

Industrial Property
(All Types)**47.92%**

Transactions from Terraced Factory / Warehouse

12-Mo.
Forecast**-1.90%**

Sales Growth (Value y.o.y)

-7.29%

Sales Growth (Volume y.o.y)

Source: Cushman & Wakefield / IVPS Research

MALAYSIA ECONOMIC INDICATORS
Q2 2023**2.9%**

GDP Growth

YoY
Chg12-Mo.
Forecast**1.9%**CPI Growth
September 2023**3.4%**

Unemployment Rate

Source: Department of Statistics Malaysia – August 2023

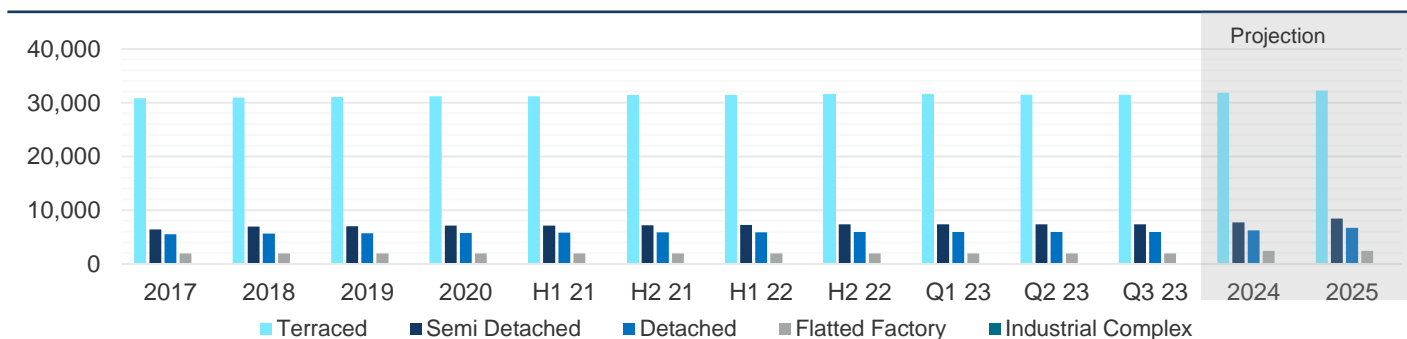
Malaysia's Industrial Production Dipped by Manufacturing

Malaysia's IPI dipped by 0.3% in August 2023 as Manufacturing export-oriented industries declined while the domestic-oriented industries continued to expand. In comparison with the preceding month, the IPI increased by 2.8%, contrasting the negative growth of 1.8% recorded in July 2023. The decrease was attributed by contraction in the Manufacturing with -0.6% (July 2023: 0.2%), Mining with 0.1% (July 2023: 4.2%), and Electricity with 1.9% (July 2023: 1.5%). The deterioration in Manufacturing was primarily influenced by the continuous decline in export-oriented industries and mirrored the country's export performance which had been trending down since March 2023. On the bright side, domestic-oriented industries continued to expand, spearheaded by the manufacture of fabricated metal products, except machinery and equipment as well as the manufacture of food processing products.

Sustainability within Industrial Park

Most of developers are now extending the conventional facilities management boundaries in managing and maintaining the entire industrial park that in efforts of ensuring quality standards of the managed industrial park as well as the welfare and safety of the manufacturers within the area. Industrial parks with value-added services e.g., ESG adoption, renewable energy, extended security services, health, safety, security and environment (HSSE) are in high demand for light to medium industrial players which is not limited to local players anymore. We observed that sustainability has been included into key parameters by prospective occupiers for their business investments amid ESG requirements.

INDUSTRIAL SUPPLY PIPELINE (GREATER KL)





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	24,362	789	MYR 2.50 - MYR 4.20	\$0.53 - \$0.89	€0.50 - €0.84
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	4,692	765	MYR 0.80 - MYR 2.20	\$0.17 - \$0.46	€0.16 - €0.44
Southern Region	Kuala Langat, Sepang	1,569	420	MYR 1.30 - MYR 2.50	\$0.27 - \$0.53	€0.26 - €0.50
Western Region	Klang	8,797	1,525	MYR 1.50 - MYR 2.90	\$0.32 - \$0.61	€0.30 - €0.58
Eastern Region	Hulu Langat	7,391	42	MYR 0.80 - MYR 1.60	\$0.17 - \$0.34	€0.16 - €0.32
TOTAL		46,811	3,541	MYR 0.80 - MYR 4.20	\$0.17 - \$0.89	€0.16 - €0.84

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 Q3 2023

- JV partners of IJM and FMM Elmina signed the SPA with Sime Darby for the acquisition of the 22 acres land in City of Elmina.
- Sunway Property entered into SPA with Kauthar Equities to acquire 245 acres freehold land in Kuang, Rawang for RM115 million.
- EcoWorld entered into conditional SPA with IOI to buy 403.78 acres land in Mukim Senai, Johor for RM211.07 million cash to develop Eco Business Park VI catering medium and light industrial businesses.
- Senheng is set to purchase a freehold industrial land in Klang together with a single-storey warehouse facility and three-storey office space for RM75.8 million from SDM Asset.

INVESTMENT TREND / INDUSTRIAL DEVELOPMENT ACTIVITIES

- IJM Corp inked a JV agreement with FMM Elmina to develop two logistics hubs in City of Elmina spanning over 500,000 sqft, which will be fully leased to their master tenant Storio, an automated warehouse operator.
- Menteri Besar Selangor announced MOUs with leading aviation industry players in support of Selangor Aero Park (SAP).
- Kajima-SunCon JV target to commence construction of Daiso's distribution centre warehouse in Pulau Indah by May 2024 and be completed in the following 2 years, with an area of 130,000 sqft.
- Finland's Peikko Group, a global supplier of concrete connections and composite structures has officially opened its newest factory measuring 32,000 sqft approximately in Johor Bahru marking an exciting chapter for the APAC region.
- EPMB is establishing an automotive manufacturing facility by phases at HICOM Pegoh Industrial Park, Melaka projected to create around 1,000 new job opportunities.

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