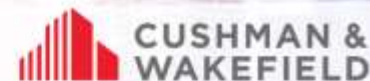


MARKETBEATS


-1.8%

 GROSS RENT GROWTH
(YoY)

19.8%

 VACANCY RATE
(2018)

191K sqm

 NEW COMPLETIONS
(1H 2018)

**BE
WHAT'S
NEXT**

HIGHLIGHTS

Economy Remains Stable

The second quarter GDP growth was in line with Bank Indonesia's full year growth projection, reaching 5.1% of the forecasted 5.1% - 5.5% range. The stock market composite index decreased 6.3% during the quarter, closing at 5,799 on June 29th. Rupiah depreciated by 1.6% to 13,987 per 1US\$ QoQ in the second quarter of 2018. Whilst inflation for the first 6 months reached 3.12% (compared to 4.37% in the same period last year).

Demand Growth Stabilizes

The first half of 2018 has seen vacancy level at 19.8% with a 1.5% increase HoH, due to newly completed projects that entered Non-CBD office market. Leasing activities remain stable with net absorption of office space recorded at 91,594 sqm (-2.0% HoH) for the first six months of 2018. Office inquiries remain strong, which mainly come from IT-related industries for relocation and expansion purposes.

Competitive Rentals

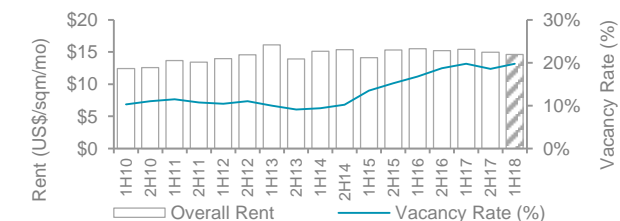
Pressure on rental rate continues as the average NON-CBD Office rental rate declined steadily to Rp. 201,731 (-0.6 HoH, -1.8 YoY). Due to a number of new supplies in NON-CBD area, landlords will need to be cautious in adjusting their rental rates.

ECONOMIC INDICATORS

	2Q 18	2Q 17	12-months Forecast
GDP Growth	5.1%	5.1%	▲
Inflation Rate (YTD)	3.12%	4.37%	■
Central Bank Rate	5.25%	4.75%	▲

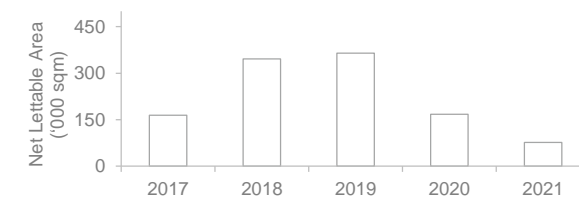
Source: Central Statistic Bureau & Central Bank of Indonesia

NON-CBD OVERALL RENT & VACANCY RATE



Source: Cushman & Wakefield Research 2018

NON-CBD SUPPLY PIPELINE



Source: Cushman & Wakefield Research 2018

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (SQM)	EFFECTIVE GROSS RENT		
				Rp/SQM/MO	US\$/SQM/MO	EUR/SQM/MO
South Jakarta	1,754,503	19.1%	216,757	Rp. 217,000.00	US\$15.51	€13.35
West Jakarta	858,134	23.6%	59,500	Rp. 202,857.00	US\$15.23	€13.11
Central Jakarta	361,544	32.9%	293,003	Rp. 213,000.00	US\$14.50	€12.48
North Jakarta	243,467	10.9%	159,622	Rp. 204,833.00	US\$14.64	€12.61
East Jakarta	1,754,503	19.1%	35,586	Rp. 142,000.00	US\$10.15	€8.74
NON-CBD JAKARTA - TOTAL	4,202,702	19.8%	764,468	Rp. 201,731	US\$14.42	€12.41
Class A	1,505,775	36.0%	616,179	Rp. 246,100.00	US\$17.59	€15.15
Class B	1,227,000	9.9%	148,289	Rp. 207,591.00	US\$14.84	€12.77
Class C	1,469,927	11.4%	-	Rp. 172,500.00	US\$12.33	€10.62

Rental rates reflect Gross US\$/sqm/month
US\$1.00 = Rp13,987; €1.00 = Rp16,250

KEY LEASING TRANSACTION 1H 2018

PROPERTY	SUBMARKET	TENANT	SQM	LEASE TYPE
One Bel Park – Admiralty Office Tower	South Jakarta	Bukalapak	10,000	Expansion

PROJECT COMPLETIONS & UNDER CONSTRUCTION IN 2018

PROPERTY	SUBMARKET	TYPE OF TRANSACTION	SQM	COMPLETION DATE
Yodya Office	East	Owner Occupied & Strata-title	9,264	1Q 2018
Zuria Tower	South	Lease	6,585	1Q 2018
One Bel Park - Admiralty Office Tower	South	Lease	17,800	2Q 2018
Ciputra International Office Tower III	West	Strata-title	51,322	2Q 2018
MNC Tower II	Central	Lease	28,992	2Q 2018
Midpoint Office	Central	Strata & Lease	37,000	2Q 2018
Gold Coast Office - Eiffel Tower	North	Strata	40,000	2Q 2018
PIK Signature Offices (Phase I - 3 Towers)	North	Strata-title	15,750	3Q 2018
Arcade Tower B	North	Strata-title	16,600	4Q 2018
Arcade Tower A	North	Strata-title	27,250	4Q 2018
Arkadia Office Park Tower G	South	Lease	38,800	4Q 2018
Citra Tower 1	Central	Strata-title	41,000	4Q 2018
Waskita Rajawali Tower	East	Owner Occupied & Lease	16,266	4Q 2018

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