

Industrial Property  
(All Types)

12-Mo.  
Forecast

**45.9%**

Transactions from Terraced Factory / Warehouse



**33.71%**

Sales Growth (Value y.o.y)



**15.44%**

Sales Growth (Volume y.o.y)



Source: Cushman & Wakefield / IVPS Research

## MALAYSIA ECONOMIC INDICATORS Q1 2022

	YoY Chg	12-Mo. Forecast
<b>5%</b> GDP Growth		
<b>2.2%</b> CPI Growth		
<b>4.1%</b> Unemployment Rate		

Source: Department of Statistics Malaysia

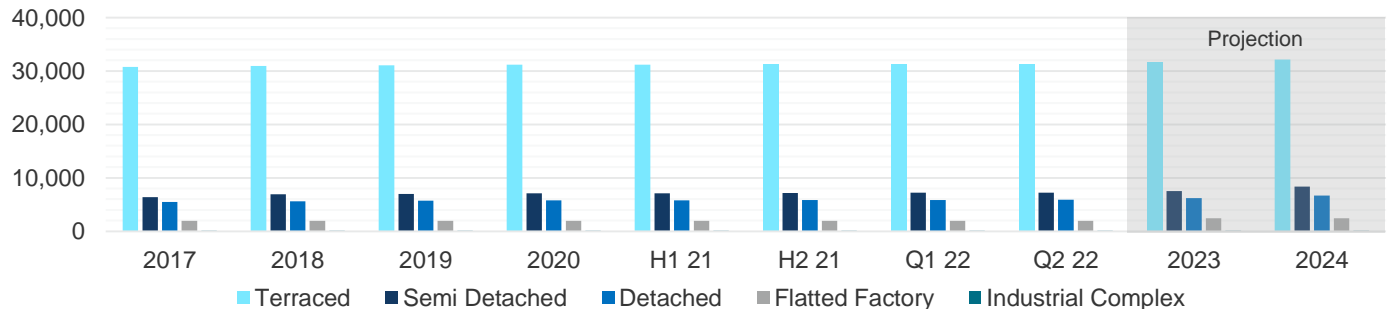
## The Rise of Industrial Property Market

Despite the challenging conditions during the Covid-19 wave which disrupted most of the supply chains and productions, there are other areas of the industrial sector that have benefitted from an increase in demand, both locally as well as overseas. Mainly, manufacturers that involved in production of electrical & electronics (E&E) equipment, healthcare products, chemical, rubber & plastic products, food and beverage has seen remarkable increase in export business. In addition to that, logistics companies that generates demand for warehousing, distribution hubs, logistics facilities and transportation are on the rise. These industrial sub sectors are strategically located near to the high populated areas that served by good connectivity of highways that enables fast point to point delivery to consumers. This pandemic has created a huge demand via online shopping.

## Momentum of E-Commerce

The Covid-19 pandemic has accelerated a huge expansion of e-commerce towards firms, customers and types of products and has left companies no choice but to adapt to the online sales strategies. Amid of booming of the online sales, the demand of warehouses have also increased. It is forecasted that the high requirement of warehouse facilities to positively impact the rental growth in 2022. Along with that, as more companies seek to expand and get closer to the customers, therefore, the chances of increase in land value is also on the high end in the nearest term. There will be more continuation in terms of new opportunities to be seen in the real estate market change. As such, developers to capture the demand in the market with more innovative strategies to drive up the property sales ahead of months in year 2022. In addition to that, as concerns Covid-19 has already priced-in, investors however, realized that the new normal is here to stay- at least for the foreseeable future.

## INDUSTRIAL SUPPLY PIPELINE (GREATER KL)



## Industrial Q2 2022

## MARKET STATISTICS

SUBMARKET OF GREATER KL	INDUSTRIAL AREA	INVENTORY (UNIT)	PLANNED & UNDER CONSTRUCTION (UNIT)	FACE RENT PSF (RANGE FOR ALL TYPES)		
				MYR/SF/MO	US/SF/MO	EUR/SF/MO
Central Region	W.P. Kuala Lumpur, Gombak, Petaling	24,293	736	MYR 2.20 - MYR 4.20	\$0.50 - \$0.96	€0.47 - €0.90
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	4,626	775	MYR 0.80 - MYR 2.00	\$0.18 - \$0.46	€0.17 - €0.43
Southern Region	Kuala Langat, Sepang	1,535	462	MYR 1.30 - MYR 2.50	\$0.30 - \$0.57	€0.28 - €0.53
Western Region	Klang	8,653	1,331	MYR 1.20 - MYR 2.40	\$0.27 - \$0.55	€0.26 - €0.51
Eastern Region	Hulu Langat	7,391	24	MYR 0.80 - MYR 1.80	\$0.18 - \$0.41	€0.17 - €0.38
<b>TOTAL</b>		<b>46,498</b>	<b>3,328</b>	<b>MYR 0.80 - MYR 4.20</b>	<b>\$0.18 - \$0.96</b>	<b>€0.17 - €0.90</b>

a) Cumulative supply for all sub-markets are based on total supply of industrial space (all types).

Source: National Property Information Centre & IVPS / Cushman & Wakefield Research

## KEY SALES TRANSACTIONS AS AT Q2 2022

- Kawan Food is buying five parcels of land measuring 7.08 acres in Shah Alam, Selangor from RGP Warehouse Solutions and PKNS for a total of RM50.46 million, as part of its expansion plans which expected to be completed by the last quarter of 2022.
- Sunsuria has entered into a SPA with Superjet Revenue Sdn Bhd for the acquisition of 60.81 acres 99-year leasehold land in Ijok, Selangor for RM74.17 million, as part of its plan for property investment.
- CapitaLand is buying industrial properties in Penang from Dynaciate for RM80 million to venture into the logistics sector which comprising of 5.11 hectares of freehold land with a single storey warehouse annexed to a double storey office building, two single storey detached warehouses, and other ancillary buildings.
- J&T Express has acquired 30 acres of land in Bandar Rimbayu, Selangor for RM600 million with intention to build an integrated logistics centre for express distribution, logistics, transportation and warehousing.

## INVESTMENT TREND / INDUSTRIAL DEVELOPMENT ACTIVITIES

- Pekat Group Berhad has secured a contract worth RM38.3 million to develop a large-scale solar (LSS) photovoltaic (PV) farm from Sun Estates Sdn Bhd expected to be commissioned in December 2023, located in Batang Padang, Perak.
- OCR Group Bhd and Magna Prima Bhd are joining hands to develop an integrated e-commerce logistics hub in 20 acres leasehold plot in Section 15, Shah Alam which target to launch in phases from 2023.
- TTM Technologies has expanded their global footprint in Penang by developing a 27 acres manufacturing plant at Penang Science Park which expected to complete by 2025 for Phase 1.
- TF-AMD Microelectronics announced plans to expand its manufacturing facility in Batu Kawan Industrial Park, Penang with the new facility spanning 1.5 million sqft and occupy 5.67 hectares expected to complete in 2023.

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