

Briefing Retail sector

Q4 2014

→ Supply

In Q4/2014, Ha Noi's total retail supply increased 3% quarter-on-quarter (QoQ) and 9% year-on-year (YoY). Two new projects, CTM Building in Cau Giay district and Ho Guom Plaza in Ha Dong district, opened this quarter.

Performance

The average rent decreased -2% QoQ and -12% YoY. Retail podiums had the highest decrease at -7% QoQ, followed by shopping centres at -2% QoQ, while department stores remained stable QoQ.

Occupancy decreased -3 pts QoQ and YoY to 80 percent. Department stores showed an improvement of 2% QoQ in occupancy while shopping centre and retail podium decreased up to -3% QoQ.

Demand

In Q4/2014, the total take up was approximately 2,800m², down -96% QoQ, due to negative take up in the secondary area. The CBD showed an increase QoQ after negative take up last quarter, due to the reopening of Trang Tien Plaza's renovated levels.

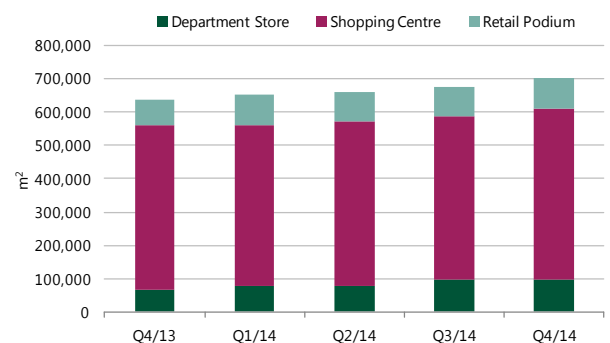
Outlook

In 2015, approximately 397,000m² retail space from 19 projects entered the market. 2 projects have completed but the opening day is uncertain and 9 projects are currently being fitted out.

In 2016, five projects will provide 356,000m² to come online. Four of them are currently under construction.

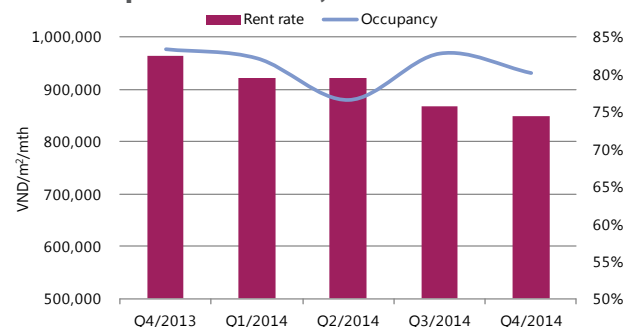


FIGURE 1
Current stock, Q4/2014



Source: Savills Research & Consultancy

FIGURE 2
Market performance, Q4/2014



Source: Savills Research and Consultancy

Savills Research team

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