

Briefing Retail sector

Q3/2015

Supply

In Q3/2015, total retail stock was 971,000 m², increasing by 2.3% quarter-on-quarter (QoQ) and 17% year-on-year (YoY).

Performance

The average rent was VND 808,000/m²/mth, decreasing -4.7% QoQ and -9.0% YoY. Retail podiums had the largest decrease QoQ of -10.3%, followed by shopping centres' by -5.8% and department stores' by -2.2 percent.

The average occupancy was 87%, increasing 3ppts QoQ and 4 ppts YoY. Department stores' occupancy increased by 5.9 ppts QoQ; followed by shopping centres' at 2.5 ppts QoQ and retail podiums by 0.5 ppt QoQ.

Demand

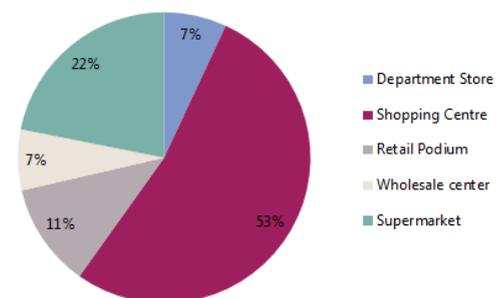
A survey conducted by Savills in 15 shopping centres in Ha Noi shows that the F&B area has the highest number of customer per month, followed by the clothes/shoes area and the watches, bags and accessories area.

And street-front shop is still favored location of retailers in the next 12 months.

Outlook

In Q4/2015, Aeon Mall Long Bien and Vincom Nguyen Chi Thanh will enter the market. Aeon Mall Long Bien will provide approximately 72,000m² and is the first shopping centre of Aeon Group in Ha Noi. Vincom Nguyen Chi Thanh is the 5th Vingroup shopping centre and will supply 65,000 m² ■

FIGURE 1
Current stock, Q3/2015



Source: Savills Research & Consultancy

FIGURE 2
Market performance, Q3/2015



Source: Savills Research & Consultancy

Savills Research team

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