

Industrial Property
(All Types)

12-Mo.
Forecast

44.35%

Transactions from Terraced Factory / Warehouse



34.04%

Sales Growth (Value y.o.y)



20.73%

Sales Growth (Volume y.o.y)



Source: Cushman & Wakefield / IVPS Research

MALAYSIA ECONOMIC INDICATORS Q1 2024

	YoY Chg	12-Mo. Forecast
4.2% GDP Growth	▼	▼
1.8% CPI Growth February 2024	▼	▼
3.3% Unemployment Rate	▼	▼

Source: BNM, Department of Statistics Malaysia

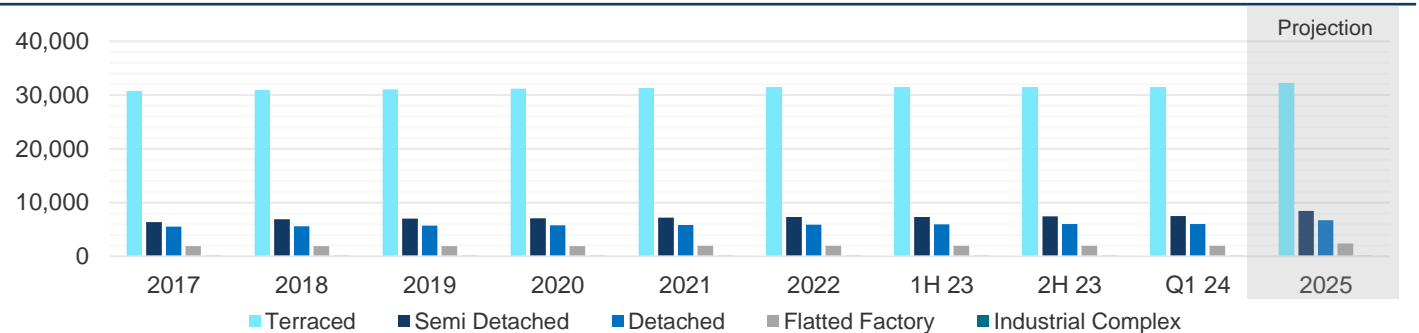
Malaysia Industrial Production Index (IPI) Rises Across All Sectors

The Industrial Production Index (IPI) rose by 2.4% year-on-year (y-o-y) in March 2024, driven by expansion across all sectors. The increase was led by the manufacturing sector, which grew by 1.3%, up from 1.2% in February 2024. The mining and electricity sectors recorded growth rates of 4.9% and 7.8%, respectively. Export-oriented industries recorded a recovery to 0.5% in March 2024, following a decline of 0.2% in February 2024. This improvement was mainly driven by increased production in the computer, electronics and optical products sectors, as well as in the manufacture of coke and refined petroleum products. Domestic-oriented industries experienced a modest growth of 3.1% in March 2024, down from 4.1% in February 2024. This growth was primarily driven by the production of fabricated metal products excludes machinery and equipment, other non-metallic mineral products and food processing products. On a quarter-on-quarter basis, the Industrial Production Index (IPI) decreased by 1.0%, largely influenced by a 1.8% decline in the manufacturing sector.

The New Ceiling Pump Price of Diesel in Peninsular Malaysia

Malaysia has raised the ceiling pump price of diesel in Peninsular Malaysia to RM3.35 per litre, up from the previous RM2.15 per litre, effective from midnight on June 10, 2024. The government anticipates saving approximately RM4 billion annually by implementing a targeted diesel subsidy. This measure aims to prevent smuggling activities that have been prevalent. The subsidized diesel volume surged from 6.1 billion litres in 2019 to 10.8 billion litres in 2023, despite only a minor increase in the number of diesel-powered vehicles. This indicates that the subsidy was not reaching the intended recipients and was being misappropriated. Implementing a targeted diesel subsidy is a crucial reform in Malaysia aimed at promoting sustainable fiscal management and tackling system leakages. The unsubsidised diesel prices in the peninsular region might cause changes in consumer behavior and lead to increases in the prices of goods and services.

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	24,402	746	MYR 2.00 - MYR 4.00	\$0.42 - \$0.85	€0.40 - €0.79
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	4,941	633	MYR 0.90 - MYR 2.40	\$0.19 - \$0.51	€0.18 - €0.47
Southern Region	Kuala Langat, Sepang	1,605	512	MYR 1.50 - MYR 3.50	\$0.32 - \$0.74	€0.30 - €1.04
Western Region	Klang	8,875	1,672	MYR 1.60 - MYR 2.80	\$0.34 - \$0.59	€0.32 - €0.55
Eastern Region	Hulu Langat	7,376	63	MYR 0.90 - MYR 1.50	\$0.19 - \$0.32	€0.18 - €0.30
TOTAL		47,199	3,626	MYR 0.90 - MYR 4.00	\$0.19 - \$0.85	€0.18 - €1.04

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

US\$/MYR\$ = 4.70; €/MYR\$ = 5.04 as at 12 June 2024

KEY SALES TRANSACTIONS AS AT Q2 2024

- YNH Property disclosed the cancellation of a prior sale and purchase agreement regarding its 2.6 hectare land in Segambut. Instead, they have awarded development rights for the land to Chin Hin Property with the deal of RM52 million.
- Paragon Globe is selling their freehold land of 47.86 acres in Plentong, Johor Bahru for RM238.32 million to help finance its current projects.
- Ecoworld Malaysia disposed of their 123.141 acres of industrial land to Microsoft for RM402.3 million in Eco Business Park VI in Kulai, Iskandar Malaysia.

INVESTMENT TREND / INDUSTRIAL DEVELOPMENT ACTIVITIES

- MITI is prioritizing efforts to boost investment, trade, and industry in Malaysia, aiming for a resurgence in the nation's economy.
- Swedish multinational engineering company, Sandvik has launched its 8,000 square metre new factory for load and haul equipment in Malaysia with an investment of RM150 million as startup in the Sendayan TechValley industrial park .
- Éolane, a France company invested RM45 million to open a 2,000 square metre factory located at Kulim Hi-Tech Park in Kedah and in the first phase of the project.
- Microsoft has acquired 123 acres of land from EcoWorld in Kulai, Iskandar, for the development of a data center for RM402.3 million.

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