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## Knight Frank: Revival of mega projects continues to lift market sentiment

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### REAL ESTATE HIGHLIGHTS

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**KUALA LUMPUR:** The revival of mega infrastructure projects last year, namely the East Coast Rail Link (ECRL) and Bandar Malaysia, continues to improve market sentiment and restore investors' confidence, said Knight Frank Malaysia in a report entitled "Real Estate Highlights 2nd Half of 2019".

The report also noted that in the southern region, the long-awaited Johor Baru-Singapore Rapid Transit System has been given the green light.

"These projects point to more clarity in government policies and are a boon to the economy and the construction sector.

"Growth in the manufacturing sector is expected to regain momentum this year after slowing to 3.6 per cent in the third quarter of last year against 4.3 per cent in the second quarter," said Knight Frank Malaysia executive director of capital markets Allan Sim in a statement yesterday.

The report reviews the property market's performance across the Klang Valley, Penang, Johor Baru and Kota Kinabalu.

Underpinned by increasing

global e-commerce trade and consumer spending, logistics services are poised for growth and this will translate to higher demand for logistics and warehousing space, said the report.

"We foresee Selangor and Johor garnering more interest from manufacturers and investors."

For Penang, foreign direct investments augur well for the sector's short- and medium-term growth.

"The outlook this year is very positive. In tandem with the robust performance of the manufacturing sector and e-commerce platform, demand for logistics and warehousing facilities is set to grow," said Knight Frank Penang resident director Tay Tam.

For Johor Baru, the manufacturing sector contributed 24 per cent to the total cumulative investment up to June last year, according to Iskandar Regional Development Authority.

"We have seen significant industrial transactions in Port of Tanjung Pelepas and Nusajaya Tech Park," said Knight Frank Johor branch head Debbie Choy.