

# MARKETBEAT BELGRADE

Industrial H1 2023



CUSHMAN &  
WAKEFIELD

CBS  
INTERNATIONAL

YoY  
Chg

12-Mo.  
Forecast

**2,733,311 sq m**  
Total stock\*



**105,000 sq m**  
Take-up



**€4.0-5.5**  
Rental prices



**8.0-9.0%**  
Yields for modern logistics



\* Belgrade wider industrial area (incl. Pecinci and Stara Pazova)  
(Overall, All Property Classes)

## ECONOMIC INDICATORS

YoY  
Chg

12-Mo.  
Forecast

**0.7%**  
GDP Growth rate Q1 2023  
YoY Change vs Q1 2022



**7.6%**  
Belgrade  
Unemployment Rate  
Q1 2023



**€ 897**  
Belgrade  
Average net salary  
Q1 2023



Source: Statistical Office of the Republic of Serbia

## ECONOMY

Real GDP growth in Q1 2023 was 0.7% and National Bank of Serbia has kept the projected growth rate of Serbia's GDP for 2023 in the range of 2.0-3.0%. Average annual inflation in 2022 was 11.9% and has peaked in Q1 2023, which is in line with earlier prognosis. The annual inflation reached 16.2% in March, led by higher food prices, as well as recent gas and electricity price increase. As of Q2, inflation is on a downward path and inflationary pressures should continue to ease more sharply in the second half of the year. Globally, the key risks to the projected inflation are related to economic growth, geopolitical tensions and the impact of monetary policy tightening by leading central banks, while the risks in Serbia are additionally related to the agricultural season. To ensure that inflation returns within the target tolerance band in the projection horizon, the NBS continued to tighten monetary conditions in June by increasing the key policy rate by 25 bp, to 6.25%. In 2022, FDI inflow amounted to EUR 4.4 billion, while the FDI inflow in first three months of 2023 increased by 75% compared to the corresponding period in 2022 totalling EUR 1.3 billion with the largest share of countries from the Asia Pacific and European Union. In addition, economic stability was supported by the average net salary growth in Q1 2023 in Belgrade, amounting to EUR 897 which is YoY increase of 16%, while unemployment rate stood at the similar level as in previous few quarters and amounted to 7.6% in Belgrade.

## SUPPLY AND DEMAND

In the first half of 2023, Belgrade wider industrial area was boosted by new 73,000 sq m of industrial space, whereas the percentage of logistics space within new deliveries accounts for 95%. At the end of the first semester, Belgrade industrial stock, along with the municipalities in its vicinity (Stara Pazova and Pecinci) reached 2.7 million sq m, while Belgrade alone features 1.2 million sq m of modern industrial supply. E-commerce in Serbia has been growing constantly in recent years and its share in total trade is around 20%. Consequently, it led to an increase in demand for logistics and distribution facilities and the number of projects currently under construction confirms that logistics market is the main driver of the development of industrial market in the past 2 years. Namely, almost 200,000 sq m of new warehouse and logistics space will be added to the market by the end of this year in Belgrade wider industrial area, out of which over 90% is speculative stock.

In terms of demand, new lettings (excluding owner-occupation deals) concluded in the H1 2023 in Belgrade industrial zones amount to 105,000 sq m of warehouse and logistics space, which is an increase of 50% as compared to the same period in 2022. The share of pre-lease deals is 65% which is at the similar level as in the first two quarters of 2022. The largest deals recorded in the mentioned period are Delhaize, which contributed with 40,000 sq m in the VGP's first facility in Ugrinovci industrial zone, Mercata pre-leased 20,000 sq m in CTP's industrial park in Kvantas area, while TLS Slovenia occupied 14,000 sq m in Industrial Park Belgrade's seventh phase.

## PRICING

The rents of modern logistics space in Belgrade and industrial zones in its close proximity slightly rose during the 2022 to the range of EUR 4.0-5.5/sq m/month, as the result of stronger demand, increased construction costs and higher energy prices, while during the H1 2023 they remained stable. The vacancy rate for modern logistics in Belgrade wider industrial area stands below 5%.

### Tamara Kostadinovic

Partner | Head of Market Research  
Airport City Belgrade

11 Tadije Sondermajera St., 11070 Belgrade, Serbia

Tel: +381 11 22 58 777

tamara.kostadinovic@cw-cbs.rs

[cushmanwakefield.com / cw-cbs.rs](https://cushmanwakefield.com/cw-cbs.rs)

### CBS INTERNATIONAL / CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

CBS International, part of Cushman & Wakefield Group  
©2023 All rights reserved. Please note that the data contained within this report found through market research have been processed from multiple sources believed to be reliable, no warranty expressed or implied is made regarding accuracy, adequacy, completeness, reliability or usefulness of any information. This disclaimer applies to both isolated and aggregate uses of the information. Changes may be periodically added to the information herein; these changes may or may not be incorporated in any new version of the publication.

- Users may make free use of the information obtained directly from report subject to the following conditions:

1. When such information is distributed or reproduced, it must appear accurately and the CBS International must be cited as the source.

2. If the information is modified by the user, this must be stated explicitly. Copying and/or transmitting information from this report without indicated source may be a violation of applicable law.