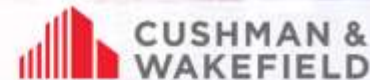


MARKETBEAT



0.0%

RENT GROWTH QoQ

25.7%

VACANCY RATE

0 sqm

NEW COMPLETIONS

WHAT'S
NEXT

HIGHLIGHTS

GDP growth to be lower than expected

GDP growth in 2019 is forecasted to be 5.08% YoY, below Bank Indonesia's original projection of 5.1% - 5.3% YoY. The Central Bank also cut the benchmark rate (7-Day Repo Rate) by 0.5% to 5.25%. On the currency side, the Rupiah remained stable at IDR14,166 per US\$1.00, while inflation showed a slight increase to 3.49% as of August 2019 (from 3.26% in the previous quarter). The stock market composite index decreased by 85 points during the quarter, closing at 6,230 on September 25th.

Occupancy increased slightly

Total net take-up within the Jakarta CBD office market reached 79,200 sqm during the third quarter, some 20% higher than that in the previous quarter, mostly coming from relocations and consolidations by tenants to newer and better quality Grade-A buildings. As no additional supply entered the market during the review period, occupancy levels increased by 1.2% to 74.3% by the end of September.

Rentals remained stable

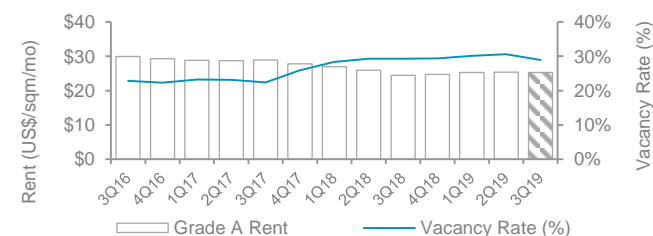
The average gross rental for all quality grades in US dollar terms remained relatively stable at US\$21.10 per sqm per month over the quarter. Rentals are expected to see a return to some growth next year, in line with the projected improvement in occupancy, which will mostly be attributable to a much reduced supply pipeline in 2020 and beyond.

ECONOMIC INDICATORS

	Q3 19	Q3 18	12-month Forecast
GDP Growth	5.00%	5.10%	—
Inflation (YoY)	3.49%	3.12%	—
Central Bank Rate	5.25%	5.75%	▼

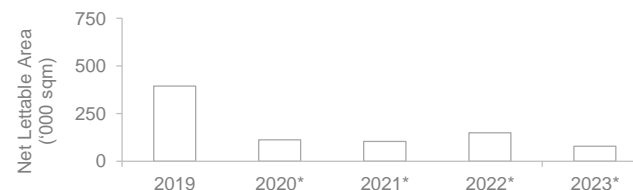
Source: Cushman & Wakefield Indonesia Research, September 2019

GRADE A CBD RENT & VACANCY RATE



Source: Cushman & Wakefield Indonesia Research, September 2019

GRADE A CBD SUPPLY PIPELINE

Source: Cushman & Wakefield Indonesia Research, September 2019
*) Weighted

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SUBMARKET	INVENTORY (SQM)	VACANCY RATE	PLANNED & UNDER CONSTRUCTION (SQM)	GRADE A EFFECTIVE RENT		
				RP/SQM/MO	US\$/SQM/MO	EUR/SQM/MO
Sudirman	2,668,900	30.4%	99,000	Rp.393,600	\$27.80	€25.38
Kuningan	1,666,900	21.2%	185,000	Rp.303,200	\$21.40	€19.55
Gatot Subroto	1,139,300	31.2%	-	Rp.317,200	\$22.40	€20.46
Thamrin	480,750	11.4%	239,700	Rp.366,000	\$25.84	€23.61
Satrio – Mas Mansyur	614,864	26.3%	100,000	Rp.262,250	\$18.51	€16.91
Others (Senayan etc)	279,175	9.1%	-	Rp.473,300	\$33.41	€30.52
CBD JAKARTA ALL GRADE TOTAL	6,849,089	25.7%	623,700	Rp.358,700	\$25.32	€23.13
Class A	4,629,364	28.90%	601,200	Rp.358,700	\$25.32	€23.13
Class B	1,241,375	23.70%	22,500	Rp.254,500	\$17.97	€16.41
Class C	979,150	13.20%	-	Rp.220,500	\$15.57	€13.77

[^]Rental rates reflect Gross US\$ sqm/month
US\$/Rp = 14,166; €/Rp = 15,507

KEY LEASING TRANSACTIONS Q3 2019

PROPERTY	SUBMARKET	TENANT	SQM	LEASE TYPE
IFC 2	Sudirman	Financial	5,000	Expansion
Landmark Center	Sudirman	Ride Sharing	1,750	N/A
Millennium Centennial Center	Sudirman	Fintech	17,000	Relocation
Bakrie Tower	Kuningan	Co-working Space	6,000	New Branch

SIGNIFICANT PROJECTS UNDER CONSTRUCTION IN 2019

PROPERTY	SUBMARKET	MAJOR TENANT	SQM	COMPLETION DATE
World Capital Tower	Kuningan	N/A	75,000	Q4-2019
Thamrin Nine Phase 2 Tower 1	Thamrin	N/A	86,000	Q1-2020
RDTX Place (Chitaland Tower)	Satrio	N/A	100,000	Q2-2020
Gedung Indonesia 1 (North & South)	Thamrin	China Sonangol	132,500	Q4-2020
Mori Tower	Sudirman	Mori	99,000	Q1-2021
Daswin Project	Kuningan	N/A	70,000	Q1-2021

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Research Publication

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