

## 2H22 BANGKOK RETAIL SNAPSHOT

### MARKET OVERVIEW

#### BANGKOK RETAIL MARKET

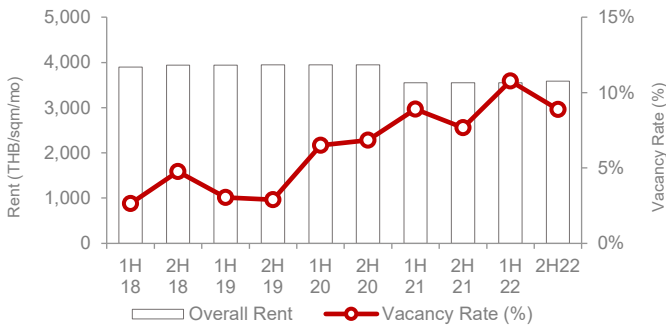
	Q2 22	Q3 22	12-Month Forecast
GDP Growth	2.5%	4.5%	▲
CPI Growth	6.5%	7.3%	▲
Unemployment	1.3%	1.2%	▼

Source: NESDC (National Economic and Social Development Council)

#### Prime Market Indicators

	H1 22	H1 22	12-Month Forecast
Overall Rent	THB3,553	THB3,553	▲
Vacancy Rate	10.76%	8.89%	▼

#### Overall Rent and Vacancy Rate



Source: NEXUS

#### Outlook

The situation of retail spaces tends to be improved due to a continuing rebound in tourism sector and economic recovery. It is foreseeable that the international arrivals will contribute to the major part of sales while domestic demand will remain somewhat vulnerable throughout the year, causing the rise in cost of living. Furthermore, the coming up supply, EmSphere, will light up the market as it was no new supply in the CRD for a very long time. Tesla will be opened their first showroom in Thailand at EmSphere as well as the 3<sup>rd</sup> Apple store and IKEA city store, generating an excitement to the retail market.

#### Economy

According to the Nation Economic and Social Development Council (NESDC), the Thai economy in Q3 2022 grew by 4.5%. The expansion was partly from the ease of the COVID-19 restrictions, which allowed daily activities and other businesses to resume at the same level as the pre-pandemic situation. Consequently, the number of international arrivals has improved continually to more than 10 million visitors in the total year, 10 million higher than the expectation. The Tourism Authority of Thailand (TAT) expects the overall foreign visitor numbers to reach 20 million next year. As a result, NESDC projected that the economy would enlarge by 3.2% in 2022.

#### Market Overview

The retail market has been invigorated by the higher-than-expected number of international arrivals, creating rapid escalation of footfall especially in December. The total supply of the Central Retail District (CRD) in 2022 remains at approximately 624,000 sqm with no new supply added up to the market. In terms of the vacancy rate, the retail space filled up again with both local and international brands gradually, resulting in the improvement of vacancy rate to 8.89%. In retailer aspects, the period during the pandemic was a great opportunity to touch up or relocate their zoning for post-pandemic operation, particularly for F&B space. We can now clearly see the new momentum of both concept and expansion of F&B zone such as Public Market which locates at the link between the Central Chidlom and Central Embassy. The place gathers many notable restaurants. Likewise, Emporium also added famous names to its mall e.g., Sushiro and Momo Paradise to draw up its footfall. Siam Paragon also added large-taken-space restaurant such as Wisdom Buffet and Sushiro to its mall as well. In addition, the average rental rate on the ground floor also improved to THB3,586 per sqm per month, up around 1% 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	229,000	6.61%	-	3,933	US\$ 112.86	€ 106.36
Ratchaprasong & Ploenchit	274,300	12.0%	70,000	3,450	US\$ 98.99	€ 93.29
Phrom Phong	121,000	6.49%	60,000	3,375	US\$ 96.84	€ 91.27
<b>BANGKOK GRADE A CRD TOTAL</b>	<b>624,300</b>	<b>8.89%</b>	<b>130,000</b>	<b>3,586</b>	<b>US\$ 102.90</b>	<b>€ 96.97</b>

\* Only Grade A Shopping Center

US\$/THB= 34.8505; €/THB = 36.9799

### Key Lease Transaction H2 2022

PROPERTY	SUBMARKET	MAJOR TENANT	SQM
Siam Paragon	CRD Siam Square	Wisdom International Buffet	400
Emporium	CRD Phrom Phong	Momo Paradise	300
Central World	CRD Ratchaprasong & Ploenchit	Nippon Market	350
Central Embassy	CRD Ratchaprasong & Ploenchit	Chanel (expansion)	400

### Significant Projects Under Construction

PROPERTY	SUBMARKET	OWNER / DEVELOPER	SQM	COMPLETION
EmSphere	CRD Phrom Phong	The Mall Group	60,000	2023
One City Center	CRD Ratchaprasong & Ploenchit	Raimon Land & Mitsubishi Estate	4,000	2023
Marche Thonglor	Non-CRD Sukhumvit	Central Group	12,000	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
Park Silom	Mom-CRD Rama IV	NYE and RGP Development	9,000	2023
The Forestias	Non-CBD Bangna	MQDC	10,000	2023
Dusit Central Park	Non-CRD Rama IV	Central Group	80,000	2024
Central Bangkok	CRD Ratchaprasong & Ploenchit	Central Group	70,000	2026

### CONTACT US



**TEERAWIT LIMTHONGSAKUL**  
Managing Director  
Tel: +662 286 8899  
E-mail: [teerawit@nexus.co.th](mailto:teerawit@nexus.co.th)

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Nexus Real Estate Advisory Co., Ltd.  
31st Fl., BKL Building/ Y.W.C.A. 25 South Sathorn Road,  
Thungmahamek, Sathorn, BKK 10120, Thailand

For further information, please visit [NEXUS.CO.TH](http://NEXUS.CO.TH)