

MARKETBEATS

4.7%
RENT GROWTH
(YoY)

14.5%
VACANCY RATE
(Q2 2019)

2,331 ha
PLANNED & UNDER
CONSTRUCTION

WHAT'S
NEXT

HIGHLIGHTS

Optimistic economic outlook

Vietnam's economy still holds a positive outlook in the short and medium term due to benefits from free trade agreements, growing domestic manufacturing for exports, etc. but also bears certain risks from reduced external demand, global financial fluctuations and restructuring progress of state-owned enterprises and from the banking system. According to the latest forecast by World Bank, Vietnam will experience diminishing GDP growth at 6.6% in 2019 and around 6.5% in 2020 – 2021.

Sustained market improvement

The total industrial stock remained at over 1,800 ha, unchanged on quarter and on year. Market performance continued to improve with occupancy up 0.2 percentage points (ppts) on quarter and 3.3 percentage points on year, registering the year-to-date absorption of 4 ha. Most of the existing projects were either fully occupied, or had limited vacant land for lease.

Increasing average rent

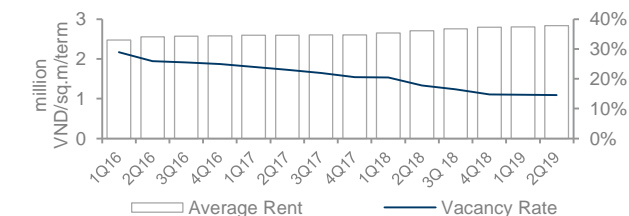
The average asking rent continued trending upwards, up 0.9% QoQ and 4.7% YoY due to rising rents of existing IPs for the limited availability of land. Average rent for industrial land in Hanoi remained the highest among the Northern provinces.

ECONOMIC INDICATORS

	5M 18	5M 19	12months Forecast
Inflation (CPI)	3.01%	2.74%	▼
Inward FDI (bil. US\$)	9.90	16.74	▲
Trade balance (bil. US\$)	3.39	-0.55	▲

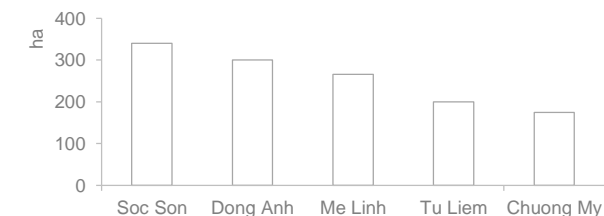
Source: General Statistics Office

AVERAGE RENT AND VACANCY RATE



Source: Cushman & Wakefield Vietnam – Research & Consultancy

SUPPLY PIPELINE UP TO 2020



Source: Cushman & Wakefield Vietnam – Research & Consultancy

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SUBMARKET	INVENTORY (HA)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (HA)	AVERAGE RENT		
				VND/SQM/MO	US\$/SQM/MO	EUR/SQM/MO
Thach That – Quoc Oai	705	34.0%	500	VND 2,235,000	\$95.9	€ 85.0
Me Linh	344	0.0%	266	VND 3,029,000	\$130.0	€ 115.2
Dong Anh	274	0.0%	300	VND 2,796,000	\$120.0	€ 106.3
Soc Son	182	7.5%	340	VND 3,411,000	\$146.4	€ 129.7
Chuong My	170	3.6%	175	VND 3,495,000	\$150.0	€ 132.9
Gia Lam	97	0.0%	0	VND 3,961,000	\$170.0	€ 150.6
Tu Liem	30	0.0%	200	VND 4,194,000	\$180.0	€ 159.5
HANOI TOTAL	1,802	14.5%	1,781	VND 2,834,000	\$121.6	€ 107.7

[^]All rent are inclusive of SC but exclusive of VAT
US\$/VND = 23,302; US\$/EUR = 0.886 as at 20 June 2019

SIGNIFICANT FUTURE PROJECTS

PROPERTY	SUBMARKET	MAJOR TENANT	HA	COMPLETION DATE
Soc Son Clean IP	Soc Son	N/A	340	2020
Dong Anh IP	Dong Anh	N/A	300	2020
Quang Minh II IP	Me Linh	N/A	266	2020
Phung Hiep IP	Chuong My	N/A	175	2020
Thanh My Xuan Son IP	Son Tay	N/A	100	2020

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