

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
26.3% Vacancy Rate	▼	▲
19,286 YTD New Completion, SM	▲	▲
THB936 Gross Rent, PSM <i>(Overall, Grade A in CBD Area)</i>	—	—

ECONOMIC INDICATORS Q2 2024

	YOY Chg	12-Month Forecast
2.3% Thailand GDP Growth	▲	▲
0.78% Thailand Inflation Rate	▲	▲
1.07% Thailand Unemployment Rate	▲	▲

Source: National Economic and Social Development Council

THAILAND'S QUARTERLY GDP GROWTH RISES

Thailand's GDP grew by 2.3% in Q2 2024, up from 1.6% in Q1. Economic growth was mainly driven by the expansion of government consumption expenditure and exports of goods and services, coupled with continued growth in private consumption. The government now forecasts GDP growth in a range of 2.3% to 2.8% for the full-year 2024, up from the 1.9% seen in 2023. The inflation rate in Q2 2024 was up to 0.78% y-o-y, from the -0.79% y-o-y in Q1 2024. The Thailand Central Bank maintained the key interest rate at 2.5% as of August 2024. The unemployment rate increased to 1.07% in Q2 2024, up from 1.01% recorded in Q1 2024.

GRADE A OFFICE INVENTORY EXPANDS

Total Grade A office inventory in the CBD area expanded to 2.34 million sq m in Q3 2024, up from 2.32 million sq m in Q2 2024, an increase of 0.8%. The completion of the new Supalai Icon office project added 19,286 sqm of Grade A supply in the CBD market. The overall vacancy rate remained unchanged at 26.3% in Q3 2024, up from 25.4% in Q2 2024.

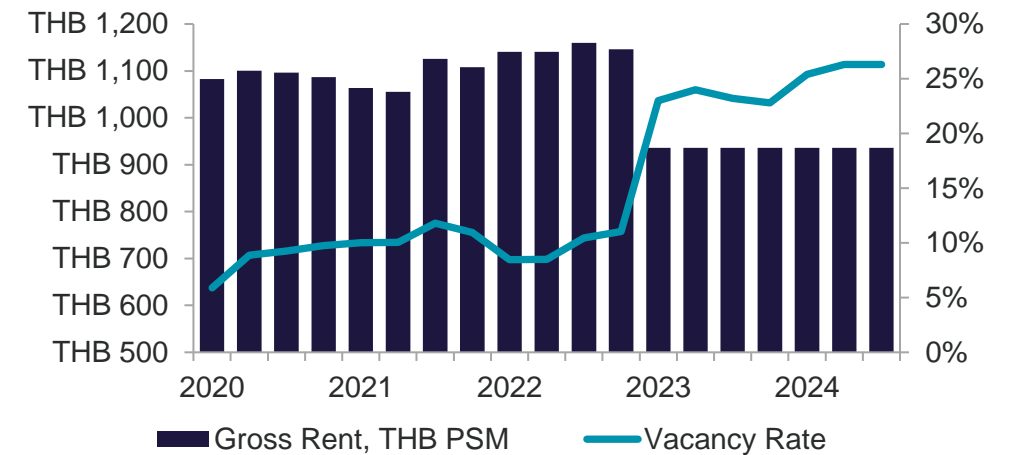
New Grade A supply scheduled for the CBD market in Q4 2024 includes One Bangkok Tower 5, and APAC Tower, together adding leasable office space of 129,000 sq m.

Future office supply tracked by Cushman & Wakefield shows that a new supply influx of approximately 825,565 sq m will enter the overall Bangkok market from Q4 2024 to 2027. A total of 438,430 sq m, or nearly 53% of the new supply, will be in the CBD areas. Rising office inventory will increase overall vacancy rates and exert downwards pressure on office rental levels over the coming quarters.

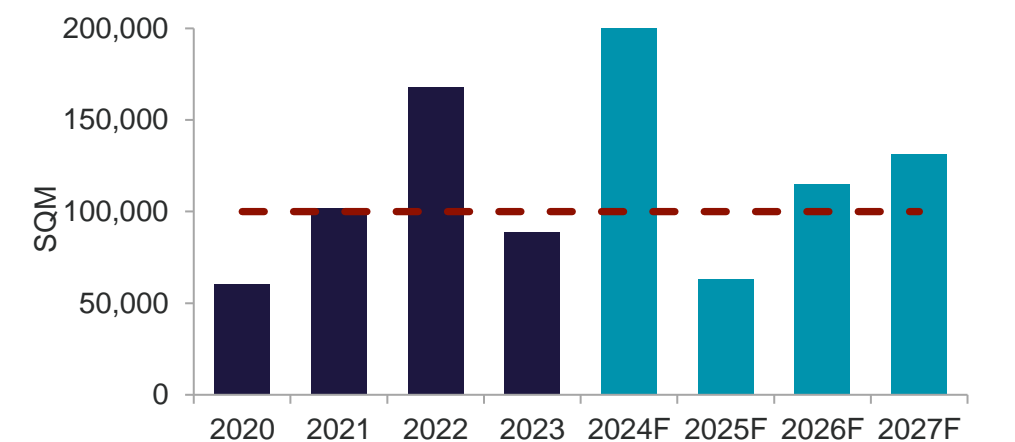
OVERALL RENTAL LEVELS REMAINING STABLE

Average overall Grade A gross rents remained stable in Q3 2024 at THB936 per sq m per month. Rental levels are expected to further stabilize in the upcoming quarters. There will be new office supply entering the Bangkok Grade A office in the CBD area in Q4 2024.

OVERALL VACANCY & ASKING RENT



NEW SUPPLY



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	DIRECT VACANT (SQM)	OVERALL VACANCY RATE	UNDER CNSTR (SQM)	GRADE A AVG GROSS RENT* (THB / SQM / MO)	GRADE A AVG GROSS RENT* (US / SF / MO)
Bang Rak	171,130	38,076	22.3%	78,430	906	\$2.53
Khlong Toey	159,409	23,114	14.5%	0	1,000	\$2.79
Pathum Wan	1,116,079	313,841	28.1%	308,000	957	\$2.67
Sathorn	630,468	145,323	23.1%	0	850	\$2.37
Wattana	267,189	86,836	32.5%	52,000	966	\$2.70
GRADE A CBD TOTAL	2,344,275	616,177	26.3%	438,430	936	\$2.62

*Gross rental rents are after adjustments for any incentives

1 US\$/THB 33.2504 as of 20th September 2024

GRADE A CBD OFFICE COMPLETIONS YEAR TO DATE (2024)

PROPERTY	MARKET	SUBMARKET	OWNER / DEVELOPER	SQM	COMPLETION DATE
Siam Pathumwan House	CBD	Central Bangkok	Siam Motor	51,449	Q1 2024
One Bangkok Tower 4	CBD	Central Bangkok	TCC Assets and Frasers Property	95,000	Q1 2024
The EmSphese	CBD	Central Bangkok	Central East	20,000	Q1 2024
JLK Tower	CBD	Central East	JLK Holdings	30,957	Q2 2024
One Bangkok Tower 3	CBD	Central Bangkok	TCC Assets and Frasers Property	97,000	Q2 2024
Supalai Icon	CBD	Central Bangkok	Supalai PLC	19,286	Q3 2024

GRADE A CBD OFFICE PROJECTS UNDER CONSTRUCTION

PROPERTY	MARKET	SUBMARKET	OWNER / DEVELOPER	SQM	COMPLETION DATE
One Bangkok Tower 5	CBD	Central Bangkok	TCC Assets and Frasers Property	97,000	Q4 2024
APAC Tower	CBD	Central East	APAC Land	32,000	Q4 2024
Dusit Central Park	CBD	Central Bangkok	Dusit Thani	63,000	Q2 2025
One Bangkok Towers 2	CBD	Central Bangkok	TCC Assets and Frasers Property	95,000	Q4 2026
Tenth Avenue	CBD	Central East	Tenth Avenue	20,000	Q4 2026
Boonmitr Silom	CBD	Central Bangkok	Laem Thong Enterprise	15,430	Q1 2027
One Bangkok Signature Tower	CBD	Central Bangkok	TCC Assets and Frasers Property	116,000	Q4 2027

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