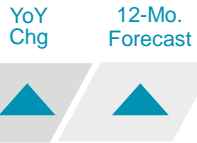


# PORTUGAL

Retail Q3 2022



**€1,034**  
Average Monthly Income



**10,345K**  
Population



**5.8%**  
Unemployment Rate



Source: Moody's Analytics; INE

## ECONOMIC INDICATORS 2022

**6.4%**  
GDP Growth



**5.0%**  
Consumer Spending Growth



**7.8%**  
Retail Sales Growth



Source: Moody's Analytics; INE

## ECONOMY: Retail Sales Registered a year-on-year Recovery of 7.8%

Moody's estimates a GDP growth of 6.4% for Portugal in 2022, followed by a slowdown to 0.9% in 2023. This growth will be predominantly driven by exports and further fueled by a revival in the tourism sector. A recovery in private consumption is expected for this year, surpassing 2021 by 5.0%. Inflation is currently forecasted to rise by 7.9% in 2022, and then grow more moderately by 5.5% in 2023 and 1.6% in 2024. Regarding trade, exports are expected to grow by 14.8% and imports are expected to grow by 9.8% in 2022. For 2023, Moody's Analytics foresees a 1.4% growth in exports and 0.1% increase in imports. Until September 2022, retail sales registered a year-on-year recovery of 7.8% according to INE, boosted by non-food retail (+17.0%).

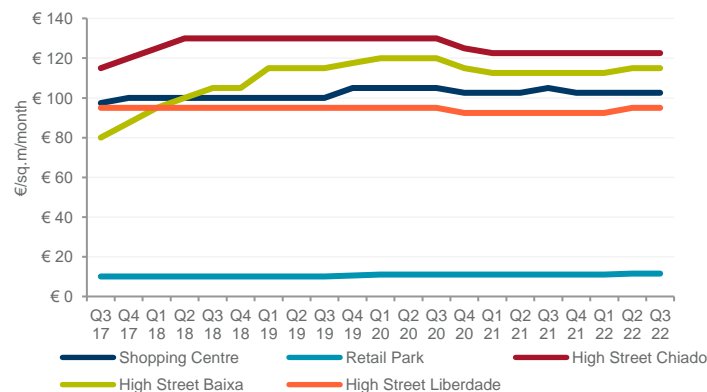
## DEMAND: Over the Next Three Years a Total of 71,500 sq.m of GLA are Expected to Enter the Market

During Q3 2022, the retail market registered the completion of 9,200 sq.m of GLA, considering the completion of one retail park, Lagos Retail Park and the refurbishment and expansion of Albufeira Terrace. Over the next three years a total of 71,500 sq.m of GLA are expected to enter the market, including Nova Vila Retail Park and City Center Covilhã that are expected to open in 2023, and the Centro Colombo (Lisbon)'s redevelopment and expansion. Cushman & Wakefield's high street retail take-up registered 104 new openings in Q3 2022, totaling 310 new openings until September. The predominance of high street retail prevailed, with 62% of total new openings, followed by shopping centres with 19%. Large units remain popular with retailers, namely retail parks and stand-alone units, which together accounted for around 16% of the deals. The Food and Beverage (F&B) sector remained dominant, representing 42% of new openings, followed by the food sector with 17%.

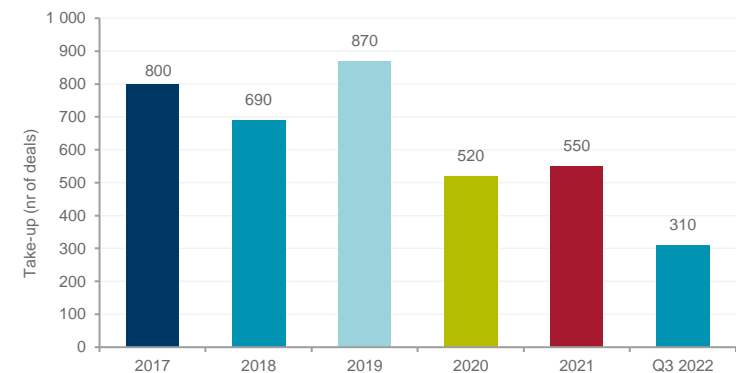
## PRICING: Prime Rents Remained Stable But Are Expected to Slightly Increase

When compared with Q2 2022, rents remained stable with prime HS retail rent at €122.5/sq.m/month in Lisbon and at €75.00/sq.m/month in Porto. Although short-term economic forecasts are currently clouded by uncertainty, market values are expected to slightly increase until the year end.

### PRIME RENTS



### DEMAND EVOLUTION



## MARKET STATISTICS

SUBMARKET	SHOPPING CENTRE STOCK (SQ.M)	SHOPING CENTRE PIPELINE (SQ.M)	PRIME RENT (€/SQ.M./MONTH)	PRIME YIELD (%)
North	432,400	-	-	-
Greater Porto	672,230	-	€80.0	5.75%
Centre	529,970	18,000	-	-
Lisbon Metropolitan Area	896,690	10,500	€102.5	5.50%
Setúbal Peninsula	269,090	-	-	-
South	277,920	-	-	-
Islands	92,510	-	-	-
<b>PORTUGAL TOTALS</b>	<b>3,170,810</b>	<b>28,500</b>	<b>€102.5</b>	<b>5.50%</b>

## MAIN OCCUPANCY TRANSACTIONS Q3 2022

RETAIL FORMAT	LOCATION	TENANT	AREA (SQ.M)	RETAILER TYPE
Stand Alone	Cascais	Recheio Cash & Carry	5,000	Multiple
Stand Alone	Oeiras	Lidl	4,000	Cross Border
Retail Park	Santarém	Mercadona	3,200	Cross Border
Retail Park	Lagos	Continente Modelo	2,300	Multiple
Stand Alone	Coimbra	hõma	2,000	Multiple

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