

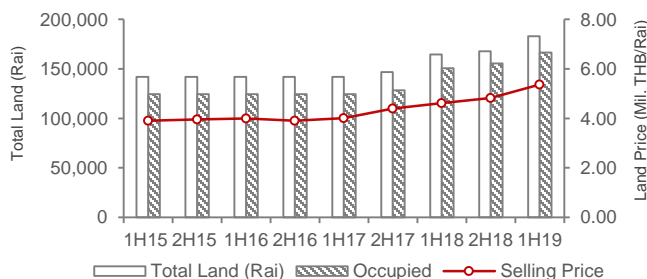
MARKET OVERVIEW

Economic Indicators

	Q4 18	Q1 19	12-Month Forecast
GDP Growth	3.6%	2.8%	▲
CPI Growth	1.1%	0.9%	■
Unemployment	0.9%	0.9%	▼

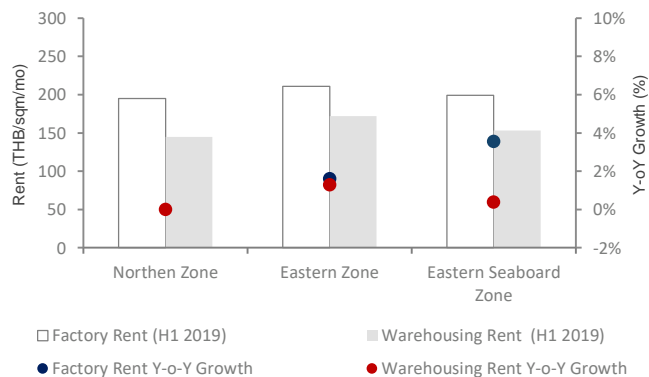
Source: NESDB

Serviced Land Plot Market



Source: Nexus

Ready Built Industrial Rental Market



Source: Nexus

Economy

According to the National Economic and Social Development Board (NESDB), the Thai economy in the first quarter of 2019 expanded 2.8% (YoY) compared with 3.6% in the previous quarter. After seasonally adjusted, the economy grew by 1.0% from the fourth quarter (QoQ sa).

The Thai economy in 2019 is projected to grow in the range of 3.3-3.8%. In all, it is expected the export value will grow by 2.2%, private expenditure and total investment will expand by 4.2% and 4.5%, respectively. Headline inflation is forecasted to lie in the range of 0.7-1.2% and the current account will record a surplus of 5.9% of GDP.

Market Overview

In the first half of 2019, the industrial market in Thailand is being more active than last year. The average price of Service Land Plots (SLP) was increased by 16% Y-o-Y, especially in EEC area. The average rental rates of Ready Built Factories (RBF) was increased by 1.0% Y-o-Y. Meanwhile, Ready Built Warehouses (RBW) market was slightly increased by 1.4% Y-o-Y.

Outlook

The Eastern Economic Corridor (EEC) development policy is refreshing the market when the government has made more progress after the national election on March. Recently, high-speed rail projects linking 3 airports (Don Mueang, Suvarnabhumi and U-Tapao) and the Map Ta Phut industrial port development project phase 3.1 was successfully passed the Environmental Impact Assessment (EIA). As a result, industrial estates developers have accelerated the development of SLP to support more investments.

SUBMARKET	INVENTORY (SQM)	VACANCY RATE	GRADE A ASKING RENT		
			THB/SQM /MO	US\$/SF /MO	EUR/SF /MO
READY BUILT FACTORY					
Northern	744,216	42%	195	US\$0.59	€ 0.52
Eastern	818,343	10%	211	US\$0.64	€ 0.56
Eastern Seaboard	890,515	18%	199	US\$0.60	€ 0.53
READY BUILT FACTORY TOTAL	2,453,074	22%	202	US\$0.61	€ 0.54
READY BUILT WAREHOUSE					
Northern	711,506	13%	145	US\$0.44	€ 0.38
Eastern	2,295,999	5%	172	US\$0.52	€ 0.46
Eastern Seaboard	1,073,596	28%	153	US\$0.46	€ 0.41
READY BUILT WAREHOUSE TOTAL	4,081,101	13%	157	US\$0.47	€ 0.42

Remark:

Northern Zone is Ayutthaya, Pathum Thani and Saraburi
 Eastern Zone is Samutprakarn, Chonburi and Chachoengsao
 Eastern Seaboard Zone is Lamchabang and Rayong

US\$/THB = 30.77937; €/THB = 35.03217