

Retail Snapshot

Q1 2024

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

knightfrank.es/research

Record number of tourists in the first months of 2024

- Close to ten million international tourists have visited Spain in the first two months of the year, which is 15% more than the figure recorded in the same months of 2019.

SITUATION IN SPAIN

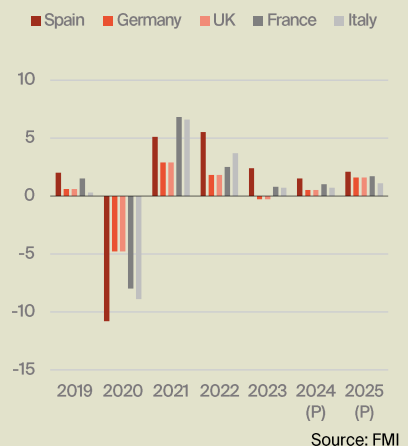
According to the latest forecasts from the International Monetary Fund, Spain will be the leader among advanced economies in terms of GDP growth in the next two years. It is expected that 2024 will end with a growth of 1.5%, while for 2025 this figure will be 2.1%.

The retail trade recorded growth

throughout the last year, closing the year with a growth of 4.7%.

Consumer confidence index stood at 78.6 points in January, representing an increase of 0.9 points compared to the previous month, and 5.6 points higher than the same month in 2023. This improvement is due to the increase in the assessment of the current situation over the past year, as well as in future expectations.

European Comparative PIB



Retail Trade

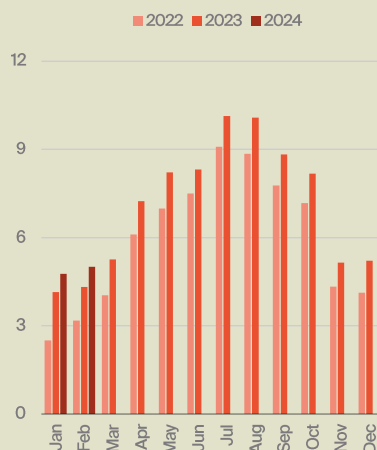
y-o-y (%)



Source: INE, Seasonally and calendar-adjusted series and excluding service stations.

International tourists

Millions of persons



Source: INE

Consumer Confidence Index



Source: CIS

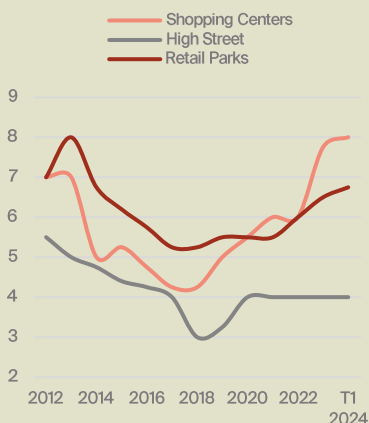
RETAIL INVESTMENT IN SPAIN

Investment in the retail sector starts the year strong, being the real estate segment that has recorded the highest volume during the first quarter, with a figure of around 840 million euros during the first 3 months of 2024. It is worth noting that this volume is already similar to that recorded throughout the entire year of 2023.

The year begins with the return of investor interest towards the shopping center segment as transacted assets, as there have been several purchases of these assets, making it the most prominent typology, representing around 75% of the total investment for the quarter, totalling more than 600 million euros in the first three months.

The prime yield in commercial premises in the capital remained stable in the first quarter of the year, standing at 4.00%, while both shopping centers and retail parks have experienced a slight increase to 8.00% (7.75% in Q4 2023) and 6.75% (6.50% in Q4 2023) respectively, as investors require more financing for these types of assets.

Prime yields Madrid



Source: Knight Frank Research

Spain

Investment volume Q1 2024

€840 M (€315 M Q1 2023)

Top 3 investment deals Q1 2024

€200 M | 30 Decathlon, Various

Vendor: Decathlon | Purchaser: Realty
Capital value: n.d. €/sq m
Source: EjePrime

€171 M | CC Salera, Castellon

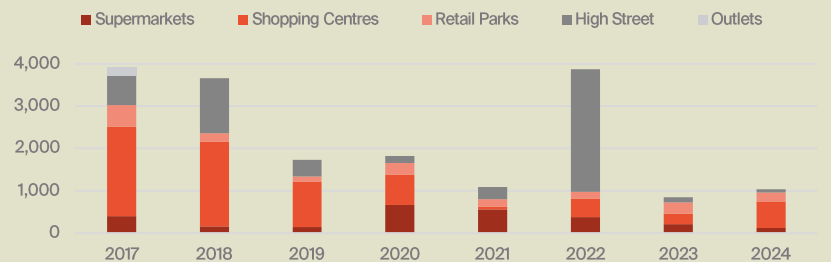
Vendor: DWS | Purch: Resilient & Lighthouse
Capital value: 2,500 €/sq m
Source: ElBrainsr

€121 M | H2O, Madrid

Vendr: Cbre& Alpha RT | Purchaser: Lighthouse
Capital value: 2,300 €/sq m
Source: Belbex

► Among the most noteworthy transactions in the fourth quarter is the sale by the real estate subsidiary of the French retail giant, Carrefour Property, of six assets through a sale-and-leaseback operation, with an investment volume of 100 million euros. Another significant transaction has been the sale of 47 SuperCor stores by El Corte Inglés to Carrefour for 60 million euros.

Retail investment volume



Source: Knight Frank Research

European prime yields. Latest available data | Q3 2023

	SHOPPING CENTER	RETAIL PARKS	HIGH STREET
Berlin	5.70% ↑	5.40% ↑	3.90%* ↑
Dublin	7.50% =	6.50% ↑	5.50%* =
Paris	6.25% ↑	6.50% ↑	3.75%* ↑

Source: Knight Frank Research.* Q2 2023

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



Capital Markets

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