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# Asia-Pacific H2 2024 Logistics Highlights

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Knight Frank Asia-Pacific Logistics Markets

# Asia-Pacific Overview – H2 2024

Rents for logistics spaces in the region registered an average of 0.2% growth in 2024, a considerable deceleration from the 7.0% clocked in 2023, and down from the 2.0% increase from six months ago. Those in Beijing and Shanghai plunged by 14-15%, hit by a substantial development pipeline, which reached over 1.5 million sqm in 2024, as well as weak demand.

Melbourne's market led the region in terms of rental growth which rose 6.7% in 2024. Rental growth was observed to be highest in the established East and Southeast precincts of the city, where the lack of development land has limited the delivery of new supply.

Cost management and supply chain strategies will remain key considerations for occupiers in 2025. Realignment of global supply chains, both within the Asia-Pacific region and between other regions, is likely to intensify in response to Trump's planned tariff increases. Proximity to manufacturing sites will be valued, while well-connected logistic hubs will be best positioned to manage and respond to supply chain disruptions.

A mix of occupiers working through excess capacity and exploring options to optimise footprints will keep demand-supply dynamics in the region on an even keel. Underlying demand for prime logistics spaces is expected to remain healthy, with leasing volumes expected to keep pace with new supply. The average vacancy rate in the region will remain largely stable, with moderate rent growth of under 2%.

## 0.2%

YoY growth for Asia-Pacific Rental Index in H2 2024

## Greater Kuala Lumpur

Recorded the highest semi-annual rental growth

## 14 of 17

Tracked cities recorded stable or increasing rents YoY in H2 2024

## Cautious Optimism

Expectations for H1 2025

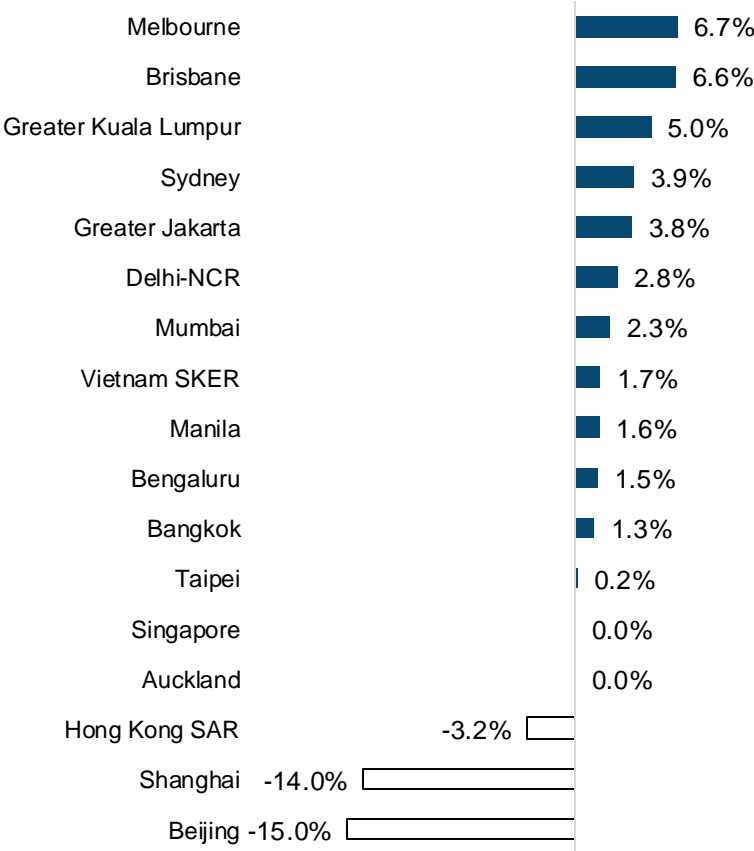
"As the world braces for Trump 2.0, the realignment of supply chains is likely to gather pace in response to planned tariff increases. China-plus strategies, consequently, are expected to take on added urgency as manufacturers focus on further diversifying bases in Southeast Asia and India, strategically leveraging these locations to friend shore operations. Occupiers will have to tread a strategic tightrope, focusing on cost management while selectively evaluating their logistics footprint. This places emphasis on logistics hubs that are well connected to major trade routes. The evolving geopolitical landscape and preference for modernised distribution facilities are expected to continually drive demand for well-located, efficient prime logistics spaces in the region."

**Tim Armstrong**  
Global Head of Occupier Strategy and Solutions

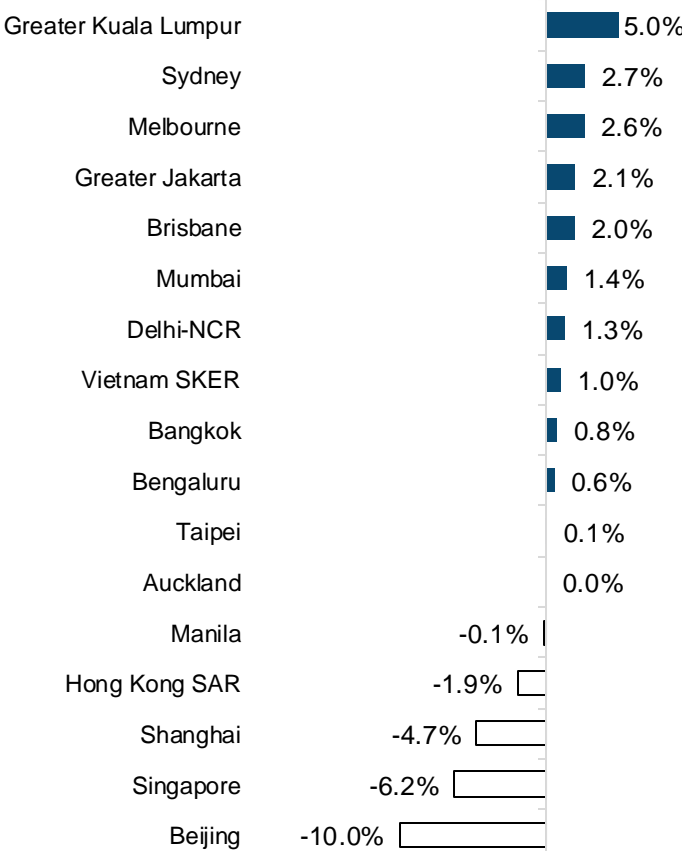
# APAC Logistics Rental Trends H2 2024

Rent growth decelerates in the region

Rental Growth Year-on-Year



Rental Growth Half-Yearly



Market transitioning from landlord favourable to more neutral conditions



Rent growth decelerated sharply in H2 2024



Leasing volumes are expected to keep pace with new supply in 2025



Leasing activity to be supported by preference for logistics hubs that are well-connected and close to source markets

# APAC Logistics Snapshot

## 12-Month Rental Outlook

### Decreasing

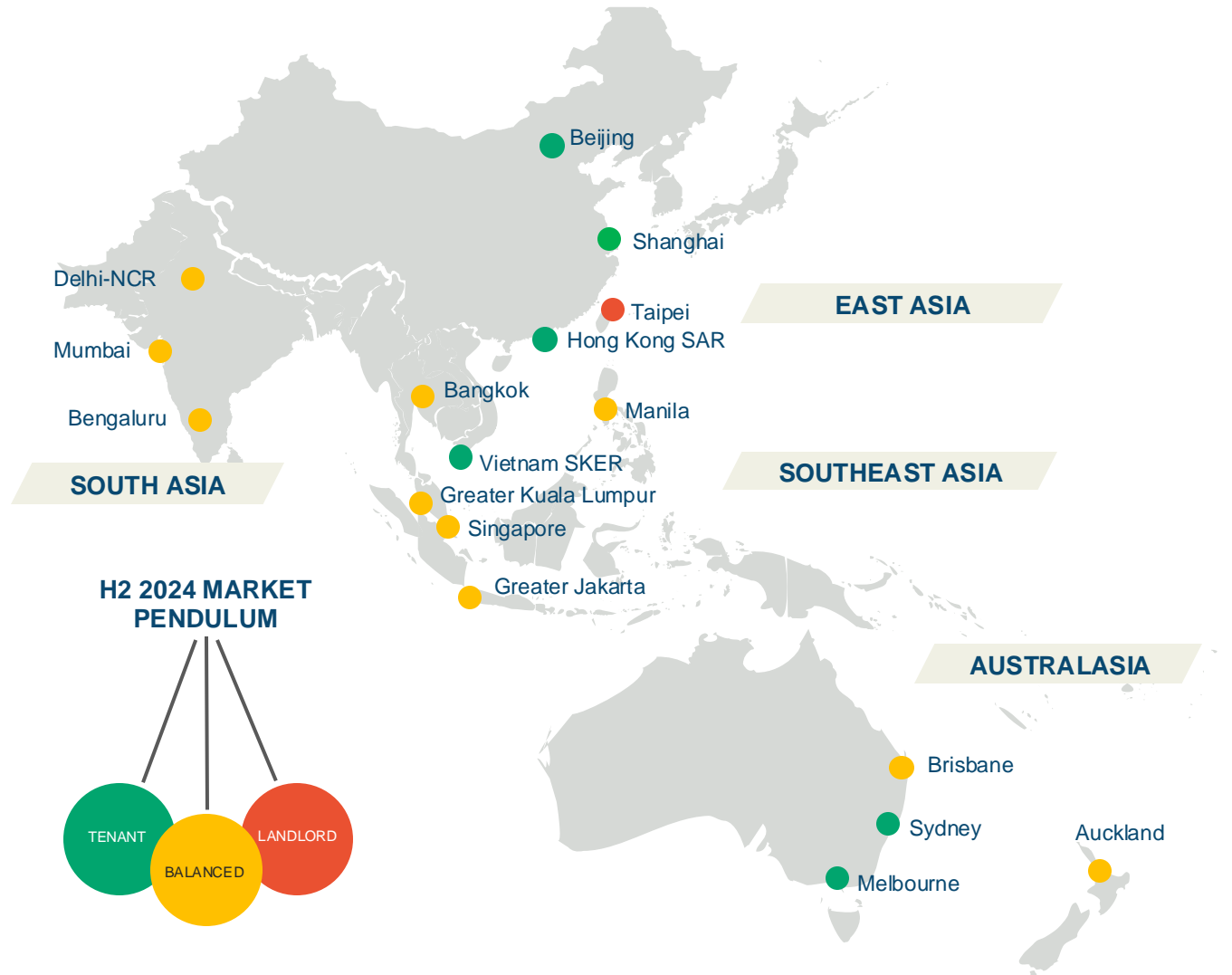
- Beijing
- Hong Kong SAR
- Shanghai

### Unchanged

- Auckland
- Bengaluru
- Delhi-NCR
- Mumbai
- Greater Jakarta
- Greater Kuala Lumpur
- Sydney
- Vietnam SKER

### Increasing

- Bangkok
- Brisbane
- Manila
- Melbourne
- Singapore
- Taipei



# Market Dashboards

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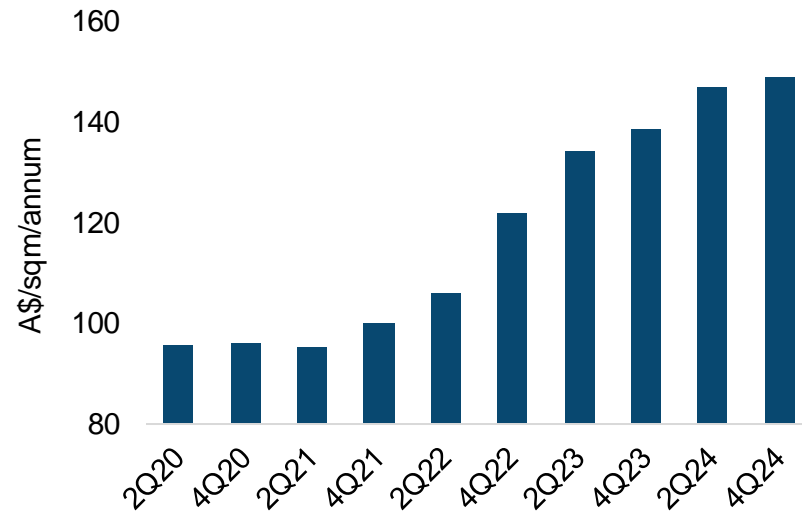
# Australasia

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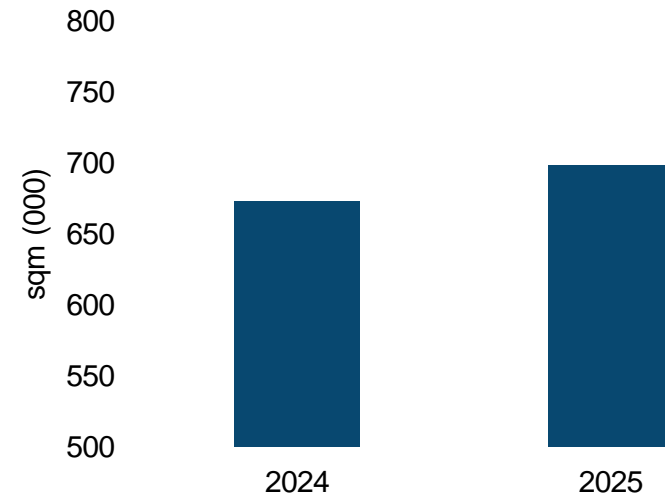
Rising availabilities across Brisbane, Melbourne and Sydney have restored a more balanced tenant-landlord relationship, which is expected to continue into 2025 with close to 2.5 million sqm slated for delivery. Incentives are continuing to creep back, firstly for pre-commitment and speculative spaces and now extending further into the market. Still, demand is expected to stabilise as economic growth and retail spending picks up, which is leading to an acceleration in import volumes. Auckland's market is similarly more balanced due to the rise in vacant spaces and sublease opportunities, primarily associated with reduced freight movements leading to less demand from logistic operators.

# Brisbane

## Net Effective Rent



## Current & Future Pipeline Supply

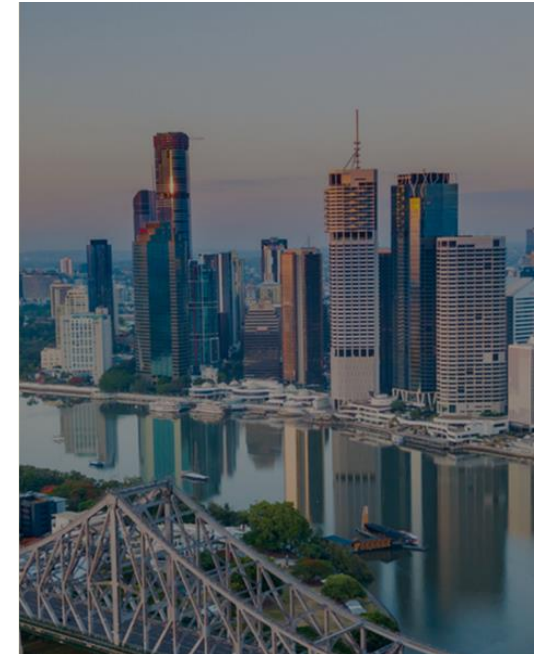


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	1.5%	2.3%
<b>Unemployment Rate</b>	4.3%	4.5%
<b>Inflation</b>	2.6%	3.7%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (A\$ psm pa)</b>	168	↑
<b>Market Balance</b>	Balanced	Tenant

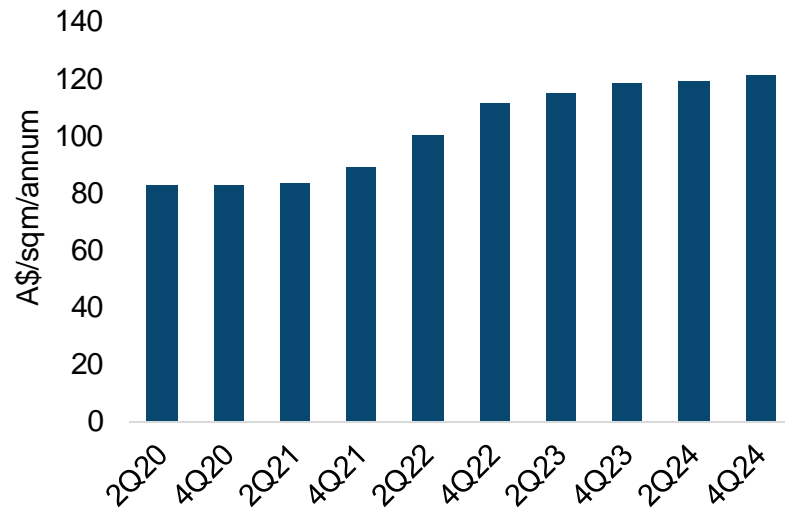


For more information, please contact:

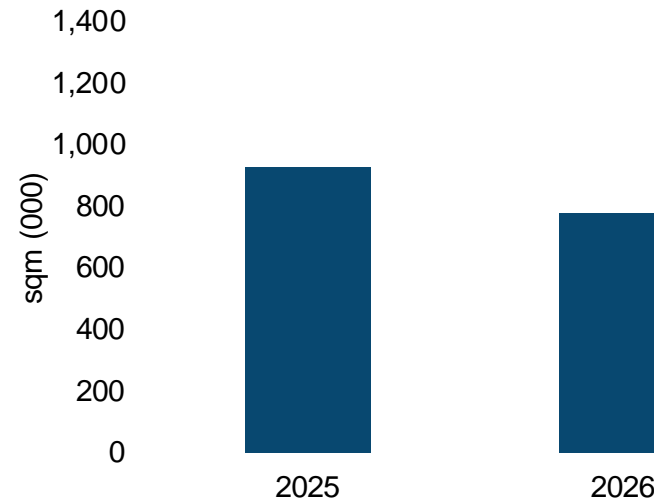
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# Melbourne

## Net Effective Rent



## Pipeline Supply

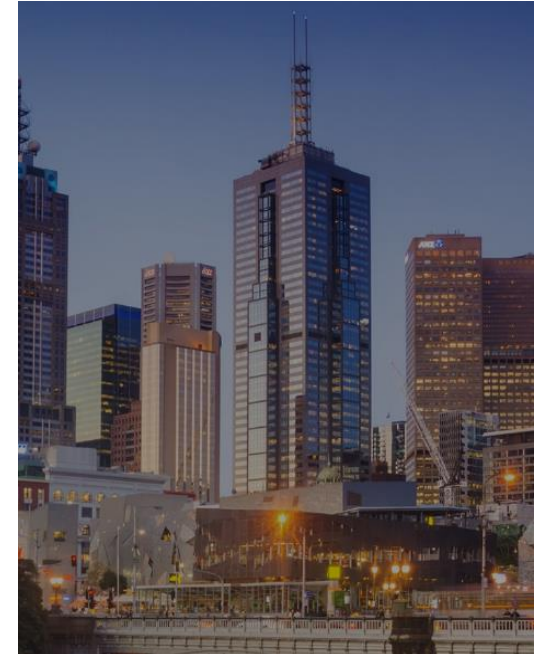


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	1.5%	2.3%
<b>Unemployment Rate</b>	4.3%	4.5%
<b>Inflation</b>	2.6%	3.7%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (A\$ psm pa)</b>	144	↑
<b>Market Balance</b>	Tenant	Tenant



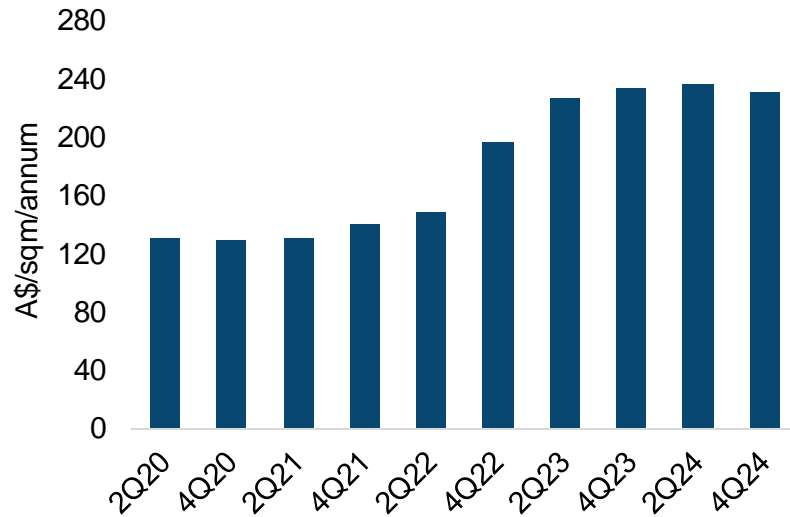
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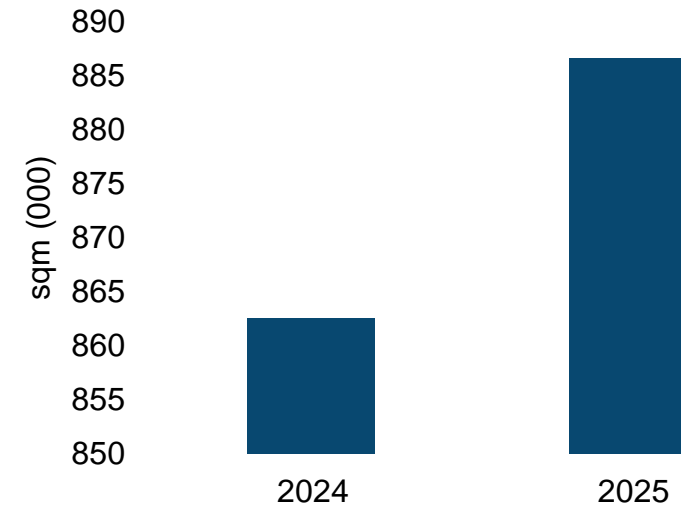


# Sydney

## Net Effective Rent



## Current & Future Supply Pipeline

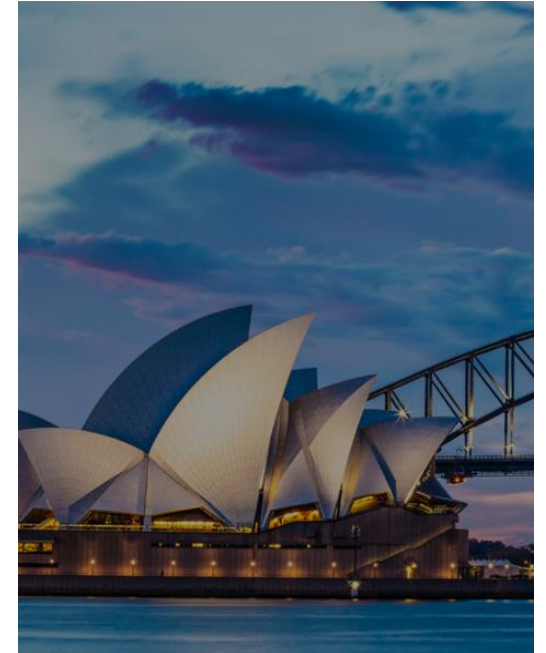


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	1.5%	2.3%
<b>Unemployment Rate</b>	4.3%	4.5%
<b>Inflation</b>	2.6%	3.7%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (A\$ psm pa)</b>	267	→
<b>Market Balance</b>	Tenant	Tenant

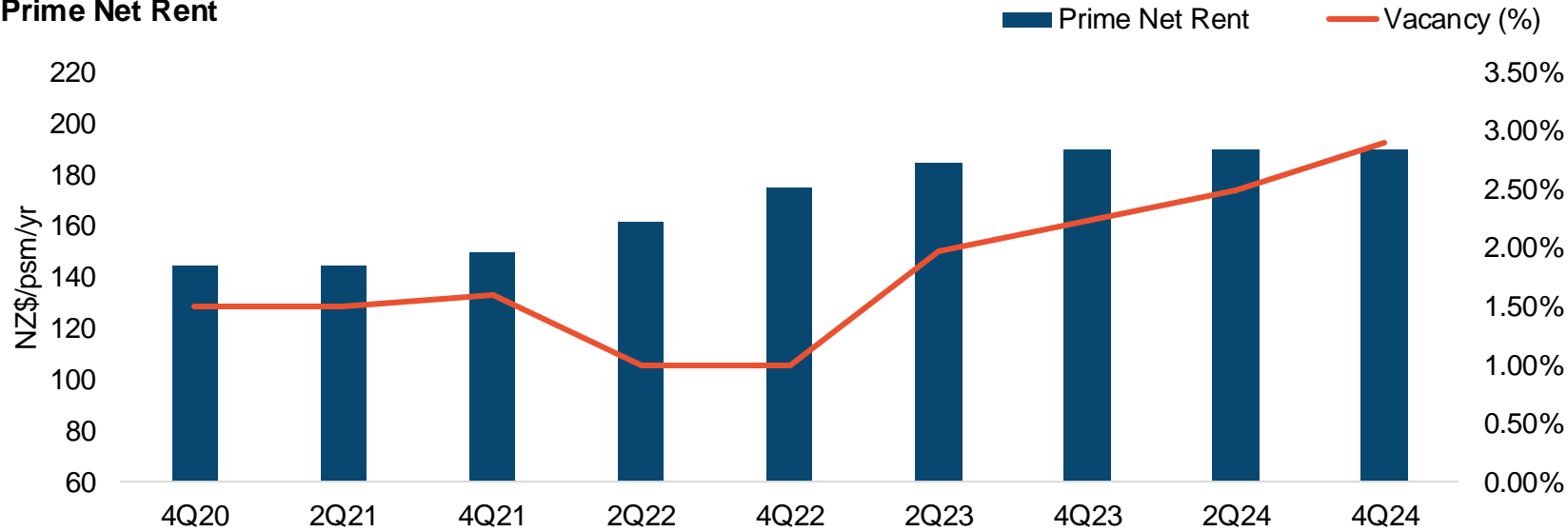


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# Auckland

## Prime Net Rent

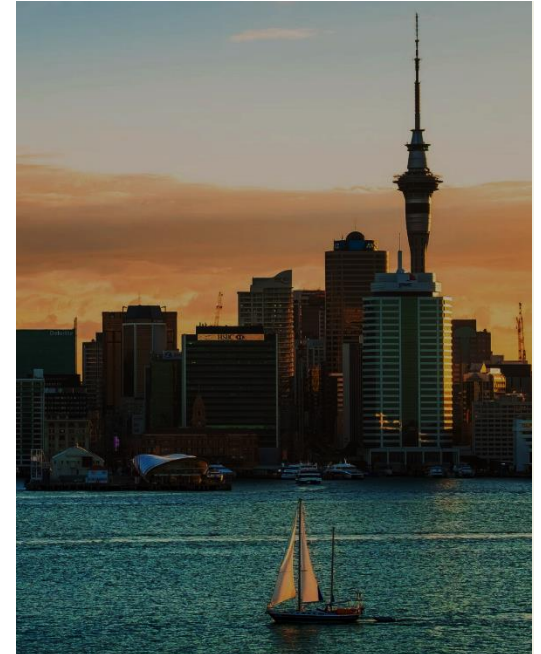


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	0.8%	2.2%
<b>Unemployment Rate</b>	3.8%	4.9%
<b>Inflation</b>	4.9%	2.7%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (NZ\$ psm pa)</b>	190	→
<b>Vacancy</b>	2.9%	→
<b>Market Balance</b>	Balanced	Balanced



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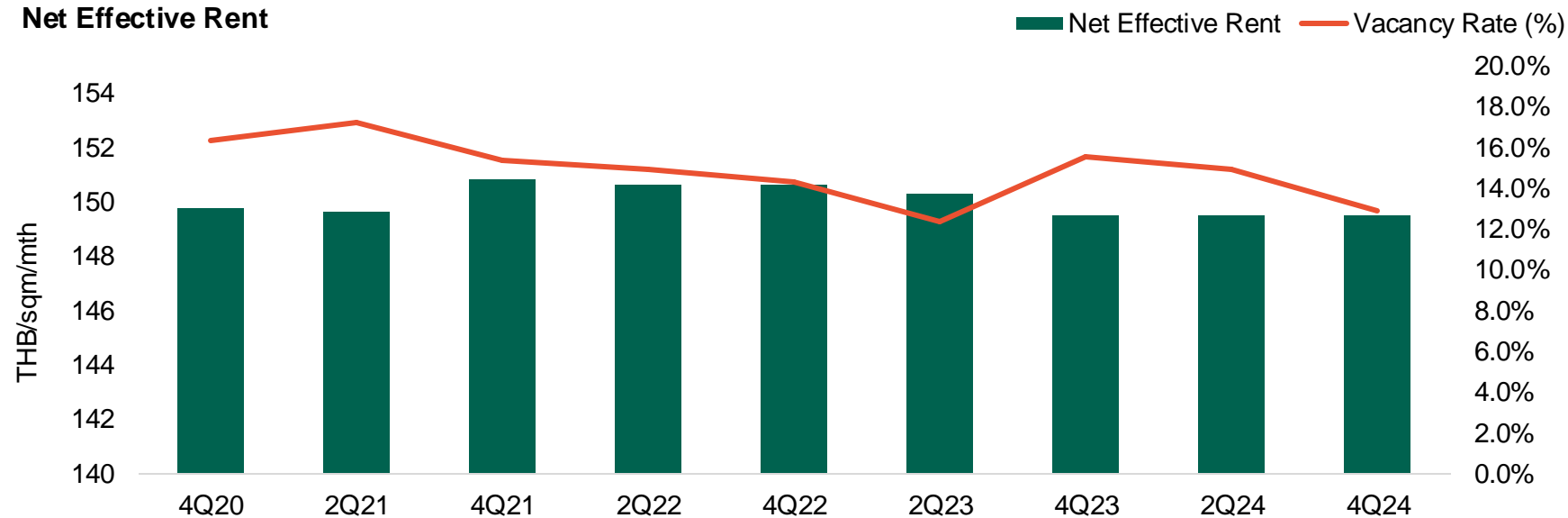
# Southeast Asia

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Logistics rents across Southeast Asia rose 1.1% on average from a year ago, driven by increases in Greater Kuala Lumpur, which exhibited the strongest momentum in the latter half of 2024 as the completion of higher-quality industrial properties lifted rents by 5%, albeit from a low base. However, the emergence of new large-scale industrial townships is expected to intensify competition in Kuala Lumpur, which should keep rents stable in 2025. Aside from e-commerce growth, rising demand from EV-related industries, 3PL providers and FMCG sectors drove Jakarta's rents to a 3.8% annual increase. Vietnam's Southern Key Economic Region (SKER) also continued to benefit from infrastructure development as well as e-commerce growth and manufacturing expansion. However, rental growth slowed significantly in the latter half of the year, as more modern warehouses at lower rents delivering in Dong Nai and Long An capped growth.

# Bangkok

## Net Effective Rent



### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	2.8%	3.1%
<b>Unemployment Rate</b>	N/A	N/A
<b>Inflation</b>	0.6%	1.6%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (THB psm pm)</b>	160	→
<b>Vacancy</b>	12.9%	→
<b>Market Balance</b>	Balanced	Balanced

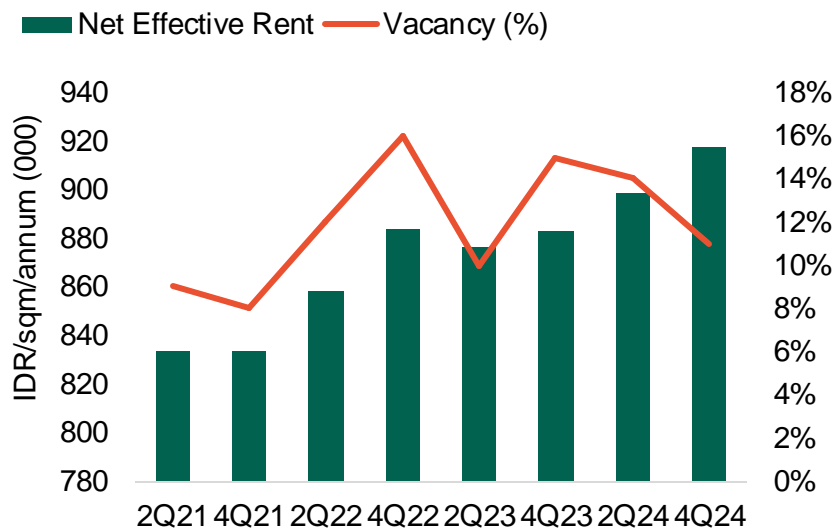


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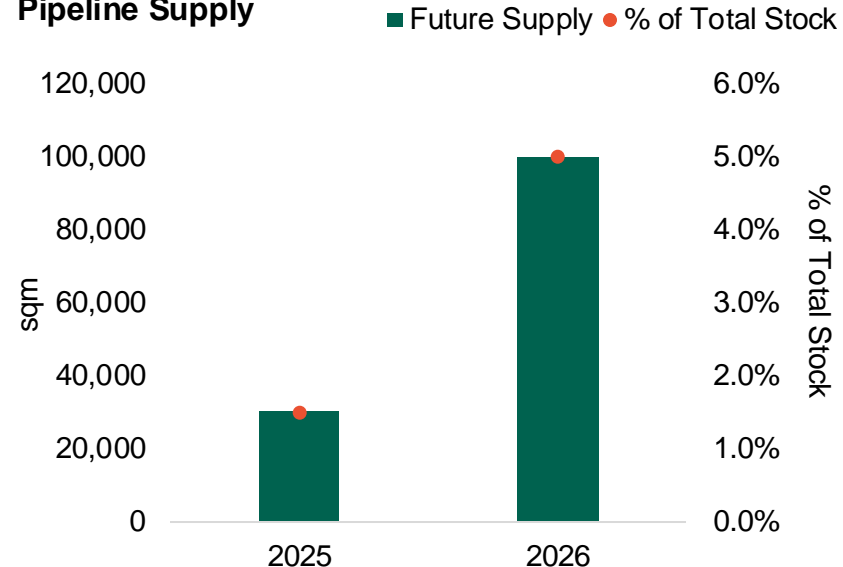
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# Greater Jakarta

## Net Effective Rents



## Pipeline Supply



### Economic Indicators

	2024F	2025F
GDP Growth	5.0%	4.9%
Unemployment Rate	4.9%	5.0%
Inflation	2.3%	2.3%

### Real Estate Indicators

	H2 2024	12 mth Forecast
Gross Rent (IDR psm pa)	940,140	→
Vacancy	11.0%	→
Market Balance	Balanced	Balanced

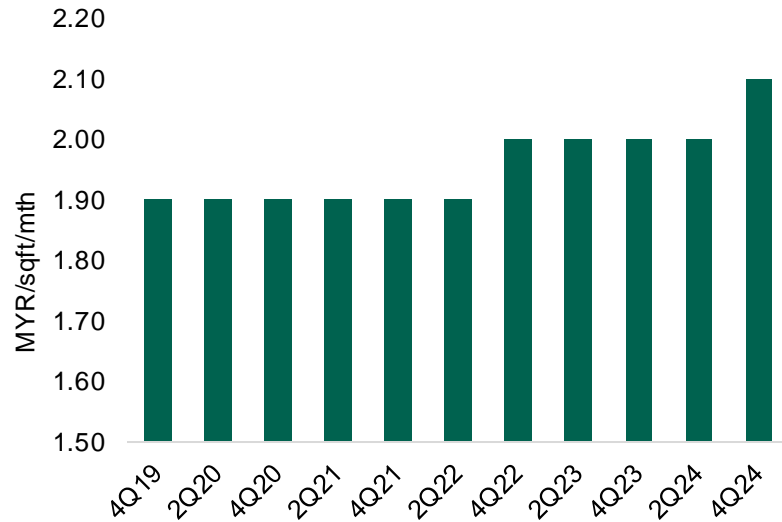


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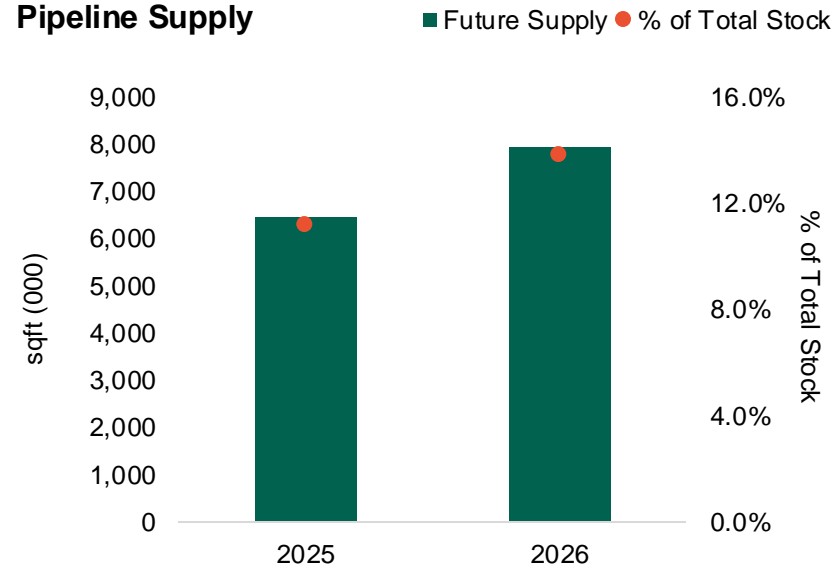
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# Greater Kuala Lumpur

## Prime Net Rents



## Pipeline Supply



### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	4.8-5.3%	4.8-5.5%
<b>Unemployment Rate</b>	3.2%	3.1%
<b>Inflation</b>	1.5-2.5%	2.0-3.5%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (MYR psf pm)</b>	2.10	→
<b>Market Balance</b>	Balanced	Balanced

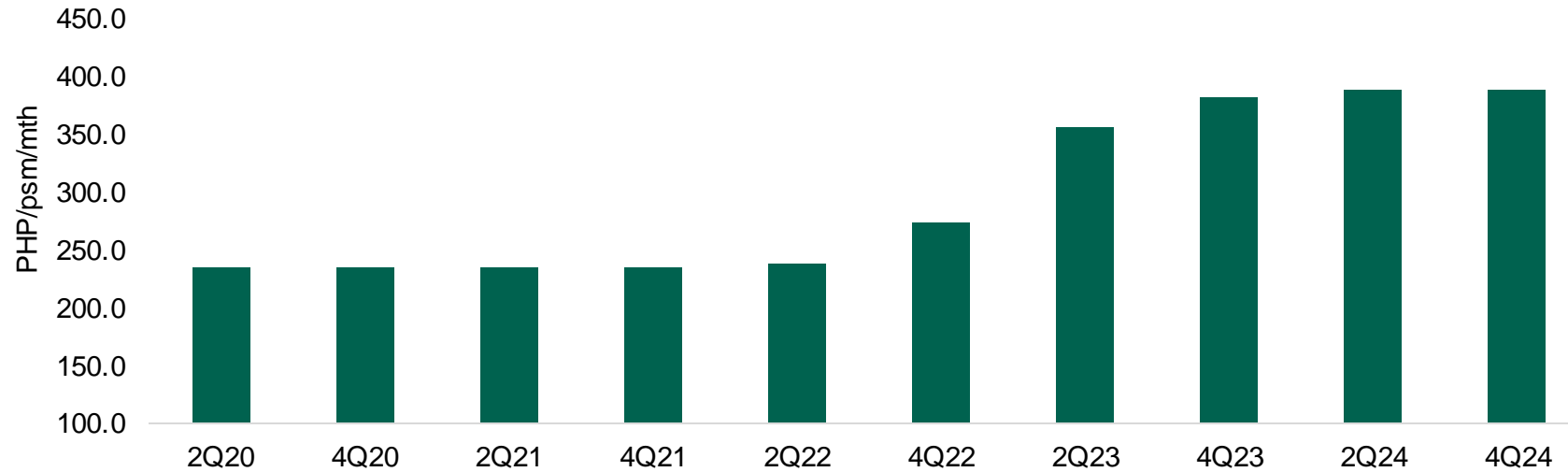


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# Manila

## Prime Net Rent

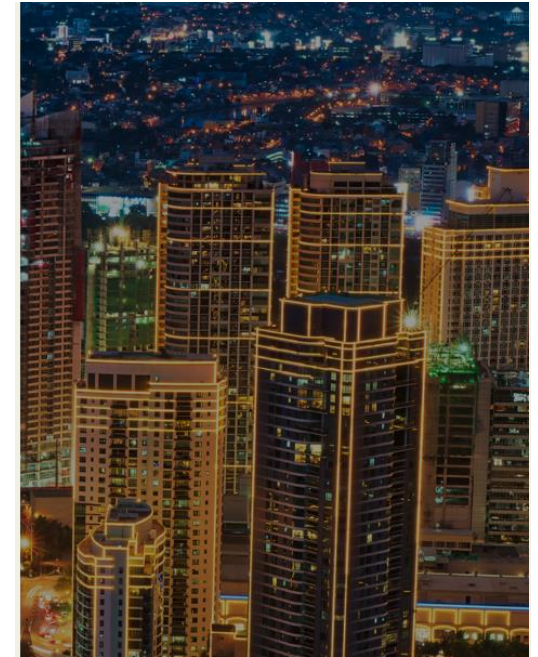


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	5.5%	6.0%
<b>Unemployment Rate</b>	3.9%	3.8%
<b>Inflation</b>	3.3%	3.1%

### Real Estate Indicators

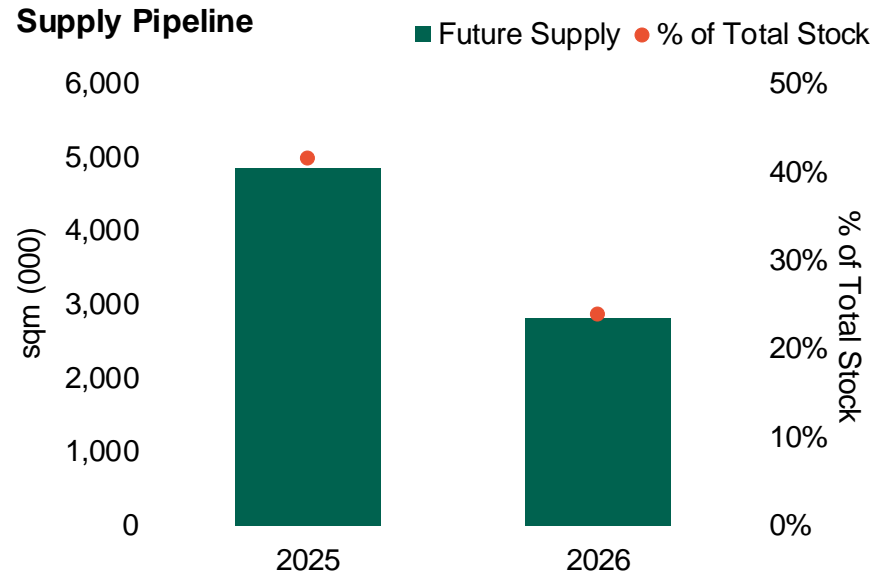
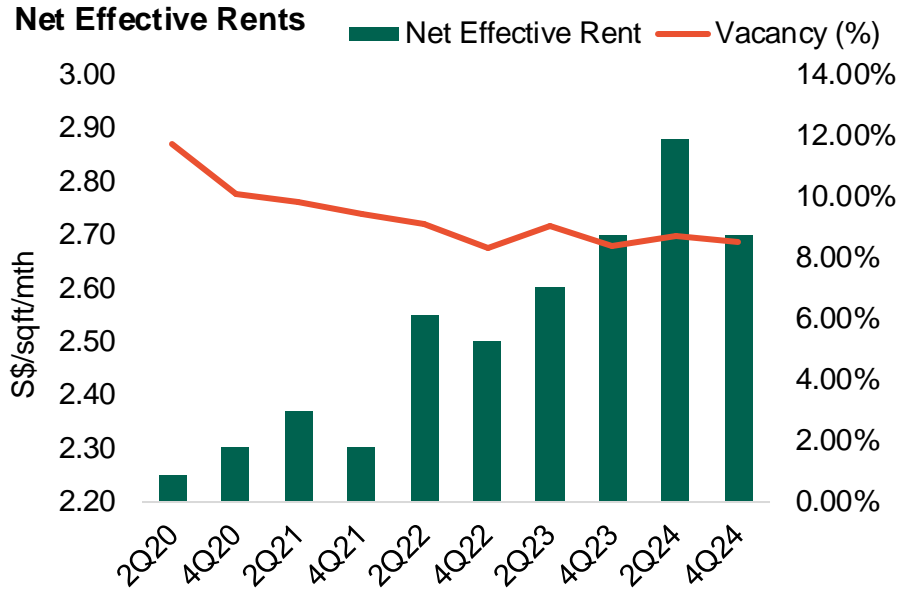
	H2 2024	12 mth Forecast
<b>Prime Rent (PHP psm pm)</b>	389	↑
<b>Market Balance</b>	Balanced	Balanced



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# Singapore



## Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	3.5%	2.0%
<b>Unemployment Rate</b>	2.0%	2.2%
<b>Inflation</b>	2.0%	2.0%

## Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (S\$ psf pm)</b>	2.70	↑
<b>Vacancy</b>	8.5%	↑
<b>Market Balance</b>	Landlord	Balanced

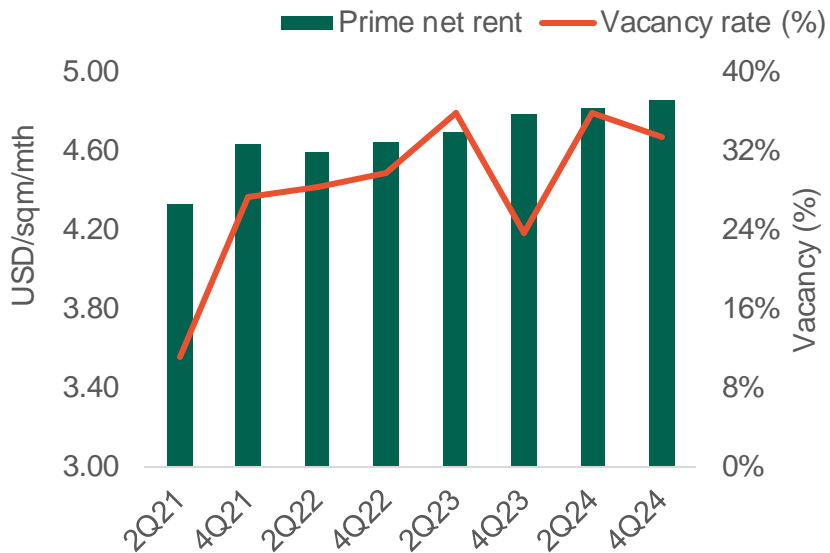
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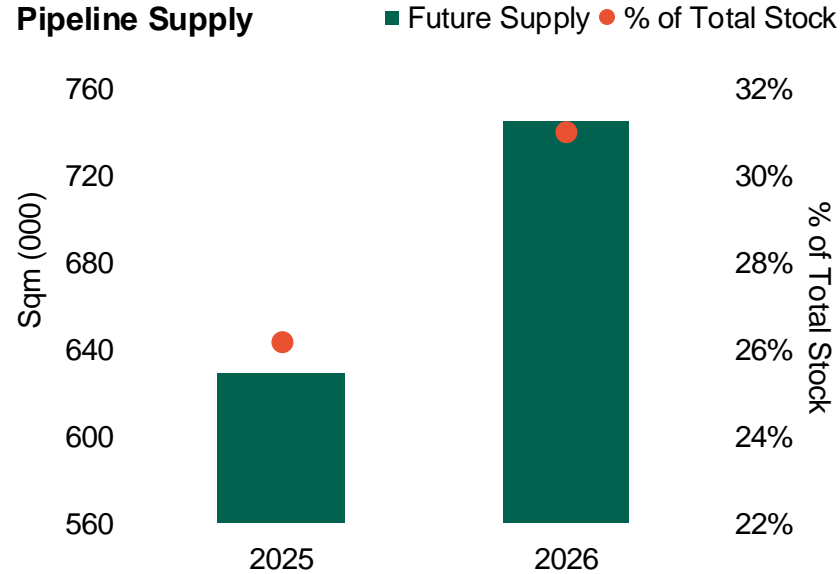


# Vietnam Southern Key Economic Region

Prime Net Rent



Pipeline Supply

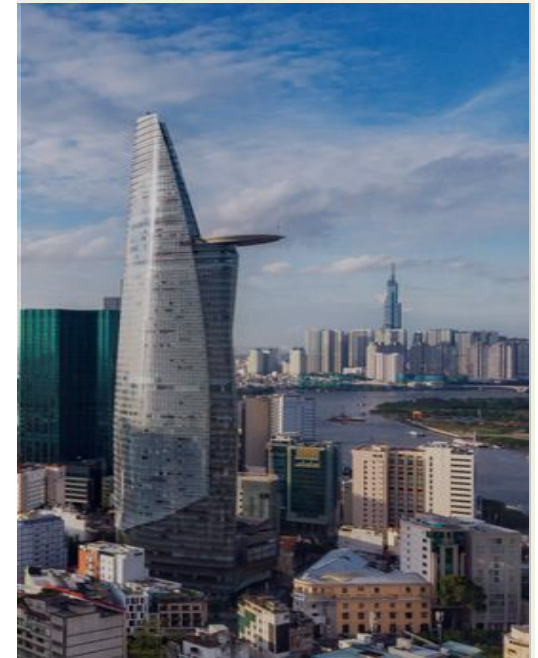


## Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	7.1%	9.0%
<b>Unemployment Rate</b>	2.3%	2.1%
<b>Inflation</b>	3.7%	3.4%

## Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (US\$ psm pm)</b>	4.86	→
<b>Vacancy</b>	33.5%	→
<b>Market Balance</b>	Tenant	Balanced



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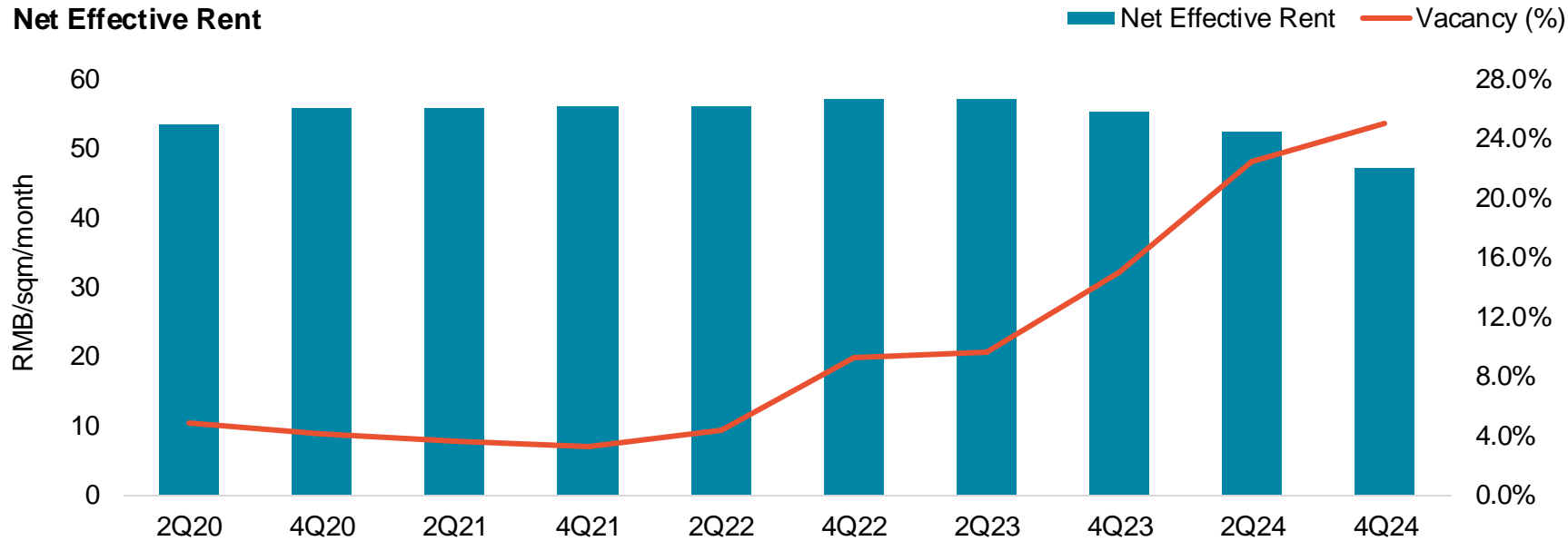
# East Asia

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New supply delivering in Beijing and Shanghai is expected to reach over 4 million sqm, of which over two-thirds will be located in Beijing's Pinggu District. The huge development pipeline will lift vacancy rates in both cities to near 30% in 2025, which will exert considerable downward pressure on rents. Beijing's market will also face challenges from the delivery of new logistics spaces in the neighbouring cities of Langfang and Tianjin, which will divert demand to these cities. Meanwhile, rents for modern logistics facilities in Hong Kong are also expected to decline due to softening demand.

# Beijing

## Net Effective Rent

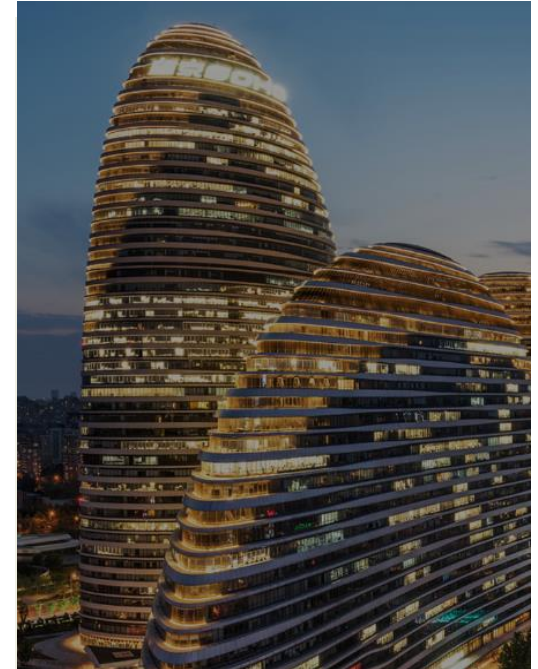


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	5.0%	4.1%
<b>Unemployment Rate</b>	5.0%	4.9%
<b>Inflation</b>	0.4%	0.3%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (CNY psm pm)</b>	48.61	↓
<b>Vacancy</b>	25.0%	↑
<b>Market Balance</b>	Tenant	Tenant

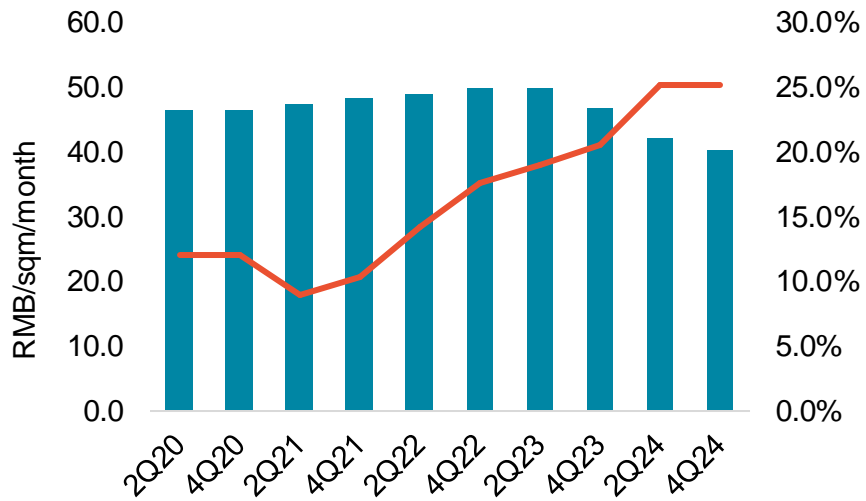


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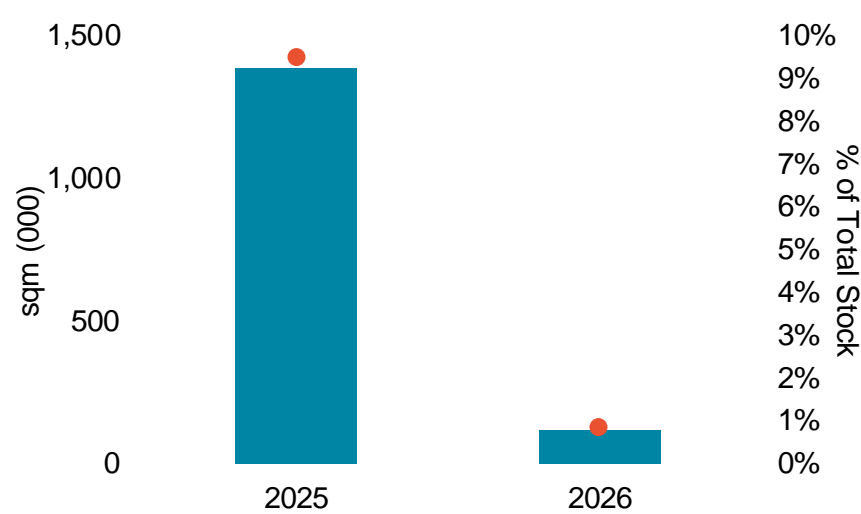
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# Shanghai

**Net Effective Rent** ■ Net Effective Rent ■ Vacancy (%)



**Pipeline Supply** ■ Future Supply ■ % of Total Stock

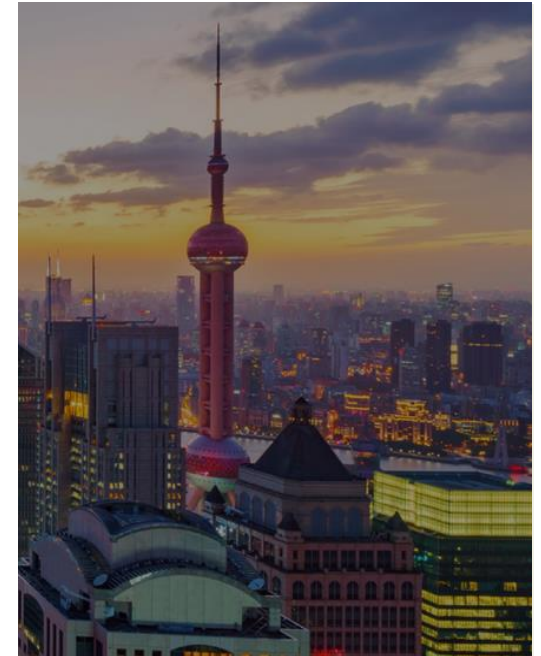


## Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	5.0%	4.1%
<b>Unemployment Rate</b>	5.0%	4.9%
<b>Inflation</b>	0.4%	0.3%

## Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (CNY psm pm)</b>	41.59	↓
<b>Vacancy</b>	25.2%	↑
<b>Market Balance</b>	Tenant	Tenant

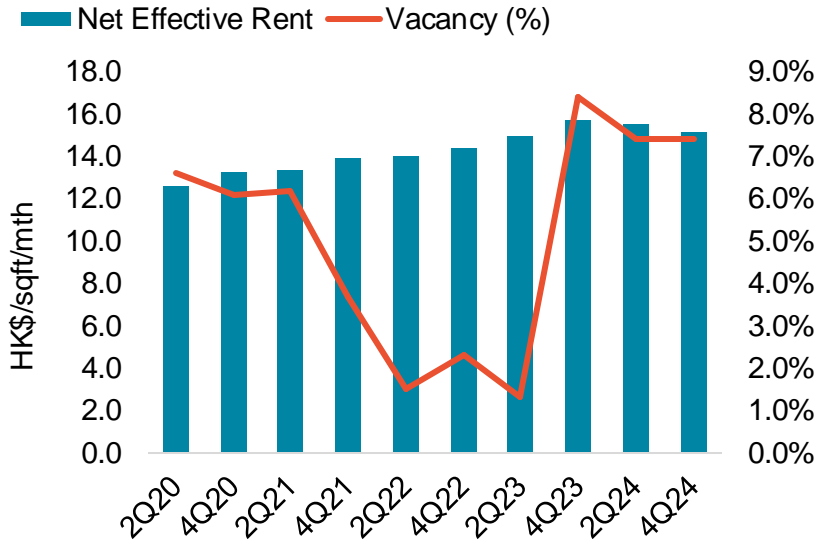


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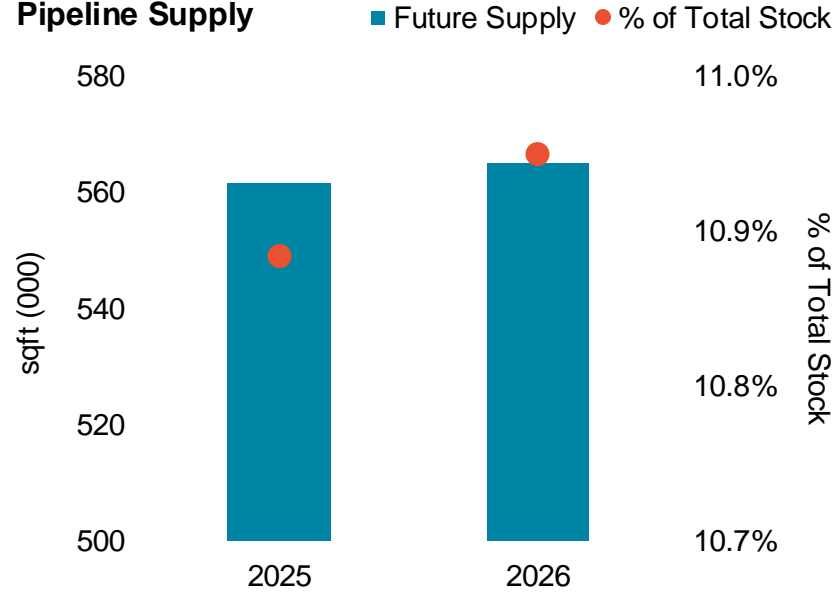
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# Hong Kong SAR

## Net Effective Rents



## Pipeline Supply

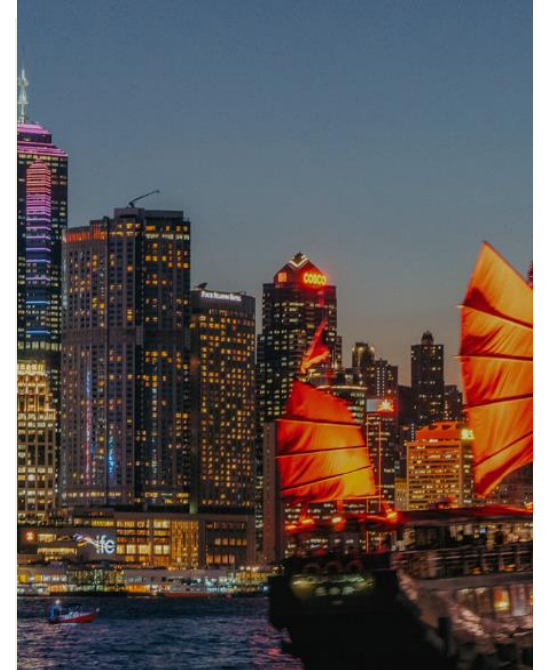


### Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	2.5%	2.0%
<b>Unemployment Rate</b>	3.1%	3.5%
<b>Inflation</b>	1.7%	2.1%

### Real Estate Indicators

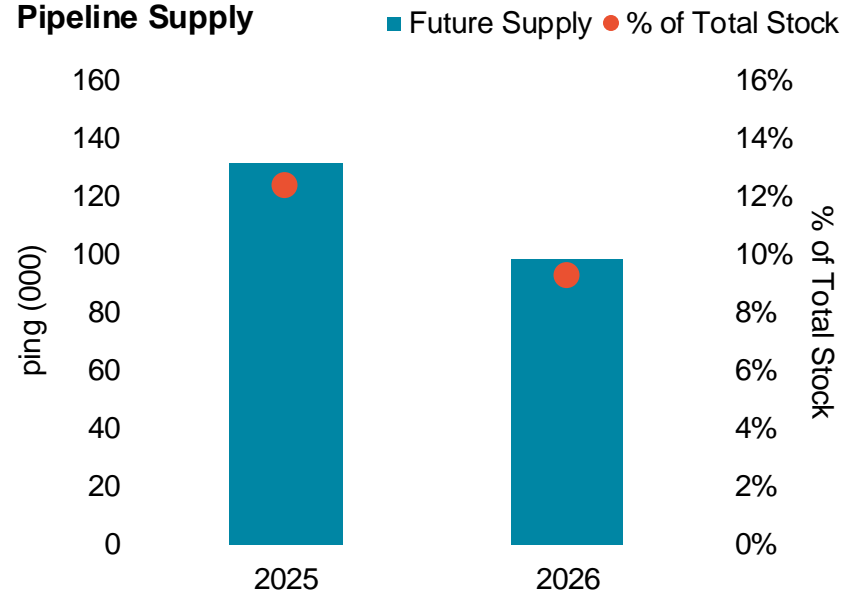
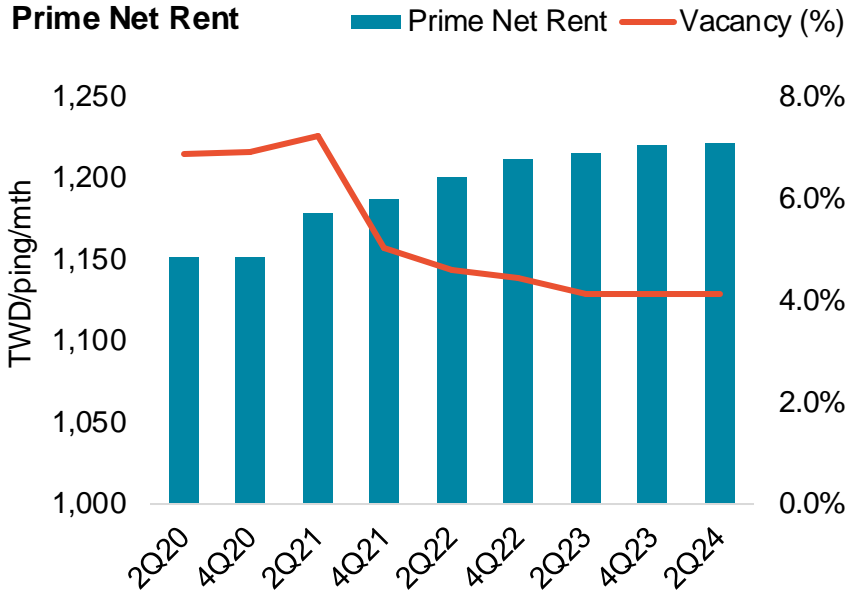
	H2 2024	12 mth Forecast
<b>Prime Rent (HK\$ psf pm)</b>	15.20	↓
<b>Vacancy</b>	7.4%	↑
<b>Market Balance</b>	Tenant	Tenant



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# Taipei



## Economic Indicators

	2024F	2025F
<b>GDP Growth</b>	4.3%	3.3%
<b>Unemployment Rate</b>	3.4%	3.3%
<b>Inflation</b>	2.1%	1.9%

## Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (TW\$/ping/mth)</b>	1,222	↑
<b>Vacancy</b>	4.1%	→
<b>Market Balance</b>	Landlord	Landlord

Source: Taiwan National Statistics, Knight Frank Research

Updated 20 January 2025

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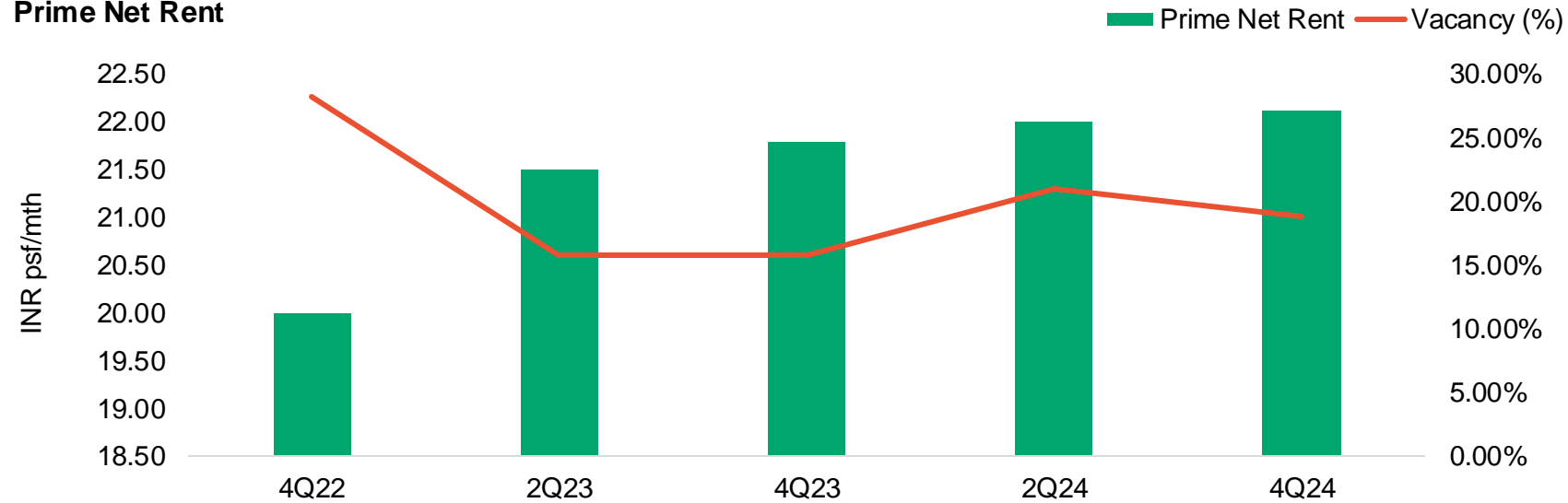
# India

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The warehousing market has been a strong performer over the past two years, as demand from the manufacturing sector has filled the vacuum left behind by ecommerce while 3PL players continues to anchor the market. Although the high development pipeline has lifted vacancy rates, overall rents in Bengaluru, Mumbai and the NCR have continued to rise through 2024, up 2.1% on average, as demand for modern warehousing facilities remained strong. The robust GDP growth forecast is expected to maintain a dynamic business environment and support occupier activity throughout 2025. With 2 million sqm becoming available in 2025, the anticipated demand should be sufficiently met.

# Bengaluru

## Prime Net Rent

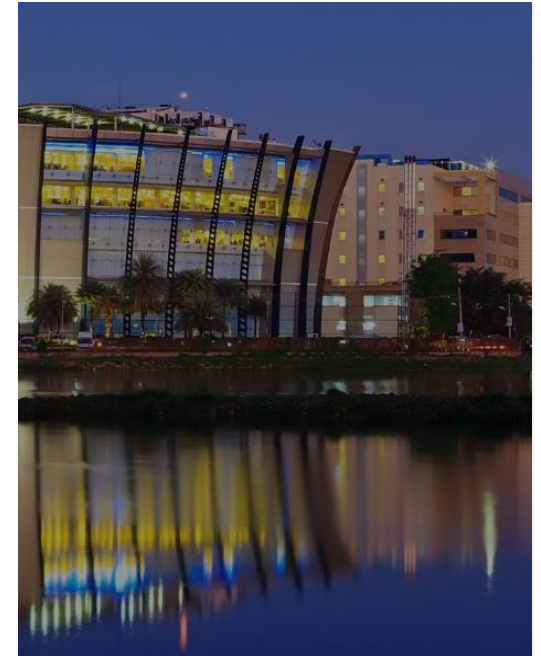


### Economic Indicators

	FY24F	FY25F
<b>GDP Growth</b>	6.4%	6.6%
<b>Unemployment Rate</b>	NA	NA
<b>Inflation</b>	4.8%	4.1%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (INR psf/mth)</b>	22.13	→
<b>Vacancy</b>	18.9%	↓
<b>Market Balance</b>	Balanced	Balanced



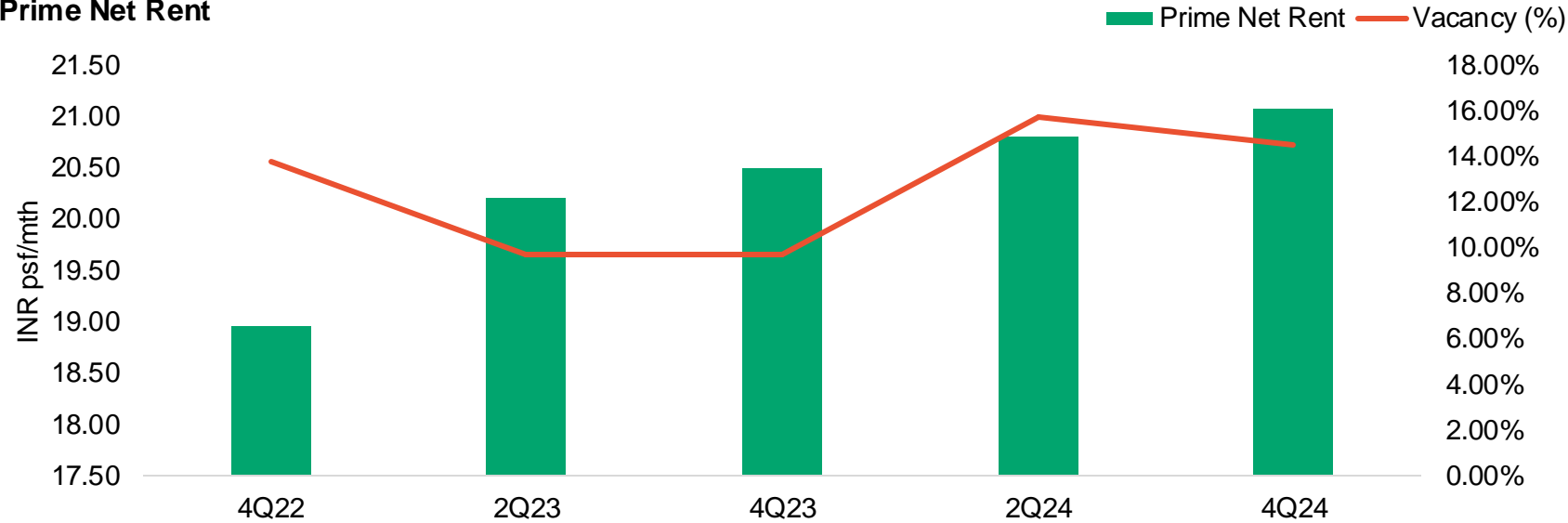
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# Delhi-NCR

## Prime Net Rent

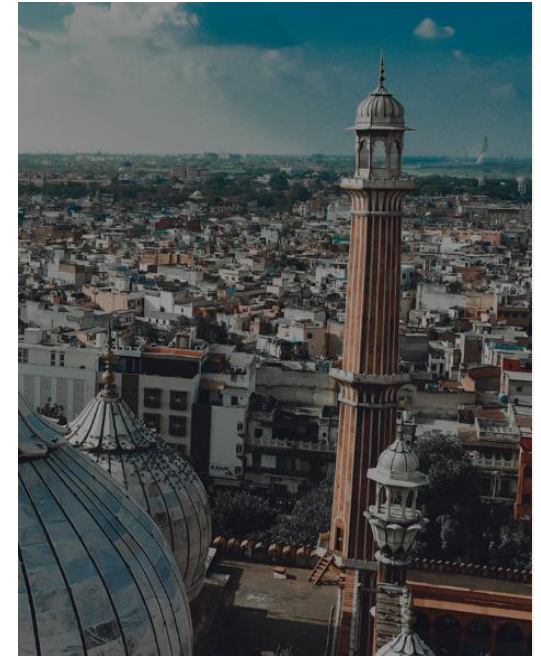


### Economic Indicators

	FY24F	FY25F
<b>GDP Growth</b>	6.4%	6.6%
<b>Unemployment Rate</b>	NA	NA
<b>Inflation</b>	4.8%	4.1%

### Real Estate Indicators

	H2 2024	12 mth Forecast
<b>Prime Rent (INR psf/mth)</b>	21.07	→
<b>Vacancy</b>	14.5%	↓
<b>Market Balance</b>	Balanced	Balanced

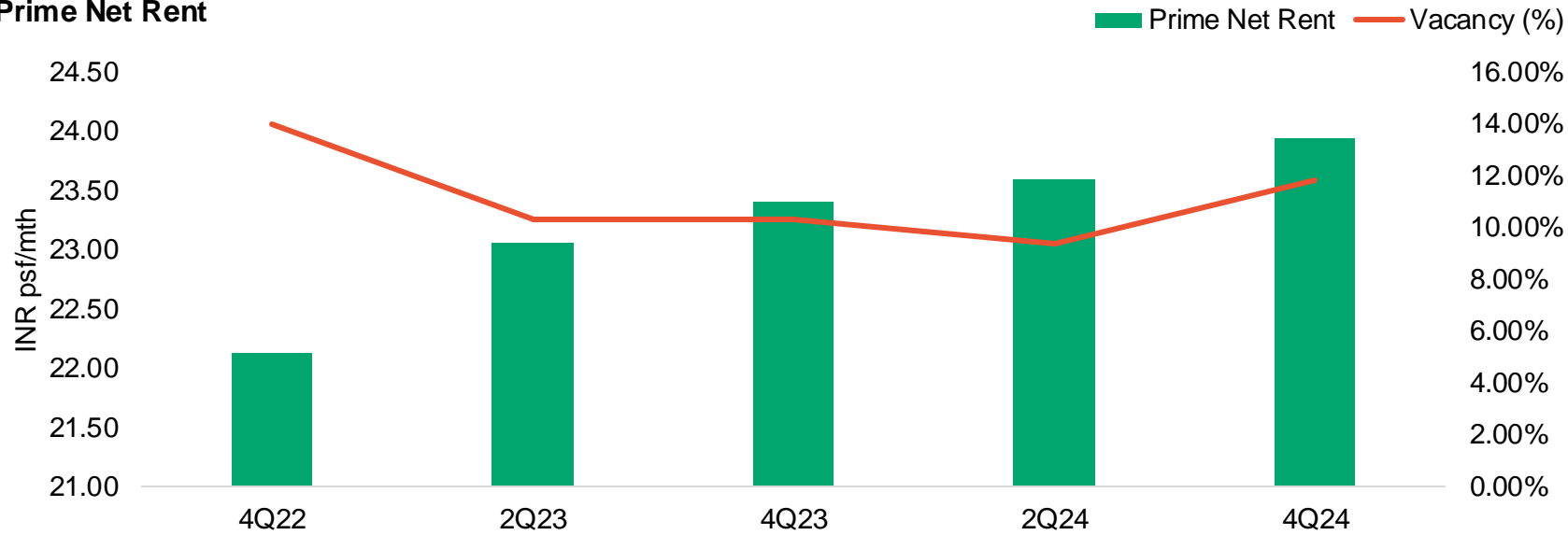


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# Mumbai

## Prime Net Rent

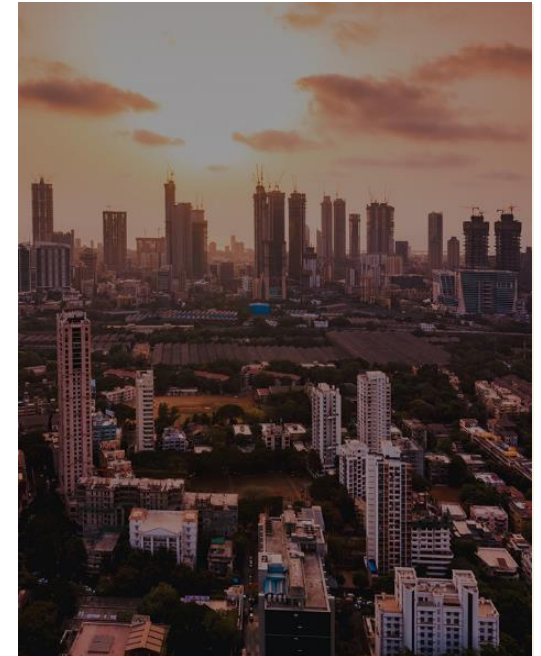


### Economic Indicators

	FY24F	FY25F
<b>GDP Growth</b>	6.4%	6.6%
<b>Unemployment Rate</b>	NA	NA
<b>Inflation</b>	4.8%	4.1%

### Real Estate Indicators

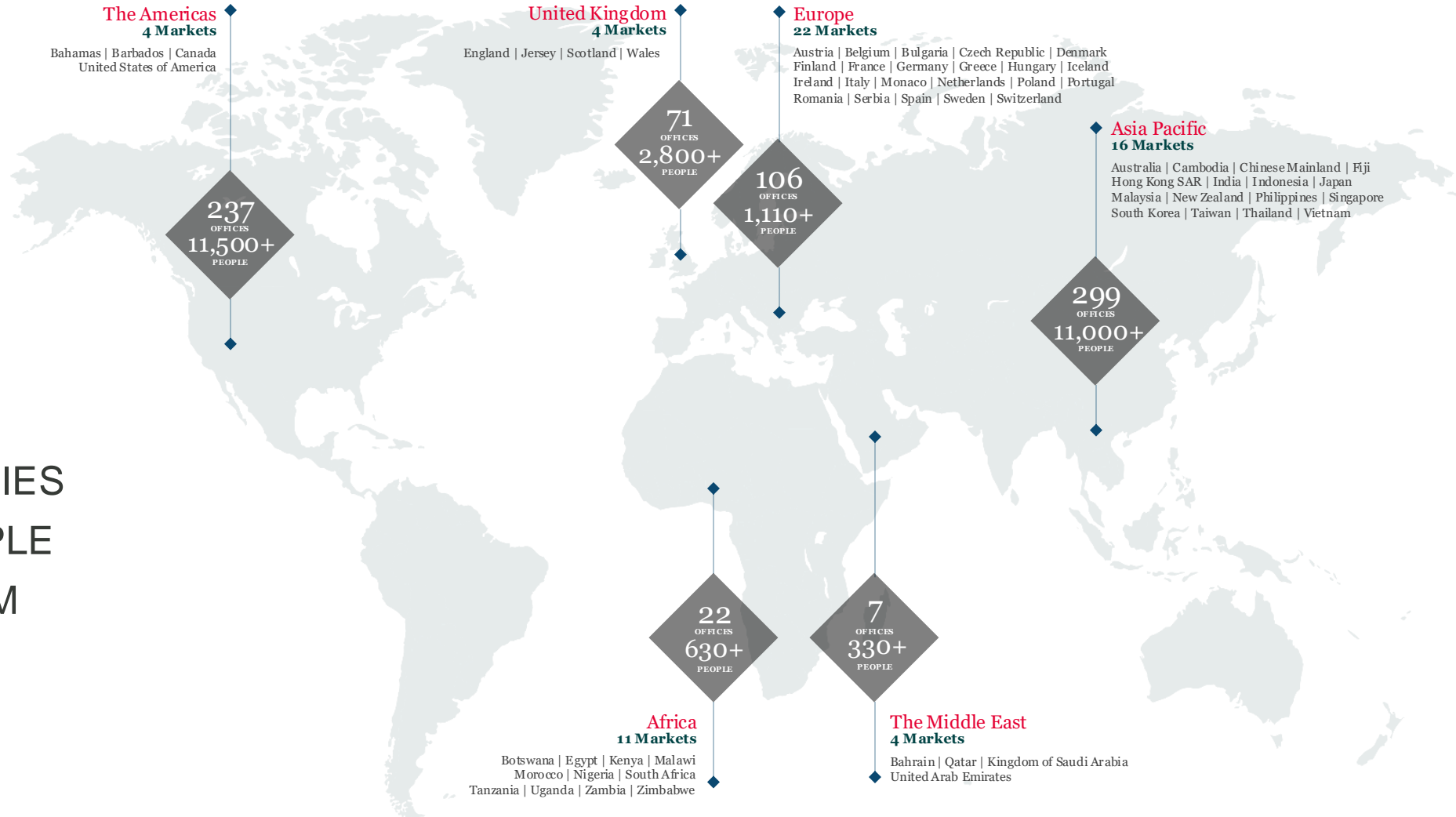
	H2 2024	12 mth Forecast
<b>Prime Rent (INR psf/mth)</b>	23.94	→
<b>Vacancy</b>	11.8%	↓
<b>Market Balance</b>	Balanced	Balanced



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**27,000+** PEOPLE  
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 experience*

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The Asia Pacific Occupier Strategy and Solutions team facilitates this for our clients, offering a broad suite of consulting and transactional services that deliver domestic and multi-market occupiers with the information and advice they require. The integration of these services enables us to understand the critical success factors for your business.

Whether you are looking for or currently occupy industrial space, office space or retail space, Knight Frank has experienced teams that are dedicated to advising you, the occupier. Our bespoke commercial agency leasing team ensures we have the optimum expertise for each project. Our relationship with occupiers also ensures we speak to the decision makers who determine occupational strategy.

We are locally expert, and yet globally connected. Our multi-market clients are managed centrally from our hubs across Asia-Pacific, from Singapore, Australia, Hong Kong and India, where we devise strategies to empower clients to attain their desired goals.



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