

MARKETBEAT



5.8% RENTAL GROWTH (YOY)
6.4% VACANCY RATE (Q3 2019)
742,600 sq m PLANNED & UNDER CONSTRUCTION

WHAT'S NEXT

HIGHLIGHTS

Optimistic economic outlook

The outlook for Vietnam's economy remains positive, staying on track to hit the GDP growth targets set for 2019 at 6.6 - 6.8%, and supported by the stable macroeconomic environment, sustained inward FDI flows, and economic reforms and integration such as the ratification of CP-TPP and signing of the EVFTA. The development of the private sector, improving business environment and rising labor productivity levels are key factors to sustain growth into the longer term.

Sustained market performance

One retail development was completed in Q3 2019, resulting in an increase by 0.3% q-o-q and 13.2% y-o-y in total retail stock. The market remains healthy with overall occupancy maintained at above 90% in Q3 2019, up 1.0 percentage point (ppt) q-o-q but down 0.8 ppts y-o-y. Demand for retail space at prime locations remained high.

Average rent trending upwards

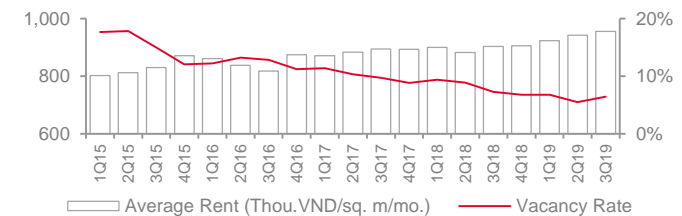
Average asking rent continued to increase, rising marginally by 1.4% q-o-q and 5.8% y-o-y, mainly due to high rents quoted by recent new projects and rising rents at some existing projects. Rents in the CBD were more than double the Secondary area and three to four times higher than that of the West and Suburban submarkets.

ECONOMIC INDICATORS

	8M 18	8M 19	12-month Forecast
Inflation (CPI)	3.52%	2.57%	▼
FDI (bil. US\$)	24.35	22.63	▲
Trade balance (bil. US\$)	2.80	3.40	▲

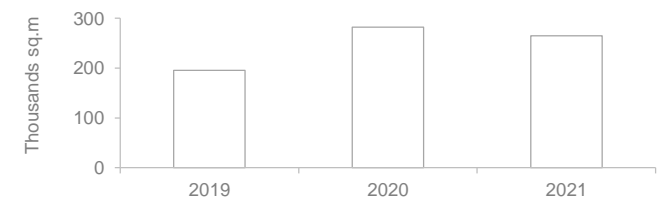
Source: General Statistics Office

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	1,212,400	6.4%	742,600	VND955,000	US\$41.2	€37.5
CBD	24,100	1.9%	17,800	VND2,455,000	US\$105.8	€96.5
NonCBD	1,188,300	6.5%	724,800	VND925,000	US\$39.9	€36.4

*^All rents are inclusive of SC but exclusive of VAT
US\$/VND = 23,198; US\$/EUR = 0.912 as at 26 September 2019*

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	MAJOR TENANT	SQ M	COMPLETION DATE
Aeon Ha Dong	Suburban	N/A	130,000	2019
Ciputra Hanoi Mall	Secondary	N/A	110,000	2020
Vincom Mega Mall Ocean Park	Suburban	N/A	56,000	2020
Vincom Mega Mall Smart City	West	N/A	68,000	2020

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