

Briefing Retail sector

Q1 2015

→ Supply

In Q1/2015, the total retail stock was approximately 136,000 m², up 5% QoQ and stable year-on-year (YoY) due to the entrance of Parkson Vinh Trung Plaza.

Modern retail centres exist in only three districts including Thanh Khe at 41% share Hai Chau with 35% share, and Cam Le with 24% share.

Performance

In Q1/2015 both occupancy and average showed an improvement QoQ but down YoY. Occupancy was up 5 pts QoQ thanks to the good performance of Parkson Vinh Trung Plaza, but down -1 ppt YoY. The average rent increased 6% QoQ and -7% YoY.

Demand

Food & Beverage or game zones are still favoured; while the foot traffic in other areas such as fashion, cosmetic is low.

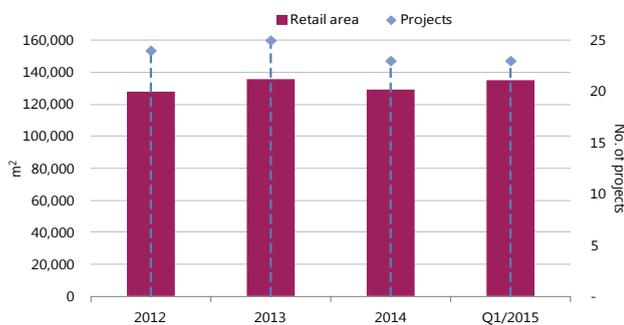
In Q1/2015, Da Nang total retail sales were approximately VND18,220 billion, down 0.84% year on year.

Outlook

From Q2/2015 onward, future supply will come from 17 projects with approximately 164,800 m². Most projects are under planning stage.

Up to 2016, two new projects are expected to come online, providing approximately 37,000 m².

FIGURE 1
Current stock, Q1/2015



Source: Savills Research & Consultancy

FIGURE 2
Market performance, Q1/2015



Source: Savills Research & Consultancy

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