

Savills Property Price Index (SPPI)

March 2015

→ Residential Index

The Q4/2014 residential index was 106, up 3.2 points quarter-on-quarter (QoQ) and 5.3 points year-on-year (YoY).

The quarter-on-base (QoB) index was 91 in Q4/2014, up 3.5 points compared to Q3/2014. There were significant increases in both QoQ and QoB this quarter.

The inventory ratio was unchanged QoQ; however, it declined sharply by -27 ppts YoY due to continued strong performance. The overall absorption rate was unchanged QoQ at 38%.

In Q4/2014 the average price for residential was VND25.9 million/m², an increase of more than 2% QoQ. Hoan Kiem, Tay Ho and Ba Dinh districts were the most expensive locations, due to their central locations and the quality of the projects.

Office Index

In Q4/2014, the index was 51.6 points, up 1.3 points QoQ but down -0.9 points YoY. The QoQ increase was due to the increase of 3 ppts QoQ in occupancy.

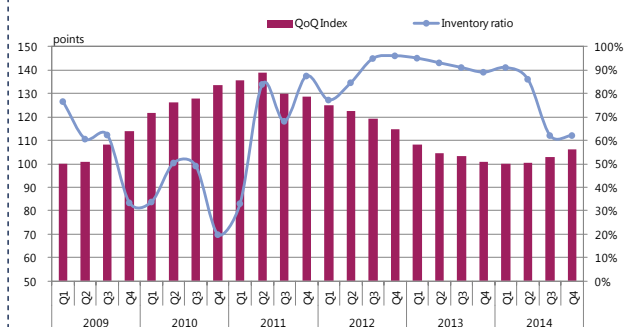
The CBD Grade A occupancy increased 4 ppts QoQ. This contributed to the CBD office index increasing 2.1 pts over the last quarter, to 63.9 points.

In the non-CBD area, an increase in occupancy of 3 ppts QoQ and YoY was the main reason for a 2.0 index point increase QoQ and YoY to 55.7 points.

To attract tenants, Grade A buildings will need to provide a flexible rental policy.

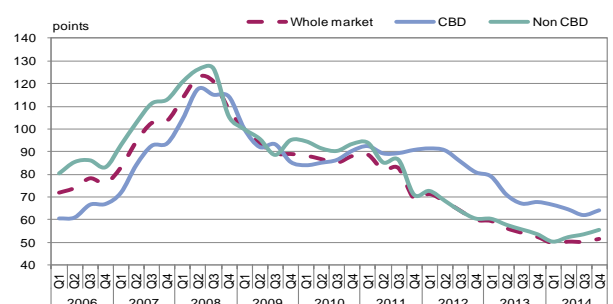
Large volumes of future office supply may come online in the non-CBD area, making the office market more competitive.

FIGURE 1
Residential QoQ Index



Source: Savills Research & Consultancy
Note: Base Index in Q1 2009 = 100

FIGURE 2
Office QoQ Index



Source: Savills Research & Consultancy
Note: Base index in Q1/2009 = 100

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