

THAILAND INDUSTRIAL

Industrial Q1 2024

QoQ Chg 12-Mo. Forecast

THB 7.12 M

Avg Price of SILPs per Rai



THB 190

Avr Rents of RBFs per sqm/mo



THB 154

Avr Rents of RBWs per sqm/mo



THAILAND ECONOMIC INDICATORS Q4 2023

YoY Chg 12-Mo. Forecast

1.7%

GDP Growth



-0.53%

Inflation Growth



0.81%

Unemployment Rate



Source: NESDC (National Economic and Social Development Council)

Thailand's Economic Expansion Continues

Thailand's economy expanded at 1.7% in Q4 2023, up from 1.4% in Q3 2023. The increase was mainly attributable to expansion in the tourism sector together with private consumption. Overall GDP growth for the full-year 2023 was 1.9%, decelerating from 2.5% in 2022. For 2024 the economy is now projected to expand in the range of 2.2% to 3.2%. The inflation rate in Q4 2023 contracted at 0.53%, down from 0.52% in Q3. The inflation rate for the full year 2023 was at 1.23%, down from 6.08% in 2022. The unemployment rate fell to 0.81% in Q4 2023, down from 0.99% recorded in Q3. The Thailand Central Bank maintained the key interest rate at 2.5% as of February 2024.

Supply of SILPs Expanded, RBFs, RBWs Leasing Continues to be Active

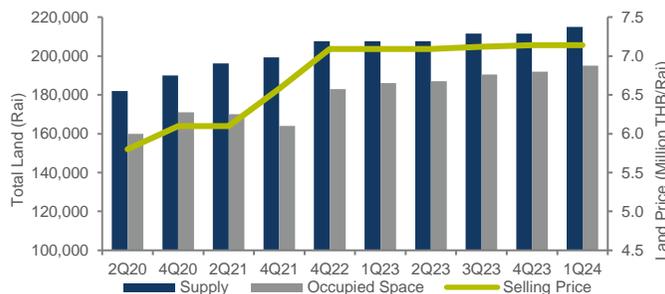
A total of 3,454 rai of new Serviced Industrial Land Plots (SILPs) completions from EECi @ Wangchan Valley in Rayong Province entered the Thailand market in Q1 2024, taking total SILPs inventory to 215,037 rai. The SILP vacancy rate increased slightly to 9.30% in Q1 2024 from 9.25% in Q4 2023. The average land price level remained stable at THB7.12 million per rai in Q1 2024. Ahead, new supply of 11,297 rai is under construction and is scheduled to enter the market from 2024 through to 2026.

Total Ready Built Factory (RBFs) inventory in Q1 2024 remained stable at 3.22 million sq m. New factory-for-rent supply of 591,888 sq m is in development. RBFs vacancy decreased to 16.9% in Q1 2024, down from 16.2% in Q4 2023. The average RBF asking rent remained stable at THB190 per sq m per month. Total Ready Built Warehouse (RBWs) inventory expanded 0.7% q-o-q to 5.61 million sq m in Q1 2024, up from 5.57 million sq m in Q4 2023, with 37,028 sq m from the ALPHA Phanthong project entering the market in the quarter. The overall RBWs vacancy rate rose to 20.95% in Q1 2024, up from 20.34% in Q4 2023. The average asking rent for RBWs in Q1 2024 climbed to THB154 per sq m per month, up THB152 per sq m per month in Q4 2023. New warehouse-for-rent supply of 682,890 sq m is in development.

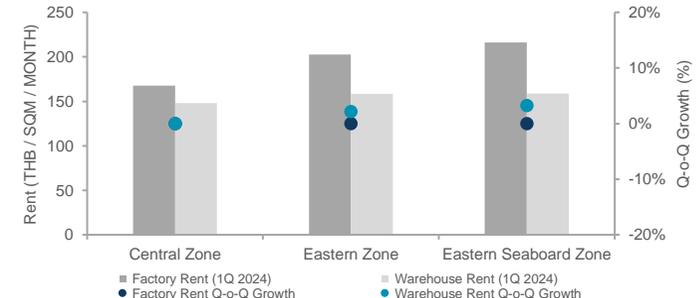
Growing Demand in Factory and Warehouse Leasing Markets

Ahead, we expect demand for factory leasing to continue to be active, although warehouse leasing will slow somewhat. The Eastern Economic Corridor (EEC), an ASEAN-leading economic zone for industrial, infrastructure, and urban development across the provinces of Chonburi, Rayong, and Chachoengsao, continues to draw foreign direct investment into Thailand. The factory leasing market is forecast to grow over the next quarters. This optimistic outlook is supported by thriving demand for factory spaces from the electrical and electronics industries, automobile production, and IT businesses. Warehouse leasing activities continue to be robust, supported by burgeoning demand from Third-Party Logistics (3PL) Providers.

SERVICED INDUSTRIAL LAND PLOT MARKET



READY BUILT INDUSTRIAL MARKET



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	OVERALL AVG ASKING RENT (THB / SQM / MO)	OVERALL AVG ASKING RENT (USD / SF / MO)
READY BUILT FACTORY					
Central Zone	695,669	63,359	9.11%	168	\$0.42
Eastern Zone	1,778,841	351,766	19.78%	203	\$0.51
Eastern Seaboard Zone	750,424	128,663	17.15%	216	\$0.55
READY BUILT FACTORY TOTAL	3,224,934	543,788	16.86%	190	\$0.48
READY BUILT WAREHOUSE					
Central Zone	881,497	141,073	16.00%	148	\$0.38
Eastern Zone	3,127,152	754,242	24.12%	158	\$0.40
Eastern Seaboard Zone	1,601,962	279,983	17.48%	159	\$0.40
READY BUILT WAREHOUSE TOTAL	5,610,611	1,175,299	20.95%	154	\$0.39

Remark:

1. Central 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 = 36.6318 as of 29th March 2024

KEY SERVICED INDUSTRIAL LAND PLOT PROJECTS COMPLETIONS YTD 2024

PROPERTY	DEVELOPER	SUBMARKET	AREA (RAI)	COMPLETION DATE
EECi @ Wangchan Valley	PTT	Eastern Seaboard Zone	3,454	2024

SERVICED INDUSTRIAL LAND PLOT PROJECTS UNDER DEVELOPMENT

PROPERTY	DEVELOPER	SUBMARKET	AREA (RAI)	COMPLETION DATE
WHA Industrial Estate Rayong (IER) Phase 1	WHA and IRPC	Eastern Seaboard Zone	1,100	2024
Smart Park Industrial Estate	Industrial Estate Authority of Thailand	Eastern Seaboard Zone	1,383	2024
Rojana Nongyai Industrial Estate	Rojana Industrial Park PLC	Eastern Zone	1,988	2024
WHA Rayong 36 Industrial Estate (RY36)	WHA Industrial Development	Eastern Zone	400	2024
WHA Industrial Estate Eastern Seaboard 3 (ESIE 3) Phase 3	WHA Industrial Development	Eastern Zone	630	2024
WHA Industrial Estate Rayong (IER) Phase 2	WHA and IRPC	Eastern Seaboard Zone	1,100	2025
WHA Saraburi Industrial Land 2 (SIL 2)	WHA Industrial Development	Central Zone	2,400	2026
Rojana Ayutthaya Phase 10	Rojana Industrial Park PLC	Central Zone	2,296	N/A

Unit Conversion: 1 Acre = 2.53 Rai

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