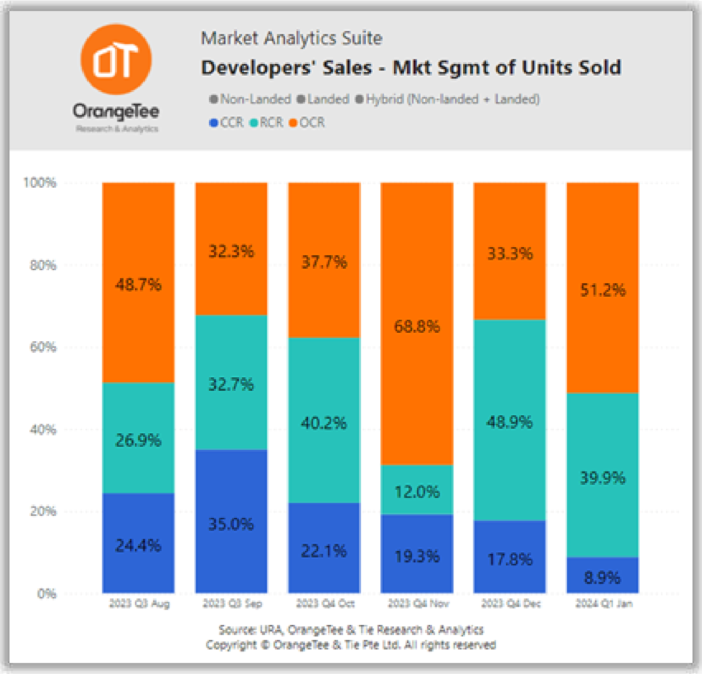
At the upper end of the market, only one new condo was sold for more than S$10 million last month, according to URA Realis data. Another six were sold for at least S$5 million but less than S$10 million.

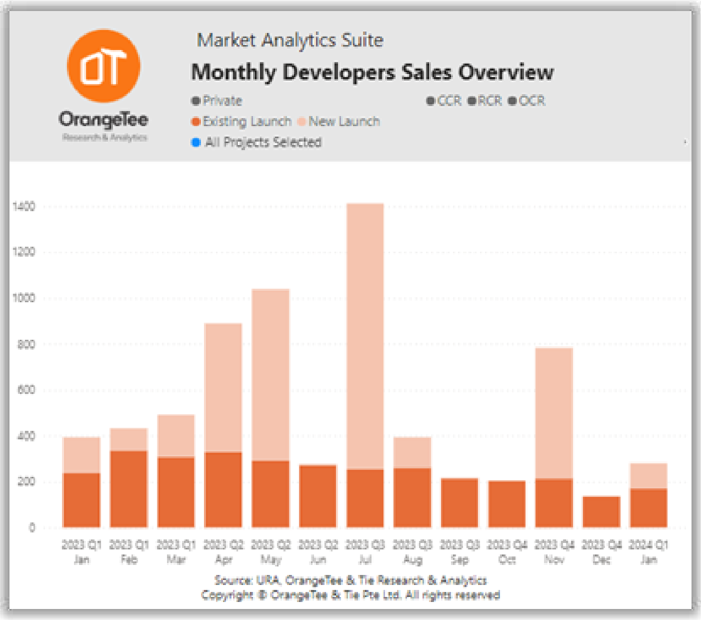
The priciest condo sold last month was a 3,412 sqft fifth-floor freehold unit at Watten House, which transacted for S$12.2 million or S$3,576 psf.

Several upcoming property launches will be, including the 533-unit Lentor Mansion, the 440-unit SORA, and the 350-unit GLS (Government Land Sales) site at Champions Way.

Lentor Mansion is a prestigious suburban condominium developed by renowned developers GuocoLand and Hong Leong Holdings. The project is slated to draw keen interest from local buyers, especially families and HDB upgraders.

Black and white colonial houses inspire Lentor Mansion with a signature colonial clubhouse and green lawns. This project is conveniently located within walking distance of the Lentor MRT station and has excellent connectivity to the rest of the island via the upcoming North-South Corridor.





The Royal Government's Special Investment Promotion Program for Preah Sihanoukville in 2024

On January 31, 2024, the Prime Minister of the Kingdom of Cambodia, Samdech Moha Bovor Thipadei Hun Manet, presided over the "Special Investment Promotion Program for Preah Sihanoukville in 2024", which is Samdech Thipadei's initiative.

This particular program has 4 main objectives, including:

1. Transforming Preah Sihanoukville province into an economy-based province depending on industry, tourism, and investment
2. Solving practical challenges that bring immediate results
3. Complementing and being consistent with the strategies and plans in various sectors set by the Royal Government
4. Accelerating the transformation and industrial development in the Preah Sihanoukville province to have more value-added, high productivity, and competitive advantage

This particular program aims to promote investment and business activities in the Preah Sihanoukville province in 2024, focusing on three types of investment projects or business activities, including:

1. Investment projects or business activities related to the unfinished buildings will immediately start to be implemented in 2024
2. Investment projects or business activities are not related to the unfinished buildings but will immediately start in 2024
3. The expansion of investment projects or business activities following the specific criteria will start in 2024.

This unique program sets out key measures to encourage investment and business activities in the province, including:

- Facilitate the procedures and complete forms related to investment and business
- Facilitate the issue of a permit and visa
- Provide tax encouragement
- Exemption of public services commission or other favours related to construction, arrangement of village-Sangkat development areas and main roads
- Investment in infrastructure projects
- Development of industrial zones and potential land development for industrial or enterprise cluster zones and/or tourism areas.

At the same time, the Ministry of Economy and Finance has also issued a notification on the provision of "special incentives" under the scope of the "special program to promote investment for the Preah Sihanoukville in 2024", including:

1. Investment or business project related to the stagnant buildings
2. Investment projects or businesses that are not related to the stagnant buildings
3. Expansion of existing investment projects or business activities in the province will receive "special incentives", such as facilitating the procedures, encouragement, and favours.

PORTUGAL

GONÇALO PEREIRA
Country Head of Portugal

Investors Insights: Portugal's Real Estate Landscape

Election Impact:

Portugal's upcoming March election is a potential factor influencing investor decisions, with legislative stability considered crucial for attracting capital.

Market Dynamics & Continued Growth:

- Housing supply struggles to keep up with increasing demand, contributing to a persistent shortage.
- Solid capitalization of Portuguese families and developers mitigates the need for desperate sales.
- The investment market is to be revitalized once interest rates decrease and demand increases, providing better conditions for financial returns for investors.
- Portuguese property associations anticipate sustained growth in 2024, building on the positive trends observed in recent years.

Diverse Investor Interest:

- While historically attracting European investors, Portugal is experiencing growing interest from countries like Brazil, the United States, Canada, and the Middle East, attributed to its quality of life, safety, mild climate, cultural richness, and strategic position as a gateway to Europe.
- The American market is notably expanding, driven by a pursuit of superior quality of life, safety, and attractive real estate opportunities, contributing significantly to the Portuguese property sector.

Preferred Locations:

- Lisbon, Porto, and Algarve are prime areas attracting property buyers, each offering unique attractions such as vibrant cultural and economic life (Lisbon), rich history (Porto), and an alluring environment for holiday properties and retirement residences (Algarve).
- Other regionsoffering quiet lifestyles and direct contact with nature, like the Alentejo and parts of Central and Northern Portugal, are gaining interest, particularly for rural properties and rural tourism opportunities.

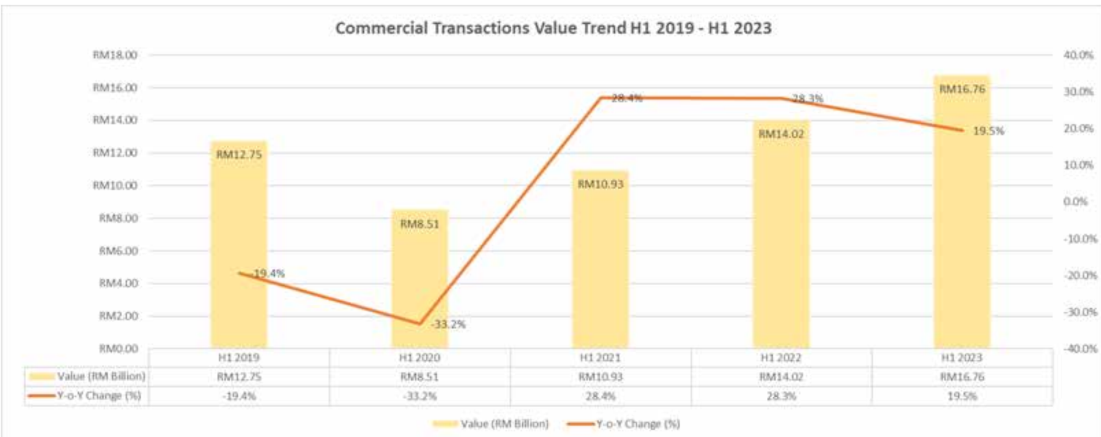
Short-Term Rental Surge in Portuguese Real Estate:

- The real estate landscape in Portugal is experiencing a significant transformation, marked by an impressive 36% annual growth in short-term rental options.
- Regulatory adjustments, including constraints on Local Accommodation and changes in the Non-Habitual Residents (RNH) regime, coupled with reduced income taxes, are prompting property owners to reconsider rental strategies.
- This trend is particularly prominent in 11 major cities, with Vila Real leading at an impressive 200% increase.
- Short-term or temporary rentals are contractual arrangements designed to address transient housing needs, prioritizing specific needs such as professional assignments, educational pursuits, training sessions, or stays related to tourism. These purposes must be explicitly detailed in the rental contract, which typically spans less than one year.
- With the rise of short-term rentals, investors find themselves at an opportune moment in which they can recognize the strategic advantages presented by this trend and align their portfolios with the new preferences of tenants looking for purpose-driven housing solutions.

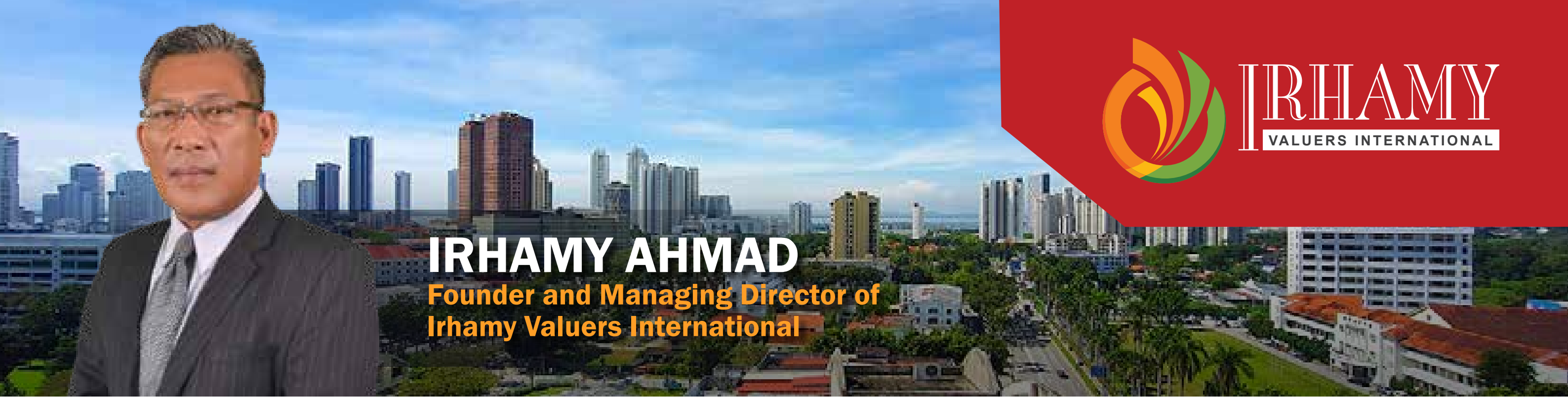
MALAYSIA PROPERTY MARKET H1 2023 – COMMERCIAL PROPERTY OVERVIEW

The commercial property market in Malaysia exhibited resilience and growth in the first half of 2023 (H1 2023) despite global economic uncertainties and rising inflation. A service sector rebound and ongoing infrastructure development may have driven this positive performance. As the Malaysian economy is growing at a modest pace in 2023, it is expected to filter through to the commercial property market due to the expansion in business and the increase in the demand for office and retail space. Unsurprisingly, the commercial sub-sector was the second-largest contributor to the transaction value and the third-largest contributor to the transaction volume in the national market after the residential sub-sector.

According to Malaysia Property Market Report H1 2023, the commercial sub-sector has contributed 17,602 transactions worth RM16.76 billion, an increase of 16% in volume and 19.5% in value compared to the first half of 2022.



Upon scrutinizing the market activity across all states, it becomes apparent that there has been a widespread increase in market activity, with the notable exceptions of WP Putrajaya, Perak, and Sabah. While all states also experienced increased transaction value, several notable exceptions emerged. WP Kuala Lumpur witnessed a sharp decline of 21.9%, while WP Putrajaya faced a substantial drop of 76.1%. WP Labuan, Selangor, Perak, Kedah, Pahang, and Kelantan also exhibited negative growth, with respective declines of 13.2%, 5.7%, 3.9%, 26.3%, 13.4%, and 1.1%.



IRHAMY AHMAD

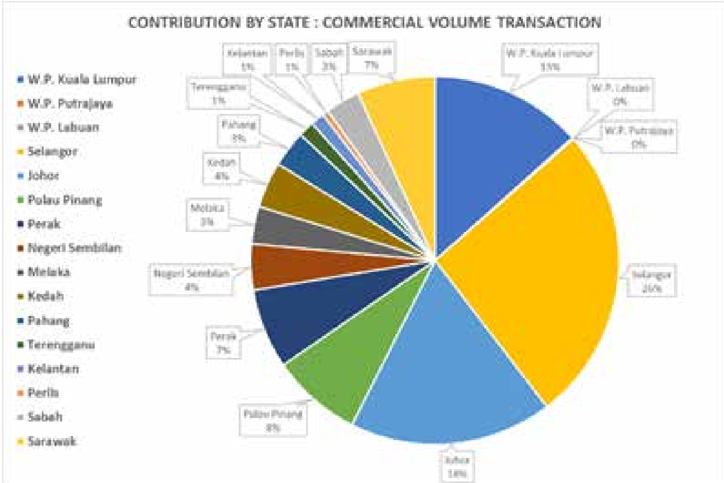
Founder and Managing Director of Irhamy Valuers International

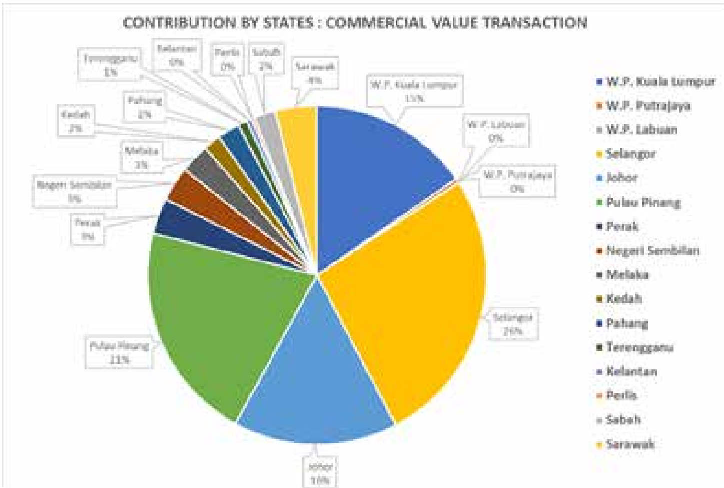
States	Transaction Volume (Unit)		Y-o-Y Change (%)
	H1 2022	H1 2023	
W.P. Kuala Lumpur	2,198	2,356	7.2%
W.P. Putrajaya	14	14	0.0%
W.P. Labuan	10	14	40.0%
Selangor	4,025	4,590	14.0%
Johor	2,283	3,138	37.5%
Pulau Pinang	816	1,400	71.6%
Perak	1,249	1,234	-1.2%
Negeri Sembilan	660	710	7.6%
Melaka	541	579	7.0%
Kedah	654	712	8.9%
Pahang	518	563	8.7%
Terengganu	239	244	2.1%
Kelantan	178	211	18.5%
Perlis	63	96	52.4%
Sabah	568	533	-6.2%
Sarawak	1,152	1,208	4.9%
MALAYSIA	15,168	17,602	16.0%

States	Transaction Value (RM Billion)		Y-o-Y Change (%)
	H1 2022	H1 2023	
W.P. Kuala Lumpur	RM3,299.57	RM2,576.80	-21.9%
W.P. Putrajaya	RM276.89	RM66.28	-76.1%
W.P. Labuan	RM10.30	RM8.94	-13.2%
Selangor	RM4,702.83	RM4,435.13	-5.7%
Johor	RM1,875.29	RM2,633.65	40.4%
Pulau Pinang	RM602.58	RM3,516.08	483.5%
Perak	RM598.03	RM574.56	-3.9%
Negeri Sembilan	RM341.05	RM555.38	62.8%
Melaka	RM418.74	RM466.82	11.5%
Kedah	RM378.87	RM279.18	-26.3%
Pahang	RM413.53	RM358.13	-13.4%
Terengganu	RM115.76	RM149.59	29.2%
Kelantan	RM77.58	RM76.71	-1.1%
Perlis	RM32.83	RM49.80	51.7%
Sabah	RM318.28	RM347.27	9.1%
Sarawak	RM556.51	RM664.90	19.5%
MALAYSIA	RM 14,018.64	RM 16,759.22	19.5%

Selangor emerged as the top contributor to the national market share, accounting for 26.1% of the overall transaction volume and 26.5% of the total transaction value. With 4,590 transactions and RM4.44 billion in total value, Selangor firmly established its position as the leading state in the commercial sub-sector. Johor followed closely behind with 17.8% of the volume (3,138 units transacted) and 15.7% of the value (RM2.63 billion). Kuala Lumpur contributed 13.4% in volume (2,356 transactions) and 15.4% in value (RM2.58 billion).

Collectively, these three states accounted for over 50% of the total national transaction volume in the commercial sub-sector, highlighting their dominance in the market.





Despite the Slowdown, Hong Kong is Still the Most Expensive Per SM

New data on the price per residential real estate square meter underscores the wide range between Asian markets. Despite its real estate slowdown, Hong Kong is still the most expensive market. Singapore follows relatively closely.

Japan ranks third, with its US$4,691 per square meter equating to less than one-third of Singapore's rate and less than one-fifth of Hong Kong's.

Among Southeast Asian nations, Thailand ranks highest per square meter, followed by Malaysia and Vietnam.

Indonesia is the least expensive market, at US$812 per square meter.

COUNTRY	VALUE
Hong Kong	$25,133
Singapore	$18,632
Japan	$4,691
Thailand	$3,980
Malaysia	$2,938
India	$2,900
Taiwan	$2,632
Vietnam	$1,853
Philippines	$1,300
Indonesia	$812

Hong Kong's high square meter prices of US$25,133 indicate a premium real estate market possibly driven by limited land supply and high demand.

Singapore is also a low-supply, high–demand market and is the second most expensive market, with square meter prices of US$18,632.

The significant price gap between the top two and the rest reveals a notable differentiation in real estate value within Asia-Pacific markets.

Thailand and Malaysia are mid-ranked on the list and offer more affordable options within the region at US$3,980 and US$2,938, respectively.

This data from our partner Global Property Guide is based on the average per square metre (sq. m.) prices in US$ of existing residential dwellings located in the capital or most important city of each country.

IQI Moments

VISITING THE IQI BRANCHES

Laughter fills the air as the Chinese New Year festivities reach our IQI branches throughout Malaysia.

Amidst a joyful atmosphere, our IQI Warriors celebrated and brought to life the spirit of Chinese New Year—filled with heartwarming laughter, abundant red packets, and a celebration to cherish forever.

Looking forward to a prosperous and fulfilling year ahead for everyone!







Launching of a new branch in Pakistan - IQI KARACHI

IQI opens its latest office in Karachi, Pakistan!

The 40,000 agent-strong real estate company opens its doors in Pakistan's financial capital, catering to the demand for quality real estate services.

This expansion aligns with IQI's strategy of tapping into emerging markets and catering to the burgeoning demand for quality real estate services in Pakistan's financial capital.