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Residential Index

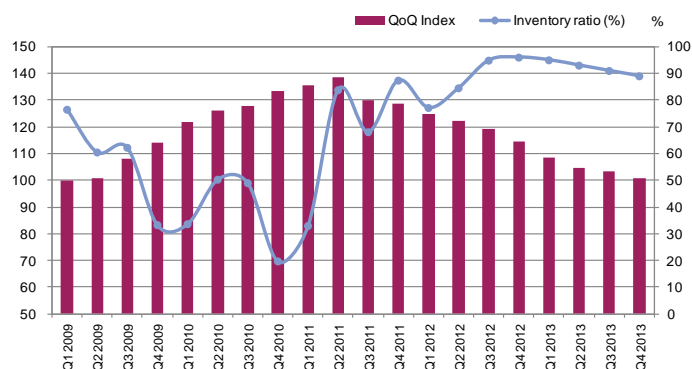
From Q1/2009 to Q2/2011, Ha Noi's SPPI increased by 38.7 pts and fell continuously until the present. In Q4/2013, it was at 100.7 pts, dropping -2.6 pts quarter-on-quarter (QoQ) and -14 pts year-on-year (YoY).

Throughout the year, Ha Noi's inventory ratio continued to fall. The inventory ratio in Q4/2013 was at 89%, falling by -2 pts against Q3/2013. Compared with its peak in Q4/2012, the inventory ratio fell by -7 pts. However, it rose by 69 pts compared with Q4/2010. This showed that the market has gradually recovered since Q4/2012 but still fell far behind compared to Q4/2010.

The average price has decreased by -34% since Q2/2011, due to price reductions in an effort to stimulate sales before the Lunar New Year. In Q4/2013, the average price including new projects was VND 29,927,000/ sq m.

The quarter-on-base (QoB) index matches the movement of the QoQ index, showing that the added projects' price trend moves in the same way as the base basket. After reaching its highest rate in Q2/2011, it decreased continuously each quarter due to the absence of speculation, which may be an indication of market adjustment towards end users. In Q4/2013, it stood at 88 pts, dropping 38% compared with Q2/2011.

FIGURE 1
Residential QoQ Index



Note: Base Index in Q1 2009 = 100
Source: Savills Research & Consultancy

Office Index

The office index was at 52 pts for the whole market in Q4/2013, a decrease by -2 pts QoQ and -7 pts YoY. It is due to a decrease in the average market rent of -3% QoQ and -10% YoY and the average occupancy rate of -1 ppt QoQ and -3 ppts YoY.

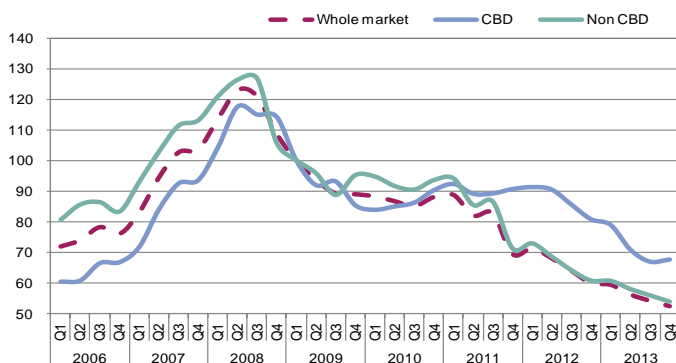
Since 2006, the Ha Noi QoQ office index had increased and peaked in mid 2008, partly due to the small market size and the limited number of new projects.

After reaching its highest point in Q2/2008, the index has decreased steadily, reflecting the market's sensitivity to new projects.

In Q4/2013, the QoQ office index in the CBD was 68 pts, increased slightly by 1 ppt, while that of the non-CBD decreased by -2 ppts to 54 pts. A decrease in average rent and weak occupancy of new buildings in the non-CBD resulted in a drop of the index.

The average revenue in the CBD was VND 480,000/ sq m/ mth in this quarter, a slight increase by 1% QoQ due to better occupancy; while the non-CBD felt by -4% to VND 230,000/ sq m/ mth. That of the whole market was VND 290,000/ sq m/ mth on average, a decrease of -3% QoQ and -12% YoY.

FIGURE 2
Office QoQ Index



Source: Savills Research & Consultancy
Note: Base index in Q1/2009 = 100

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