

MARKETBEATS



6.8% RENTAL GROWTH (YOY)
5.5% VACANCY RATE (Q2 2019)
616,700 sq.m 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.

Significant increase in new stock

Four new shopping centers opened in Q2 2019, raising the total retail stock by 5.1% quarter-on-quarter (QoQ) and 13.6% year-on-year (YoY). The market recorded a sustained market performance, with overall occupancy up 1.2 pts QoQ and 3.4 pts YoY, mainly due to robust absorption of new projects. Demand for retail spaces at prime locations remained high.

Average rent trending upwards

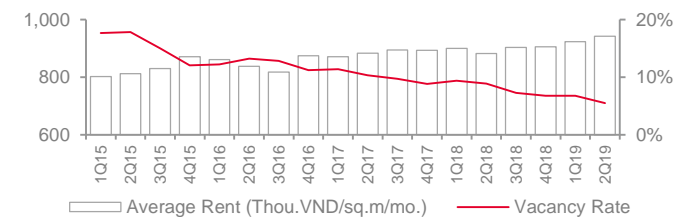
The average asking rent continued to increase, rising marginally by 2.0% QoQ and 6.8% YoY, mainly attributed to high rents quoted by the new projects. Retail spaces in the CBD are were priced at more than double the average rent of those in the Secondary areas, and three to four times of those in the West and Suburban submarkets.

ECONOMIC INDICATORS

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

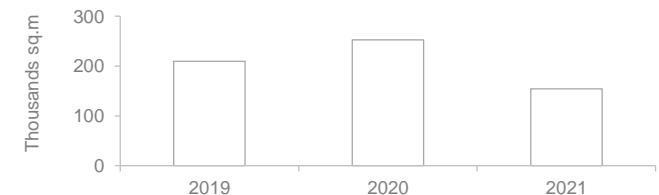
Source: General Statistics Office

AVERAGE RENT AND VACANCY RATE



Source: Cushman & Wakefield Vietnam – Research & Consultancy

SUPPLY PIPELINE



Source: Cushman & Wakefield Vietnam – Research & Consultancy



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SUBMARKET	INVENTORY (SQ.M)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (SQ.M)	AVERAGE ASKING RENT		
				VND/SQ.M/MO	US\$/SQ.M/MO	EUR/SQ.M/MO
HANOI TOTAL	1,208,600	5.5%	616,700	VND942,000	US\$40.4	€ 35.8
CBD	24,100	1.8%	17,800	VND2,447,000	US\$105.0	€93.0
NonCBD	1,184,500	5.6%	598,900	VND911,000	US\$39.1	€34.6

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

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	MAJOR TENANT	SQ.M	COMPLETION DATE
FLC Twin Tower	West	N/A	18,750	2019
Aeon Ha Dong	Suburban	N/A	130,000	2019
Ciputra Hanoi Mall	Secondary	N/A	110,000	2020

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