

Source: Statistics Bureau of Chengdu Municipality
(Figures are growth rates as of 2019.)

CHENGDU ECONOMIC INDICATORS

2020 Q1-Q3



Source: Statistics Bureau of Chengdu Municipality

The Chengdu Mixc Phase II project launched in Q4, adding 160,239sq m of new supply and taking the city's prime retail stock up to 7.02 million sq m. The market continued its recovery in the quarter, introducing a raft of new brands to consumers. Consequently, the citywide average rental level grew 1.89% q-o-q to RMB631.01 per sq m per month, and the overall vacancy rate edged down 0.82 percentage points q-o-q to 7.17%.

Panchenggang and Eastern District Expected to Grow Rapidly

New projects under construction in Panchenggong submarket and the eastern district are now prioritized for completion ahead of the 2021 FISU World University Games to be hosted in August. Supported by a sizeable resident base and strong purchasing power in Panchenggong, the regional market is expected to grow rapidly.

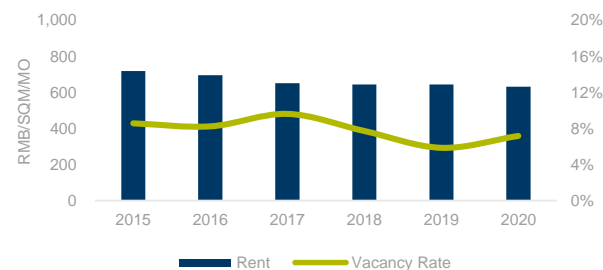
Prime Retail Sector Enjoys Strong Performance

Turnover at the LV and Gucci retail operations in Chengdu in 1H 2020 grew by 130% y-o-y. The city's third LV store has been confirmed for a 2H opening. Across the market, retail operators and tenants have recorded solid performances for 2020 with good prospects ahead. Activities such as the Harmay store opening in partnership with Elle fashion have helped to inject energy, while confidence has been boosted by increasing consumer spending power and Chengdu's growing visibility on the global map. Four new retail projects launched in 2020, while an estimated 300 first stores for the year have included prime international brands such as Karl Lagerfeld, Ted Baker, and Canada Goose.

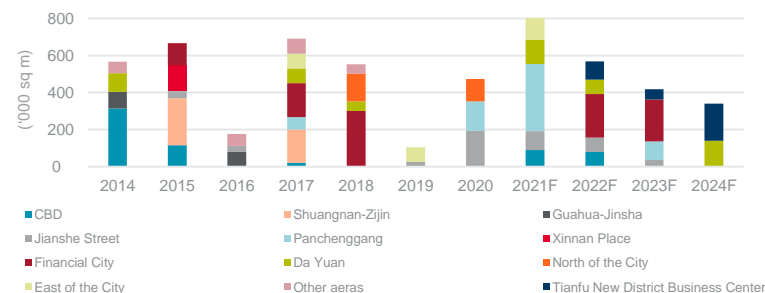
“Park + Retail” Concept is an Emerging Trend

The creation of urban green park and garden areas within Chengdu has led to the emergence of a new “Park + Retail” retail trend. The movement is a welcome development for the city’s residents, further diversifying the overall retail mix while bringing a new dimension of shopping, entertainment and leisure environments to consumers, and is expected to become a key feature of Chengdu’s retail market ahead.

RENT / VACANCY RATE



RETAIL SUPPLY PIPELINE BY SUBMARKET





MARKET STATISTICS

SUBMARKET	INVENTORY (SQM)	VACANT (SQM)	VACANCY RATE	UNDER CNSTR TILL 2024 (SQM)	OVERALL AVG RENT (RMB/SQMMO)*
CBD	1,304,956	145,797.0	11.2%	169,000	1373.15
Shuangnan-Zijin	663,000	63,330.0	9.6%	-	571.67
Guanghua-Jinsha	306,171	7,400.0	2.4%	-	437.22
Jianshe Road	720,700	64,380.0	8.9%	217,000	356.25
Panchenggang	472,239	9,240.0	2.0%	463,000	855.56
Xinnan Tiandi	281,773	7,558.9	2.7%	-	741.67
Financial City	1,110,400	58,660.0	5.3%	459,275	517.86
Da Yuan	283,000	32,760.0	11.6%	347,000	357.22
North of the city	958,300	42,696.0	4.5%	-	455.95
East of the city	235,000	4,700.0	2.0%	180,000	389.44
Other areas	688,784	67,243.5	9.8%	120,000	481.67
CHENGDU TOTALS	7,024,323	503,765.4	7.2%	1,955,275	631.01

* Rental rates are calculated by NLA and considered as consistently achievable for prime space in prime shopping centers, excluding management fee, promotional fee and other fees.

SIGNIFICANT STORE OPENINGS Q4 2020

PROPERTY	SUBMARKET	TENANT	SECTOR
Sino-Ocean Taikoo Li Chengdu	CBD	Shang Xia	F&B
Mixc II	Panchenggang	Huawei	Retail
Mixc II	Panchenggang	Xiaomi	Retail

SIGNIFICANT PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	EXPECTED OPENING DATE	SQM
Taihe Project	Panchenggang	2021	70,000
ICC	Panchenggang	2021	170,000
Chengdu Magic Cube	Financial City	2022	234,000
WE City	Panchenggang	2023	100,000
SKP	Financial City	2023	225,275

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