

Briefing Retail sector

Q1 2015

→ Supply

In Q1/2015, Ha Noi's retail supply decreased -3% quarter-on-quarter (QoQ) and increased 5% year-on-year (YoY).

Performance

The average rent decreased -2% QoQ and -10% YoY. Department stores' rent increased by 2% QoQ whilst retail podiums' rent decreased -4% QoQ. Shopping centres' remained stable QoQ.

Occupancy was 84%, up 4 ppts QoQ and 2 ppts YoY. Retail podiums had the highest increase in occupancy at 11 ppts QoQ, followed by department stores with 7 ppts and shopping centre at 2 ppts QoQ.

Demand

The secondary area, CBD and "Others" area had positive take-up. The West had negative take up. The secondary take up had the sharpest increase to 11,000 m² after negative take up in Q4/2014 of -10,000 m².

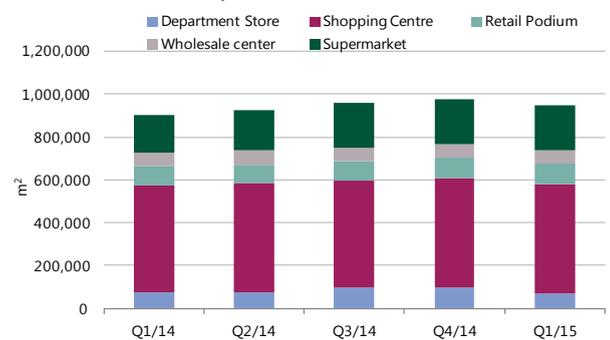
Outlook

In the next nine months 353,000m² of retail space from 16 projects will enter the market. Four projects are complete and three projects are currently being fitted out.

In 2016, eight projects providing 234,000m² will come online, that are all under construction.

In 2017, the market will have eight projects with a supply of approximately 186,000 m² coming online. ■

FIGURE 1
Current stock, Q1/2015



Source: Savills Research & Consultancy

FIGURE 2
Market performance. Q1/2015



Source: Savills Research & Consultancy

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