

MARKETBEAT

0.2%
RENTAL GROWTH
(YoY)

10.6%
VACANCY RATE
(Q3 2019)

1,452 units
PLANNED AND 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.

Slightly improved performance

The supply of Grade A and Grade B serviced apartments in Hanoi has remained stable since Q4 2018, with no new completions. The market recorded a gradual improvement, with occupancy up by 1.0 percentage point (ppt) q-o-q and 2.5 ppts y-o-y with improvements recorded for both grades.

Average rents remain stable

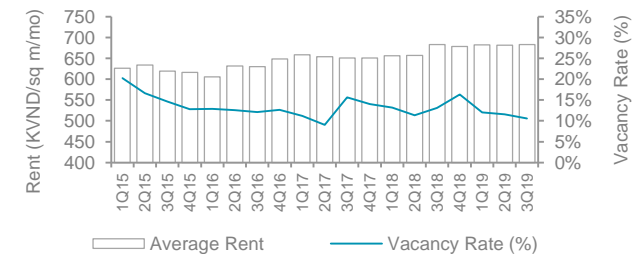
Overall average asking rents increased marginally by 0.7% q-o-q, mainly driven by rising rents of Grade A projects, but remained stable y-o-y. Serviced apartments in the West submarket remained the most expensive among all regions.

ECONOMIC INDICATORS

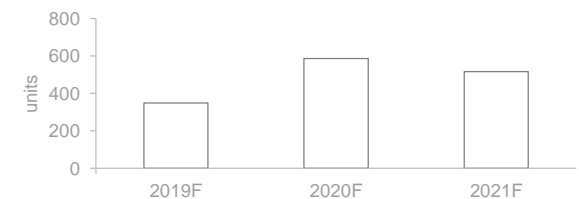
	8M 18	8M 19	12months Forecast
Inflation (CPI)	3.52%	2.57%	▼
FDI (bil. US\$)	24.35	22.63	▲
Trade balance (bil. US\$)	2.80	3.40	▲

Source: General Statistics Office

AVERAGE RENT & VACANCY RATE



SUPPLY PIPELINE



Source: Cushman & Wakefield Vietnam – Research & Consultancy

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SUBMARKET	INVENTORY (UNITS)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (UNITS)	AVERAGE RENT		
				VND/SQ M/MO	US\$/SQ M/MO	EUR/SQ M/MO
GRADE A	2,567	10.0%	930	VND789,000	US\$33.91	€30.92
GRADE B	1,277	11.8%	522	VND475,000	US\$20.48	€18.67
HANOI TOTAL	3,844	10.6%	1,452	VND683,000	US\$29.45	€26.85

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

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	MAJOR TENANT	TOTAL UNITS	COMPLETION DATE
PentStudio West Lake Hanoi	Secondary	N/A	151	2019
Hanoi Aqua Central	Secondary	N/A	138	2019
Fraser Residence Hanoi	West	N/A	162	2020
Hyatt Regency	Secondary	N/A	50	2020
Hilton Hanoi Westlake	Secondary	N/A	50	2020

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