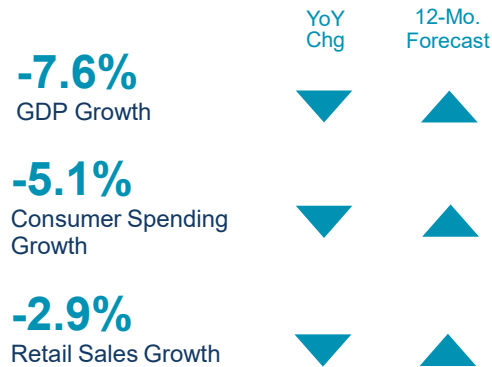


Source: Oxford Economics; INE

ECONOMIC INDICATORS 2020



Source: Moody's Analytics; INE

ECONOMY: Second General Lockdown Will Affect Economic Growth

In the context of the COVID-19 outbreak, the Portuguese economy contracted by 7.6% in 2020, with a fall of 20.6% in exports, a drop of 7.8% in investment and of 5.1% in private consumption, according to Moody's Analytics.

The current deterioration of the sanitary situation, with a second general lockdown declared and a protracted vaccination campaign, is expected to condition economic growth at least during the first semester of 2021. Consequently, Moody's Analytics foresees a 5.6% GDP growth in 2021, impacted by an increase in investment of 3.8%. Nevertheless, inflation will remain at low levels, helping creditors' ability to pay and stimulating corporate investment.

Sales in shopping centres contracted by 20.9% in last October, according to the latest data by APCC, but should have improved closer to the end of the year. Overall, retail sales registered a drop of 2.9% year-on-year until November 2020, according to INE.

SUPPLY: Two Schemes Added 13,000 sq.m to the Existing Supply

In the last quarter of 2020, 2 schemes added 13,000 sq.m to the existing supply. The major completion relates to Norteshopping expansion of 7,000 sq.m (including the opening of the luxury retail area Galleria), followed by the Caldas da Rainha Retail Park opening with 6,000 sq.m.

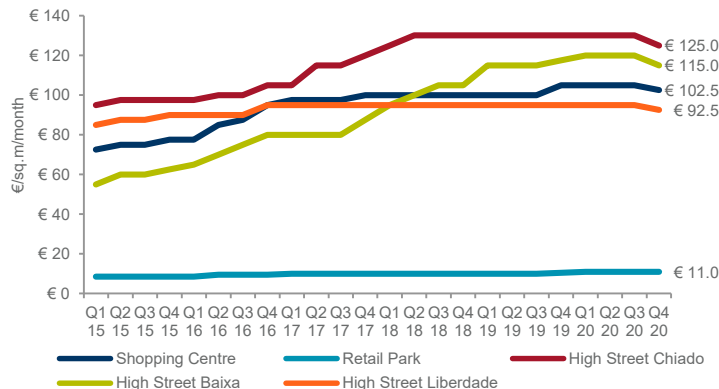
Regarding take-up, a total of 430 deals with almost 135,600 sq.m were registered in Portugal by Cushman & Wakefield proprietary database in 2020, representing a year-on-year decrease of 50%. High street retail aggregated the highest share of new openings (65%), followed by shopping centres (21%) and stand alone units (8%).

Food & Beverage (F&B), though being one of the most affected segments, represented half of the take-up sample (56%). The food sector, which on the other hand is registering an increasing demand, followed with 11% of new openings.

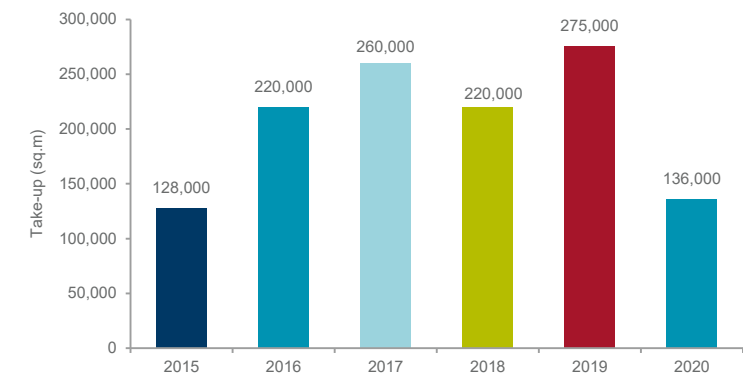
PRICING: Visible Downward Pressure in Rents

A downward pressure in rents became visible by the end of the year given the expected reduction in demand, with prime rents slightly decreasing across all formats except for retail parks.

PRIME RENTS



DEMAND EVOLUTION



MARKET STATISTICS

SUBMARKET	SHOPPING CENTRE STOCK (SQ.M)	SHOPPING CENTRE PIPELINE (SQ.M)	PRIME RENT (€/SQ.M./MONTH)	PRIME YIELD (%)
North	432,400	-	-	-
Greater Porto	672,230	-	€77.5	5.50%
Centre	517,260	13,700	-	-
Lisbon Metropolitan Area	902,730	10,500	€102.5	5.25%
Setúbal Peninsula	269,090	-	-	-
South	277,280	-	-	-
Islands	92,510	-	-	-
PORTUGAL TOTALS	3,163,500	24,200	€102.5	5.25%

MAIN OCCUPANCY TRANSACTIONS Q4 2020

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Retail Park	Caldas da Rainha	JOM	3,000	Multiple
Stand Alone	Barcelos	JOM	3,000	Multiple
Retail Park	Matosinhos	Espaço Casa	2,000	Multiple
Stand Alone	Paços de Ferreira	Mercadona	1,900	Cross Border
Stand Alone	Viana do Castelo	Mercadona	1,900	Cross Border

COMPLETIONS Q4 2020

PROPERTY	LOCATION	MAJOR TENANT	AREA (SQ.M)	OWNER / DEVELOPER
Norteshopping (expansion)	Matosinhos	Hugo Boss	7,000	Sonae Sierra
Caldas da Rainha Retail Park	Caldas da Rainha	JOM	6,000	JOM Investimentos

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