

1.95%
Exports, 2022 Forecast



4.0%
Prime yield, NIY



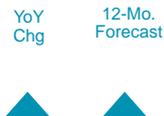
€10.0
Prime rent, PSM/m



Source: Moody's Analytics, Cushman & Wakefield

FINLAND ECONOMIC INDICATORS Q3 2022

-0.06%
GDP Growth, Q-to-Q



7.06%
Unemployment Rate



3.12%
Exports, Q-to-Q



Source: Moody's Analytics

Overview

Economic growth in H1 2022 in Finland was on a healthy level, mostly due to pent up demand and the recovery of the service sector from the pandemic, which both continue to support the growth in 2022. However, the risks that Finland falls into recession over the next 12 months are rising. Finland has been seen, however, to be better positioned compared to the rest of euro zone due to diverse industrial structure. Finland's economy is expected to grow 2.5% this year and 0.9% in 2023. (Moody's Analytics)

After a healthy growth in year-end 2021 for the export sector, the exports decreased by -10.0% in Q1 2022 (Q-toQ). In Q2 and Q3 2022 the exports increased by 1.1% and 3.1% respectively, and the Q4 2021 level is expected to be reached during H1 2023.

Occupier focus

In 2021, occupier demand for industrial premises have gained momentum, leading to increase in prime rents in H2 2021. The demand towards light industrial, warehouse, and logistics premises has further increased during 2022. An increase in rental levels in multiple segments and submarkets has occurred due to increased demand and high occupancies in the industrial sector.

In 2022 so far, some 43,000 sq.m of new logistics premises has been completed in the Helsinki Metropolitan Area. In addition, there are currently some 19,000 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. Moreover, approximately 40,000 sq.m of other industrial space was completed in YTD 2022 in the HMA, and some 30,000 sq.m of other industrial space is currently under construction in the HMA.

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. Increase in transportation costs is seen as a possible driver to further emphasize the micro location of the industrial premises for the user. The outlook for the industrial properties is seen to be positive.

PRIME YIELD & PRIME RENT



MARKETBEAT

FINLAND

Industrial Q3 2022



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