

1H21 BANGKOK INDUSTRIAL SNAPSHOT

MARKET OVERVIEW

Economic Indicators

	Q1 2021	YoY Chg	12-Mo. Forecast
GDP Growth	-2.6%	▼	▲
Consumer Price Index (CPI) Growth	-0.5%	▼	▲
Unemployment	2.0%	▲	■

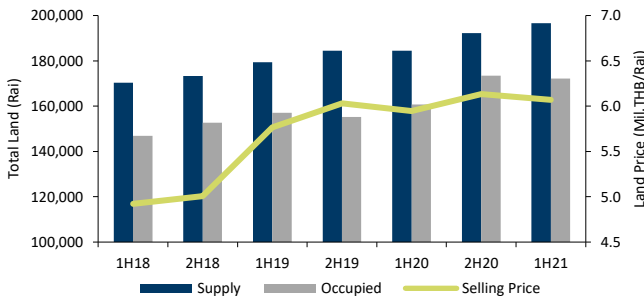
Source: NESDC (National Economic and Social Development Council)

Economy

According to the National Economic and Social Development Council (NESDC), the Thai Economy in the first quarter of 2021 contracted by 2.6 percent, recovering from a 4.2-percent decrease in the previous quarter. After seasonally adjusted, the economy expanded by 0.2 percent from the fourth quarter of 2020 (%QoQ sa).

In 2021, the Thai economy is expected to show an expansion in the range of 1.5 – 2.5 percent, improving from a 6.1-percent contraction, mainly supported by (i) the significant recovery of the global economy and merchandise trade, (ii) the government expenditure, and (iii) the low growth base in 2020. Consequently, it is expected that export values of goods in US dollar terms, private consumption expenditure, private investment, and public investment will increase by 10.3 percent, 1.6 percent, 4.3 percent, and 9.3 percent, respectively. Meanwhile, the headline inflation is expected to be in a range of 1.0 – 2.0 percent, and the current account tends to register a surplus of 0.7 percent of GDP.

Serviced Land Plot Market

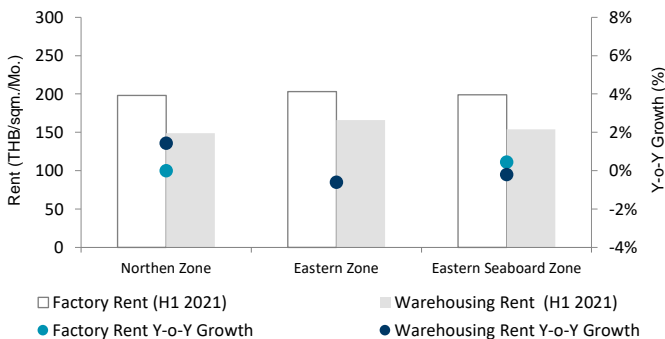


Source: Nexus

Market Overview

In the first half of 2021, Thailand industrial market continues to slowdown from the COVID-19 situation making it difficult for landlords to raise prices/rental rate, while new supply continue to enters the market. The average price of Service Land Plots (SILP) was increased by 3.2% Y-o-Y. While, the average rental rates from Ready Built Factories (RBF) and Ready Built Warehouses (RBW) decline by 1.6% Y-o-Y and increase 0.2% Y-o-Y respectively.

Ready Built Industrial Rental Market



Source: Nexus

Outlook

Although the market has been significantly affected by the COVID-19 pandemic and lockdown leading to loss of consumption and disruptions in supply chains. There are some positive factors supporting the market due to the stability of Thailand's macroeconomic policy, which is evident in the ongoing infrastructure projects, especially in the EEC area, and many investments promotion programs from the BOI. Also, the growth in e-commerce activities is a major driving factor for the warehousing, last mile, and express logistics segments. Therefore, the major industrial developers still see opportunities from the aforementioned factors and set their business goals to expand in the next 3-4 years.

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	GRADE A ASKING RENT		
			THB/SQM /MO	US\$/SF /MO	EUR/SF /MO
READY BUILT FACTORY					
Northern	757,811	33.89%	198	\$0.58	€0.49
Eastern	882,443	10.75%	203	\$0.60	€0.51
Eastern Seaboard	968,405	16.59%	199	\$0.58	€0.49
READY BUILT FACTORY TOTAL	2,608,659	19.64%	200	\$0.59	€0.50
READY BUILT WAREHOUSE					
Northern	711,488	5.87%	149	\$0.44	€0.37
Eastern	2,146,760	9.32%	166	\$0.49	€0.41
Eastern Seaboard	1,074,541	18.55%	154	\$0.45	€0.38
READY BUILT WAREHOUSE TOTAL	3,893,632	10.11%	158	\$0.46	€0.39

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 = 31.6789, €/THB = 37.3593

KEY SALES TRANSACTIONS 1H 2020

PROPERTY	SUBMARKET	TENANT	AREA	PROPERTY TYPE
Bangplee Industrial Estate	Eastern	Flash Express	15,350 Sqm	Warehouse

SERVICED INDUSTRIAL LAND PLOT PROJECTS UNDER DEVELOPMENT

PROPERTY	SUBMARKET	OWNER/DEVELOPER	AREA (RAI)	COMPLETION DATE
WHA Rayong 36 Industrial Estate	Eastern Seaboard	WHA	1,280	2021
CPGC Industrial Estate P.2-3	Eastern Seaboard	CG Corporation	1,997	2021
Smart Park Industrial Estate	Eastern Seaboard	IEAT	1,466	2021
Logistics & Industrial City	Eastern	FPT	4,700	2021
EGCO Industrial Estate Rayong	Eastern Seaboard	IEAT & EGCO	621	2022
Rojana Industrial Estate, Nong Yai	Eastern Seaboard	IEAT & Rojana	1,987	2023
WHA Eastern Seaboard Industrial Estate 4	Eastern Seaboard	WHA	641	2023
Apex Green Industrial Park	Eastern	IEAT - Apex Park	1,606	2023
WHA Industrial Estate Rayong	Eastern Seaboard	WHA & IRPC	2,152	N/A
WHA Saraburi 2	Northern	WHA	1,907	N/A
Digital Park Thailand	Eastern Seaboard	IEAT & CAT	622	N/A
Asia Clean Industrial Estate	Eastern Seaboard	IEAT & ACIP	1,319	N/A

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