

3.0%
Exports, 2021 Forecast



3.8%
Prime yield, NIY



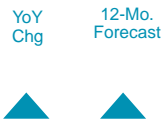
€9.5
Prime rent, PSM/m



Source: Moody's Analytics, Cushman & Wakefield

FINLAND ECONOMIC INDICATORS Q4 2021

0.27%
GDP Growth, Q-to-Q



7.0%
Unemployment Rate



0.65%
Exports, Q-to-Q



Source: Moody's Analytics

Overview

Finnish economy has reached full recovery in output and employment is well ahead of European peers. Thus, the Finnish economy will moderate over the year 2022. After the -2.9% GDP decrease in 2020 the GP grew by 3.5% in 2021. The estimated growth for 2022 is 2.4%. The Finnish economy has been considerably more resilience than predicted throughout 2021. Although, the COVID-19 transmissions have periodically elevated, the performance has exceeded expectations. Consumers will be the main driver of the short-term growth. Employment bounced back to pre-pandemic levels in mid-2021, well before the euro zone average.

Increasing economic recoveries in Finland's key trading partners will support growth in export industries into 2023. However, supply-chain disruptions will hinder these industries until the challenges ease in mid-2022.

Occupier focus

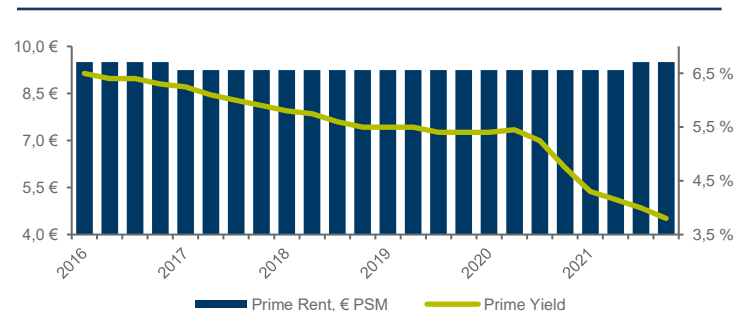
As the Finnish economy overall, the industrial operators in general survived the pandemic relatively unscathed. In 2021, occupier demand for industrial premises have gained momentum, leading to increase in prime rents in H2 2021.

In 2021, some 30,000 sq.m of new logistics premises were completed in the Helsinki Metropolitan Area. In addition, there are currently some 50,000 sq.m of logistics premises under construction in Vantaa. The developments are estimated to be completed during 2022. The developments consist mostly of build-to-suit buildings, although some parts of the premises in developments are built speculatively.

Outlook

The occupier demand is expected to further improve in selected logistics segments and areas going forward as the e-commerce trend continues going forward. The individual operators, often occupying the properties alone, might experience the remaining COVID-19 related challenges rather differently. The outlook for the industrial properties is seen to be positive.

PRIME YIELD & PRIME RENT



MARKETBEAT

FINLAND

Industrial Q4 2021



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