

# Juwai IQI



MARCH 2023

**MONTHLY  
NEWSLETTER**



# AUSTRALIA

**LILY CHONG**

Country Head of Australia



The CoreLogic's National Home Value Index (HVI) declined by 1.0% in January, an improvement from the 1.1% drop in December and the minor decline since June of the previous year. The decrease in the rate of decline was visible across most capital cities, except for Adelaide (0.8%) and Perth (0.3%), where housing values have remained strong since interest rates increased in May. The Research Director of CoreLogic, Tim Lawless, stated that the housing market decline is still widespread, but there are signs it is slowing down.

Despite the improvement, the 1.0% decline in January and 3.2% over the quarter still indicate that housing values are falling rapidly compared to previous downturns. Every capital city experienced a decrease in dwelling values, led by Hobart (1.7%) and Brisbane (1.4%), with minor drops in Perth (0.3%) and Darwin (0.1%).

In January, the median rent price in Perth was \$520 per week, unchanged from the previous month but \$20 higher than three months prior and \$70 higher than January of the last year. Despite the overall median staying the same, many suburbs saw an increase in their weekly rent in January, according to Ms. Hart, CEO of REIWA.

An increase in overseas student enrollment is expected to increase rental demand in the coming months, mainly due to China's recent policy announcement regarding the non-recognition of degrees and diplomas obtained from online studies. As a result, inner-city areas near universities are likely to experience lower vacancy rates and an upward trend in rents.

This is a good time for any investor to enter the market.

If you want to start your investment journey through IQI in Australia, please email us at [sales@iqiwa.com.au](mailto:sales@iqiwa.com.au).

Index results as at 31 January, 2022	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	-1.2%	-3.9%	-13.8%	-11.7%	\$999,278
Melbourne	-1.1%	-3.1%	-9.3%	-6.3%	\$746,468
Brisbane	-1.4%	-4.8%	-4.7%	-0.8%	\$698,204
Adelaide	-0.8%	-1.5%	6.9%	10.6%	\$646,045
Perth	-0.3%	-0.1%	2.7%	7.3%	\$559,971
Hobart	-1.7%	-5.5%	-9.5%	-5.9%	\$666,431
Darwin	-0.1%	-0.4%	3.7%	9.8%	\$500,228
Canberra	-1.0%	-3.4%	-5.9%	-2.4%	\$841,605
Combined capitals	-1.1%	-3.3%	-8.7%	-5.8%	\$763,110
Combined regional	-0.8%	-2.6%	-2.3%	1.7%	\$574,835
National	-1.0%	-3.2%	-7.2%	-4.2%	\$702,725





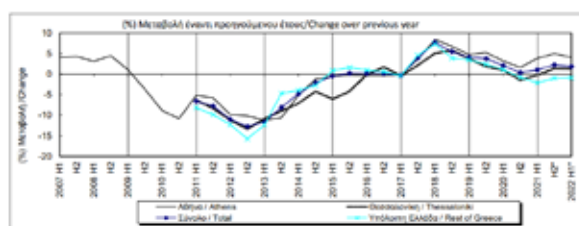
## National elections might bring some sluggishness in Greece.

The election year and the possible election date in the first weeks of April might bring some idleness in the following months in the local real estate market. Beyond that, the market will remain firm, like it finished last year. The Greek real estate market is still haunted by the lack of new home construction caused by the country's sovereign crisis. In major Greek cities, this shortage has significantly impacted prices. The increase in prices has also been affected by the significant rise of Airbnb-type short-term rentals. Based on the most recent data, the demand trend remains upward, while the real estate sector in Greece is more dynamic than in other European countries. In 2023, Greece will continue to grow, even though the growth rates will be 1-2%, while the European countries will try to avoid the recession. However, there are several challenges for real estate in the new year, such as the development of inflation, mortgage interest rates, the management of non-performing loans, and the programs to support the acquisition of first homes in an election year.

## The Greek office's real estate market

The office market generally moves at different speeds depending on the quality characteristics of the property, but 2023 is a transitional year. The pandemic period and the telecommuting of some employees favoured the new generation of newly built offices as it increased the quality requirements of users and increased the need for accommodation in safe, flexible, comfortable, bioclimatic and high-quality spaces. The prices of these offices are rising, the increased demand is sustained, and occupancy is assured for years to come. In contrast, in the retail sector, the growth of e-commerce and the explosion of online sales drive lower store prices. Stores centrally located in Athens, tourist areas and prime locations (e.g. near metro stations) have high purchase and rental demand and thus higher costs.

## Chart 1: Office price index in Greece

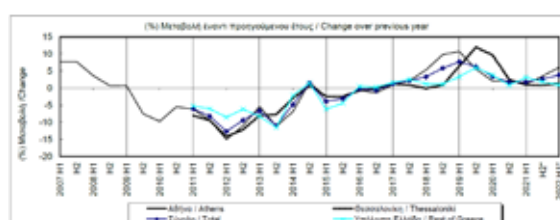


At the same time, the reduction in the disposable income of Greeks due to the energy crisis and the rise of inflation creates pressure on retailing. On the other hand, tourism increased sales in popular tourist destinations, the center of Athens and other urban areas, although it did not fully offset the losses from Greek households. Demand for leasing shops on the most commercial streets of Athens, Thessaloniki, Glyfada, Kifissia and Piraeus, as well as in the established shopping centers, continues to be high due to the lack of vacancies, and due to relatively reasonable rental prices, especially compared to the period before the financial crisis, when they exceeded all historical precedents.

However, institutional investors and large construction companies have launched new large-scale projects in the retail sector, mainly shopping centers and shopping parks, that are expected to add capacity to the retail market. In this context, six new commercial developments are being launched, three of which are located in the prime area of Elliniko. At the same time, international sports, luxury and affordable clothing chains are expanding their presence in the Greek market, while the secondary retail market is still under pressure.

## Chart 2: Retail price index in Greece

In Attica, significant new office sector projects are underway to meet the increased demand for modern office space that meets ESG criteria. In 2022, as in 2021, almost exclusively, real estate investment trusts (REITs) and institutional investors were the leading buyers in the office sector.

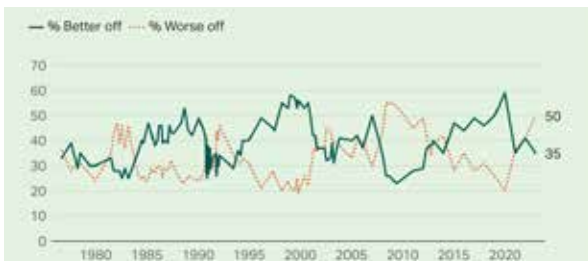
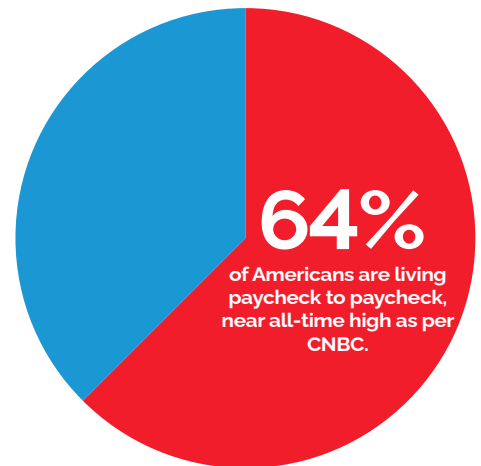


# Juwai IQI

**SHAN SAEED**  
Chief Economist

## Global Macro-Economic Outlook 2023 Ructions in The Financial Markets

The global economy is at a crossroads; many economies need help to spur growth. Europe, the USA, the UK, and Japan face economic headwinds, with policy levers losing importance. Investors need to gain more confidence in governments with their financial strategies. With central banks hiking interest rates, investors are concerned that advanced economies are heading for a deep L-shaped recession and will not recover for 2/3 years. The growth pivot moves to East Asia with rising income levels, higher infrastructure investment and macroeconomic stability driving growth in the region. Economic cost becomes highly important for sophisticated and intelligent investors to analyze.



*In The latest Gallup poll 50% of Americans said they were worse off than a year ago. Since 1976, the only other times 50% or more said they were worse off : 2008 & 2009.*

The ructions in the markets are not seen for a generation, with global inflation is in double digits for the first time in nearly 40 years. Having been slow to respond, the Federal Reserve is now cranking up interest rates at the fastest pace since the 1980s, while the dollar is at its strongest for two decades, causing chaos outside America. Last year has been distressing if you have an investment portfolio or a pension, as many investors lost \$67 trillion in the equity and bond markets.

Global shares have dropped by 25% in dollar terms, the worst year since at least the 1980s, and government bonds are on course for their worst year since 1949. Global instability and financial uncertainty can continue as investors get nervous due to errors in policy levers that are not working for the asset classes. Stagflation,

recession and global instability have become in vogue. The markets are not settling down very soon and are whistling past the graveyard, with investors misreading the needs again. Get ready for tumultuous times ahead till 2027.

### FED rate hikes probabilities

The Fed meets again on March 22, and the market is pricing in a high probability (83%) of another 25-bps hike. That would be the ninth rate hike in a row, bringing the Fed Funds Rate up to a new range of 4.75-5.00%.

### Rates

The last time the Fed Funds Rate was that high was September 2007.

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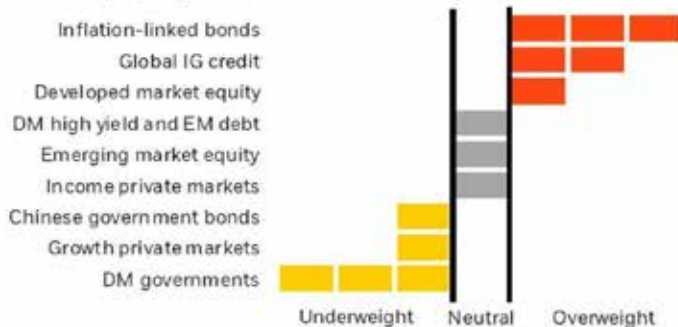
**SHAN SAEED**  
Chief Economist

## Blackrock a new 60-40 for the new regime?

- Income is finally back in FI. The longer central banks keep rates close to peak - and they will - the longer we clip coupons, which supports bonds.
- More dynamic. Based on our research, letting portfolio mix drift costs 4 times more in the new regime compared to the Goldilocks regime when everything was going up.
- Even strategic asset allocation needs to change more dynamically.
- Expand the tool kit. Consider infrastructure, private debt, and commodities as add-ons to the stock-bond core.

### Horizon matters

Our strategic (long-term) asset views, January 2023



Source: BlackRock Investment Institute, January 2023. Data as of Sept 30, 2022. Notes: The chart shows our asset views on a 10-year view from an unconstrained U.S. dollar perspective against a long-term equilibrium allocation. This material represents an assessment of the market environment at a specific time and is not intended as a recommendation to invest in any particular asset class or strategy, a forecast of future events nor a guarantee of future results.

### Weekly market commentary: Horizon matters

[blackrocksocial.voicestorm.com](https://blackrocksocial.voicestorm.com)

The chart shows our current strategic asset allocation. The eagle eyes will note that while we have been advocating caution in the near term on earnings contraction and growth hit from central bank overtightening, we are now overweight equities strategically. Only some have the luxury of a longer horizon.

However, if you do, looking beyond the tactical horizon of this year, I am more confident about being able to put the shock behind and downside risks lessening.

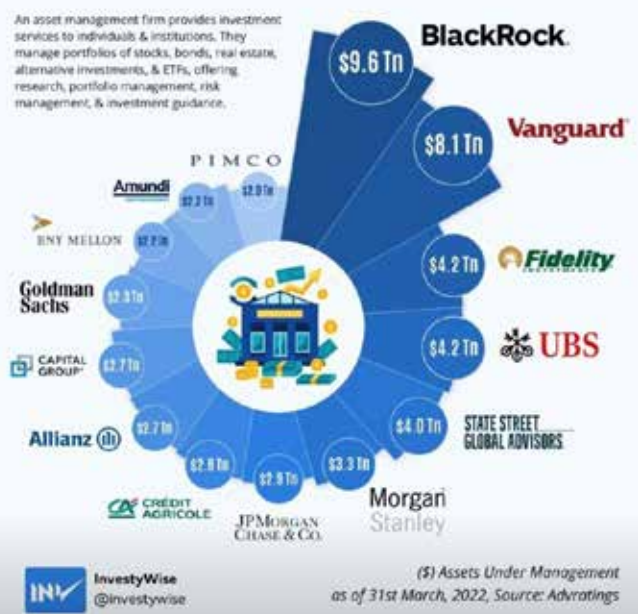
### WORLD'S LARGEST ASSET MANAGEMENT FIRMS

We at JUWAI IQI only follow these institutions to get global market insights:

1. Blackrock
2. JP Morgan
3. Bank of America
4. Citibank
5. Goldman Sachs
6. UBS

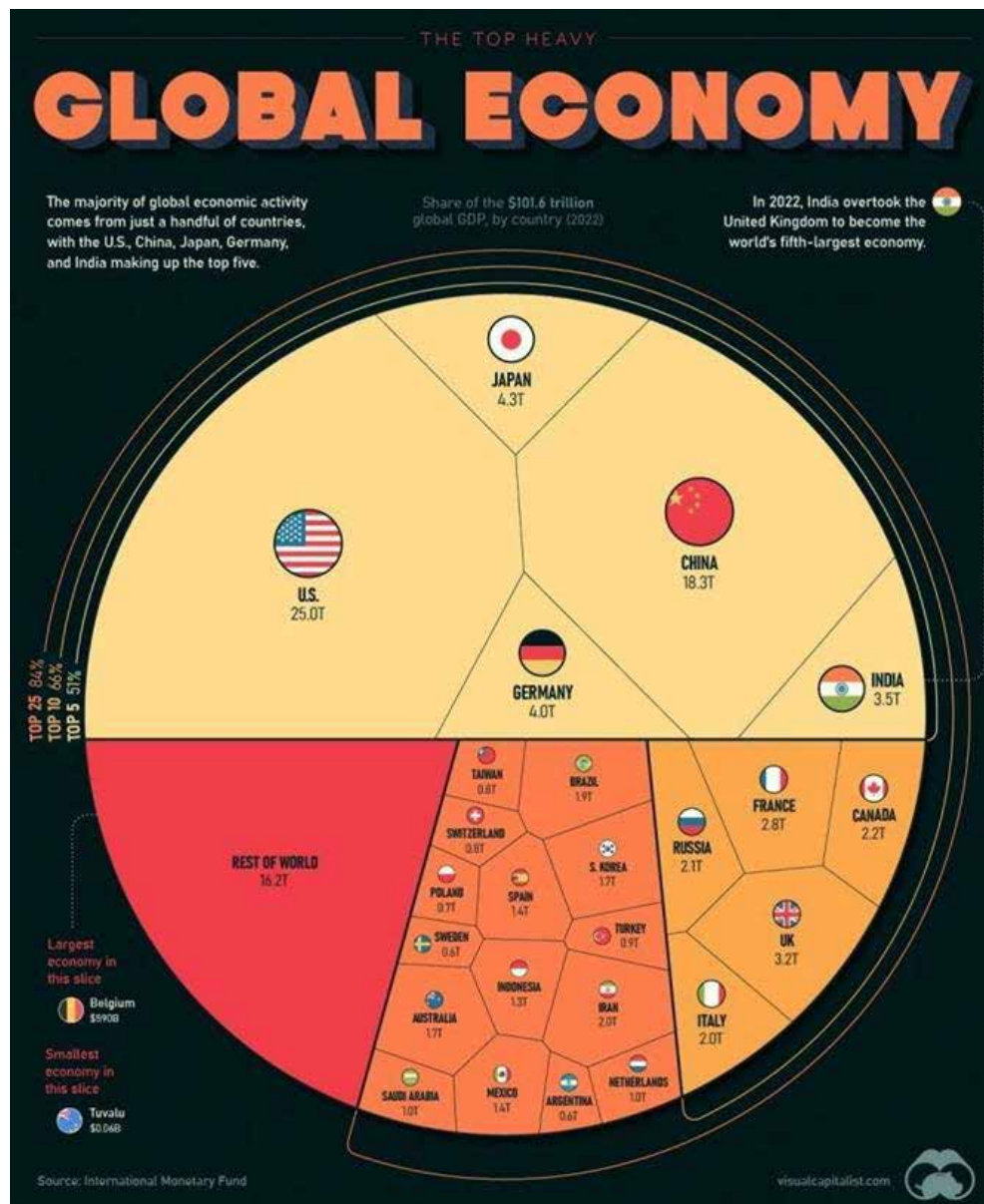
## WORLD'S LARGEST ASSET MANAGEMENT FIRMS

An asset management firm provides investment services to individuals & institutions. They manage portfolios of stocks, bonds, real estate, alternative investments, & ETFs, offering research, portfolio management, risk management, & investment guidance.



## GLOBAL ECONOMY IN 2022. Top Heavy: Countries by Share of the Global Economy.

As 2022 ends, we can recap many historical milestones of the year, like the Earth's population hitting 8 billion and the global #economy surpassing \$103 trillion. In this chart, we visualize the world's GDP using data from the IMF, showcasing the biggest economies and the share of global economic activity that they make up. Just five countries make up more than half of the world's entire GDP in 2022: the U.S., China, Japan, India, and Germany. Interestingly, India replaced the U.K. this year as a top-five economy. Adding another five countries (the top 10) make up 66% of the global economy, and the top 25 comprise 84% of the global GDP.





# VIETNAM

**DUSTIN TRUNG NGUYEN**  
Country Head of Vietnam



Vietnam's property debt crisis is intensifying as the country's second-largest developer joined the ranks of peers seeking debt extensions after failing to repay a bond on time.

That suggests the cash crunch in the real estate sector is worsening after an anti-graft campaign spooked investors and new bond issuance plunged. With billions of dollars of bonds due this year, the industry's woes risk triggering a broader crisis for the nation's banking sector and economy.

The Southeast Asian nation's property crisis started last year after officials issued a crackdown on corporate bond issuance following allegations of illegal activities, setting off a series of actions to rectify the property market. That included high-level arrests, inspections of brokerages tied to cancelled issuances and an overhaul of the bond industry.

Real estate firms have 130 trillion dong of bonds maturing this year, according to a trade ministry publication citing estimates by the Ho Chi Minh City Real Estate Association last week.

Vietnam's Ministry of Finance proposed a decree amendment that would let companies extend corporate bond maturities by as long as two years to ease a funding shortage, a local newspaper reported in December. The draft revision, submitted to the government, also includes allowing bond principal and interest to be converted into loans or other assets, according to last week's trade ministry publication.



# Juwai IQI

The People's Financial Guide

**DANTE AZARMI**

Head of Business Development



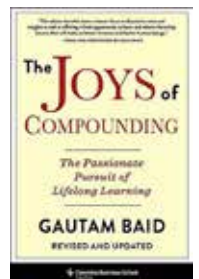
## Top 5 Books for investors in their 20s and 30s in 2023

If you're in your 20s or 30s and can cut through the distractions, now is the ideal time to start learning about investing. Starting early can reap the benefits of your knowledge for decades. As a beginner, it's crucial to comprehend the fundamental concepts of investing and explore the various options available to you to make informed choices about your financial future. As your income increases, you can also expand your investment portfolio. It doesn't matter if you're a fresh graduate or a young person who recognizes the significance of investing; the following book recommendations for young investors can help you succeed.

### 1. Best Overall – The Joys of Compounding: The Passionate Pursuit of Lifelong Learning

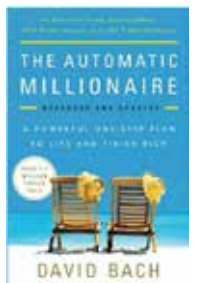
The key to successful investing is learning about compounding, which is reinvesting an asset's earnings to generate more over time. Gautam Baid, a fund manager, emphasizes the importance of being a lifelong learner and recognizing the power of compounding in his book, "The Joys of Compounding."

"The Joys of Compounding" is considered the best book for investors of all ages, not just young investors. While the book covers the topic of investing and compounding extensively, it also aims to teach readers how to become better individuals. Baid believes developing positive traits and habits is essential to becoming a better investor.



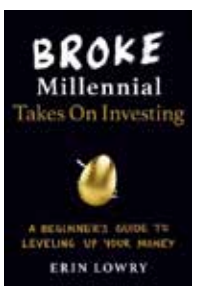
### 2. Best for New Investors - The Automatic Millionaire: A Powerful One-Step Plan to Live and Finish Rich

In "The Automatic Millionaire," author David Bach shares the story of a middle-class couple who taught him how to acquire wealth by setting up automatic deductions from their salaries into savings, retirement, and other accounts. Despite not being a millionaire and struggling with his finances in his mid-20s, Bach offers valuable tips on living well, reducing financial stress, and securing a stable financial future in his book. Bach emphasizes the importance of investing in retirement accounts. For young investors in their teens to 30s, David Bach recommends allocating up to 60% of investments to grow and stock funds and only 5% to 15% to bonds, according to an infographic called the "Automatic Millionaire Investment Pyramid."



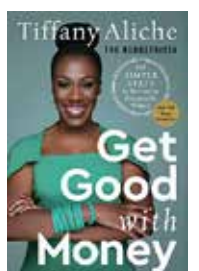
### 3. Best for Millennials - Broke Millennial Takes on Investing: A Beginner's Guide to Leveling Up Your Money

In her book "Broke Millennial Takes on Investing," Erin Lowry targets actual beginner investors who may not even know what a brokerage account is. She emphasizes the importance of investing early to take advantage of compound interest, avoid inflation, and weather the ups and downs of the stock market when you're younger. The book uses Lowry's conversational writing style, personal experiences, and common sense to explain financial theories and vehicles.



### 4. Best for Budgeting - Get Good with Money: 10 Simple Steps to Becoming Financially Whole

In "Get Good with Money," Tiffany Aliche shares her personal story of financial ruin and then turns things around, leading to her becoming a financial expert. Her book provides a step-by-step guide on managing your finances, including budgeting, saving, getting out of debt, improving your credit score, increasing your income, getting insurance, and investing for various reasons. She emphasizes that your current financial situation is just the beginning and provides actionable steps to improve it.



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The People's Financial Guide

**DANTE AZARMI**

Head of Business Development



## Top 5 Books for investors in their 20s and 30s in 2023

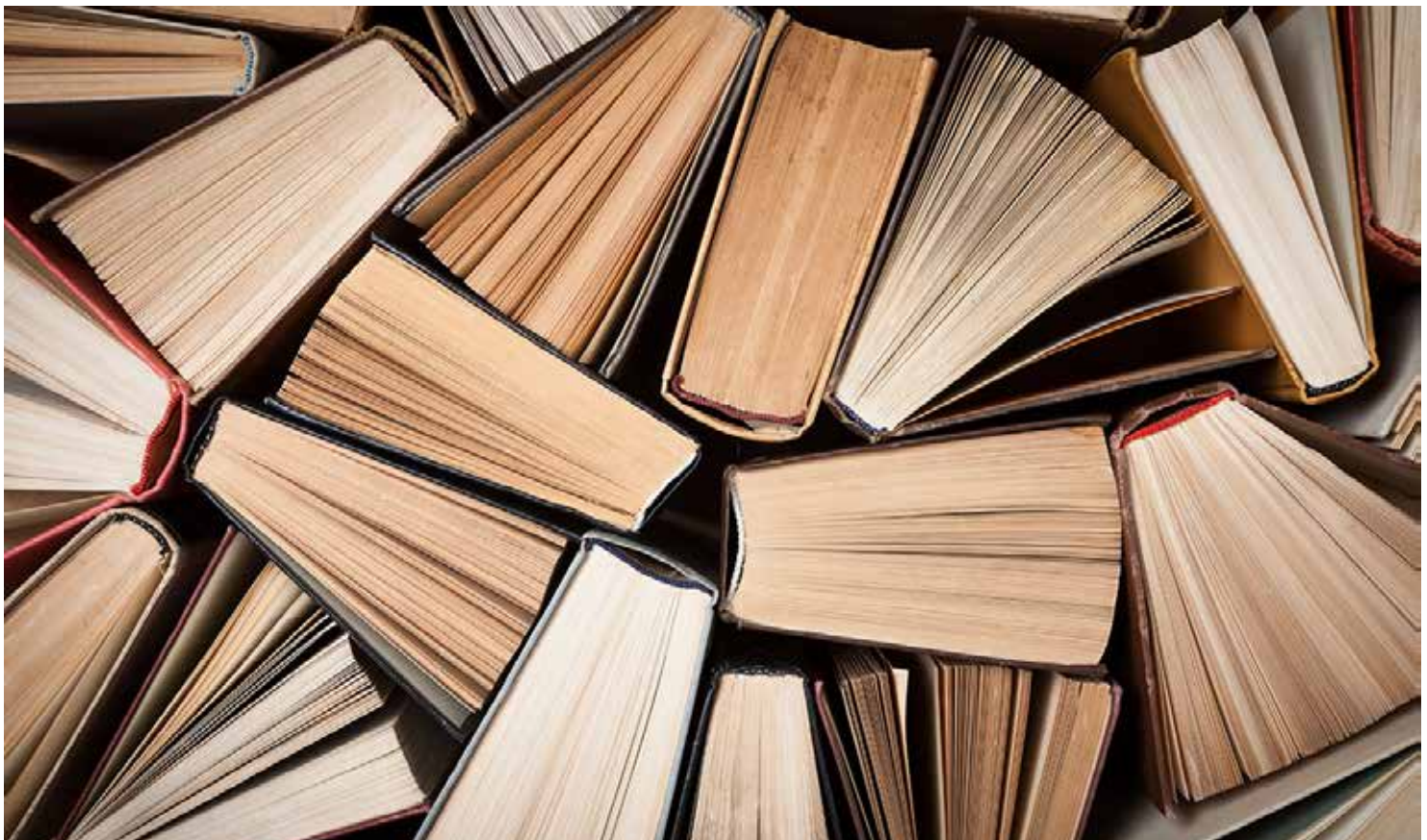
### 5. Best for Women: **Clever Girl Finance: Learn How Investing Works, Grow Your Money**

Bola Sokunbi's book, "Clever Girl Finance," explicitly addresses investing from a woman's perspective. Sokunbi covers the gender pay gap, women's longer lifespans, and waiting to invest because of male partners. She details how the stock market works, types of investing, and how inflation affects one's finances, among other things. Sokunbi also features Q&As with experts in the field, including Regina Byrd, who founded Prosper with Regina LLC, an organization that helps clients, mainly single moms, build generational wealth. Byrd suggests that women should treat investments like bill payments and budget for them accordingly. Although the book targets women, it provides a solid overview of investing and highlights women's challenges in the financial and work world, making it useful for anyone.



In our opinion, "The Joys of Compounding: The Passionate Pursuit of Lifelong Learning by Gautam Baid" is recommended as the best book on investing, as it educates the reader about compounding and emphasizes the importance of personal growth in becoming a wise and successful investor. Happy reading!

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# TURKEY

**BERRAK OZOLTU**  
Country Head of Turkey



## February 2023 Changes to the Turkish Citizenship Program

Thanks to the easy application process and low entry investment amounts, the Turkish citizenship by real estate program attracts much interest worldwide. However, the scheme changes to keep current with current economic climates and fine-tune the application process.

As of February the 1st, 2023, the following changes have taken place to the real estate by investment scheme in Turkey.

## Changes to the Turkish Real Estate by Investment Scheme

There are several types of commercial properties in Turkey's real estate market in 2023, including shops and home offices. The price of the retail store is higher than the price of the home office.

**SHARED PROPERTY:** In Turkey, a scheme allows unrelated people to purchase parts of a property. For example, the developer could sell a percentage of a property to four people who are unrelated and have no prior knowledge of each other. The new regulations state that the person applying for Turkish citizenship must own 100% of that property.

**PREVIOUS OWNERSHIP:** The property for sale that will be used for the citizenship application process cannot have been owned by a foreigner in the last three years before the sale took place. The one exemption is sales arising from work contracts.

**BUYER AND SELLER CONNECTIONS:** There must be no connection between the buyer and seller of the property purchased to obtain citizenship.

**CONTRACTS:** Applications made on more than one sale of contract or promise of purchase will not be eligible. The 400,000 USD required must be paid in advance by the last date of the preliminary sale contract.

## FOREIGN CURRENCY PURCHASE DOCUMENT:

The foreign exchange purchase document will be issued to prove the total investment has been made. This document must be lodged with the relevant Land registry office. The paper must include the name, surname, passport number, foreign identity number, and real estate details for exchanging foreign currency.

The statement must say that the foreigners purchased the property within the scope of acquiring Turkish citizenship or Article 13 of the Circular on Capital Movements. The real estate details are to be obtained via the PARSEL SORGU website and include the parcel number. The declared value must not have other items apart from the sales price. VAT, commission, taxes and real estate agent fees are not included.





# CANADA

**YOUSAF IQBAL**  
Country Head of Canada



## Toronto

- ◆ There were 3,100 home sales reported through the Toronto Regional Real Estate Board (TRREB) MLS® System in January 2023, down by 44.6 % compared to 5,594 in January 2022.
- ◆ Apart from that, the MLS® Home Price Index Composite benchmark was down by 14.2 %. Meanwhile, the average selling price was down by 16.4%.

Sales & Average Price by Major Home Type

January 2023	Sales			Average Price		
	416	905	Total	416	905	Total
Detached	318	1,066	1,384	\$1,486,124	\$1,298,809	\$1,341,848
Semi-Detached	84	156	240	\$1,150,506	\$949,216	\$1,019,668
Townhouse	92	407	499	\$981,187	\$866,458	\$887,610
Condo Apt	604	346	950	\$711,171	\$846,715	\$687,696
YoY % change	416	905	Total	416	905	Total
Detached	-32.8%	-38.9%	-37.6%	-21.3%	-23.8%	-23.0%
Semi-Detached	-40.4%	-47.6%	-45.5%	-22.1%	-23.2%	-22.3%
Townhouse	-54.5%	-40.2%	-43.5%	-9.1%	-20.0%	-18.0%
Condo Apt	-57.0%	-42.7%	-52.7%	-6.4%	-10.3%	-8.1%

Year-Over-Year Summary

	2023	2022	% Chg
Sales	3,100	5,594	-44.6%
New Listings	7,688	7,983	-3.7%
Active Listings	9,299	4,140	124.6%
Average Price	\$1,038,668	\$1,242,407	-16.4%
Avg. LDOM	29	13	123.1%
Avg. PDOM	41	18	127.8%

## Vancouver

- ◆ The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently \$1,111,400. This represents a 6.6 % decrease over January 2022 and a 0.3 % decrease compared to December 2022.
- ◆ The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 1,022 in January 2023, a 55.3 % decrease from the 2,285 sales recorded in January 2022 and a 21.1 % decrease from the 1,295 homes sold in December 2022.
- ◆ Last month's sales were 42.9 % below the 10-year January sales average.
- ◆ The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 7,478, a 32.1 % increase compared to January 2022 (5,663) and a 1.3 % increase compared to December 2022 (7,384).

## Quebec

Residential: Summary of Centris Activity

	January			Year-to-date		
	2023	2022	Variation	2023	2022	Variation
Total sales	4,076	6,116	↓ -33%	4,076	6,116	↓ -33%
Active listings	30,505	20,682	↑ 47%	30,505	20,682	↑ 47%
New listings	8,585	9,138	↓ -6%	8,585	9,138	↓ -6%
Sales volume	\$1,702,544,422	\$2,668,103,131	↓ -36%	\$1,702,544,422	\$2,668,103,131	↓ -36%



# DUBAI

**OMER ALI KHAN**

Country Head of Dubai



Dubai's real estate sector recorded 2,785 transactions worth Dh10.3 billion during the week ending February 10, 2023, according to the Dubai Land Department (DLD) data. The DLD report revealed that 311 plots were sold for Dh2 billion, while 1,999 apartment and villa sales totalled Dh4.59 billion.

The top three transactions were land in Wadi Al Safa 2, sold for Dh78 million, followed by Dh55 million land in Um Suqaim Second, and another worth Dh50 million in Palm Jumeirah. Al Hebiah Fifth recorded the most transactions this week with 130 sales transactions worth Dh399.18 million, Al Yufrah 1 with 51 sales transactions worth Dh301.69 million, and Jabal Ali First with 23 sales transactions worth Dh124 million.

The top three apartment and villa transfers were a villa sold for Dh183 million in Palm Jumeirah, an apartment worth Dh156 million in Business Bay, and an apartment sold for Dh117 million in Al Wasl.

The value of mortgaged properties for the week stood at Dh3.48 billion, while 88 properties were granted between first-degree relatives worth Dh292 million.

Average rents in Dubai grew by 28.5% from 12 months to January 20, 23, the Emirate's highest rental growth. Apartment rents rose by 28.% to reach Dh98,307 during this period. The Villars went Dh290,242. Palm Jumeirah has registered the highest rental rates for apartments and villas, with average annual asking rents currently at Dh258,529 and Dh1,032,763, respectively.

According to the market snapshot, residents can get an apartment for less than Dh30,000 yearly in International City. The next most affordable area for rent is the Dubailand Residence Complex, which has an average rent of Dh41,700. From January 2023, average residential prices grew by 10.6%.

Average apartment prices increased by 10.3%, while those for villas were up 12.9%. Average apartment prices in Dubai, as of January 2023, stood at Dh1,196 per square foot, while those for villas hit Dh1,411.





# MALAYSIA

**NICHOLAS TAN**

**Property Investment Strategist**



The National Bank of Malaysia raised interest rates four times last year, resulting in a decrease in the purchase interest of home buyers and a decline in loan applications for four consecutive months. However, following the suspension of interest rate hikes in January, there is now newfound optimism in the housing market. With a month-on-month increase of 2.3%, analysts anticipate a potential increase in buying momentum.

National Bank's data revealed that home loan applications experienced a decline for four consecutive months from September to December of last year. In November 2022, there was a 3% month-on-month decrease and a 21% year-on-year decrease, while complete loan applications fell by 6.5% in December, experiencing a 26% year-on-year decline.

This trend may be attributed to the National Bank's decision to raise the overnight policy rate (OPR) in both September and November, which led to higher loan amounts and dampened the interest of homebuyers.

Another reason for the data above is the pent-up demand for home purchases that followed the reopening of the economy in 2021, leading to a surge in mortgage applications. However, by 2022, mortgage applications are expected to return to normal levels gradually.

The decline in loan applications has reduced the total amount of approved mortgages, a concerning development for the industrial sector.

The total amount of approved mortgage loans dropped by 12% month-on-month and 15% year-on-year in November 2022, followed by a slight 1% month-on-month decrease and an 18.8% year-on-year decline in December. The two consecutive months of double-digit year-on-year declines do not bode well for the outlook of property developers for new sales.

However, in December of last year, the total amount of approved loans accounted for 45% of the full payment for goods applied, which is an improvement from the 42.5% figure in November and can be attributed to the government budget.

The third perspective is that the National Bank's decision to suspend interest rate hikes in January and maintain the overnight policy rate has provided some short-term relief to the Malaysian housing market.

However, in 2022, the projected four consecutive interest rate hikes totalling 100 basis points or 1% may negatively impact homebuyers' affordability. Despite this, the temporary suspension of interest rate hikes is expected to benefit the real estate industry, as many homebuyers are still adjusting to the last year's rate hikes.

Despite the continuing decline in loan applications, the industry hopes for a positive impact following the Bank of China's decision to halt interest rate hikes. This move is expected to support the recovery of buying interest in the market.





# PHILIPPINES

**EMMANUEL ANDREW VENTURINA**  
Country Head of Philippines



## House internet transactions bill hurdles second reading

An electronic commerce (e-commerce) bureau will likely be created following the House of Representatives' approval of the second reading of the proposed Internet Transactions Act. The measure is a priority bill of President Marcos, as he mentioned during his July 25 State of the Nation Address (SONA). Economy Southeast Asia noted that the Philippines registered the fastest growth in digital investments in the region, with a 63% rise from 2021 to 2022. It added that the country's digital economy is likely to reach USD20 billion in gross merchandise value (GMV) by the end of end-2022.

## DOT targets to attract 4.8M international tourists in '23

The Department of Tourism (DOT) expects foreign arrivals to reach 4.8 million in 2023 after recording 2.5 million visitors as of December 19, 2022. DOT also reported tourism receipts contacting PHP149 billion (USD2.5 billion) as of November 20, 2022. The United States remained the country's top source market, accounting for 19% of total arrivals, followed by South Korea (16%), Australia (5%) and Canada (4%). The DOT attributed the increase in arrivals to the relaxation of border restrictions for foreign tourists in February 2022.

## DMCI unit targets more subway contract packages

D.M. Consunji Inc. (DMCI) plans to bid for three more Metro Manila Subway project contracts while waiting for the Department of Transportation's (DOTr) call for bidders. DMCI and Japan's Nishimatsu Construction Co. Ltd. already bagged contract package 102 of the project, which covers Quezon Ave. and East Ave. stations. Construction for the Quezon Ave. to East Ave. portion will begin in Q2 2023. The Metro Manila Subway line will start in Quezon City's Mindanao Ave.-Quirino Highway and end in FTI, Taguig. The project aims to meet the growing transportation demand and ease traffic in Metro Manila.

## Ayala Land to spend P5.2B to develop the Bulacan project.

Ayala Land recently launched its 49th estate, Crossroads, in Plaridel, Bulacan. The 83-hectare (205-acre) mixed-used development will feature residential, office, and retail components. The developer disclosed that it would spend PHP5.2 billion (USD88.1 million) to develop the township's 20-hectare (49-acre) commercial area, comprising lots ranging from 300 to 1,000 square meters. Each commercial lot is priced at PHP75,000 (USD1,300) per square meter. Crossroads is 4 kilometres (0.6 mi) from the Balagtas Exit of the North Luzon Expressway. It is less than an hour from Quezon City, Los Angeles, and San Fernando in Pampanga.





# THAILAND

**SOMSAK CHUTISILP**

Country Head of Thailand



Despite travel restrictions on the mainland, Chinese nationals still dominated condo transfers in Thailand last year, with the number of Myanmar nationals receiving condo transfers increasing to reach the top 10 for the first time due to economic and political reasons.

Economic challenges have driven some affluent citizens of Myanmar to seek secondary homes in more secure and stable markets, particularly Thailand, a neighbouring country.

Many families (in Myanmar) purchased second homes in Thailand for three key reasons: for investment purposes in the form of wealth storage, better healthcare services, and their children's future educational use.

The number of condo units in Thailand transferred to people from Myanmar rose six times to 188 units in the first nine months of 2022, from 30 in 2021 to 26 in 2020.

This resulted in Myanmar nationals becoming the seventh largest nationality receiving condo transfers in Thailand -- the first time they reached the top 10

The average price per unit for condos transferred to Myanmar nationals was also the highest among those assigned to foreigners at 7.1 million baht, followed by Taiwanese nationals at 6.3 million baht.

Bangkok was the most popular city in which people from Myanmar purchased a condo unit as a second home. They preferred Sukhumvit because it is near mass transit lines, followed by locations near healthcare services and educational institutions.

## TOP 10 NATIONALITIES RECEIVING CONDO TRANSFERS NATIONWIDE



Nationality	2018		2019		2020		2021		9M 2022			
	Rank	Units	Rank	Units	Rank	Units	Rank	Units	Rank	Units	Proportion	Average Price/Unit (Million baht)
Chinese	1	7,916	1	7,626	1	5,257	1	4,867	1	3,562	48.9%	5.0
Russian	2	826	2	795	2	386	2	306	2	420	5.8%	3.2
American	7	308	6	284	6	184	4	279	3	375	5.1%	4.3
British	3	461	4	390	4	262	3	281	4	267	3.7%	4.6
German	10	251	7	277	5	210	5	234	5	231	3.2%	3.1
French	4	431	3	402	3	277	5	234	6	228	3.1%	6.3
Myanmar citizens	-	48	-	54	-	26	-	30	7	188	2.6%	7.1
Indian	-	181	-	151	11	104	10	124	8	172	2.4%	4.5
Australian	9	260	9	204	10	107	9	136	9	160	2.2%	5.2
Taiwanese	6	325	8	233	7	165	7	164	10	134	1.8%	6.7
Others		2,112		2,012		1,138		1,470		1,553	21.3%	5.7
<b>Total</b>		<b>13,568</b>		<b>12,798</b>		<b>8,285</b>		<b>8,198</b>		<b>7,290</b>	<b>100%</b>	<b>5.1</b>

Source: Real Estate Information Center

BANGKOK POST GRAPHIC



# INDIA

**MANU BHAZIN**  
Country Head of India



## **Mumbai witnesses surge in property registrations, with 9,268 recorded in February 2023**

The latest data from the Maharashtra government's Department of Registrations and Stamps (IGR) shows that while there was a marginal increase of just over 2 percent in property registrations in Mumbai city and suburbs in January 2023, the year-on-year figures reveal a significant decline of 11 percent in February 2023.

Mumbai city and suburbs recorded 9,268 property registrations in February 2023, according to data from the Maharashtra government's Department of Registrations and Stamps (IGR). This represents a slight increase of just over 2 percent compared to the previous month's figure of 9,001.

However, when comparing year-on-year data, there was a significant drop of 11 percent in February 2023, with only 9,268 property registrations compared to 10,379 in the same month the previous year. In February 2021, there were 10,172 registrations.

Despite the decline in YoY figures, the daily average property registration in February 2023 was 331 units, making it the third-best February month in the last ten years after February 2022.

According to Knight Frank India, a real estate consultancy firm, the stamp duty cut resulted in the highest average daily sale of 363 units in February 2021.

In February 2022, there was an increase in property registration, with an average daily sale of 371 units due to a rush in property registrations before the Metro cess was levied.





# MONGOLIA

**TSERENDAGVA AMINA**  
Country Head of Mongolia



## Macroeconomic Climate Macroeconomic Indicators Flash Red

Post-pandemic economic recovery has created a sudden demand for imported goods in Mongolia. However, the central bank's intervention to maintain currency stability during the 2020-21 election years depleted foreign reserves.

Mongolia's foreign exchange reserves rose to \$3.4 billion at the end of 2022 thanks to increased coal exports to China alleviating fears of sovereign default.

The Finance Ministry took over daily management of the state-owned Tavan Tolgoi coal mine as an emergency measure, which is helping to generate more foreign exchange inflows.

The central bank continues its aggressive interest rate hikes to curb inflation and Mongolia's weakening exchange rates.

To deal with rural-urban migration, traffic congestion, and a housing shortage in Ulaanbaatar, the government offers tax exemptions, subsidized housing loans, and increased compensation for public officials relocating to rural areas.

The government also plans to build two new cities in Khushigt and Orkhon valleys to lessen overcrowding in Ulaanbaatar.

The government has also announced tax breaks for investment banks and tech startups and the deduction of IPO costs for companies going public in 2023.

## Diversification Remains Challenging

Foreign investment in Mongolia is concentrated in resource extraction. Apart from Rio Tinto's Oyu Tolgoi copper mine, the country has not benefited from major international investment flows in the past few years.

Nevertheless, financial sector reform has been a welcoming sign. These include the public offering of major private banks and FTSE Russell's reclassification of Mongolia as a frontier market starting in September 2023.

Policymakers' ambition of diversifying Mongolia's foreign direct investment into manufacturing, infrastructure and services remains elusive because of a lack of favourable economic policy conditions.





# SINGAPORE

**RAYMOND KHOO**

Vice President at OrangeTee and Tie



New home sales doubled in January after launching a major project just before the Chinese New Year. According to data from the Urban Redevelopment Authority (URA), new home sales grew by 130 %, from 170 units in December 2022 to 391 units in January 2023. On a year-on-year basis, sales decreased by 42.8 % from 684 units in January 2022.

Sales were healthy, considering most show flats were closed during the Chinese New Year period. There was only one project launch, the 268-unit Sceneca Residence at Tanah Merah Kechil Link, which saw robust sales last month. Owing to its good location, near an MRT station and close to ample amenities, 157 units were sold during its launch month.

The good sales take-up shows a pent-up demand for housing units, especially in the suburbs where supply remains tight, despite the high-interest rates and cooling measures implemented in September 2022.

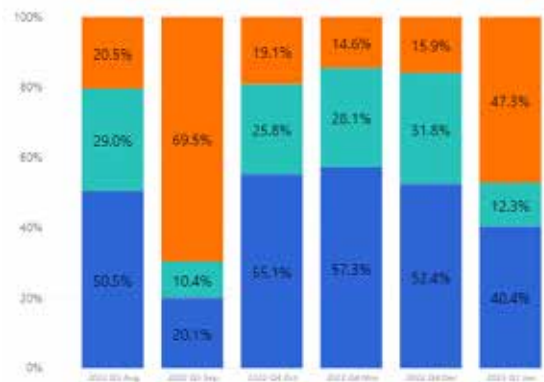
Last month, the best-selling projects were Sceneca Residence, Leedon Green, Klimt Cairnhill, One Holland Village Residences, Riviere, Haus on Handy and Perfect Ten.

With the launch of Sceneca Residence in the Outside of Central Region (OCR), OCR formed the bulk of transactions last month with 185 units or 47.3 % of total net sales - followed by the Core Central Region (CCR) with 158 units or 40.4 % and the Rest of Central Region (RCR) with 48 units or 12.3 %.

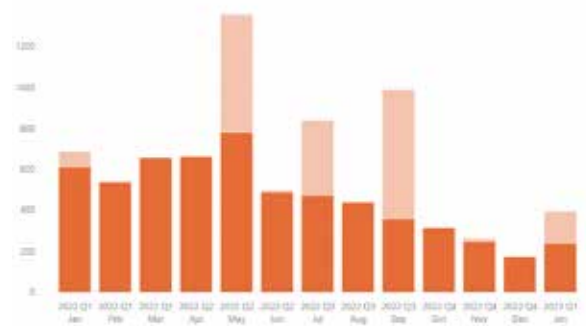
The number of new condos bought by foreign buyers (non-permanent residents or NPR) continued to rise after September's cooling measures, from 43 units in September 2022 to 56 units in January 2023. Last month's transactions were more than the 36 units inked in December 2022 and above the monthly average of 43 new condos transacted between January 2022 and August 2022 before implementing the latest cooling measures.

As a proportion of total condo new sales, NPR purchases surged from 4.6 % in September 2022 to 14.4 % in January 2023, surpassing the monthly average of 7.2 % from January 2022 to August 2022. In contrast, the proportion of Singaporean purchases dropped from 87.2 % in September 2022 to 70.6 % in January 2023 after the cooling measures.

We expect more foreign buyers and permanent residents to return to Singapore's property market. Many Mainland Chinese buyers may start travelling here after the Chinese New Year holidays. Some may come to work, study or conduct business. Some may rent.



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# CAMBODIA

**CHANDY MANN**  
Country Head of Cambodia



## OPEN ECONOMY

In Cambodia, all investors are guaranteed fair treatment, foreign or domestic. Local equity participation is not required when setting up a business in Cambodia. The Royal Government of Cambodia shall not fix the prices of products or services of the Investment Project. Following applicable laws and regulations, investors have no restrictions on foreign currency convertibility and repatriation.

**Investment Law Article 15** - *"Foreigner investors shall not be subject to any discrimination based on foreign nationality, except for land ownership as stipulated in the Constitution of the Kingdom of Cambodia and any other regulations in force."*

*Investors will be treated without discrimination concerning restitution, compensation or other economic remedies if their investment suffers losses due to armed conflict, civil disturbance or a state of emergency. The Royal Government of Cambodia has laws and policies on reasonable restitution and compensation.*

## COMPETITIVE INCENTIVES

Qualified Investment Projects (QIP) are entitled to generous incentives such as:

- Income tax exemption for up to 9 years or special depreciation
- Export tax exemption
- Full import duty tax exemption (construction material, equipment, production inputs)
- Value-added tax exemption for local production inputs
- 150% tax deduction for R&D, innovation, training, employee welfare facilities & services, machinery upgrading.

## EFFICIENT PROCESSES

The Council for the Development of Cambodia (CDC) reviews investment project proposals through a single-window service. If the proposed investment project is not on the "negative list," the CDC shall issue the Registration Certificate within 20 working days.

**Investment Law Article 26** - *Upon receipt of the Investment Project Application, the Council for the Development of Cambodia shall review and decide on the application through a single-window service mechanism.*

*If the proposed investment project is not on the negative list, to be determined separately by the Sub-Degree, the Council for the Development of Cambodia shall issue the Registration Certificate to the Application within 20 Working Days.*





# PORTUGAL

**GONÇALO PEREIRA**  
Country Head of Portugal

## **House prices are on the verge of being corrected.**

The financial rating agency Moody's considers that the slowdown of the Portuguese economy, the rise in interest rates, and the high numbers in inflation are about to transform the real estate market.

The rating agency, in an analysis broadcasted by CNN Portugal, refers to the previous years stating that:

*"Since 2015, house prices in Portugal have increased, on average, 9.1% per year, one of the fastest growth rates in the European Union and well above the average of the 27, of 5.5%. Economic growth, low-interest rates, and investor demand have contributed to this development".*

The analysis also adds:

*"The economy is slowing down, high inflation is driving interest rates, and investor demand will likely start to fade, increasing the risk of falling prices." It concludes that "home prices have exceeded intrinsic values, exacerbating the risk of a correction."*

## **Overheated market**

Portuguese families are now forced to invest around 1.3 times their annual income to buy a house, which can be considered an overheating factor in the market and lead to a correction in the upcoming months. This phenomenon is caused by the fact that the accessibility of houses has surpassed level 1 in Portugal and also due to annual profitability ratios (to infer if it is cheaper to buy or rent).

Moody leaves a warning:

*"The rise in interest rates could affect mainly demand by residents in Portugal than in other European countries because of macroprudential policy measures." The real estate market correction could significantly affect families with mortgage loans.*

Stressing that under these measures, credit grantors have to assess the ability to pay debts at interest rates that are three percentage points above accurate interest rates, among other things, the agency points out that the measure could help contain risks as borrowing costs rise.

However, it can take away access to credit for potential buyers affecting demand for homes.

## **Less reliance on loans**

Referring to the Bank of Portugal, between 2018 and 2022, Moody signals that about 50% of houses were bought with cash, not through bank credit. Cash purchases only accounted for around 25% one decade ago. It is understood that this represents less reliance on loans than in any other European country and that real estate assets also became less attractive to foreign investors -who accounted for 11.7% of acquisitions in June 2022 - due to the rising of interests.



IRHAMY  
VALUERS INTERNATIONAL

**IRHAMY AHMAD**

Founder and Managing Director of Irhamy Valuers International

## Agricultural Perak

The State of Perak, located in the northwestern part of Peninsular Malaysia, is known for its rich natural resources and fertile lands, making it an actual state in the country's agriculture output. Historically, the state was colourful with pomp and pageantry under the rules of royalty but dotted by the bloody wars of clans and early immigrants.

In the 19th century, two distinctive societies, Ghee Hin and Hai San were in a long-standing bitter rivalry fuelled by competition for control over various illegitimate enterprises, which led to violence and intimidation that often resulted in the loss of life and property damage. As they threatened colonial rule and stability, J.W.W. Birch, the British colonial administrator and the first British resident in Perak, took a reliable measure to suppress all secret societies. However, in his efforts to stamp out such organizations, he was assassinated by a Malay secret society. The assassination had a significant impact on the political landscape of colonial Malaysia. It was a major event in the history of British rule in the region, negatively affecting agricultural production and trade as resources were diverted away from economic development and towards security and conflict resolution.



Perak Tengah District



Hulu Perak District



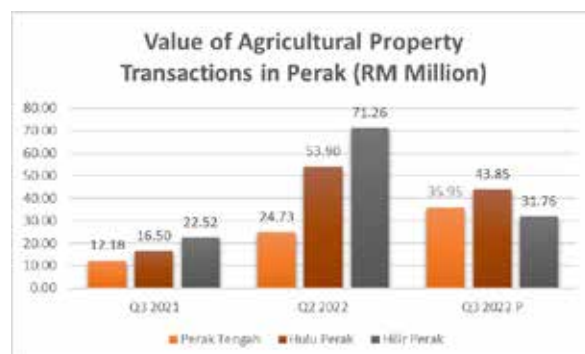
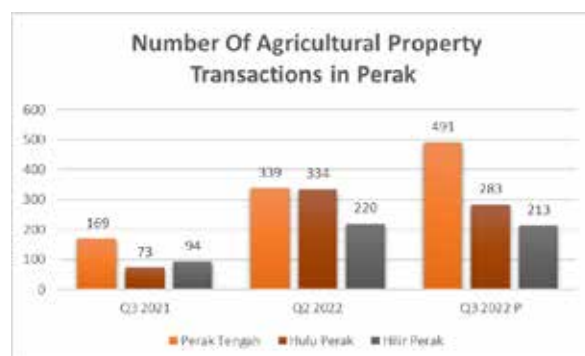
Hilir Perak District

Rich in natural resources and its diverse geography, from the fertile coastal plains to the mountainous highlands, Perak offers a range of environments for a variety of crops to flourish. The state's agricultural land supports various crops, including paddy, rubber, palm oil, and fruits and vegetables. This is evident in Perak Tengah District, Hulu Perak District and Hilir Perak District, in the central region, the upper and lower parts of Perak.

All three districts play a significant role in Perak's economy and contribute to the state's overall growth and development. The state government has been proactive in promoting the development of the agriculture sector, with initiatives aimed at improving the productivity and profitability of farms and supporting the growth of small and medium-sized enterprises. Perak's agricultural land is crucial to the state's economy and contributes significantly to the country's overall agricultural output.

Looking through the third quarter of 2022, 987 agricultural properties were transacted in Perak Tengah, Hulu Perak, and Hilir Perak districts. The total value of these transactions was RM111.56 million.

This data suggests a high level of activity in the agricultural property market in these districts, with 987 separate transactions taking place over just three months. The total value of RM111.56 million also indicates significant economic activity in these districts' agricultural sectors. This data shows a positive sign for the local economy, forecasting growth and investment in the farming industry in the region.



# Juwai IQI

## INSIGHT

**DAVE PLATTER**  
Global PR Director



### **The Thai real estate market is returning to life.**

Land prices are one indicator of the market's strength. Land prices in Bangkok surged by as much as 75% between 2020 and 2022 — despite the pandemic. According to the Bangkok Post, land prices were driven by the construction of mass transit lines and a new expressway, putting more areas within easy reach of the centre city.

Foreign buyers are also contributing.

China reopened its borders last month, but buyers have already returned. Sales began climbing again in 2022. The first group tour groups began flying out of China, on the first Monday in February, with Thailand as one of their most popular destinations.

Juwai IQI Co-Founder and Group CEO Kashif Ansari said the Bangkok Post condos that could be immediately occupied attract Chinese buyers because many buyers today want to move in immediately.

"In the month after China announced its borders would reopen," he said, "Chinese international property buyer enquiries climbed as much as 70% above the level just before the announcement in late December.

"Buyers have a sense of urgency that they did not have before the pandemic. Lives have been on hold, and they want to get on with things. If they plan on moving to Thailand, they want to do it immediately, not in two years. These are the first movers, the earliest buyers to act. Over time, more buyers with extended time frames will return to the market.

"Thai developers need to address buyer anxieties. In China, construction has stalled on many development projects, leaving buyers who have already paid for their new units in the lurch. That has made buyers more cautious, even when purchasing off-the-plan in Thailand and projects in Thailand.

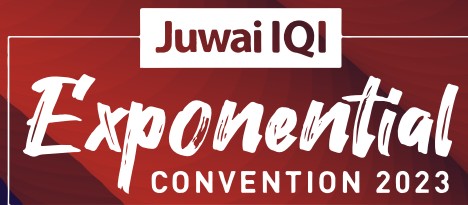
"For developers, the lesson is to be transparent and proactive. Show buyers how they are legally protected and demonstrate your track record of successful projects."

### **Chinese Buyers' Favourite Countries\***

#### **FULL YEAR 2022**

1. Australia
2. Canada
3. United States
4. Thailand
5. United Kingdom





JUWAI IQI THE  
FESTIVAL KPOP  
2023 GRANDEUR  
COMING SOON  
3.3.2023  
STAY TUNED

More than 6000 IQI warriors from across the globe gathered together!

