



Savills Property Price Index (SPPI)

January 2016

Residential Index

The Q4/2015 residential index was 90.2, increasing 1.3 points quarter-on-quarter (QoQ) and up 1 point year-on-year (YoY).

The overall absorption rate was 21%, up 4 pts QoQ but down -1 ppt YoY due to abundant supply. Approximately 7,700 units were sold, a remarkable increase of 47% QoQ and 86% YoY. This is the highest transaction volume in a quarter.

Grade A's sales increased 129% QoQ and 228% YoY. Grade B's transaction volume grew 79% QoQ and 137% YoY. Both Grade A & B had the highest sales level in the last five years.

A number of critical factors including better financial support, construction commitment from developers and diversified products targeting various buyer groups, has resulted in better sales and price movement.

Office Index

In Q4/2015, the office index was 81.7, up 1 point QoQ and 6 points YoY. The office market showed yearly improvement in both occupancy (up 4 pts) and rent (up 3%), resulting in a higher office index compared with 2014. Occupancy achieved its highest level over the last five years at 94 percent.

The CBD index rose 1 point QoQ and 5 points YoY, attributed to a yearly increase in both occupancy at 3 pts and rent at 2 percent.

The non-CBD improved with the index increasing 3 points QoQ and 7 points YoY, due mostly to an increase in average rent of 3 pts QoQ and YoY.

In Q4/2015, total office take-up was approximately 60,000m², down -5% QoQ but up 264% YoY. Take-up came from Grades B and C whilst Grade A had negative take-up this quarter.

In 2016, six projects with more than 71,000 m² will increase total stock by 4% over 2015. ■

FIGURE 1 Residential QoQ Index

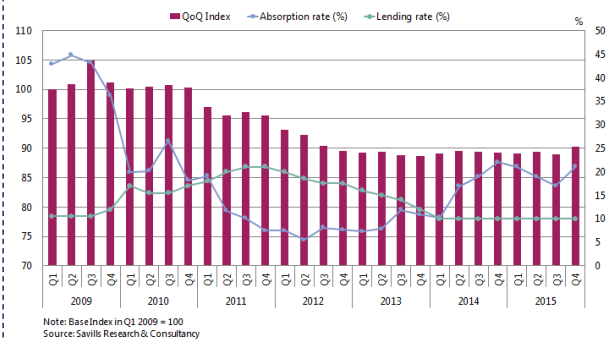
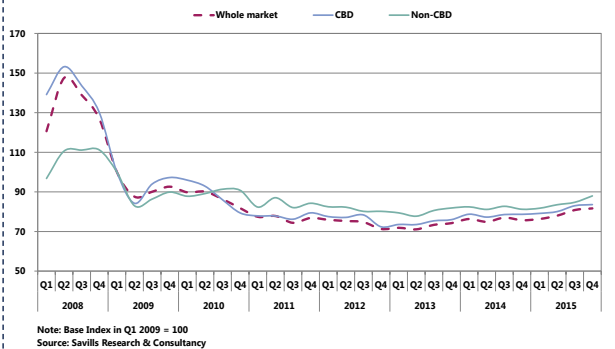


FIGURE 2 Office QoQ Index



Savills Research team

Please contact us for further information



Troy Griffiths
Deputy Managing Director
+84 8 3823 9205 ext. 178
TGriffiths@savills.com.vn



Nguyen Thi Van Khanh
Associate Director,
Advisory Services.
+84 8 3823 9205 ext. 180
NThiVanKhanh@savills.com.vn

Savills plc

Savills is a leading global real estate service provider listed on the London Stock Exchange. The company established in 1855, has a rich heritage with unrivalled growth. It is a company that leads rather than follows, and now has over 600 offices and associates throughout the Americas, Europe, Asia Pacific, Africa and the Middle East.

This report is for general informative purposes only. It may not be published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without prior consent. Whilst every effort has been made to ensure its accuracy, Savills accepts no liability whatsoever for any direct or consequential loss arising from its use. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without written permission from Savills. © Savills Viet Nam Co, Limited.