

Briefing Retail sector

Q2 2015

→ Supply

In Q2/2015, total retail stock was 167,000 m², up 24% quarter-on-quarter (QoQ) and 30% (year-on-year) YoY, due to the entrance of Vincom Ngo Quyen Da Nang.

Modern retail centres exist in four districts, Thanh Khe accounted for 33% share, Hai Chau had a 28% share; and Cam Le and Son Tra districts had a 19% share each.

Performance

Occupancy grew by 6 ppts QoQ and 10 ppts YoY. Average rent increased 12% QoQ and 19% YoY because of the higher rent in Vincom Ngo Quyen.

Demand

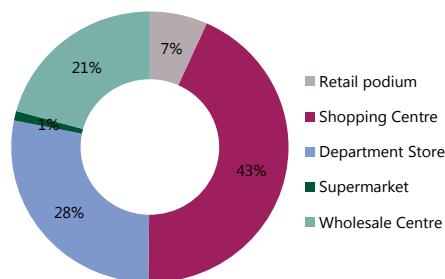
Total retail sales for the first six months of 2015 were approximately VND36.670 billion, up 10.2% in comparison with the same period last year.

Outlook

In 2016, the Hilton Da Nang is expected to enter the market and provide 3,500 m² of retail space.

From 2017 onwards, 15 projects with approximately 132,000 m² will enter the market. Thirteen of the fifteen projects are being planned, the remaining are under construction. ■

FIGURE 1
Current stock, Q2/2015



Source: Savills Research & Consultancy

FIGURE 2
Market performance, Q2/2015



Source: Savills Research & Consultancy

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