

MARKETBEATS



2.05

STOCK
(MILLION SQ M)

¥500-800

PRIME AREA RENT RANGE
(PSM/MO)

5%

VACANCY RATE

WHAT'S NEXT

HIGHLIGHTS

In 1H, Ningbo's prime retail market added the 60,000-sq m Sports City in the core area of the Jiangbei submarket. Subsequently, the city's total prime retail stock increased to approximately 2.05 million sq m at the half-year end. The city's occupancy rate increased 0.6 percentage points y-o-y to 95% during the same period. Average rent for first floor high quality retail space continued to bear some downward pressure, ranging between RMB500 to 800 per sq m per month in 1H.

The newly opened Sports City is the first project for China Sports in Ningbo. It is also the first 'Sports Plus' themed commercial project in China. Sports City has attracted many well known brands, such as Super Species, Bona International Film, Adidas, Nike and Sheercool.

Elsewhere, Yinzhou Wanda Plaza carried out some commercial format restructuring and brand upgrading, introducing the following: Zhejiang's first e-commerce offline store, Red Home; the province's first Three Squirrels' bricks and mortar store; and a themed exhibition space for endangered animals. In addition, Ningbo's first Sam's Club opened in The MixC in Jiangbei submarket.

In 2H, Ningbo is expected to add 10 new retail projects amounting to 1.2 million sq m, mostly in Yinzhou, Eastern New Town and Jiangbei. Among these submarkets, Yinzhou will account for 48.3% of the total volume. Notable projects include OTC Harbour, Powerlong Commercial Plaza and Mixc One.

Meanwhile, the city's prime retail market is looking to advance itself by taking advantage of more innovative ideas, more new business formats and more high-quality brands. This should inject fresh vitality into the business development of the various submarkets and gradually lead to a multi-retail-center urban offering in Ningbo.

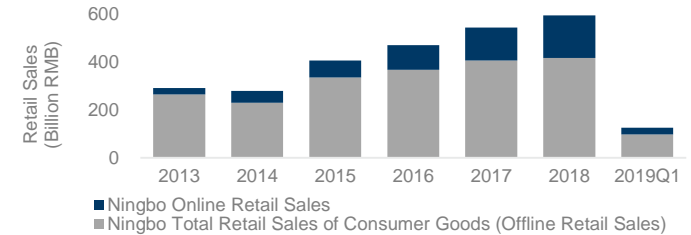
According to city government planning, Ningbo will create distinctive commercial areas in the Sanjiangkou Core CBDs in 2019. Specifically, Haishu district will be positioned with a 'Ningbo' theme; Yinzhou, will have a 'fashion' theme; and Jiangbei will adopt an 'international' theme. This plan should go a long way in setting the scene for retail market development in Ningbo for the short to medium term.

ECONOMIC INDICATORS

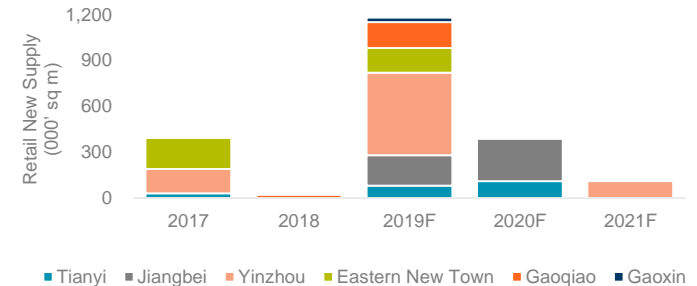
	Q4 2018	Q1 2019	12-Month Forecast
GDP Growth	7.0%	7.1%	▼
RSCG Growth	8.1%	7.6%	▼
CPI Growth	2.2%	2.6%	▼
Consumer Sentiment Index Growth	1.9%	-2.1%	▼

Source: Ningbo Statistics Bureau
The forecast is based on Oxford Economics

TOTAL SALES OF CONSUMER GOODS



RETAIL NEW SUPPLY (Q2 2019)



A Cushman & Wakefield
Research Publication

DATA
INTO
ACTION

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CORE SUBMARKETS RENTAL RANGES (Q2 2019)

SUBMARKET	OCCUPANCY RATE	RMB/SQ M/MO	US\$/SF/MO	EUR/SF/MO	12-Month Forecast (Rent)
Tianyi	98.8%	600 – 1,000	8.1 – 13.5	7.2 – 12.0	▲
Jiangbei	91.5%	380 – 780	5.1 – 10.5	4.6 – 9.4	■
Yinzhou	95.6%	500 – 1,000	6.7 – 13.5	6.0 – 12.0	▼
Eastern New Town	89.4%	350 – 750	4.7 – 10.1	4.2 – 9.0	■
Gaoqiao	92.0%	200 – 400	2.7 – 5.4	2.4 – 4.8	▲

Rent (RMB/sq m/mo) is based on ground floor in prime locations in major shopping centers, excluding management fee, promotional fee and other fees.
1 USD = 6.8940 RMB = 0.8931 EUR (2019.05.27)

MAJOR STORE OPENINGS (Q2 2019)

PROPERTY	SUBMARKET	TENANT	SECTOR
The MixC	Jiangbei	Sam's Club	Supermarket
Sports City	Jiangbei	Super Species	New Retail Store
Wanda Plaza	Yinzhou	Red Home	New Retail Store

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	SQ M	COMPLETION DATE
Hengyi City Plaza	Tianyi	80,000	2019
Xintiandi	Jiangbei	52,900	2019
Powerlong Plaza	Yinzhou	100,000	2019
OTC Harbour	Yinzhou	280,000	2019
Hankyu Department Store	Eastern New Town	160,000	2019
Incity	Gaoqiao	170,000	2020