



For Immediate Release

Southeast Asia Poised to Shine; Industrial and Manufacturing Sectors Key Drivers of Growth

Strong growth forecasts and cooling inflation position emerging markets favourably

SINGAPORE, 2 April, 2024 – Southeast Asia has the potential to be a standout region globally in 2024, with forecast growth rates for emerging markets poised to overtake some mature markets.

The region's economic growth is forecast to reach 4.6% in 2024, surpassing the 4.0% growth recorded in 2023. Southeast Asia's economic resilience is expected to be largely driven by robust private consumption, which is in turn fueled by low unemployment, steady consumer confidence and pent-up demand. Private consumption typically contributes over 50% of GDP in emerging SEA markets.

Cushman & Wakefield [NYSE: CWK], a global real estate services company, stated in its *2024 Southeast Asia Outlook* report that this growth trajectory is driven by the acceleration of major economies in the region.

Head of Research, Singapore & SEA, Wong Xian Yang said, "As the global economy navigates towards a soft landing, SEA is poised to lead Asia Pacific with a strong growth forecast, particularly in its emerging markets. With a focus on GDP growth and robust activities in industrial and manufacturing, the region's economic landscape presents promising opportunities for investors and businesses alike."

According to Moody's, the region's average GDP growth is forecasted at 4.6 percent in 2024, compared to 2.5 percent in the United States and less than 1 percent across the euro zone.

Inflation and Interest Rates Expected to Cool

While still elevated, inflation in SEA is projected to further decrease as supply chain disruptions continue to ease and energy prices stabilise. Anticipated US interest rate cuts are expected to alleviate devaluation pressures on SEA currencies, stabilising import prices and contributing to a cooling of inflation across most markets in the region.

Wong mentioned that the easing inflation and financing costs present favourable conditions for higher investments in SEA.



“Anticipated global export growth, regional air travel recovery and strong domestic demand are poised to enhance SEA’s economic expansion in 2024, attracting investors to a rapidly developing region.”

Key Sectors driving Southeast Asia’s Growth: Industrial and Manufacturing

Industrial Sector

Excluding Singapore, investment focus in the region heavily favors the industrial sector, which comprises 47% of investment volumes, driven by optimism in new economy assets and sectors.

“Industrial capital values across SEA are forecast to rise and the annual industrial production in emerging SEA is projected to escalate over the next decade, with Vietnam spearheading growth due to its geographical proximity to China,” Wong added.

Manufacturing Sector

Global manufacturing activity is also poised for a rebound, benefiting SEA, where exports significantly contribute to GDP, according to Wong.

He said, “Purchasing Managers’ Indices (PMI) indicate a positive momentum in export-oriented countries like Singapore, Vietnam, and Malaysia. These indicators signal a strengthening of manufacturing and exports, with anticipated investments in electronics and electric vehicle manufacturing set to further boost this momentum. This trend highlights the resilience and growth potential of these economies, positioning them for continued expansion in the coming year.”

“An expected pick-up in global exports, continued recovery in regional air travel and resilient domestic demand would bolster SEA growth in 2024.”

For the full report including individual SEA market snapshots, click here to download [Cushman & Wakefield’s Southeast Asia Outlook 2024](#).



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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