

BANGKOK RETAIL

Retail 1H 2022

3,532
Average Rent (THB/sqm/mo) ▲ ▲

0.43%
Rental Growth (Y-O-Y) ▲ ▲

6.00%
Vacancy Rate ▼ ▲

THAILAND ECONOMIC INDICATORS Q1 2022

2.2%
GDP Growth ▲ ▲

4.75%
Inflation Growth ▲ ▲

1.53%
Unemployment Rate ▼ ▲

Source: NESDC (National Economic and Social Development Council)

Thailand's GDP Expanded by 2.2% on Annual Basis

The Thai economy expanded by 2.2% y-o-y in Q1 2022, accelerating from 1.9% growth in Q4 2021. The government's economic stimulus measures have been effective and various economic activities have recovered, coupled with the relaxation of international and domestic travel restrictions. The headline inflation rate rose to 4.75% y-o-y in Q1 2022, increasing sharply from 2.42% y-o-y in Q4, driven by rising energy and consumer product prices. The unemployment rate fell to 1.53% in Q4, down from 1.64% in Q4.

Retail Market Gradually Recovering

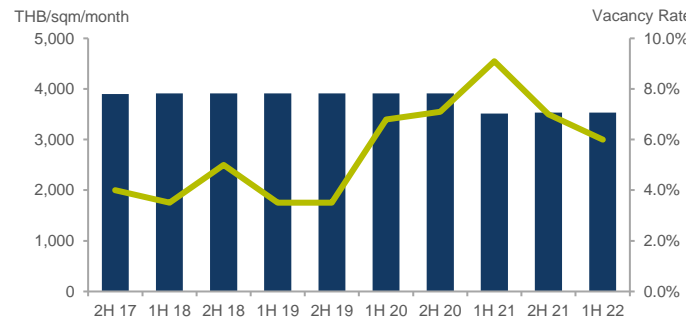
Bangkok's retail market showed signs of gradual recovery during 1H 2022, driven by improving demand from domestic and foreign consumers. The Thai authorities then eased travel restrictions starting from May 1, 2022, with revised entry protocols effectively reopening the country to international travelers, with no quarantine on entry required.

Total Grade A retail stock in Central Retail District (CRD) locations was recorded at 916,893 sq m in 1H, and no new retail supply has been added to the market during this period. The overall vacancy rate dropped slightly to 6.00% in 1H 2022 from 7.0% in 2H 2021. Average asking rent for retail stood at THB3,532 per sq m per month in 1H, increasing by 0.43% y-o-y. Two new retail projects are expected to launch during the second half of 2022. One 24, a mixed-use project, will bring 5,325 sq m of retail space to the Phrom Phong submarket; while One City Center, a new office building in the Ratchaprasong & Ploenchit submarket, will bring 4,000 sq m of retail space.

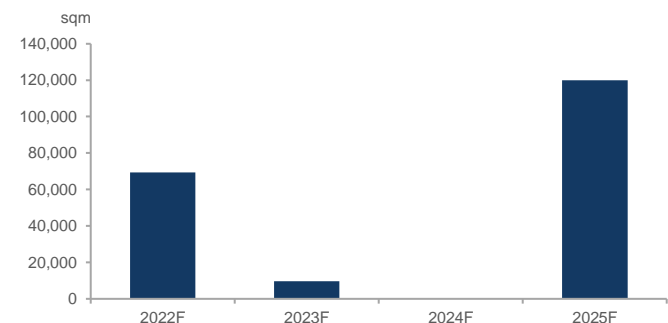
Improvement in Shopping Mall Footfall Expected

Looking forward, Bangkok's retail market is expected to recover over the course of 2022. Retail leasing demand is expected to gradually pick up and rental values are forecast to grow in the coming 12 months. Overall traffic in shopping malls is expected to noticeably improve, supported by a growing domestic and international customer base. Retail project expansions are expected to proceed, with a total of 198,881 sq m of retail space currently under construction and scheduled to be launched into the Central Retail District (CRD) market between 2022 and 2025. However, despite the retail market's expected recovery, rising inflation rates and prolonged global oil price surges are still significant concerns that could dampen consumer purchasing power and affect the overall retail market.

RENT / VACANCY RATE (CRD)



SUPPLY PIPELINE (CRD)



BANGKOK RETAIL

Retail 1H 2022

MARKET STATISTICS

SUBMARKET	INVENTORY* (SQM)	DIRECT VACANT (SQM)	VACANCY RATE (%)	UNDER CONSTRUCTION (SQM)	AVERAGE GRADE A ASKING RENT	
					THB / SQM / MO	US\$ / SF / MO
Siam	374,884	18,744	5.0%	9,556	3,320	\$8.79
Ratchaprasong & Ploenchit	417,009	31,276	7.5%	124,000	3,525	\$9.34
Phrom Phong	125,000	6,875	5.5%	65,325	3,750	\$9.93
OVERALL BANGKOK CRD TOTAL	916,893	56,895	6.0%	198,881	3,532	\$9.35

Remark:

1. Only Grade A Retail Project
2. US\$/THB 32.809

KEY RETAIL PROJECTS COMPLETIONS YTD 2022

PROPERTY	MARKET	FORMAT	DEVELOPER	AREA (SQM)	COMPLETION DATE
Vanit Village	CRD Fringe	Onsite Retail	Laemthong Enterprise	3,000	1H 2022

RETAIL PROJECTS UNDER DEVELOPMENT

PROPERTY	MARKET	FORMAT	DEVELOPER	AREA (SQM)	COMPLETION DATE
One 24	Central Retail District (CRD)	Onsite Retail	Park Origin	5,325	H2 2022
EmSphere	Central Retail District (CRD)	Shopping Mall	The Mall Group	60,000	H2 2022
Market place Thonglor	CRD Fringe	Community Mall	Siam Future Development	5,000	H2 2022
Park Silom	CRD Fringe	Onsite Retail	Nye Estate & Minor Group	9,700	H2 2022
One City Center	Central Retail District (CRD)	Onsite Retail	Raimon Land & Mitsubishi Estate	4,000	H2 2022
Block A at Siam Square	Central Retail District (CRD)	Shopping Mall	Central Group	9,556	H1 2023
AIA East Gateway	Suburban	Onsite Retail	AIA	10,000	H1 2023
One Bangkok	CRD Fringe	Shopping Mall	TCC Assets & Fraser Property	180,000	H2 2023
Dusit Central Park	CRD Fringe	Shopping Mall	Central Group	80,000	H2 2023
Bangkok Mall	Suburban	Shopping Mall	The Mall Group	80,000	H2 2024
Central Embassy 2	Central Retail District (CRD)	Shopping Mall	Central Group	120,000	H2 2025
TCC Vermgnakornkhasem	CRD Fringe	Onsite Retail	TCC Group	25,202	H1 2027
Mega Rangsit	Suburban	Department Store	Central Group	N/A	N/A
Central M	Suburban	Department Store	Central Group	N/A	N/A
Asiatique 2	CRD Fringe	Community Mall	TCC Group	N/A	N/A

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