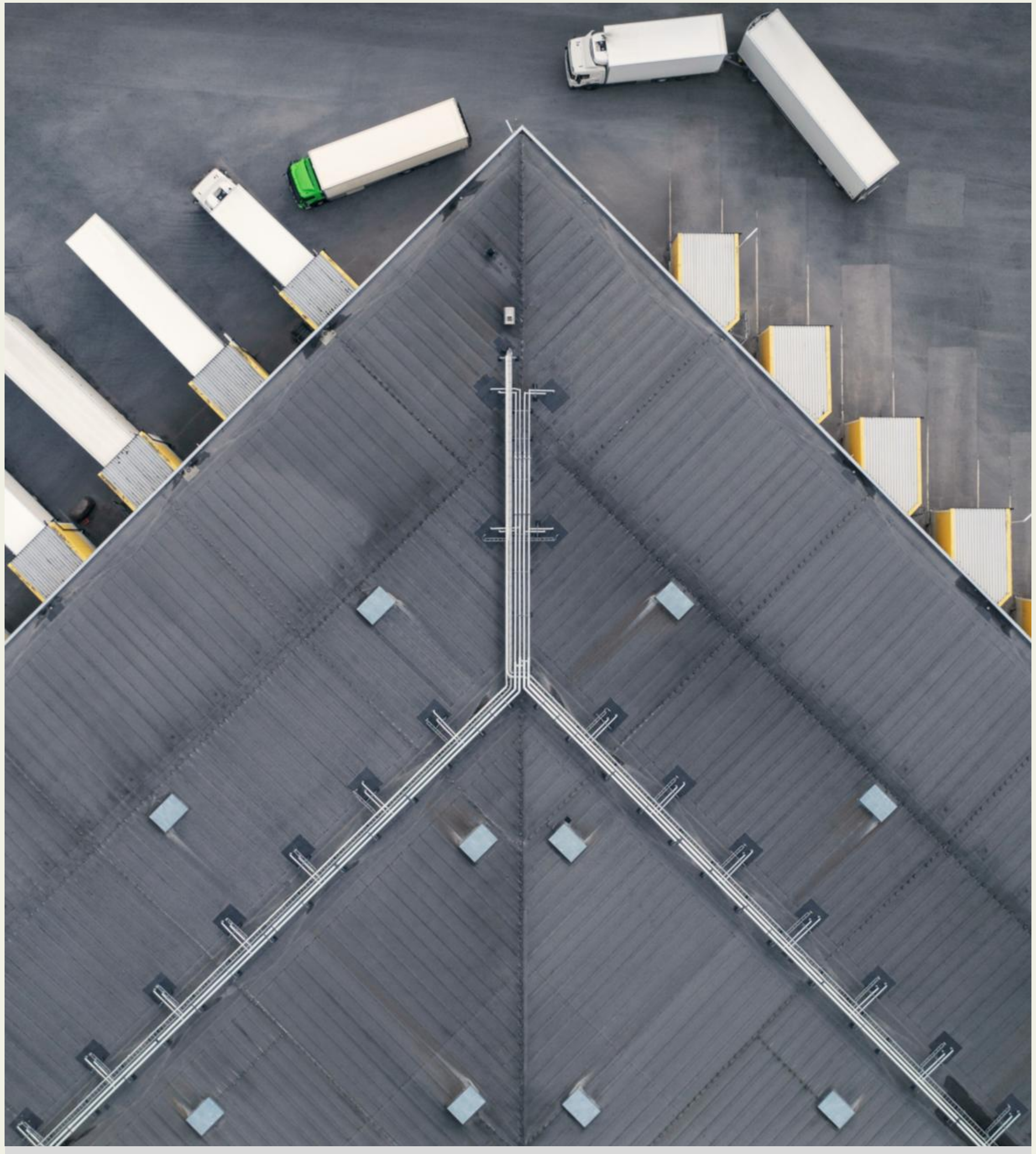
Logistics Highlights
H1 2026

Knight Frank Asia-Pacific



Asia-Pacific Overview – **H1 2026**

Summary

Demand for logistics spaces in the region remained supported by manufacturing activity, 3PL providers and e-commerce firms. Growing semiconductor supply chains, linked to AI-driven sectors such as advanced manufacturing and electronics, provided an additional source of occupier activity in markets.

Leasing activity was primarily driven by relocations, consolidations and upgrades, which reflected a more disciplined approach to real estate decisions.

Expansion requirements continue to be selective, with occupiers prioritising operational efficiency, network optimisation and warehouse quality. Consequently, flight-to-quality remained a defining regional theme, with demand increasingly concentrated in modern facilities.

Elevated availability in parts of East Asia and selected developed markets provided occupiers with greater flexibility and moderated rental growth. Landlords increasingly competed on asset quality, sustainability credentials and building functionality rather than relying on broad market tailwinds.

As a result, rent growth was broad based albeit marginal across most markets in region, rising 1.2% in H1 2026 from six months ago. Overall growth remained tempered by declines in Hong Kong and the Chinese mainland markets of Beijing and Shanghai, as the supply boom continued to favour tenants.

Brisbane recorded the strongest rental growth in H1 2026. which benefited from sustained occupier demand from logistics, retail and transport-related users. Prime vacancy is falling as the speculative overhang is being eroded, with half of supply in 2026 pre-committed.

Recent US tariff measures centred on forced-labour compliance, together with ongoing disruptions and security risks affecting key shipping corridors in the Middle East have reinforced the importance of operational flexibility and supply-chain optionality across Asia Pacific.

These developments are expected to sustain occupier focus on adaptable logistics networks and supply chain contingencies. While they may support warehousing demand in selected markets, occupiers are expected to maintain a measured approach to expansion decisions. Rents will stay largely stable with growth to be under 2%.

1.2%

HoH rental change in Asia-Pacific in H1 2026

Brisbane

Recorded the highest annual/ half-yearly rental growth

15 of 18*

Tracked cities recorded stable or increasing rents YoY in H1 2026

*coverage of the region's logistics markets have been increased to include Greater Hanoi

Cautious

Expectations for H2 2026

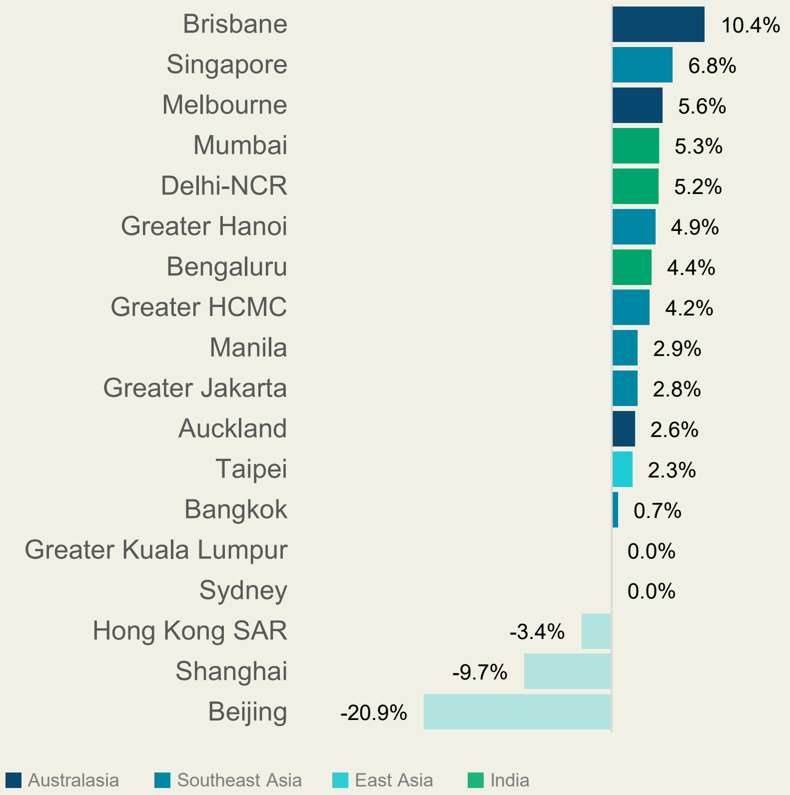
"The Asia-Pacific logistics market has moved into a more mature phase of the cycle, where occupiers are focusing on the type of spaces they occupy rather than simply securing capacity. With rental growth remaining measured across much of the region and a broader range of options available, occupiers have greater scope to optimise portfolios, consolidate operations and upgrade into higher-specification facilities. We are seeing leasing decisions become increasingly selective, with stronger emphasis placed on long-term efficiency, sustainability and operational resilience. This is contributing to a growing preference for modern assets that can support automation and evolving supply chain requirements. For occupiers, current market conditions in the region represent a compelling opportunity to secure better spaces at competitive terms and align portfolio strategies to support long-term business objectives."

Tim Armstrong
Global Head of Occupier Strategy and Solutions

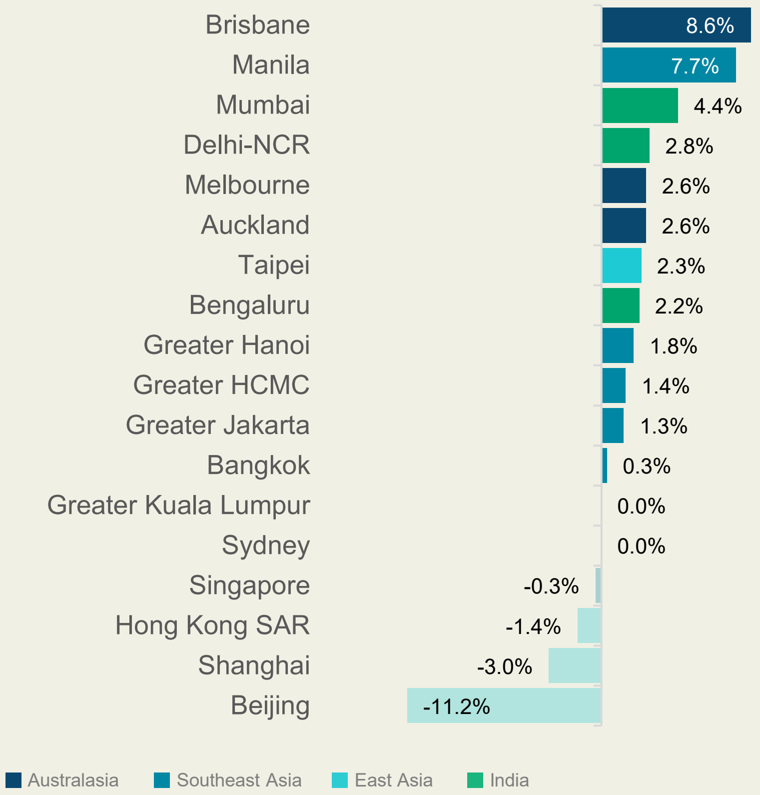
APAC Logistics Rental Trends H1 2026

Rental growth edges up in the region

Rental Growth Year-on-Year



Rental Growth Half-Yearly



Rental growth increasingly diverging across Asia Pacific markets.

Supply pressure remains concentrated in select markets as new completions outpaced absorption.

Supply-chain diversification and manufacturing investments drive demand in India

High construction pipeline to sustain rental correction in Beijing for the rest of 2026.

Updated Aug 2026

Greater HCMC: Ho Chi Minh City and provinces of Long An, Dong Nai, Binh Duong, Ba Ria-Vung Tau pre-merger
Greater Hanoi: Hanoi City, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger

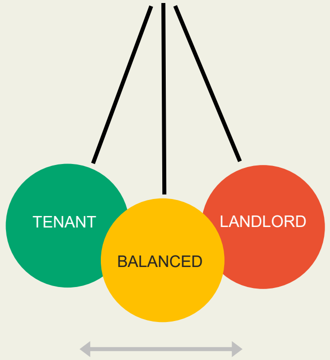
Source: Knight Frank Research

APAC Logistics Snapshot – **H1 2026**

12-Month Rental Outlook

Decreasing	
• Beijing	• Shanghai
• Hong Kong SAR	
Unchanged	
• Auckland	• Greater Kuala Lumpur
• Bangkok	• Manila
• Greater Hanoi	• Sydney
• Greater HCMC	• Taipei
• Greater Jakarta	
Increasing	
• Brisbane	• Singapore
• Melbourne	• Delhi-NCR
• Bengaluru	• Mumbai

H1 2026 MARKET PENDULUM



Updated Aug 2026

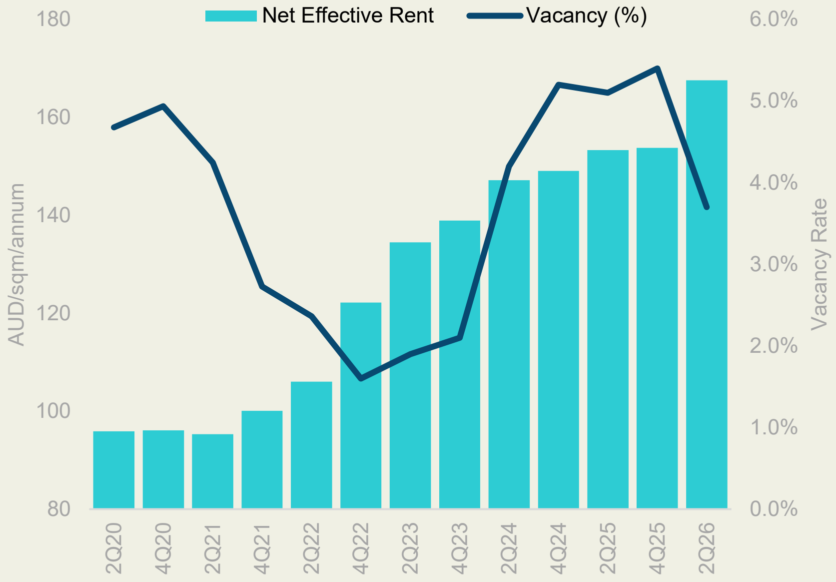
Source: Knight Frank Research

Australasia

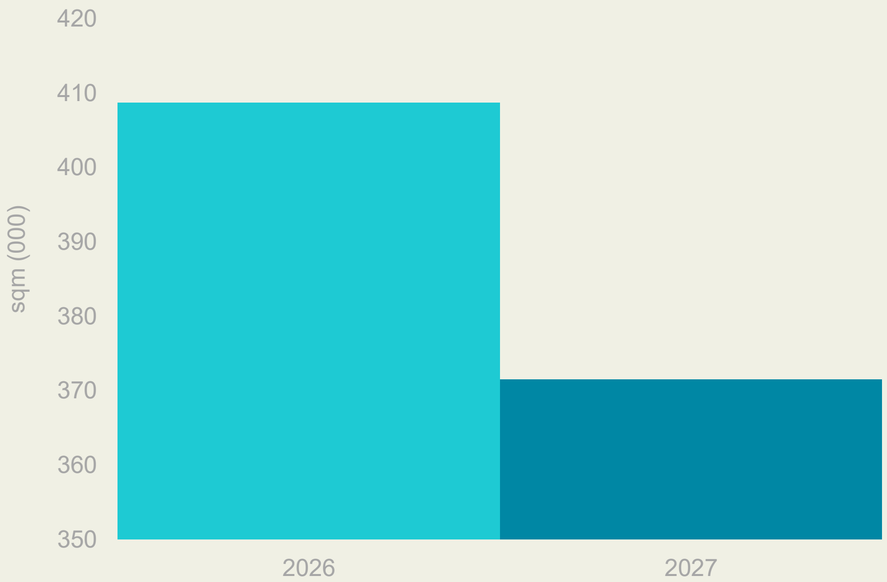
Occupier markets along the Eastern Seaboard continued to largely favour tenants, although conditions varied between cities. Demand from 3PL providers, retailers and transport operators remained active, with requirements increasingly centred on operational efficiency, consolidation and portfolio optimisation rather than broad-based expansion. The availability of newly completed space provided occupiers with greater flexibility in location and building selection, contributing to more moderate rental growth and increasing differentiation between assets. Sydney and Melbourne remained characterised by tenant-friendly conditions as these markets continued to absorb recent supply additions, with incentives rising to an average of 20%. In contrast, Brisbane exhibited more balanced conditions, supported by tighter vacancies and incentives at under 13%. In Auckland, leasing activity remained concentrated in modern facilities serving the city's primary distribution corridors, with occupier demand continuing to focus on well-located, high-quality logistics assets.

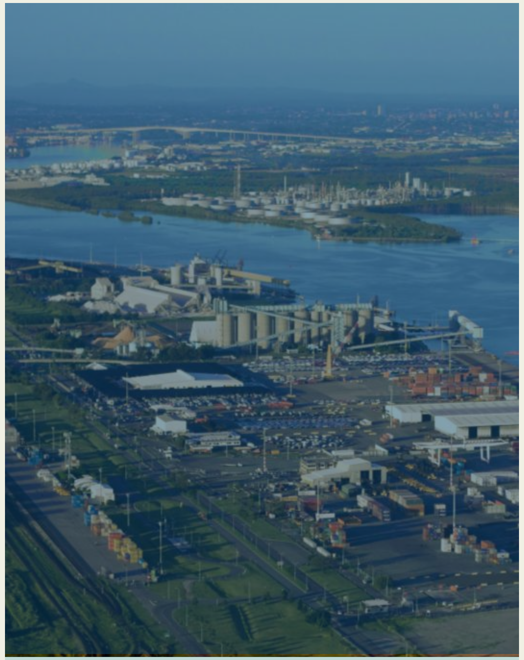
Brisbane

Net Effective Rent



Future Pipeline Supply





Economic Indicators		
	2025	**2026F**
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (A$ psm pa)	192	↑
Vacancy	3.7%	→
Market Balance	Balanced	Balanced

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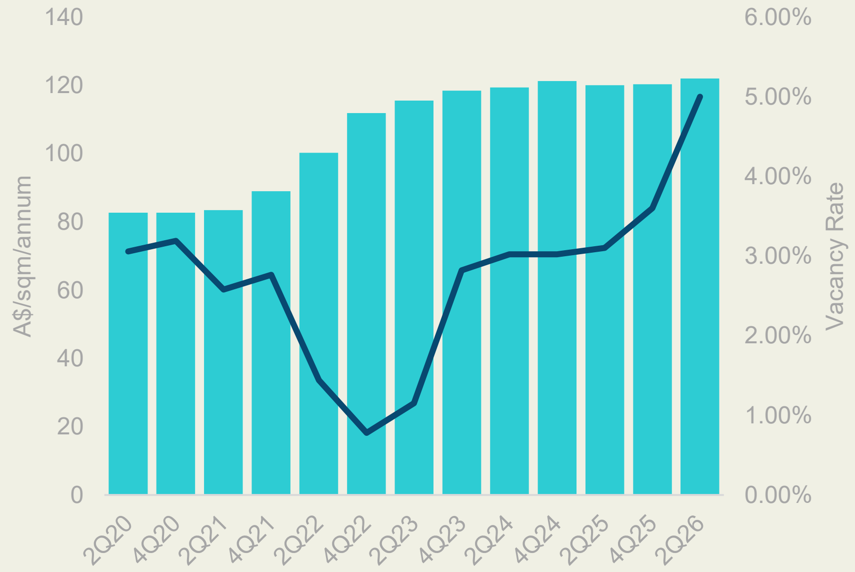
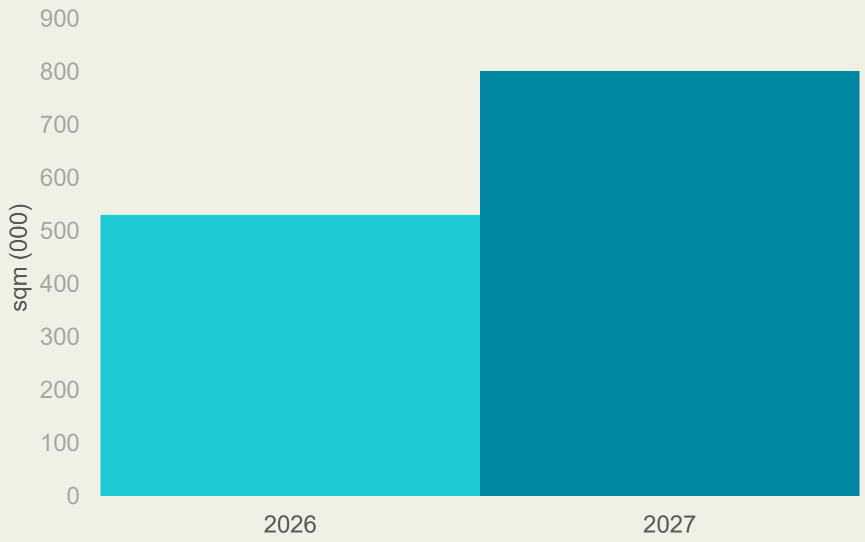
Source: Australian Bureau of Statistics, Oxford Economics,, Knight Frank Research

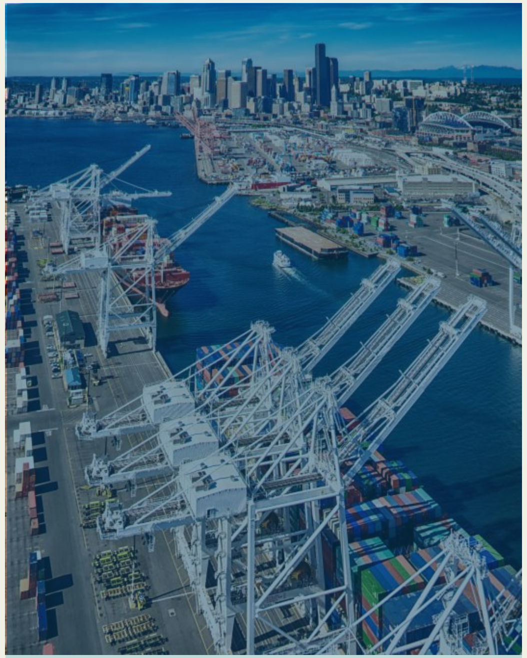
Melbourne

Net Effective Rent



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (A$ psm pa)	155	↑
Vacancy	5.0%	→
Market Balance	Tenant	Tenant

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Updated Aug 2026

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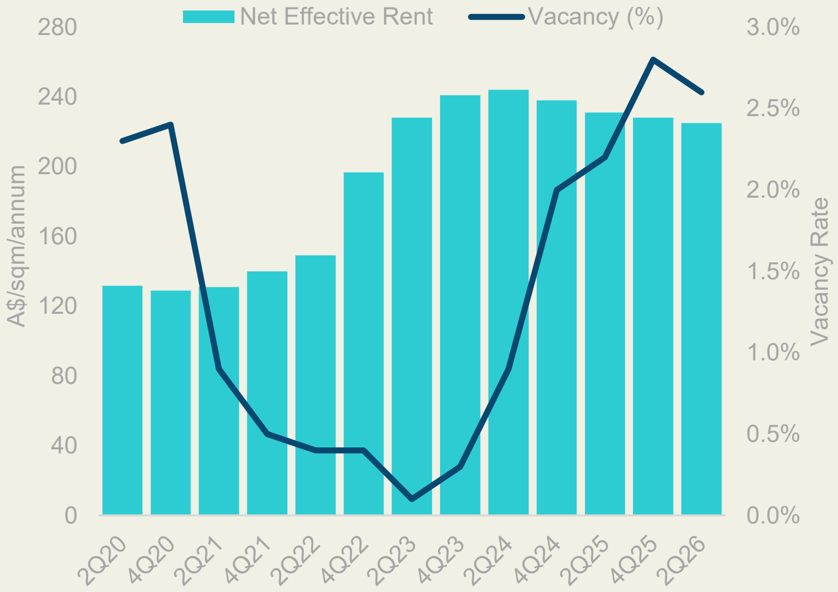
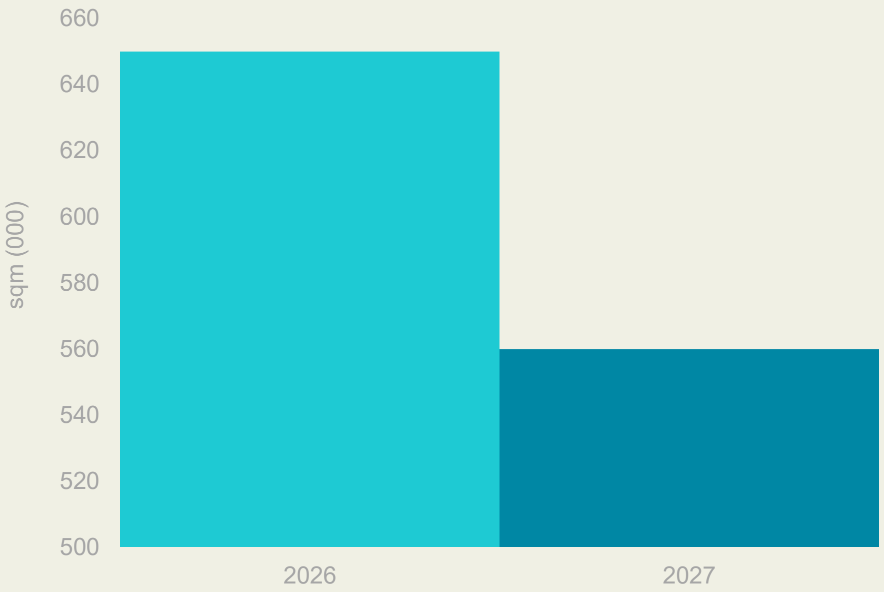
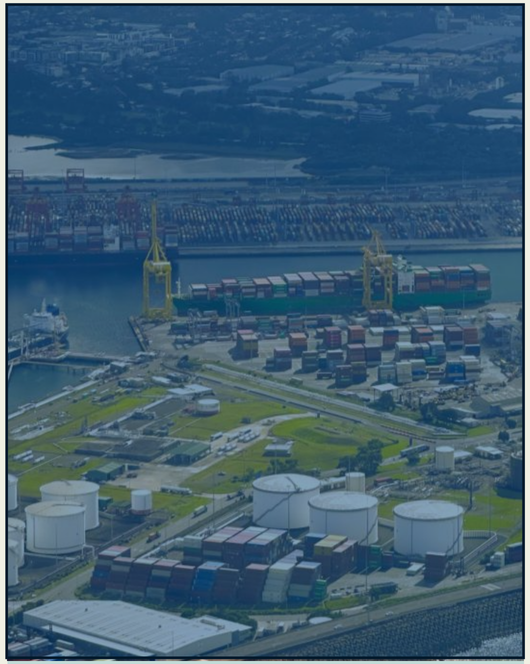
Sydney

Net Effective Rent



Future Pipeline Supply





Economic Indicators		
	2025	**2026F**
GDP Growth	3.8%	4.1%
Unemployment Rate	4.2%	4.3%
Inflation	2.9%	4.4%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (A$ psm pa)	276	→
Vacancy	2.6%	→
Market Balance	Tenant	Tenant

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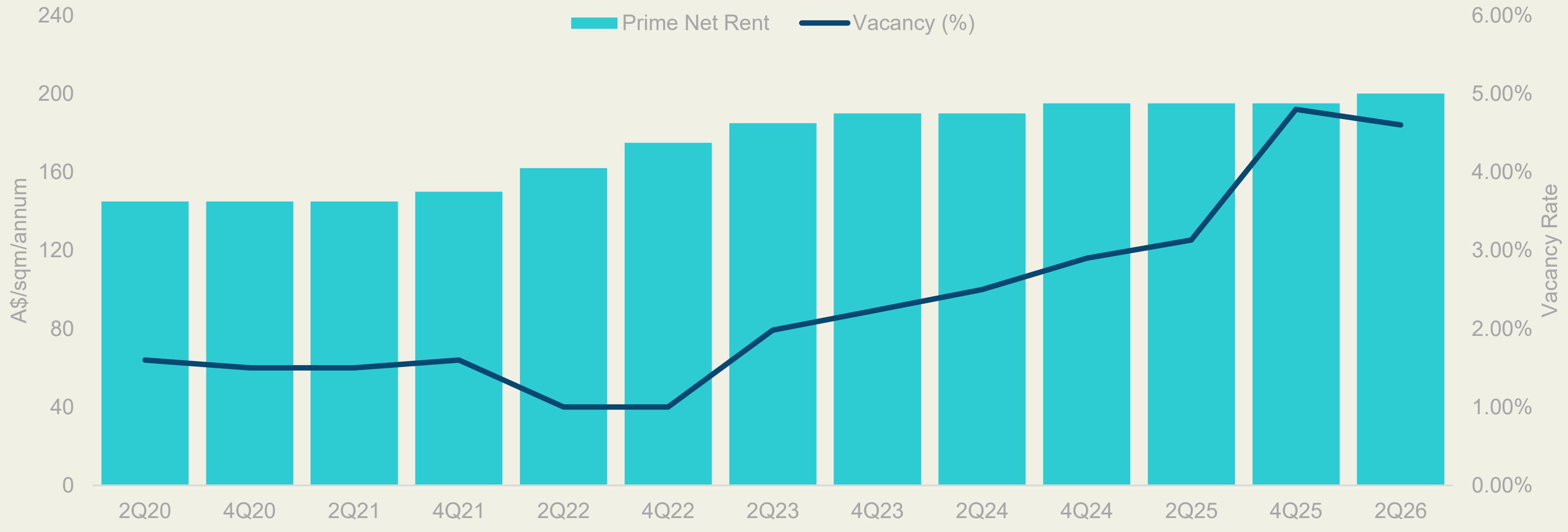
Updated Aug 2026

Source: Australian Bureau of Statistics, Oxford Economics,, Knight Frank Research

Auckland

Prime Rent



Economic Indicators		
	2025	**2026F**
GDP Growth	0.5%	1.9%
Unemployment Rate	5.3%	5.4%
Inflation	2.8%	3.5%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (NZ$ psm pa)	200	→
Vacancy	4.6%	→
Market Balance	Tenant	Tenant

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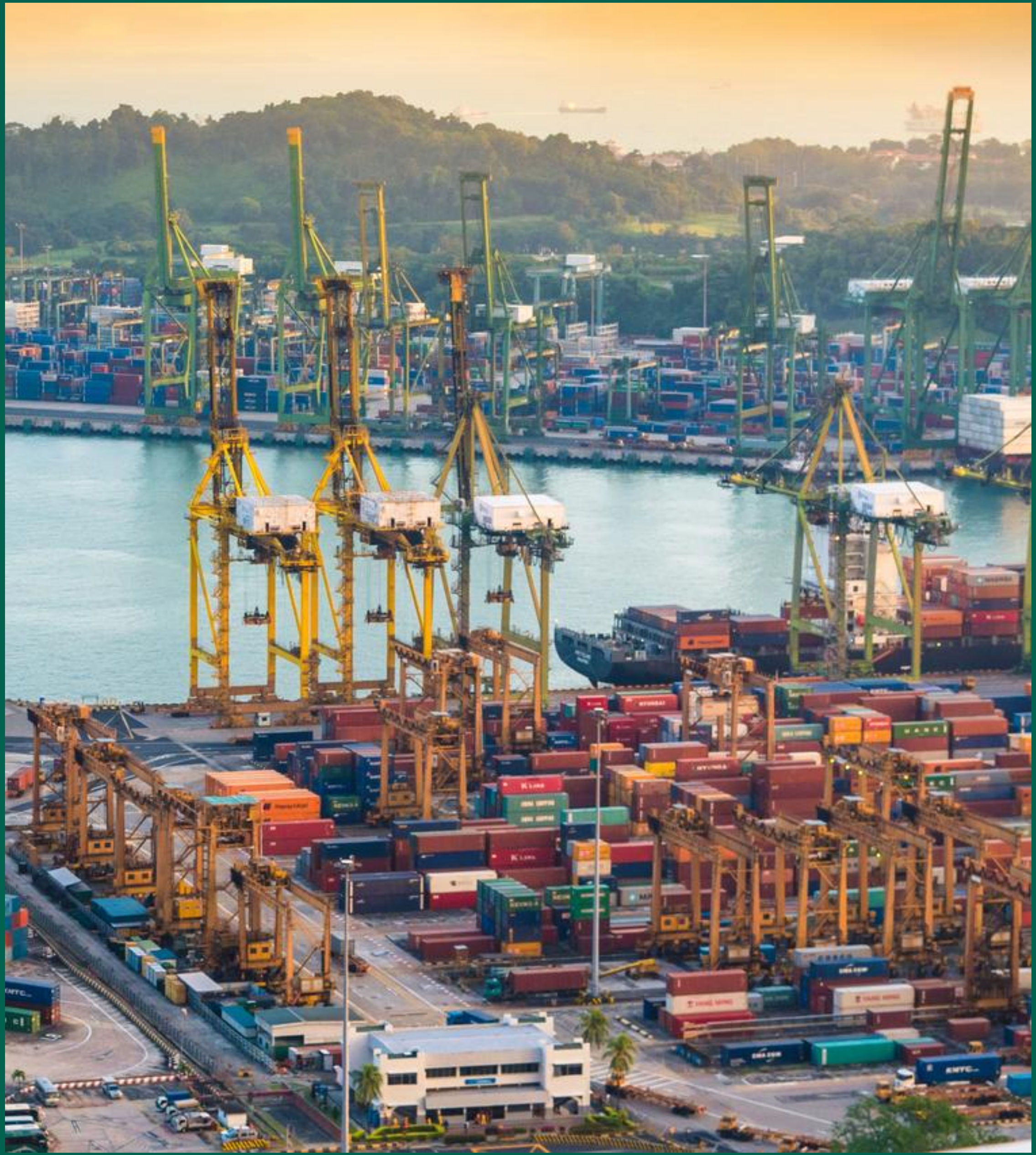
Updated Aug 2026

Source: SP Global, Knight Frank Research

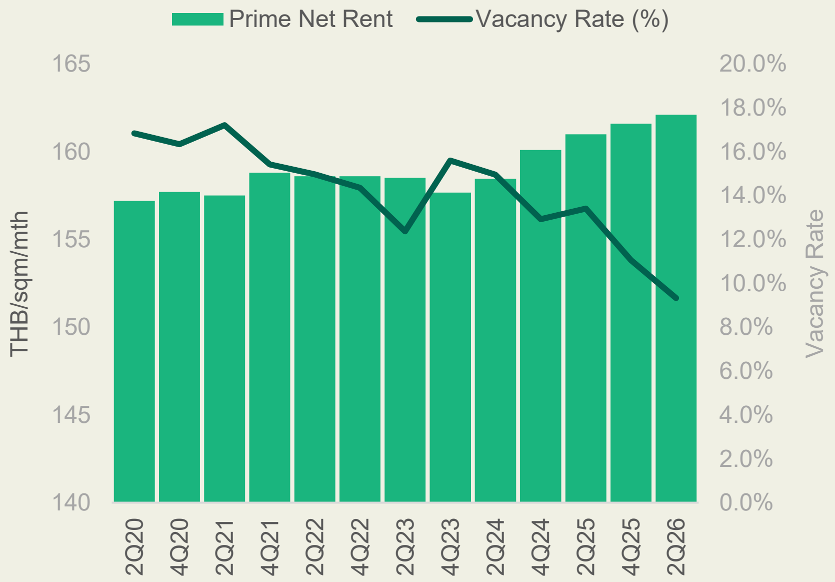


Southeast Asia

Occupier demand in emerging Southeast Asia remained underpinned by manufacturing activity, China-plus-one strategies and domestic consumption growth in H1 2026, attracting requirements from manufacturers, e-commerce and logistics operators seeking regional distribution capacity. Leasing conditions varied across the subregion as the impact of recent supply additions differed between markets. While vacancies remain elevated in Vietnamese markets, it has tightened noticeably due to space requirements from 3PL firms and Chinese electronics manufacturers. The lack of new supply in Greater Ho Chi Minh City also lifted rentals. Higher demand for prime spaces also lifted Manila's rents, which rose by 7.7% in the first six months of 2026 to top Southeast Asian markets. Following the strong uplift in 2025, rental growth in Singapore stabilized during the period, with market conditions remaining broadly in equilibrium. While new supply scheduled for delivery in 2026 will be ample, occupancy levels will continue to be supported by steady leasing demand..

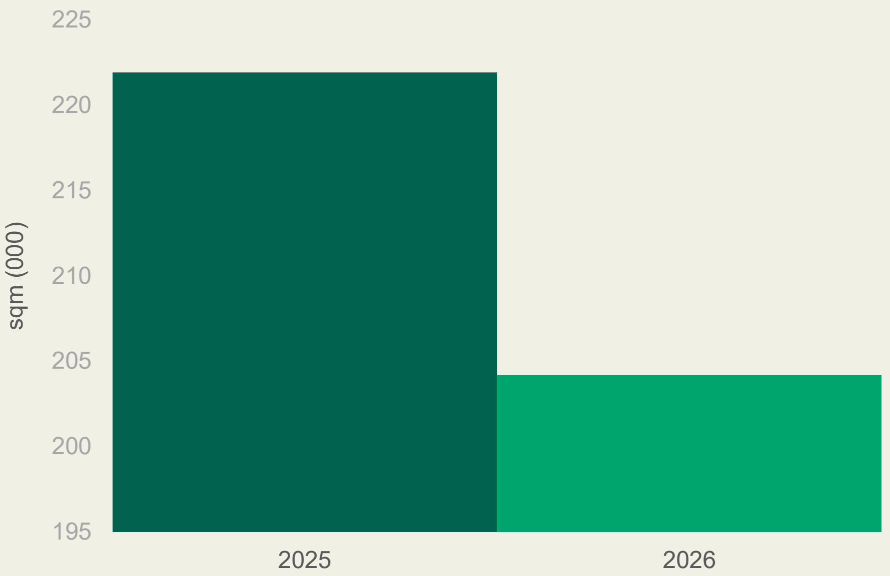
Bangkok

Prime Rent



Economic Indicators		
	2025	**2026F**
GDP Growth	2.4%	2.3%
Unemployment Rate	0.8%	0.9%
Inflation	-0.1%	2.1%

Supply Pipeline



Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (THB psm pm)	162	→
Vacancy	9.3%	↓
Market Balance	Balanced	Balanced

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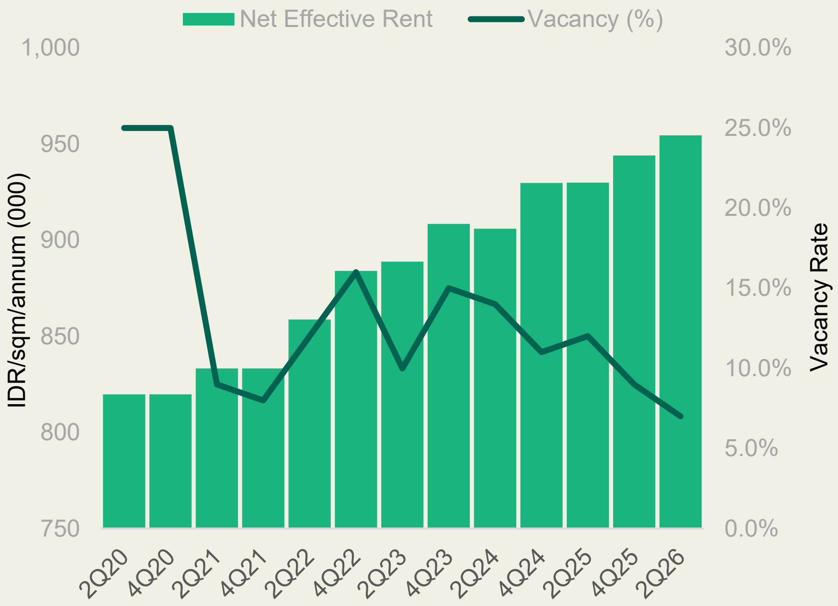
Updated Aug 2026

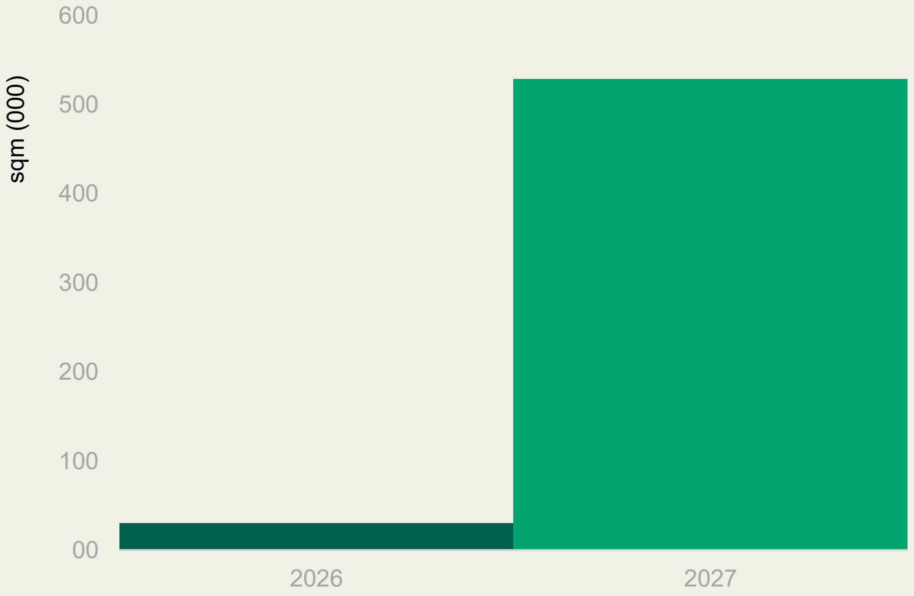
Source: SP Global, Knight Frank Research

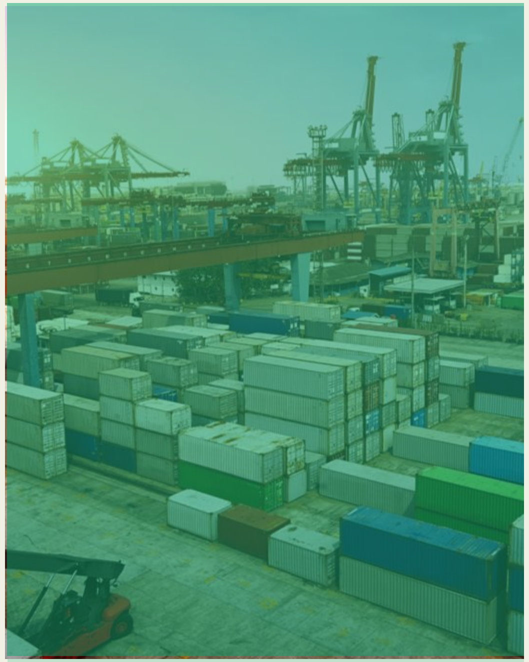
Greater Jakarta

Net Effective Rents



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	5.0%	5.0%
Unemployment Rate	4.9%	4.9%
Inflation	1.9%	2.5%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (IDR psm pm)	983,232	→
Vacancy	7.0%	→
Market Balance	Balanced	Balanced

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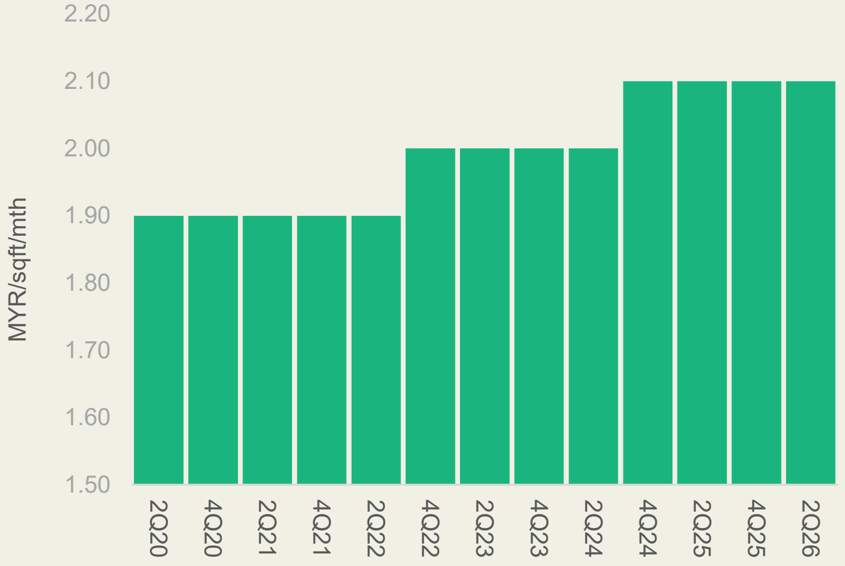
Source: SP Global, Knight Frank Research

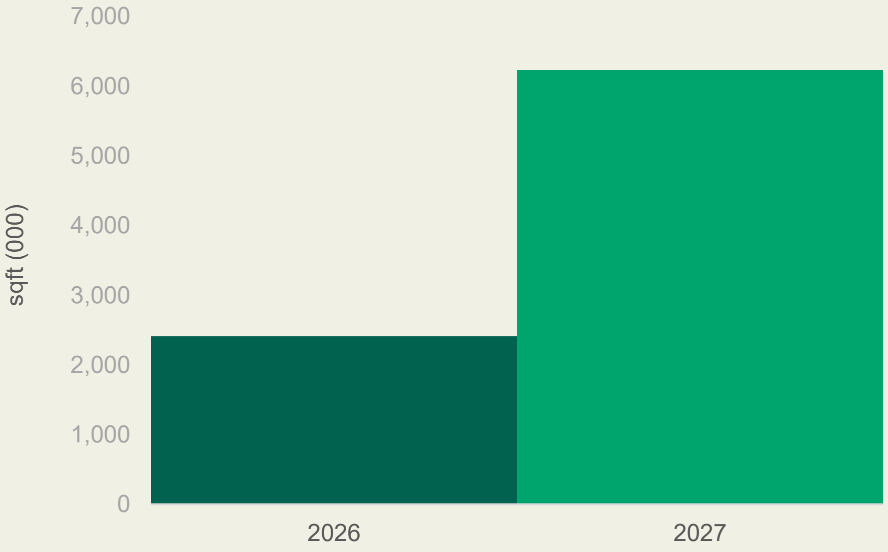
Greater Kuala Lumpur

Prime Net Rents

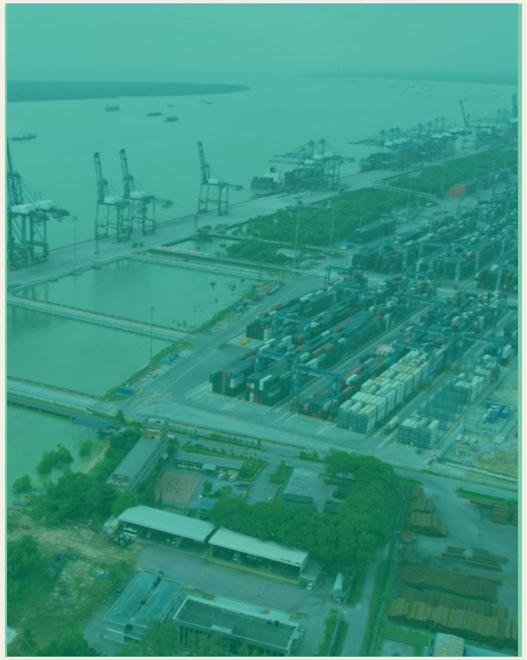


Economic Indicators		
	2025	**2026F**
GDP Growth	5.2%	4.0% - 5.0%
Unemployment Rate	3.0%	2.9%
Inflation	1.4%	1.5% - 2.5%

Supply Pipeline



Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (MYR psf pm)	2.10	→
Market Balance	Tenant	Tenant



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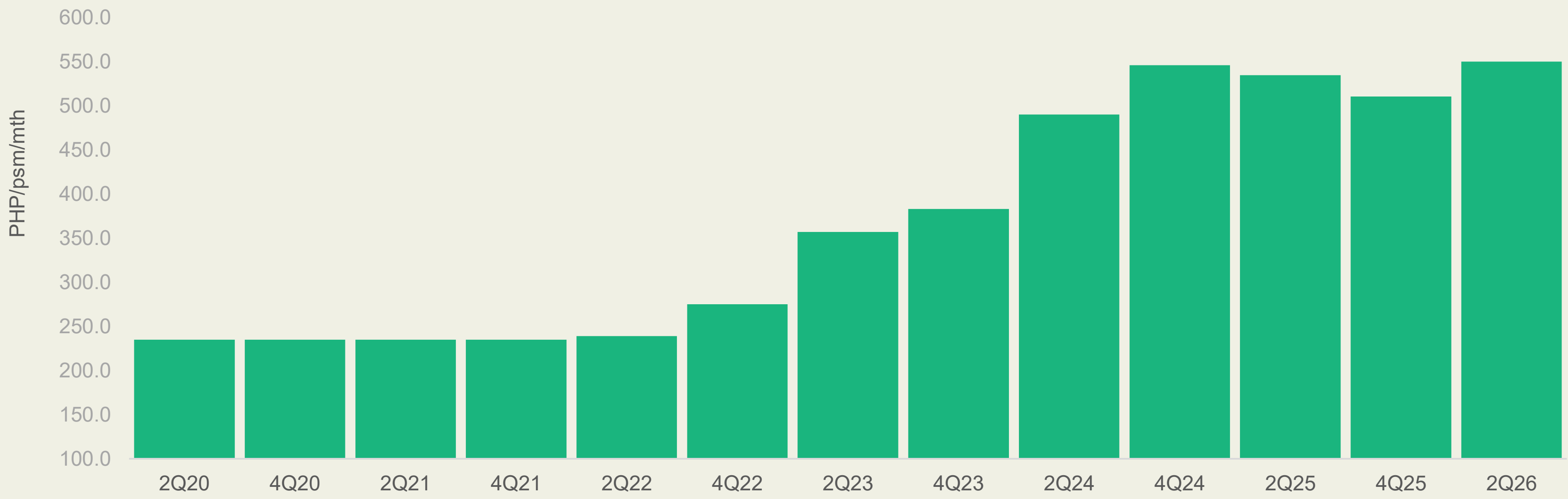
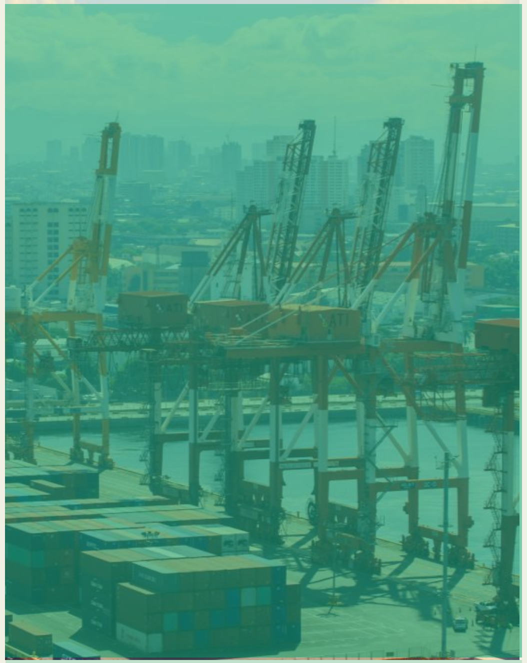
Source: Bank Negara Malaysia, Department of Statistics, Knight Frank Research

Manila

Prime Net Rent





Economic Indicators		
	2025	2026F
GDP Growth	4.5%	4.1%
Unemployment Rate	4.2%	4.5%
Inflation	1.6%	4.8%

Real Estate Indicators		
	H1 2026	12mth Forecast
Prime Rent (PHP psm pm)	550	→
Market Balance	Balanced	Balanced

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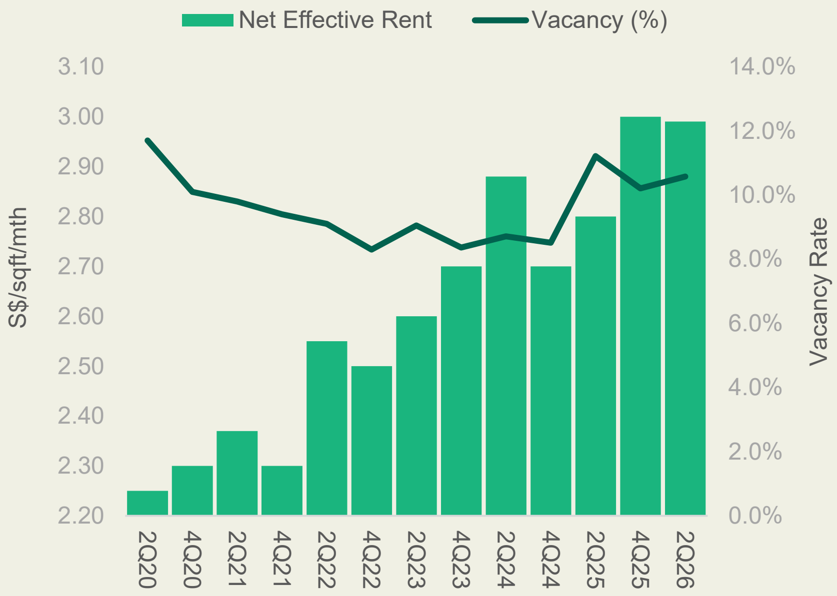
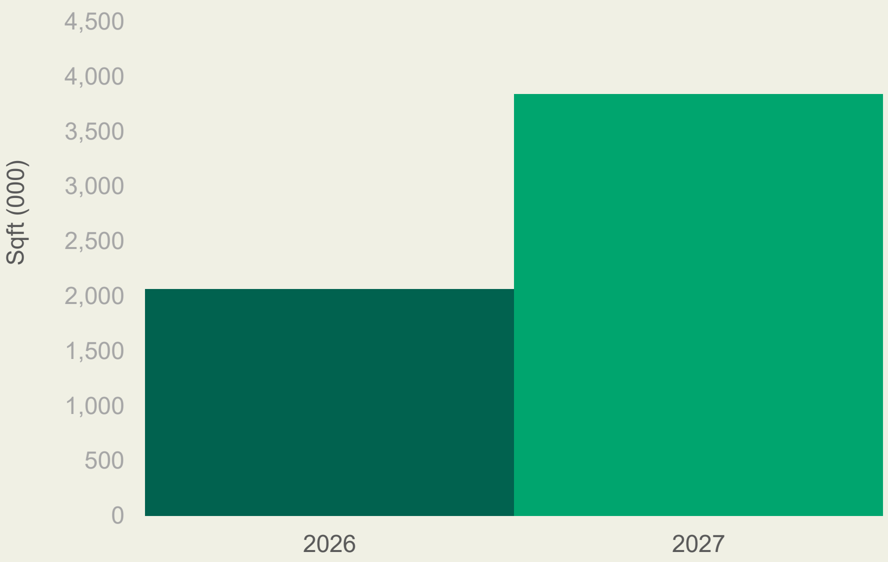
Source: SP Global, Knight Frank Research

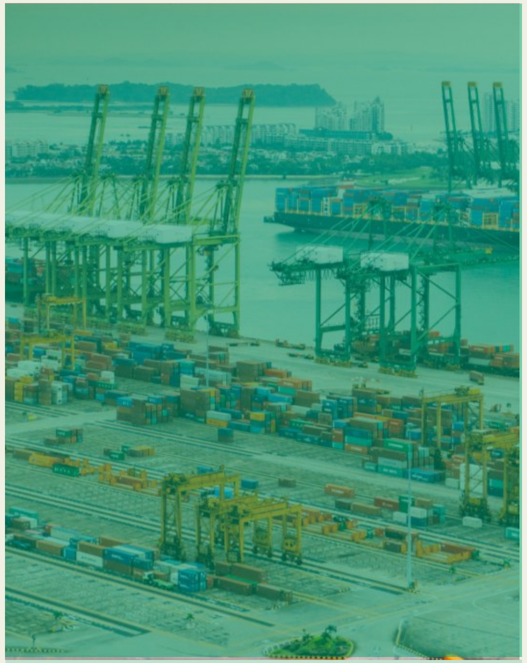
Singapore

Net Effective Rents



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	5.0%	3.9%
Unemployment Rate	2.0%	2.0%
Inflation	0.9%	1.9%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (S$ psf pm)	2.99	↑
Vacancy	10.6%	↑
Market Balance	Balanced	Balanced

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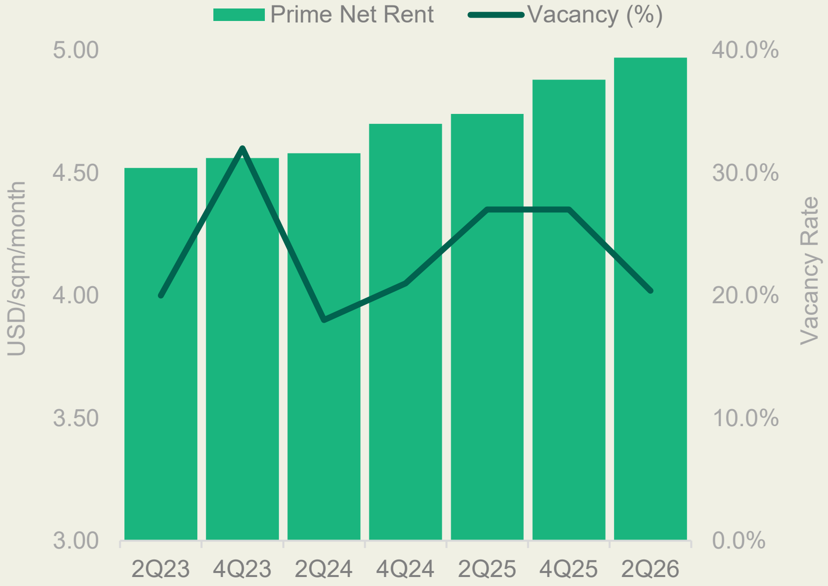
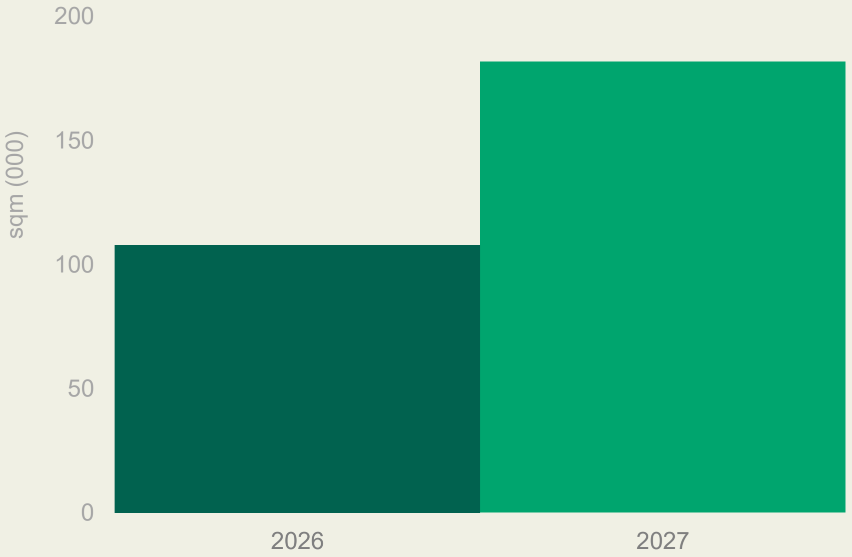
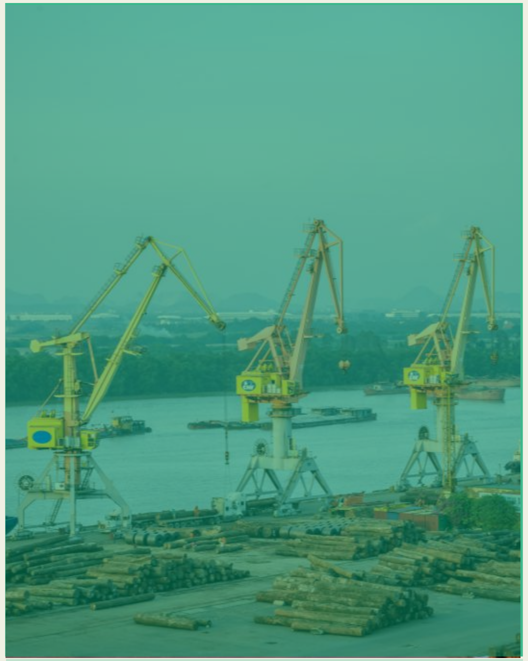
Greater Hanoi

Prime Net Rent



Pipeline Supply





Economic Indicators		
	2025	**2026F**
GDP Growth	8.0%	6.7%
Unemployment Rate	NA	NA
Inflation	3.3%	4.5%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (US$ psm pm)	4.97	→
Vacancy	20.4%	→
Market Balance	Tenant	Tenant

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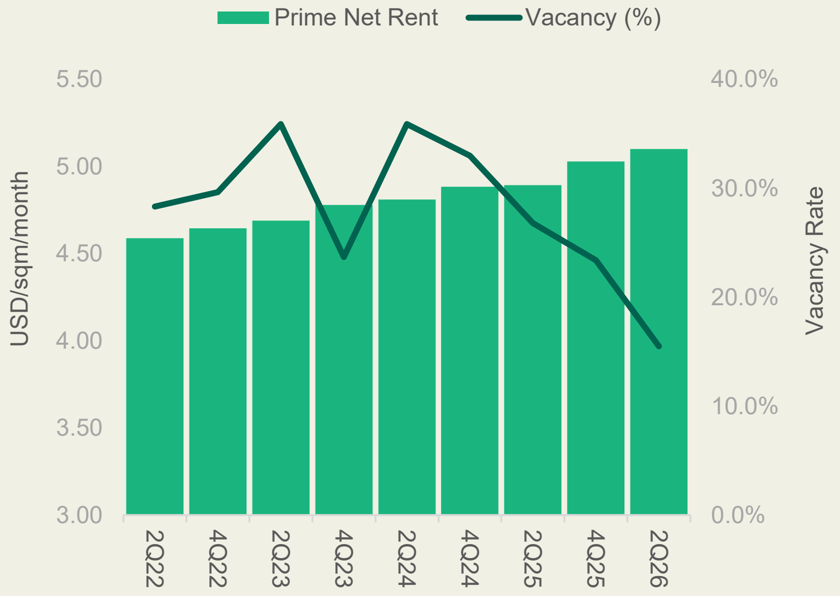
Source: SP Global, Knight Frank Research

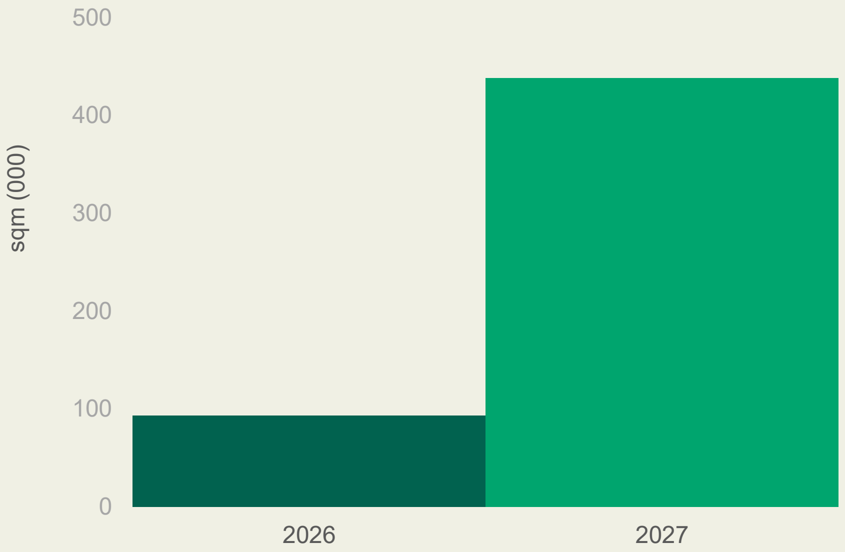
Note: Greater Hanoi comprise Hanoi City, Hung Yen, Bac Ninh, Hai Phong and Hai Duong pre-merger

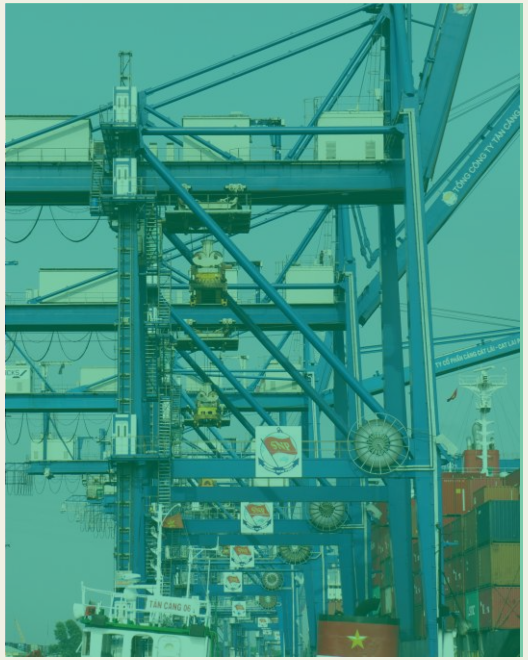
Greater Ho Chi Minh City

Prime Net Rent



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	8.0%	6.7%
Unemployment Rate	NA	NA
Inflation	3.3%	4.5%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (US$ psm pm)	5.10	→
Vacancy	15.5%	↑
Market Balance	Tenant	Tenant

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Updated Aug 2026

Source: SP Global, Knight Frank Research

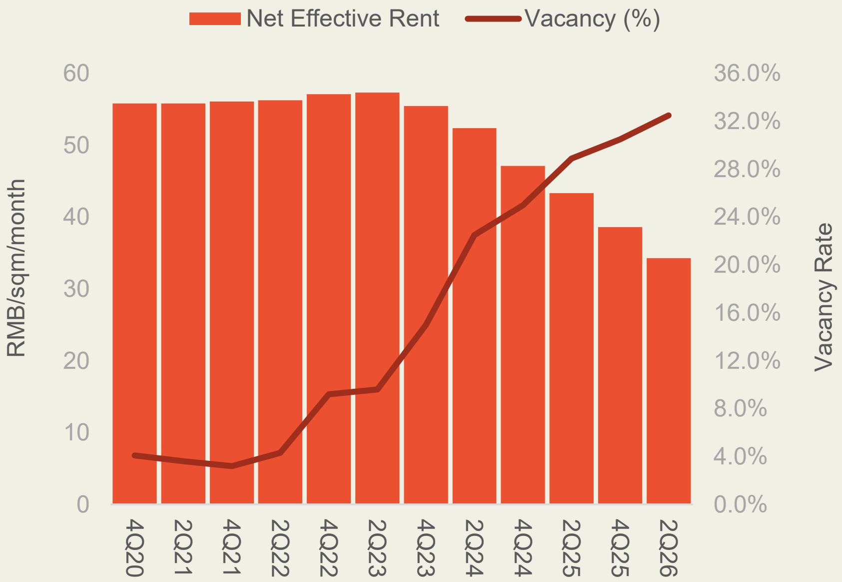
Note: Greater Ho Chi Minh city includes Ho Chi Minh City and provinces of Binh Duong, Dong Nai, Long An and Ba Ria-Vung Tau pre-merger

East Asia

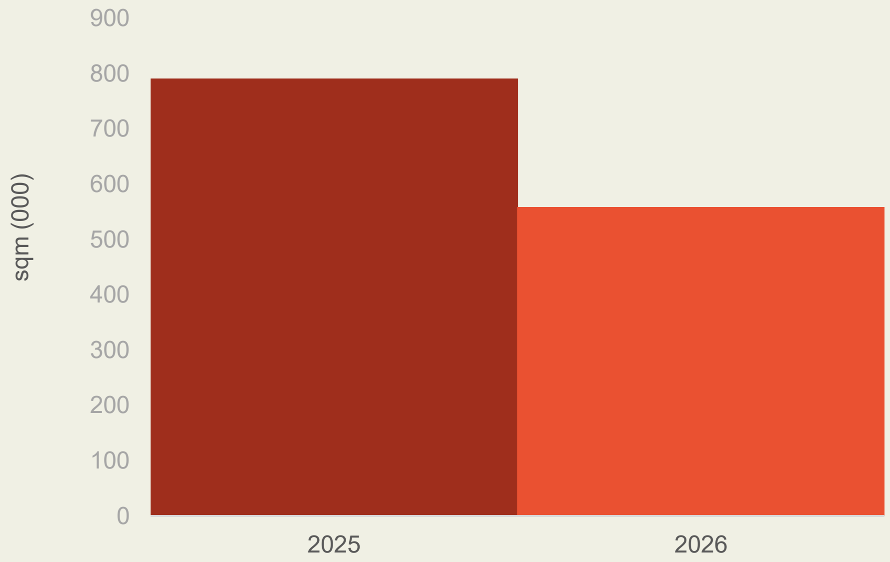
The substantial development pipeline remained a key headwind in Chinese mainland markets. Leasing activity was comparatively strong with net absorption approaching 700,000 sqm in H1 2026 across Beijing and Shanghai, helped in part by ongoing rental adjustments. This was particularly evident in Beijing as a significant wave of new completions lifted vacancy rates to over 32%. The year-on-year decline in rentals accelerated to 20.9% in H1 2026, compared with 18.1% in H2 2025. With an expected pipeline of 1.5 million sqm delivering through 2027, supply pressure will remain significant. Hong Kong's logistics market showed signs of stabilisation in H1 2026, with vacancy improving modestly as logistics and e-commerce occupiers expanded and upgraded into modern facilities. Leasing activity was supported by relocations from brownfield sites, encouraged by narrowing rental differentials between older and higher-specification assets. Taipei's market remained underpinned by technology and advanced manufacturers. While occupiers in East Asia will continue to favour modern facilities that offer greater operational efficiency, automation and higher specifications, rising supply is expected to lead to more competition for tenants.

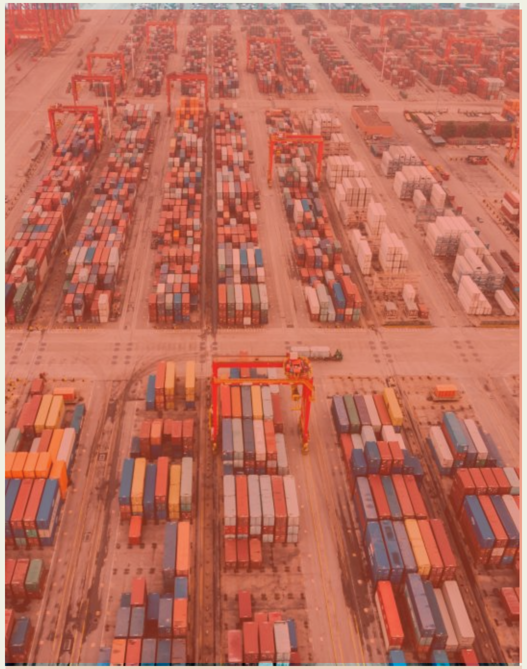
Beijing

Net Effective Rent



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (CNY psm pm)	35.34	↓
Vacancy	32.5%	↑
Market Balance	Tenant	Tenant

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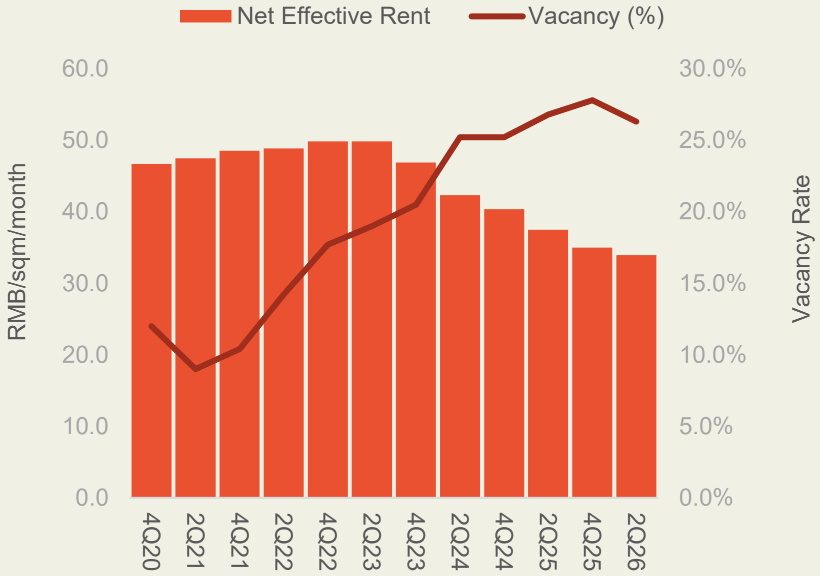
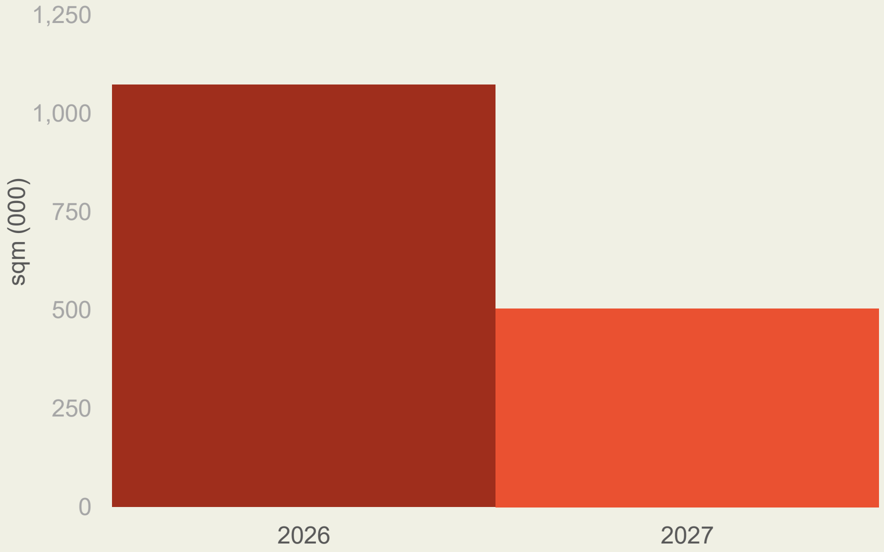
Source: SP Global, Knight Frank Research

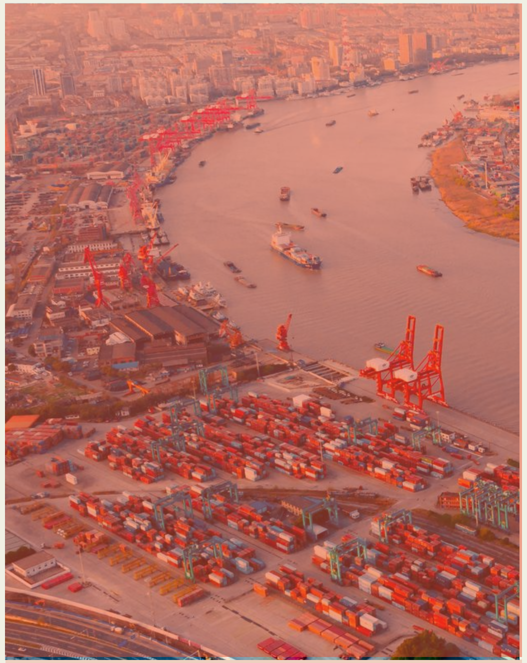
Shanghai

Net Effective Rent



Supply Pipeline





Economic Indicators

	2025	2026F
GDP Growth	5.0%	4.4%
Unemployment Rate	5.2%	5.2%
Inflation	0.0%	1.3%

Real Estate Indicators

	H1 2026	12mth Forecast
Prime Rent (CNY psm pm)	34.96	↓
Vacancy	26.3%	↑
Market Balance	Tenant	Tenant

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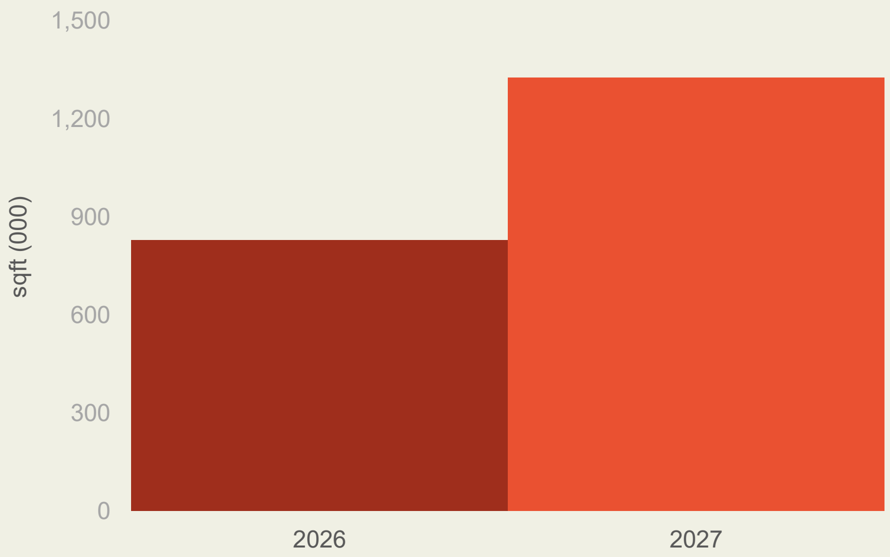
Updated Aug 2026

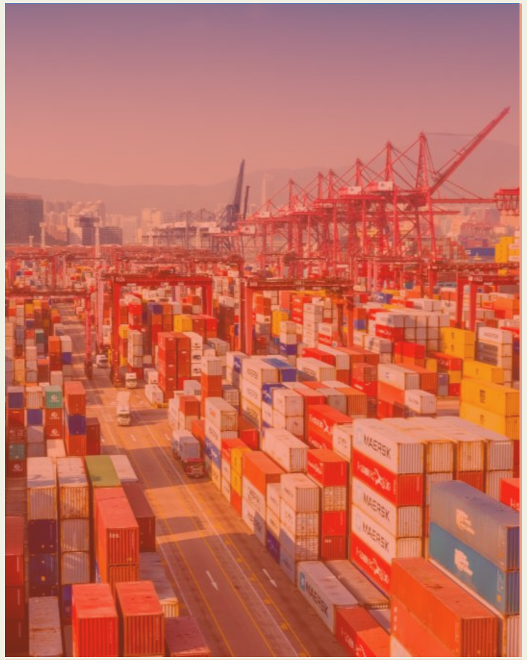
Source: SP Global, Knight Frank Research

Hong Kong SAR

Net Effective Rents

Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	3.5%	4.5%
Unemployment Rate	3.6%	3.7%
Inflation	1.4%	1.8%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (HK$ psf pm)	14.40	↓
Vacancy	10.0%	↑
Market Balance	Tenant	Tenant

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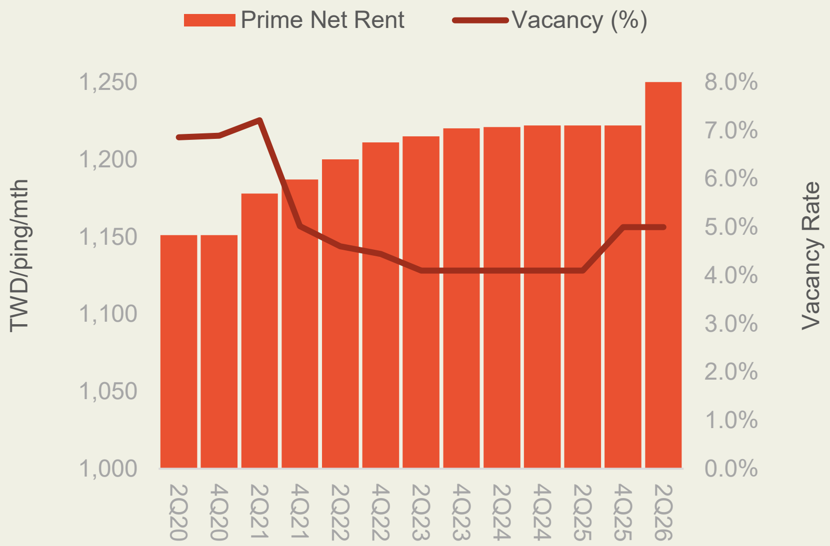
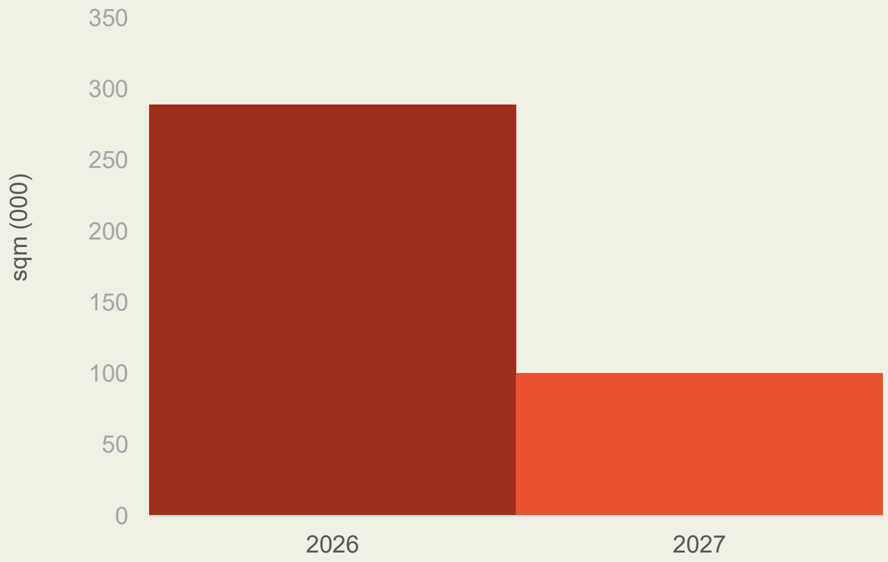
Source: SP Global, Knight Frank Research

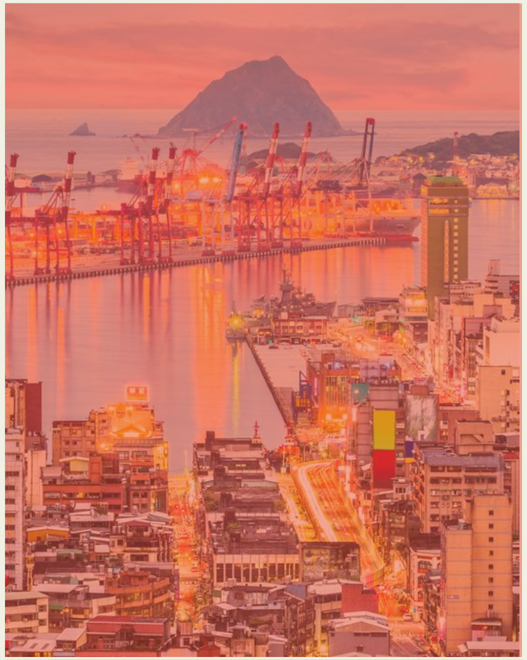
Taipei

Net Effective Rent



Supply Pipeline





Economic Indicators		
	2025	**2026F**
GDP Growth	8.7%	8.2%
Unemployment Rate	3.3%	3.4%
Inflation	1.7%	1.7%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (TW$ per ping pm)	1,250	→
Vacancy	5.0%	→
Market Balance	Landlord	Tenant

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Updated Aug 2026

Source: SP Global, Knight Frank Research

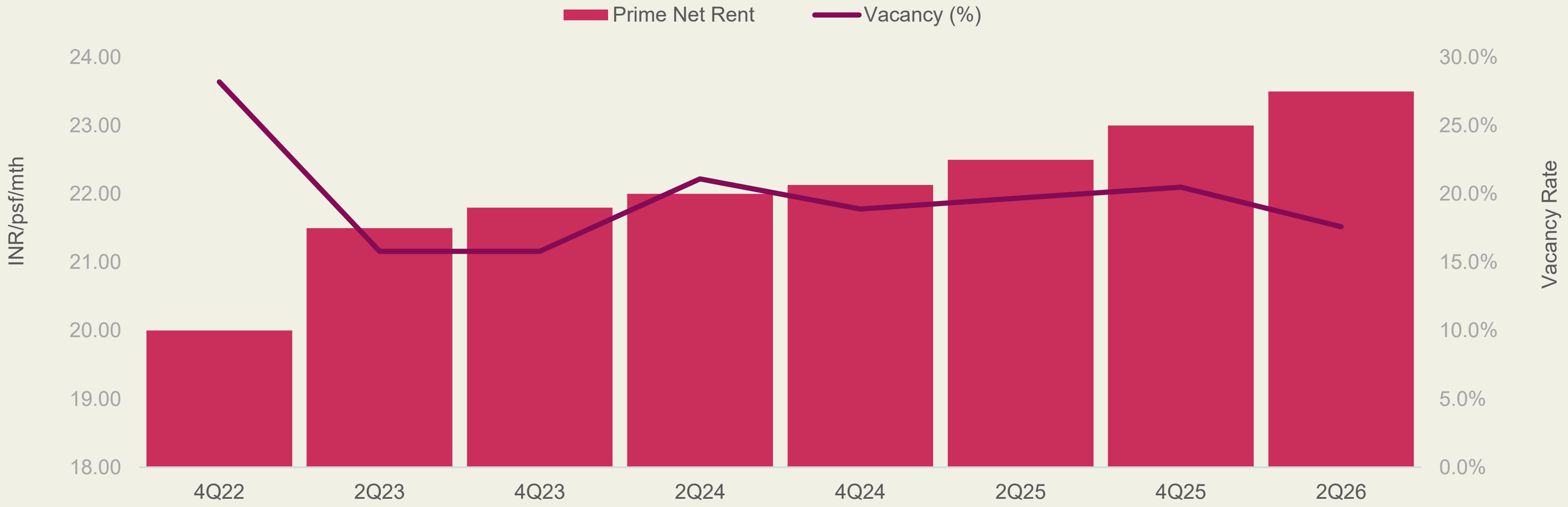
Knight Frank

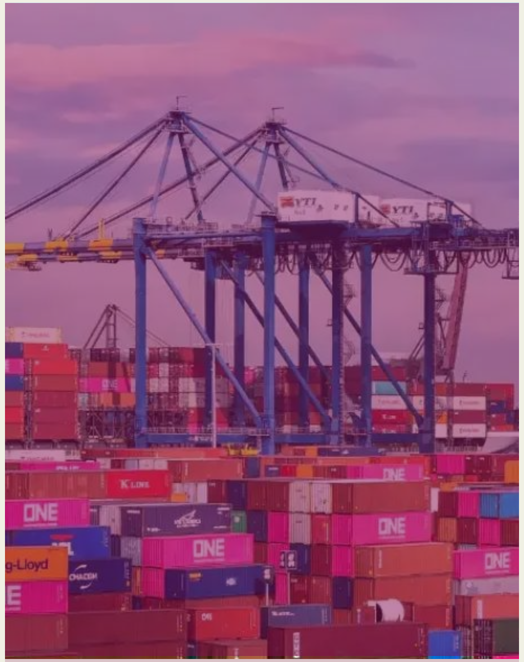
India

India remained one of the most active logistics occupier markets in Asia Pacific in H1 2026, supported by sustained manufacturing growth, domestic consumption and ongoing supply chain diversification. Demand continued to be broad-based, with occupiers seeking facilities that could support larger inventories, automation initiatives and increasingly sophisticated distribution networks. While development activity remained robust, additional supply was generally met by healthy leasing demand across major urban centres. Consequently, market conditions remained relatively balanced. Occupiers were particularly focused on warehouse quality, connectivity and operational efficiency, reflecting the growing maturity of the sector and the increasing role of institutional-grade facilities. Leasing activity was led by manufacturers, e-commerce, retailers and 3PL providers. Overall, India's logistics sector continued to benefit from a combination of expanding occupier requirements, infrastructure improvements and ongoing integration with regional and global supply chains.

Bengaluru

Prime Net Rent





Economic Indicators		
	2025	**2026F**
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (INR psf pa)	23.50	↑
Vacancy	17.6%	↓
Market Balance	Balanced	Balanced

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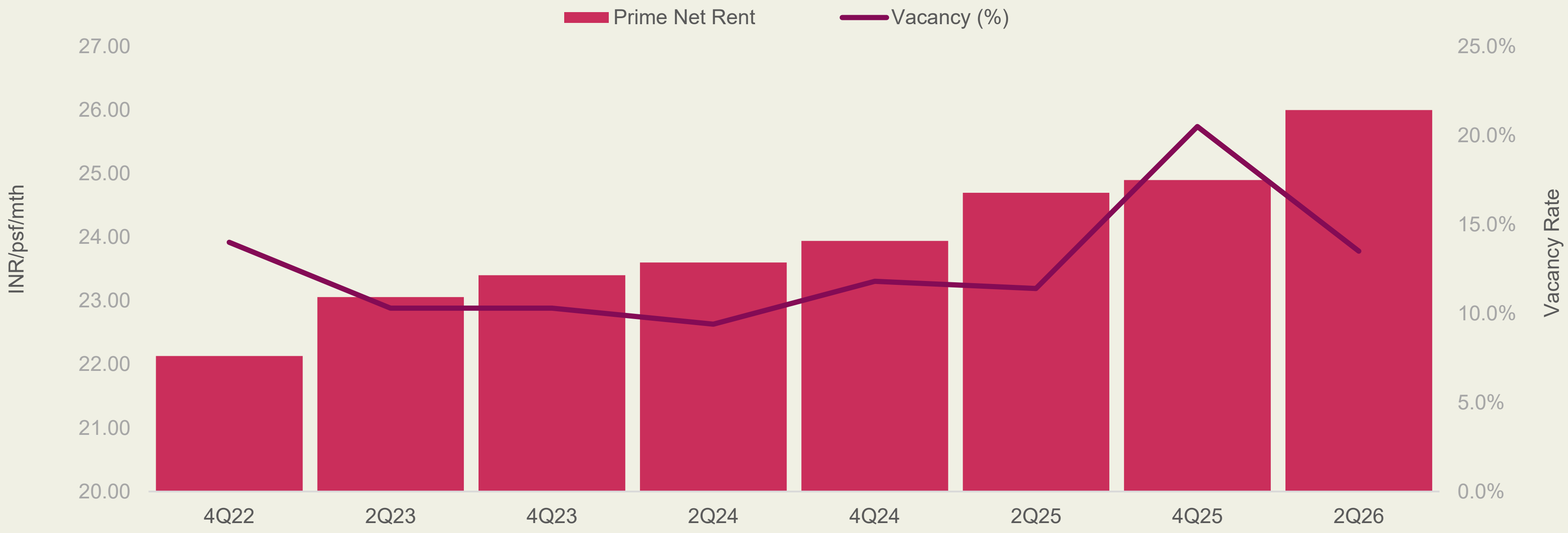
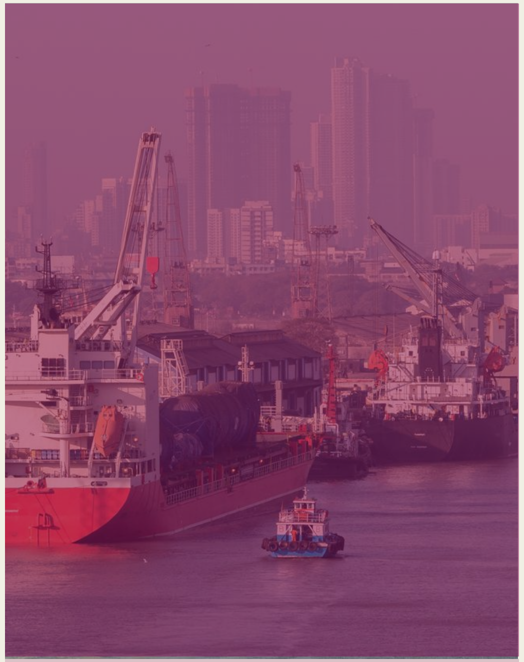
Updated Aug 2026

Source: SP Global, Knight Frank Research

Mumbai Metropolitan Region (MMR)

Prime Net Rent





Economic Indicators		
	2025	**2026F**
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (INR psf pa)	26.00	↑
Vacancy	13.5%	↓
Market Balance	Balanced	Balanced

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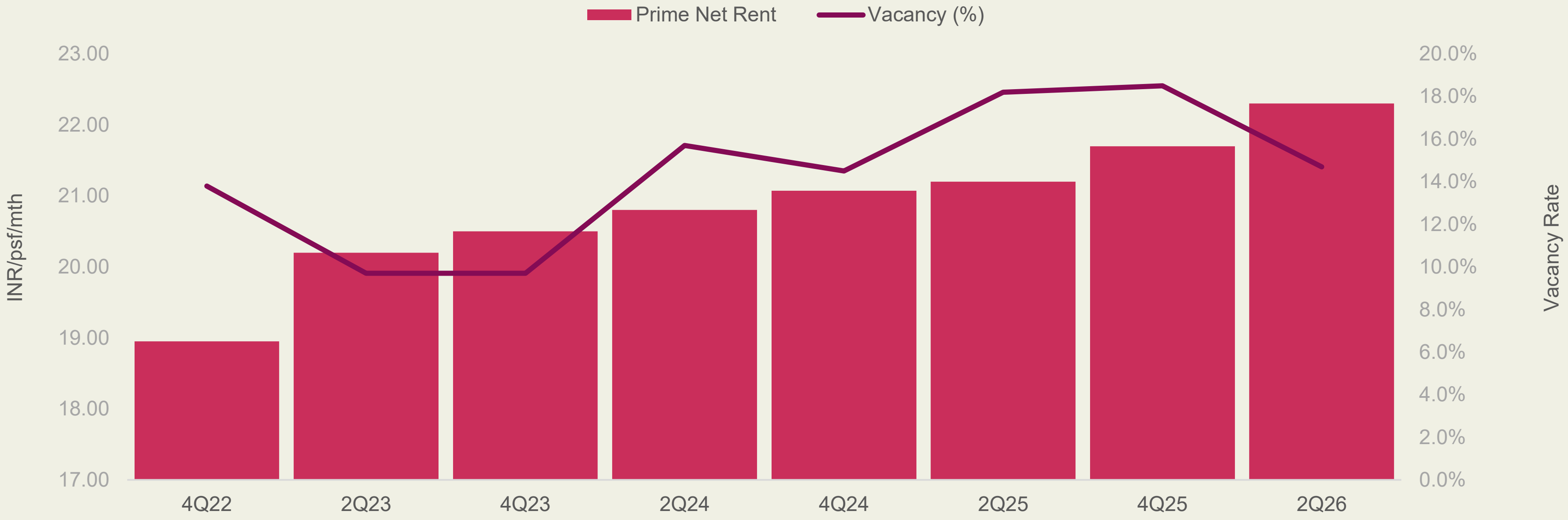
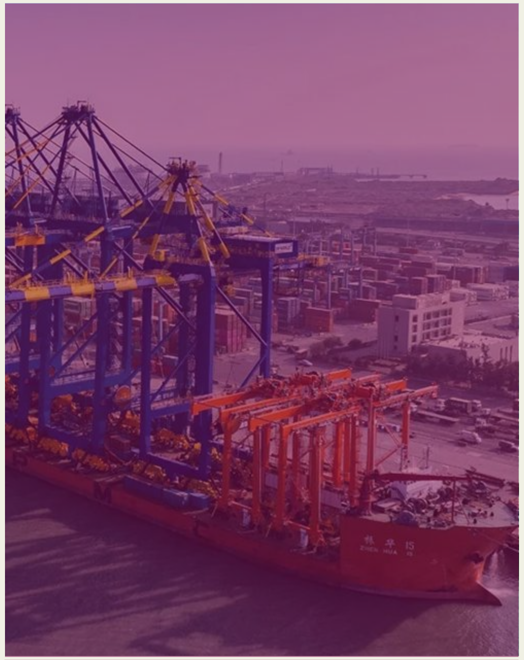
Updated Aug 2026

Source: SP Global, Knight Frank Research

Delhi–NCR

Prime Net Rent





Economic Indicators		
	2025	**2026F**
GDP Growth	6.5%	6.6%
Unemployment Rate	NA	NA
Inflation	2.5%	5.1%

Real Estate Indicators		
	H1 2026	**12mth Forecast**
Prime Rent (INR psf pa)	22.30	↑
Vacancy	14.7%	↓
Market Balance	Balanced	Balanced

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Source: SP Global, Knight Frank Research

Our Global Presence

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50+ MARKETS

21,500+ PEOPLE

1 GLOBAL TEAM

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Independent & debt free
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Our mission at Knight Frank is to connect people and property, perfectly.

The Asia Pacific Occupier Strategy and Solutions team facilitates this for our clients, offering a broad suite of consulting and transactional services that deliver domestic and multi-market occupiers with the information and advice they require. The integration of these services enables us to understand the critical success factors for your business.

Whether you are looking for or currently occupy industrial space, office space or retail space, Knight Frank has experienced teams that are dedicated to advising you, the occupier. Our bespoke commercial agency leasing team ensures we have the optimum expertise for each project. Our relationship with occupiers also ensures we speak to the decision makers who determine occupational strategy.

We are locally expert, and yet globally connected. Our multi-market clients are managed centrally from our hubs across Asia-Pacific, from Singapore, Australia, Hong Kong and India, where we devise strategies to empower clients to attain their desired goals.

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