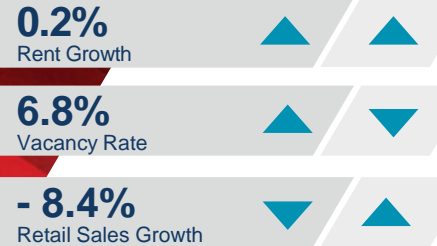


BANGKOK RETAIL

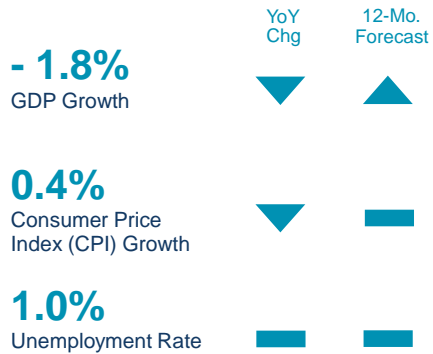
Retail H1 2020

CUSHMAN & WAKEFIELD



Source: NEXUS, BOT (Bank Of Thailand)

THAI ECONOMIC INDICATORS Q1 2020



Source: NESDC (National Economic and Social Development Council)

ECONOMY

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.

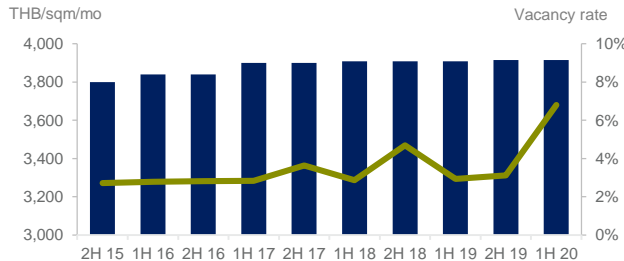
SUPPLY & DEMAND

With the total supply of 6.1 million sqm, Bangkok's retail supply in first half of 2020 still has increased. There was no new supply added in Bangkok's Central Retail District (CRD) area. Meanwhile, the demand from tourists in first half dropped by almost 100% y-o-y due to the rapid spreading of COVID-19, travel restrictions and the lockdown policy. The shopping malls were closed from mid-March and operation began again at the end of May. Nonetheless, footfall in CRD has not returned to normal because 50% of the customers are foreigners.

PRICING

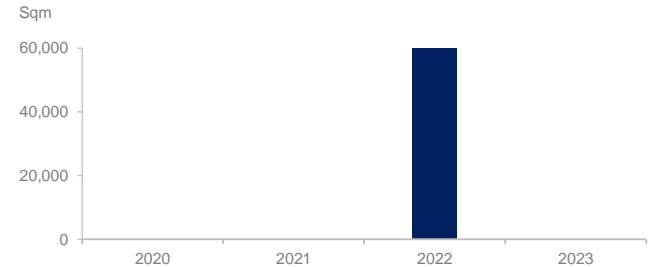
Due to lockdown policy, the shopping malls were closed for the most of the second quarter. It caused rent reduction by 10-50% or rent waivers for the current tenants. For new tenants, the average asking rents remained stable from the second half of last year at THB3,915 /sqm/mo on the ground floor. Even though the overall retail market was heavily impacted due to the pandemic and many stores were permanently closed, there were some good signs from new stores that are ready to replace and a good prevention from the disease. The retail market is recovering from the domestic vigilant measures, however the global situation is still a concern. Nevertheless, the rent is forecasted to grow, if the disease can be inhibited and foreigners could travel internationally again.

RENT / VACANCY RATE (CRD)



Source: NEXUS

SUPPLY PIPELINE (CRD)



Source: NEXUS

BANGKOK RETAIL

Retail H1 2020

CUSHMAN & WAKEFIELD

MARKET STATISTICS

SUBMARKET	INVENTORY* (SQM)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (SQM)	GRADE A ASKING RENT		
				THB/SQM/MO	US\$/SF/MO	EUR/SQM/MO
Siam Square	242,825	4.4%	-	THB 4,100	US\$ 12.28	€118.22
Ratchaprasong & Ploenchit	292,420	9.5%	-	THB 3,894	US\$ 11.66	€ 112.28
Phrom Phong	121,000	5.0%	60,000	THB 3,750	US\$ 11.23	€ 108.12
OVERALL BANKOK CRD TOTAL	656,245	6.8%	64,500	THB 3,915	US\$ 11.73	€ 112.88

* Only Grade A Shopping Center

US\$/THB= 31.026; €/THB = 34.6818

KEY LEASE TRANSACTIONS Q2 2020

PROPERTY	SUBMARKET	TENANT	SQM	LEASE TYPE
Cosmo Walk	Non-CRD Nonthaburi	Nike Factory Outlet	1,300	New Lease
Siam Premium Outlet Bangkok	Non-CRD Bangna	Adidas Factory Outlet	1,300	New Lease

*Renewals not included in leasing statistics

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	TYPE	SQM	OWNER/DEVELOPER	COMPLETION
The PARQ – 1 st Phase	Non-CBD Rama IV	Office Plaza	12,000	TCC Assets	2020
Siam Scape	CRD Siam Square	Office Plaza	4,500	PMCU	2021
Bangkok Mall	Non-CRD Bangna	Shopping Center	80,000	The Mall Group	2022
One Bangkok	Non-CRD Rama IV	Shopping Center	N/A	TCC Assets & Fraser Property	2022
Marketplace Thonglor	Non-CRD Sukhumvit	Community Mall	7,115	Siam Future Development	2022
The Forestias	Non-CBD Bangna	Shopping Center	N/A	MQDC	2022
EmSphere (Emporium 3)	CRD Phrom Phong	Shopping Center	60,000	The Mall Group	2022
Silom Square	Non-CBD Silom	Office Plaza	9,700	Nye Estate & Minor Group	2023
One City Center	CRD Ratchaprasong & Ploenchit	Office Plaza	4,000	Raimon Land & Mitsubishi Estate	2023
Dusit Central Park	Non-CRD Rama IV	Shopping Center	80,000	Central Group	2024
Central M	CRD Ratchaprasong & Ploenchit	Shopping Center	N/A	Central Group	N/A

TEERAWIT LIMTHONGSAKUL

Managing Director
Nexus Real Estate Advisory Co.,Ltd.

31st 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

A CUSHMAN & 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.