

Briefing Apartment sector

Q3/2015

Supply

In Q3/2015, thirteen new projects and the new phases of four active projects were launched, adding more than 9,550 units. This is an increase of 107% year-on-year (YoY).

As of Q3/2015, there were more than 30,500 available units in the primary market.

Performance

In Q3/2015, approximately 5,220 units were sold, an increase of 4% QoQ and 59% YoY. However, the overall absorption rate was down -2 ppts QoQ and YoY.

Districts 2, 7 and Binh Thanh continued to perform well, accounting for 53% of the total transaction volume.

Demand

Projects in strategic locations by reputable developers received attention from purchasers.

Infrastructure development and good urban planning will improve the connectivity of new urban districts to the city centre, contributing to higher sales rates.

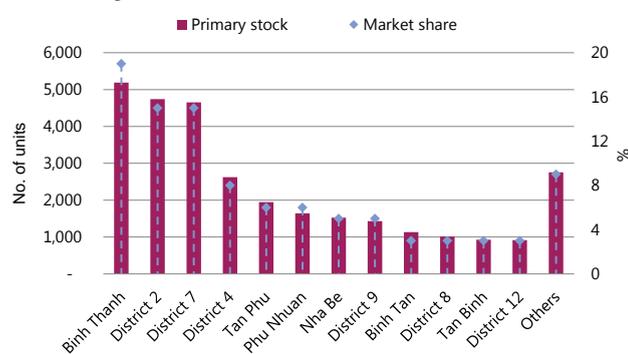
Purchasers can benefit from relatively low home loan interest rates, direct discounts, prolonged payment schedules, etc. The stable yield and rental capacity in well-developed areas have encouraged buy-to-let investors.

Outlook

From Q4/2015 to 2017, approximately 57,500 new units from 92 existing and future projects are expected to enter the market.

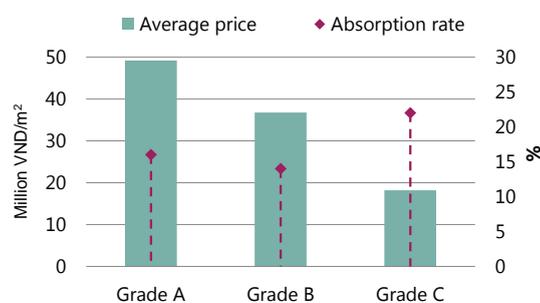
Approximately 33% of the total future supply is expected to be completed in 2015 and 2016. ■

FIGURE 1
Primary stock, Q3/2015



Source: Savills Research & Consultancy

FIGURE 2
Market performance



Source: Savills Research & Consultancy

Savills Research team

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