

## ECONOMIC INDICATORS

	GDP Var (%)	Unemployment Rate(%)	Inflation Index (%)	Monetary Policy Rate (%)
Argentina	-5.1	7.7	271.5	40.0
Brasil	1.7	7.9	4.2	10.5
Chile	2.3	8.5	4.1	5.9
Colombia	1.7	10.7	7.2	10.8
Perú	1.4	7.2	2.3	5.8

Sources: Latest official data available  
LCA and National Statistics Institute per country

## SOUTH AMERICA'S ECONOMY, ON THE PATH TO RECOVERY

According to the World Bank's "Economic Outlook for Latin America and the Caribbean", published in April 2024, South America is showing less dynamism compared to the rest of the regions. However, GDP lost during the pandemic has already recovered and employment indicators are close to those recorded at the beginning of 2020.

Despite solid macroeconomic management in South America, expectations for growth, improved purchasing power and a return to more encouraging poverty indicators remain conservative, considering global conditions and the structural challenges that persist, such as fiscal imbalances.

## POSITIVE BALANCE IN THE LOGISTICS MARKET

During the first half of the year, demand has started to show different levels of intensity in various cities of South America, impacting vacancy and bringing it closer to a healthy market supply. In Buenos Aires and Santiago, vacancy has been getting close to 4%, and interest in warehouses under construction and demand for built-to-suit space remained strong. In a complex political context, Lima's vacancy decreased by 8% and inventory grew by 4.4%. In Rio de Janeiro, meanwhile, demand increased to 110,000 m<sup>2</sup> per half year, a figure 60% higher than in the same period in 2023.

São Paulo stood out in terms of demand in this period, with a sustained increase, thanks to businesses such as wholesale trade, retail, logistics and electronics, which were the sectors occupying the largest share of space.

## MARKET HIGHLIGHTS BY MARKET

### SANTIAGO



**14%**

INVENTORY  
INCREASED YoY  
reaching 2,384,404 sqm

### BUENOS AIRES



**62%**

DEMAND  
INCREASED YoY  
reaching 118,112 sqm

### SÃO PAULO



**1,059,192 sqm**

AREA UNDER  
CONSTRUCTION

### BOGOTÁ



**USD 6.10/sqm**

AVERAGE ASKING RENT  
A 25% higher than last year

### LIMA



**112 %**

PRODUCTION  
INCREASED YoY

## GROWTH IN PORT ACTIVITY

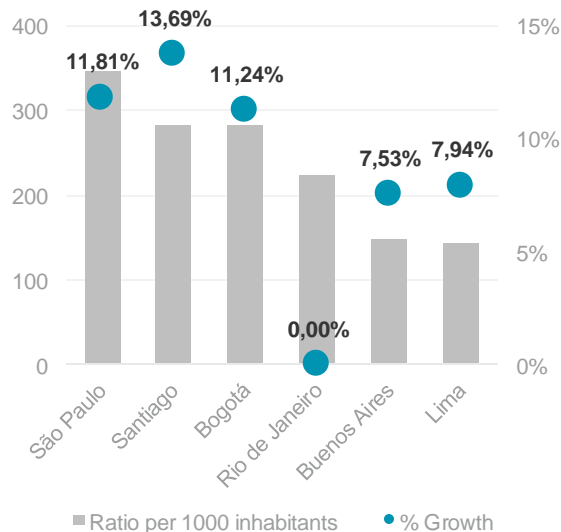
Year-on-year growth in logistics real estate inventory in South America was 9.2%. The fastest growing city was Santiago, which expanded by 14%, followed by São Paulo and Bogota, with growth of 11% each.

In terms of market size, cities such as Bogota, Buenos Aires, Rio de Janeiro and Santiago currently have very similar inventories, averaging 2.5 million square meters. If analyzing industrial space per 1,000 inhabitants in metropolitan areas of each city, São Paulo stands out, with a ratio of 346 sq. m., followed by Bogota, Rio de Janeiro and Santiago with an average ratio of 250 m<sup>2</sup>. Sharing the last place are Buenos Aires and Lima, with an average ratio of 145 m<sup>2</sup>.

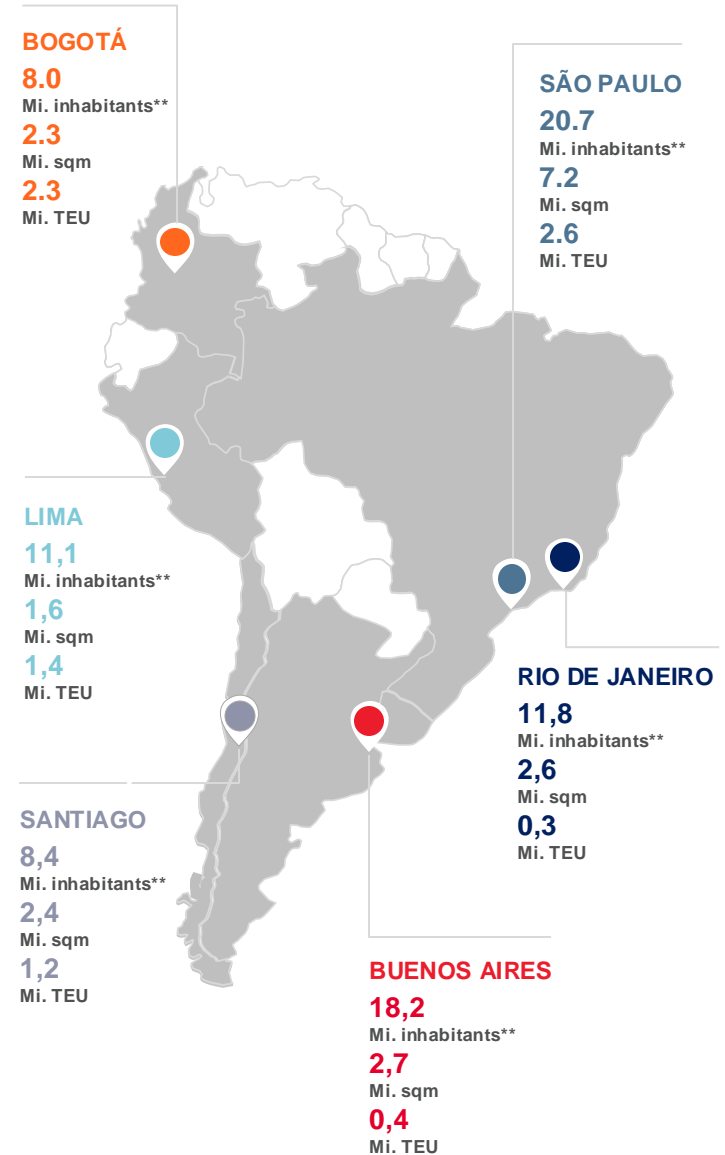
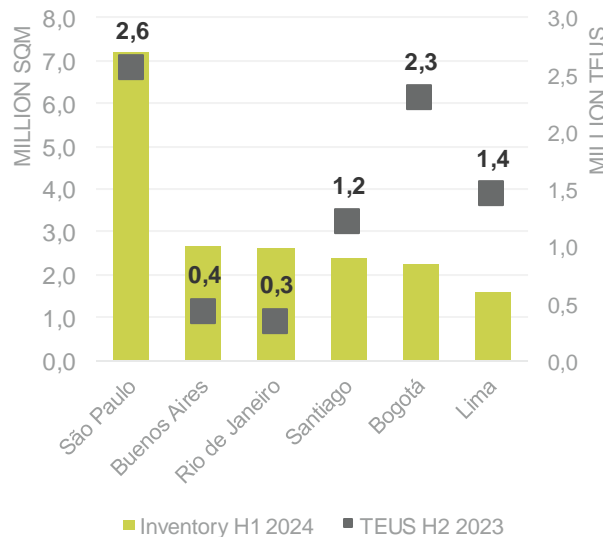
Year 2023 closed with an increase in activity in most ports. In the second half of the year, the Port of Santos presented a cumulative transfer rate of 2.6 million TEUs, followed by the sum of the 3 ports of Bogota (Barranquilla, Cartagena and Buenaventura), with 2.3 million TEUs.

Ports of Callao and Valparaíso-San Antonio had a throughput of 1.4 and 1.2 million TEUS respectively; and those with the lowest throughput were Buenos Aires and Rio de Janeiro, with an average throughput rate of 300,000 TEUS.

INVENTORY RATIO SQM/1.000 INHABITANTS\*\* VS. YEAR-ON-YEAR GROWTH



LOGISTIC INVENTORY (MILLION SQM) H1 2024 VS. THROUGHPUT\* H2 2023 (MILLIONS TEUS)



## SUPPLY AND DEMAND: SHARP INCREASE IN ABSORPTION

Average vacancy in the whole region stood at 6.91% at the end of the first half of the year. Compared to the same period of the previous year, there was a slight decrease. The city with lowest vacancy in the premium centers segment was Bogota, where the index closed at 1.86%. Total cumulative net absorption was 685,000 sqm, an increase of 23% over the same half of the previous year. Growth was driven by an average 70% increase in demand in Buenos Aires, Lima and Rio de Janeiro.

Demand for class A space grew significantly compared to other typologies, as companies seek locations with greater height and infrastructure within a consolidated center offering high standards optimizing efficiency within their operations.

## ASKING RENT : SLIGHT DROP IN MOST CITIES

At the end of the first half of the year, average asking rental in South American cities was 5.78 USD/sqm. This figure represents a year-on-year decrease of 4% compared to previous semester and a change in trend, considering growth from USD 5/sqm to USD 6.13/sqm between 2022 and 2023. Currently, most cities show a decrease in their lease prices, due to an increase in inventory.

## PRESENT AND FUTURE: HIGHER CAUTIOUSNESS REGARDING THE DEVELOPMENT OF NEW SPACE

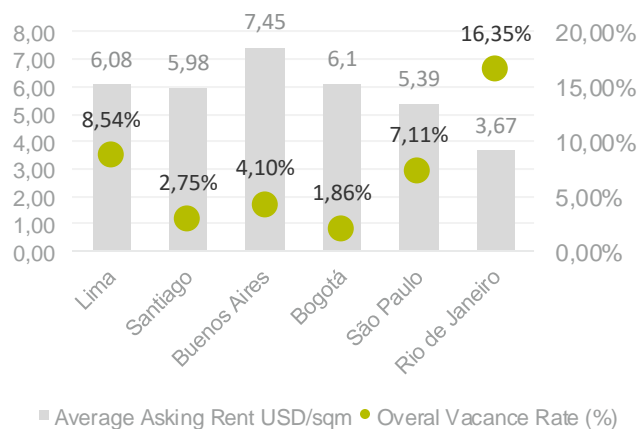
During the first half of 2024, in some of these cities, there was a change in trend in demand and interest in developing new logistics spaces.

During this period, Buenos Aires and São Paulo, on one side, maintained a balance between demand and supply (current and new), presenting the highest ratios of demand versus production; On the other hand, in Bogota, Lima and Santiago, demand (absorption) was lower or equal to their production, which resulted in an increase in vacancy for class A centers.

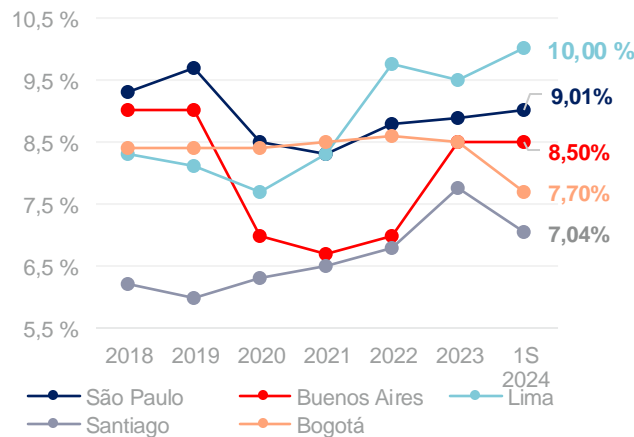
As for the outlook for the coming periods, Santiago and São Paulo currently have a construction area that significantly exceeds semi-annual demand, so it is estimated that an oversupply will be generated for the next two years if demand levels are not aligned with supply.

In Buenos Aires, Lima and Rio de Janeiro, developers were more cautious in the development of new space, as it is estimated that the area under construction is sufficient to meet current demand. It is worth noting that Lima is the city with the smallest area under construction, which could have some impact on vacancy levels.

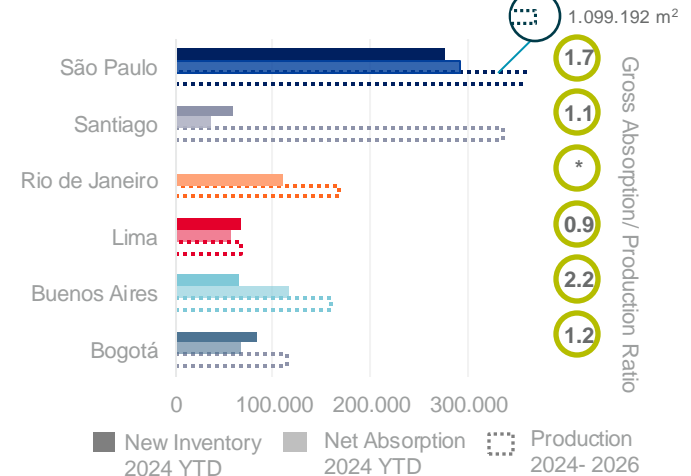
### AVERAGE ASKING RENT USD/SQM OVERALL VACANCY RATE



### INDUSTRIAL CAP RATES\*



### NET ABSORPTION VS. PRODUCTION VS. UNDER CONSTRUCTION 2024 YTD



## PRINCIPALES ESTADÍSTICAS S1 2024

Submarket	Class A Inventory (sqm)	Available Surface (sqm)	Vacancy Rate	Asking Rent (USD/sqm/Month)	Net Absorption YTD (sqm)	Under Construction (sqm)
São Paulo	7,178,714	510,762	7.11%	5.39	292,622	1,059,192
Rio de Janeiro	2,626,940	429,507	16.35%	3.67	110,162	167,864
Buenos Aires	2,694,000	110,501	4.10%	7.45	118,112	161,026
Santiago	2,384,404	65,511	2.75%	5.98	37,197	337,580
Bogotá	2,260,739	42,107	1.86%	6.1	68,729	114,747
Lima	1,587,338	135,598	8.54%	6.08	57,351	66,870
	<b>18,732,135</b>	<b>1,293,986</b>	<b>6.91%</b>	<b>5.62</b>	<b>684,173</b>	<b>1,907,279</b>

USD/COP = 4.053 | USD/UF=0,024 | USD/BRL=5,56 | USD/PEN=3,74

*\*Throughput: Effective port transfer rate expressed in units of TEUS. This indicator is measured by dividing units moved for both import and export by the linear meters of berthing per terminal.*

*\*\*Inhabitants: Population data considered for the Metropolitan Area where consumption and financial activity is concentrated.*

*\*\*\*Capitalization rate is calculated by dividing net operating income (NOI) by purchase price of the property*

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