

**€1,011**  
Average Monthly Income



**10,345K**  
Population



**6.7%**  
Unemployment Rate



Source: Moody's Analytics; INE

### ECONOMIC INDICATORS 2021

**4.3%**  
GDP Growth



**4.9%**  
Consumer Spending Growth



**4.6%**  
Retail Sales Growth



Source: Moody's Analytics; INE

### ECONOMY: Retail Sales Recovering to Pre-Pandemic Levels

According to Moody's Analytics, economic activity will continue recovering throughout 2022, with GDP forecasted to grow by 5.2% (above the 4.3% figure of 2021). GDP is forecasted to keep growing from 2023 onwards, albeit at a slower pace. This favourable outlook, despite ongoing supply-chain issues and COVID-19 cases increase, will continue to support both job and private consumption growth, with tourism only fully recovering by 2023, when foreign demand returns to pre-pandemic levels.

Retail sales also continue an upward trend, with accumulated values until December evidencing an overall year-on-year recovery of 4.6%, with the index above pre-pandemic levels (2.6% above 2019), supported by a 6.5% growth on non-food retail and 2.9% on food retail.

### DEMAND: Increased Interest in Large-scale Stores and Convenience Retail

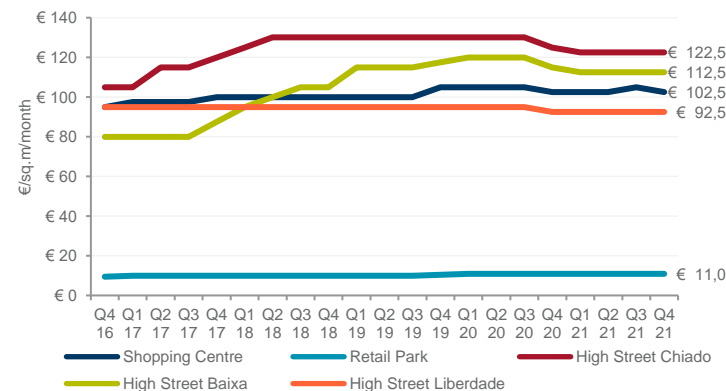
During the last quarter of 2021, the retail market registered the completion of 39,710 sq.m of GLA, distributed over two retail parks, namely the Vila do Conde Retail Park and the retail component of the Alagoa Office & Retail Centre (Oeiras); and the refurbishment and expansion of Glicínias Plaza (Aveiro).

Cushman & Wakefield's retail take-up registered a gradual recovery of the sector, with 160 new openings in the Q4 and an annual volume of 540 new units (+4% year-on-year). In 2021, despite the continued dominance of high street retail (60%), the increased interest in large-scale stores, namely retail parks and stand-alone units, led to an increase of both formats to an aggregated total of 15%. Likewise, although the F&B sector stood out once more (46%), convenience stores boosted the food sector to second place (23%).

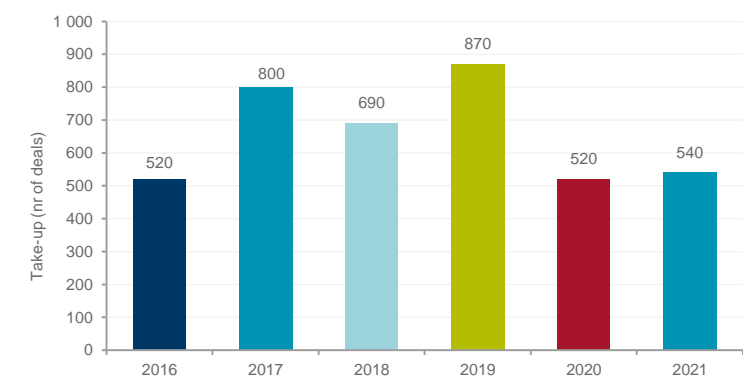
### PRICING: Downward Pressure on Rents Despite Pick-up in Latent Demand

Despite a pick-up in latent demand, market rents remain under negative pressure, with landlords more willing to provide tenant incentives (fit-out contributions and/or rent-free periods or deferred rent payments), particularly for properties with longer vacancy.

#### 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	5.75%
Centre	529,970	18,000	-	-
Lisbon Metropolitan Area	896,690	10,500	€102.5	5.50%
Setúbal Peninsula	269,090	-	-	-
South	276,720	1,200	-	-
Islands	92,510	-	-	-
<b>PORTUGAL TOTALS</b>	<b>3,169,610</b>	<b>29,700</b>	<b>€102.5</b>	<b>5.50%</b>

## MAIN OCCUPANCY TRANSACTIONS Q4 2021

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Stand Alone	Funchal	Leroy Merlin	14,000	Cross Border
Stand Alone	Leiria	Bricomarché	3,500	Cross Border
Stand Alone	Vila do Conde	Mercadona	3,300	Cross Border
Stand Alone	Santa Maria da Feira	Mercadona	3,300	Cross Border
Stand Alone	Valongo	Mercadona	3,300	Cross Border
Stand Alone	Felgueiras	Mercadona	3,300	Cross Border

**ANDREIA ALMEIDA**

Head of Research

+351 211 207 560 / [andreia.almeida@cushwake.com](mailto:andreia.almeida@cushwake.com)[cushmanwakefield.com](https://cushmanwakefield.com)**A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION**

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