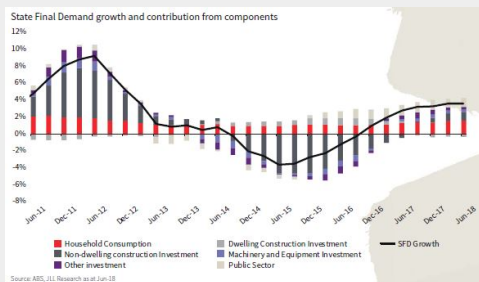


27 Dec 2018 - 9 Jan 2019

We thought we should share with you some reports that we have been mulling over in the past weeks, Grace. Hope you will find them useful.

Australia Property



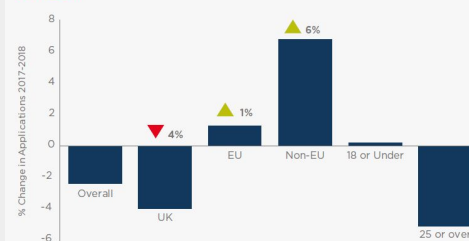
Queensland's improving economy to benefit property markets

Based on a report by [JLL](#), Queensland's economy is recovering from its mining-led recession, which is set to benefit its property markets. Noticeably, the recent growth has been mainly driven by the tourism and education sectors on the back of a weaker Australian dollar. With the continued rise in infrastructure spending, Queensland's tourism sector should further grow.

The favourable environment for enterprise incubator and venture capital is also expected to support further economic growth in Queensland in the foreseeable

UK Property

UCAS APPLICATIONS TRENDS 2017-2018



Student accommodation remains robust amid Brexit woes

According to a recent report by [Cushman](#), demand for UK student accommodation was strong in the 2018/2019 school year. It is noteworthy that while applications to UK universities have dropped by 2.3%, there was a record high of non-UK applicants.

A record of 31,348 new beds was delivered last year, pushing the total number of purpose-built student accommodation ("PBSA") bed spaces up 5% to 627,115. Despite the supply, the occupational market remained healthy, as the headline rental rate saw a 2.8% y-o-y

future. Reportedly, venture capital and later-stage private equity investment in Queensland has grown 62% over the last three years, faster than any other state. Meanwhile the resource sector is also likely to shift from being a drag to a modest growth driver as the investment into a broad range of resource products will increase steadily in the coming years.

Brisbane's overall CBD retail is expected to benefit from the economic recovery alongside an anticipated downtown population growth of 54% (2016 -2022). On the office front, the forthcoming completion of the Cross River Rail project and the Queen's Wharf development should help boost market sentiment and activity. In the medium term, rental and capital values of prime CBD office should remain robust given the limited supply pipeline and tightening office occupancy.

In our view, investors have and are likely to continue shifting their focus towards Brisbane. Ongoing economic rebound, together with favourable property fundamentals, bode well for rental and capital value growth in the short to medium term. The risk associated with weaker global and Chinese demand could however, clip the growth potential.

growth, up 0.1 percentage point from the previous year. Against that background, the development pipeline continues to be robust: excluding London, 108,000 beds should come on board in the next five years, over three-quarters of which have received planning approval.

While looming Brexit uncertainties may dampen the outlook of the PBSA market in the short term, the investment market should hold firm over the medium term, given the following two demand-side factors: the first is the counter-cyclical nature of PBSA. People tend to improve their skills or remain in higher education for longer when the labour market is weak; the second is the continual re-balancing of real estate portfolios. Notably, capital deployment into alternative real estate has gathered strong momentum in recent years.

In our view, although concerns over whether a satisfactory Brexit deal could be reached in the foreseeable future are on the rise, the two aforementioned secular trends should help support the prospect of PBSA. Besides, the weakening Sterling, conducive to sustaining the attractiveness of studying in the UK, should also play an important role in the development of the UK PBSA.



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