

HO CHI MINH CITY

Apartments for sale Q3 2021

	YoY Chg	12-Mo. Forecast
18.9% Price Growth (YoY)	▲	▲
31.0% Absorption	▼	▲
1,700 units New supply	▼	▲

Source: Cushman & Wakefield Vietnam – Research & Consultancy

VIETNAM ECONOMIC INDICATORS 9M 2021

	yo-y Change	12-Mo. Forecast
1.42% GDP growth	▼	▲
1.82% Inflation (CPI)	▼	▲
22.15 FDI (bil. US\$)	▲	▲

Source: General Statistic Office

Economy Severely Affected by COVID-19 Fourth Wave

The fourth wave of the COVID-19 pandemic impacted all aspects of the economy, forcing many major cities and provinces to impose multi-month lockdowns. Vietnam's GDP contracted by 6.2% y-o-y in Q3 2021, the sharpest decline on record. The services and industrial & construction sectors recorded falls of 9.3% and 5.0% y-o-y respectively, while the agriculture sector expanded only 1.0%. For the first nine months of 2021, GDP growth was at 1.4% y-o-y, down on the 2.1% for the same period last year. By sector, agriculture and industrial & construction output grew by 2.7% and 3.6% y-o-y respectively, while services contracted by 0.7% y-o-y. Total export and import values still recorded high growth rates, at 18.8% and 30.5% respectively, while FDI attraction rose by 4.4% y-o-y despite a 3.5% reduction in disbursement. The government is striving for a quick economic recovery with a loosening of restrictions, rising vaccination rate, and resumption of normal business and production activities.

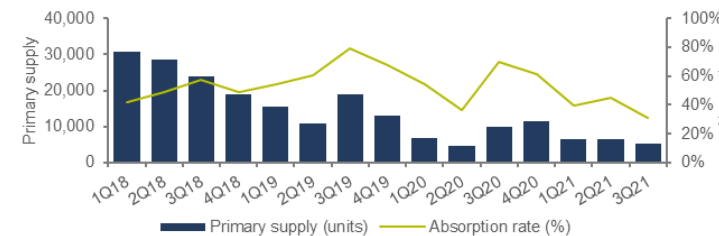
Limited New Supply, Mid-Market Remained the Most Active Segment

Launch activities and transactions significantly dropped in Q3, disrupted by the COVID-19 fourth wave. Specifically, new launches fell by more than 36% q-o-q and 76% y-o-y, while total sales volume declined very significantly by more than 44% q-o-q and 76% y-o-y. Grade B continued to be the most active segment, accounting for 80% of total new supply and nearly 85% of total transactions in the quarter.

Average Prices Trending Upwards

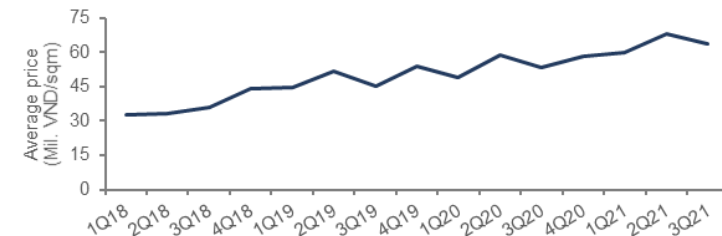
The overall market average price rose by 19% y-o-y but decreased by 6% q-o-q, due to diminishing primary supply at high-priced projects. Grade B and C sectors recorded price growth of around 9% to 10% q-o-q and 18% to 24% y-o-y, driven by high-priced new launches and price increases in some prime location active projects. Meanwhile, Grade A prices decreased by 7% q-o-q but still showed an increase of 19% y-o-y.

PRIMARY SUPPLY/ABSORPTION



Source: Cushman & Wakefield – Research & Consultancy

AVERAGE PRIMARY PRICE



Source: Cushman & Wakefield – Research & Consultancy

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MARKET STATISTICS

SUBMARKET	NEW LAUNCHES (UNITS)	INVENTORY (UNITS)	ABSORPTION (%)	AVERAGE PRIMARY PRICE		
				MIL. VND/SQ M	US\$/SQ M	EUR/SQ M
Grade A	-	1,000	3%	105.6	4,605	3,896
Grade B	1,300	3,600	38%	57.4	2,502	2,117
Grade C	400	700	33%	38.1	1,663	1,407
HCMC TOTALS	1,700	5,300	31%	63.6	2,774	2,347

*All prices are exclusive of VAT

US\$/VND = 22,821; US\$/€ = 0.846 as at 15 September 2021

SIGNIFICANT PROJECTS LAUNCHED IN Q3 2021

PROPERTY	SUBMARKET	GRADE	TOTAL UNITS	LAUNCHED UNITS
Moonlight Centre Point	West	B	1,300	1,000

SIGNIFICANT PROJECTS UNDER CONSTRUCTION Q3 2021

PROPERTY	SUBMARKET	DEVELOPER	TOTAL UNITS	CONSTRUCTION STATUS
One Central HCM	CBD	Masterise Group	200	Under construction
Ventosa Luxury	CBD Fringe	Tan Thanh Ltd.	300	Under construction
Thao Dien Green Towers	East	SIC	300	Under construction
Lancaster Legacy	CBD	Trung Thuy Group	400	Under construction

CHRIS CARVER

Managing Director, Vietnam

Head of Valuations South East Asia

Chris.Carver@cushwake.comHCMC office: Unit 16, 14th Floor, Vincom Center, 72 Le Thanh Ton, District 1, HCMC, Vietnamcushmanwakefield.com

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