

Savills Property Price Index (SPPI)

April 2015

→ Residential Index

The Q1/2015 residential index was 107, up 1 pt quarter-on-quarter (QoQ) and 7 pts year-on-year (YoY).

The quarter-on-base (QoB) index was 93 in Q1/2015, up 1.8 pts compared to Q4/2014. Both QoQ and QoB trended upward this quarter.

The inventory ratio declined sharply by -5 ppts QoQ and -34 ppts YoY due to the continued strong performance of the whole market. The overall absorption rate increased QoQ and YoY to 43%.

In Q1/2015 the average residential price was VND25.5 million/m², a decrease of 1% QoQ. This decrease was due to the lower prices of newly launched projects. Hoan Kiem, Ba Dinh and Tay Ho districts were the most expensive locations, due to their central locations and quality.

Office Index

The office index was 56, up 4.4 pts QoQ and 6.3 pts YoY. The improvement in the QoQ index was due to a 4.9 ppts increase QoQ in occupancy and a 1.6% increase QoQ in average rent.

The CBD and non-CBD index increased in Q1/2015. The CBD's QoQ office index was up 5.7 pts QoQ due to the improvement of Grade A and B. In the non-CBD, a 5% QoQ increase in occupancy was the reason for a 3.9 index point increase to 59.6 pts.

In the next two years, large future supply will continue to pressure the market with increased competition. New office supply will be in the non-CBD, with a limited amount of supply in the CBD. ■

FIGURE 1 Residential QoQ Index

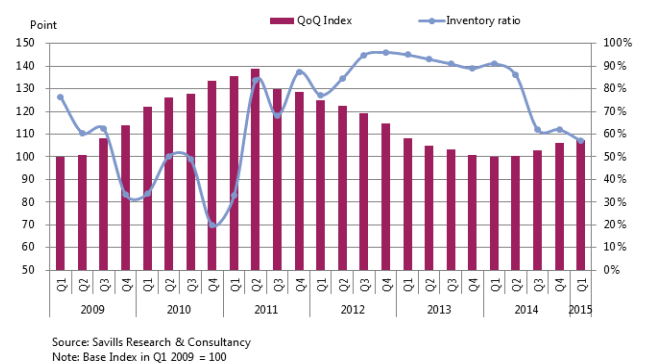
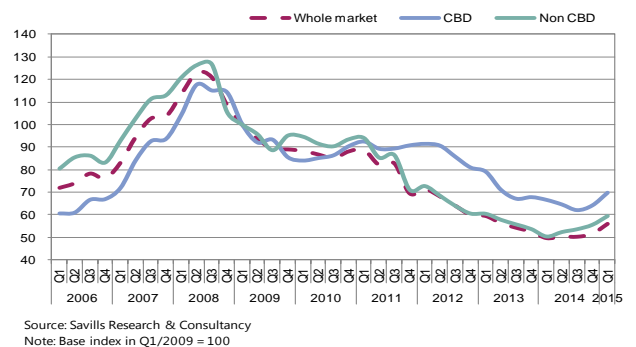


FIGURE 2 Office QoQ Index



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Savills plc

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