

Savills Property Price Index (SPPI)

July 2015

→ Residential Index

Due to a price increase in more than half of the existing projects, the Q2/2015 residential index was 108, up 1 pt quarter-on-quarter (QoQ) and 8 pts year-on-year (YoY)

The quarter-on-base (QoB) index was 94 in Q2/2015, up 1.3 pts compared to Q1/2015. Both QoQ and QoB continued to trend upward this quarter.

The inventory ratio increased by 9 ppts QoQ due to new supply, yet decreased -20 ppts YoY due to the continued strong performance of the whole market. The overall absorption rate decreased QoQ; however, increased YoY to 34 percent.

The average price was VND25.4 million/m². Hoan Kiem, Ba Dinh and Tay Ho districts were the most expensive areas, due to their central locations and project quality.

Office Index

The office index was 55.8 pts, down slightly -0.2 pts QoQ but up sharply 5.4 pts YoY. The QoQ change was mainly due to a decrease of -0.1 ppts QoQ in occupancy, whilst average rent remained stable this quarter.

Both the CBD and non-CBD index decreased this quarter. The CBD's QoQ office index was 68.6 pts, down -1.0 pt but up 4.2 pts YoY, due to the slight decrease in rent and occupancy of Grade B buildings. The non-CBD index saw a decrease of -0.1 pts QoQ but increased 7.0 pts YoY to 59.5 pts.

In the next two years, limited future supply in the CBD would ease the pressure; while the non-CBD may have more competition due to a large amount of future supply. ■

FIGURE 1
Residential QoQ Index

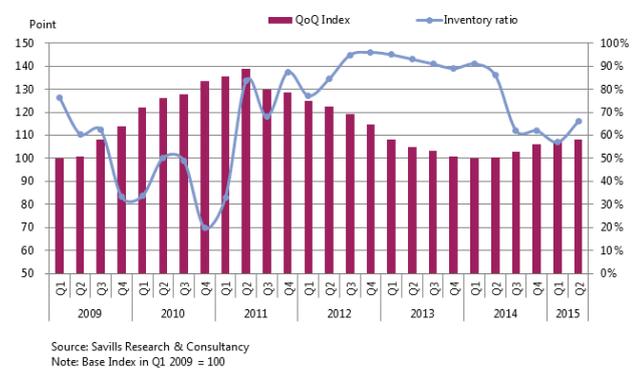
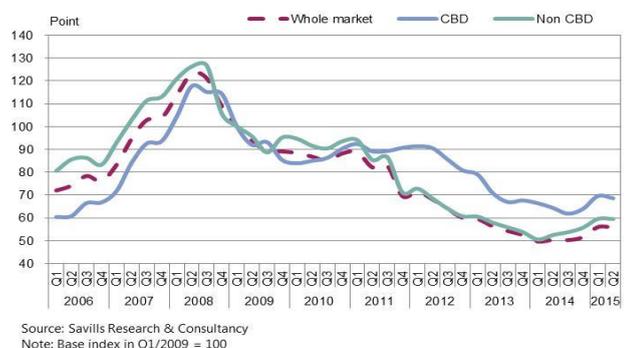


FIGURE 2
Office QoQ Index



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