MONTHLY Newsletter

MAY 2024

HIGHLIGHTS

AUSTRALIA

CoreLogic's National Home Value Index (HVI) saw a 0.6% increase in March, maintaining the momentum from February.

VIETNAM

According to JLL Vietnam, commercial real estate investment in the Asia-Pacific region increased by 13%

TURKEY

A double-digit increase in Quebec's real estate transactions indicated a strong performance.

DUBAI

The famous Golden Visa program offers the great allure of a long-term, stable environment.

SINGAPORE

Urban Redevelopment Authority (URA) shows that developers sold 718 new private homes in March 2024

CoreLogic's national Home Value Index (HVI) saw a 0.6% increase in March, maintaining the momentum from February, marking the 14th consecutive month of growth in housing values. After a decline of 7.5% between April 2022 and January 2023, the national HVI has rebounded, rising by 10.2% or approximately $71,832 in dollar terms, reaching new record highs each month since November of the previous year.

All capital cities, except Darwin, experienced an increase in dwelling values over the month, although there remains diversity in the monthly gains, as highlighted by CoreLogic's research director, Tim Lawless. Perth's housing market led with a 1.9% increase, followed by Adelaide and Brisbane, with growth rates of 1.4% and 1.1%, respectively. While other capitals showed lower rates of change, Melbourne recorded a slight negative movement of 0.2% over the first three months of the year.

The quarterly pace of growth at the national level accelerated from 1.4% in the last quarter of the previous year to 1.6% in the first quarter of 2024. However, this is half the rate of growth seen in the middle of the previous year when home values were rising by 3.3% quarter on quarter.

Factors such as rate hikes, the increasing cost of living, and worsening housing affordability have contributed to softer housing conditions since mid-last year. Despite these challenges, an undersupply of housing relative to demand continues to exert upward pressure on home values. The diversity in housing value outcomes can be attributed to variations in factors such as housing affordability, demand driven by population growth, and inadequacies in housing supply. For instance, Perth's rapid capital gains are sustained by relatively affordable housing compared to larger cities, coupled with high demand due to migration rates exceeding the average.

Recent ABS population data highlights extreme migration trends in Western Australia, with significant increases in interstate and overseas migration, particularly in the September quarter of the previous year. This demographic shift has significantly boosted housing demand in WA.

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

Index results as at 31 March, 2024	Change in dwelling values				
	Month	Quarter	Annual	Total return	Median value
Sydney	0.3%	0.9%	9.6%	12.8%	$1,139,375
Melbourne	0.0%	-0.2%	3.2%	6.8%	$778,892
Brisbane	1.1%	3.0%	15.9%	20.6%	$817,564
Adelaide	1.4%	3.3%	13.3%	18.0%	$734,173
Perth	1.9%	5.6%	19.8%	25.4%	$703,502
Hobart	0.2%	0.1%	0.3%	4.4%	$649,097
Darwin	-0.2%	0.4%	0.5%	7.0%	$498,433
Canberra	0.4%	0.8%	1.9%	6.0%	$838,976
Combined capitals	**0.6%**	**1.5%**	**9.7%**	**13.6%**	**$848,475**
Combined regional	**0.6%**	**1.8%**	**6.0%**	**10.7%**	**$620,032**
National	**0.6%**	**1.6%**	**8.8%**	**12.9%**	**$772,730**

How to benefit from the positive momentum in the Greek real estate market

The upward trend in construction activity involves new investments and higher real estate prices. The dynamics of the construction sector in Greece were maintained in 2023, reflected in investments, private construction activity and employment. In contrast, at the European level, the high cost of inputs, the tightening of financing conditions and the labour shortage have slowed down construction activity, particularly for housing, and limited investment. Despite the sector's recovery, especially in the last three years, the construction activity in Greece is still far from the high levels seen in the last three years.

Expectations for the Greek real estate market

Real Estate Market

2.2 Real estate market

% y-o-y	2021	2022	2023	2022 H1	2022 H2	2023 H1	2023 H2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4
1. Residential property													
- Apartment prices	7.6	11.9	13.4	10.4	13.4	15.0	12.0	12.6	14.1	15.4	14.7	12.1	11.8
- Residential Investment	27.3	33.7	20.7	14.6	52.8	46.9	0.3	7.4	116.1	47.9	45.9	27.7	-18.7
2. Commercial property													
- Prime office prices	1.7	3.5	-	7.2	4.7	6.6	-	-	-	-	-	-	-
- Prime retail prices	2.5	6.1	-	5.7	6.4	6.9	-	-	-	-	-	-	-
- Office rents	3.9	2.9	-	2.3	3.5	5.6	-	-	-	-	-	-	-
- Retail rents	1.1	4.4	-	4.3	4.5	5.6	-	-	-	-	-	-	-

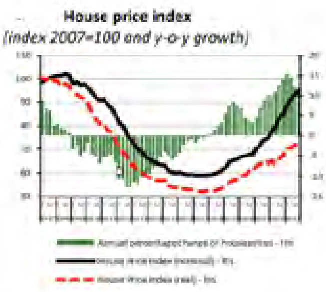
Source: Bank of Greece, ELSTAT.

Although the expectations remain optimistic for the market, the geopolitical uncertainty and the significant increase in energy and material costs, if sustained, are expected to lead to a reduction in net investment returns and a squeeze on the capital gains margin for investors and owners. The impact on the property market, which is currently primarily absorbed by investors, owners and developers, may gradually be reflected in new projects and property prices, especially if it becomes clear that the charges will have a permanent effect. It will affect the medium-term property valuations.

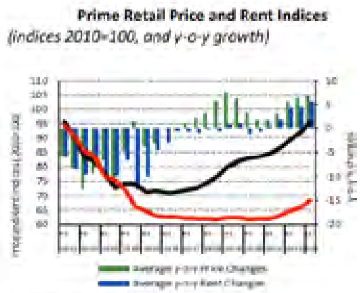
According to a press release based on Bank of Greece data, Greece recorded 2023 as the highest-ever net foreign direct investment (FDI) in real estate. In detail, in 2023, the net FDI regarding real estate stood at €2.133bn, up from €1.975bn in 2022 (+€157.8mn or +8.0%) and €1.176bn in 2021. Since 2015 (€153.1mn), FDI in real estate has continuously increased, with an average annual rate of change of 39.0%. The contribution of real estate to total FDI in 2023 was significant as it amounted to 47% of total FDI in Greece in 2023, which stood at €4.48 billion.

This significant increase in real estate FDI is attributed to the "Golden Visa" program. The Government announcement of an increase in the threshold for getting a "Golden Visa" from €250K to €500K in the centre of Athens as well as in northern and southern suburbs caused a strong demand for real estate as buyers wanted to acquire properties with the lower threshold of €250K. FDI inflows amounted to €4.6bn and were mainly directed towards real estate and manufacturing. The central countries of origin were Hong Kong (China), Germany and the United States.

In 2023, accelerated growth rates were recorded in both housing and commercial property prices (prime office and retail), with prime locations and investment property leading the market.



Source: Bank of Greece.



Source: Bank of Greece.

Apartment prices further increased in 2023:Q4 by 11.8% y-o-y, following continuous growth over five consecutive years, registering a cumulative rise of 61.4% since 2017:Q3 (lowest level), although still 7.0% lower compared to their historical peak in 2008:Q3. In 2023, the average growth rate of residential investment (at constant prices) decelerated at 20.7% (against 33.7% in 2022), still representing a low share of the GDP (1.9%).

In H1 2023, prime office prices increased by 6.6% y-o-y, and prime retail prices increased by 6.9% y-o-y. A notable increase was also recorded in both office and retail rents.

Juwai IQI

GLOBAL MACRO-ECONOMIC OUTLOOK 2024
GEOPOLITICAL AND INFLATION RISKS ARE BACK IN THE MACRO EQUATION

The global economy hopes for a quick recovery, but it looks like an illusion and a distant dream. The geopolitical and inflation risks are returning to the macro equation and severely threaten various world regions. Oil prices are heading north again as supply disruptions and the depreciating Dollar are possible. According to the latest report from Bank of America:

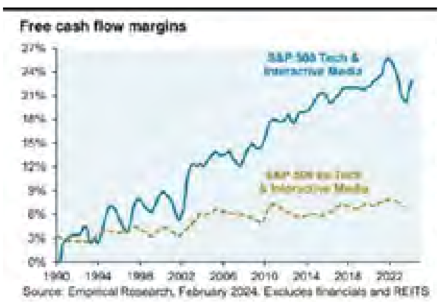
The Good: We have reached the 30th anniversary of tech sector profitability, crushing other sectors. As things stand now, tech and interactive media free cash flow margins are 3x higher than the rest of the market. Since 1990, large-cap US tech stocks outperformed the MSCI World Equity Index by 8,000% to 1,000%. Also good: unlike in 2020/2021, there is less of a spike in the market cap of unprofitable tech companies (the YUCs).

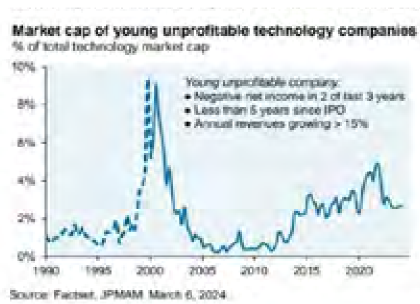
The Bad: Tech valuations are back at 2020/2021 highs even when using forward earnings expectations, setting a higher bar for future investor returns.

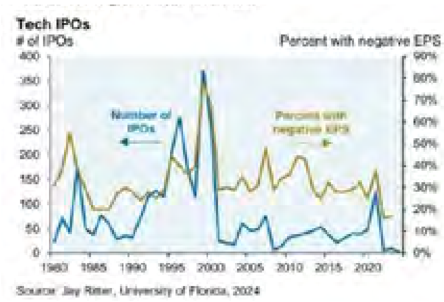
The Good: Despite elevated investor risk appetite, tech IPOs have slowed to a trickle with little receptivity to IPOs by unprofitable companies. This partially responds to the terrible returns on tech IPOs/SPACs in 2020 and 2021 (the "space catastrophe"). This cleansing is typically suitable for investors once the IPO calendar resumes since more investor scrutiny tends to result in higher-quality companies going public. We will find out shortly, as we expect more tech IPOs in the weeks ahead.

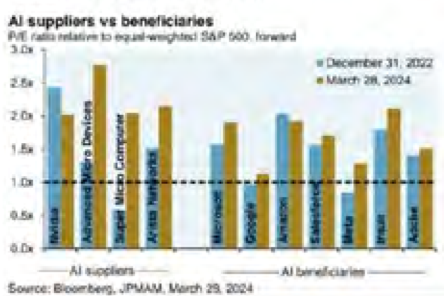
The Ugly: what makes tech interesting is not innovation per se but profitable innovation. Investments in innovation for its own sake have been a fool's errand, badly trailing old economy investments in things like farm equipment, industrial REITs and office cleaning supplies—not-so-fun fact: we calculated investor losses for 2,300 US ETFs based on investor inflows and outflows timing. The innovation ETF below lost $7.1 billion of investor capital through December 2023, more than any other long ETF we analysed.

The Good: equity markets are applying higher multiples to AI suppliers than to AI beneficiaries; while there is some valuation excess, markets are not (yet) pricing in the full potential impact of commercial AI adoption.









Juwai IQI

SHAN SAEED
Chief Economist

FED INTEREST RATES CUT OUTLOOK - 3 OR 4 CUTS IN 2024

All central banks and IQI expect FED to make 4 cuts tantamount to 100 bps in 2024 to ward off recession. Here is the Wall Street Journal chart published on April 2-2024.

Fed call as of 4/2/2024

	First cut	Cuts in 2024	Publish date
Bank of America	June	75 BPS	1/31/2024
Barclays	June	75 BPS	2/16/2024
BNPP	June	100 BPS	2/13/2024
Citigroup	June	125 BPS	1/12/2024
Deutsche Bank	June	100 BPS	2/5/2024
Evercore ISI	June	125 BPS	12/13/2023
Goldman Sachs	June	75 BPS	3/17/2024
HSBC	June	75 BPS	12/17/2023
Jefferies	June	75 BPS	2/12/2024
JP Morgan	June	75 BPS	3/15/2024
LH Meyer	June	75 BPS	12/13/2023
Mizuho	Not 2024	0 BPS	12/5/2023
Morgan Stanley	June	100 BPS	11/12/2023
MUFG	June	125 BPS	4/1/2024
Nomura	July	50 BPS	3/15/2024
Oxford Economics	June	75 BPS	3/14/2024
TD Securities	June	100 BPS	3/20/2024
UBS	June	75 BPS	3/22/2024
Wells Fargo	June	100 BPS	3/13/2024

Source: The Wall Street Journal

MARKET CALL FOR OIL PRICES IN 2024

$91 to $147 / barrel [No change in our position on the oil market]. We are bullish on the energy market.

OIL MARKET OUTLOOK IN 2024 - HEADING NORTH AND WE ARE AGAIN APOT ON WITH OUR FORECAST.

1. Oil market continues to stay volatile amid geopolitical risk and supply constraints
2. Brent oil price is up 15% YTD as of last night, April 2-2024. It might go higher from here.
3. The market is getting ready if oil hits the 3 digits, i.e. $100/barrel. It would put pressure on advanced economies.
4. The oil ceiling or floor price is $90/ barrel and above.
5. Once the Dollar depreciates, oil is expected to move higher in the market
6. Higher oil prices will put the recovery of the global economy in jeopardy
7. The oil market is moving into a precarious phase and making investors nervous
8. The market can expect oil shocks like those in 1973 and 1974. Oil Prices quadrupled in October 1973 from $2.90 a barrel before the embargo to $11.65 a barrel in January 1974. By March -1974, prices were trading at $13 / barrel. During the 1974 recession, Dow Jones fell 45%. That would equate to a crash of 15,000 points from today's levels. The market would decline at least 30% during a recession alone.

Juwai IQI

TACO HEINDINGA
Global Strategic Advisor

Where to Invest Next : Exploring Global Real Estate Trends

Investing in real estate has always been a reliable strategy for wealth accumulation and portfolio diversification. With the ever-changing landscape of global markets, investors constantly seek new opportunities to maximise returns while minimising risks. Let us delve into the latest trends in real estate investment worldwide, considering factors such as yield potential, investor-friendly policies, quality of lifestyle, and options for residency through investment.

Emerging Markets with High Yields:

- Emerging markets present lucrative opportunities for real estate investors seeking high yields. Countries like Thailand, Portugal, Greece and Turkey have seen significant growth in real estate prices coupled with favourable rental yields. According to recent data from Global Property Guide - these markets offer yields ranging from 5,5% to 8%, outperforming many developed economies.

Investor-Friendly Countries:

- Investor-friendly policies and regulations can significantly influence investment decisions. Countries such as Portugal, Spain, and Thailand have implemented favourable tax regimes, relaxed residency requirements, and streamlined processes for property acquisition by foreign investors. Notably, Portugal's Golden Visa program and Thailand's Elite Residence program have gained popularity among investors seeking residency through investment.

Quality Lifestyle Destinations:

- Investors often seek real estate opportunities in destinations that offer a high quality of life. Cities like Vancouver, Dubai, and Sydney consistently rank among the top choices for real estate investment due to their vibrant culture, excellent infrastructure, and cosmopolitan lifestyle. Despite the pandemic, these cities have demonstrated resilience in their real estate markets, attracting investors from around the globe.

Residence by Investment Options:

- Several countries offer attractive programs for investors looking to secure residency or citizenship through investment. The Caribbean nations of Dominica, St. Kitts and Nevis, and Grenada provide citizenship-by-investment programs, allowing investors to obtain second citizenship by significantly contributing to the country's economy. Meanwhile, European countries like Malta, Greece and Cyprus offer residency through investment programs, granting residency rights to investors and their families in exchange for specified investments in real estate or other sectors.

In a dynamic global real estate market, identifying the next best investment opportunity requires careful consideration of various factors such as yield potential, investor-friendly policies, lifestyle preferences, and residency options. Whether tapping into emerging markets for high yields, taking advantage of investor-friendly policies, embracing quality lifestyle destinations, or securing residency through investment programs, savvy investors have ample opportunities to diversify their portfolios and achieve long-term financial goals.

VIETNAM

DUSTIN TRUNG NGUYEN

Country Head of Vietnam

Investors Are Continuously Seeking Commercial Real Estate Opportunities.

According to JLL Vietnam, commercial real estate investment in the Asia-Pacific region increased by 13% in the first quarter of 2024, reaching a total value of USD 30.5 billion. This was the only region globally to experience growth in this sector during that quarter. Japan led the way with USD 11.5 billion in investment, a 29% increase compared to the previous year's period.

South Korea and Singapore also saw significant growth. While the office real estate sector decreased by 1%, the industrial, warehouse, and retail sectors experienced positive growth. Stuart Crow of JLL noted that this growth reflects investors' continued interest in investment opportunities and the robust economic foundation in the region.

In cross-border sectors such as transportation and industry, retail, and lifestyle, growth has been observed compared to last year's period, although price sentiment remains unstable. Australia, China, and Hong Kong have seen a decline in investment. Interest rates and sentiment continue to impact investment activities in the region, but a recovery has been seen in parts of 2024.

Additional investment activities are predicted to continue as pricing adjusts and investors realign their portfolios and investment strategies to align with the current exchange rate environment.

Hanoi Real Estate Market Heats Up, Attracting Ho Chi Minh City Investors.

Hanoi's real estate market is experiencing a faster recovery than Ho Chi Minh City. Investors are drawn to Hanoi's lower price points and quicker turnaround potential. This trend is fueled by the recent stagnation in Ho Chi Minh City's market, which has just begun a limited revival.

Reputable developers and familiar Ho Chi Minh City products are desirable to these southern investors. The pressure to maintain cash flow and inflation concerns also push investors toward the Hanoi market. Experts believe Hanoi's rise is the start of a new cycle fueled by potential investments from overseas Vietnamese under the revised Land Law. This liquidity boost could translate to good returns for early investors.

BUILDING WEALTH BRICK BY BRICK: REAL ESTATE INVESTMENT'S RESILIENCE

Discerning investors seek avenues that offer stability and growth potential in an investment landscape marked by volatility and uncertainty. Real estate investment emerges as a cornerstone in such a pursuit, offering a unique blend of tangible assets, consistent returns, and risk mitigation strategies. In this discourse, we delve into the factors that render real estate investment less risky than its counterparts and elucidate why it remains a practical choice for clever investors.

Tangible Assets and Intrinsic Value

Unlike intangible assets susceptible to market fluctuations, real estate investments are underpinned by tangible assets, namely land and property. The intrinsic value in real estate grants investors a sense of security, as these assets possess inherent utility and scarcity. Moreover, the physical nature of real estate ensures that its value is not solely reliant on market sentiments, providing a buffer against abrupt downturns and speculative bubbles.

Historical Performance and Stability

A retrospective analysis of investment trends reveals the resilience of real estate as an asset class. Over the years, real estate investments have demonstrated a consistent track record of long-term appreciation, outperforming traditional investment avenues such as equities and bonds. According to data, the global real estate market has exhibited an average annual return of approximately 7%, showcasing its stability amidst economic fluctuations.

Diversification and Portfolio Hedging

In the realm of investment strategy, diversification stands as a fundamental principle for risk mitigation. Real estate investment offers a viable means of diversifying investment portfolios, reducing overall risk exposure. The low correlation between real estate and other asset classes, such as stocks and bonds, underscores its utility as a hedge against market volatility. By allocating a portion of their capital to real estate, investors can achieve a balanced portfolio capable of weathering turbulent market conditions.

Income Generation and Cash Flow Stability

One of the distinguishing features of real estate investment is its potential to generate consistent income streams through rental yields. Unlike volatile equities or interest-rate-dependent bonds, rental income from real estate assets tends to exhibit stability over time, providing investors with a reliable source of cash flow. This steady income stream facilitates portfolio liquidity and cushions against market downturns, mitigating investment risk.

Inflation Hedge and Wealth Preservation

Real estate investments effectively hedge against eroding purchasing power in an inflationary environment. Historical data indicates that real estate values tend to appreciate in tandem with inflation rates, thereby preserving investors' wealth in real terms. Furthermore, the leverage offered by real estate financing enables investors to capitalise on inflation-induced asset appreciation, amplifying their returns and safeguarding their investment portfolios against inflationary pressures.

In investment strategy, the quest for risk-adjusted returns remains paramount. Real estate investment is a beacon of stability amidst the tumultuous seas of financial markets, offering investors a refuge of tangible assets, historical performance, and income-generating potential. Discerning investors can fortify their wealth against market volatility by incorporating real estate into their investment portfolios and embark on sustainable growth and prosperity.

TURKEY

BERRAK OZOLTU

Country Head of Turkey

THE EXPECTED BALANCE IN THE HOUSING MARKET COULD NOT BE ACHIEVED

The interest rate increase and the recession in the markets were not enough for the expected declines in the housing market to come. The expectations in the global market were not fully reflected in Turkey, which broke records in housing price growth.

While the projected improvements in the global housing market were not fully realised, the rate of housing inflation in Turkey also slowed down, but the upward trend in prices and a high trend continued.

The most important reasons for the failure to achieve the expected stabilisation in housing prices were high household savings, low supply and an increase in immigrants.

TURKEY IS AGAIN THE LEADER IN HOUSING PRICE INCREASES

According to the research results of the international real estate consultancy company **Turkish iClassified**, covering 56 countries and regions, Turkey became where housing prices increased the most, with an annual percentage of 96 in the second quarter. However, when it is considered that this rate was 132.8 per cent in the first quarter, the decline in the price growth rate attracted attention.

April-May-June housing prices in Turkey also increased by 13.8 per cent in the second quarter, covering the months of April-May-June. In the first six months of 2023, the increase in housing prices was 39 per cent.

According to the Republic of Turkey Central Bank data, housing prices increased by 94.7 per cent year-on-year in July 2023. Thus, the decline in the annual growth rate continued in July. The average house price in Turkey was 2.63 million TL.

March 2024: Diverse tendencies may be seen in the Toronto, Vancouver, and Quebec real estate markets. Even though there was a minor increase in new listings and moderate price hikes in March 2024, Toronto had a slight fall in sales. Benchmark prices declined due to Vancouver's sharp decline in sales over the prior year despite a minor rebound from February. On the other hand, a double-digit increase in listings and transactions in Quebec's real estate market indicated a strong performance.

Toronto

- Greater Toronto Area (GTA) REALTORS® reported 6,560 sales through TRREB's MLS® System in March 2024 – down by 4.5 per cent compared to March 2023. New listings were up by 15 per cent over the same period. Sales were down by 1.1 per cent on a seasonally adjusted monthly basis. New listings were down by three per cent compared to February.

- The MLS® Home Price Index (HPI) Composite benchmark was up by 0.3 per cent year-over-year. The average selling price was up by 1.3 per cent to $1,121,615. On a seasonally-adjusted month-over-month basis, the MLS® HPI Composite was up by 0.2 per cent, and the average selling price was up by 0.7 per cent compared to February.

Sales & Average Price by Major Home Type

	Sales			Average Price		
March 2024	416	905	Total	416	905	Total
Detached	647	2,246	2,893	$1,708,437	$1,396,874	$1,466,397
Semi-Detached	222	357	579	$1,300,403	$1,010,465	$1,121,645
Townhouse	236	942	1,178	$909,771	$925,185	$940,127
Condo Apt	1,186	656	1,842	$729,392	$646,989	$700,046
YoY % change	416	905	Total	416	905	Total
Detached	-2.1%	-3.3%	-3.0%	0.4%	-0.1%	0.0%
Semi-Detached	10.4%	0.8%	4.3%	3.0%	2.3%	3.1%
Townhouse	2.6%	0.7%	1.1%	2.7%	-0.1%	0.5%
Condo Apt	-15.5%	-7.5%	-12.6%	-0.5%	0.3%	-0.5%

Year-Over-Year Summary

	2024	2023	% Chg
Sales	6,560	6,868	-4.5%
New Listings	13,120	11,394	15.1%
Active Listings	12,459	10,121	23.1%
Average Price	$1,121,615	$1,107,018	1.3%
Avg. LDOM	20	19	5.3%
Avg. PDOM	29	27	7.4%

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 per cent decrease over March 2022 and a 1.8 per cent increase compared to February 2023.

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

  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 per cent decrease from the 4,405 sales recorded in March 2022 and 28.4 per cent below the 10-year seasonal average (3,540)

Quebec

Residential: Summary of Centris Activity

	March			Year-to-date		
	2024	2023	Variation	2024	2023	Variation
Total sales	8 994	8 070	⬆ 11%	21 276	18 282	⬆ 16%
Active listings	38 346	31 599	⬆ 21%	36 666	30 676	⬆ 20%
New listings	13 442	11 888	⬆ 13%	36 503	30 016	⬆ 22%
Sales volume	$4 409 129 390	$3 643 725 553	⬆ 21%	$10 187 859 504	$8 021 385 864	⬆ 27%

According to Oxford Economics, Saudi Arabia's total market is worth 2.6 trillion US Dollars (USD) and will grow to 3 trillion USD by 2030. The increase is expected to be 1.6% each year, the KSA's 2030 vision supports it.

One of the significant developments that will happen through the vision of 2030 is the real estate sector, with projections indicating a rise from USD 187.20 billion in 2024 to USD 284.90 billion by 2029, at a CAGR of 8.77%. The vision of KSA has some goals to reach this vision in 2030:

- **Boosting Housing Affordability**: The government wants to increase homeownership rates by making mortgages more accessible and encouraging the development of affordable housing solutions.

- **Developing Smart Cities**: Investments in smart cities that leverage technology to improve efficiency and livability are being made. This includes using sensors, data analysis, and other technologies to manage traffic and energy consumption.

- **Enhancing Tourism**: The government aims to significantly increase tourist arrivals in Saudi Arabia, driving demand for hotels, resorts, and other tourist accommodations.

- **Economic Diversification**: Real estate is an essential driver of economic growth and diversification. The government is working to make the sector more attractive to foreign investors.

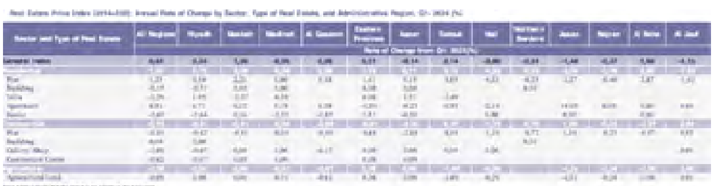
Beyond these goals, Vision 2030 also includes specific real estate initiatives such as:

- **Building One Million New Homes:** The government has set a target of constructing one million new housing units by 2030. This will help address the need for affordable housing and stabilise housing prices.

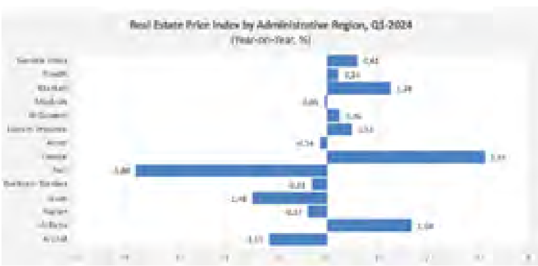
- **Mega-City Projects**: Several mega-city projects are underway in Saudi Arabia, including NEOM, Qiddiya, and The Red Sea Project. These projects will create thousands of new homes, jobs, and tourist attractions.

- **Infrastructure Investment**: The government invests heavily in infrastructure projects like roads, railways, and airports. This will improve connectivity between cities and regions, further stimulating real estate development.

Looking at property prices at the moment, they are going a little up. Overall, prices are increasing by a modest 0.61% year-on-year, thanks to a 1.21% increase in the residential sector. However, commercial and agricultural land prices are dipping.



Looking across the kingdom, some areas see much bigger jumps than others. Makkah, Tabouk, and Al Baha lead the pack with price increases above the national average. It is just as general as the Makkah and Al Baha residential markets. Tabouk, with the most significant increase of 3.14%, is experiencing a boom in the residential and commercial sectors, fueled by new development projects.



Source: General Authority for Statistics, Saudi Arabia

Dubai: Oasis of Stability for Real Estate Investments

Among other prominent large cities, Dubai is the hot spot for real estate investment. The Emirates promises to be the land of opportunity for international residents fortified with political stability and excellent connectivity, magnets attracting people worldwide. The last three years have been good for price growth, especially in the aftermath of 2020, and with the adept handling of COVID-19, the attraction of the location for buyers is evident. The luxury segment is well positioned for above-average growth, considering the high demand from affluent individuals and the limited market supply driving this trend.

Factors contributing to the stability of investment

A few factors contribute towards Dubai's real estate success. Some of the major ones, in my mind, are:

Long-term residency option
The famous Golden Visa program, which has a 10-year residency for exceptional talent, executives, entrepreneurs, and real estate investors, offers the great allure of a long-term, stable environment to live, work, study, and do business.

Stable currency and minimal taxation
A significant aspect is financial stability, where the currency dirham (AED) and the Dollar (USD) are fixed and pegged to the US dollar at a fixed rate of 3.67 to 1. It is a crucial factor behind attracting foreign inflows, assuring investors of their return calculations without the added risk of currency fluctuation. Additionally, there is no taxation on personal income, and rental yields are typically higher due to consistently high demand from the rising population, with people moving in for new careers and business opportunities.

Limited reliance on mortgages
As of my last update, the percentage of properties purchased on mortgage in Dubai varies depending on market conditions and government regulations. Traditionally, a significant portion of real estate transactions in Dubai has been cash purchases. However, a recent push has been to increase mortgage penetration in the market. While specific data may vary, it has been estimated that around 25-30% of property transactions in Dubai are financed through mortgages. Unlike other major cities that heavily rely on residential mortgages for property purchases and are severely affected by interest rate movements that impact mortgage pricing, this factor shields Dubai's real estate market and offers stability.

Regulations and Governance
The government is forward-looking and has an active approach to real estate regulation and governance, pivotal in attracting global investors and achieving the sector's success. With stability, transparency, and vigilant enforcement, Dubai's real estate market thrives, attracting new buyers worldwide with demand outpacing the supply. With the Dubai government maintaining a stable environment, investors can confidently forecast market trends and plan their investment strategies with assurance.

Political Stability
A significant contributor to Dubai's success story is the stability of its government. International residents worldwide flock to the UAE, especially Dubai, to pursue their careers and entrepreneurial ambitions, reassured by a consistent and forward-thinking environment that provides a solid foundation for safety and growth. Many people see Dubai as their long-term place of residence and can not imagine living elsewhere. Unprecedented efficiency, safety, and security offer a combination of affordability and luxury, a balanced living level with a quality lifestyle unmatched by any other major city.

For example, Pakistanis are among Dubai's top five leading investors because of its proximity and safety. With an investment of 2 million dirhams in real estate, the Golden Visa allows people to stay in Dubai for ten years along with their family members, even sponsoring the parents, making it a place to be for those searching for an oasis of stability.

MALAYSIA

NICHOLAS TAN

Propery Investment Strategist

According to a recent report, the retail sector is anticipated to experience growth despite facing various challenges. The Malaysian Institute of Economic Research (MIER) conducted a business confidence survey for the third quarter of 2023, revealing a decline in business confidence to 79.7 points, down from 99.8 points year-on-year. Similarly, the Consumer Sentiment Index dropped to 78.9 points from 86 points year-on-year.

The report suggests that businesses and consumers may adopt a more cautious approach, possibly delaying spending on significant investments such as property and business expansions. The future of the Klang Valley shopping centre market in 2024 hinges mainly on the performance of the Malaysian economy and the government's ability to address challenges like international conflicts and economic slowdowns in major trading partner countries, along with the purchasing power of local consumers.

Despite the anticipated growth, the retail sector in the Klang Valley may encounter oversupply issues in the current year. Consequently, existing shopping centres may struggle to attract new tenants and maintain high occupancy rates. To entice quality tenants, retail landlords may need to offer reduced rental rates, extended renovation periods, and lease structures incorporating turnover-based rents.

New shopping centres that debuted in the Klang Valley in 2023 include Pavilion Damansara Heights Mall, The Exchange TRX, and KSL Esplanade Mall, each boasting substantial net floor areas.

In Penang, the retail sector is poised for improvement in 2024, driven by increased tourism and economic growth. The emergence of budget retail developments alongside innovative projects like Iconic Point has increased property prices and rents in specific areas.

Prime malls in Penang have experienced heightened foot traffic and improved occupancy rates, signalling a post-pandemic recovery in the retail sector. The surge in tourism has facilitated the growth of tourism-related businesses, particularly in George Town, where restaurants, cafés, and budget hotels are thriving within traditional shophouses.

Sarawak has also witnessed a surge in budget-conscious stores alongside the opening of more food and beverage outlets, smaller anchor tenants, and specialist branded stores. Consequently, the retail sector in Sarawak is expected to maintain a positive trajectory in 2024, aligning with nationwide trends.

EMMANUEL ANDREW VENTURINA

Country Head of Philippines

1. Ayala Land expands office portfolio with two more Vertis North buildings

Ayala Land Inc. (ALI) has started the construction of Vertis North Corporate Centers 4 and 5 in Quezon City. The two office buildings will have a combined gross leasable area (GLA) of 82,000 square meters (882,600 square feet) and will likely be completed in 2027. The buildings, catering to multinational and local corporations, are expected to generate about 17,000 jobs. ALI will also secure green building certifications such as LEED (Leadership in Energy and Environmental Design) for the new office towers.

2. Pueblo De Oro breaks ground for Lipa Project

Pueblo De Oro Development Corp. (PDODC) has started the construction of its new residential development, Courtyards Lipa. The 10-hectare (24.7-acre) project will offer two-story single-attached houses at 106 square meters (1,140 square feet). Amenities include a basketball court, playground, clubhouse, swimming pool, and a linear park. PDODC also plans to launch another horizontal project, Pueblo de Oro Westwood Heights, in Batangas City. Both projects will cater to the mid-income market.

3. DMCI Homes eyes second leisure property in Benguet by second quarter

DMCI Homes plans to launch an eco-agri resort condotel in Tuba, Benguet, by Q2 2024. Tuba town is accessible through Marcos Highway on the way to Baguio or the Baguio-La Trinidad-Itogon-Sablan-Tuba-Tublay Outer Ring Circumferential Road. This is DMCI's second leisure property after Solmera Coast in Batangas, launched in August 2023.

4. Provincial airports get P14 billion for upgrade

The Department of Transportation (DOTr) is allocating PHP14 billion (USD254.5 million) to develop and modernise regional airports in 2024. The budget will improve airports in at least 22 locations outside Metro Manila. Among the airports to be modernised include the Laoag International Airport (PHP500 million), Bukidnon Airport (PHP320 million), and the expansion of New Zamboanga International Airport, Puerto Princesa Airport and M'lang Airport (PHP300 million each).

4. Robinsons Offices unveils tallest addition to Cybergate Iloilo Towers complex

Robinsons Offices has completed the structural work of Cybergate Tower 3 in Pavia, Iloilo. The 12-storey office tower will be the tallest building in the Robinsons Cybergate Iloilo Towers complex. Cybergate Iloilo Tower 3 is registered with the Philippine Economic Zone Authority (PEZA) and will cater to outsourcing companies and traditional occupiers. The office building will also have a transport hub connecting commuters to destinations outside the province.

Chinese and Russians topped the list of foreign buyers of condominiums in Thailand last year, with visa waivers and geopolitical conflict driving demand above pre-Covid levels.

A total of 14,449 units worth 73.2 billion baht were sold to foreigners in 2023, according to data compiled by the REIC, managed by the state-owned Government Housing Bank. That represented a 25% jump from 2022.

Chinese buyers snapped up 6,614 units, or almost 46% of the total, for 34.1 billion baht, citing property registration data. Russians ranked a distant second at 1,260 units, followed by buyers from Myanmar and the United States in third and fourth spots, respectively.

The highest average price per unit, at 6.6 million baht, was paid by buyers from Myanmar.

About 41% of the condos sold to foreigners were in Chon Buri, home to the resort city of Pattaya and several industrial estates.

Bangkok accounted for 38% of the sales to foreigners. Condos priced at no more than 3 billion baht accounted for almost 50% of the total sales.

Condos bought by foreigners accounted for about 13.4% of all condos transferred in 2023. Under the law, foreigners can own up to 49% of the usable space in a condominium development.

Temporary visa waivers for tourists from China and some other countries last year and a permanent bilateral waiver with Beijing from March 1 have helped accelerate sales.

Condominium sales to foreigners last year were 13% higher than the 12,798 units sold for a combined value of 50.6 billion baht in 2019.

The Tourism Authority of Thailand expects a further recovery to between 35 million and 40 million visitors this year, including 8.2 million from China. That would bring the country closer to the record of almost 40 million set in 2019

Source: Real Estate Information Center (REIC)

MANU BHAZIN
Country Head of India

IQI India is at the Forefront of defining Spaces

The Indian retail and commercial real estate space is adapting to the changing consumer landscape.

E-commerce is driving warehouse demand, while malls are evolving to offer an experience beyond just shopping.

IQI India is moving beyond traditional commercial space models and creating dynamic, adaptable environments that cater to the evolving needs of businesses in today's world.

At IQI, we believe in maximising the potential of every square foot. We are not just leasing space; we are creating strategic partnerships.

For instance, we transformed underutilised mall space measuring 18000 sq. ft. into a state-of-the-art co-working space in collaboration with Avanta Business Centres.

Similarly, we leased out 17000 sq ft. space in Delhi's prestigious Hotel Hans to Aditya BirlaCapital. These innovative solutions demonstrate our commitment to optimising space utilisation and creating win-win scenarios for our partners and ourselves.

Through innovative approaches like co-working spaces in malls and the redefinition of commercial office environments, we are maximising space utilisation, fostering vibrant communities, and creating a more sustainable future for real estate. The Indian real estate market is undergoing a period of exciting transformation. Investors and businesses can make informed decisions by understanding and capitalising on trends like the e-commerce boom and the rise of experiential retail.

Women Reshaping India's Real Estate Landscape

Gone are the days when societal norms relegated women to the sidelines of property decisions.

Today, with over 33% of the Indian workforce comprising women (World Bank), their economic clout is undeniable.

This translates to a growing influence on real estate choices. The Indian government actively fosters this shift with policies that encourage women homebuyers.

Reduced stamp duty, tax benefits, and lower home loan interest rates for women are significant catalysts. These numbers paint a clear picture – women are not just entering the real estate market but actively shaping it.

Higher education, coupled with evolving social attitudes towards gender equality, empowers them to take charge of their financial futures, and property ownership is a significant part of that journey. This rise of women property owners signifies more than financial independence; it underscores a vital step towards a more equitable real estate industry.

SINGAPORE

RAYMOND KHOO

Vice President at OrangeTee and Tie

Following the Chinese New Year festivities in February, developers launched more projects in March. As a result, new home sales more than quadrupled, reaching the highest level in four months.

Data from the Urban Redevelopment Authority (URA) shows that developers sold 718 new private homes in March 2024, climbing by a whopping 369.3 per cent from the 153 transactions in February 2024.

Compared to March 2023, last month's sales rose by 45.9 per cent yearly from 492 units.

Last month's stellar performance could be attributed to pent-up demand for new homes due to the absence of project launches in February. In March, the new home sales were primarily driven by the suburban project, Lentor Mansion. During its launch month, the project sold 409 out of 533 units, 76.7 per cent of the total units. The next best-performing project was Lentoria, another project launched in the Lentor area, which sold 60 out of 267 units.

Lentor Mansion, which GuocoLand and Hong Leong Holdings developed, is the most popular new project in the first quarter of this year. The project's high take-up rate can be attributed to the developers' strong reputation, its convenient location, and unique design features.

The strong sales at Lentor Mansion mirror the success of other launched projects like Lentor Modern and Lentor Hills Residences. The success of these projects cements Lentor's reputation and popularity as an up-and-coming residential enclave.

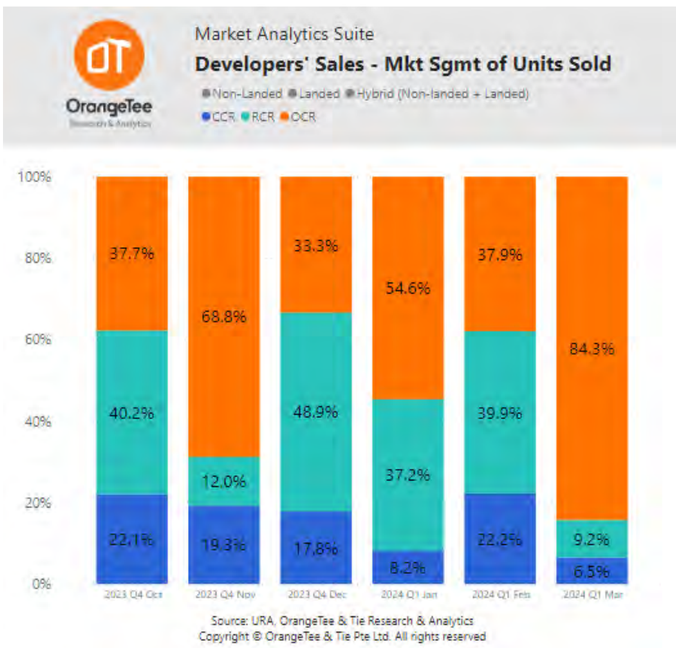
There were four new project launches in March - Lentor Mansion, Lentoria, the 35-unit Ardor Residence, and the 17-unit Koon Seng House. 877 units were launched last month, the highest number of launched units since November 2023 at 970 units.

Last month's best-selling projects were Lentor Mansion, Lentoria, The Botany at Dairy Farm, Lentor Hills Residences, Hillhaven, and The Myst.

The suburbs or Outside of Central Region (OCR) formed the bulk of sales last month at 84.3 per cent (605 units), followed by the city fringe or Rest of Central Region (RCR) at 9.2 per cent (66 units) and the prime location or Core Central Region (CCR) at 6.5 per cent (47 units).

This marks the fourth straight month when CCR had the most minor proportion of sales due to a lack of new luxury launches.

According to URA Realis data, ten new non-landed homes were sold for at least S$5 million last month, marking the fourth consecutive month with ten or fewer transactions at this price point. This is in contrast to November 2023, when 60 homes were sold at this price tag, primarily due to the launch of Watten House.



106 Investment Projects with an Investment Capital of 2.2 billion US Dollars Approved by the Council for the Development of Cambodia (CDC)

In the first quarter of 2024, 106 investment projects with a total investment of 2.2 billion US dollars were approved by the Council for the Development of Cambodia (CDC) under the leadership of Samdech Moha Borvor Thipadei Dr. Hun Manet, Prime Minister of the Kingdom of Cambodia, according to CDC's press release issued on Friday, April 5, 2024.

CDC approved 106 new and production expansion projects in the first quarter of 2024, with a total investment of 2.2 billion US dollars, creating more than 107 jobs. The investment projects are located outside the special economic zone, and there are 73 projects, three of which are production expansion projects. Separately, the investment projects in the Special Economic Zone (SEZ) have 33 projects, three of which are production expansion projects.

The investment project approvals in the first quarter of 2024 increased by 67 projects, while investment capital significantly increased by nearly $2 billion, equivalent to about 649% compared to the same period in 2023. The sharp increase is due to the presence of new projects in infrastructure, industry, tourism, and industrial expansion in the Special Economic Zone (SEZ).

Inside the Special Economic Zone (SEZ)

1. The investment project is to establish and operate a five-star hotel with 2,870 rooms and a business centre located in Village 4, Sangkat 4, Sihanoukville, Preah Sihanouk Province, with an investment capital of approximately 574 million US dollars and can create 3,860 jobs.

2. The investment project to build Stung Metoek hydropower with a capacity of 150 MW through build-operate-transfer (BOT) located in Mondul Seima district, Koh Kong province, with an investment capital of approximately 440 million US dollars and can create 220 jobs.

3. The investment project to build the Kompong Chhnang multi-purpose and logistics centre located in Keng Ta Sok village, Kampong Hao commune, Kampong Leng district, Kampong Chhnang Province, with an investment capital of approximately 108 million US dollars and can create 115 jobs.

4. The investment project to establish and operate the data centre in Phum 1, Sangkat Srah Chak, Khan Daun Penh, Phnom Penh, with an investment capital of approximately 107 million US dollars.

5. The investment project to establish and operate the data centre in Sangkat Tuol Sangkae 2, Khan Russeikeo, Phnom Penh, has an investment capital of approximately 30 million US dollars and can create 43 jobs.

6. The investment project to establish a factory to produce lamps, decorative lamps for Christmas trees, Christmas tree structures, and all kinds of equipment for Christmas trees located in Prey Sakum Village, Prey Thum Commune, Kompong Rou District, Svay Rieng Province, with an investment capital of approximately 22 million US dollars and can create 1,036 jobs.

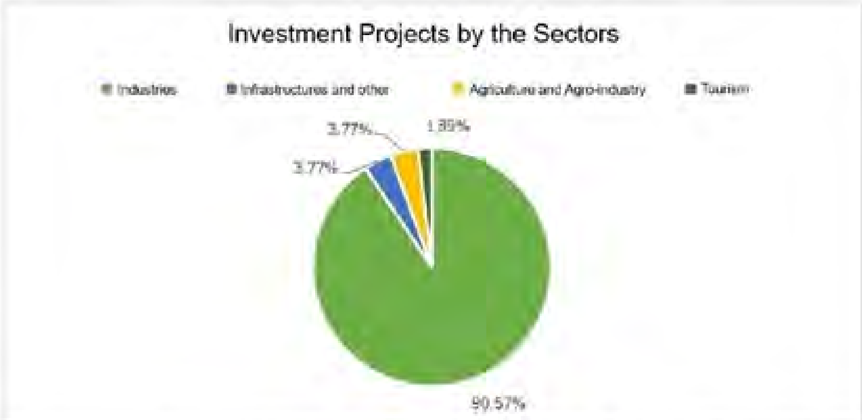
7. The investment project to establish a factory to produce lamps, decorative lamps, and structures of all kinds of lamps located in Prey Sakum Village, Prey Thum Commune, Kompong Rou District, Svay Rieng Province, with an investment capital of approximately 15 million US dollars and can create 636 jobs.

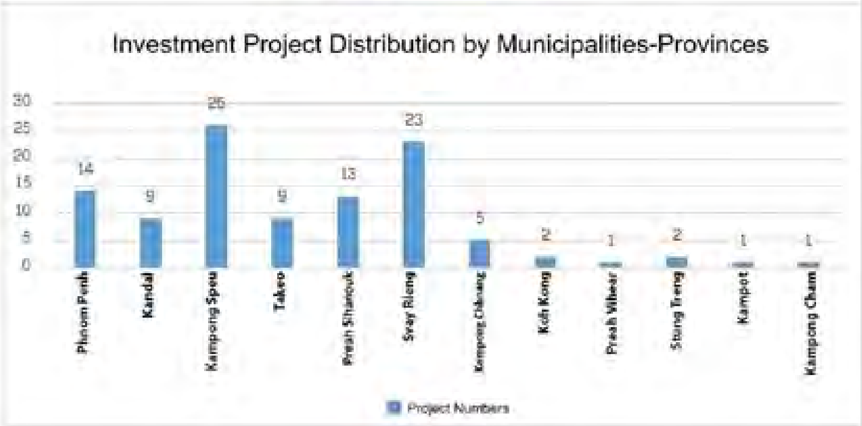
8. The investment project is to establish a modern amusement park located in Kaoh Sdach Commune, Kiri Sakor District, Koh Kong Province, with an investment capital of approximately 14 million US dollars, which can create 5,150 jobs.

Outside the Special Economic Zone (SEZ)

1. Project to expand the production of car tyre production investment project located in Qilu Jian Pu Zhai Special Economic Zone located in Svay Rieng Province, with an investment capital of approximately 212 million US dollars and can create 255 jobs.

Separately, in the first quarter of 2024, domestic investment ranked No. 1, while investment from China ranked No. 2, contributing more than 93% of total investment.





New Coalition

The past months showed the elections in Portugal from March 10. Since April 2, Portugal has had a new prime minister, Luís Montenegro, from the Social Democratic Party (PSD) with the right-wing Democratic Alliance (AD). They won from the center-left Socialist Party, which was the past 3 elections the biggest.

A plan to increase affordable housing in Portugal is in doubt after the recent election. The "More Housing" program was introduced in 2023 but became a hot topic during the campaign.

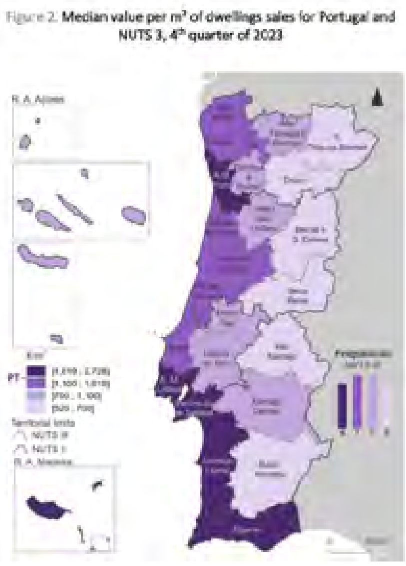
Now that the right-wing has won the election, there is a chance that the program will change or even be scrapped entirely. The future of the "More Housing" program is in insecurity.

Real estate developers say it would be better if the new leaders worked with the opposition party (PS) to find a solution. The developers are also interested in changes to programs that attract foreign investment through visas and residency.

Market in Numbers

According to the Instituto Nacional de Estatística (Statistics Portugal), house prices in Portugal continued to rise in 2023, with the median value reaching €1,619 per square meter. The Algarve, Lisbon, Madeira, and Porto areas had median prices above the national average.

Interestingly, house prices slowed down in the last quarter of 2023 compared to the previous quarter. There were also signs that the year-on-year growth rate was slowing down. Despite this, prices are still up over 7% compared to 2022.



There are no numbers for the market's value in Q1 of 2024, but another exciting statistic exists. The interest rates on housing loans are down for the second month in a row, from 4.641% in February to 4.613% in March, according to Instituto Nacional de Estatística.

However, the average monthly loan repayment remained the same as the previous month at €403, an increase of 72 euros compared to March 2023.

The proportion of the repayment that goes towards interest has risen significantly year-over-year, from 45% in March 2023 to 61% in March 2024.

Malaysia Residential And Commercial Property – Overall Market Overview For 2023

In our earlier study of the Malaysian property market for H1 2023, we found that although commercial real estate showed indications of recovery for both volume and value of transactions, residential real estate indicated a little decline. The markets for both properties have grown moderately since then.

The National Property Information Centre (NAPIC) has released the latest update on the property market for 2023. The research emphasises the most recent update, indicating a progressive property market growth. There were 250,586 transactions totalling RM100.93 billion, representing a 3.0% rise in volume and a 7.1% increase in value compared to 2022 for residential property. In contrast, 40,463 commercial properties valued at RM38.31 billion were registered in 2023; this represents a 23.3% increase in volume and a 17.5% rise in value over 2022.

After a thorough review of the transaction volume in every state, the overall residential transaction volume was increased by the W.P. Kuala Lumpur, Johor, Pulau Pinang, Negeri Sembilan, Kedah and Terengganu. Conversely, most states assisted the overall commercial transaction volume except W. P. Labuan, Perak, and Perlis.

RESIDENTIAL PROPERTY VOLUME TRANSACTION (BY STATE)		
STATE	2022	2023
W. P. Kuala Lumpur	13,182	13,752
W. P. Putrajaya	339	330
W. P. Labuan	273	248
Selangor	56,514	55,035
Johor	28,087	40,561
Pulau Pinang	17,892	18,663
Perak	30,086	27,819
Negeri Sembilan	16,786	17,109
Melaka	10,918	10,519
Kedah	13,412	13,626
Pahang	12,962	11,420
Terengganu	16,237	16,560
Kelantan	6,691	5,886
Perlis	1,355	1,280
Sabah	5,792	5,689
Sarawak	12,664	12,089
MALAYSIA	243,190	250,586

COMMERCIAL PROPERTY VOLUME TRANSACTION (BY STATE)		
STATE	2022	2023
W. P. Kuala Lumpur	4,777	6,253
W. P. Putrajaya	31	49
W. P. Labuan	31	29
Selangor	8,654	10,110
Johor	4,787	8,041
Pulau Pinang	1,973	2,522
Perak	2,733	2,652
Negeri Sembilan	1,269	1,586
Melaka	1,238	1,363
Kedah	1,312	1,516
Pahang	1,160	1,240
Terengganu	475	476
Kelantan	369	476
Perlis	195	159
Sabah	1,264	1,350
Sarawak	2,541	2,641
MALAYSIA	32,809	40,463

The data for 2023 reveals **consistent growth in volume and value across the residential and commercial transactions**. This indicates a healthy expansion in volume quantity and their corresponding monetary worth value, demonstrating a strong performance and market activity, highlighting the industries under analysis's resilience and potential for future growth.

Malaysia Second Most Popular With Chinese Buyers In Southeast Asia

Malaysia is now Chinese buyers' second most popular Southeast Asian country, an improvement from third place in 2022. All of Malaysia's top daily newspapers covered this data in early April.

"Malaysia has been one of the top three countries in Southeast Asia for residential buyers from China for the past five years," said Juwai IQI Co-Founder and Group CEO Kashif Ansari. This year, Malaysia is the second-ranked destination for buyers from China, up one spot from third in 2022. Vietnam fell from second-ranked to third, swapping places with Malaysia.

"Thailand is the only Southeast Asian destination consistently ranking more highly than Malaysia. Thailand has been the number one destination for Chinese buyers since before 2018.

Ranking of Chinese Buyer Destinations, Selected Southeast Asian Destinations

	2023	2022	2021	2020	2019	2018
1	Thailand	Thailand	Thailand	Thailand	Thailand	Thailand
2	Malaysia	Vietnam	Vietnam	Malaysia	Malaysia	Malaysia
3	Vietnam	Malaysia	Malaysia	Vietnam	Vietnam	Vietnam
4	Indonesia	Singapore	Singapore	Singapore	Singapore	Singapore
5	Singapore	Indonesia	Indonesia	Indonesia	Indonesia	Indonesia

Chinese Retirees Are Lucrative for Malaysia

"The retiree segment of the foreign buyer market is often overlooked, but this is a very lucrative group for Malaysia. Retirees from China have joined those from the UK and other parts of Europe in choosing Malaysia because of its lifestyle and affordability.

"If you come to Malaysia under a Platinum MM2H visa, you must deposit at least RM5 million (US$1.05 million). So, these retirees pour significant money into the local economy.

"Chinese retirees typically do not live here for 365 days a year. They often go back to China to visit family and friends. Our best data suggests that Chinese retirees who have homes in Malaysia spend around 150 days per year here. There is no complex data on this, so that estimate is based on our conversations with our clients.

"Data from the BBC suggests that more than a third of Chinese retirees want to live in a travel or vacation destination, such as Malaysia. They are not completely turning their backs on China. They have been embracing the lifestyle of Malaysia for about half the year.

Malaysia to Remain an Investor's Favourite

"The construction of new infrastructure, such as the RTS to Singapore, attracts significant investment. Foreign buyers who want to enjoy the best of Singapore and Malaysia can easily live in Johor and travel to Singapore whenever they like.

"Buyers believe these projects will raise property values, which becomes a self-fulfilling prophecy.

"We believe Malaysia will retain its position in the competitive Southeast Asian region over the next two years."

IQI Moments

The Grand Opening of IQI Lahore & IQI Karachi

We welcome two new branches into the IQI family, IQI Lahore and IQI Karachi!

Looking forward to the many investment opportunities in Pakistan sets the tone for an exciting journey ahead. Here is the new beginning of IQI Lahore and IQI Karachi's chapter!

Riang Ria Raya Open House

In 2023, Juwai IQI achieved remarkable success, recording US$3 billion (equivalent to RM14.397 billion) in sales and expanding its agent network to 40,000 worldwide, marking a one-third increase.

During the same period, the company completed 42,814 transactions and paid out US$95 million in commissions to agents. Additionally, Juwai IQI recently relocated to its new global command centre.