

# THAILAND INDUSTRIAL

Industrial Q2 2022

QoQ Chg      12-Mo. Forecast

**THB 6.79 M** ▲ ▲

Avg Price of SILPs per Rai

**- 0.30%** ▼ ▲

RBFs Rent Growth

**- 0.36%** ▼ ▲

RBWs Rent Growth

## THAILAND ECONOMIC INDICATORS Q1 2022

YoY Chg      12-Mo. Forecast

**2.2%** ▲ ▲

GDP Growth

**4.75%** ▲ ▲

Inflation Growth

**1.53%** ▼ ▲

Unemployment Rate

Source: NESDC (National Economic and Social Development Council)

## Thailand's Economy Continued to Growth

Thailand's GDP expanded by 2.2% y-o-y in Q1 2022, increasing from 1.9% y-o-y growth in the previous quarter. Economic growth in this quarter was supported by increased exports, domestic demand and a recovery in tourism. 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 prices and gradually increasing consumer product prices. The unemployment rate fell to 1.53% in Q4, down from 1.64% in Q4.

## Active Industrial and Logistics Market, Vacancy Level Fell

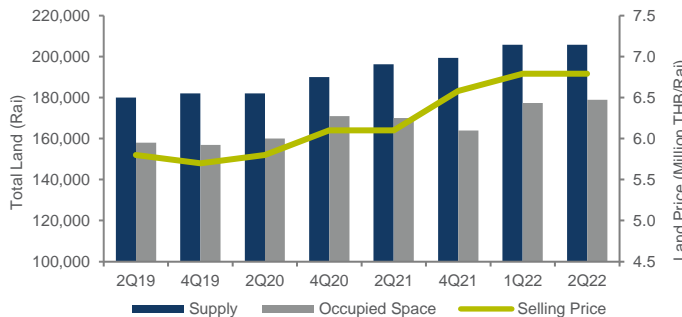
Thailand's logistics market continued to grow in Q2 2022. Leasing activity in Ready Built Factories (RBFs) and Ready Built Warehouses (RBWs) remained active, driven by growing demand for logistics property in the e-commerce sector, fast-moving consumer goods, and home appliances. Total RBFs inventory in Q2 remained unchanged at 2.76 sq m. The overall RBFs vacancy rate dropped to 9.67% from 10.18% in Q1. Total RBWs inventory grew 1.01% q-o-q to 4.19 million sq m. A total of 42,000 sq m of RBWs supply from Frasers Property Logistics Center Bangplee 7 was added to the stock. Overall RBWs vacancy dropped marginally q-o-q to 9.66%. The average asking rent for RBFs slipped 0.3% q-o-q to record THB186.4 per sq m per month. Average asking rent for RBWs dropped 0.36% q-o-q to THB152.4 per sq m per month.

The Thai industrial market continued to grow as exports expanded and global demand recovered. Foreign investment also grew with the reopening to international travelers. Total supply of Serviced Industrial Land Plots (SILPs) in Q2 2022 remained unchanged at 205,849 rai. The overall sales rate increased to 86.91%, up from 86.15% in Q1. The average land price remained stable at THB6.79 million per rai.

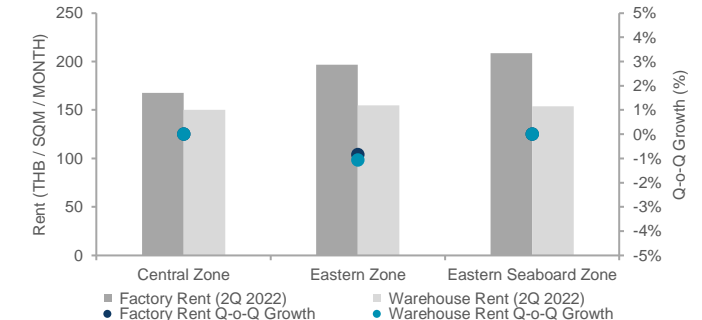
## Growing Demand for Industrial Land and Logistics Property

The industrial market is expected to grow further in 2022. Demand for industrial land in SILPs property is set to expand as Thailand remains an attractive investment destination for foreign investors. High-quality air, land, sea and rail transportation infrastructure, excellent digital connectivity, a skilled labor force and good standard of living make Thailand an outstanding option considering its cost effectiveness. We have observed a rise in leasing enquires for industrial land in the automotive and semiconductor industries. The logistics property market is set to expand from continued growth in e-commerce, FMCG, home appliances.

## SERVICED INDUSTRIAL LAND PLOT MARKET



## READY BUILT INDUSTRIAL MARKET



## MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SQM)	OVERALL AVG ASKING RENT (THB / SQM / MO)	OVERALL AVG ASKING RENT (USD / SF / MO)
<b>READY BUILT FACTORY</b>						
Central Zone	663,058	62,154	9.37%	547	168	\$0.44
Eastern Zone	1,173,528	100,411	8.56%	6,120	197	\$0.52
Eastern Seaboard Zone	923,233	104,333	11.30%	7,435	209	\$0.55
<b>READY BUILT FACTORY TOTAL</b>	<b>2,759,818</b>	<b>266,899</b>	<b>9.67%</b>	<b>14,102</b>	<b>186</b>	<b>\$0.49</b>
<b>READY BUILT WAREHOUSE</b>						
Central Zone	690,316	57,782	8.37%	5,013	150	\$0.40
Eastern Zone	2,022,479	176,905	8.75%	25,978	155	\$0.41
Eastern Seaboard Zone	1,477,070	170,251	11.53%	7,378	154	\$0.41
<b>READY BUILT WAREHOUSE TOTAL</b>	<b>4,189,865</b>	<b>404,938</b>	<b>9.66%</b>	<b>38,369</b>	<b>152</b>	<b>\$0.40</b>

**Remark:**

1. Northern Zone - Ayuthaya, Bangkok, Pathum Thani, Saraburi; Eastern Zone - Chacheongsao, Chonburi, Samut Prakarn; Eastern Seaboard Zone Lamchabang, Rayong
2. Average Asking Rent is excluded other service charge
3. US\$/THB = 35.079

## SERVICED INDUSTRIAL LAND PLOT PROJECTS UNDER DEVELOPMENT

PROPERTY	DEVELOPER	SUBMARKET	AREA (RAI)	COMPLETION DATE
WHA Industrial Estate Rayong	WHA and IRPC	Eastern Seaboard Zone	2,200	2022
WHA Saraburi Industrial Land 2	WHA Industrial Development	Central Zone	2,000	2022
Smart Park Industrial Estate	Industrial Estate Authority of Thailand	Eastern Seaboard Zone	1,383	2023
Blue Tech City Industrial Estate	IEAT and Double P Land	Eastern Zone	1,181	2023
EGCO Rayong Industrial Estate	EGCO Group	Eastern Seaboard Zone	621	2023
Apex Green Industrial Estate	Apex Park	Eastern Zone	2,191	2023
Rojana Nongyai Industrial Estate	Rojana Industrial Park PLC	Eastern Zone	1,988	2024
WHA Industrial Estate Eastern Seaboard 4 (ESIE 4)	WHA Industrial Development	Eastern Seaboard Zone	641	N/A
Rojana Ayuthaya Phase 10	Rojana Industrial Park PLC	Central Zone	2,296	N/A

Unit Conversion: 1 Acre = 2.53 Rai

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