

# MARKETBEAT

**5%** RENT GROWTH (YoY)

**20.51%** VACANCY RATE

**970** UNITS PLANNED/ UNDER CONSTRUCTION



## 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 a 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.

### Stable supply and market performance

No new supply was added in Q3 2019. Total stock remained unchanged q-o-q but increased by 6.3% y-o-y. Overall occupancy fell 1.0 percentage point (ppt) q-o-q due to softer performance from some Grade A properties, but occupancy increased 1.6 ppts y-o-y, achieving 79% by the end of Q3 2019.

### Rents continue trending upwards

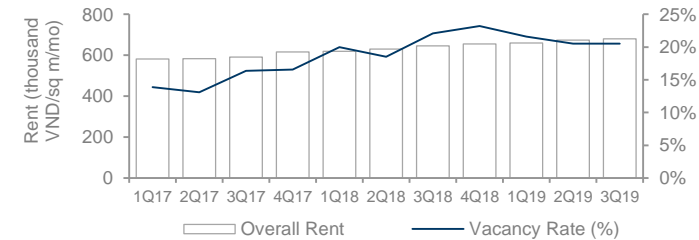
Average rental rates of both grades remained stable q-o-q but rose approximately 4.6% y-o-y to around VND680.000 /sq m/month by the end of Q3 2019. The rise can be mainly attributed to higher rents being offered by recent new entrants.

### ECONOMIC INDICATORS

	8M18	8M19	12months Forecast
Inflation (CPI)	3.52%	2.74%	▼
FDI (bil. US\$)	24.35	22.63	▲
Trade balance (bil. US\$)	2.80	3.40	▲

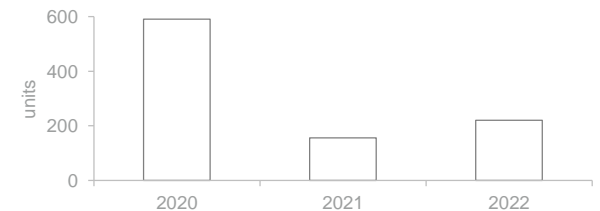
Source: General Statistics Office

### AVERAGE RENT & VACANCY RATE




Source: Cushman & Wakefield Vietnam – Research & Consultancy

### SUPPLY PIPELINE



Source: Cushman & Wakefield Vietnam – Research & Consultancy

# HO CHI MINH CITY SERVICED APARTMENT MARKETBEAT

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SUBMARKET	TOTAL BLDGS	TOTAL UNITS (UNTS)	VACANCY RATE	AVERAGE RENT		
				VND/SQ M/MO	US\$/SQ M/MO	EUR/SQ M/MO
GRADE A	8	870	13%	VND784,000	US\$33.8	€30.8
GRADE B	26	3,312	23%	VND653,000	US\$28.2	€25.7
<b>HO CHI MINH CITY TOTAL</b>	<b>34</b>	<b>4,182</b>	<b>20.51%</b>	<b>VND680,428</b>	<b>US\$29.3</b>	<b>€26.8</b>

*^All rents are inclusive of SC but exclusive of VAT  
 US\$/VND= 23,198; US\$/EUR = 0.912107 as at 26 September 2019*

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION Q3 2019

PROPERTY	EST. NUMBER OF UNITS	LOCATION	DEVELOPER	EXPECTED COMPLETION DATE
D1 Mension	200	District 1	Capital Land	2020
Q2 Thao Dien	156	District 2	Frasers Property	2020

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