

# BANGKOK CONDOMINIUM

Condominium H1 2020

**-6.8%**  
Price Growth



**16.6%**  
Sold Rate\*



**-75.2%**  
New Supply



\* In the last 6 months.  
Source: Nexus

## THAI ECONOMIC INDICATORS Q1 2020

**-1.8%**  
GDP Growth



**0.4%**  
Consumer Price Index (CPI) Growth



**1.0%**  
Unemployment



Source: NESDC (National Economic and Social Development Board)

## ECONOMIC OVERVIEW:

According to the National Economic and Social Development Council (NESDC), the Thai Economy, in the first quarter of 2020, contracted by 1.8% compared with 1.5% expansion in the previous quarter. After seasonal adjustments, the economy declined by 2.2 % from the fourth quarter of last year (%QoQ sa).

In 2020, the Thai economy is expected to show a contraction in the range of (-6.0) - (-5.0)%, due to the severe downturn of the global economy and merchandise trade, the sharp decline in number and revenues from foreign tourists, the limitations due to the COVID-19 outbreak in Thailand, and the drought. Meanwhile, the headline inflation is expected to be in the range of (-1.5) - (-0.5)%, and the current account tends to register a surplus of 4.9% of GDP.

## SUPPLY: New Supply Dramatically Dropped

The new supply was sharply dropped by 75% y-o-y, due to the coronavirus outbreak. Developers postponed launching new projects to the second half of the year. Despite a small amount of new supply in the first half, the remaining supply in the market is still high from a large number of unsold units last year.

The selling rate in the first half of this year was only 16.6% with 55,000 unsold inventory. The global pandemic affected both foreign and domestic demand. The pandemic, along with the economic recession, made the buyers insecure with their personal finances and their jobs, thus lowering the buyer demand as compared to last year.

## PRICING: Selling Price Decreases to Boost Market

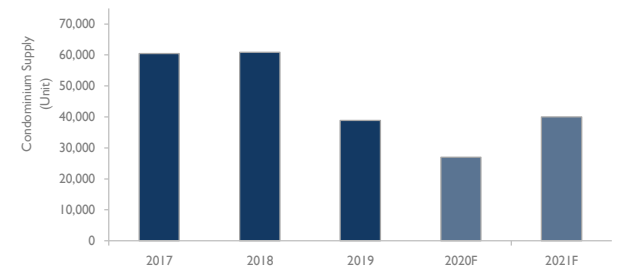
The average selling price was decreased from THB158,000 per square meter (sqm) to THB151,000 per sqm. Some developers are offering large discounts and promotional offers on ready-to-transfer units to reduce the amount of unsold inventory. The government also helps the market by cutting the transfer fee from 2% to 0.01%, and the mortgage fee from 1% to 0.01% for units under 3 million baht. The incentives are effective from Nov 2 2019, until Dec 24, 2020.

## AVERAGE SELLING PRICE & SOLD RATE



Source: Nexus

## NEW SUPPLY PIPELINE



Source: Nexus

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## MARKET STATISTICS

SUBMARKET	CURRENT SUPPLY (UNITS)	SOLD (UNITS)	SOLD RATE* (%)	PRICE (THB/SQM)	PRICE (US/SF)
Sathorn-Bangrak	2,327	455	20%	201,000	602.09
Pathumwan-Ratchathewi	4,632	562	12%	233,000	697.34
Wattana-Klongtoey	7,551	714	9%	218,000	656.00
<b>INNER AREA</b>	<b>14,510</b>	<b>1,731</b>	<b>12%</b>	<b>220,000</b>	<b>660.74</b>
Prakanong-Suan Luang-Bearing	18,266	3,589	20%	92,000	275.58
Phayathai-Ratchadapisek	13,464	2,474	18%	113,000	338.49
Yannawa-Bangkolam-Klongsan	2,050	586	28%	183,000	548.17
Ladprao-Wangthonglang	4,362	512	12%	77,000	230.65
Thonburi-Ratchapruk-Petchkasem	14,888	2,252	16%	87,000	260.60
<b>OUTER AREA</b>	<b>52,630</b>	<b>15,963</b>	<b>18%</b>	<b>98,000</b>	<b>294.44</b>

\* In the last 6 months.  
1 USD = THB 31.0260

## KEY NEW SUPPLY H1 2020

PROPERTY	SUBMARKET	DEVELOPER	UNITS	PRICE/SQM
Windshell Naradhiwas	Sathorn-Bangrak	YLP	36	THB180,000
Craft Ploenchit	Pathumwan-Ratchathewi	Panjapol Property	90	THB190,000
Noble Above Wireless-Ruamrudee	Pathumwan-Ratchathewi	Noble	104	THB130,000
The Extro Phayathai-Rangnam	Pathumwan-Ratchathewi	Singha Estate	411	THB235,000
Mulberry Grove Sukhumvit	Wattana-Klongtoey	MQDC	287	THB250,000
Ciela Charoennakhon	Thonburi-Ratchapruk-Petchkasem	Grand Unity	105	THB111,000
Na Reva Charoennakhon	Thonburi-Ratchapruk-Petchkasem	Navarang Asset	253	THB136,000
Supalai City Resort Charan 91	Thonburi-Ratchapruk-Petchkasem	Supalai	1,036	THB60,000
Quintara Kynett Ratchada 12	Phayathai-Ratchadapisek	Eastern Star	310	THB100,000
Quintara Pume Sukhumvit 39	Wattana-Klongtoey	Eastern Star	323	THB93,000

## MARKET DRIVERS

- The developer has been offering a large discount and heavy promotion on completed units to motivate buyers.
- Low interest rate boosts up sales for ready-to-transfer units.
- Reduction of transfer and mortgage fee for units under 3 million baht.
- Developers are more focus on real demand.

## TEERAWIT LIMTHONGSAKUL

Managing Director  
Nexus Real Estate Advisory Co.,Ltd.

31<sup>st</sup> Fl., BKI Building/Y.W.C.A.  
25 South Sathorn Road, Thungmahamek,  
Sathorn, BKK 10120, Thailand  
www.nexus.co.th  
Tel: +662 286 8899

[cushmanwakefield.com](http://cushmanwakefield.com)

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