

**3.88%**  
Price Growth



**3.03%**  
Demand Growth



**62.3%**  
Sales Rate



Source: Cushman and Wakefield Indonesia

## INDONESIA ECONOMIC INDICATORS Q1 2020

**2.3%**  
GDP Growth



**2.96%**  
Inflation Rate



**4.5%**  
Central Bank Rate



Source: Central Bank and Census Bureau

### SUPPLY: Pending of Expansion in Subang

The remaining land supply in Greater Jakarta has become limited. The possible alternative of the new opening land is more to eastern area such as Karawang, Purwakarta and further to Subang. Yet, there is no new completions recorded to enter the market in this review quarter. Expansion in Subang, which is occurring then might experience delay of construction, was supposedly planned to launch this mid-year must be postponed until the late 2020 – predicted to be the earliest.

### DEMAND: Diminishing Net Demand Due to COVID-19 Outbreak

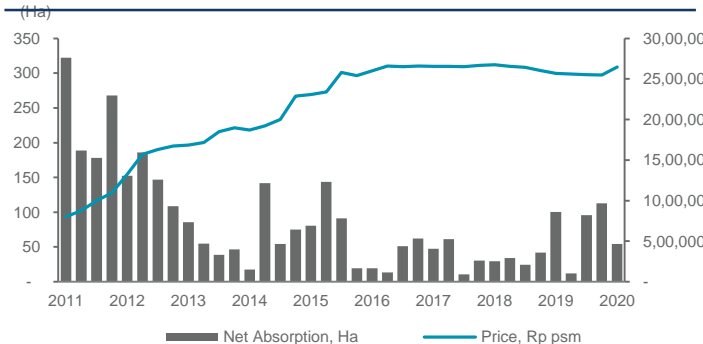
The net absorption in Greater Jakarta area recorded 54.3 Ha on both east and west corridors. Practically, most demand was made before the outbreak of COVID-19 in Jakarta. This quarter's absorption mostly come from local investors in automotive, chemical, and manufacturing industries. Compared to the last quarter, net take-up fell by 51.9% QoQ and 45.9% YoY, this implies that the COVID-19 outbreak has as well impacted the industrial land sales.

Most investors, particularly foreign investors, who initially had planned both new and expansions tend to postponed the transactions due to the lockdown or flight schedule restrictions in each of their areas. Industrialist expect that the pandemic will be over soon by the second semester of 2020, thus the market recovery would follow accordingly. Inquiries from data center may increase after the COVID-19 outbreak since every sectors is looking forward for the "New Normal".

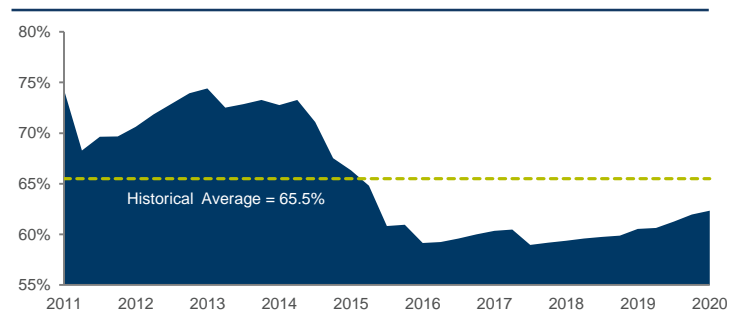
### PRICING: Scarcity and Rupiah Rate Cause Price Increases

As of March 2020, the average land price is Rp.2.649.000 per sqm. This current price is considered higher by 3.88% than previous quarter or 3.19% YoY. The increment of the price is caused by the exchange rate between USD which strengthened towards Indonesian Rupiah. The scarcity of land remained in the Greater Jakarta area also play a significant role of the price increment. This condition has forced most of industrialists to hold out their existing prices in order to maintain the business relationships. Industrialists have to dig dipper through online communication and selling, as an effort to approach prospect clients and maintain the relationships. They are required to give a win-win solution during this outbreak until the condition is recovered.

### NET ABSORPTION & LAND PRICE



### OVERALL SALES RATE



## MARKET STATISTICS

SUBMARKET	INVENTORY (HA)	CURRENT QTR OVERALL NET ABSORPTION(HA)	YTD OVERALL NET ABSORPTION (HA)	OVERALL SALES RATE (%)	OVERALL AVG LAND PRICE (IDR/SQM)*
Jakarta	1,089	0.0	0.0	86.5%	5,750,000*
Tangerang	784	0.0	0.0	67.5%	2,600,000
Bekasi	5,056	33.5	33.5	76.8%	2,533,000
Karawang & Purwakarta	4,885	0.0	0.0	48.9%	2,204,000
Serang	3,095	20.8	20.8	49.5%	1,675,000
Bogor	80	0.0	0.0	84.8%	2,000,000
<b>GREATER JAKARTA TOTALS</b>	<b>14,990</b>	<b>54.3</b>	<b>54.3</b>	<b>62.3%</b>	<b>2,649,000</b>

\* Secondary Market Price

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