

FIGURES | RETAIL SECTOR | H1 2024

# About 3.1 mn sq. ft. of leasing witnessed in H1 2024, up by 7% Y-o-Y; supply addition of 0.5 mn sq. ft.

Leasing denotes space take-up in investment-grade malls, prominent high streets and standalone developments; supply includes investment-grade malls for top 8 cities

## RETAIL SENTIMENT TO REMAIN UPBEAT DESPITE INFLATIONARY HEADWINDS

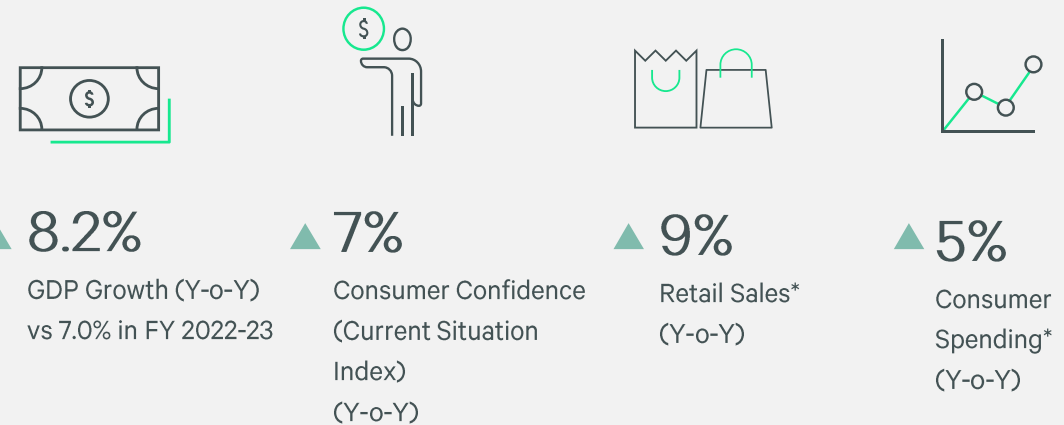
- India’s retail inflation (measured by the Consumer Price Index, or CPI) increased to 5.08%<sup>1</sup> in June 2024, up from 4.75 % in May 2024, after witnessing a continuous decline since January 2024. This upturn was primarily due to a rise in Consumer Food Price Index Inflation to 9.36% from 8.69% in the previous month. However, despite anticipated elevated headline inflation for July, favourable base effects from last year may bring the annualised figure closer to the RBI’s target of 4% by the end of the year<sup>2</sup>.
- Despite persistent inflation, total consumer spending and retail sales are expected to witness growth of 5% and 9% Y-o-Y\*, respectively, by the end of 2024<sup>3</sup>. Consumer spending across some discretionary categories, such as restaurants and hotels, recreational and cultural goods and services, etc., are expected to see an uptick compared to the previous year.

<sup>1</sup> MoSPI, May 2024

<sup>2</sup> RBI

<sup>3</sup> Oxford Economics and EMIS

FIGURE 1.1: MAJOR CONSUMER DRIVERS

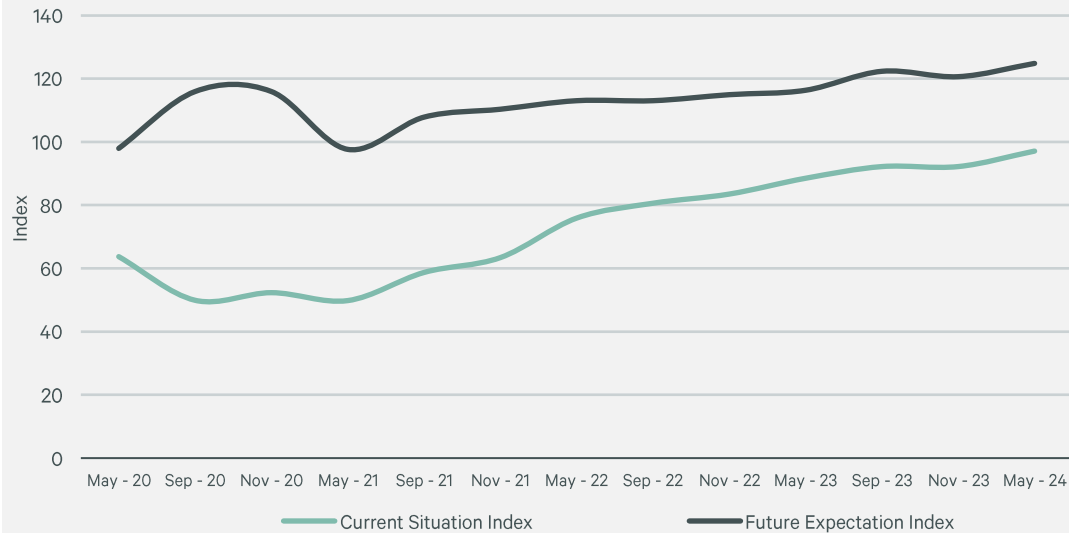


Source: Ministry of Statistics and Programme Implementation (MoSPI), May 2024; RBI; Oxford Economics, Q2 2024; EMIS  
Note: The \* indicates 2024 forecast growth estimates

## Consumer confidence remains positive

- The Reserve Bank of India’s (RBI) Current Situation Index (CSI) exhibited a Y-o-Y growth of 97.1 in May 2024, up from 88.5 during the same period the previous year. This was attributable to a positive shift in sentiment regarding consumer spending, general economic situation, and current income levels.
- Respondents also maintained a positive outlook on the economic situation in 2024, as reflected in the 7% Y-o-Y growth in the RBI’s Future Expectations Index (FEI). Consumers’ long-standing confidence is also underscored in the FEI maintaining its growth trajectory compared to November 2023.

**FIGURE 1.2: CONSUMER CONFIDENCE INDICES**



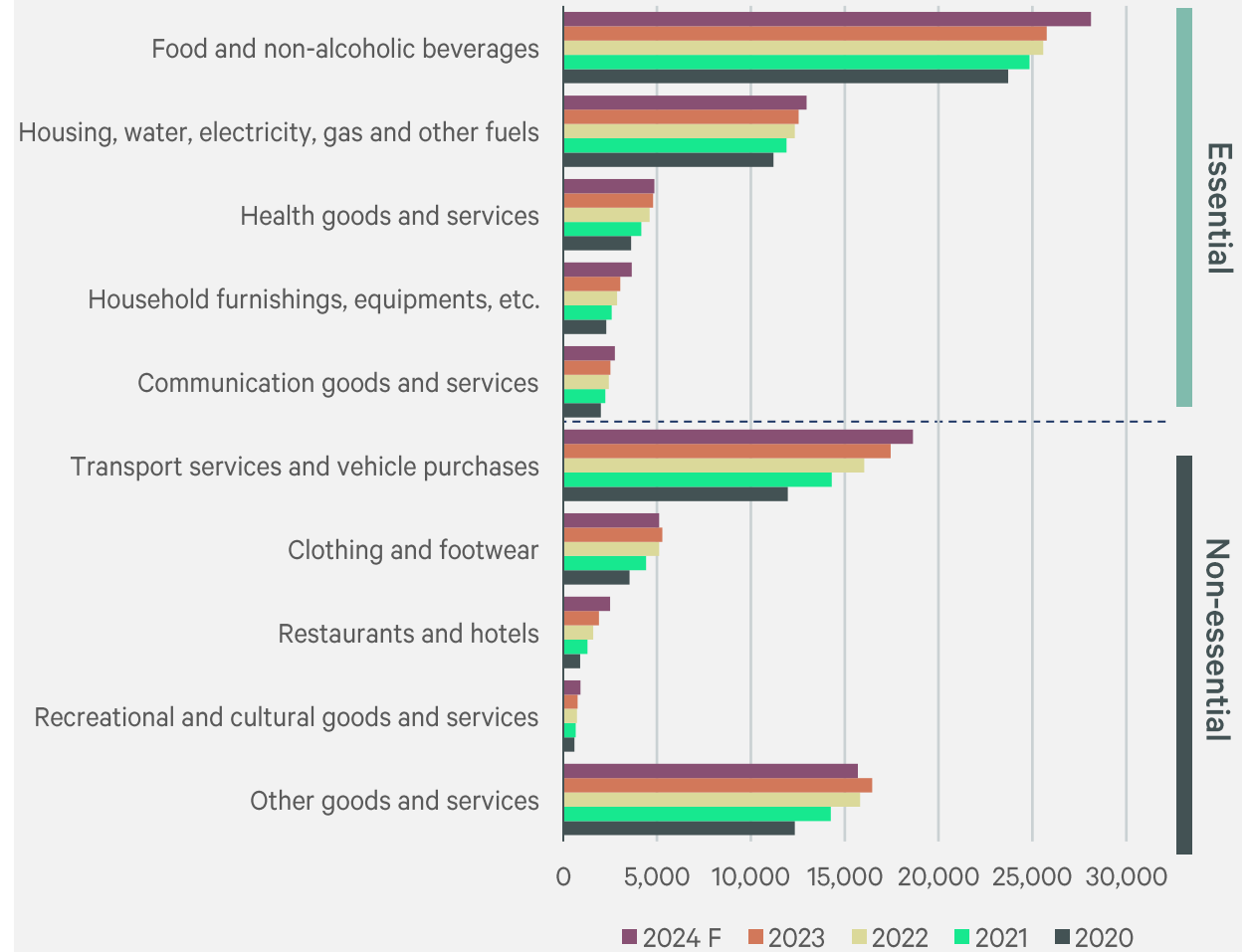
Source: RBI

Consumer confidence survey is a bi-monthly survey which obtains current perceptions (vis-à-vis a year ago) and one year ahead expectations on general economic situation, employment scenario, overall price situation and own income and spending across 19 major cities. The latest round of the survey was conducted during May 2-11, 2024, covering 6,083 respondents.

\*CSI / FEI = 100 + Average of Net Responses of (General Economic Situation, Employment Scenario, Price Level, Household income and Overall Spending) 'Net response' is the difference between the percentage of respondents reporting optimism and those reporting pessimisms. It ranges between -100 and 100. Any value greater than zero indicates expansion/ optimism and values less than zero indicate contraction/ pessimism.

## Consumer spending across most categories is set to witness an uptick in 2024

**FIGURE 1.3: INDIA - CONSUMER SPENDING IN INR BILLION**



Source: Oxford Economics, Q2 2024

## An Overview of the Retail Sector in H1 2024

- After a remarkable 2023, expansionary sentiments amongst retailers continued to remain robust as retail leasing touched nearly 3.1 million sq. ft. across tier-I cities\* during H1 2024. CBRE’s latest **Asia Pacific Leasing Sentiment Survey** revealed that nearly 76% of retailers have expressed positive leasing sentiments, indicating their strong interest in establishing new setups, expanding operations, and upgrading existing stores in the APAC region<sup>4</sup>.
- Despite a record 2023, the first half of 2024 was able to register a growth of 7% Y-o-Y in space take-up across tier-I cities, totalling 3.1 million sq. ft. compared to 2.9 million sq. ft. of leasing recorded during H1 2023. The absorption was led by Bengaluru, followed by Chennai and Delhi-NCR, accounting for nearly 59% of the total leasing. In the coming quarters, the influx of investment-grade mall supply is expected to dictate primary leasing trends, while leading malls across key cities will likely continue witnessing a strong demand for secondary spaces.
- The first half of the year witnessed continued to witness robust demand for fashion and apparel products, primarily led by mid-range, value fashion, and athleisure brands. This resulted in a ~39% share in absorption by fashion & apparel retailers. The entertainment sector (~13%) and homeware and department store (~11%) were the other categories that drove leasing during H1 2024.
- Surging interest in family entertainment centres led to an uptick in leasing across the entertainment category (~13%). On expected lines, the F&B sector, driven by coffee shops and casual dining restaurants, remained another active retail category with ~11% share in H1 2024.
- Propelled by the sustained demand for premium products and the robust spending capacity of the affluent consumer segment, luxury brands accounted for ~7% of the total retail leasing activity during the first half of 2024.
- About 0.5 million sq. ft. of retail space was introduced across tier-I cities during H1 2024. Given the election year dynamics, a degree of delay or uncertainty in supply addition was anticipated. However, we expect an increase in supply in the coming quarters as few investment-grade malls are set to begin operations in cities such as Bengaluru, Hyderabad, Mumbai, etc. These malls are projected to add 3 – 4 million sq. ft. of new retail space in H2 2024.

<sup>4</sup>Asia Pacific Leasing Market Sentiment Survey, April 2024

\*Tier-I cities include Delhi-NCR, Bengaluru, Mumbai, Hyderabad, Chennai, Pune, Kolkata and Ahmedabad

\*\*Tier-II cities include Chandigarh, Jaipur, Lucknow, Indore and Kochi

- Fuelled by continued demand for quality retail space, especially by numerous homegrown direct to consumer (D2C) brands, rental values increased on a half-yearly basis in select micro-markets across most cities. Among the high streets, rents rose by about 2-11% in Chennai, Pune, Bengaluru, and Delhi-NCR. While prominent mall clusters in Delhi-NCR and Bengaluru reported a rental growth of 4-12%, Chennai and Ahmedabad witnessed rental growth of 2-4% during H1 2024.
- Tier-II cities\*\* registered an overall space take-up of 0.4 million sq. ft. in H1 2024, with the absorption dominated by Indore and Kochi, accounting for a cumulative share of ~56%. These two cities were followed by Lucknow and Chandigarh, each with ~17% share in leasing.
- India continues to experience positive retail growth, attracting foreign retailers to establish a presence in key locations. Charles Tyrwhitt, a men's luxury fashion brand from the United Kingdom, opened its first store in Ahmedabad. Additionally, Maison Margiela, a French luxury fashion brand, and Franck Provost, a French beauty and wellness brand, entered the Indian market by opening their first stores in Mumbai and Bengaluru, respectively. Other noteworthy expansions include the opening of stores by international brands such as the Swiss luxury watch brand Breitling and the American luxury fashion brand Michael Kors, in Chennai and Pune, respectively. In addition, the Japanese homeware brand Daiso Japan and the skincare and cosmetics brand ILEM Japan also opened stores in Chennai.
- Several notable investments were reported in the e-commerce and retail sectors during H1 2024. Some of the key transactions are listed below:

**TABLE 1.1: KEY INVESTMENTS IN H1 2024**

SECTOR	INVESTOR	INVESTEES	DEAL VALUE (USD MILLION)
E-commerce	Glade Brook, Nexus, StepStone, Goodwater, Lachy Groom, Avenir, Lightspeed and Avra	KiranaKart Technologies Pvt Ltd (Zepto)	665
E-commerce	SoftBank, Elevation Capital, Prosus, and Peak XV Partners	Fashnear Technologies Pvt. Ltd (Meesho)	275
E-commerce	ADIA	Purple	100

Source: Grant Thornton, VCC Edge, CBRE Research, H1 2024

# Absorption tempered by lack of supply infusion

▼ ~0.5

SUPPLY (mn sq. ft.)  
in H1 2024

▼ ~3.1

ABSORPTION (mn sq. ft.)  
in H1 2024

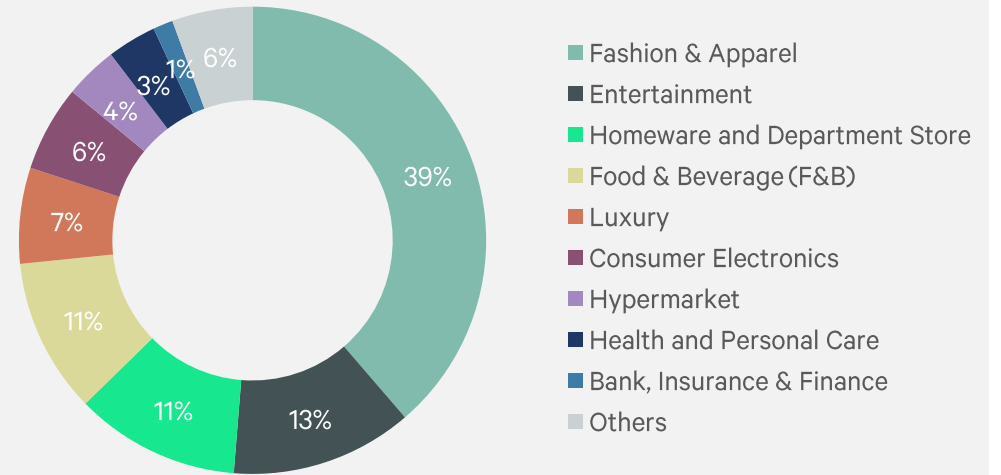
Note: Arrows indicate half-yearly change  
Absorption includes leasing in investment-grade malls, high streets and standalone developments; supply includes investment-grade malls only

**TABLE 1.2: CITY-WISE SUPPLY AND DEMAND IN H1 2024**

CITIES	SUPPLY (HALF-YEARLY)	ABSORPTION (HALF-YEARLY)
Delhi-NCR	▼	▼
Bengaluru	▼	▼
Mumbai	▼	▼
Chennai	▼	▲
Hyderabad	▲	▼
Pune	▼	▼
Kolkata	▶	▲
Ahmedabad	▼	▲

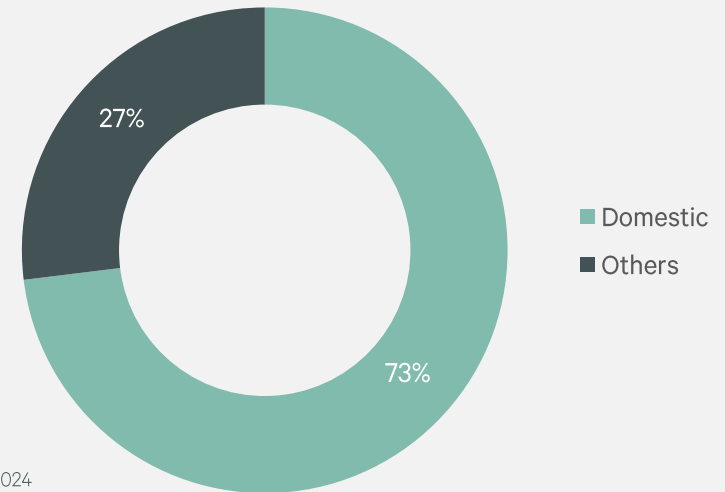
Source: CBRE Research, H1 2024

**FIGURE 1.4: SEGMENTATION OF TRANSACTION ACTIVITY AS PER INDUSTRY IN H1 2024**



Source: CBRE Research, H1 2024

**FIGURE 1.5: SEGMENTATION OF TRANSACTION ACTIVITY AS PER REGION OF ORIGIN IN H1 2024**



Source: CBRE Research, H1 2024

# Bengaluru: Fashion & Apparel and F&B players drive space take-up

▶ 0.0

SUPPLY (MN SQ. FT.)

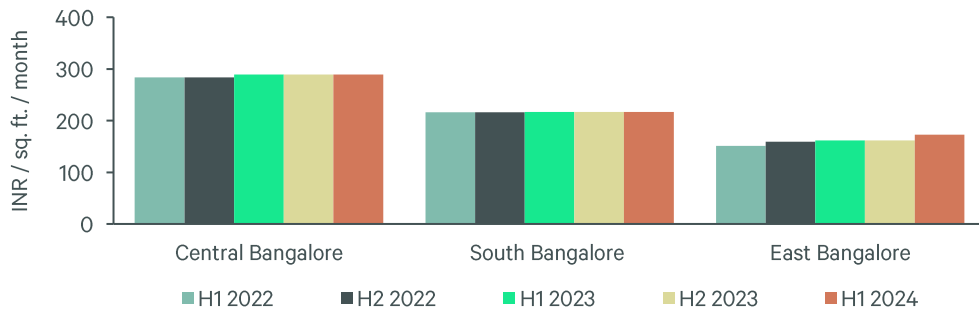
▲ ~1.0

ABSORPTION (MN SQ. FT.)

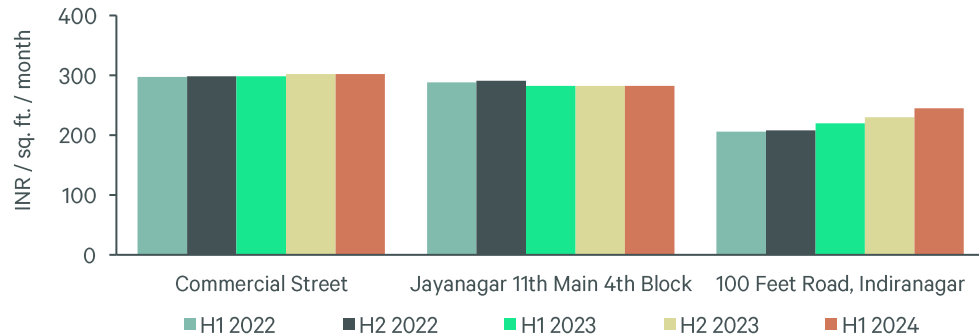
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 2.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 2.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 2.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	40%	▲
Food & Beverage (F&B)	15%	▼
Homeware and Department Store	12%	▲

Source: CBRE Research, H1 2024

**TABLE 2.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Phoenix Mall of Asia	North	50,000	Inox	Entertainment
Salarpuria Divinity Mall	West	37,000	Reliance Smart Point	Hypermarket
Phoenix Mall of Asia	North	36,500	H&M	Homeware and Department Store

Source: CBRE Research, H1 2024

# Delhi-NCR: Fashion & Apparel and entertainment sector dominate leasing

▼ 0.0

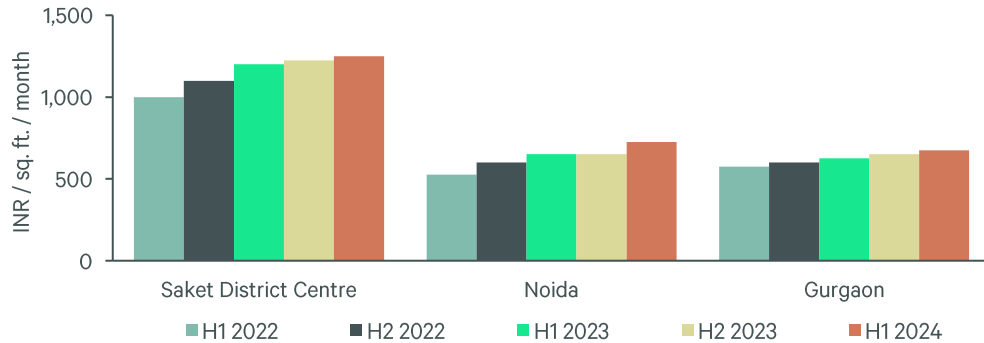
SUPPLY (MN SQ. FT.)

▼ ~0.4

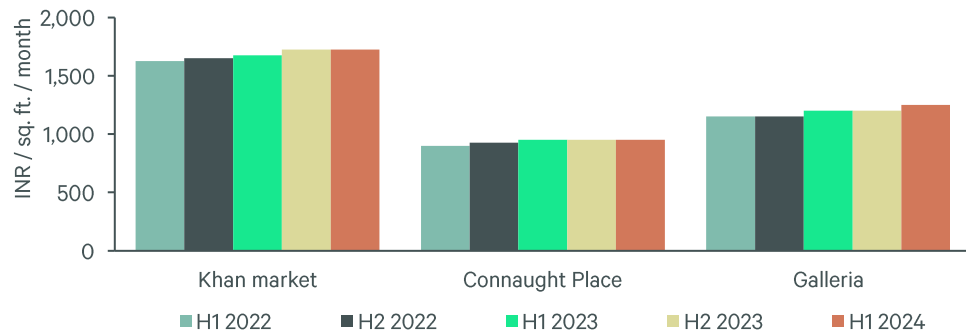
ABSORPTION (MN SQ. FT.)

Note: Arrows indicate annual change  
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

**FIGURE 3.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 3.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 3.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	31%	▼
Entertainment	29%	▲
Hypermarket	13%	▲

Source: CBRE Research, H1 2024

**TABLE 3.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Rohini Central (High Street)	Others - Delhi	47,000	DMart	Hypermarket
Elan Epic (High Street)	Others - Gurugram	46,000	NY Cinemas	Entertainment
Sector 29, Gurugram (High Street)	Sector 29	10,000	Azorte	Fashion & Apparel

Source: CBRE Research, H1 2024

# Mumbai: Fashion & Apparel sector powers leasing activity in the city

▶ 0.0

SUPPLY (MN SQ. FT.)

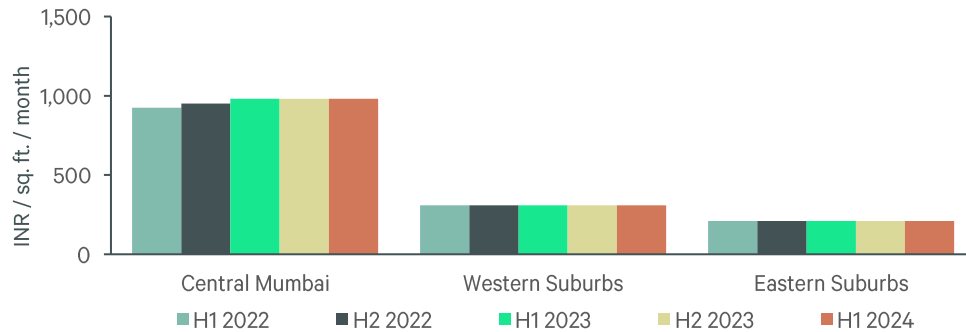
▲ ~0.3

ABSORPTION (MN SQ. FT.)

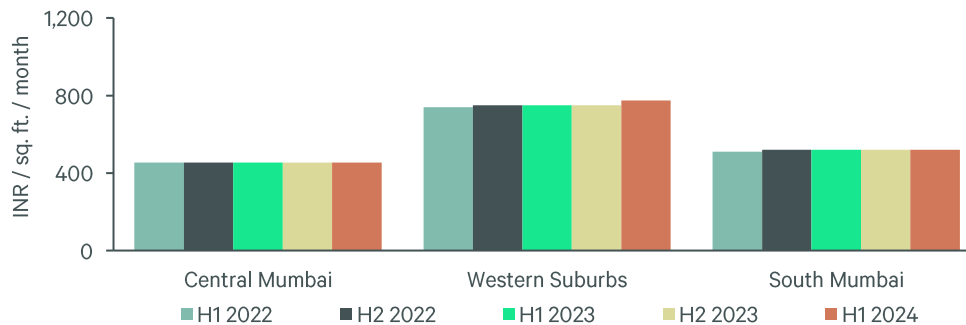
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets; & standalone; supply includes investment-grade malls only

**FIGURE 4.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 4.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 4.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	46%	▲
Food & Beverage (F&B)	12%	▼
Luxury	5%	▼

Source: CBRE Research, H1 2024

**TABLE 4.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Sunrise Plaza Vasai (High Street)	Navi Mumbai	10,000	Intune	Fashion & Apparel
Shiv Solitaire – Jogeshwari (High Street)	Western Suburbs	9,700	Zudio	Fashion & Apparel
Infiniti Mall, Andheri	Western Suburbs	9,000	Fresh Signature	Hypermarket

Source: CBRE Research, H1 2024

# Chennai: Homegrown brands drive leasing across high streets

▼ 0.0

SUPPLY (MN SQ. FT.)

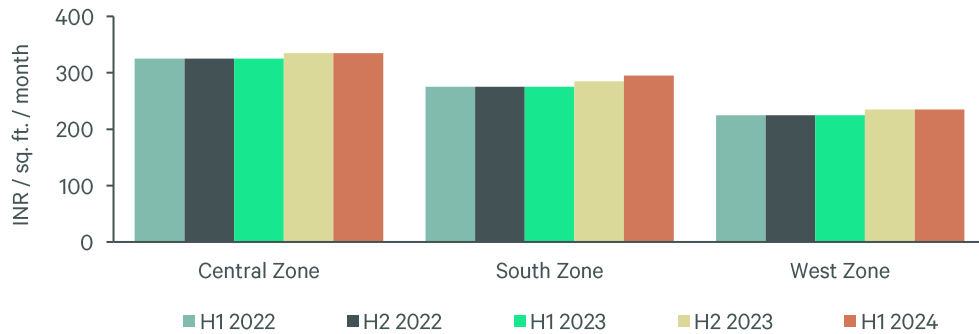
▲ ~0.4

ABSORPTION (MN SQ. FT.)

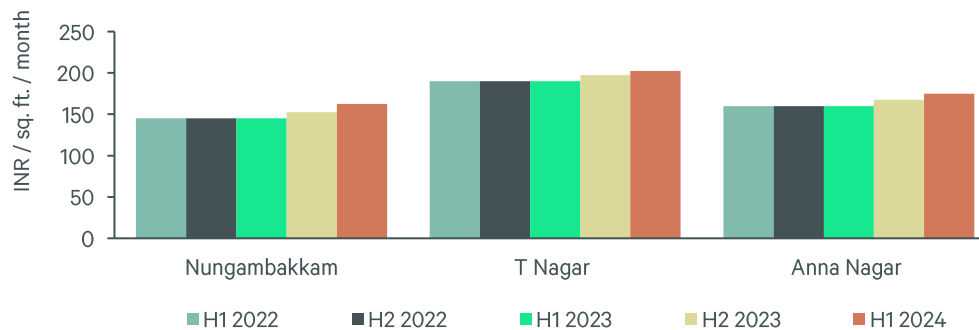
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 5.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 5.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 5.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	26%	▼
Homeware and Department Store	26%	▲
Food & Beverage (F&B)	12%	▲

Source: CBRE Research, H1 2024

**TABLE 5.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent development (High Street)	Velachery	27,000	Westside	Homeware and Department Store
Ampa Skyone (Mall)	Central Zone	25,000	Lifestyle	Homeware and Department Store
Independent development (High Street)	Anna Nagar	18,000	Nalli	Fashion & Apparel

Source: CBRE Research, H1 2024



# Hyderabad: Primary leasing dominates absorption due to supply influx

▲ 0.5

SUPPLY (MN SQ. FT.)

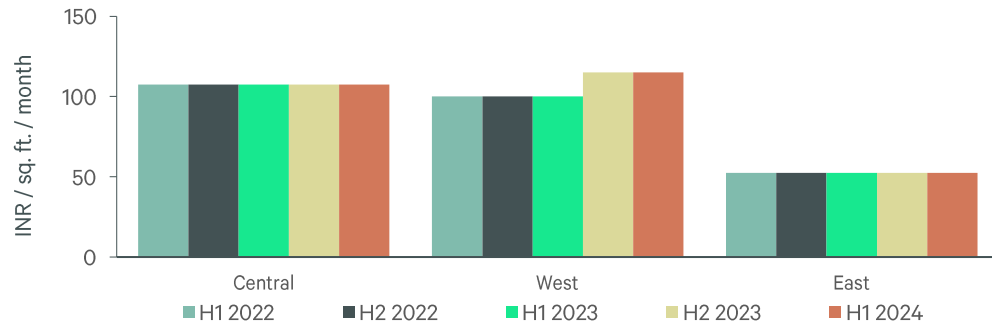
▲ ~0.4

ABSORPTION (MN SQ. FT.)

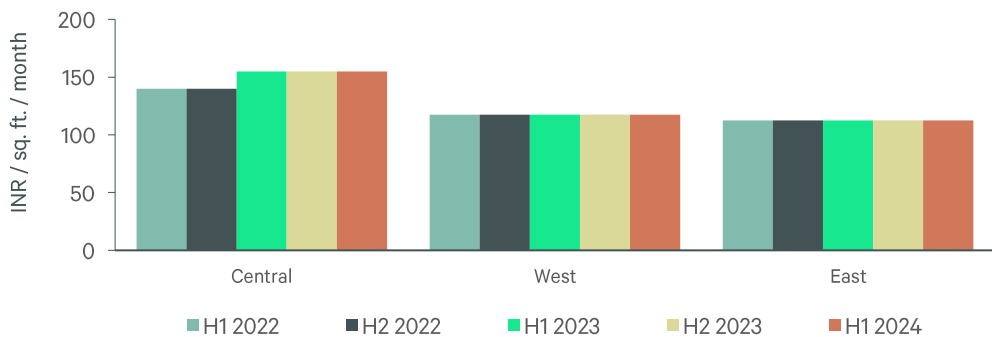
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 6.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 6.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



**TABLE 6.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	59%	▲
Homeware and Department Store	15%	▼
Entertainment	11%	▲

Source: CBRE Research, H1 2024

**TABLE 6.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent Building (High Street)	East	33,000	Westside	Homeware and Department Store
Aparna Neo Mall	West	21,100	Azorte	Fashion & Apparel
Aparna Neo Mall	West	12,400	Max	Fashion & Apparel

Source: CBRE Research, H1 2024

Source: CBRE Research, H1 2024

# Pune: Entertainment players lead retail space demand

▶ 0.0

SUPPLY (MN SQ. FT.)

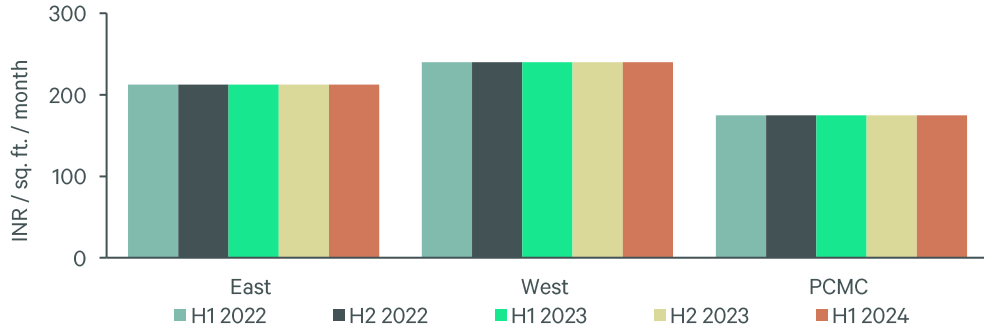
▲ ~0.3

ABSORPTION (MN SQ. FT.)

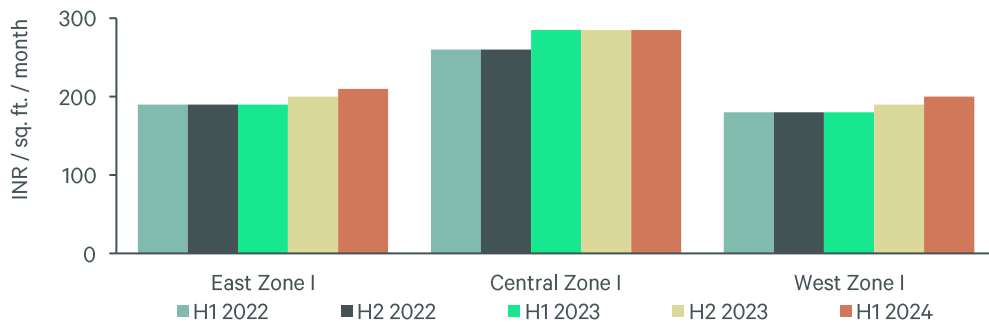
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 7.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 7.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 7.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Entertainment	35%	▲
Fashion & Apparel	27%	▶
Luxury	12%	▲

Source: CBRE Research, H1 2024

**TABLE 7.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
The KOPA Mall	East	35,650	PVR Inox	Entertainment
Voyage to the Stars (High Street)	West III	22,900	Shoppers Stop	Homeware and Department Store
Independent Development (High Street)	Central II	20,000	Tanishq	Luxury

Source: CBRE Research, H1 2024

# Kolkata: Domestic Fashion & Apparel brands drive space take-up

► 0.0

SUPPLY (MN SQ. FT.)

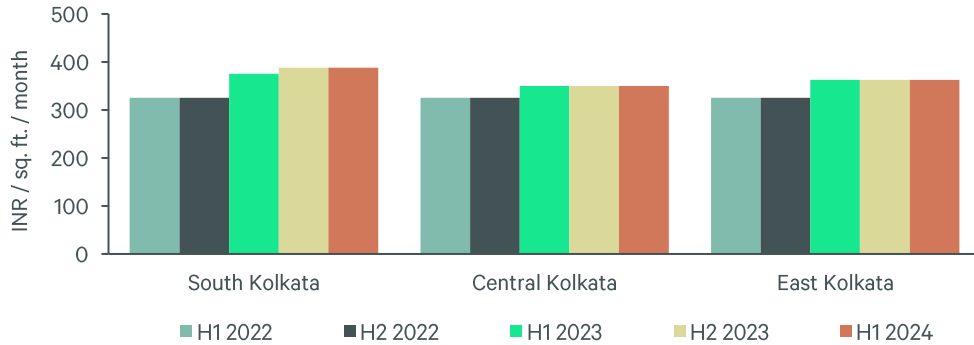
▲ ~0.1

ABSORPTION (MN SQ. FT.)

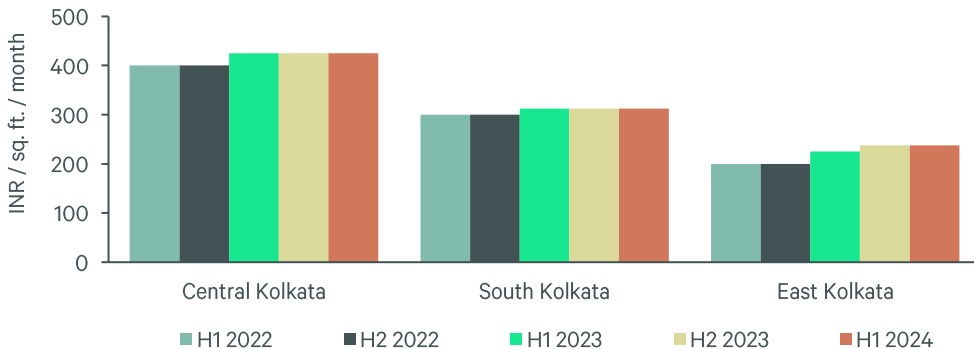
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 8.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 8.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 8.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	46%	▲
Consumer Electronics	21%	▲
Health and Personal Care	10%	▲

Source: CBRE Research, H1 2024

**TABLE 8.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent development (High Street)	East Kolkata	17,000	Zudio	Fashion & Apparel
Independent development (High Street)	East Kolkata	10,000	Croma	Consumer Electronics
Quest Mall	Central Kolkata	9,000	SS Beauty	Health and Personal Care

Source: CBRE Research, H1 2024

# Ahmedabad: Luxury and entertainment sectors gain traction

▼ 0.0

SUPPLY (MN SQ. FT.)

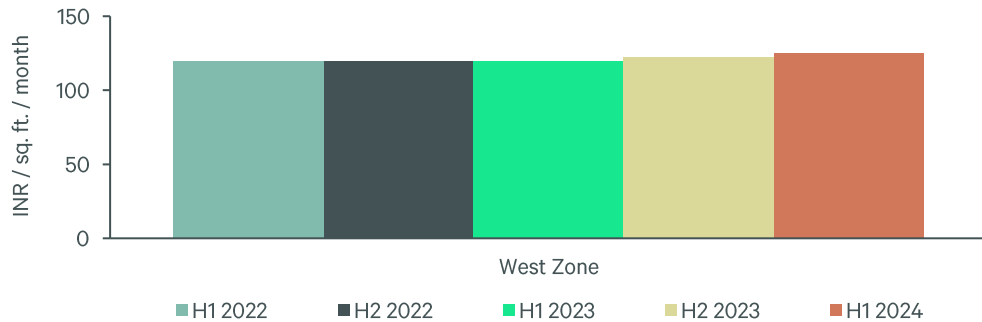
▼ ~0.2

ABSORPTION (MN SQ. FT.)

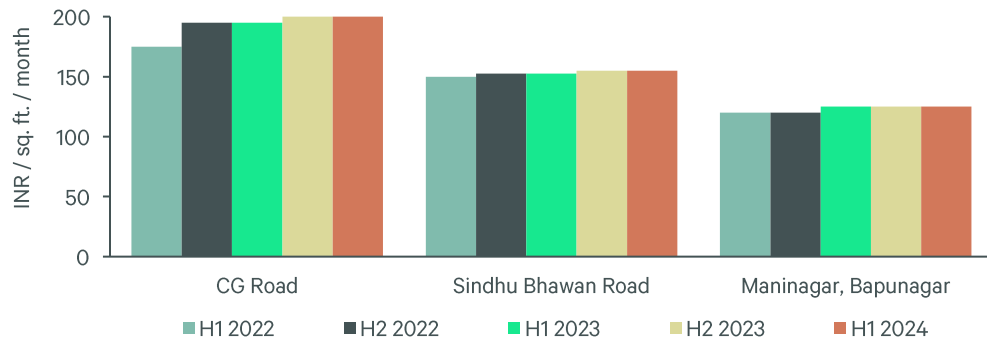
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets; & standalone supply includes investment-grade malls only

**FIGURE 9.1: RENTAL VALUE MOVEMENT - MALL CLUSTERS**



**FIGURE 9.2: RENTAL VALUE MOVEMENT - HIGH STREETS**



**TABLE 9.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	41%	▲
Entertainment	21%	▲
Luxury	15%	▲

Source: CBRE Research, H1 2024

**TABLE 9.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Holiday Mall	West Zone	40,000	NY Cinemas	Entertainment
Venus Stratum (High Street)	Prahaladnagar	20,000	Azorte	Fashion & Apparel
Holiday Mall	West Zone	10,000	Lifestyle	Homeware and Department Store

Source: CBRE Research, H1 2024

# Chandigarh: Domestic brands drive space take-up across high streets

▶ 0.0

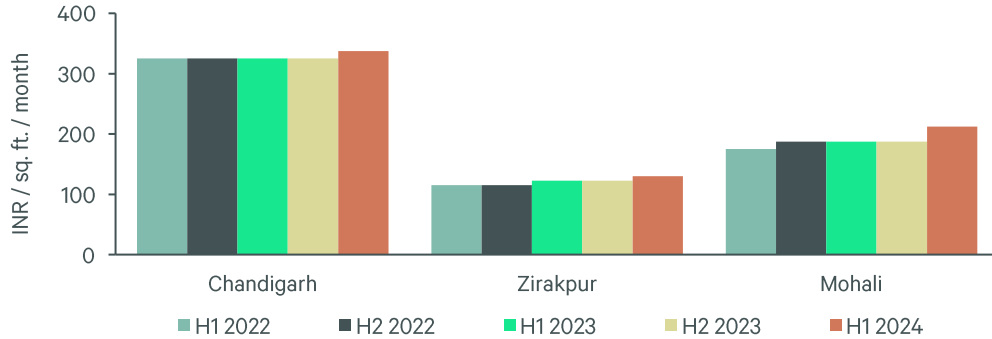
SUPPLY (MN SQ. FT.)

▲ ~0.07

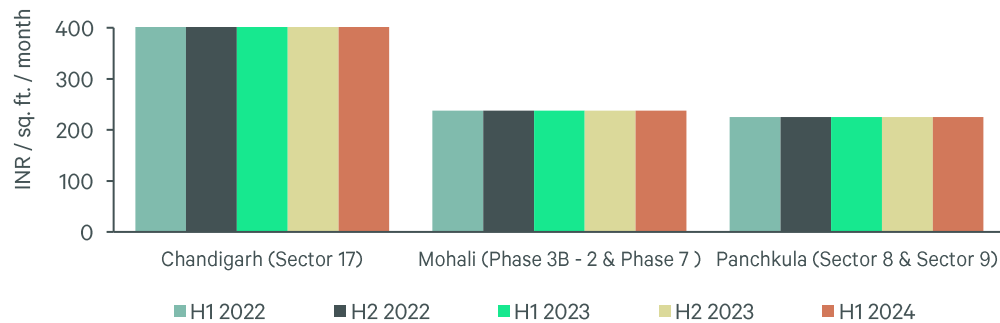
ABSORPTION (MN SQ. FT.)

Note: Arrows indicate annual change  
Absorption includes leasing in investment-grade malls and high streets; supply includes investment-grade malls only

**FIGURE 10.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 10.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 10.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Homeware and Department Store	57%	▲
Food & Beverage (F&B)	15%	▲
Fashion & Apparel	11%	▼

Source: CBRE Research, H1 2024

**TABLE 10.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Mohali Walk (High Street)	Mohali	40,000	Shoppers Stop	Homeware and Department Store
Sector 26 Market (High Street)	Chandigarh	5,800	Sago	Food & Beverage (F&B)
Sector 80 Market (High Street)	Mohali	4,000	Raymond	Fashion & Apparel

Source: CBRE Research, H1 2024

# Indore: New entrants dominate leasing activity

► 0.0

SUPPLY (MN SQ. FT.)

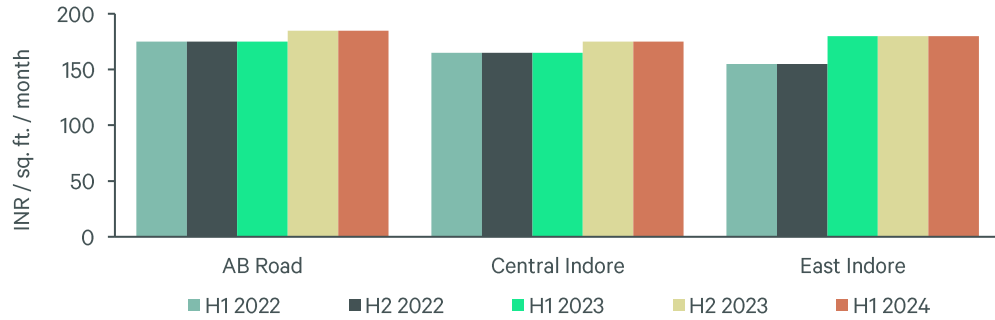
▼ ~0.1

ABSORPTION (MN SQ. FT.)

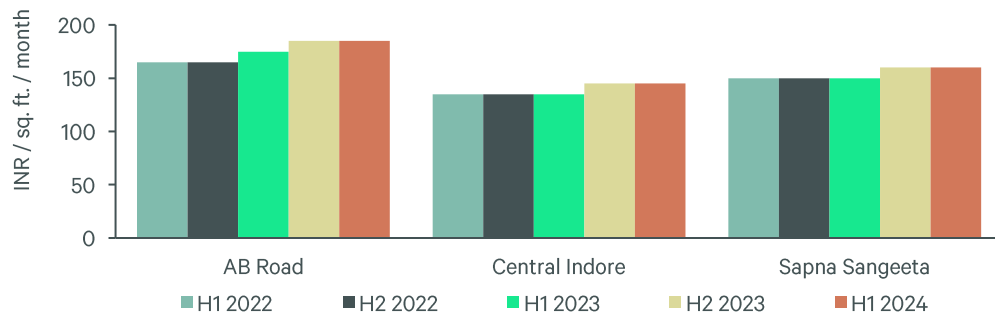
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 11.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 11.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 11.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	46%	▲
Food & Beverage (F&B)	46%	▲
Homeware and Department Store	5%	▼

Source: CBRE Research, H1 2024

**TABLE 11.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Apollo Highstreet (High Street)	AB Road	20,000	Romeo Lane	Food & Beverage (F&B)
Apollo Highstreet (High Street)	AB Road	8,000	Yousta	Fashion & Apparel
Phoenix Citadel (Mall)	East Indore	4,000	Snitch	Fashion & Apparel

Source: CBRE Research, H1 2024

# Kochi: Homegrown brands propel space take-up

▶ 0.0

SUPPLY (MN SQ. FT.)

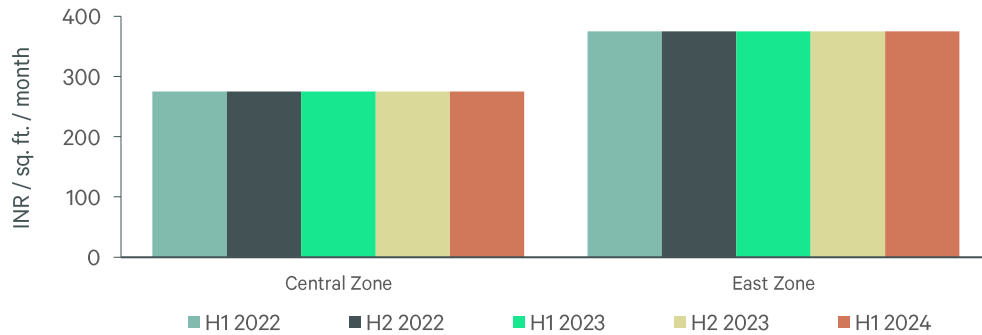
▼ ~0.1

ABSORPTION (MN SQ. FT.)

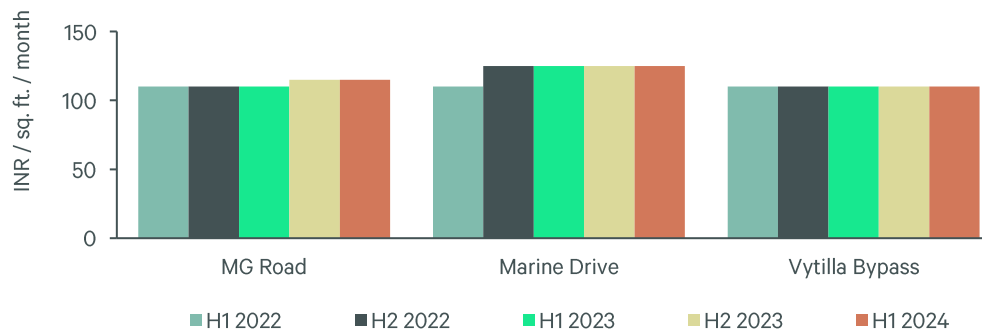
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 12.1: RENTAL VALUE MOVEMENT - MALL CLUSTERS**



**FIGURE 12.2: RENTAL VALUE MOVEMENT - HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 12.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	57%	▼
Homeware and Department Store	27%	▲
Luxury	5%	▲

Source: CBRE Research, H1 2024

**TABLE 12.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Independent development (High Street)	Kakkanad	28,000	Westside	Homeware and Department Store
Independent development (High Street)	Marine Drive	22,500	Raymond	Fashion & Apparel
Forum Kochi (Mall)	Central Zone	10,000	R&B	Fashion & Apparel

Source: CBRE Research, H1 2024

# Jaipur: Leasing by International brands gains traction

► 0.0

SUPPLY (MN SQ. FT.)

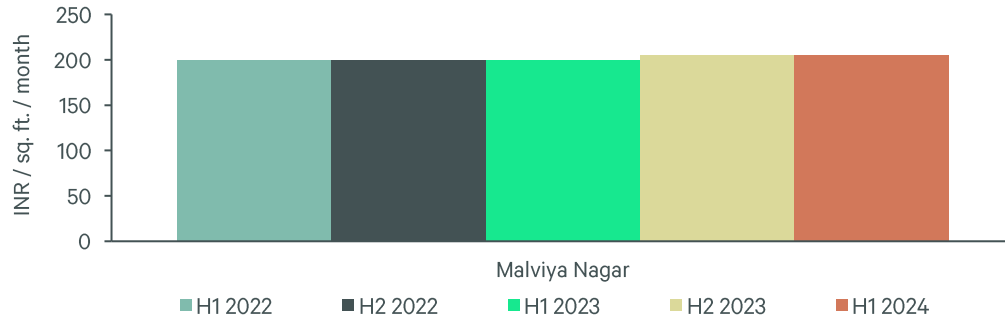
▼ ~0.04

ABSORPTION (MN SQ. FT.)

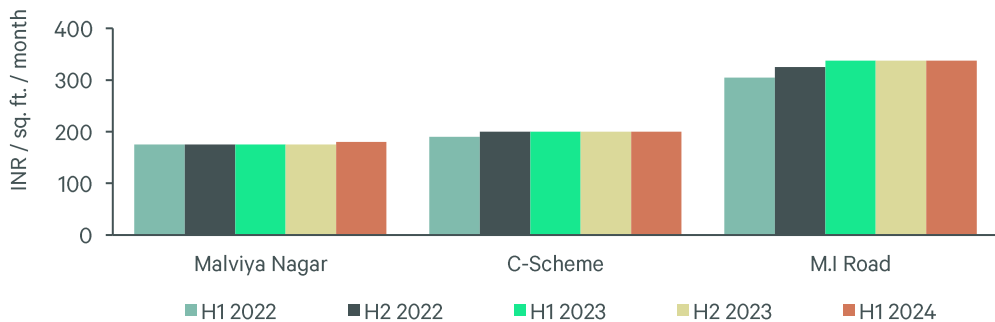
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 13.1: RENTAL VALUE MOVEMENT - MALL CLUSTERS**



**FIGURE 13.2: RENTAL VALUE MOVEMENT - HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 13.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Homeware and Department Store	46%	▲
Health and Personal Care	35%	▲
Luxury	15%	▲

Source: CBRE Research, H1 2024

**TABLE 13.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Vaishali Nagar (High Street)	Vaishali Nagar	14,000	Lotus Cosmetics	Health and Personal Care
Queen Corner (High Street)	Vaishali Nagar	13,000	Marks & Spencers	Homeware and Department Store
Tonk Road (High Street)	Other - Jaipur	6,000	Malabar Gold & Diamonds	Luxury

Source: CBRE Research, H1 2024



# Lucknow: Fashion & Apparel and hypermarket players drive overall absorption

▶ 0.0

SUPPLY (MN SQ. FT.)

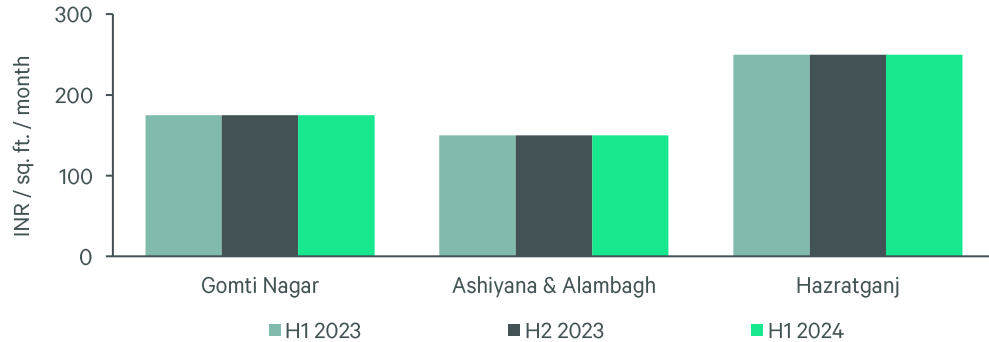
▲ ~0.07

ABSORPTION (MN SQ. FT.)

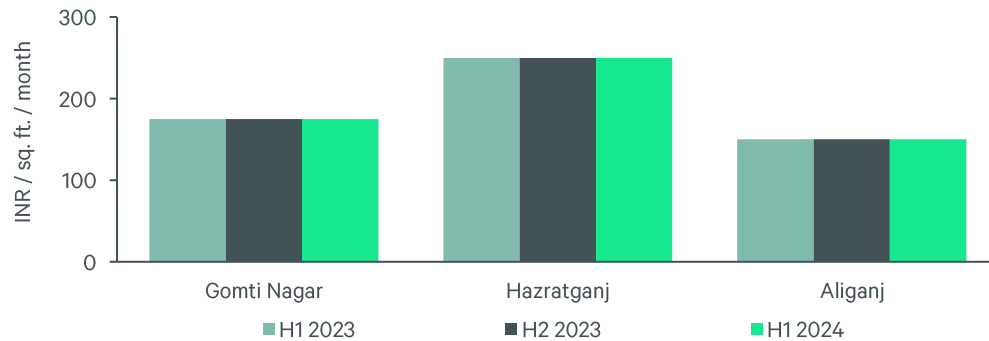
Note: Arrows indicate annual change

Absorption includes leasing in investment-grade malls, high streets & standalone; supply includes investment-grade malls only

**FIGURE 14.1: RENTAL VALUE MOVEMENT – MALL CLUSTERS**



**FIGURE 14.2: RENTAL VALUE MOVEMENT – HIGH STREETS**



Source: CBRE Research, H1 2024

**TABLE 14.1: KEY RETAIL CATEGORIES DRIVING ABSORPTION IN H1 2024**

SECTOR	% SHARE	Y-o-Y MOVEMENT
Fashion & Apparel	54%	▲
Hypermarket	34%	▲
Bank, Insurance & Finance	6%	▲

Source: CBRE Research, H1 2024

**TABLE 14.2: KEY LEASING TRANSACTIONS IN H1 2024**

PROPERTY	MICRO-MARKET	SIZE (IN SQ. FT.)	TENANT	TENANT SECTOR
Mr Brown Tower (High Street)	Aliganj	24,000	Reliance Smart	Hypermarket
Spring Square (High Street)	Ayodhya Road	9,000	Zudio	Fashion & Apparel
Independent Development (High Street)	Ashiyana & Alambagh	7,000	Fashion City	Fashion & Apparel

Source: CBRE Research, H1 2024

## India Retail Outlook

### Leasing activity to remain steady; primary leasing hinges on supply

- Leasing in strategic locations is expected to remain steady, with a healthy mix of primary and secondary leasing projected to continue at a consistent pace.
- Segments such as jewellery, mid-range fashion & apparel, and gaming centres are experiencing significant growth, driving increased demand for retail spaces and larger formats. Millennial preferences are fuelling the expansion of mid-range fashion brands and gaming centres, leading to larger store sizes. Organised jewellery retailers are seeing similar trends as consumers shift their purchasing habits.
- However, any slowdown in the availability of new supply could potentially dampen this momentum, underscoring the need for a steady influx of quality supply to meet the ongoing demand.

### Momentum in luxury retail to sustain

- The number of affluent consumers in India is expected to grow from approximately 60 million in 2023 to 100 million by 2027\*, driven by rising spending power and an expanding middle-income class. This trend underscores the country's emerging prominence as a key market for luxury brands.
- Moreover, evolving lifestyles and global aspirations are driving demand for luxury goods, leading to substantial market growth fuelled by an influx of global brands. International luxury brands, including Maison Margiela and Time Vallée, made notable entries into the Indian market in the first half of 2024.
- The increasing demand from tier-II and III cities, coupled with the rise of e-commerce platforms, is further enhancing the accessibility and popularity of luxury products nationwide.

\*The Rise of Affluent Indians, Goldman Sachs Research, February 2024

### D2C brands keen to explore offline retail

- The direct-to-consumer (D2C) sector is experiencing robust growth, driven by increased e-commerce and internet penetration, improved last-mile logistics, and a rising consumer base of millennials and Gen Z.
- To harness this growth, D2C brands are employing data-driven strategies and focusing on delivering seamless customer experiences.
- A growing number of D2C brands are acknowledging the significance of establishing a physical presence alongside their online operations, aiming to offer customers a seamless multi-channel shopping experience. Developers are closely monitoring D2C brands with a robust online customer base and are actively exploring opportunities to venture into offline formats.

### Transit retail poised for substantial growth

- Ongoing infrastructure development and increasing passenger traffic present significant opportunities for the expansion of transit retail nationwide.
- While airports are witnessing considerable development, much of the retail potential at other transit hubs—metros, railways, highways, and bus stations—remains untapped.
- India's ambitious plan to expand its airport infrastructure to 300 airports by 2047, driven by expectations of substantial passenger traffic growth, underscores this potential, according to a draft plan by the Airports Authority of India (AAI).
- Consequently, transit retail, across highways, metro stations, and railway stations, in addition to the fairly-established airport retail, is poised for sustained growth.

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