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**T**he outbreak of Covid-19 has had a negative impact on almost all industries. During this tough time, those firms with high gearing, low cash reserves or unstable cash flows are particularly vulnerable.

Based on past experience, the market will bounce back. There will be a period of negative sentiment. However, the underlying fundamentals of the country should see the property market stabilising in 12 to 18 months.

Phase 1 of Mid Valley City was under construction during the Asian financial crisis (AFC). We got through this with regular communication of our business strategies with all stakeholders to assure them that we would be able to ride out that period together. We started Mid Valley Megamall just before the AFC in 1996 and opened at the end of 1999, probably the most difficult time in recent history. Our currency had halved against the US dollar, consumer sentiment was at an all-time low. We were ridiculed for trying to open a megamall at such a time, but over time, we have shown that our calculated risk, perseverance and planning have paid off.

The most important lessons we learnt were cash-flow management; the need to develop a strong trust with your financiers; and, most importantly, standing united with our staff, tenants and business partners.

This pandemic could mean opportunity for property investors and first-home buyers. Developers are coming up with better deals to clear their stock. It is now a very good buying opportunity. For smaller developers, managing cash flow is important to keep the business running. They should plan carefully and actively engage with their financing partner to ensure their available lines of credit remain available.

The construction sector is one of the biggest contributors to Malaysia's GDP, accounting for RM146.4 billion in 2019. The private sector contributes a substantial percentage to this sector and, therefore, is one of the largest employers in the country. Steps must be made by the government to support private and public sector construction

activities and businesses such as launching the Home Ownership Campaign 2020. As at November 2019, HOC 2019 had sold properties with a total value of RM23.2 billion, surpassing the initial target of RM17 billion. This shows that people are willing to purchase property that they can afford.

Easing of bank financing to help people keep their homes and to buy property would help curtail the falling demand for properties. A slowdown in the property sector does not bode well for the health of the economy.