



For Immediate Release

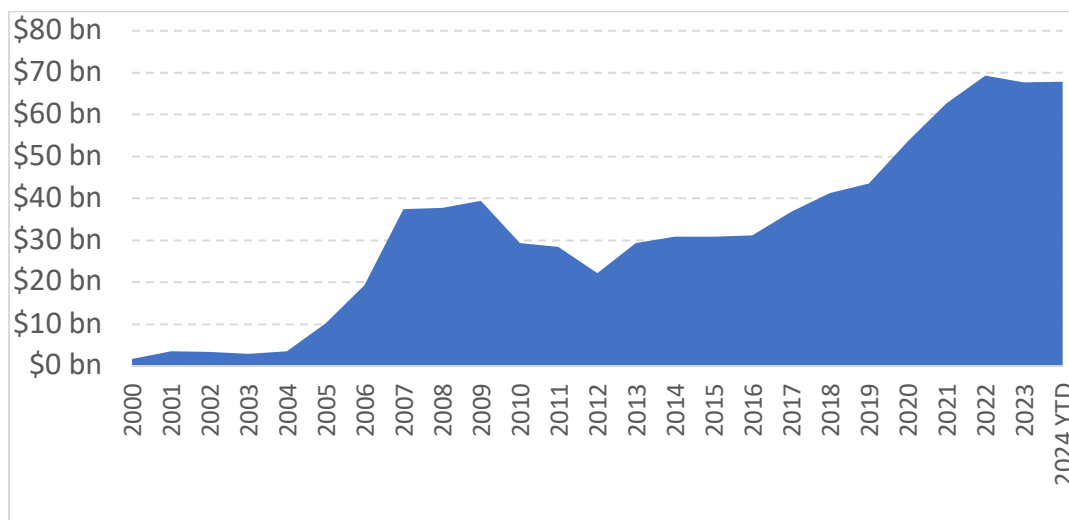
USD70 billion Waiting to be Invested into Asia Pacific as Markets Are Poised for Recovery in 2025

This significant volume of dry powder is expected to target debt, opportunistic and value-add assets.

Singapore, July 31, 2024 – Some USD70 billion of dry powder is waiting to be deployed as investors look for the optimum time to actively resume their investment pursuits, according to Cushman & Wakefield’s *APAC Capital Markets Outlook – Midyear 2024 Update*. The report analysed the current economic cycle, the state of the investment markets in APAC for the first half of 2024, future projections and key investment strategies in the Asia Pacific region.

Gordon Marsden, Head of Capital Markets, Asia Pacific at Cushman & Wakefield said, “Investors have been in the ‘wait and see’ phase over the last 18-24 months and there is growing anticipation that investment volumes will recover in 2025. While there have been pockets of investment activities in the last year or so, investors have yet to fully flex their muscles across the region and globally. However, aligning capital with available and suitable assets remains a primary challenge, even though there are significant capital reserves poised for deployment. Given this situation, we expect investors to target opportunistic and value-add investments, including debt. Assets and sectors that can provide elevated returns, especially through resilient income streams are likely to be most favoured.”

DRY POWDER MOUNTING



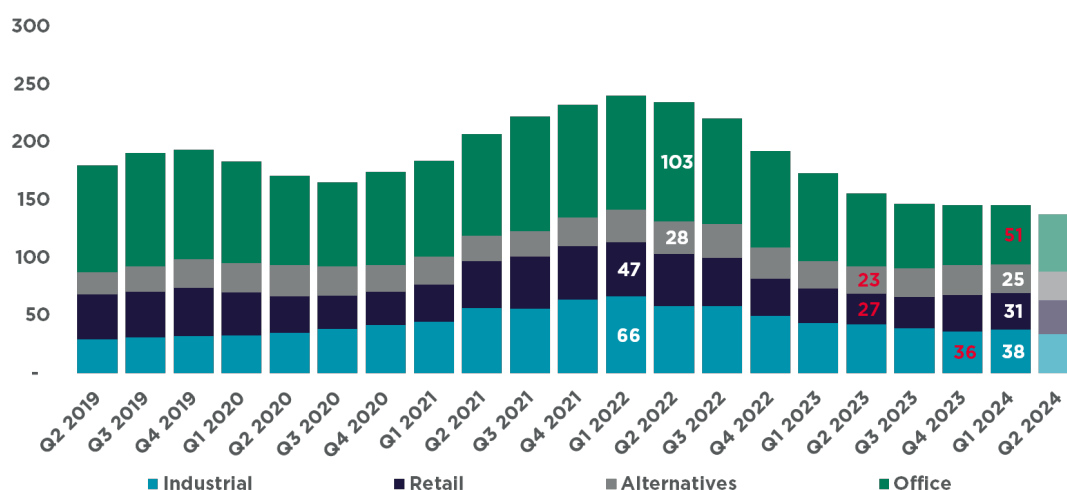
Source: Preqin (data through Q1 2024); Cushman & Wakefield

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Dr. Dominic Brown, Head of International Research at Cushman & Wakefield said, “The Asia-Pacific region continues to show resilience despite rapid interest rate rises in the last two years, which have slowed economic expansion. Although growth has decelerated, it remains positive across most of the region. While commercial real estate investment has decreased by 40% from its peak in Q1 2022 due to interest rate shocks and structural changes in certain sectors, recent trends indicate stabilisation, which lends some optimism to the market.”

VOLUMES HAVE NOW STABILISED

Rolling annual CRE investment volume by sector (USD bn)



Source: MSCI-RCA; Cushman & Wakefield

Q2 2024 preliminary data subject to upward revision; red denotes lowest annual volume

“Looking ahead, we anticipate interest rate cuts to be gradual and measured, with variations in pace and magnitude across APAC. The fundamental drivers of growth in the region remain strong, underpinning its status as the ‘decade of Asia Pacific.’ Regional growth is forecast to stabilise around 4% over H2 2024 and through 2025-26. This is reflective of normalising growth in emerging markets like India and recovery in advanced economies such as Australia and Japan,” added Dr. Brown.

Cushman & Wakefield also highlighted the following potential factors that could significantly impact the market:

- **Geopolitical Fragmentation** – Increasing geopolitical tensions could reshape investment strategies.
- **Debt Levels** – High levels of government and household debt require careful monitoring.
- **Secular Megatrends** – Growth in alternative and “through the cycles” asset classes will be driven by long-term trends.
- **AI and Technology** – The rise of AI and technology will continue to transform the real estate landscape.

Click [here](#) for Cushman & Wakefield’s APAC Capital Markets Outlook – Midyear 2024 Update.

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About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

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