MARKETBEAT
SHANGHAI
OFFICE Q2 2026

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
22.5% Vacancy Rate	▼	▲
18.06M Stock, SQM	▲	▲
¥195.2 Rent (PSM/MO)	▼	▼

Source: Cushman & Wakefield Research

ECONOMIC INDICATORS

	Q1 2026	Q4 2025	12-Month Forecast
GDP Growth	**5.9%**	5.4%	—
Tertiary Sector Growth	**6.0%**	6.0%	—
CPI Growth	**0.6%**	0.1%	▲
Real Estate Development & Investment Growth	**0.1%**	-3.1%	—

Source: Shanghai Bureau of Statistics, Moody's Analytics, Cushman & Wakefield Research

ONE GRADE A OFFICE PROJECT DELIVERED IN Q2 2026

A sole Grade A office project was delivered to the market in Q2 2026 — the K11 Phase II Atelier property in the Xintiandi area in Huangpu district, adding 37,500 sq m of premium office space.

As at H1 2026, a total of four new projects have entered the market across the city, all located in core submarkets. The total new supply stood at 423,672 sq m, bringing the citywide Grade A office stock to 18.06 million sq m.

STRONG Q2 ABSORPTION WITH TMT LEADING THE WAY

Citywide net absorption reached 233,311 sq m in Q2, up 9.9% q-o-q and 173.4% y-o-y. As at H1 2026, net absorption totaled 445,530 sq m, already surpassing the 2025 full-year level.

The most active leasing sectors in Q2 were TMT, professional services, and finance. TMT took the leading share at 29.9%, driven by headline internet and gaming enterprises. The industrial clustering effect in the Xuhui Binjiang area is accelerating, emerging as a new industry hub, while Yangpu also demonstrated strong leasing momentum. Professional services followed with a 16.9% share. Law firms, consulting companies and flexible workspace providers maintained robust demand. Financial services accounted for 16.2%, supported by leasing activity from funds, fintech firms, and banks.

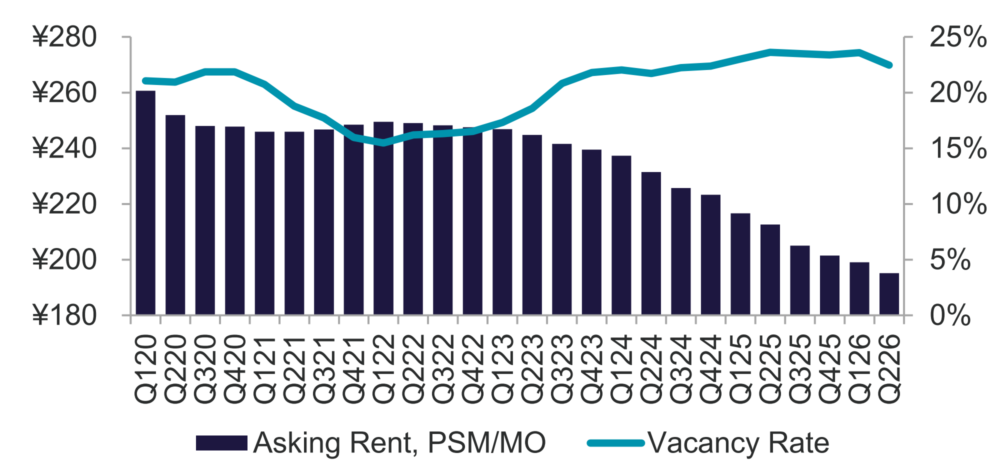
On the vacancy front, the rate declined by 1.1 percentage points q-o-q to 22.5%, approaching end-2024 levels. This change was supported by a slower pace of new completions and continued strong absorption momentum. However, landlords remained under pressure to boost occupancy and continued adjusting pricing expectations to support leasing activity, resulting in downward pressure on rents. The average transacted rent level fell to RMB195.2 per sq m per month in Q2, down 1.9% q-o-q and 8.2% y-o-y.

SEVEN MORE PROJECTS SCHEDULED FOR H2 2026

Seven Grade A office projects are scheduled for completion in 2H 2026, adding 515,266 sq m of new supply. If delivered as planned, total annual completions will reach 938,938 sq m, sustaining ongoing supply pressure in the market.

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	OVERALL VACANCY RATE	UNDER CNSTR (Q3 2025– 2028, SQM)	OVERALL AVG FACE RENT		
					RMB/SQM/MO	USD/SF/MO	EUR/SF/MO
Core Jing'an	1,547,660	334,244	21.6%	88,000	¥260.26	US$3.58	€3.08
Huangpu	2,219,667	300,058	13.5%	367,380	¥214.51	US$2.95	€2.54
Lujiazui	2,179,646	312,331	14.3%	164,055	¥267.99	US$3.68	€3.18
Zhuyuan	1,119,128	192,444	17.2%	70,000	¥218.52	US$3.00	€2.59
Core Xuhui	841,997	259,150	30.8%	-	¥232.94	US$3.20	€2.76
Changning	1,555,760	419,519	27.0%	-	¥175.36	US$2.41	€2.08
CBD TOTALS	9,463,858	1,817,746	19.2%	689,435	¥227.94	US$3.13	€2.70
EMERGING TOTALS	8,598,878	2,238,577	26.0%	1,582,549	¥156.56	US$2.15	€1.86
SHANGHAI TOTALS	**18,062,736**	**4,056,324**	**22.5%**	**2,271,984**	**¥195.18**	**US$2.68**	**€2.31**

** Rental equals Gross Transacted Face Rental*
1.00 USD = 0.86243725 EUR = 6.75998356 RMB (15.06.2026)
The database was adjusted.

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SQ M	TYPE
Life Hub @ Bund Central	Hongkou	YY Sports	5,000	Relocation
K11 Atelier	Huangpu	Rolex	5,000	Relocation
Corporate Avenue Phase II No.5	Huangpu	American Bureau of Shipping	4,600	Relocation
The Pier	Yangjing	Goldstate Capital Fund Management	2,000	Relocation

SIGNIFICANT PROJECTS PLANNED & UNDER CONSTRUCTION

PROPERTY	SUBMARKET	DEVELOPER	SQ M	COMPLETION DATE
International New Centre	Core Jing'an	Baohua Group	88,000	2026
Longyang Road TOD 04	Century Park	Pudong Development	235,597	2027
One and Two Qiantan Place	Expo & New Bund	Swire Properties, Lujiazui Properties	125,000	2027
Westbund Central T4, T5, T6	Xuhui Riverside	Hongkong Land	204,807	2027

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