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MAY 2023

MONTHLY NEWSLETTER

The CoreLogic Home Value Index for March 2023 shows that national home values in Australia increased by 0.6%, ending a 10-month streak of declines. The rise is attributed to low stock levels, tight rental conditions, and increased demand from overseas migration, despite high-interest rates and an expected economic slowdown. The increase in housing values was most evident in Sydney's upper quartile housing market, with a 2.0% rise in house values, followed by the upper quartile of the unit market, which increased by 1.4%.

Regional housing markets have also shown firmer housing conditions, with the combined regional index rising 0.2% over the month. The best-performing regional markets were rural areas rather than the commutable coastal and lifestyle markets booming through the upswing. Hobart recorded the most significant drop in home values among the capital cities, down 0.9% over the month, but the pace of decline has been easing over the past three months.

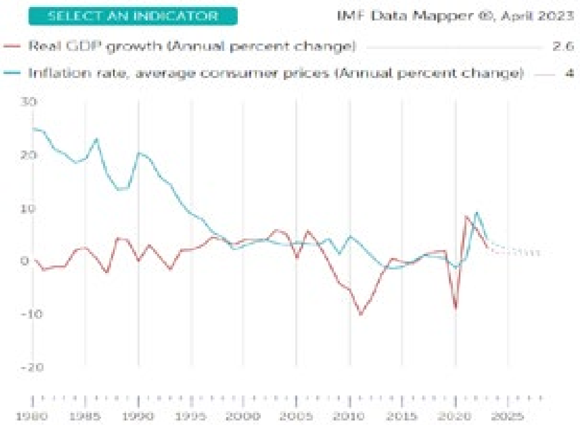
Housing values across every capital city and broad rest of the state region remain higher relative to the onset of COVID in March 2020, with Melbourne dwelling values being the closest to pre-COVID levels. Adelaide's housing values remain a stunning 41.2% above the levels recorded at the onset of COVID, while regional South Australia's values remain at a record high, 49.2% above March 2020 levels.

Perth's rental market is also experiencing a surge, with the median rent price for March at $550 per week. This is a $20 increase from February and a $90 increase from March 2022. The shortage of rental properties and growing demand continue to drive up rent prices, with increases expected in the future.

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 March, 2023	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	1.4%	0.4%	-12.1%	-9.6%	$1,014,393
Melbourne	0.6%	-0.9%	-9.0%	-6.0%	$747,322
Brisbane	0.1%	-1.7%	-8.6%	-4.5%	$698,071
Adelaide	-0.1%	-1.1%	3.0%	6.5%	$645,721
Perth	0.5%	0.1%	1.9%	6.5%	$567,111
Hobart	-0.9%	-4.0%	-12.9%	-9.4%	$650,689
Darwin	-0.4%	-0.9%	1.6%	7.6%	$492,465
Canberra	-0.5%	-2.0%	-8.1%	-4.6%	$828,175
Combined capitals	**0.8%**	**-0.4%**	**-8.7%**	**-5.5%**	**$764,995**
Combined regional	**0.2%**	**-1.0%**	**-5.7%**	**-1.7%**	**$578,486**
National	**0.6%**	**-0.6%**	**-8.0%**	**-4.7%**	**$704,723**

Looking for the summer!



Greece managed to extend its outperformance in terms of growth compared to Eurozone in 2022. By posting a 5.9% real GDP growth last year, Greece also set the foundations for a strong fiscal performance this year. For 2023, IMF now expects growth of 2.6%, more than triple the 0.8% forecast for the Eurozone. IMF appears more optimistic than the Ministry of Finance, which recently revised its forecast for this year's growth to 2.3% from 1.6%. Growth is expected to be driven by investments in the real estate sector, the European Recovery Plan Facility (RRF) projects, and the expected growth of tourism receipts compared to 2022.

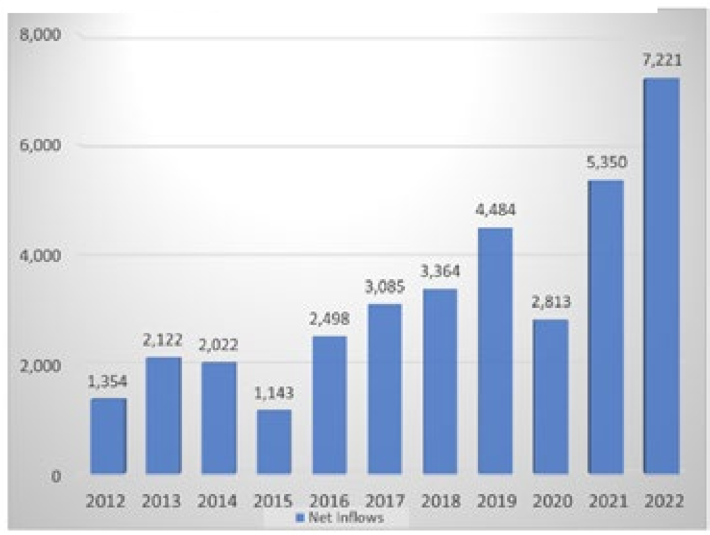
Greek Recovery and Resilience Plan - Greece 2.0, a €30.5 billion investment facility, has already started to kick in to support critical investments and reforms muted for the previous decade due to the sovereign crisis. Greece's economic sentiment (ESI) remained broadly stable in March at 113.2 points and the highest level in recent years. The construction sector has also seen an evident rise in optimism (best reading since 2006), given the inflows of E.U. funds (RRF+MFF).

Expectations for the Greek real estate market

Tourism's rebound was a pivotal contributor to GDP growth in 2022. Bank of Greece counted that more than 26.4 million tourists visited Greece in the first ten months of 2022. Based on provisional data by the Bank of Greece, the balance of travel services in October 2022 showed a surplus of €1,308.2 million, up from a surplus of €1,132.8 million in October 2021. Greek Minister for Tourism indicated that the tourist season could be a new record, surpassing the figures captioned in 2019.

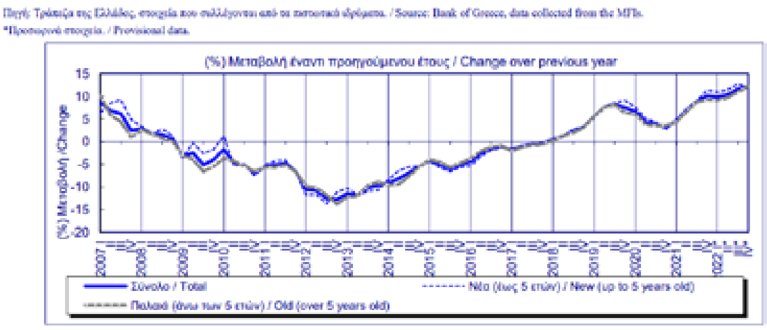
The expectations remain optimistic for the real estate market and will permanently affect medium-term property valuations. Net inflows of Foreign Direct Investment to Greece in 2022, according to the latest available data from the Bank of Greece, exceeded €7.2 billion, compared to €5.3 billion in 2021. The increase represents a 35% jump year-on-year, a 61% increase compared to pre-Covid 2019, and is the highest net FDI inflow since 2002. The sharp increase in FDI reflects efforts in recent years to establish a business-friendly environment and a coordinated strategy for sustainable growth. The result is evident in the overall growth of the Greek economy and confidence among foreign investors in the future growth of Greece. Real estate activities accounted for 1/3 of the total amount. It should be noted that the category "real estate activities" in the Bank of Greece data does not include the private purchase and sale of properties, which was a cumulative €4.5 billion in the period 2012-2022.

Net FDI inflows into Greece during the period 2012-2022 (in million euros)



Source: Bank of Greece, data processed by Enterprise Greece. 2021, 2022 provisional data

The housing market at full speed



The dynamics of the market continued in 2022. In particular, according to the Bank of Greece, new apartments' prices rose by over 12% in 2022, while the growth rate of old apartments was 12.2%. Apartment prices (in nominal terms) were up by an average of 12.2% compared to the corresponding quarter of 2021, while for 2022, apartment prices increased at an average annual rate of 11.1%, compared to an increase of 7.6% in 2021.

The price increase in the fourth quarter of 2022 compared to the same quarter in 2021 was 12.1% for new apartments, i.e. up to 5 years old, and 12.2% for old apartments, i.e. over 5 years old. For 2022, the average annual rate of price growth for new apartments was 11.8%, compared to an increase of 8.2% in 2021, while the average annual growth rate for old apartments was 10.5%, compared to an increase of 7.2% in 2021.

An analysis of the data by geographical area shows that the increase in apartment prices in the fourth quarter of 2022 compared to the corresponding quarter of 2021 was 15.2% in Athens, 14.5% in Thessaloniki, 10.3% in other major cities and 6.3% in other regions of the country. For 2022, the price increase in the same regions compared to 2021 was 13.0%, 11.8%, 10.0% and 7.4%, respectively. Finally, for all urban areas of the country, in the fourth quarter of 2022, apartment prices increased by 13% compared to the fourth quarter of 2021, while for 2022, the average annual increase was 11.5%.

Global Macro-Economic Outlook 2023
Markets Are Getting Fractured and Nervous

Financial history repeats after every 50 to 60 years. What our elders witnessed in 1933 would repeat in the next 2-3 years, i.e., after 90 years. The global economy is facing immense challenges due to the following:

1. Price Inflation
2. Higher commodity prices
3. Supply chain constraints
4. Higher interest rates
5. Bankruptcies
6. Geopolitical risk
7. Cyber security issues.

In one and half months, 5 banks collapsed, like in 2008 and 1933. We did see this in 1930. Between 1929 and 1933, during the first phase of the great depression. It was the Hoover administration. President Franklin Roosevelt came in 1933. He shuts down every bank in the USA on the second or third day in office by Executive Orders. He closed every bank in America. That is how they stop the banking panic and crisis. Inflation is getting worse as commodity prices are rising again. 90% of the commodities are traded in U.S. dollars, and the dollar is heading for tail-end risk. Central banks cannot do much to fight inflation, and it is getting worse. Despite monetary policy tools, inflation might worsen and come down in the next 2-3 years. Inflation covered.

Nevertheless, what if the economy experiences deflation where central banks have no monetary levers to ward off declining prices? So how does the central bank fight deflation? By raising the price of gold and depreciating the currency. They did that by raising the price of gold by 75% from $20/oz to $35/oz in the 1920s. The recession of 1920–1921 was characterized by extreme deflation, the most significant one-year percentage decline in around 140 years of data.

Market Outlook After Q1/2023 Under Pressure

+7.03% S&P500 market-weighted versus +2.41% S&P500 equal-weighted - U.S. equities did not perform as well as it appears, the titans determined Q1-23 according.

Battery Hub China

China is already the Saudi Arabia of batteries. China has developed itself into a world-class battery powerhouse.

- 6 of the top 10 companies are Chinese.
- Top 2 Chinese producers, CATL & BYD, control 50.7% of the global market.
- China dominates upstream mineral processing and lithium mining.

Oil Price Outlook - Bullish View in the Market

With bond and equities markets in bedlam and bazooka, many investors are analyzing oil prices from a strategic perspective. Oil prices are going to meander around.

PLAYERS	PRICES PER BARREL	TIME HORIZON
IQI global	$ 83 to $127	Dec / 2023
Goldman Sachs	$ 100	Dec /2023
Economist	$ 90	June / 2023.

Oil prices will not go below $80 / barrel as break-even remains high for many market players [MAJOR OIL PRODUCERS].

Fiscal Break-Even Price for Major Players in the Energy Market

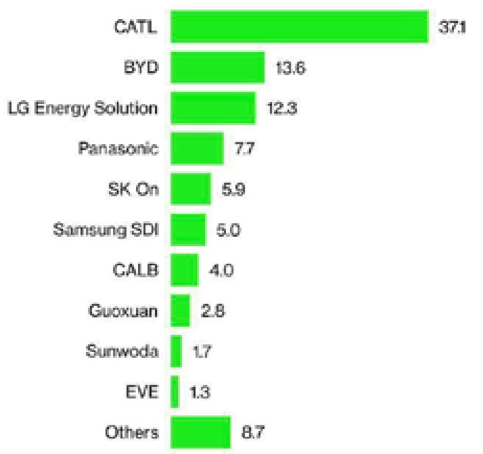
Saudi Arabia	$ 65.7 / barrel
USA	$ 48 / barrel
Russia	$60-65 / barrel

Ringgit and Monetary Policy - Stability Becomes the Crucial Word

Bank Negara Malaysia (BNM) is expected to maintain the overnight policy rates status quo during the Monetary Policy Committee meeting in July this year on the back of Malaysia's current macroeconomic stability. The central bank has made some prudent and sagacious monetary calls. As a result, it can maintain price stability, monetary stability, growth stability and, most importantly, structural stability in the ringgit. This year we have shared that the ringgit will be trading between 4.10 and 4.37 against USD. Ringgit will be supported by three variables: high oil prices, Gross Domestic Product, which is expected to grow between 4.5 and 5.5 percent, and the government's macroeconomic stability.

Malaysia's budget deficit and debt-to-GDP ratio will come down because the government will benefit from higher commodity prices that will give room to the government to make fiscal maneuvering. So BNM will continue maintaining OPR to buttress the economic outlook and deliver economic outcomes strategically.

Global EV Battery Market Share



Source: SNE Research
Note: EV battery sales between January and November 2022

To address the ongoing challenges the domestic real estate market faces, an approach encompassing legal, administrative and financial solutions is urgently required, particularly in credit.

This was expressed by Ngo Trí Long, leader of the Finance Ministry's Price Research Institute, during a seminar on the revitalization and sound development of capital for the domestic real estate sector.

The discussion entails that most capital directed toward the real estate market is substantial in scale and typically takes the form of medium to long-term investments.

However, Vietnam's property market has been heavily reliant on bank credit for years, constituting nearly 20% of the nation's total capital. In light of this, recent endeavours have sought to diversify capital sources, tapping into alternative channels such as equities, bonds, and foreign investment to foster recovery and growth within the real estate market.

However, in the last six months of 2022, the real estate market and businesses have faced many difficulties, especially regarding capital liquidity and legal procedures.

Besides that, lending interest rates, petrol and oil prices, building material prices and labour costs have increased, leading to higher production costs for real estate businesses. Those factors have caused many projects to stop.

Especially the tight control of credit by the state after the mistakes of real estate businesses in issuing individual bonds and manipulating stock prices has made it difficult for real estate businesses to approach capital.

Juwai IQI

The People's Financial Guide

DANTE AZARMI
Head of Business Development

Top 10 Types of Investment

In today's market, both young and old see the necessity of investing their money in the right assets, especially with how inflation affects their savings. With time, it becomes more important not to keep your funds under a bed or your eggs in one basket.

Investing is a great way to grow your wealth over time. Several types of investments offer different levels of risk and reward. Understanding these different types of investments can help you make informed decisions and develop a well-diversified investment portfolio. Diversification is the keyword here.

In future articles, we will dive deeper into each segment to give you an in-depth understanding of each.

Stocks
Stocks and equities are ownership stakes in publicly traded companies. When you buy a stock, you essentially buy a company share. Stock prices can fluctuate depending on company performance and overall market conditions. However, historically, stocks have provided higher returns than other asset classes over the long term. Stocks can be categorized into large, mid, and small-cap stocks based on the company's size.

Bonds
Bonds are debt securities issued by companies, municipalities, or governments. When you buy a bond, you essentially lend money to the issuer, who agrees to pay you interest at a fixed rate for a specified period. Bonds are generally considered less risky than stocks but offer lower returns. Bonds can be further categorized into government, corporate, municipal, and high-yield bonds based on the issuer.

Mutual Funds
A mutual fund is a pool of money from multiple investors that a professional fund manager manages. The fund manager invests the money in a diversified portfolio of stocks, bonds, or other assets. Mutual funds offer a simple way to gain exposure to a diversified set of assets without purchasing each asset individually. Mutual funds can be further categorized into index, actively managed, and balanced funds based on the investment strategy.

Exchange-Traded Funds (ETFs)
An exchange-traded fund (ETF) is like a mutual fund but is traded on an exchange like a stock. ETFs are typically designed to track a specific market index or sector. ETFs can offer lower fees and greater flexibility than mutual funds.

Real Estate
Real estate investments can include purchasing rental properties or investing in real estate investment trusts (REITs). Rental properties can provide a steady stream of rental income but also require ongoing maintenance and management. REITs are publicly traded companies that invest in real estate assets and distribute a portion of their income as dividends to shareholders. Real estate remains one of the best low-risk investment assets to appreciate over time.

Source: investopedia.com, fool.com, economist.com, ft.com

DANTE AZARMI
Head of Business Development

Commodities
Commodities are physical goods such as gold, silver, oil, and agricultural products that can be traded on exchanges. Investing in commodities can provide diversification benefits and act as a hedge against inflation. However, commodity prices can be volatile and subject to geopolitical risks.

Options
Options are contracts giving the buyer the right to buy or sell a stock or other asset at a specified price within a specified time. Options can be used for speculative purposes or as a risk management tool to protect a portfolio against potential losses.

Futures
Futures are contracts that obligate the buyer to purchase or sell an asset at a specific price on a specific date. Futures can be used for hedging or speculative purposes and are commonly traded in commodities markets.

Cryptocurrency
Cryptocurrencies such as Bitcoin, Ethereum, and Litecoin are digital assets that can be bought and sold on exchanges. Cryptocurrencies offer the potential for high returns but are also subject to significant volatility and regulatory risks.

Art and Collectibles
Investments in art, rare coins, stamps, and other collectables can appreciate over time. However, these investments can be illiquid and difficult to value accurately. It is essential to deeply understand the market and invest in authenticated and certified pieces.

In summary, numerous investment options exist, each with specific risk and return characteristics. By diversifying your investments across various types, you can help mitigate risk and optimize returns over an extended period.

The global tourism industry has experienced changes over the last few years, and one of the most significant changes has been the rise of alternative accommodations. Airbnb, in particular, has significantly impacted how people travel and has become the first choice of travellers. Along with the foreign real estate investment sector becoming popular in Turkey in recent years and continuing to grow, the Airbnb sector has been rapidly growing in Turkey, offering visitors unique and affordable accommodation options while generating income for homeowners. In recent years, Airbnb has become increasingly popular in Turkey, and the country has been one of the fastest-growing markets for the platform.

One of the reasons for Airbnb's popularity in Turkey is the country's unique and diverse range of accommodation options. In this country, where a different culture is experienced in the different districts of even the same city, there are apartments for every taste and desire. From traditional Turkish houses to modern apartments, there is something for everyone.

Travellers can easily find apartments in different sizes and budgets in any location they wish to visit. Many of these listings are in the heart of popular neighbourhoods, allowing visitors to experience local life and culture. At the same time, they can get detailed information and advice from homeowners or property managers, not only about the apartment but also about the city they visit; the continuing host&guest communication also convince travellers to book an Airbnb apartment instead of a hotel.

The first choice of foreign investors for their apartments is to rent them on Airbnb by themselves or through a company. The biggest reasons for this are that they do not want to rent their apartment for a long time, Airbnb income is higher than monthly rentals, and they can stay in their apartments whenever they want. In this situation, both hosts and guests can have an unforgettable experience. As IQI Turkey, we provide property management services to our clients who purchase apartments in Turkey.

Toronto

- There were 6,896 home sales reported through the Toronto Regional Real Estate Board (TRREB) MLS® System in March 2023, down by 36.5 % compared to 10,862 in March 2022.

- The MLS® Home Price Index composite benchmark was down by 16.2 percent year-over-year. Similarly, the average selling price was down by 14.6 percent year-over-year.

Sales & Average Price by Major Home Type

	Sales			Average Price		
March 2023	416	905	Total	416	905	Total
Detached	666	2,334	3,000	$1,708,373	$1,400,246	$1,468,651
Semi-Detached	202	354	556	$1,262,629	$988,233	$1,087,924
Townhouse	230	937	1,167	$973,878	$926,237	$935,626
Condo Apt	1,410	711	2,121	$732,944	$645,305	$703,566
YoY % change	416	905	Total	416	905	Total
Detached	-38.7%	-37.6%	-37.8%	-10.8%	-14.3%	-13.5%
Semi-Detached	-39.0%	-45.4%	-43.2%	-18.3%	-17.6%	-17.4%
Townhouse	-40.1%	-35.0%	-36.1%	-12.9%	-14.2%	-14.0%
Condo Apt	-33.8%	-29.7%	-32.5%	-11.9%	-15.1%	-13.0%

Year-Over-Year Summary

	2023	2022	% Chg
Sales	6,896	10,862	-36.5%
New Listings	11,184	20,061	-44.3%
Active Listings	10,120	10,157	-0.4%
Average Price	$1,108,606	$1,298,666	-14.6%
Avg. LDOM	19	8	137.5%
Avg. PDOM	27	11	145.5%

Vancouver

- The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently $1,143,900. This represents a 9.5 percent decrease over March 2022 and a 1.8 percent increase compared to February 2023.

- The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 2,5352 in March 2023, a 42.5 percent decrease from the 4,405 sales recorded in March 2022 and 28.4 percent below the 10-year seasonal average (3,540).

- The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 8,617, an 8.1 percent increase compared to March 2022 (7,970) and 17.3 percent below the 10-year seasonal average (10,421).

Quebec

Residential: Summary of Centris Activity

	March			Year-to-date		
	2023	2022	Variation	2023	2022	Variation
Total sales	8,112	10,745	⬇ -25%	18,374	25,680	⬇ -28%
Active listings	32,729	21,921	⬆ 49%	31,313	21,299	⬆ 47%
New listings	12,206	13,213	⬇ -8%	30,734	33,355	⬇ -8%
Sales volume	$3,661,048,620	$5,079,109,986	⬇ -28%	$8,064,133,963	$11,858,178,977	⬇ -32%

Traditionally, Asian, British and Gulf nationals have been the dominant investors in the local real estate market, along with UAE citizens. European property buyers continue to flock to Dubai, surpassing Asian investors in some of the new projects attracted by better rates and the impact of the Ukraine crisis on the European economy.

Most of these property developers come from Western European countries such as Switzerland, Germany, France and the U.K. to cash in on higher returns regarding rentals and capital appreciation. Traditionally, Indians, Pakistani, British and Gulf nationals have been the dominant investors in the local property, along with the UAE citizens, accounting for the lion's share of the total investment. Russians have upped the ante, investing billions of dollars in the local real estate market for a safe investment. Moreover, foreign solid fund inflows in the post-pandemic period have pushed the emirate's property market to nearly nine-year of 2014's peak in March. There are two categories of investors from Europe – one that always focuses on high-end residential properties and loves to live in Downtown Dubai Marina and Palm Jumeirah, and the second are pure investors.

According to real estate consultancy CBRE's new report released on Thursday, average apartment sales rates are still 17.1 percent below the highs of 2014. However, there are several submarkets where these rates are now above their 2014 levels. In March 2023, average apartment prices stood at Dh1,234 per sqft and average villa prices at Dh1,455 per sqft, it said in its monthly report. The emirate has seen a massive inflow of foreign investors in the past few quarters, including those from India, Pakistan, the U.K., Russia and Europe, cashing in competitive rates. No Just investors, now the emirate is seeing billionaires such as India's Mukesh Ambani and famous French influencer Nabilla Leona Benattia-Vergara joining the list of people investing in Dubai.

Last month Dubai recorded 11,597 residential transactions, the highest monthly total ever in a month, taking the first quarter transaction volume to 29,323, the highest ever during the year's first quarter.

Source: Khaleej Times

Amid Malaysia's burgeoning market, businesses continue to expand, resulting in an increased demand for additional storage capacity, particularly in warehouses and e-fulfilment centres. The promising performance of industrial spaces bodes well for the sector's prospects as it moves forward into 2023, with expectations for further growth in demand. As such, Malaysia's industrial property market remains a highly sought-after segment.

Beyond the traditional application of industrial spaces for manufacturing and production plants, the demand for such facilities has surged in various sectors, including the nascent e-commerce and data center industries and integrated industrial parks. This diversification in demand reflects the dynamic nature of the market, which is rapidly adapting to emerging trends and technological advancements.

Given the formidable global forces of digitalization and globalization, coupled with the rapid expansion of e-commerce activities, the outlook for the industrial property market remains highly sanguine. In Malaysia, for instance, the market boasts over 15.6 million e-commerce users, representing a commendable 83% penetration rate. The robust growth trend in this sector persists as consumers demand improved delivery services, thereby propelling further growth in the industrial property market.

Over the past three years, the industrial property sector has displayed exceptional performance owing to the considerable surge in warehousing demand. However, with advancements in technology, such as automated storage and retrieval systems (ASRS), more retailers are returning to efficient levels of inventory management. Consequently, there is a growing anticipation of a deceleration in the demand for industrial space.

Although an additional 5.4 million sq ft of industrial space is slated for completion in 2022/23, most of the incoming supply comprises bespoke-built warehouses designed to cater to specific tenants. We posit that the market will absorb approximately 60% to 65% of the incoming supply for those without specific tenancy agreements. It is worth noting that the rapidly growing e-commerce industry places significant emphasis on last-mile delivery, thereby driving the demand for more expansive warehouse space.

When queried about the prime locations for industrial properties, Greater Kuala Lumpur and Johor emerged as the top two regions, jointly accounting for nearly 60% of the present industrial property supply as of Q3 2022. The Malaysian Investment Development Authority (MIDA) reports approved investments of RM194 billion in the first nine months of 2022, with Selangor and Johor topping the list in attracting investment.

The shortage of land in established industrial areas like Petaling Jaya, Subang Jaya, and Puchong has compelled investors and developers to explore alternative areas in the north and south, such as Klang and Shah Alam. These locations remain hotspots for industrial property in the region, thanks to their proximity to Port Klang and a thriving market with a substantial talent pool.

To summarize, the industrial property market presents many opportunities, despite the potential impact of geopolitical tensions and other global uncertainties. Nevertheless, the sector is poised for a robust performance in 2023, propelled by rapid digitalization and the transformation to Industry 4.0.

Source: Rehda Malaysia

Cash remittances were up 3.5% in January
Data from the Bangko Sentral ng Pilipinas (BSP) show that cash remittances from overseas Filipino workers (OFW) reached PHP151.8 billion in January 2023, up from PHP146.9 billion a year ago. RCBC Chief Economist Michael L. Ricafort attributed this increase to OFWs helping their families cope with rising inflation while taking advantage of the peso–dollar exchange rate.

Colliers believes the continued inflow of OFW remittances should partly drive growth in the residential and retail sectors beyond 2023. In our view, remittances will remain one of the primary residential demand drivers, particularly for affordable to mid-income residential units (PHP1.7 million to PHP6 million) within and outside Metro Manila.

Taiwanese and Chinese eye investments in P.H.
Philippine Economic Zone Authority (PEZA) officer-in-charge Tereso Panga said ten firms from Taiwan are interested in investing in the Philippines. Panga also disclosed that the investment promotion agency is working on realizing the USD65 million (PHP3.6 billion) investments committed from an investment mission in Taiwan in October 2022.

The Philippine government has taken an aggressive stance in enticing foreign investors to open shops in the country. High-value manufacturing firms from traditional trading partners such as Japan have expressed interest in locating and expanding operations in the Philippines. Colliers believe these investments will further diversify the Philippines' industrial base, eventually benefiting central and southern Luzon industrial park developers.

BSP to raise rates by 25 bps – poll
Analysts expect the Bangko Sentral ng Pilipinas Monetary Board to raise key interest rates by 25 basis points (bps) to 6.25% on March 23. China Banking Corp. Chief Economist Domini Velasquez said the BSP would likely continue it is tightening monetary stance until inflation reaches its target between 2% and 4% by H2 2023. China Banking Corp. chief economist Domini Velasquez said the BSP would likely continue tightening its monetary stance until inflation reaches its 2% and 4% target by H2 2023. The central bank forecasts full-year inflation to reach 6.1% in 2023 before slowing down to 3.1% in 2024.

Results from our Q3 2022 Residential Survey show that 14% of respondents chose interest rates as an essential consideration before purchasing a residential unit. In our view, developers are likely to remain cautious due to persistently high inflation and rising interest and mortgage rates, as these factors heavily influence investor and end-user demand in the residential market. The imposition of higher interest rates, increasing land values and prices of construction materials (which reached a 14-year high in 2022) should also prompt developers to consider launching more luxury and ultra-luxury projects (PHP8 million and above). We believe these segments will likely remain resilient although high-interest rates as demand for luxury units is heavily supported by affluent investors upgrading for their end-use.

The value of condos transferred to foreigners nationwide in last year's fourth quarter reached the highest level in five years, with the number of units sold during the period being the second highest, according to the Real Estate Information Center (REIC)

Over 3,780 condo units worth 19.5 billion baht were transferred to foreigners in the fourth quarter of 2022, up 82% and 96%, respectively, compared with the corresponding period in 2021.

The total number of condo units transferred to foreigners in 2022 rose 41% from 2021 to 11,561 units worth 59.3 billion baht, a leap of 49% in value.

While the proportion of Chinese buyers decreased, they snapped up the most significant number of condo units in 2022, with 5,707 units worth a combined 29 billion baht. This represented 49% of the total in terms of both number and value, down from 59% and 57% in 2021.

Russians followed them with 813 units worth 2.68 billion baht, accounting for 7% and 4.5%, respectively, up from 3.7% and 3.3%.

American, British and French citizens came next, purchasing 542 units, 393 units and 351 units, respectively. In sixth place were citizens of Myanmar, who purchased 349 units. However, in value terms, this nationality bought condos worth 2.55 billion baht, surpassing American, British and French nationals.

It was also the first year buyers from Myanmar reached the top 10.

Although the number of units bought by Cambodian citizens was not huge, they were ranked No.8 in terms of value, with properties worth 1.62 billion baht.

National Investiture Ceremony of the Confederation of Real Estate Developers Associations of India (CREDAI) & Predictions about the Indian Real Estate Industry

According to India's union minister of Commerce and Industry, Piyush Goyal, India will become the third-largest construction market within two to three years. Goyal made these remarks while addressing the National Investiture Ceremony of the Confederation of Real Estate Developers Associations of India (CREDAI).

Goyal emphasized that the real estate sector presents significant business opportunities, employment prospects, and startup opportunities. The 2023 budget has focused heavily on infrastructure, with the central government committing nearly ₹10 trillion in direct investment. Thanks to government support, the sector has demonstrated remarkable resilience in recent years.

Goyal noted that the government had simplified the GST to make the real estate sector more resilient and easier to work in. The Insolvency and Bankruptcy Code has also helped clean up the sector, with banks now willing to lend confidently.

During his speech, the union minister stated that India will become the third-largest construction market worldwide within the next 2-3 years. Additionally, Goyal noted that India may become the second largest employer within the real estate sector.

Indian Real Estate: Top Investment Choice for NRIs

The rise of virtual tours, reduced capital deductions, the return of non-resident Indians (NRIs) to India, and the development of non-metropolitan cities - all these factors have played a role in making India an attractive investment destination for NRIs

The reduced capital deductions in India have emerged as a crucial factor in attracting Non-Resident Indians (NRIs) to invest in the Indian real estate sector. The maximum surcharge on short-term and long-term capital gains has been reduced significantly from 37% to 15%, making investing in Indian real estate more lucrative for NRIs.

This has led to a surge in interest in Indian real estate, and an increasing number of NRIs are now investing in the sector. The ease of investing in Indian real estate has eliminated the need for NRIs to worry about travel and associated expenses, making it more convenient for them to invest in the sector.

Demand for new private homes climbed for a third consecutive month in March 2023. According to data from the Urban Redevelopment Authority (URA), new home sales increased by 13.6 percent, from 433 units in February 2023 to 492 units in March this year. On a year-on-year basis, sales dipped by 24.8 percent from 654 units in March 2022.

The new home sales were mainly driven by the launch of The Botany at Dairy Farm, which moved 184 out of 386 units at a median price of S$2,068 psf.

The other best-selling projects were Leedon Green, The Landmark, Pullman Residences Newton, Hyll on Holland, Midtown Modern, Haus on Handy, Peak Residence, Klimt Cairnhill and One Bernam.

Owing to the good sales at The Botany at Dairy Farm, the bulk of last month's transactions or 46.7 percent of total sales (230 units), came from the Outside of Central Region (OCR). This was followed by the Core Central Region (CCR) at 40 percent(197 units) and the Rest of Central Region (RCR) at 13.2 percent(65 units).

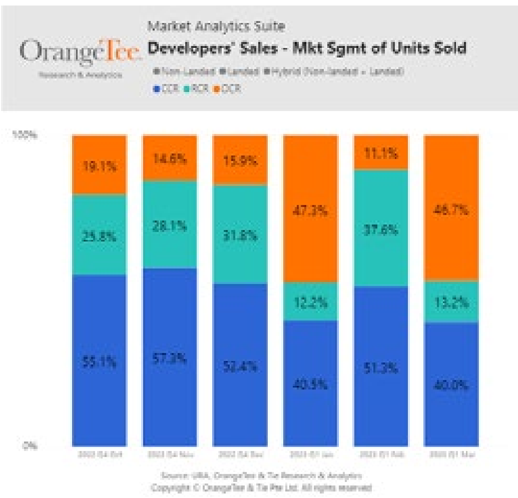
The proportion of sales by market segment has been fluctuating almost every month. For instance, OCR formed the bulk of new home sales at 47.3 percent in January 2023 after 157 units were sold at the Sceneca Residence, launched that month. In the following month, the proportion of RCR homes grew from 12.2 percent in January 2023 to 37.6 percent in February 2023, when Terra Hill was launched, and 97 units were sold.

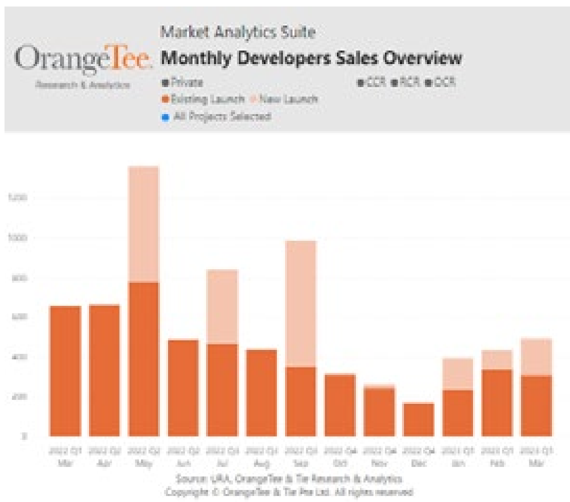
Therefore, the current buying trend seems more supply-led than demand-driven, depending mainly on what projects are released that month. Predicting buyers' preferences and housing budgets is now more complex, especially since fewer projects are launched monthly.

Last month, the number of new condos bought by foreigners (non-Permanent Residents or NPR) dipped to 38 units from 50 units in February 2023. The proportion of foreign buyers also fell from 12.8 percent to 7.9 percent over the same period. Foreign buyers continue to favour luxury homes, with 28 of 38 condos being sold in CCR in March 2023, followed by 6 units in the OCR and 4 units in the RCR.

At the upper end of the market, 18 new non-landed homes were sold for at least S$5 million last month, according to URA Realis data. Of the 18 units, 10 were from Klimt Cairnhill. No new non-landed transactions crossed the S$10 million mark. The priciest new home was a 2,056 sqft freehold unit at Klimt Cairnhill, sold for S$7.6 million or S$3,697 psf.

Demand for new project launches is likely to remain robust. The number of launched but unsold units remains low at 2,325 as of March 2023. Therefore, buyers who want more housing or layout options may wait for the launch of new projects in the coming months.





The Phnom Penh-Poipet expressway project, strongly supported by China's Department of Foreign Capital and Oversea Investment, is planned to establish a technical working group to expedite the activities of this project.

This information was raised by H.E. Sun Chanthol, Senior Minister of the Ministry of Public Works and Transport, on the occasion of allowing a delegation led by Mr. ZHANG Zhiqing, Deputy Director of the Department of Foreign Capital and Overseas Investment of the National Development and Reform Commission (NDRC) of the People's Republic of China pay a courtesy call and discuss with the participation of Ministry leaders and relevant officials.

The meeting was held to discuss the Phnom Penh-Poipet high-Speed railway project and expedite this project per the high recommendation and strong commitment of Samdech Akka Moha Sena Padei Techo Hun Sen, Prime Minister of the Kingdom of Cambodia.

The Chinese side has fully supported the Phnom Penh-Poipet high-speed railway project and assigned a technical working group to join and cooperate with the Cambodian side to implement relevant technical work in the next step. At the same time, the Chinese side also provided detailed strategies and action plans for this railway project, confirming establishing a technical working group as a priority work.

The proposal for establishing a technical working group H.E. Sun Chanthol approved the appointment of leaders and professional officials from relevant institutions.

H.E. Sun Chanthol also mentioned 3 projects to Inform the Chinese delegation to consider the feasibility of providing financial assistance including:

1. Reconstruction project of National Road No 3Veal Renh-Trapeang Ropov has been studied by China Road & Bridge Corporation (CRBC).

2. The project to expand National Road No. 6 from New Siem Reap-Angkor International Airport to Siem Reap City has been studied by Shanghai Construction Group Co., Ltd..

3. Tonle Bassac Navigation and Logistics System Project, studied in detail by Cccc Water Transportation Consultants Co., Ltd..

In response, Mr. ZHANG ZHIQING informed us that the reconstruction project of National Road No. 3 Veal Renh-Trapeang Ropov and the project to expand National Road No. 6 from New Siem Reap-Angkor International Airport to Siem Reap City are in the process of feasibility and evaluation.

As for the Bassac River Navigation and Logistics Project, the Chinese side requested time to submit the results of the feasibility study to the relevant professional institutions for in-depth discussions to provide a basis for feedback. The primary responsibilities of the Department of Foreign Capital and Overseas Investment are to provide strategies, plans and policies for the use of foreign capital and overseas investment and to review and evaluate critical projects. Moreover, the department also provides guidance and facilitates international cooperation on significant projects to link infrastructure and production capacity.

Portuguese Residency: Golden Visa Alternatives

The announcement by Portuguese Prime Minister Antonio Costa on February 16 to terminate the Portugal Golden Visa program surprised investors who were eyeing an opportunity to obtain a European passport through this program. Consequently, there has been a surge in demand as investors rush to initiate the process as soon as possible while others seek alternative options.

Under the program, high-net-worth foreign individuals were granted residency in Portugal by making substantial financial investments. From 2012 to 2023, most residence permits (89%) were granted solely for real estate purchases, with only 22 cases where investors created job opportunities.

Despite the significant economic growth the golden visa program brought, its termination was decided for various reasons, including the current housing crisis in Portugal.

In light of this news, it may be time for investors to explore other residency programs available. These programs require the applicant to spend at least 183 days in the country each year, automatically granting tax residency in Portugal. As first-time residents, they can take advantage of Portugal's Attractive Non-Habitual Tax Residence System, which offers tax incentives on foreign income.

Those interested can acquire residency in Portugal and eventually apply for Portuguese citizenship after living in the country legally for five years by obtaining one of the following visas:

D7 VISA
The D7 Visa, also known as the 'Passive Income Visa,' is an ideal program for retirees, pensioners, or anyone with enough passive income to meet the financial requirements of living in Portugal without seeking employment. The passive income should equal 100% of the national minimum wage for the principal applicant, 50% of the minimum wage for a dependent spouse, and 25% of the minimum wage per dependent child. Passive income sources can come from real estate, investments, or pensions. After maintaining residency for 5 years, D7 visa holders can apply for Portuguese citizenship.

D2 VISA
The D2 Visa is intended for entrepreneurs or freelancers with sufficient funds to establish and operate specific high-value businesses in Portugal.

HIGHLY QUALIFIED ACTIVITY VISA
The HQA Visa suits accomplished businesspeople, investor-entrepreneurs, and domain experts. Applicants must invest €175,000 in an innovative business of their choosing. Those who qualify for this visa benefit from speedy application processing times and a clear path to citizenship.

DIGITAL NOMAD VISA
The newest visa program is the Digital Nomad Visa, designed for remote workers employed by foreign companies and can provide proof of a minimum income. This route offers a one-year visa that can be renewed indefinitely on the same terms.

With a stable political environment, a favourable tax regime, and a strategic location, Portugal remains an alluring spot for foreign investors. Furthermore, Portugal boasts a skilled workforce and a diversified economy, including flourishing renewable energy, real estate, technology, and tourism industries. Alternative residency programs add to the nation's attraction for foreign investors seeking novel opportunities.

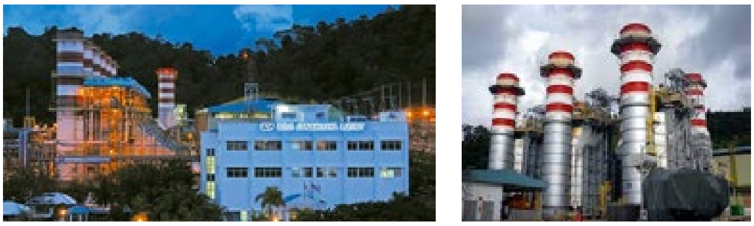
Sources: nomadgate.com; portugalist.com; sef.pt

The Rising Phoenix of Malay Peninsula: Perak's Industrial Titans

Perak has played a vital role in the industrial development of Malaysia, beginning with the tin mining industry in the 19th century. Its strategic location, infrastructure, and abundant natural resources have made it an attractive destination for businesses looking to establish operations in the country, ranging from traditional to modern industries. Over time, Perak has evolved from a rural-based economy to an industrial powerhouse, thanks to its well-developed infrastructure and skilled workforce capable of meeting the demands of a fast-changing global economy. As a result, the state's success in the industrial sector has made it a hub for foreign and domestic investment, driving economic growth and generating job opportunities for its people.

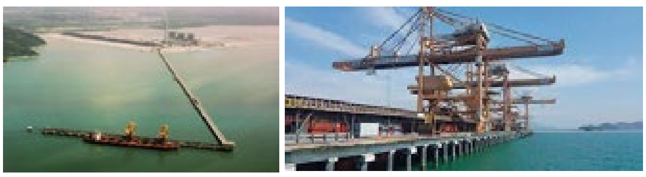
Sultan Azlan Shah Power Station – TNB Janamanjung Sdn. Bhd.

Looking through various of Perak's industrial development, one is amazed at the establishment of the Sultan Azlan Shah Power Station by TNB Janamanjung Sdn Bhd, a subsidiary of Tenaga Nasional Berhad (TNB), Malaysia's largest electricity utility company. The power station is in Manjung District and covers a total land area of 325 hectares, which includes plant facilities, a coal yard, 25 years of ash pond, and reserve land. The construction of the power station was completed in 2003 and has since been generating electricity to supply the national grid. The power station of TNB Janamanjung is among the largest in Southeast Asia, with a total installed capacity of 4,100 MW, generated by its three units, each with a capacity of 700 MW and one unit of 1,000 MW from a coal-fired power plant. Therefore, it is one of the primary sources of electricity for Peninsular Malaysia.



Segari Power Plant and GB3 Power Plant – Malakoff Corporation Berhad

Another power station recognized for providing electricity to the region is the Segari Power Plant, coupled with the GB3 Power Plant. These power plants are owned and operated by Malakoff Corporation Berhad. Both power plants are combined cycle gas turbines (CCGT) with a total capacity of 1,950 MW. These power plants use natural gas supplied by PETRONAS as their primary fuel source and utilize advanced CCGT technology that meets and exceeds strict emissions and effluent standards. This is achieved by installing an additional block to the existing plant, resulting in a more environmentally friendly and sustainable energy source. The Segari Power Plant generates 1,303 MW, while the GB3 Power Plant generates 640 MW to the national grid, making them Malaysia's largest gas-fired power plants.



Lekir Bulk Terminal – Lumut Maritime Terminal Sdn Bhd (LMTSB)

Not to mention, providing the needs of TNB Janamanjung power plant, Lekir Bulk Terminal (LBT), managed and operated by LMTSB (Integrax Bhd/TNB), was established as a part of a larger project to expand LMTSB's capacity in handling bulk cargo. This terminal can accommodate a diverse selection of ships, including Panamax and Capemax vessels weighing up to 180,000 DWT. LBT is a dedicated terminal for managing coal for the TNB Janamanjung power plant. The terminal is blessed with deep-water approaches and anchorage with a natural water depth of 20 meters, which allows it to accommodate vessels carrying dry bulk cargo such as iron ore, coal and other minerals. While having 25 hectares of open storage for bulk cargoes of up to two million tons, it also has a bulk unloading capacity of up to 45 metric tons per day and can handle 12 million metric tons per year. Thus, it should be no surprise that LBT is arguably Southeast Asia's largest dry bulk unloading facility.

China's Reopening Drives Boom in International Property Buying Interest

The number of Millennial Malaysians buying residential real estate is much higher than a year ago and will climb higher by 2024.

According to a survey Juwai IQI conducted in March among some of the company's more than 30,000 global agents.

"Eighty percent of the agents we surveyed believe that the number of Millennial buyers is already higher today than in 2022," said Muhazrol Muhamad, Head of the Bumiputera Segment for IQI.

"And looking ahead, most agents predict the number of Millennial buyers will further increase during the next six months.

"The survey also looked specifically at Bumiputera Millennial buyers, and their numbers are increasing. There are more Bumiputera Millennial buyers in the market today than in 2022, according to 73% of agents.

"Why is this important? Because Millennials are the most essential group of real estate buyers. Making up 50% of the country's working-age population, they also account for up to 60% of all buyers.

"We define Millennials as from 27 to 41 years old, and they are sometimes also called 'Gen Y.'"

Chart:

Millennial Buyers Surge Compared to 2022

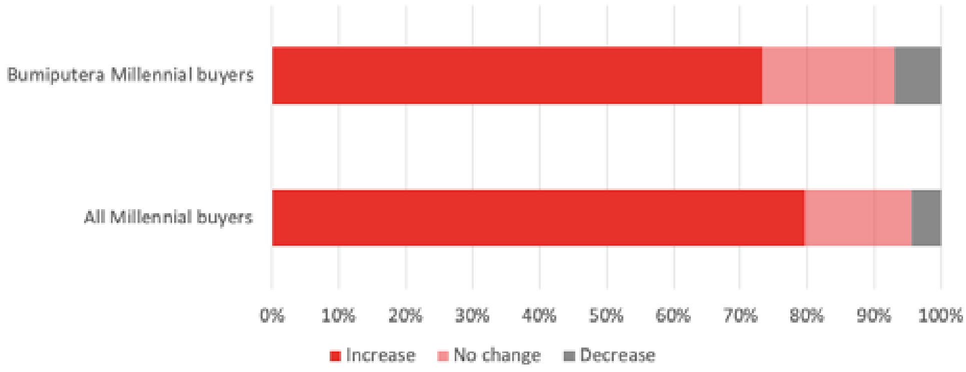
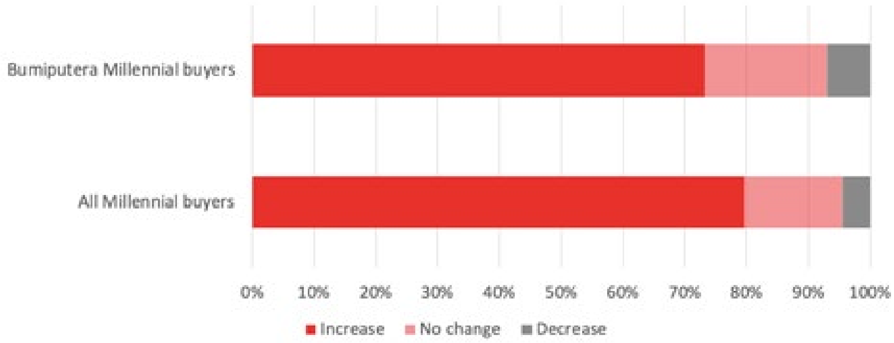


Chart:

Millennial Buyers to Further Increase by the End of 2023



Source: Juwai IQI

Visit www.iqiglobal.com now for more information!

IQI Moments

We at Juwai IQI wish our Warriors a blessed Eid Mubarak filled with family, friends, and good food. May all your wishes be granted and may you be blessed with happiness and success.