

## 2H23 BANGKOK INDUSTRIAL SNAPSHOT

### MARKET OVERVIEW

#### Economic Indicators

	Q2 23	Q3 23	12-Month Forecast
GDP Growth	<b>1.8%</b>	<b>1.5%</b>	■
Consumer Price Index (CPI) Growth	<b>1.1%</b>	<b>0.5%</b>	▼
Unemployment	<b>1.1%</b>	<b>1.0%</b>	▼

Source: NESDC (National Economic and Social Development Council)

#### Economy

According to the National Economic and Social Development Council (NESDC), the Thai economy increased by 1.5% in the third quarter of 2023, compared with a growth of 1.8% in the previous quarter. In the first nine months, the economy grew by 1.9%. The economy is anticipated to improve by 2.5% this year, maintaining the previous year's rate of 2.6%. The headline inflation rate is estimated to be 1.4%. In addition, the economy is expected to grow at a rate ranging from 2.7% to 3.7% in 2024.

#### Market Overview

Thailand's industrial market continues to recover from the pandemic crisis. The average price of Service Land Plots (SILP) rose 3.5% yearly to over 6.5 million baht per rai. Whereas Ready Built Factory (RBF) rental rates remained steady, Ready Built Warehouse (RBW) rental rates increased by 1.2% year on year.

#### Serviced Land Plot Market



Source: Nexus

#### Ready Built Industrial Rental Market



Source: Nexus

#### Outlook

Despite rising inflation and interest rates, the Thai economy is still recovering. Additionally, the government approved increasing the daily minimum wage by around 2%, with intentions to raise it again in March 2024, which would boost inflation. However, the Bank of Thailand (BOT) recently forecasted that the inflation rate in 2024 will be in the range of 1-3%. Foreign investors, on the other hand, remain optimistic about growing into Thailand. In particular, Chinese investors continue to establish new facilities in Thailand. Changan Auto, for example, prepares to construct a new 250-rai EV plant in WHA Industrial Estate Eastern Seaboard 4 in Q4 2023. The EV trend has just become widespread, and Thailand has been chosen by global brands such as MG and BYD to establish their operations. BYD established a 600-rai hub in EEC last year. In addition, the BOI unveiled a new investment promotion measure aimed at attracting high-value investors and focusing on an innovative industry. In all, there are various favorable factors that continue to foster growth in Thailand's industrial sector.

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	GRADE A ASKING RENT		
			THB/SQM /MO	US\$/SF /MO	EUR/SF /MO
<b>READY BUILT FACTORY</b>					
Northern	780,686	33.35%	195	\$0.50	€0.47
Eastern	843,402	12.72%	198	\$0.51	€0.48
Eastern Seaboard	979,192	15.40%	196	\$0.51	€0.47
<b>READY BUILT FACTORY TOTAL</b>	<b>2,603,280</b>	<b>19.92%</b>	<b>196</b>	<b>\$0.51</b>	<b>€0.47</b>
<b>READY BUILT WAREHOUSE</b>					
Northern	604,420	9.68%	150	\$0.39	€0.36
Eastern	3,397,630	22.93%	164	\$0.42	€0.40
Eastern Seaboard	940,087	11.54%	154	\$0.40	€0.37
<b>READY BUILT WAREHOUSE TOTAL</b>	<b>4,942,137</b>	<b>19.14%</b>	<b>156</b>	<b>\$0.40</b>	<b>€0.38</b>

**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 = 36.04, €/THB = 38.38

### SERVICED INDUSTRIAL LAND PLOT PROJECTS UNDER DEVELOPMENT

PROPERTY	SUBMARKET	OWNER/DEVELOPER	AREA (RAI)	COMPLETION DATE
EGCO Industrial Estate Rayong	Eastern Seaboard	IEAT & EGCO	622	2024
Rojana Industrial Estate, Nong Yai	Eastern Seaboard	IEAT & Rojana	1,501	2024
Smart Park Industrial Estate	Eastern Seaboard	IEAT	1,383	2024
WHA Industrial Estate Rayong (Phase 1)	Eastern Seaboard	WHA & IRPC	650	2024
WHA Rayong 36 (Phase 2)	Eastern Seaboard	WHA	480	2025
WHA Easternseaboard 3 (Phase 3)	Eastern Seaboard	WHA	630	2025
Pinthong 5 (Expand)	Eastern Seaboard	Pinthong	1,155	2025
WHA Easternseaboard 4 (Phase 3)	Eastern Seaboard	WHA	330	2026
Logistics & Industrial City (Phase 1)	Eastern	FPT	1,300	2026
WHA Industrial Estate Rayong (Phase 2)	Eastern Seaboard	WHA & IRPC	1,100	2026
WHA Saraburi (Phase 2)	Northern	WHA	2,400	2027
Digital Park Thailand	Eastern Seaboard	IEAT & CAT	622	N/A
Rojana Ayutthaya Phase 10	Northern	Rojana	2,296	N/A

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