



# GREATER CHINA LOGISTICS MARKET

Q2 2025

Better never settles



# 01

## KEY TRENDS & OVERVIEW

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# KEY TRENDS

## Greater China's Logistics Market



The Chinese mainland GDP reached RMB66.1 trillion in H1 2025, growing by 5.3% y-o-y. In response to a complex situation of intensified external shocks and overlapping internal challenges, The Chinese mainland implemented a new development philosophy, built a new development pattern, and steadily promoted high-quality development through the 1H 2025 period. The national economy generally withstood pressure, maintained steady progress, and demonstrated strong resilience.



The Chinese mainland total value of social logistics goods maintained steady growth through H1 2025, expanding 5.6% y-o-y to reach RMB171.3 trillion, and the overall industry presented a development trend of steady progress with dual improvement in quality and efficiency. From the perspective of sub-sectors, the total value of industrial goods grew by 5.8% y-o-y in H1 2025, and its pillar position of core logistics demand continued to be consolidated. From the consumption sector, driven by the traditional 618 e-commerce festival, national subsidies, and trade-in policies, online retailing grew rapidly, with online retail sales of physical goods expanding by 8.5% y-o-y in H1 2025.



Industrial/logistics sector investment accounted for 21% of total investment transaction volume in H1 2025. Despite investors maintaining a cautious attitude, the investment market in the premium logistics warehouse field still demonstrated resilience, supported by industrial restructuring optimization, precise policy implementation, technological innovation empowerment, and the release of domestic demand. When investors make strategic deployments, they are focusing on core indicators such as location advantages, tenant structure quality, and debt levels of underlying assets, with projects that are operationally stable and have strong anti-cyclical capabilities being more favored.



Rental demand for premium logistics warehouses in some cities and regions exhibited a growth trend through H1 2025, supported by the combined impact of traditional e-commerce festival stimulus, continuous cross-border e-commerce expansion, and the cumulative effect of consumption-promoting policies, in turn driving a slight increase in rents and a decline in vacancy rates. Meanwhile, in areas with relatively weak industrial foundations, the issue of insufficient new demand remained severe, with significant downward pressure on market occupancy rates and rents. In the short-term, supply-demand imbalances and industry competition will continue to exacerbate rental pressures across the overall premium logistics warehouse market.

# MARKET OVERVIEW

## Greater China's Logistics Market — Q2 2025



### CHINESE MAINLAND

- The total stock of premium logistics warehouse space on the Chinese mainland reached 129 million sq m in Q2 2025.
- Approximately 1.1 million sq m of new supply entered the Chinese mainland logistics market in Q2.
- The overall vacancy rate rose 0.5 percentage points q-o-q to record 17.8%.
- Overall average rents fell 3.1% q-o-q to RMB29.7 per sq m per month.
- Ahead, an additional 24.60 million sq m of new supply is scheduled for completion by the end of 2027.



### HONG KONG, CHINA

- Hong Kong's total stock of premium logistics space remained at 35.3 million sq ft (3.27 million sq m) in Q2 2025.
- The Hong Kong overall prime warehouse vacancy rate edged up 0.1 percentage points q-o-q to record 8.3%. The overall prime warehouse rental level continued to fall, for the third consecutive quarter, although the decline narrowed to 1.0% q-o-q, to record HK\$14.0 psf per month.
- In the short term, prime warehouse rents are expected to face pressure in the coming quarters, and we forecast a rental decline of 8% in 2025.



### TAIWAN, CHINA

- Total premium logistics stock increased to approximately 1.24 million pings (4.11 million sq m) in Q2 2025.
- Incoming supply is expected to add 157,732 pings (521,427 sq m) of stock by the close of 2026, an increase of approximately 12.7%.
- Around 67% of stock is concentrated in Taoyuan City, close to Taoyuan International Airport. The average monthly rental level increased to approximately NT\$700–NT\$850 per ping.

Source: Cushman & Wakefield Research



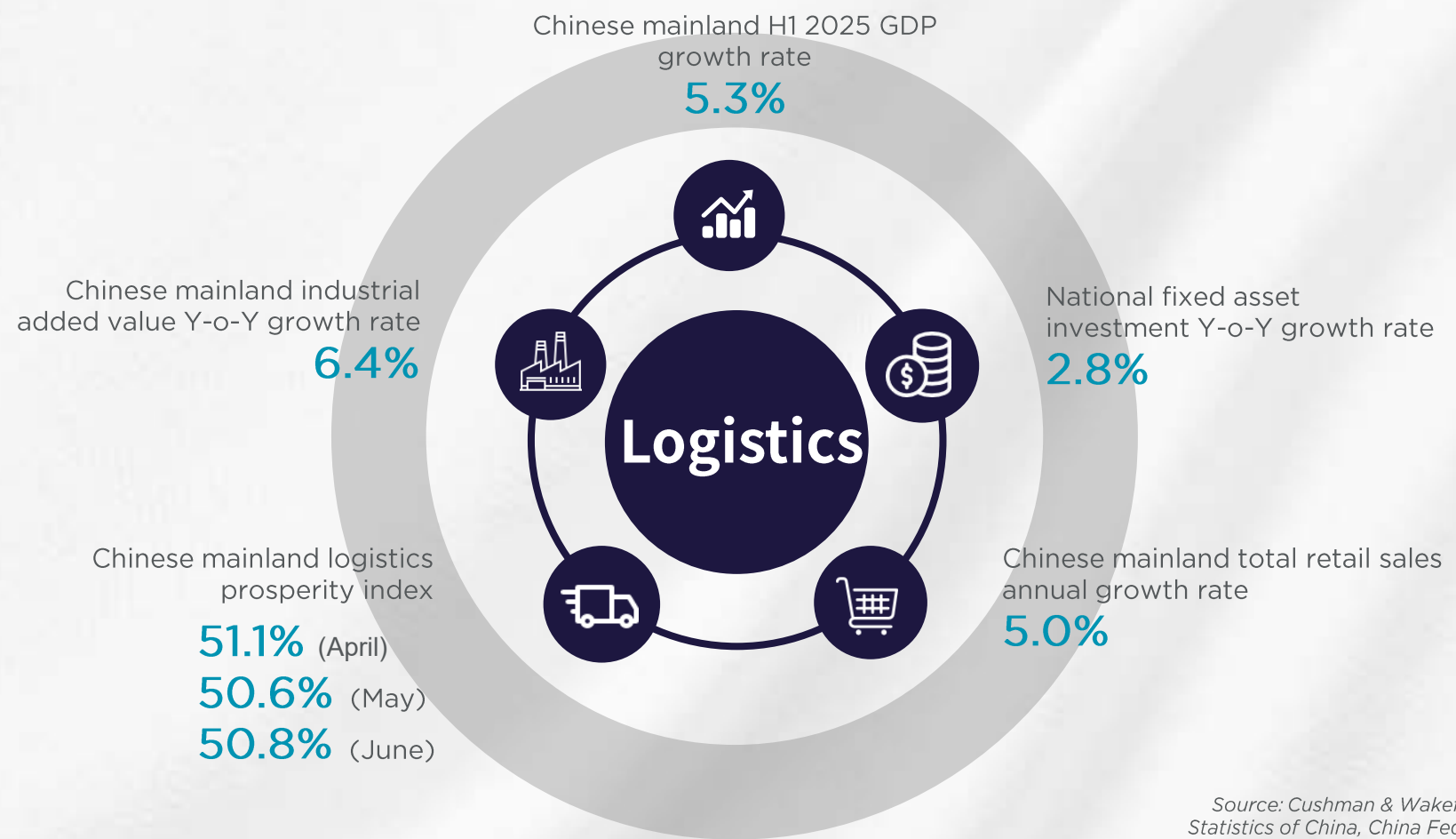
# 02

## MACRO - ECONOMY

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# THE MACRO ECONOMY

## Major Logistics Indicators — H1 2025



Source: Cushman & Wakefield Research, National Bureau of Statistics of China, China Federation of Logistics & Purchasing





# 03

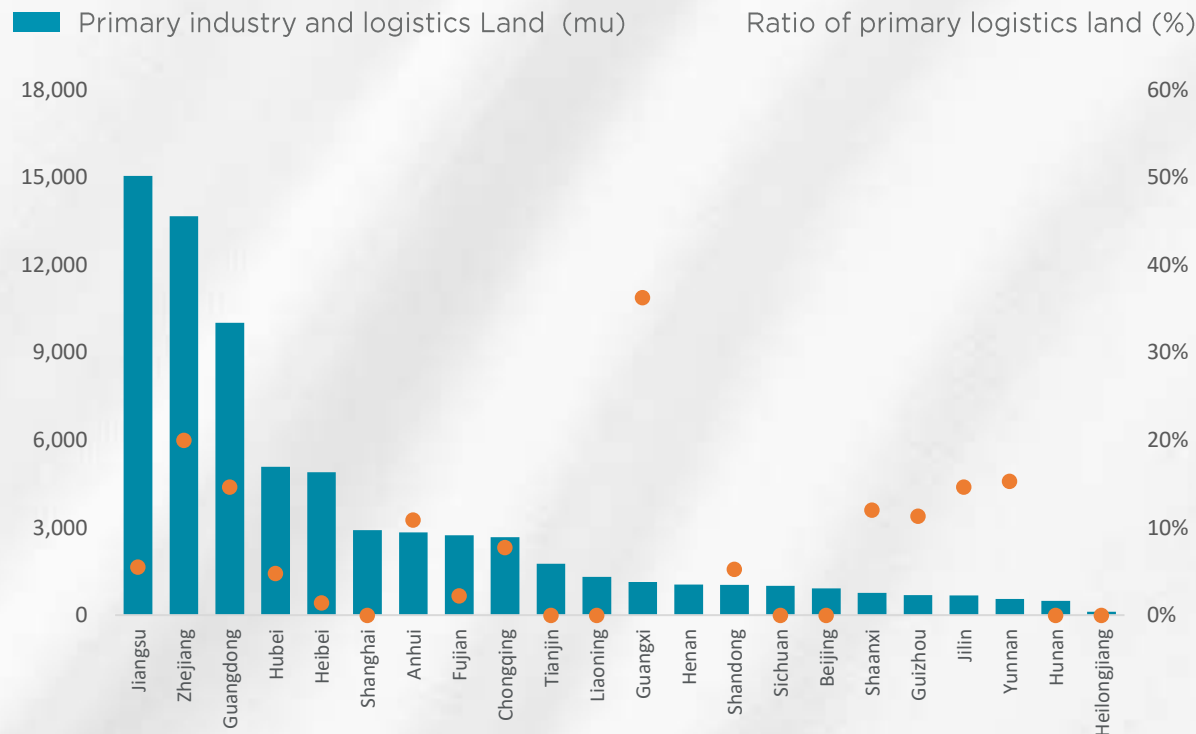
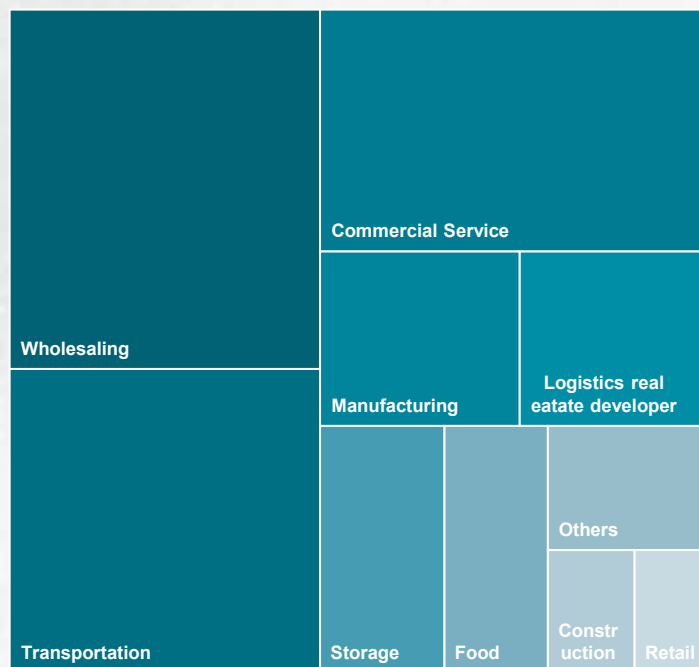
## THE GENERAL MARKET

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# THE PREMIUM LOGISTICS MARKET

## Chinese Mainland Logistics Land Supply Q2 2025

Share of primary logistics land by industry

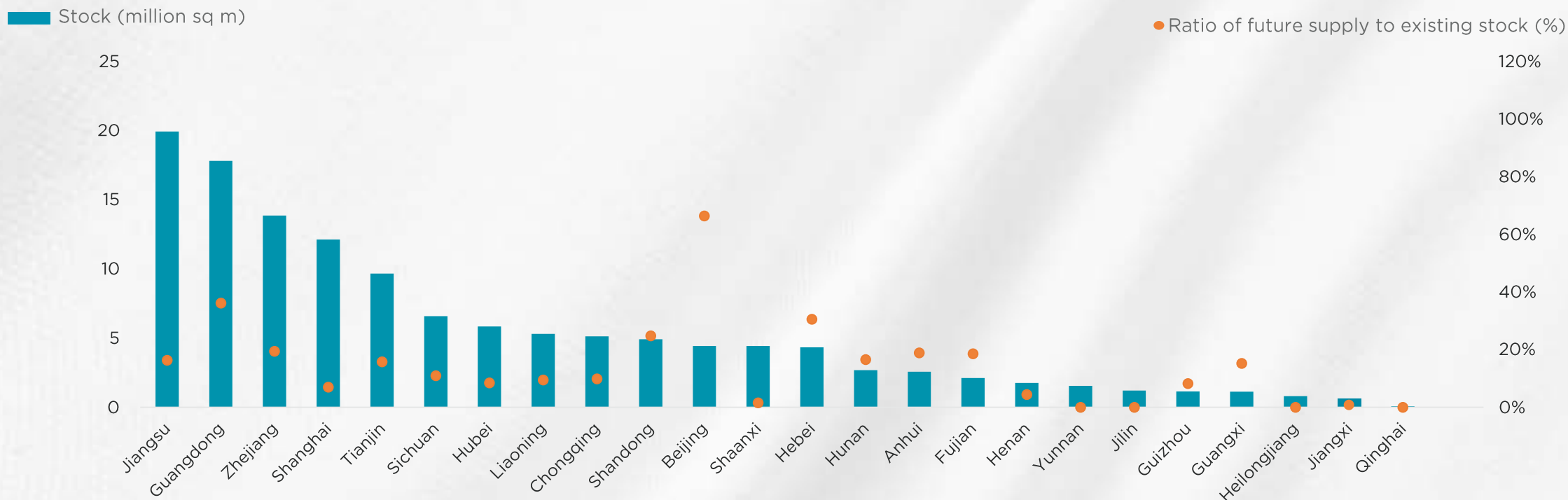


- Government sales of industrial land plots across 74 cities on the Chinese mainland totaled approximately 71,322 mu in Q2 2025. Logistics land plot supply slightly increased, accounting for 10.4% of the total transaction area.
- The wholesaling, transportation, and commercial service sectors were most active in land acquisition. Logistics real estate developers accounted for 7.1% of logistics land transactions in Q2 2025.



# THE PREMIUM LOGISTICS MARKET

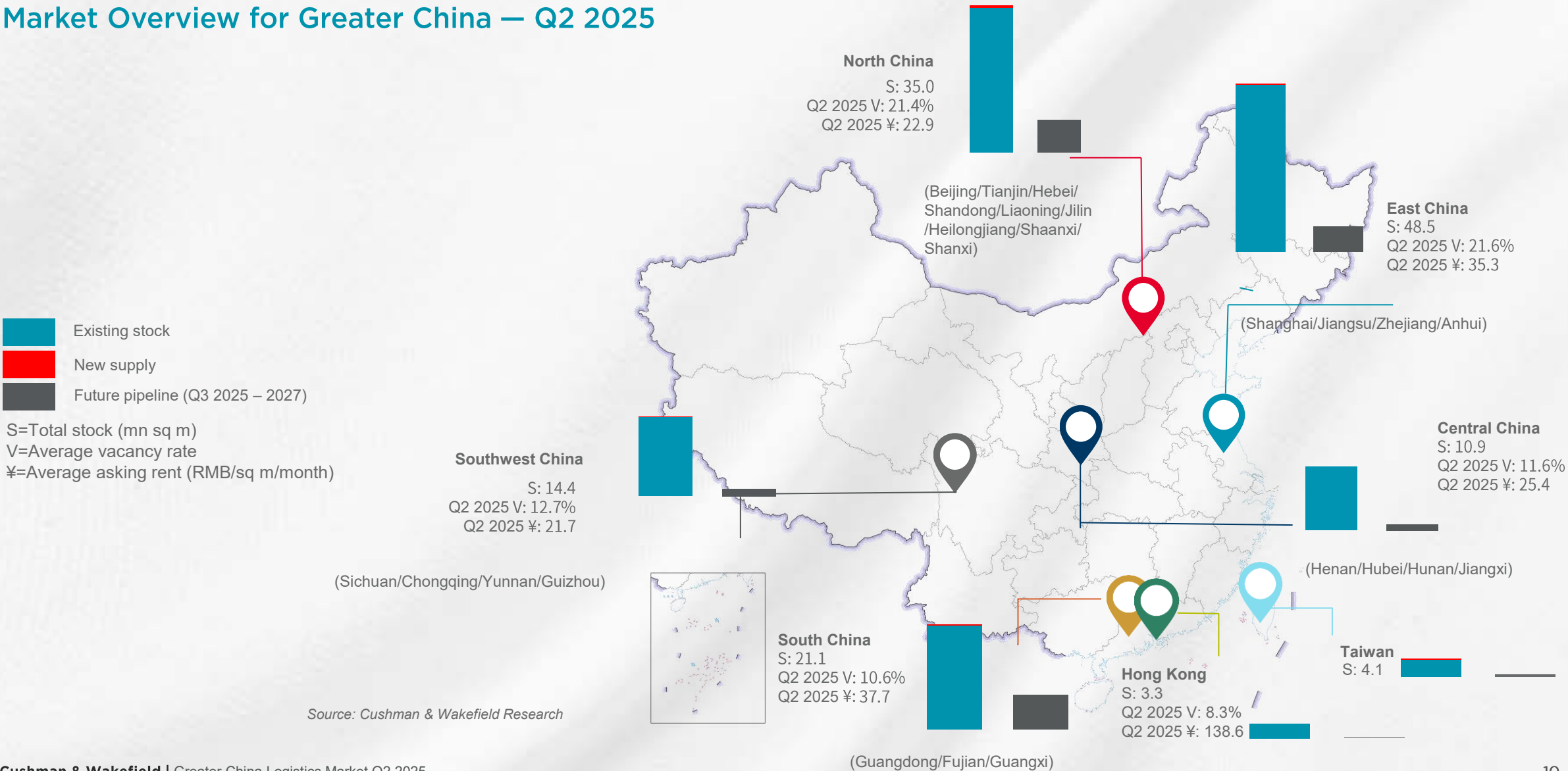
## Chinese Mainland Stock and Future Supply (Q3 2025-2027)



- Jiangsu, Guangdong and Zhejiang were the top three locations for total stock in Q2 2025. Influenced by the combined impact of traditional e-commerce festival stimulus, continuous cross-border e-commerce expansion, and the cumulative effect of consumption-promoting policies, rental demand for premium logistics warehouses in some cities and regions exhibited a growth trend, driving a slight increase in rents and a decline in vacancy rates. Meanwhile, in areas with relatively weak industrial foundations, the issue of insufficient new demand remained severe, with significant downward pressure on market occupancy rates and rents.
- Beijing, Guangdong and Hebei are the top three areas in terms of the ratio of future supply to existing stock. With well-developed infrastructure and robust industrial bases in Guangdong and Beijing, the new supply in these two markets will be gradually leased as industrial growth drives demand for premium logistics warehouse leasing.

# THE PREMIUM LOGISTICS MARKET

## Market Overview for Greater China – Q2 2025

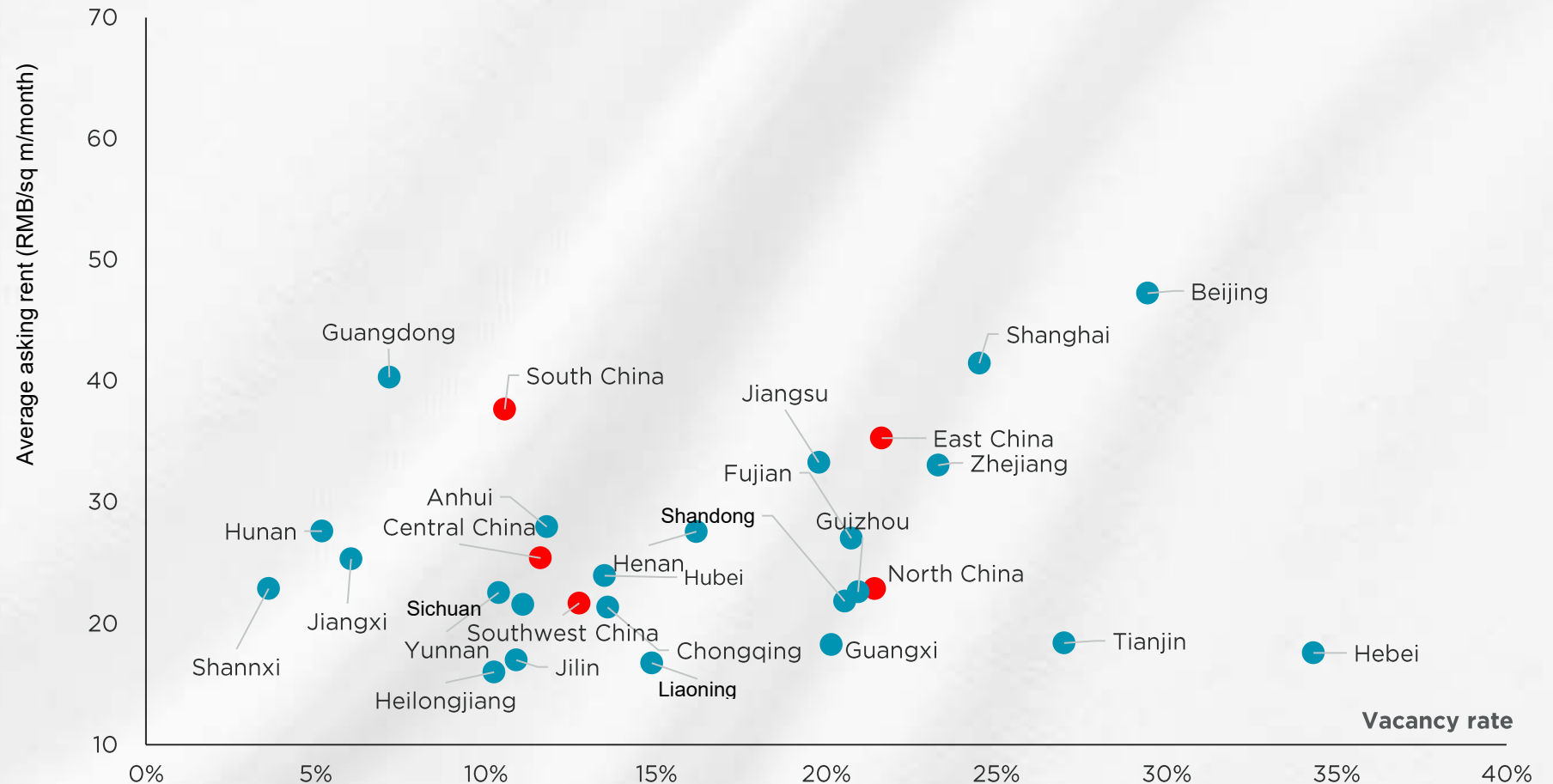


# CHINESE MAINLAND PREMIUM LOGISTICS MARKET

## Vacancy and Rental by Provincial Market — Q2 2025



Source: Cushman & Wakefield Research



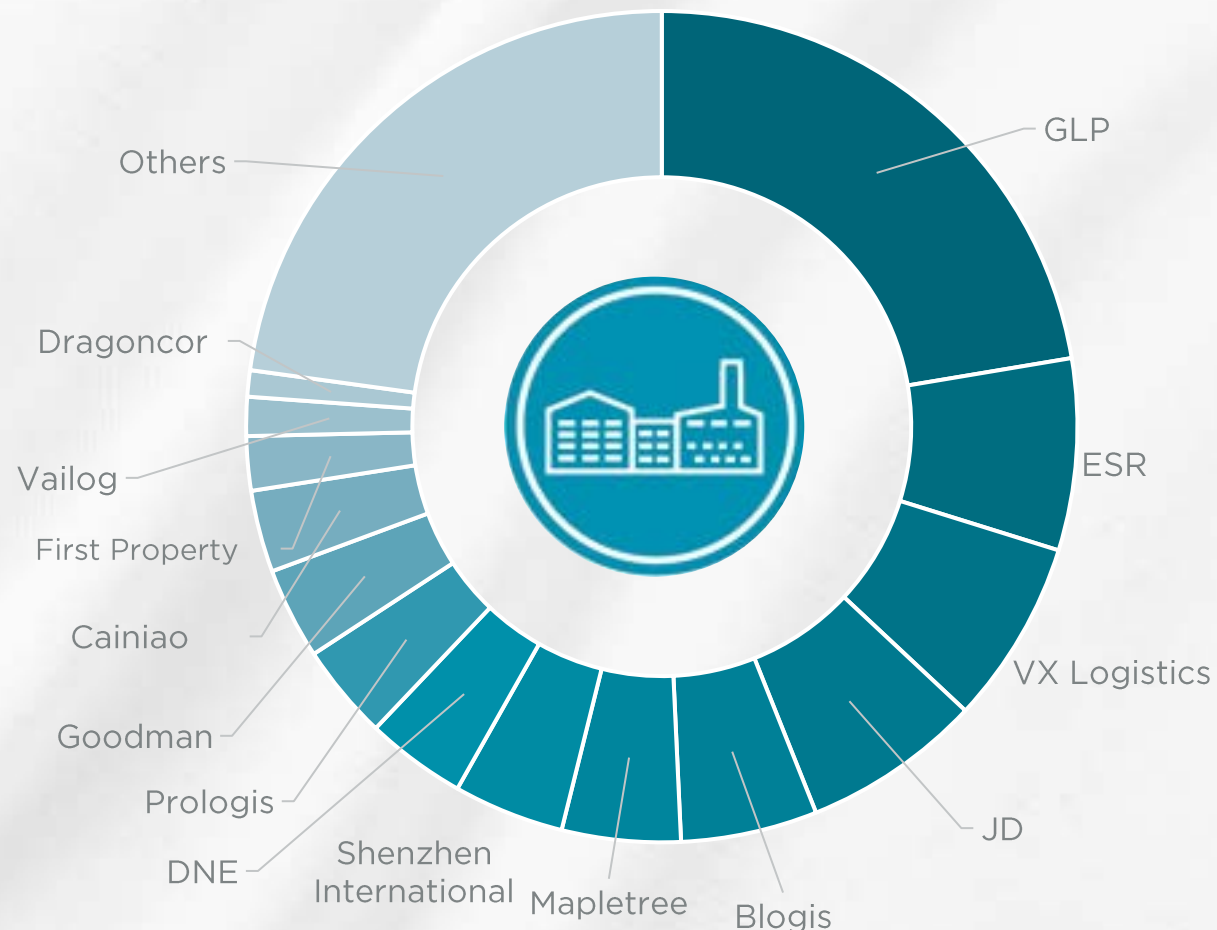


# THE PREMIUM LOGISTICS MARKET

## Chinese Mainland Leasable Breakdown by Operator – Q2 2025

### Latest major market information:

Approximately 1.1 million sq m of new supply entered the Chinese mainland logistics market in Q2 2025. The total stock of premium logistics warehouse space on the Chinese mainland reached 129 million sq m.



Note: By Operator Holding >1% of Total Market Stock

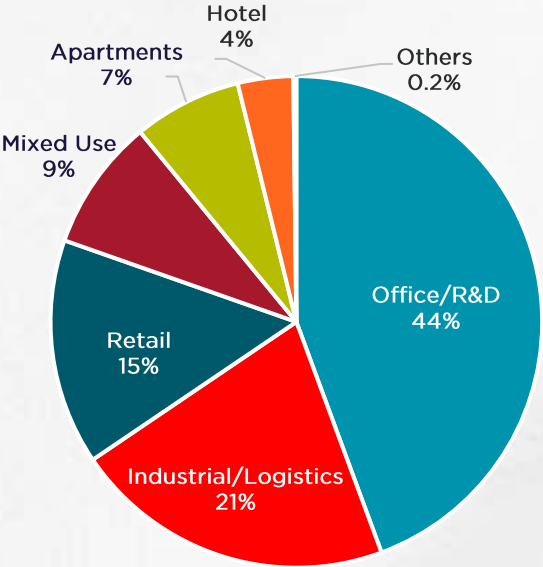
Source: Cushman & Wakefield Research

# THE PREMIUM LOGISTICS MARKET

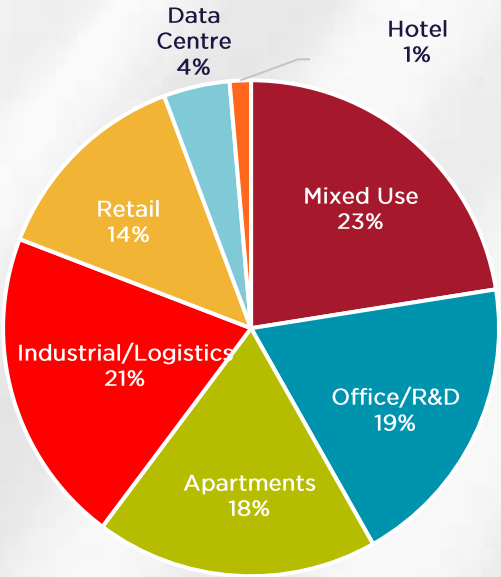
## Investment

Investment transaction volume on the Chinese mainland — 2024 and H1 2025

2024



H1 2025



Industrial/logistics sector investment accounted for 21% of total investment transaction volume in H1 2025.

Despite investors maintaining a cautious attitude, the investment market in the premium logistics warehouse field still demonstrated resilience, supported by industrial restructuring optimization, precise policy implementation, technological innovation empowerment, and the release of domestic demand. When investors make strategic deployments, they are focusing on core indicators such as location advantages, tenant structure quality, and debt levels of underlying assets, with projects that are operationally stable and have strong anti-cyclical capabilities being more favored.



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## THE REGIONAL MARKETS

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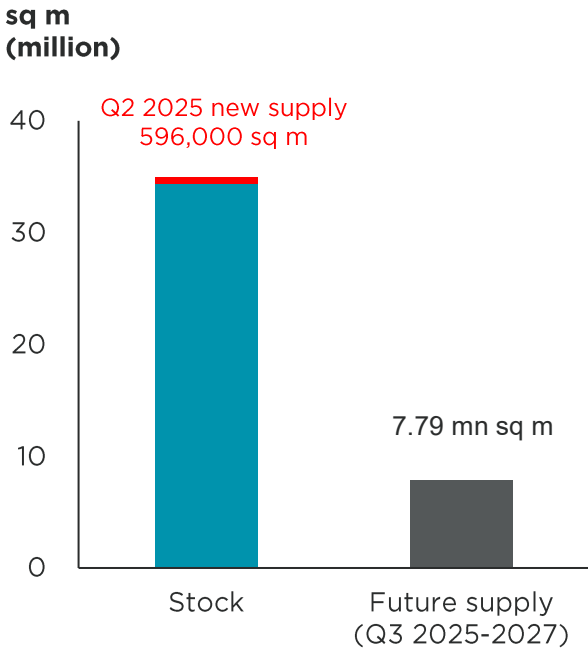


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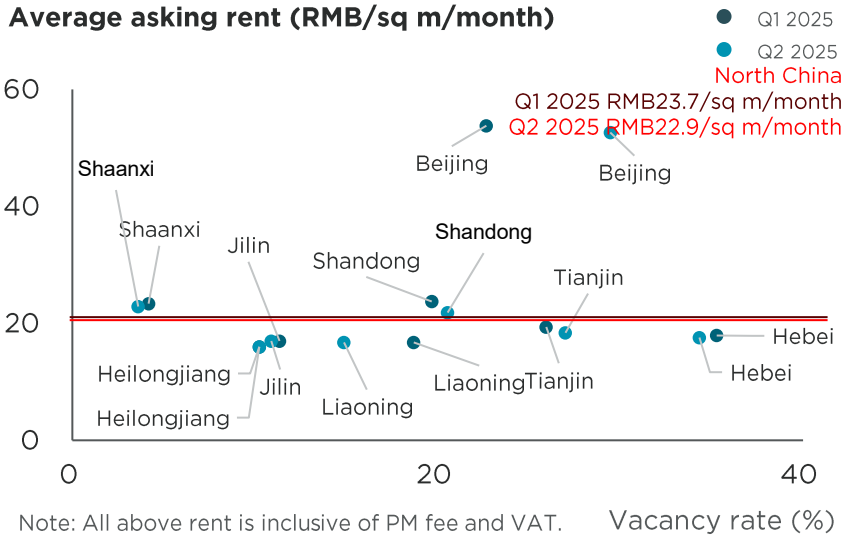
## North China Logistics Overview — Q2 2025

- The North China premium warehouse market saw new completions reach 596,000 sq m. The average monthly rental level dropped 3.6% q-o-q to RMB22.9 per sq m. The premium warehouse vacancy rate increased 0.5 percentage points q-o-q to 21.4%.
- The e-commerce, 3PL and manufacturing sectors remained the key drivers in the premium logistics warehouse market in Beijing. The market still faces slow absorption, with the vacancy rate remaining at 22.7%. Pinggu district's concentrated supply entry in the future is expected to further increase leasing pressures.
- In Tianjin, with strong supply, the premium logistics warehouse market continued to face slow absorption. Due to the high vacancy rate, the market offered tenants greater bargaining power.
- In Langfang, the market still faced immense leasing pressure, with a vacancy rate of 39.5%. It is expected that the overall leasing market will continue to face challenges in the future.

CURRENT STOCK, NEW & FUTURE SUPPLY



AVERAGE RENTAL AND VACANCY RATES BY CHINESE MAINLAND PROVINCIAL MARKETS



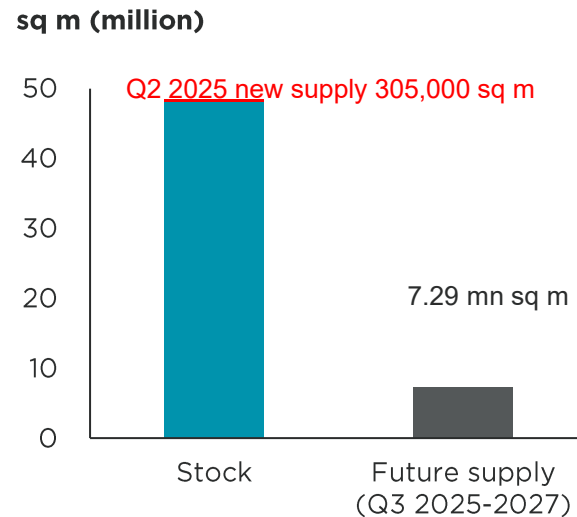
Source: Cushman & Wakefield Research

# PREMIUM LOGISTICS MARKET

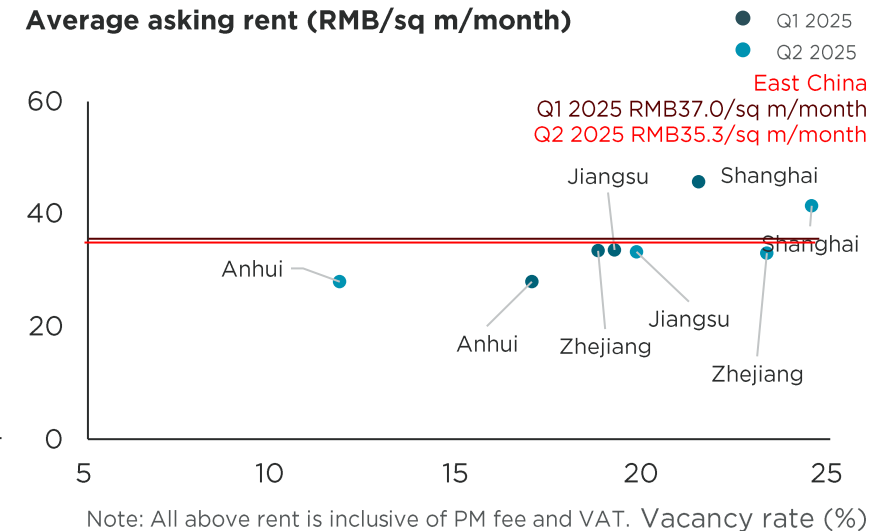
## East China Logistics Overview — Q2 2025

- The East China premium warehouse market performance remained steady. The market saw new completions reach 300,000 sq m. The overall average monthly rental level fell 4.5% to RMB35.3 per sq m. The overall warehouse vacancy rate increased 1.5 percentage points q-o-q to record 21.6%.
- The e-commerce, 3PL, express delivery and manufacturing sectors were the key drivers in the premium logistics warehouse market. We have seen an increase in relocation inquiries from existing tenants in the market, seeking lower rents, through the Q2 period,
- Non-core areas in the Shanghai market still faced leasing pressure. New project completions have driven up overall market vacancy, with the vacancy rate rising 3.05 percentage points q-o-q to record 24.5%. The Zhejiang market continued to face high vacancy rates. Landlords in East China will continue to adopt the strategy of trading leasing space volume for lower rentals to alleviate leasing pressures.

### CURRENT STOCK, NEW & FUTURE SUPPLY



### AVERAGE RENTAL AND VACANCY RATES BY CHINESE MAINLAND PROVINCIAL MARKETS



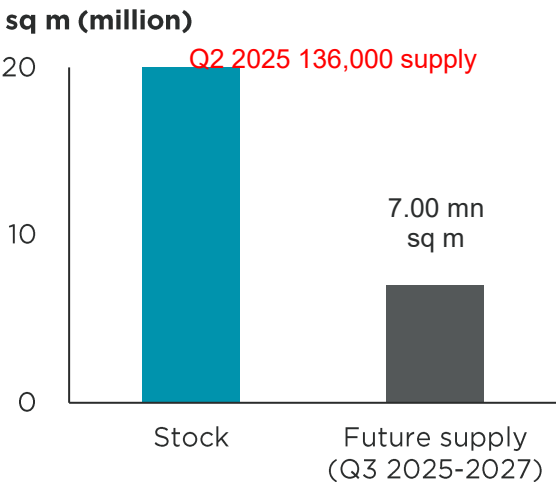
Source: Cushman & Wakefield Research

# PREMIUM LOGISTICS MARKET

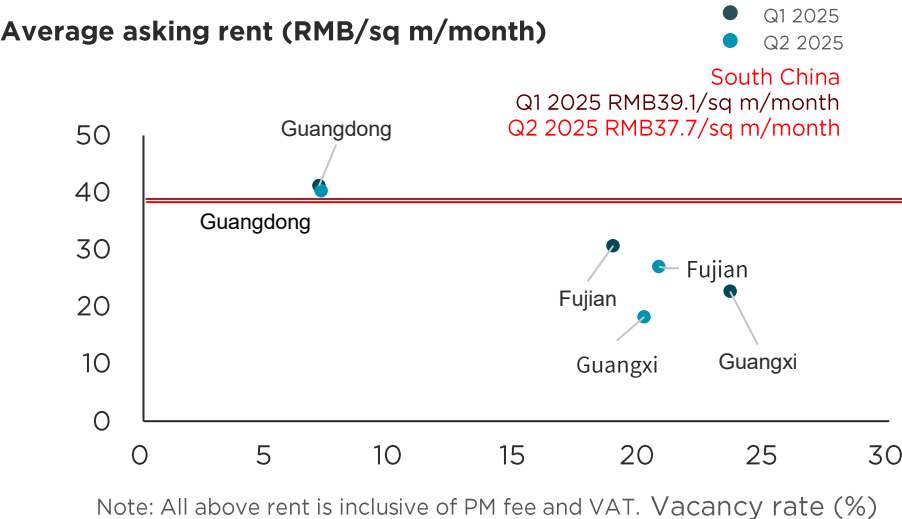
## South China Logistics Overview — Q2 2025

- The South China market performance was generally stable, with the average vacancy rate rising 1.17 percentage points q-o-q to 10.6% in Q2 2025. The average monthly rental level fell slightly by 3.5% to RMB37.7 per sq m.
- Shenzhen's overall market demand remained stable, with e-commerce, express delivery and 3pl sectors continuing to be the key tenants. The average monthly rental declined slightly by 2.7% to RMB47.8 per sq m. The Shenzhen market is expected to face certain additional leasing pressure due to the upcoming future supply.
- Guangzhou's market remained relatively stable, with e-commerce and 3PL still representing the core tenant base. The vacancy rate dropped slightly to 7.2%. Guangzhou Zengcheng's concentrated supply entry in the future is expected to further increase leasing pressures.

### CURRENT STOCK, NEW & FUTURE SUPPLY



### AVERAGE RENTAL AND VACANCY RATES BY CHINESE MAINLAND PROVINCIAL MARKETS



Source: Cushman & Wakefield Research

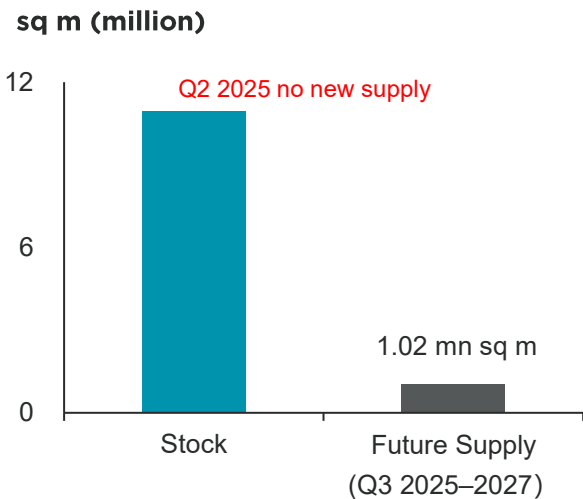


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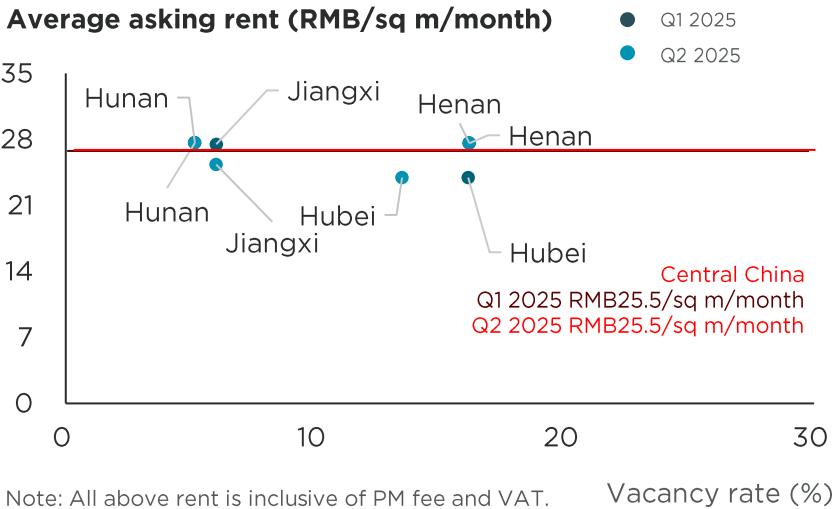
## Central China Logistics Overview — Q2 2025

- The Central China premium warehouse market maintained stable performance, with the vacancy rate declining slightly to 11.6%. The average monthly rental dropped 0.3% q-o-q to RMB25.4 per sq m.
- The Wuhan premium warehouse market showed consistent stability, with e-commerce, fast-moving consumer goods, apparel, and express delivery sectors remaining the key drivers. The vacancy rate declined by 3.2 pp q-o-q to 13.8%.
- The 3PL and e-commerce sectors were the major demand drivers in the Changsha premium warehouse market. The average monthly rental level remained at RMB27.6 per sq m.

### CURRENT STOCK, NEW & FUTURE SUPPLY



### AVERAGE RENTAL AND VACANCY RATES BY CHINESE MAINLAND PROVINCIAL MARKETS



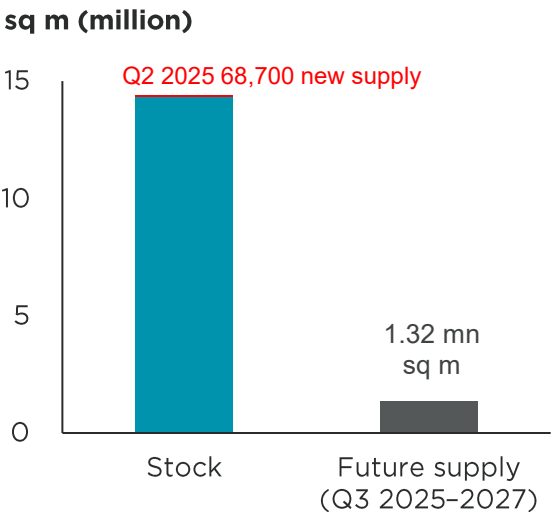
Source: Cushman & Wakefield Research

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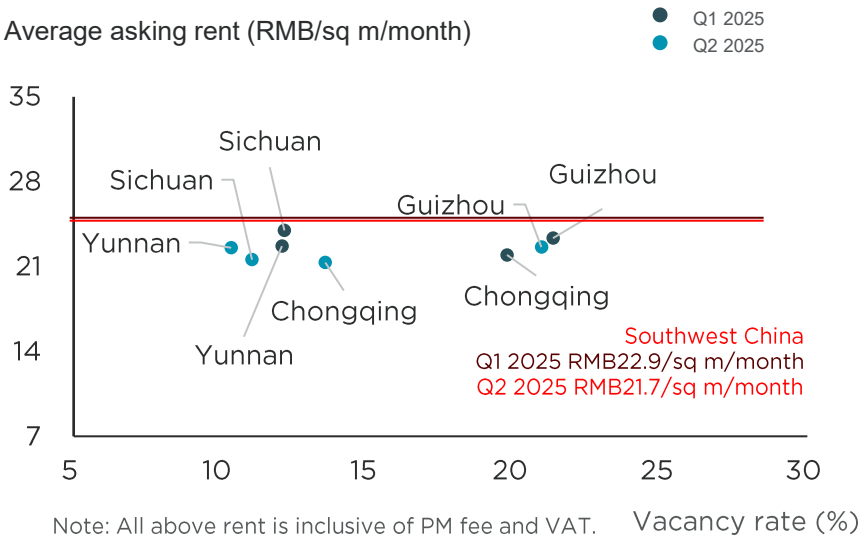
## Southwest China Logistics Overview – Q2 2025

- The Southwest China market saw new completions reach 68,700 sq m, with the vacancy rate declining by 2.3 percentage points to 12.7%. The average monthly rental level decreased by 5.5% q-o-q to RMB21.7 per sq m.
- In Chengdu, supply-demand dynamics remained balanced. Landlords continue to adopt the leasing strategy of reducing rents to attract tenants. Leasing demand from the e-commerce, automotive, and food and beverage sectors has been significantly released. The demand for expansion of affordable consumption formats such as snacks has increased.
- In Chongqing, demand for auto parts is expanding. The vacancy rate fell by 4.3 percentage points to 13.6%.

### CURRENT STOCK, NEW & FUTURE SUPPLY



### AVERAGE RENTAL AND VACANCY RATES BY CHINESE MAINLAND PROVINCIAL MARKETS



Source: Cushman & Wakefield Research

# CHINESE MAINLAND PREMIUM LOGISTICS MARKET

## Major Market Logistics Dashboard – Q2 2025

City	Stock GFA (sq m)	Supply to 2027 GFA (sq m)	Rental change (q-o-q)	Vacancy change (pp q-o-q)
Shanghai	12,134,000	845,000	9.2%↓	3.05↑
Tianjin	9,662,000	1,527,000	5.1%↓	1.05↑
Chengdu	6,372,000	722,000	1.3%↓	1.13↓
Chongqing	5,128,000	507,000	1.7%↓	4.29↓
Wuhan	4,836,000	409,000	0.0%	3.20↓
Guangzhou	4,621,000	1,086,000	1.9%↓	1.73↓
Beijing	4,435,000	2,945,000	12.2%↓	6.75↑
Suzhou	4,344,000	1,016,000	-	0.68↓
Jiaxing	4,160,000	-	0.3%↓	1.89↑
Shenyang	3,959,000	369,000	-	6.59↓
Xi'an	3,631,000	70,000	1.0%↓	0.19↓
Hangzhou	3,546,000	20,000	2.6%↓	0.51↑
Kunshan	3,515,000	-	2.4%↓	2.57↑
Foshan	3,124,000	1,196,000	1.7%↑	6.74↑
Wuxi	2,875,000	-	-	2.33↑
Nanjing	2,621,000	-	0.5%↓	0.12↑
Shenzhen	2,048,000	1,562,000	0.8%↓	1.43↑
Qingdao	1,673,000	406,000	5.8%↓	0.99↓
Dalian	1,347,000	61,000	-	3.56↑

Source: Cushman & Wakefield Research



# PREMIUM LOGISTICS MARKET

## Taiwan Logistics Overview — Q2 2025

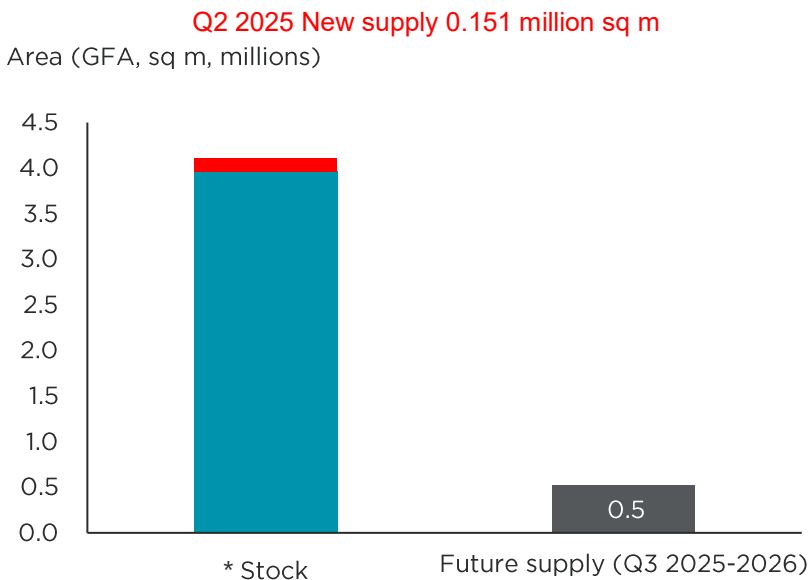
### Trade Performance

- In the second quarter of 2025, Taiwan’s exports reached US\$153.78 billion, marking a substantial 34.1% y-o-y increase and setting a record high for a single quarter. This growth was likely driven by strong demand for emerging technology applications and pre-stocking ahead of the postponed implementation of U.S. reciprocal tariffs. Exports in June alone hit US\$53.32 billion, also a new all-time high, representing a 33.7% y-o-y increase and a 20% m-o-m rise. On the import side, Q2 imports totaled US\$121.63 billion, up 24.5% y-o-y, while June imports came to US\$41.26 billion, the second-highest monthly figure on record.
- In the second quarter of 2025, wholesale sector sales totaled NT\$3.4735 trillion, up 4.4% q-o-q and 8.6% y-o-y, driven by robust shipments of AI servers, semiconductor equipment, and electronic components, marking the highest single-quarter level on record. Cumulative sales for the first half of the year reached NT\$6.8012 trillion, an annual increase of 9%, also setting a record high for the same period. Retail sector sales in the second quarter came to NT\$1.1708 trillion, down 2% from the previous quarter and 1.6% y-o-y, as economic uncertainty and deferred deliveries of some imported vehicles dampened consumer sentiment. Restaurant sector sales in the second quarter totaled NT\$257.2 billion, down 6.2% from the previous quarter but up 2.2% y-o-y. Overall, the wholesale sector continued to grow, while the food and beverage and retail sectors were relatively weak.

### Logistics Property Market Performance

- The total premium logistics stock grew to approximately 1.24 million pings (4.11 million sq m). In addition, 157,732 pings (521,427 sq m) of new stock will be added by 2026, raising the total stock by 12.7%.
- Taiwan’s overall high-quality logistics distribution is concentrated in Taoyuan City, adjacent to Taiyuan International Airport, with 67% of the total. In response to growing logistics demand, the five major retail giants have invested more than NT\$100 billion into building logistics and warehousing facilities with new supply expected to be completed by 2026. In general, market demand is growing steadily. The rental price is approximately NT\$700–NT\$850/month/ping.

### CURRENT STOCK, NEW & FUTURE SUPPLY



Source: Cushman & Wakefield Research

\*Note: The current stock this quarter is 4,113,100 sq m, of which 150,600 sq m is actual new supply this quarter and 325,200 sq m is from historical data updates.

# PREMIUM LOGISTICS MARKET

## Hong Kong Logistics Overview — Q2 2025

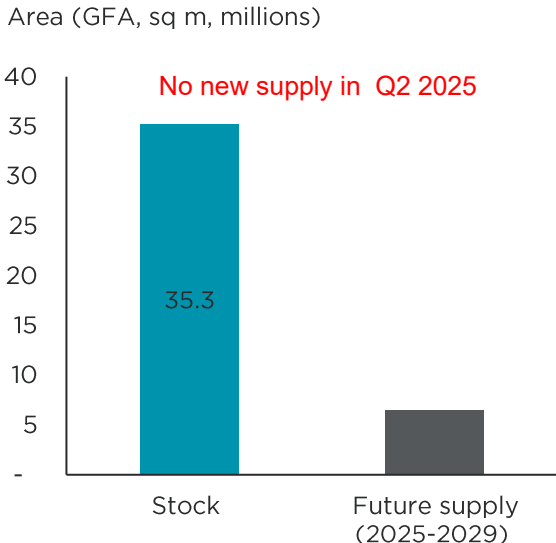
### Trade Performance

- The United States' new trading and tariff policies weighed on Hong Kong's logistics market performance in the Q2 2025 period. In April and May, the city's total imports and exports climbed by 17% y-o-y and 15% y-o-y respectively, mainly due to accelerated shipments ahead of the U.S. retroactive tariff program.
- The S&P Manufacturing Purchasing Manger's Index (PMI) fell to 49.0 in May 2025, staying below the contraction line. Hong Kong's ports handled 5.6 million TEU shipping containers for the first five months of 2025, down 0.6% y-o-y. This figure also marked the fourth consecutive year of decline for the five-month period, at a -22% cumulative change for Jan-May 2025 vs. Jan-May 2021.

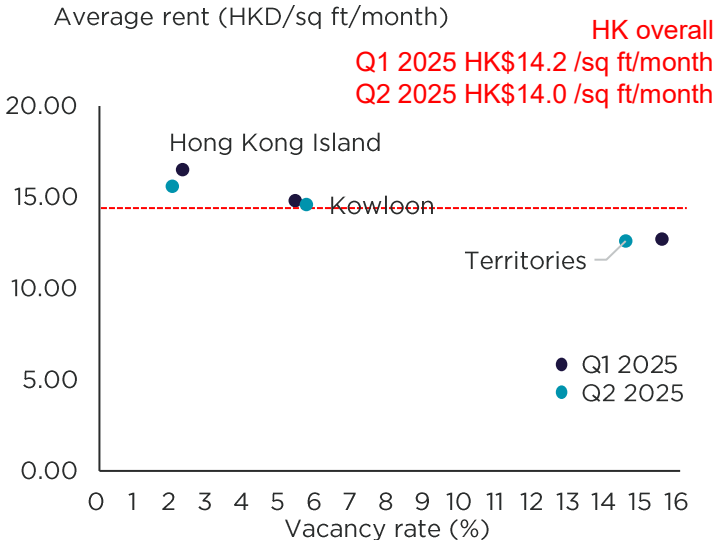
### Logistics Property Market Performance

- The overall prime warehouse vacancy rate edged up 0.1 percentage points q-o-q to record 8.3%, mainly due to greater vacant space at Tsing Yi and Kwai Chung facilities. However, if excluding the Cainiao Smart Gateway, a 4 million sf warehouse facility at Chek Lap Kok, completed in 2023, the overall prime warehouse vacancy rate stood at 5.6%.
- Amid the changing market sentiment and fierce competition to attract tenants, the prime warehouse rental level continued to fall, for the third consecutive quarter, although the decline narrowed to 1.0% q-o-q, to record HK\$14.0 psf per month.

### CURRENT STOCK, NEW & FUTURE SUPPLY



### AVERAGE RENTAL AND VACANCY RATES BY SUBMARKET



Source: Cushman & Wakefield Research

# PREMIUM LOGISTICS MARKET

## Hong Kong Recent Notable Transactions and Outlook

### Notable Transactions

- Growing market uncertainties prompted occupiers into a wait-and-see stance again in Q2 2025, with leasing activities mostly focused on renewal or relocation cases. The market did witness some notable new lease transactions in Q2, including Kerry Logistics' 72,000 sf en-bloc commitment at 10 San Hi Tsuen Street in Yuen Long; and with Wilson Logistics' 28,000 sf take-up at Kerry TC Warehouse 1 in Kwai Chung.

Building	District	Tenant	GFA sq ft	Type
10 San Hi Tsuen Street	Yuen Long	Kerry Logistics	72,000	New Lease
Kerry TC Warehouse 1	Kwai Chung	Wilson Logistics	28,000	New Lease
Goodman Tuen Mun Distribution Centre Block 1	Tuen Mun	Newpower Worldwide	20,200	New Lease
Goodman Dynamic Centre	Tsuen Wan	Mitsubishi Elevator	33,900	Renewal
ATL Logistics Centre Block B	Kwai Chung	Lotus Fine Arts	25,400	Renewal

Source: EPRC, Cushman & Wakefield Research

### OUTLOOK

In the long term, when the market can regain more confidence, we expect demand from e-commerce operators and related third-party logistics players (3PLs) to again become the key demand drivers for warehousing, supported by well-established land, sea and air trade routes in the city, and growing demand from shoppers on e-commerce platforms.

However, in the short term, the sluggish market sentiment brought on by uncertain trading policies, coupled with softening leasing demand amid the ample new supply pipeline, means we expect the prime warehouse rental level to face pressure in the coming quarters, and we forecast a rental decline of 8% in 2025.



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## THE GENERAL OUTLOOK

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# THE PREMIUM LOGISTICS MARKET

## General Outlook – Key Takeaways

- In the short term, supply-demand imbalances and industry competition will continue to intensify rental pressures in the overall premium logistics warehouse market. Landlords will continue to adopt the strategy of trading leasing space volume for lower rentals to maintain project occupancy rates at a healthy level.
- In the future, tenant decision-making logic will gradually shift a cost-driven to an industrial-value-oriented model. The value of warehouse space will be tied to regional innovation capabilities rather than merely location, requiring warehouse logistics operators to possess both spatial reshaping capabilities and industrial resource integration capabilities. They will also need to focus more on reducing full-cycle costs through smart operations and maintenance, rather than short-term rental income, to achieve a favorable rental ecosystem model.

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## ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In Greater China, a network of 23 offices serves local markets across the region.

In 2025, the firm reported revenue of \$9.4 billion across its core services of Valuation, Consulting, Project & Development Services, Capital Markets, Project & Occupier Services, Industrial & Logistics, Retail, and others. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture.

For additional information, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com)

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In 2025, the firm reported revenue of \$9.4 billion across its core services of Valuation, Consulting, Project & Development Services, Capital Markets, Project & Occupier Services, Industrial & Logistics, Retail, and others. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture.

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