CUSHMAN & WAKEFIELD

HO CHI MINH CITY RETAIL MARKETS

Q1 2025 Market Beat

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MARKETBEAT

HO CHI MINH CITY

RETAIL Q1 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	QoQ	YoY
US$53.48 Avg. rental rate (US$/sq.m/month)	▲	▼
93.31% Occupancy rate (%)	▲	▲
15,000 New supply (sq.m)		

(Shopping center, Department store, Retail podium)

ECONOMIC INDICATORS Q1 2025

	YoY Change
6.93% GDP Growth	▲
3.22% Inflation (CPI)	▲
10.98 FDI (billion USD)	▲

Source: General Statistics Office

SUPPLY: SATRA CONTINUES TO OPEN CENTER MALL BRAND IN DISTRICT 6

The beginning of 2025 saw Satra further expand its retail presence with the launch of a 15,000 sq m Centre Mall in District 6, following closely after the opening of Central Premium Mall in District 8. Consequently, the total retail supply in Ho Chi Minh City (HCMC) reached 1.2 million sq m, marking a 1.27% growth QoQ and an 11.43% increase YoY. Notably, new retail malls are consistently being introduced in districts outside the central areas, offering a wide array of business models. This trend is gradually transforming traditional street-front retail, which is under significant pressure from the growing e-commerce sector.

DEMAND: SIGNIFICANT IMPROVEMENT COMPARED TO THE SAME PERIOD LAST YEAR

The retail occupancy rate stood at 93.31%, marking a considerable improvement with a nearly 4% increase year-over-year and a 1.21% gain quarter-over-quarter. This growth underscores the sustained high demand for retail space in Ho Chi Minh City, even as supply shows signs of increasing. This strong demand is further evidenced by the continuous expansion of brand chains, notably Japanese retailers such as Uniqlo. Findings from a Japan External Trade Organization (JETRO) survey reveal that all surveyed Japanese retail businesses operating in Vietnam intend to expand within the next 1-2 years.

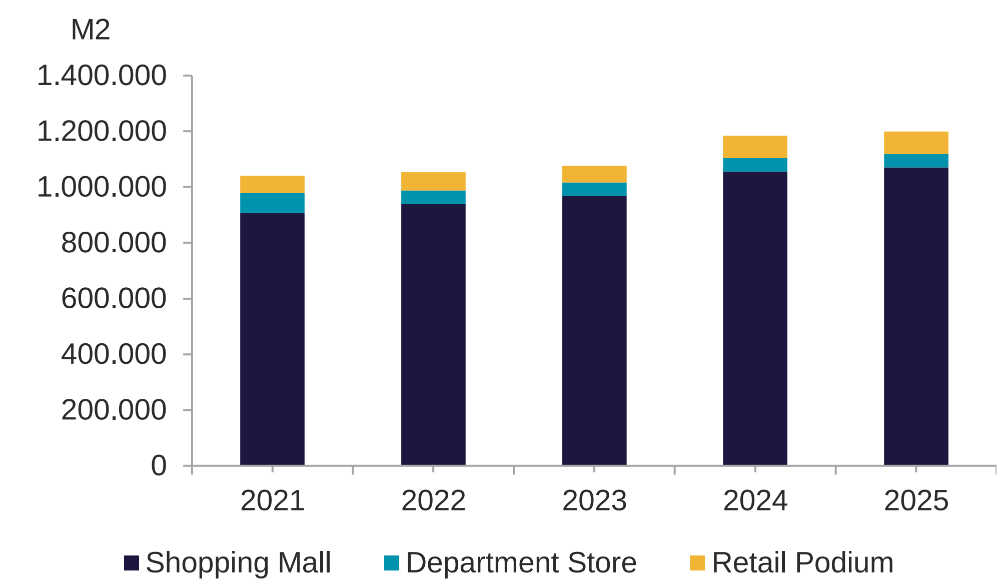
RENT: AVERAGE RENT INCREASED SMALLLY FROM PREVIOUS QUARTER

While the average rental price decreased by 4.43% year-over-year, it did register a marginal increase of 1.42% compared to the previous quarter. This growth signals a slow but steady recovery in demand for retail space, primarily due to the limited supply of expansive shopping centers. Moreover, the changing dynamics of shopping and entertainment preferences towards mall environments have yielded positive shifts, notably seen in the increased popularity of shophouses within shopping centers, a stark contrast to their underperformance on streets outside the central business district.

OUTLOOK

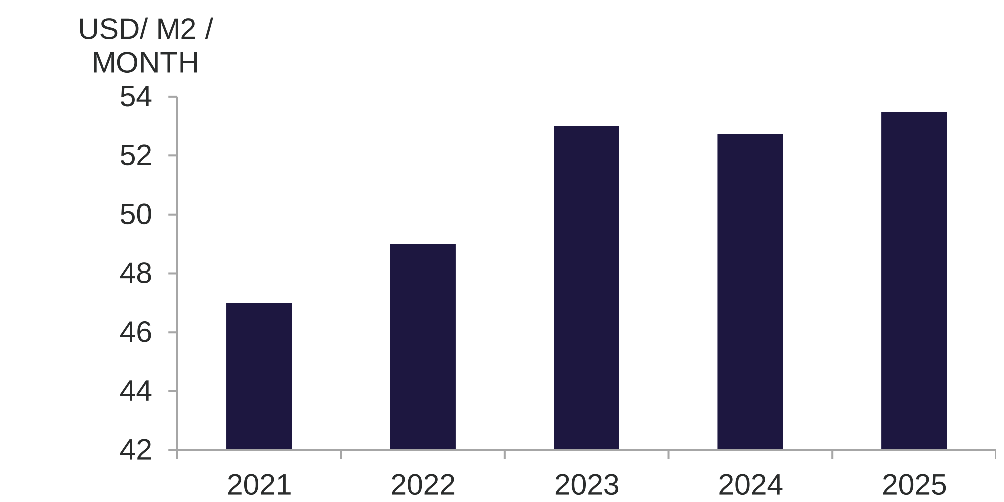
Projections indicate that the Ho Chi Minh City retail market will see an influx of approximately 38,000 sq m of new retail space in 2025, followed by nearly 80,000 sq m in the subsequent two years. Despite this incoming supply, high-quality retail spaces in prime locations, which are in high demand from food, F&B, and entertainment businesses, will remain limited. This constrained supply results in fierce competition for available space and poses a notable challenge for major brands looking to grow their footprint in the HCMC market.

HCMC TOTAL RETAIL SUPPLY



Source: Cushman & Wakefield

HCMC AVERAGE ASKING RENT, GF



Source: Cushman & Wakefield
All rents are inclusive of service charges and exclusive of VAT
US$/VND = 25,500 as of Q1 2025

MARKET STATISTICS

SUBMARKET	NEW SUPPLY (SQM)	TOTAL SUPPLY (SQM)	OCCUPANCY RATE(%)	AVG. ASKING GROSS RENT, GROUND FLOOR (US$/SQ.M/MO.)
YTD 2025	15,000	-	-	-
Q1 2025	15,000	1,199,192	93.31%	53.48
QoQ	▼2.11%	▲1.27%	▲1.21 ppts	▲1.42%
YoY	-	▲11.4%	▲4 ppts	▼4.43%

Source: Cushman & Wakefield
All rents are inclusive of service charges and exclusive of VAT
US$/VND = 25,500 as of Q1 2025

FUTURE SUPPLY BY SUBMARKET 2025 – 2027F

SUBMARKET	Expected GLA (sq.m)
West	60,750
CBD	29,480
South	17,581
North	8,114
TOTAL	115.925

NEW PROJECT IN Q12025

PROPERTY	TYPE	SUBMARKET	DEVELOPER	GLA (sq.m)
Central Mall	Retail Podium	District 6	SATRA	15,000

NOTABLE UPCOMING PROJECTS

PROPERTY	TYPE	SUBMARKET	DEVELOPER	GLA (sq.m)	EXPECTED LAUNCHING TIME
Park Hills Palace	Shopping center	Go Vap	CityLand	8,100	2025
Marina Central Tower	Shopping center	District 1	Masterise Homes	11,000	2025
Lancaster Legacy	Retail podium	District 1	Trung Thuy Group	18,500	2025
D-Homme	Retail podium	District 6	DHA Corporation	18,750	2026

Note: Provided information is subject to change/updated depending on the developer's plan in the future

GEOGRAPHICAL DIVISION	
CBD	District 1
CBD Fringe	Distrct 4, Binh Thanh, District 3, District 5, Phu Nhuan
East	Thu Duc City
North	Cu Chi, Tan Binh, Tan Phu, District 12, Go Vap, Hoc Mon
South	District 7, Nha Be, District 8, Can Gio
West	Binh Chanh, Binh Tan, District 6, District 10, District 11

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