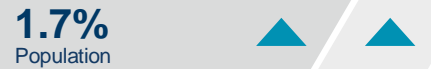


# CHENGDU

Retail Q4 2019

CUSHMAN & WAKEFIELD



Source: Statistics Bureau of Chengdu Municipality  
(Figures are growth rates as of 2018.)  
Oxford Economics, Cushman & Wakefield Research

## CHENGDU ECONOMIC INDICATORS JAN - SEP 2019



Source: Statistics Bureau of Shenzhen Municipality  
Oxford Economics, Cushman & Wakefield Research

## Vacancy Tightens Following Adjustments

Chengdu's prime retail market added 26,000 sq m of new supply in Q4, raising the overall stock to 6,551,084 sq m by the end of 2019. Several projects relaunched following adjustments, and the overall vacancy rate tightened slightly by 0.6 percentage points q-o-q to 5.9% at the end of Q4. The citywide average rent level remained at RMB643.06 per sq m per month.

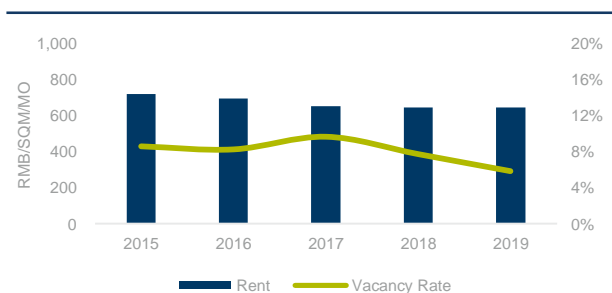
## F&B and Leisure Sectors Attract Customers, Luxury Brands Partner With Technology Firms

Vanke Urban Community Plaza launched in Q4 with a rebalanced tenant mix compared with traditional shopping malls, reducing the roster of fashion brands while introducing more food-and-beverage and leisure elements. Against the backdrop of the Chengdu government's promotion of the nighttime economy, and supported by local people's after-dark consumption habits, this tenant mix is expected to attract greater footfall. In addition, growing numbers of luxury brands, such as Burberry and Gucci, are partnering with Big Data companies to offer greater shopping customization services ahead. The innovative approach is indicative of an overall retailing strategy to enhance customer experiences.

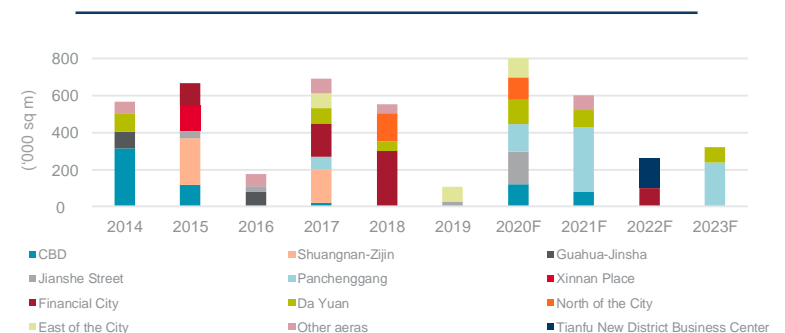
## Government Strategies Support Retail Market

In 2019 the first-store economy and nighttime economy strategies prompted and supported new entrants to open in the city, and diversified the retail market. The strategies also become a key force behind stimulating greater consumption. Elsewhere, the Chengdu government is utilizing ecological resources to add value to the economy, with the new "Park +" retail model, featuring natural environments, advancing in the city.

## RENT / VACANCY RATE



## RETAIL SUPPLY PIPELINE BY SUBMARKET



## MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2023 (SQM)	OVERALL AVG RENT (RMB/SQMMO)*
CBD	1,304,956	133,573.85	10.2%	200,000	1,375.00
Shuangnan-Zijin	663,000	48,660.00	7.3%	-	585.00
Guanghua-Jinsha	306,171	4,630.00	1.5%	-	444.44
Jianshe Road	527,700	47,780.00	9.1%	177,000	375.00
Panchenggang	312,000	6,240.00	2.0%	740,000	750.00
Xinnan Tiandi	281,773	6,217.73	2.2%	-	772.22
Financial City	1,110,400	50,256.00	4.5%	100,000	526.19
Da Yuan	283,000	23,240.00	8.2%	300,000	375.00
North of the city	838,300	29,059.00	3.5%	120,000	451.39
East of the city	235,000	2,350.00	1.0%	180,000	397.22
Other areas	688,784	31,663.52	4.6%	80,000	473.81
<b>CHENGDU TOTALS</b>	<b>6,551,084</b>	<b>383,670.10</b>	<b>5.9%</b>	<b>2,057,000</b>	<b>643.06</b>

\* Rental rates are calculated by NLA and considered as consistently achievable for prime space in prime shopping centers, excluding management fee, promotional fee and other fees.

## SIGNIFICANT STORE OPENINGS Q4 2019

PROPERTY	SUBMARKET	TENANT	SECTOR
U FUN	Financial City	Blancore	Retail
Global Center	Financial City	Y's	Retail
Sino-Ocean Taikoo Li	CBD	Golden Goose Deluxe Brand	Retail

## SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
Star Plaza	CBD	2020	120,000
Taihe Project	Panchenggang	2020	70,000
MIXC (II)	Panchenggang	2021	180,000
Chengdu Magic Cube	Financial City	2022	100,000
WE City	Panchenggang	2023	100,000

## Ivy Jia

Associate Director, Research, Chengdu

+ 86 028 6510 5168 / ivy.jia@cushwake.com

## Zhang Xiao-duan

Senior Director, Head of Research

South & West China

+86 755 2151 8116 / xiaoduan.zhang@cushwake.com  
cushmanwakefield.com

## A CUSHMAN &amp; WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.

©2020 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable. The information may contain errors or omissions and is presented without any warranty or representations as to its accuracy.