



YoY Chg 12-Mo. Forecast

7.0%
Prime yields



250,000
2022 Take-Up, SQM



€ 5.0
Prime Rent, PSQM



ECONOMIC INDICATORS Q2 2023

YoY Chg 12-Mo. Forecast

+2.2%
GDP growth rate 2023(estimation)



11.1%
Unemployment Rate June 2023



1.8 %
Inflation rate June 2023



51.8
June PMI Markit Greece



+2.4%
Production Index June 2023



ECONOMIC OVERVIEW

Following revised projections, the Greek economy is expected to grow by 2.2% in 2023. The formation of a government with a comfortable majority following the national elections in June, is expected to strengthen the country's economic stability, help the implementation of reforms, and bring the economy closer to the upgrade by credit rating agencies, to investment-grade level. According to the Foundation for Economic and Industrial Research (IOBE), the economic sentiment index rose to 110.1 points in June, due to an improvement of expectations in the retail commerce and services sectors, with all other sectors falling and consumer confidence deteriorating. Greek households continued to suffer from rising prices of food and other basic items. However, consumer confidence although remains negative, on average is moving higher compared with last year's average. The Greek inflation rate fell sharply to 1.8% in June from 2.8% in May and 12.1% in June 2022. Industrial production rose 2.1% in January-May 2023 yoy, and manufacturing, which accounts for 73% of the industrial index, rose 5.7% while mining production was up 9.6%. Turnover and employment in manufacturing rose 8.9% and 2.6% respectively. The performance of the manufacturing sector continued to improve in June, according to the latest PMI data from S&P Global. Seasonally adjusted PMI posted 51.8 in June, up slightly from 51.5 in May.

INVESTMENT & DEVELOPMENT

In the 2nd quarter of 2023, an investment volume of € 50 million was registered, 25% higher compared to last year, albeit the further increase in ECB rates in June, confirming investors' interest for the asset class. Notable transactions include the acquisition by Trastor REIC of a 30,100 sq.m. land in Aspropyrgos, on which a state-of-the-art 23,800 sq.m. storage and distribution facility shall be developed. Premia Properties REIC acquired 11,300 sq.m logistics at Aspropyrgos, let to international tenant to be completed by October 2023. Autohellas increased its share capital to Trade Estates, by the amount of €6 million by contributing a 16,655 sq.m warehouse complex within 45,408.04 sq.m. land, in the Business Park of Vamvakias area of the Municipality of Elefsina. Transcombi Express, acquired within the quarter, 10,000 sq.m new logistics with the right to expand with an additional 6,000 sq.m.

OCCUPIER MARKET

The volume of demand is very high, and we estimate that a total of circa 120,000 sqm of industrial and logistics space have been absorbed in the first half of the year in Attica while till the end of 2023, new space of 80,000 sqm will be delivered with 95% already pre-leased. Occupiers are getting demanding, both in terms of environmental efficiency and technology. Headline prime rents are not expected to experience significant further increases in the short term and are standing at circa €5/sq m in Athens and €4.25/sq m in Thessaloniki. Occupier demand is primarily driven by logistics and transportation companies and producers.

RENT EVOLUTION



YIELD EVOLUTION

