

	YoY Chg	12-Mo. Forecast
<b>€233m</b> Total Volume	▼	▲
<b>€15m</b> Office Volume	▼	▲
<b>€166m</b> Retail Volume	▲	▲
<b>€19m</b> Hospitality Volume	▼	▲
<b>€20m</b> Industrial Volume	▼	▲

### ECONOMIC OVERVIEW: GDP expected to slow down to 1.3% in 2023, after growing 6.7% in 2022

According to Moody's Analytics, the Portuguese economy closed 2022 with a GDP growth of 6.7%. The GDP growth is expected to slow down to 1.3% in 2023, followed by a recovery in 2024 (+2.5%) and 2025 (+2.1%). A recovery in private consumption was registered in 2022, surpassing 2021 by 5.7%, but it is expected to slow down to 0.1% in 2023.

The inflation rate is currently forecasted to gradually moderate to 5.1% in 2023 and 2.4% in 2024. Investment will be impacted by global uncertainty, but is expected to grow by 2.4% in 2023, followed by 5.9% in 2024.

Unemployment is expected to increase to 6.7% in 2023, recovering to 6.2% in 2024.

### INVESTMENT OVERVIEW: Retail sector represented around 70% of Q1-23 total investment volume

Institutional investment slowed down throughout Q1 2023, with €233 million transacted, reflecting a year-on-year decrease of 8%. The TREI Portfolio transaction of 50 Pingo Doce supermarkets was the main contributor to this result, representing around 60% of the invested volume in this quarter. This acquisition by LCN Capital Partners for €140-150 million also contributed to the retail sector being the most representative in Q1 2023, with 71% of the total investment volume in this quarter. The hospitality and Industrial sectors accounted respectively for 9% and 8% of the investment volume, with a confidential transaction of a hotel and the sale of two Dancake factories in the industrial sector.

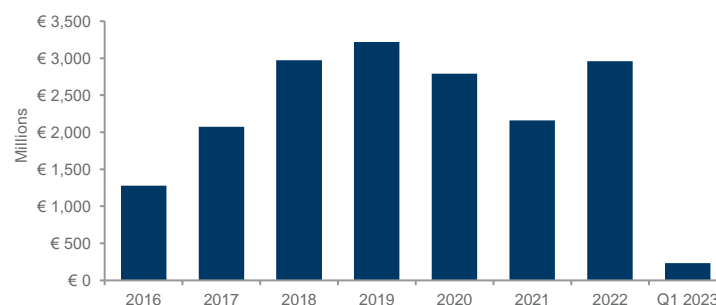
Following the contraction of prime yields in some sectors in the first half of 2022, a change in trajectory started in the third quarter. During H2 2022, prime yields increased by 50 b.p. in most asset classes, increasing again by 25 b.p. in Q1 2023 in offices and industrial and logistics (to 4.50% and 5.25%, respectively). In retail, an upward movement of 25 b.p. was also registered in Q1 2023, both in high street retail and shopping centres, to 4.75% and 6.00%, respectively. Retail parks remained stable at 6.50%.

### ECONOMIC INDICATORS 2023

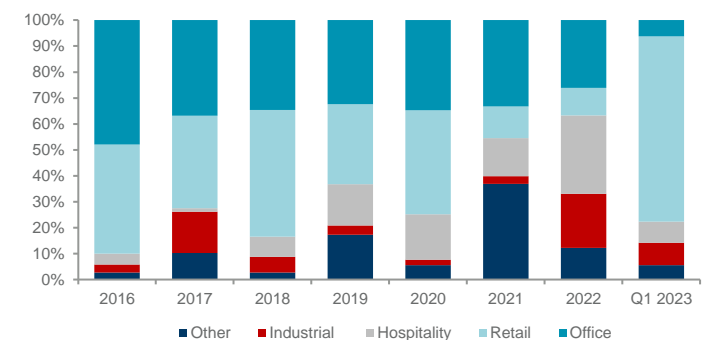
	YoY Chg	12-Mo. Forecast
<b>1.3%</b> GDP Growth	▼	▲
<b>2.4%</b> Investment Growth	▼	▲
<b>6.7%</b> Unemployment Rate	▲	▼
<b>3.5%</b> 10-Yr Treasury Yield	▲	▲

Source: Moody's Analytics

### INVESTMENT VOLUME



### INVESTMENT VOLUME BY SECTOR



# MARKETBEAT PORTUGAL

## Investment Q1 2023



### MAIN INVESTMENT TRANSACTIONS Q1 2023

PROPERTY NAME	SECTOR	MARKET	AREA (SQ.M)	SELLER	BUYER	PRICE (€M)	YIELD (%)
TREI Portfolio – Pingo Doce Supermarkets	Retail	Several Locations	70,000	TREI	LCN Capital Partners	€140.0-150.0 M	n.a
Dancake Factories	Industrial	Several Locations	40,000	Dancake	Square Asset Management	€20.0 M	n.a
Golden Gate Building	Office	Funchal	5,500	Governo Regional da Madeira	Versintemporal	€7.1 M	n.a.
CUF Montijo	Other	Montijo	2,226	Rockmont Properties	Healthcare Activos Investment	€6.5-7.5 M	n.a.
Alma – Universidade Europeia	Other	Lisbon	2,865	Norfin	Iberis Capital	€6.0 M	n.a.

### INVESTMENT ACTIVITY Q1 2023

PROPERTY SECTOR	NR DEALS	TOTAL VOLUME (€M)	AVERAGE DEAL SIZE
Office	7	€14.6 M	€2.1 M
Retail	8	€166.1 M	€20.8 M
Hospitality	1	€19.0 M	€19.0 M
Industrial	1	€20.0 M	€20.0 M
Other	2	€13.0 M	€6.5 M
<b>TOTAL</b>	<b>19</b>	<b>€232.7 M</b>	<b>€12.3 M</b>

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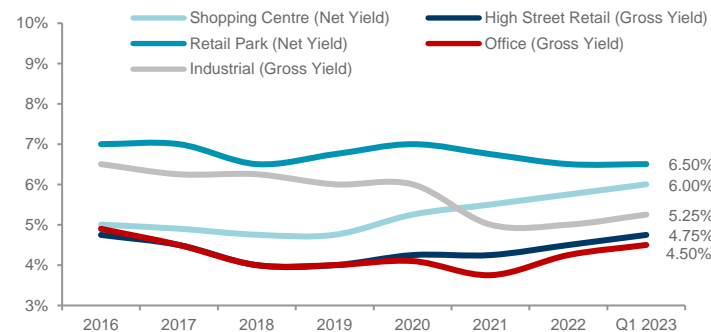
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### PRIME YIELDS BY SECTOR



### TOTAL INVESTMENT BY CAPITAL SECTOR 2023

