

### MARKET FUNDAMENTALS

	YOY Chg.	12-Month Forecast
<b>€1,447*</b> Average monthly wage (EUR)	▲	▲
<b>€65.00</b> Prime Rent, Sq m/month	▬	▬
<b>6.50%</b> Prime Yield	▬	▬

Prime rent and yield for Shopping center units  
\*Data for Q2 2024

### ECONOMIC INDICATORS

	YOY Chg.	12-Month Forecast
<b>2.3%</b> GDP Growth	▲	▲
<b>3.8%</b> Unemployment Rate	▼	▬
<b>3.8%</b> Retail Sales Growth	▲	▼
<b>2.6%</b> Retail Sales Volume Index	▲	▼

Source: Moody's Analytics, Slovakia Statistical Office

### ECONOMY: ECB INTEREST RATE CUTS, CONSOLIDATION PACKAGE ANNOUNCED BY GOVERNMENT

In last months, the European Central Bank reduced the main interest rate by 85 basis points to 3.40% as of October, with further cuts anticipated in year's end, as the inflation is below 2% level. Inflation in Slovakia stands at 2.7%, and the National Bank of Slovakia projects 3.0% for 2024. Lower inflation has positively influenced consumer spending, which grew by 3.6% in the first eight months of the year, reflecting mostly rising real wages. Slovakia maintains a stable credit rating with moderate risk, and the government's announced fiscal consolidation is expected to help alleviate economic pressures, though its actual impact will only become apparent next year.

Unemployment remains low at 3.8% as of September, with a pronounced worker shortage, especially in Western Slovakia, where the rate is closer to 2.5%. In contrast, parts of Eastern and Central Slovakia still face double-digit unemployment.

### SUPPLY & DEMAND: NEW RETAIL BRANDS ENTERING THE MARKET

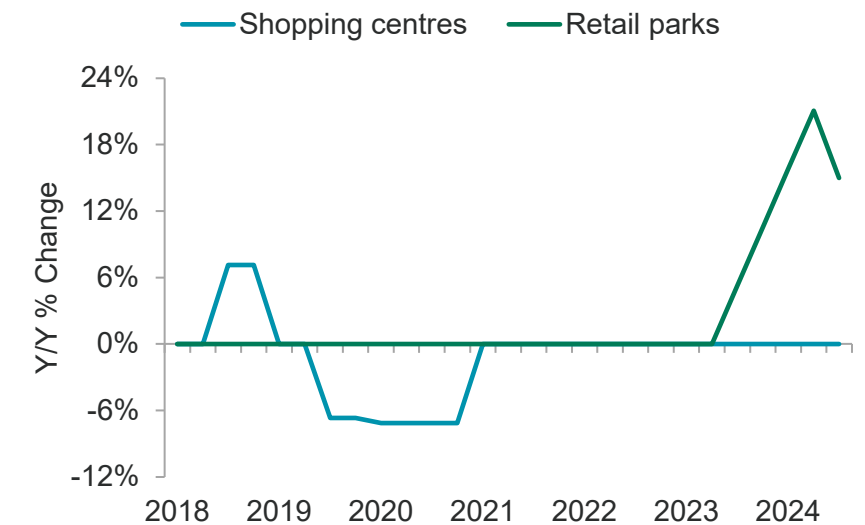
In Q3, retail park OC Klokan opened in Piešťany with 3,700 sqm. Additionally, Aupark Bratislava expanded by 10,000 sqm. For now, this is the last expansion of shopping center space in Slovakia, as no new shopping centers or significant expansions are planned in the coming years. Currently, there is 35,000 sqm under construction, all retail parks, with another 80,000 sqm planned for the next 2-3 years.

We expect the first Biedronka stores to open by year end in Levice, Nové Zámky, Považská Bystrica, Senica a Zvolen. The Polish health & beauty brand Hebe opened its first store in Slovakia at Eurovea, covering nearly 700 sqm, with second store to be opened in eastern Slovakia in Q4. Also, the Polish brand Ochnik opened its first store in OC Laugaricio, and the official rebranding of Datart stores to Nay took place. Aïda, the Austrian chain of pastry shops and cafés, opened its first store in Nivy. Additionally, the new café EL&N London (a British café chain) was opened in Aupark Bratislava.

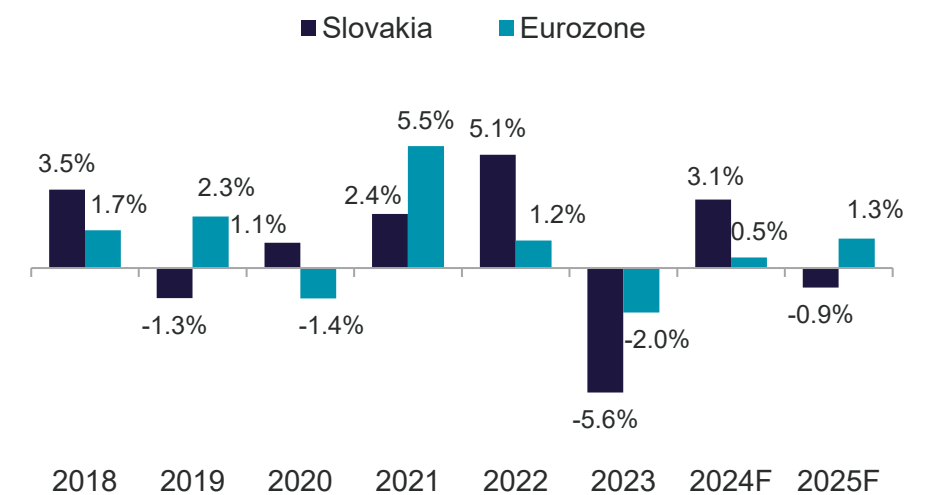
### PRICING: NUMEROUS RETAIL INVESTMENT TRANSACTIONS TO BE CLOSED IN Q4

Growing significance and improving performance of retail parks increased prime rent by 15% over the past year to €11.50/sqm/month. In contrast, prime rents for shopping centers have remained stable at €65/sqm/month with prime yields staying flat at 6.50%. The largest commercial real estate transaction in Slovakia remains the sale of Aupark Bratislava. However, several other major shopping centers across Slovakia are nearing the end of their sales processes. Moreover, KLM Real Estate developer recently sold several retail parks. This wave of transactions highlights the continued attractiveness of the retail sector for investors.

### PRIME RENT



### RETAIL SALES Y/Y GROWTH



## MARKET STATISTICS

SUBMARKET	POPULATION (mil.)	SHOPPING CENTRE STOCK (SQ M)*	SHOPPING CENTRE PIPELINE (SQ M)**	SATURATION (STOCK PER 1,000 INH.)	RETAIL PARK STOCK (SQ M)*	RETAIL PARK PIPELINE**
Bratislava	0.72	650,100	0	885	63,400	0
Košice	0.78	224,700	0	288	52,500	23,800
Žilina	0.69	186,200	0	270	79,500	17,600
Nitra	0.67	159,500	0	237	74,800	12,600
Prešov	0.81	123,600	0	153	102,500	13,900
Trnava	0.57	93,800	0	166	117,200	6,800
Banská Bystrica	0.62	76,300	0	123	95,200	13,600
Trenčín	0.57	68,800	0	120	78,100	10,600
<b>SLOVAKIA TOTALS</b>	<b>5.44</b>	<b>1,583,100</b>	<b>0</b>	<b>291</b>	<b>663,200</b>	<b>98,800</b>

\*Including total leasable area of traditional shopping centres and mixed-use schemes over 5,000 sq m retail GLA

\*\*Only schemes with planning permission granted or under construction are included, and to be completed in 18 months.

## PRIME RENTS &amp; YIELDS

		PRIME RENTS		PRIME YIELDS	
		SQ M/MTH	Y-O-Y GROWTH	CURRENT Q	LAST Q
SHOPPING CENTRES	Bratislava	€ 65.00	0.0%	6.50%	6.50%
	Košice	€ 65.00	0.0%	6.50%	6.50%
RETAIL PARKS (OUT OF TOWN)	Trnava	€ 11.50	15.0%	7.00%	7.00%
	Prešov	€ 11.50	15.0%	7.00%	7.00%

## KEY PIPELINE PROJECTS Q3 2024

PROPERTY	CITY	GLA (SQ M)	EXPECTED OPENING	OWNER / DEVELOPER
City Park	Trenčín	10,600	Q4 2024	TM Real
OC Klokán	Banská Bystrica	7,300	Q4 2024	KLM Real Estate
Solivaria	Prešov	5,200	Q1 2025	Project Consulting
RP Liptovský Mikuláš	Liptovský Mikuláš	4,000	Q2 2025	Soravia
OC Klokán	Šaľa	3,700	Q4 2024	KLM Real Estate

## KEY CONSTRUCTION COMPLETIONS Q3 2024

PROPERTY	CITY	GLA (SQ M)	OWNER / DEVELOPER
Aupark	Bratislava	10,000	Wood & Company, TAM
OC Klokán Piešťany	Piešťany	3,700	KLM Real Estate

## LUKÁŠ BRATH

Senior Research Analyst, Slovakia

Tel: +421 904 325 358

[lukas.brath@cushwake.com](mailto:lukas.brath@cushwake.com)

## VERONIKA HINCOVÁ

Senior Consultant, Slovakia

Tel: +420 910 894 420

[veronika.hincova@cushwake.com](mailto:veronika.hincova@cushwake.com)

## A CUSHMAN &amp; WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com).

©2024 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield ("CWK"). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK's securities.

You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.