

RUBIX INSIGHTS

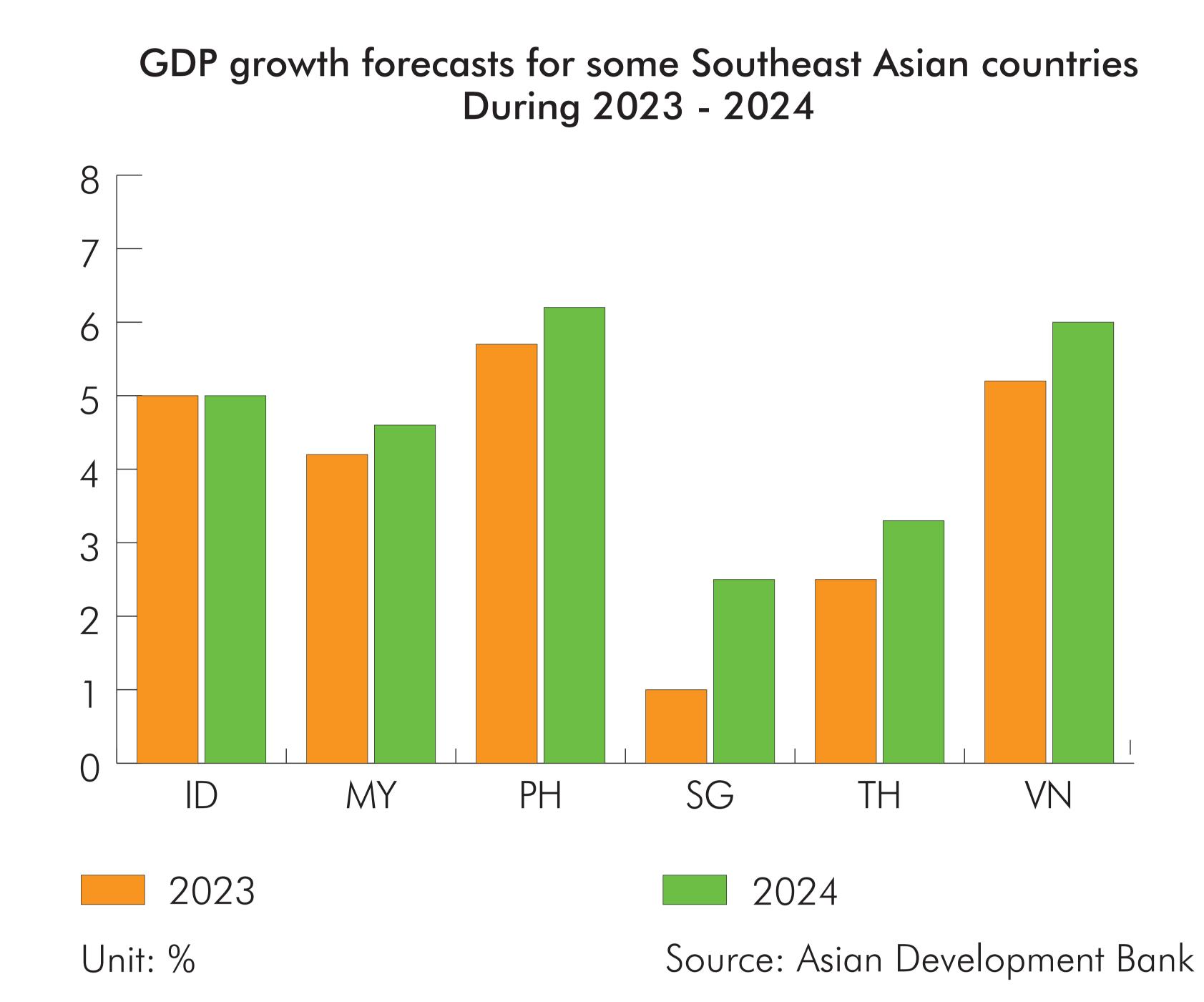
Real Estate

Surging interest rates and regulatory scrutiny have caused distress for developers and creditors across Asia Pacific economies throughout 2023. However, in 2024, the regional housing market is expected to return to mid-single-digit growth as sentiments and investor confidence recover, driven by positive growth projections. Therein, the prime residential segment is poised for a stable and potentially fruitful year, with a forecast of 2% to 7% in prices. Besides, annual investment volume in the multifamily residential sector is expected to more than double in size by 2030, with investments to potentially cross US \$20 billion by the end of the decade.

Hospitality

Overall hotel performance across Asia Pacific markets continued a recovery in 2023, as most countries had removed their health and travel protocols in the first half of the year. However, investors were still very cautious with regional hotel investments which was estimated down to US \$10.1 billion in 2023, largely attributable to the combined headwinds of high interest rates, lingering inflation, and global macroeconomic uncertainty. The sentiment may remain cautious for the regional hotel market during 2024, with demand levels expected to be similar to 2023 levels and ADRs anticipated to grow slowly. The market outlook will be dependent on the rebound of flights to pre-pandemic levels, construction progress, and credit easing.

Index



Economy

ADB and IMF cut growth forecasts for Southeast Asia to 4.3% and 4.2% in 2023, and 4.7% and 4.6% in 2024, respectively. Informed by IMF, the downgrade reflected not only weaker growth outturns, but external demand was also weakening and more lackluster domestic demand because of waning revenge consumption and monetary policy tightening. Meanwhile, Asia Nikkei reported that Southeast Asia's economic growth would improve in 2024, but wobbly macroeconomic conditions could cause uneven gains among countries. Especially, regional trade-reliant countries have not been "out of the woods" yet since a slowdown in exports in 2023, stemming from the weaker Chinese and global economies.

Policy

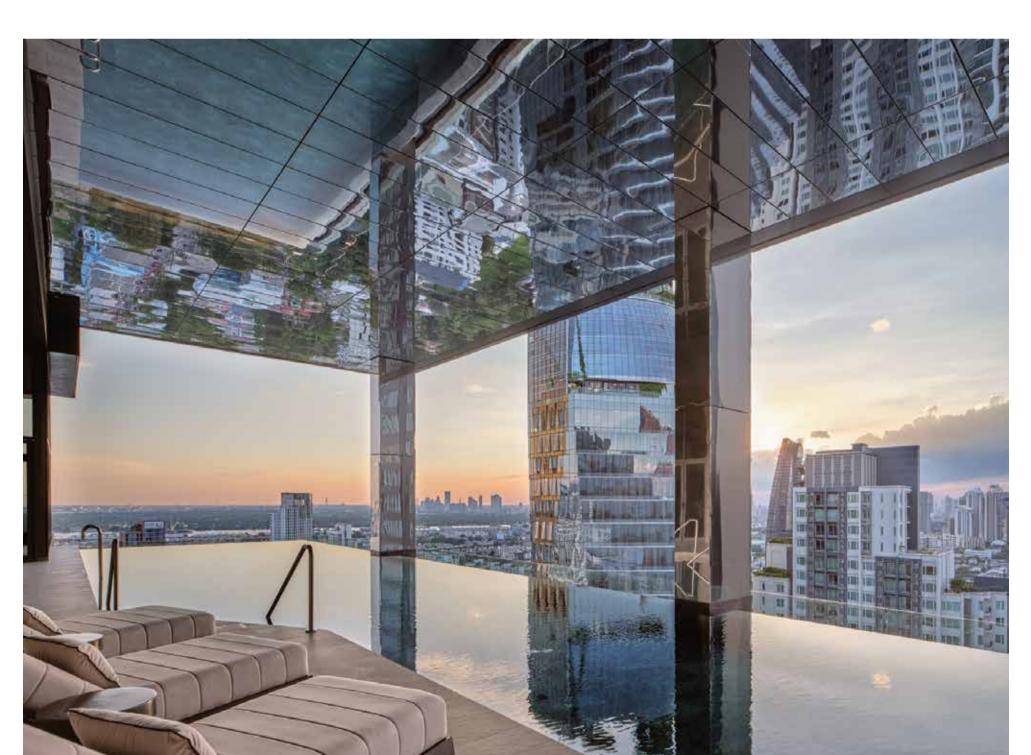
The Thai cabinet approved extending the reduction of home ownership transfer and mortgage fees to the end of 2024, which is expected to increase its GDP by 0.5%. This measure will be applied to single houses, semi-detached houses, townhouses and commercial buildings and apartments for housing units or mortgage agreements worth 3 million Baht or less. In Cambodia, the government has implemented additional measures to further support the real estate industry, including delaying tax payments, extending remittance periods, postponing capital gains tax execution, waiving stamp duty for house transfers valued at or below US \$70,000, urging financial institutions to restructure loans for land and housing purchases, and delaying financial statement submission requirements.

RUBIX BRIEF



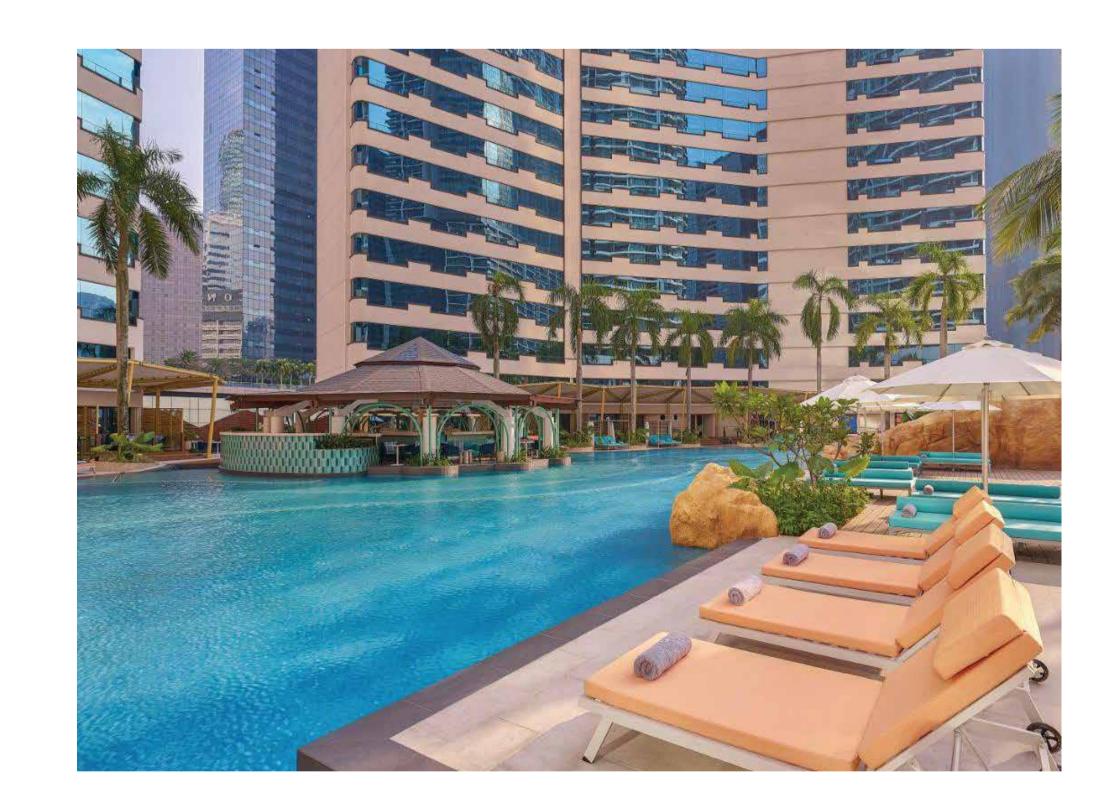
Marriott continues strengthening presence in Vietnam

Marriott announced 3 openings in Vietnam, including the 829-key Nha Trang Marriott Resort & Spa, Hon Tre Island, the 122-key Danang Marriott Resort & Spa, Non Nuoc Beach Villas, and the 218-key Renaissance Hoi An Resort & Spa. This operator also signed agreements for the 185-key JW Marriott Trang An Resort & Spa, the 305-key The Luxury Collection Resort, Hon Thom Island, and the 40-villa Ritz-Carlton Reserve, Hon Thom Island. In response, Hilton put the 240-key Hilton Saigon into operation, while Wyndham welcomed guests at Wyndham Grand Phu Quoc and Wyndham Garden Grandworld Phu Quoc, providing 2,320 keys in total. In this context, Accor is projected to open the 196-key Mövenpick Living West Hanoi as well as the 189-key Mercure Cat Tien and the 250-key ibis Styles Cat Tien as part of the integrated Imperial Oasis Quy Nhon.



IHG and Accor race to expand in Thailand

IHG introduced the 241-key InterContinental Bangkok Sukhumvit and signed agreements for the 166-key Dinso Resort & Villas Koh Chang, Vignette Collection, the 68-villa InterContinental Chiang Rai Golden Triangle Resort, and the 68-suite Kimpton Chiang Rai Golden Triangle. In response, Accor unveiled the 207-key Novotel Living Bangkok Sukhumvit Legacy and the 157-key Andaman Beach Hotel Phuket - Handwritten Collection, and inked contracts for the 294-key Grand Mercure Bangkok Sukhumvit 68, the 140-key ibis Styles Phuket Bangtao, and the 325-key Swissôtel Pratunam Bangkok. Meanwhile, Minor put the 148-key Anantara Koh Yao Yai Resort & Villas into operation and Centara inaugurated the 224-key Centara Ayutthaya, not far from The Historic City of Ayutthaya, a UNESCO World Heritage Site.



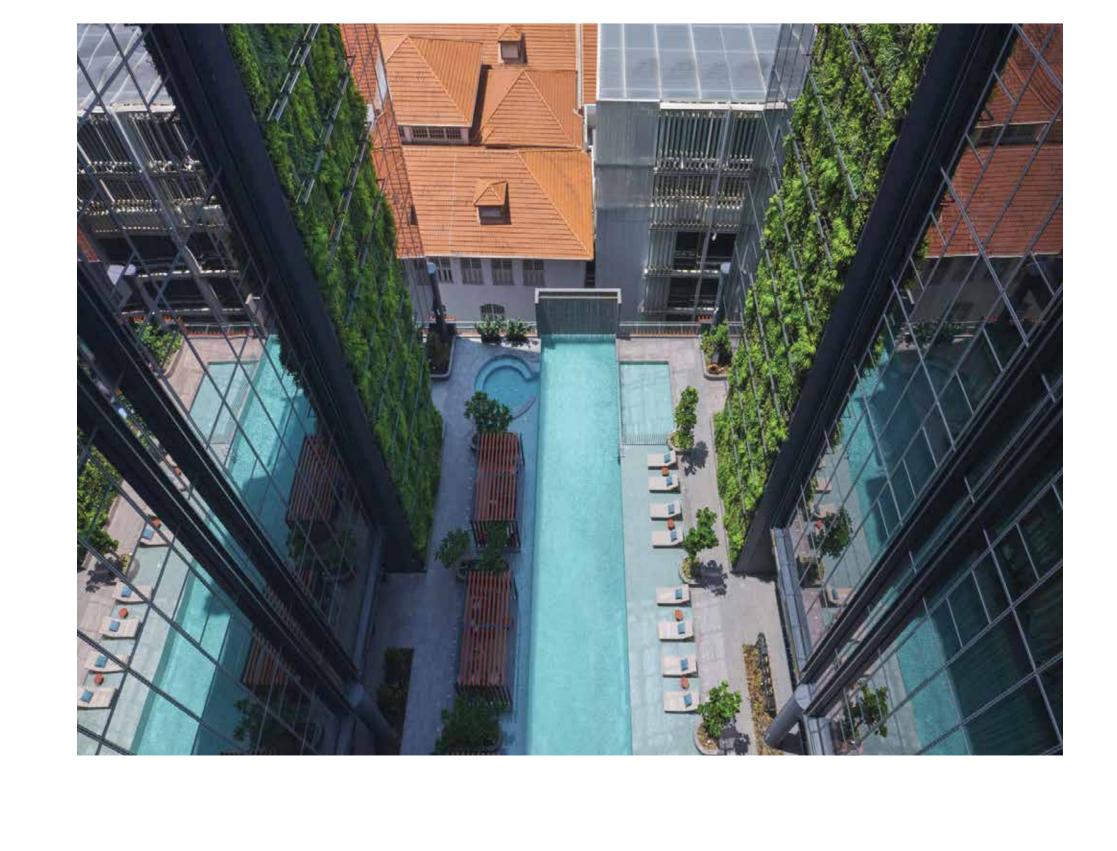
Malaysia's hotel market seeing strong moves

Malaysia's capital welcomed two big hotels including the 513-key Four Points by Sheraton Kuala Lumpur, City Centre and the 513-key Wyndham Grand Bangsar Kuala Lumpur. At the same time, IHG opened the 180-key Hotel Indigo Kuala Lumpur on the Park and planned to inaugurate the 450-key InterContinental Sabah Kota Kinabalu Resort in 2027. Meanwhile, Accor celebrated the openings of the 172-key Mercure Miri City Centre and the 161-key ibis PJCC Petaling Jaya. This operator also planned to launch the 300-key Novotel Genting Highlands in 2031 as part of the King's Park Genting Highlands which also encompasses over 2 km of street shops, an entertainment hub, an event hall, two hotels, and upscale residences. Another operator, Dusit, signed to manage its first hotel in Malaysia, the 280-key ASAI Gamuda Cove, as part of the Gamuda Cove township.



Accor expanding portfolio in Indonesia

Accor opened the 344-key Grand Mercure Lampung residing in the tallest building in Sumatra, the 150-key Mercure Pangkalan Bun, together with the 224-key ibis Yogyakarta International Airport Kulon Progo and the 194-key Novotel Yogyakarta International Airport Kulon Progo. At the same time, Pan Pacific opened the 180-unit PARKROYAL Serviced Suites Jakarta nestled within the Thamrin Nine complex which also features the Waldorf Astoria hotel, the Pan Pacific hotel, offices, a lifestyle mall, and entertainment facilities. In this context, IHG signed to manage the 74-key Rumah Luwih Bali, Vignette Collection and the 199-key Crowne Plaza Labuan Bajo. Their competitor, Hilton, inaugurated the 72-villa Umana Bali, LXR Hotels & Resorts as the brand's first resort in South East Asia.



Singapore and the Philippines welcome more hotel room supply

In Singapore, Accor welcomed guests at the 350-key Pullman Singapore Hill Street, the 194-key Hotel Faber Park Singapore — Handwritten Collection, and the 543-key Novotel Singapore on Kitchener. This operator also planned to open the world's largest Mercure hotel, the 989-key Mercure ICON Singapore City Centre, in Q1 2024. Besides, Marriott inaugurated the 204-key Singapore EDITION while Hilton opened the 445-key Conrad Singapore Orchard. In the Philippines, Accor unveiled the opening of the 152-key Novotel Suites Manila at Acqua and Radisson planned to welcome guests at the 144-key Radisson RED Cebu Mandaue in 2024. In addition, Banyan Tree announced the signing of the 50-villa Banyan Tree New Clark City as part of the integrated Hann Reserve which will encompass three 18-hole golf courses and resorts.



Rubix Navigation, a bilingual publication in English and Vietnamese by Rubix International, provides analysis and insights specialized in real estate and hospitality industries. This monthly newsletter is published exclusively to Rubix International's partners and clients. Please contact us for further in-depth market researches by Rubix Navigation or editorial and advertising enquiries on The Finest Magazine.

RUBIX INTERNATIONAL JSC

W www.rubix-international.com | W www.rubix-navigation.com | W www.thefinestmagazine.com Suite 1901, 19F, Saigon Trade Center, 37 Ton Duc Thang Street, District 1, HCMC, Vietnam 5F, Leadvisors Place Building, 41A Ly Thai To Street, Hoan Kiem District, Ha Noi, Vietnam

E info@rubix-international.com
T (+84) 28 2220 2216 | F (+84) 28 2220 2217
T (+84) 24 3938 8756 | F (+84) 24 3938 8737