

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.

# Retail Snapshot

Q3 2021

## RETAIL NEW OPENINGS



MADRID

IKEA  
Las Rozas  
**3,070 sq m**

NEW BALANCE  
Fuencarral 39  
**180 sq m**

MANOLO BAKES  
Gta. Quevedo 3  
**160 sq m**



REST OF SPAIN

JS SPORTS  
Valencia  
**590 sq m**

TEMPURE  
San Sebastián  
**430 sq m**

DR. MARTENS  
Barcelona  
**140 sq m**

## Situation in Spain

According to the latest IMF forecast, estimate for GDP will close the year with a growth of 5.7%, while for 2022 the forecast is 6.4%, which represents an improvement of +6 tenths compared to the latest estimate.

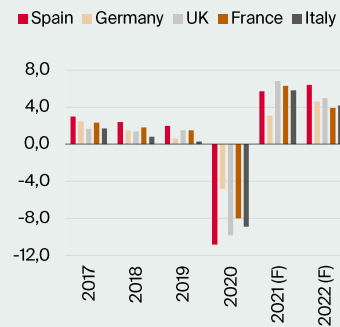
Retail turnover remains stable, registering an increase of 0.1% at the end of the semester compared to the same period in 2020.

Consumer confidence has registered almost 92 points in the month of August, although we are still below 100 points, it is expected to continue its upward trend of recent months.

Among the outstanding e-commerce sectors during 2020 are clothing purchases, which have grown almost 50% more than in the previous year. Travel agencies, although they have registered a volume of 60% less than in 2019, are in the second position. And as a highlighted point, the group of hypermarkets, supermarkets and food stores enter the top 10 of 2020 in fifth position.

### European comparative GDP

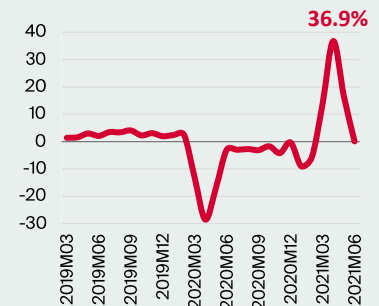
2017 - 2022 (forecast), y-o-y



Source: IMF

### Retail trade

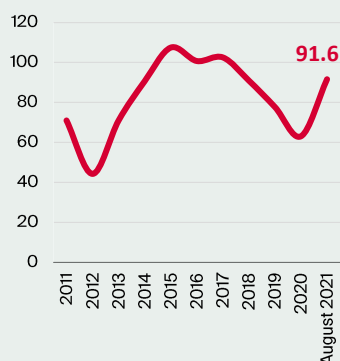
2019 - June 2021, y-o-y (%)



Source: INE, serie corrected for seasonals and calendar effects.

### Consumer Confidence Index

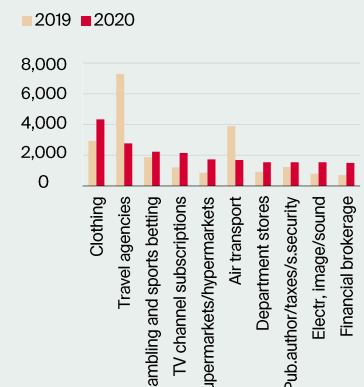
2011 - Aug 2021



Source: CIS

### Top 10. e-commerce volume

2019 - 2020, Millions



Source: CNMC

## Retail investment in Spain

During the third quarter, investment volume registered has been more than € 110 M, while the amount accumulated so far this year amounts to just over € 800 M.

The supermarkets segment continues to be the most important in terms of investment volume, representing more than 40% of the total accumulated during the first nine months of the year. The purchase of portfolios of these assets continues to stand out among the most outstanding operations of the year. It is followed by the investment registered in high street, that have been suppose more than 35% of the accumulated total.

The prime yield in high street and retail parks remained stable while shopping centres increase slightly due to a trend to reconvert this type of asset.



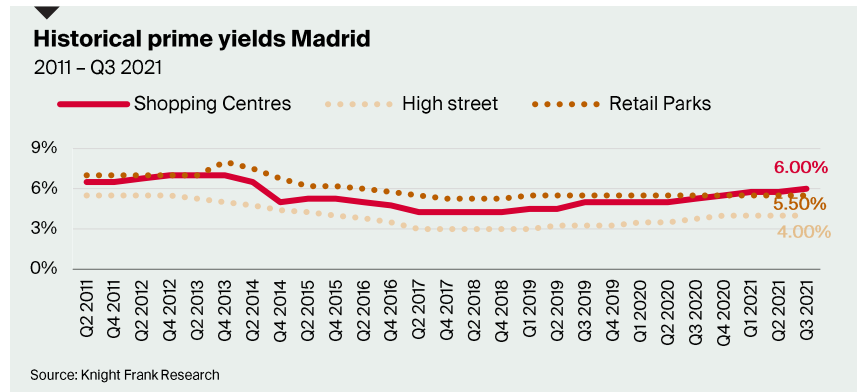
## TOP 3 DEALS Q3 2021

**VARIOUS**  
7 HYPERMARKETS  
VENDOR: CARREFOUR  
PURCHASER: REAL INCOME CORP.  
**€93 M** N.A €/sq m  
Source: Idealista

**GALICIA**  
MERCADONA  
VENDOR: N.A  
PURCHASER: PARK ROSE IBEROAM.  
**€4.5 M** 3,000 €/sq m  
Source: Brainsre

**VALENCIA**  
RETAIL PARK  
VENDOR: N.A  
PURCHASER: BATEX & DUPLEX  
**€N.A M** N.A €/sq m  
Source: RevistaCentros Comerciales

Among the highlighted transactions of the quarter is the sale by Carrefour of seven hypermarkets, with a volume of 93 million euros, to the investment firm Realty Income. The transaction has been carried out as a sale and leaseback format and the assets are distributed among different locations in Spain, specifically the Canary Islands, Valencia, Madrid, the Basque Country, Navarra and Castilla León.



### EUROPEAN PRIME YIELDS

LATEST AVAILABLE DATA Q2 2021	SHOPPING CENTRE	RETAIL PARK	HIGH STREET
BRUSSELS*	↑5.25	↓ 6.25	↑4.75
LONDON	n.a	n.a	=3.50
BERLIN	=4.25	↓4.25	=3.00
DUBLIN	↑5.50	=5.75	↑4.75
PARIS	=4.25	=5.25	=3.00

Source: Knight Frank Research  
\*Q1 2021 data

**COVID-19:** Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

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