

# FRESH DATA

Q3 2018

CZECH CAPITAL MARKET OVERVIEW PREPARED BY CUSHMAN & WAKEFIELD



## # Investment activity exceeds expectations in 2018

### MARKET OUTLOOK

- GDP:** GDP growth one of the **fastest in the EU**, despite lower eurozone activity and global trade concerns.
- INFLATION:** After recent moderation inflation is **expected to rise to around 2.5%** again in Q4.
- INTEREST RATE:** Further **increase** of the interest rates is expected in 2018 and 2019.
- EMPLOYMENT:** Unemployment rate remained unchanged at its **record low of 3.1%** in September.

### TOP DEALS Q3 2018

#### Prague Marina Office Centre

(office, 31,000 sq m): Lighthouse Group → CDKK Marina s.r.o.

#### Miele Uničov

(industrial, 15,700 sq m): Ingersoll Rand → Conseq/Accolade

#### Cukrovarnický Palác (IPB)

(development, 14,000 sq m): Paleva → UBM

#### Galerie Písek

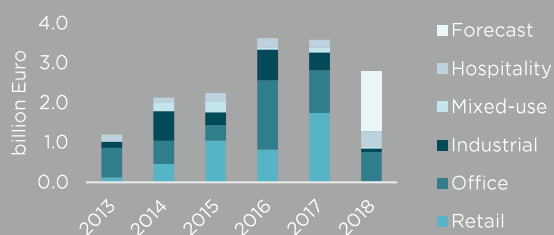
(retail, 7,100 sq m): DIBITI Investments → Raiffeisen RE

### ECONOMIC SUMMARY

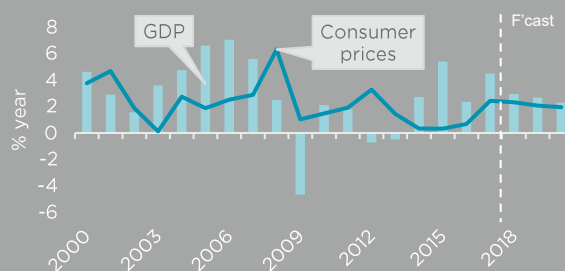
ECONOMIC INDICATORS*	2015	2016	2017	2018 <sup>F</sup>	2019 <sup>F</sup>
GDP Growth	5.4	2.4	4.5	2.9	2.7
Consumer Spending	3.8	4.1	6.7	6.3	5.0
Industrial Production	4.6	2.8	7.0	3.2	3.1
Investment	10.4	-3.3	3.7	8.0	3.3
Unemployment rate	6.5	5.5	4.2	3.2	3.1
Inflation	0.3	0.7	2.4	2.2	2.2
CZK/EUR (average)	27.3	27.0	26.3	25.6	25.2
CZK/USD (average)	24.6	24.4	23.4	21.5	21.0
Interest Rates: 3-month (%)	0.3	0.3	0.4	1.2	2.1
Interest Rates: 10-year (%)	0.7	0.5	1.0	2.1	2.7
Interest Rate Swap, 5-year, EUR	0.3	0.0	0.2	0.4	0.6
Interest Rate Swap, 5-year, CZK	0.5	0.6	0.5	1.6	2.5

Note: \* annual % growth unless otherwise indicated. E estimate F forecast  
Source: Oxford Economics Ltd., Patria Online

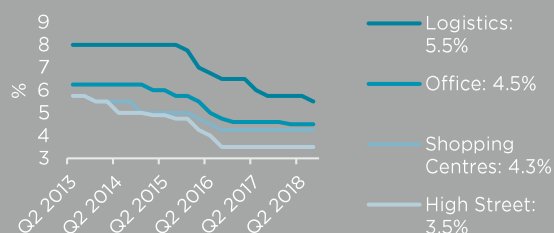
### INVESTMENT VOLUMES



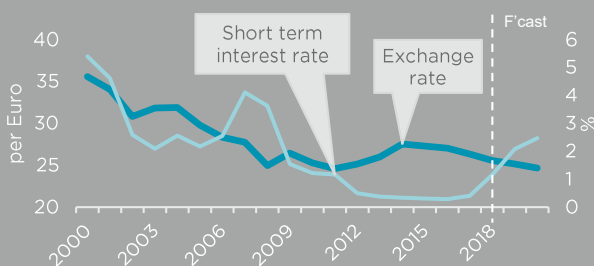
### GDP AND INFLATION



### PRIME YIELDS



### EXCHANGE AND INTEREST RATES



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