

## 2H21 BANGKOK RETAIL SNAPSHOT

### MARKET OVERVIEW

#### BANGKOK RETAIL MARKET

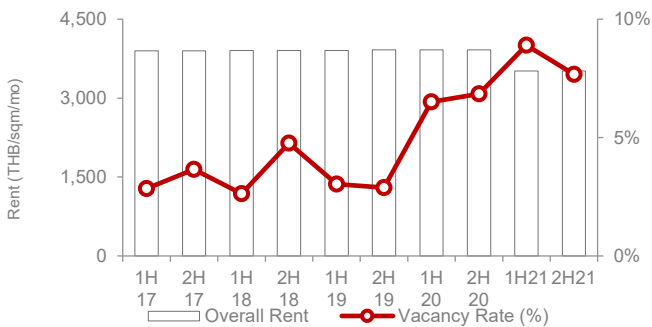
	Q2 21	Q3 21	12-Month Forecast
GDP Growth	7.6%	-0.3%	▲
CPI Growth	2.4%	0.7%	▲
Unemployment	2.8%	2.5%	▼

Source: NESDC (National Economic and Social Development Council)

#### Prime Market Indicators

	H1 21	H2 21	12-Month Forecast
Overall Rent	THB3,517	THB3,517	■
Vacancy Rate	8.90%	7.67%	■

#### Overall Rent and Vacancy Rate



Source: NEXUS

#### Outlook

The COVID-19 pandemic has affected retail consumers significantly, and the online shopping platforms have even worsened the situation in the retail market. All the shopping malls need to be resilient in order to overtake the instant changes. Nonetheless, Nexus believes that the retail market will expand more in the future if the economic confidence and the tourism industry are restored. Besides, there will be more emerging supplies from EmSphere and extended stores of Central Embassy to provide the customers more of the vibrant retail industry.

#### Economy

The National Economic and Social Development Council (NESDC) states the Thai economy in the third quarter of 2021 contracted by 0.3% year-on-year compared with a 7.6% growth from the previous quarter. In the first nine months, the Thai economy expanded by 1.3%.

The NESDC is projected that the economy will be increased around 1.2% in the total year, gradual recovery from -6.1% in 2020. Furthermore, the economy in 2022 is expected to grow in the range of 3.5 - 4.5% which is mainly supported by the recovery in domestic demand and the regaining of the tourism sector.

#### Market Overview

The retail market has been impacted by the COVID-19 widely. The third wave during April to June and the fourth wave during July – August caused heavy restrictions and semi-lockdown in many provinces including Bangkok. Therefore, the retails were allowed to open partly such as supermarkets and pharmacies. Restaurants and eateries in shopping centres were allowed to offer takeaway and delivery services only. In addition, it led to low footfall. Moreover, Thailand's Consumer Confidence Index has hit its lowest record since the financial crisis in 1997. After all, the footfall started to gradually recover following the ease of lockdown and restrictive measures.

In 2021, the total supply of the Central Retail District (CRD) remains at approximately 638,100 sqm. There was no new supply added to the market this year. In terms of the vacancy rate, it was affected by COVID-19 which leads to a higher rate, compared to the pre-COVID period at around 3-5%. At the end of 2021, the vacancy rate stood at 7.63%. Besides, the ground floor monthly rental rate was THB3,517 per sq m, contracted by 10% Y-o-Y.

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	UNDER CONSTRUCTION (SQM)	GRADE A ASKING RENT		
				THB/SQM /MO	US\$/SQM /MO	EUR/SQM /MO
<b>GRADE A CRD</b>						
Siam Square	242,800	4.71%	-	3,825	US\$ 10.63	€ 100.63
Ratchaprasong & Ploenchit	274,300	12.0%	70,000	3,350	US\$ 9.31	€ 88.13
Phrom Phong	121,000	3.62%	60,000	3,375	US\$ 9.38	€ 88.79
<b>BANGKOK GRADE A CRD TOTAL</b>	<b>638,100</b>	<b>7.93%</b>	<b>130,000</b>	<b>3,517</b>	<b>US\$ 9.78</b>	<b>€ 92.52</b>

\* Only Grade A Shopping Center

US\$/THB= 33.4347; €/THB = 38.0104

### Key Lease Transaction H2 2021

PROPERTY	SUBMARKET	MAJOR TENANT	SQM
Siam Paragon	CRD Siam Square	Chanel Boutique (Renovation & Expansion)	480
Central Embassy	CRD Ratchaprasong & Ploenchit	Ermenegildo Zegna Boutique	210
Central World	CRD Ratchaprasong & Ploenchit	H&M Home	665
EmQuartier	CRD Phrom Phong	% Arabica Bangkok Roastery	214

### Significant Projects Under Construction

PROPERTY	SUBMARKET	OWNER / DEVELOPER	SQM	COMPLETION
Silom Edge	Non-CRD Silom	Fraser's Property	10,000	2022
Terminal 21 Rama 3	Non-CRD Rama III	LHMH	43,200	2022
Marketplace Thonglor	Non-CRD Sukhumvit	Central Group	7,115	2022
EmSphere	CRD Phrom Phong	The Mall Group	60,000	2023
One City Center	CRD Ratchaprasong & Ploenchit	Raimon Land & Mitsubishi Estate	4,000	2023
Bangkok Mall	Non-CRD Bangna	The Mall Group	80,000	2023
One Bangkok	Non-CRD Rama IV	TCC Assets & Fraser Property	N/A	2023
The Forestias	Non-CBD Bangna	MQDC	N/A	2023
True Digital Park Phase 2	Non-CRD Sukhumvit	MQDC	N/A	2023
Dusit Central Park	Non-CRD Rama IV	Central Group	80,000	2024
Central Bangkok	CRD Ratchaprasong & Ploenchit	Central Group	70,000	2026

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### About Nexus

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We are an integrated team of specialized real estate professionals who focus on providing the best solutions for our clients. Equipped with an integrated team of the most talented professionals, over 19 years of reliable services, and global network;

Nexus teams currently provide services to many corporations, developers, entrepreneurs, government entities, and financial institutions all around the globe.

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