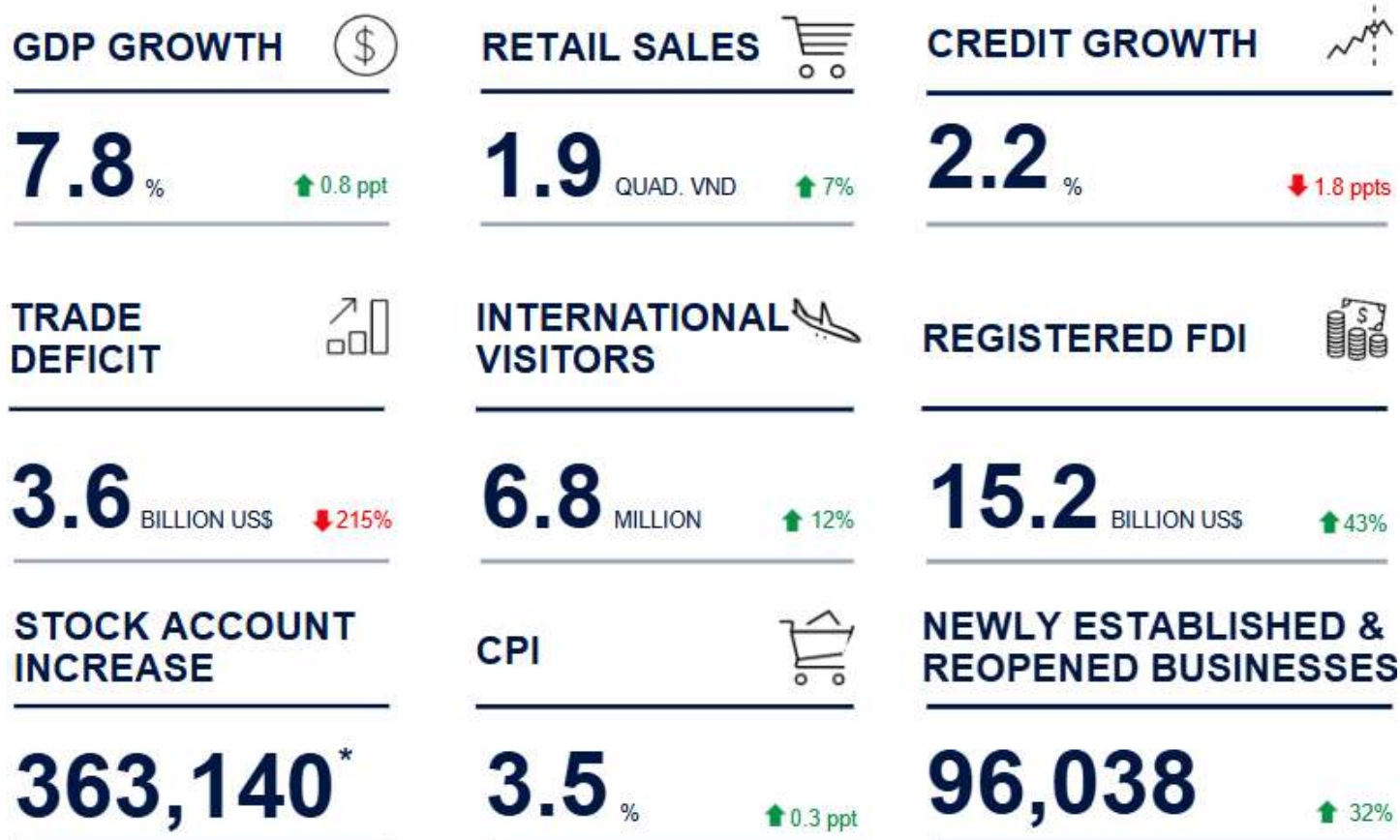


Market Brief



Constant Motion

NATIONAL MACRO INDICATORS



↑ ↓ YoY Changes

(*): The index is updated by 2M/2026.

In Q1/2026, Viet Nam remained resilient amid global volatility and domestic challenges, with GDP reaching 7.8%, up 0.8 ppt YoY. Trade activity remained strong, as imports increased 27% YoY to US\$127 billion and exports grew 19% YoY to US\$123 billion, resulting in a trade deficit of US\$3.6 billion. The United States was the largest export market (US\$39 billion), while China was the leading source of imports (US\$50 billion).

Total FDI improved 43% YoY to US\$15.2 billion, while disbursed FDI advanced 9% YoY to the highest 3-month-level in five years at US\$5.4 billion. Newly registered capital reached US\$10.2 billion across 904 projects, dominated by manufacturing (69%). Singapore was the largest investor (52%), followed by Korea (36%) and China (4%).

International arrivals exceeded 6.8 million, 12% YoY growth, and retail sales were VND 1.9 quadrillion, an 11% YoY expansion in nominal terms and 7% in real terms. CPI increased 3.5% YoY.

Newly established or resumed operations totalled 96,038, a 32% YoY increase, compared with 91,808 businesses that ceased operations, reflecting a 16% YoY increase. In financial markets, the number of stock accounts expanded by 363,140 in 2M/2026, bringing the total nationwide to 12 million.

RETAIL

🔗 HCMC's retail market tightened amid limited new supply and slower take-up. However, occupancy is expected to improve over 2026 thanks to improving consumer sentiment. 🔗

Cao Thi Thanh Huong,
Associate Director of Research & S22M, Savills HCMC

KEY FINDINGS

Steady Supply

The HCMC retail market continued to tighten amid constrained new supply, while demand recovered across domestic and international brands, including those in F&B, fashion, and entertainment. In Q1/2026, with no new supply, total stock recorded 1.6 million m² net leasable area (NLA) from over 160 developments.

By 2028, future supply remains limited at 50,000 m² NLA. Controlled supply pressure is expected to help sustain high occupancy and support rental growth.

Softening Leasing Activity

In Q1/2026, occupancy recorded a minor QoQ adjustment following the exit of large F&B and entertainment tenants in suburban areas. Levels nevertheless remained high at over 90%, underscoring market resilience after a period of strong expansion driven by major brand entry and solid absorption at new developments.

Ground-floor rents decreased QoQ to VND 1.6 million/m²/month due to the withdrawal of the high-rent at Saigon Marina IFC, as the landlord temporarily halted leasing to reconfigure the ground floor layout. Excluding this project, average rent held stable QoQ.

Outlook

Retail sales of goods and consumer services (RSGS) in HCMC increased by 13% YoY to VND 475 trillion in Q1/2026, of which retail sales of goods accounted for 47%, grew by 15% YoY across all segments, highlighting strong consumer demand in HCMC.

According to the HCMC People's Committee, RSGS is projected to grow at an average annual of 12%-13% through 2030, supporting continued retail market growth.

OFFICE

🔗 HCMC's office market remains balanced, with resilient demand for quality space and the launch of IFC strengthening market appeal. 🔗

Tu Thi Hong An,
Senior Director of Commercial Leasing, Savills HCMC

KEY FINDINGS

Stable Stock Growth

In Q1/2026, HCMC welcomed five new Grade C projects, bringing stock to 3 million m² NLA from over 400 projects, of which, Grade A stock accounted for 19%.

HCMC's Grade A stock is significantly smaller than that of regional cities such as Bangkok, Jakarta, and Singapore, though the market is upgrading rapidly, supported by new projects with larger scale and higher development quality.

Resilient Market

Conditions are currently balanced when occupancy remained high and rental growth stayed controlled.

In Q1/2026, occupancy was steady QoQ and higher YoY at 88%. Average rent reached VND 900,000/m²/month, remaining stable QoQ and higher YoY.

Positive Demand

All grades recorded a positive take-up. Demand remained concentrated in Grade A and B buildings, particularly in the CBD and Thu Thiem, reflecting occupiers' sustained preference for high quality offices in well-connected and strategically positioned location.

According to Savills Q1 survey, demand was led by FIRE expansion, Distribution and ICT occupiers.

Outlook

By 2028, HCMC will add nearly 100,000 m² NLA from four projects. The inauguration of HCMC IFC is expected to reinforce CBD demand while accelerating Thu Thiem's emergence as HCMC's next-generation office hub.

HOTEL

👉 *HCMC's hotel market has started 2026 on solid footing, with strong travel demand and limited new supply supporting healthy performance growth.* 👉

Mauro Gasparotti,
Senior Director & Head of SE Asia Hotel Advisory



KEY FINDINGS

Modest Supply Growth

In Q1, stock reached nearly 17,000 rooms, mainly supported by upgraded properties and the entry of notable brands. The quarter highlighted the growing presence of international brands like Hyatt and IHG, which are entering through repositioned assets and smaller-format hotels.

By 2028, more than 800 additional rooms are scheduled, all in District 1, further reinforcing its position as HCMC's primary hotel hub.

Strong Performance

Hotel performance strengthened with occupancy of 80% and ARR at VND 2.6 million/room/night, supported by peak-season demand, limited new supply, and strong tourism momentum, with visitor arrivals to HCMC reaching 20 million.

While all hotel segments delivered stronger performance YoY, quarterly trends were more uneven. The five-star segment eased slightly from the previous quarter as MICE and corporate demand moderated following the year-end peak. At the same time, 3-star and 4-star hotels continued to strengthen on the back of firmer domestic leisure and short-stay demand.

Outlook

The hotel market is expected to remain supportive, underpinned by ambitious tourism targets and limited new supply. The city continues to target 51 million visitors and VND 330 trillion in tourism revenue, while product diversification and improved tourism quality should enhance competitiveness. Although higher travel costs and uncertain air connectivity may weigh on some long-haul demand, a constrained pipeline is set to support solid near-term performance.

SERVICED APT

👉 *Despite a contraction in supply, market performance has improved, supported by the gradual withdrawal of less competitive stock and stronger demand for well-operated projects.* 👉

Neil MacGregor,
Managing Director, Savills HCMC



KEY FINDINGS

Inventory Rebalancing

The market is undergoing natural consolidation, with smaller and weaker-performing projects gradually exiting. Stock reductions were concentrated in Grade C and, to a lesser extent, Grade B, while Grade A remained stable QoQ, albeit from a limited supply base.

Total stock declined to nearly 7,300 units across 144 active projects, as properties were withdrawn from the market, temporarily closed for refurbishment, or converted to alternative uses.

Fundamentals Improved

Market performance remained strong and continued to drift upward, supported by increased demand from expatriates, conference guests, and holidaymakers.

Stronger occupancy (84%) supported rent growth, with the average rent at VND 600,000/m²/month.

The CBD continued to lead market performance, supported by its superior location, higher occupancy, and stronger rental growth compared with non-CBD areas. Take-up remained positive, driven primarily by Grade B and Grade C projects within the CBD.

Limited Supply Drives Momentum

Looking ahead to 2028, the future supply pipeline is expected to remain limited, with 1,200 units from four new projects and four renovated properties.

APARTMENT

“High interest costs are restricting market liquidity, while a softer risk appetite is driving more selective demand for well-priced products.”

Troy Griffiths,
Senior Advisor, Savills HCMC



KEY FINDINGS

Supply Deceleration

Market activity moderated sharply as holiday-related disruptions and tighter credit conditions prompted developers to defer planned launches. New supply declined QoQ but still registered YoY growth, reaching 1,900 units.

Affordability pressures persisted, with upscale segments representing around two-thirds of new supply, largely concentrated in the East of former HCMC. Limited launches also weighed on primary stock, which declined to 4,700 units. The East continued to anchor the market, accounting for 85% of citywide primary supply.

Tightened Credit, Adjusted Performance

Performance was subdued as higher borrowing costs dampened buyer sentiment. Many developers recalibrated bank support policy, shifting from interest-free schemes to fixed-rate packages of 9-10%. Sales plunged QoQ, easing absorption to 40% as upscale segments slowed. The affordable segment, underpinned by end-user demand, outperformed, with absorption roughly 10 ppts higher than market average level. Primary prices corrected QoQ to VND 91 million/m² NSA, driven by more affordable products, deeper discounting, and deferred price escalations in subsequent phases of large-scale projects amid ongoing macro headwinds.

Lending interest costs increased sharply, ending a prolonged low-rate cycle. Preferential mortgage pricing climbed to 8-9% pa, while floating rates could exceed 12%, intensifying liquidity pressure on borrowers exiting promotional packages and further constraining near-term absorption.

Outlook

Around 13,000 units are projected to launch in 2026, largely from subsequent phases and previously approved projects, taking cumulative future supply to approximately 59,000 units by 2028, with an increasing shift toward suburban township developments.

VILLA/TOWNHOUSE

“Short-term landed activity softened, but infrastructure upgrades and the suburban pipeline continue to support medium-term market expansion prospects.”

Giang Huynh,
Director of Research & S22M, Savills HCMC



KEY FINDINGS

Supply Pullback

Market momentum moderated as developers adopted a more cautious rollout approach in response to rising interest costs, which have begun to weigh on purchasing power, alongside ongoing capital constraints amid tighter real estate credit controls. As a result, new supply fell sharply to 70 dwellings, while primary stock contracted to 2,900 dwellings.

Sales Weakened

Quarterly performance moderated, with sales declining to 300 dwellings and absorption easing to 11%, reflecting limited new supply, the seasonal Tet slowdown, and weaker purchasing power. Against this backdrop, activity was concentrated in projects with solid construction progress, clearer legal status, and more supportive sales packages, where preferential policies helped underpin results during the quarter.

Average primary prices increased to VND 199 million/m² LA, reflecting strong absorption at Vinhomes Green Paradise in the previous quarter, while some projects continued to apply upward price adjustments.

Outlook

The suburban shift is sharpening market segmentation with 11,500 dwellings expected. Suburban areas will contribute 65%, led by Can Gio and Cu Chi, where extensive land banks and upcoming infrastructure support large, well-planned townships. The East will contribute 23%, driven by projects that have progressed in resolving legal bottlenecks and by land banks held by reputable developers.

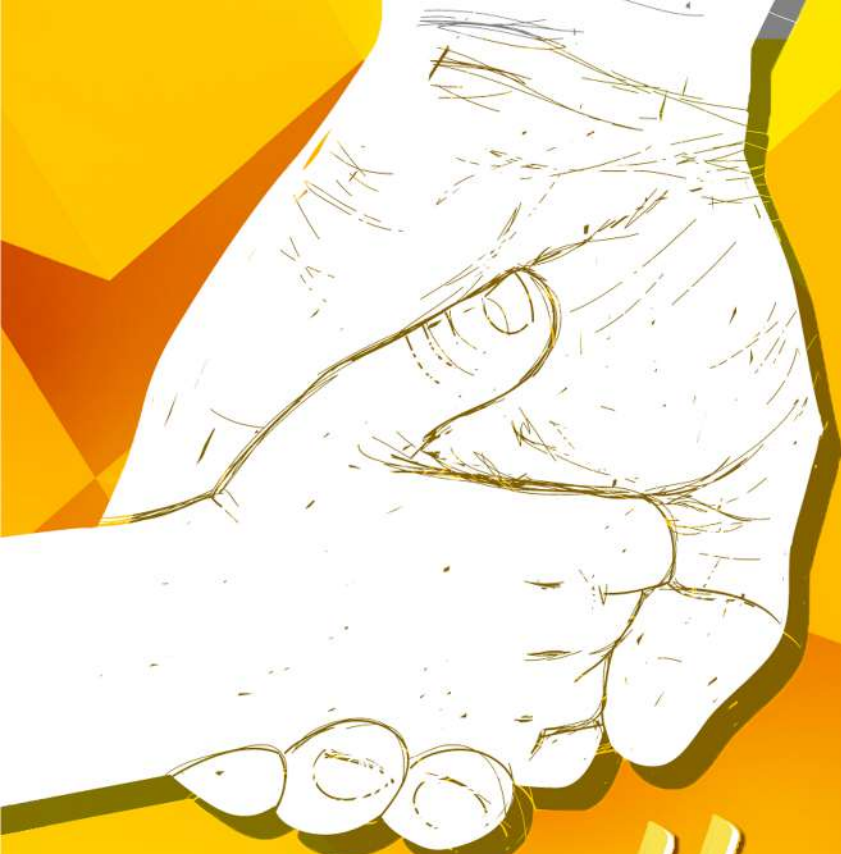
SAVILLS SERVICE OFFERING

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Beyond our [publicly available research](#), paid subscribers have access to exclusive data and comprehensive insights that inform future strategies and optimise performance.

Product Overview		
Full Written Quarterly Market Report (QMR)	Power BI	GapMaps
- Detailed metrics on supply, performance and outlook. - Expert analysis. - SWOT. - Real-time and future property databases. 7 Sectors (30+ pages each) + appendices. - Apartment - Landed Property - Office - Retail - Hotel - Serviced Apartment - Industrial	- Interactive and drillable dashboards and vivid graphic reporting. - Detailed performance metrics, including current and future supply, demographics, infrastructure, market division, competitors, and catchments. - Online access across multiple devices. - Insights, market commentary, and rankings. - Powerful queries, accurate data, and interactive reporting. - Subscriptions, studies, consultancy, analysis, and strategy.	- Comprehensive demographic data and layers. - Brand competitors and POIs highlighting future competition and factors influencing retail traffic. - Custom catchment analysis; customised by mode of transport and distance. - Property layers; current and future residential and commercial developments, growth areas, infrastructure, rent, GOC, and trading potential.

Subscription Type	Freemium	Basic QMR(Paid)	Premium QMR (Paid)	Corporate Solution (Paid)
Deliverables	- Market Brief PDF - Demo Dashboards.	- QMR reports PDF - Demo Dashboards.	- QMR reports PDF. - Online access to Power BI.	- QMR reports PDF. - Corporate Power BI workspace. - Power BI corporate training and online support - GapMaps data and insights
Coverage	- Market Brief - Macro Overview	7 Sectors	7 sectors +optional module. - Immediate access to expert insights and archives. - Strategic Analyst/Key Client Contact - Census 2009 / 2019 + relevant insights. - Infrastructure landscape and timelines - FDI project - breakdown by location and industry.	7 sectors + optional modules. - Immediate access to the complete dataset and relevant statistics - Strategic alignment (exclusive) - Forecasts - National coverage of macro, census, infrastructure, policy, and provincial planning - Competitor analysis and insights. - Multi-Criteria Evaluation (MCE).
Update frequency	Quarterly	Quarterly	Quarterly	Dynamic
Optional modules	None	None	- Policy. - Data aggregated on a national level (industrial supply). - Land use planning - Housing laws and ownership.	- National overview. - Competitors' actions. - Live deal tracking. - Target profiling. - Rumours and hearsay.



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Savills Cares

Industry award fees are being
redirected to help local people.
Charities for underprivileged around
the country will receive donations.
Savills is committed to caring
for the community.

CHARITY PARTNERS

