Wisma Sudirman
JAKARTA, INDONESIA

CLIENT: PT Panen Lestari Basuki
ARCHITECT: Kohn Pederson Fox Associates / PT Airmas Asri
SERVICE: Quantity Surveying
COMPLETION: 2023

Wisma Sudirman is a mixed-use development with a site area of approximately 20,000m², located conveniently by the MRT at JL. Jend. Sudirman, Jakarta. The re-development consists of a 7-storey retail block, basement carpark with swimming pool, a 51-storey office tower and a 64-storey residential tower.
INDONESIA ECONOMY

The 2019 outlook for the Indonesian economy is anticipated to be fairly moderate and an improvement over the previous year. This perspective is in line with market sentiment arising from the political tensions of the general elections, the ongoing trade war between the country’s two biggest trading partners, China and the US, and the depreciation of the Indonesian currency. However, the government is optimistic and forecasts that Indonesia’s economy will achieve 5.2% growth in 2019.

Economic growth will be supported by strong domestic spending and investment. Inflation is estimated at 3.5% in 2019 on account of expected market demand, increased food and consumer prices, and a more stable foreign exchange rate of the Rupiah. In the short term, the Rupiah will remain under pressure because of global trade uncertainties, US monetary tightening, and rising crude oil prices. Recent foreign exchange depreciation will curb the flow of imports and improve export competitiveness.

It should be noted that consumption growth has picked up due to ongoing job creation and the expanding government social programmes. Investment growth remains supported by infrastructure investment although it has eased off previous highs. Exports have grown faster than export markets. The increased imports of capital goods and higher oil prices have pushed Indonesia’s trade balance into deficit during 2018. The current account deficit was projected to decline to 2.5% of GDP from the current position of above 3 percent.

Credit growth is estimated at between 10 and 12%, while financing through third-party funds was expected to grow between 8 and 10%. The projection takes into account the government’s efforts to control imports and boost exports as well as increase the number of tourist arrivals.

The FY 2019 public infrastructure budget is 420.5 trillion IDR (US$28.8 billion), and comprises about 6 per cent of the infrastructure deficit of US$500 billion reported by the World Bank in 2017. More private sector involvement is therefore anticipated as the Government moves ahead with its ambitious infrastructure development plans. China’s BRI (Belt and Road Initiative) involvement is also expected to grow, with Jakarta having already partnered Beijing in awarding the US$6 billion Jakarta Bandung High-Speed rail project to Chinese investors.

Indonesia is catching up on its substantial delay in infrastructure and residential commitments for its population of 268 million people. The Indonesian archipelago consists of around 18,000 islands, resulting in high logistics costs from the producer to the user, given the lack of inter- and intra-island infrastructure. The heavy reliance on imported machinery and the need to increase local content usage will require the construction of more airports, highways, bridges, and accordingly, substantial infrastructure targets still remain to be fulfilled.

Indonesia’s property market has slowed down over the past years, after experiencing a sharp growth from the end of 2012 and throughout 2013. The average residential price increase has slipped from 14% in 2013, and moderated to around 3% in 2017 and 2018. This decline was generally due to political uncertainty, lower occupancy rates, introduction of a new luxury property tax, and a drop in the GDP per capita. From August 2018, the Central Bank has removed its 15 percent minimum mortgage down payment for first-time homebuyers and relaxed rules on loan disbursements. It is hoped that these measures will have a multiplier effect on the other sectors of the economy.

The anticipated construction tender price escalation is in the order of 3% for the year 2019. Notwithstanding the external and internal uncertainties arising from the current US-China trade war, the Indonesian general elections and the fluctuating currency strength of the IDR, construction tender prices together with material supply and labour prices at this point in time have largely remained relatively stable and consistent.

The Indonesia construction industry is expected to continue to grow over the next 5 years. Government investments in transport infrastructure, energy and utilities construction and residential buildings will contribute to this growth. Moreover, the National Affordable Housing Programme will also support the industry. With the enhancement of the local infrastructure, there should be further growth of the mid-range housing and residential sector, as well as the industrial and warehousing sector. The building of new toll roads and railroad networks in the future will lead to better connectivity and commerce between the various regions.

Prominent ongoing construction projects in Indonesia include the Menara Taspen, Meikarta, Signature 111, Balikpapan-Samarinda Toll Road, Jakarta International Stadium, New Yogyakarta International Airport, and Patimban Port.

SUPERMAL PAKUWON INDAH PHASE 3 & 4 ▶

JAKARTA, INDONESIA

CLIENT: PT Pakuwon Permai

ARCHITECT: PT Airmas Asri &
PT Design Global Indonesia for LaViz Tower

SERVICE: Quantity Surveying

COMPLETION: 2020

Supermal Pakuwon Indah was opened in 2003. It comprises a modern shopping centre which is able to host exhibitions and conventions, weddings and other events. Phase 3 of the development’s extension will comprise a new 37-storey Ritz Condo tower, 15-storey mall and three levels of basement parking and shops. Phase 4 of the redevelopment comprise 2-storey mall and 3 blocks of 33 and 55-storey apartments.
## CONSTRUCTION MATERIAL PRICES

<table>
<thead>
<tr>
<th>MATERIAL</th>
<th>UNIT</th>
<th>2Q2018</th>
<th>3Q2018</th>
<th>4Q2018</th>
<th>1Q2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concreting Sand</td>
<td>m³</td>
<td>215,600</td>
<td>261,000</td>
<td>226,000</td>
<td>225,000</td>
</tr>
<tr>
<td>Stone Aggregate (20mm)</td>
<td>m³</td>
<td>227,300</td>
<td>255,000</td>
<td>255,000</td>
<td>210,000</td>
</tr>
<tr>
<td>Ordinary Portland Cement</td>
<td>kg</td>
<td>67,100</td>
<td>70,000</td>
<td>70,000</td>
<td>69,000</td>
</tr>
<tr>
<td>Reinforced Concrete (Grade 30 MPA)</td>
<td>m³</td>
<td>1,100,500</td>
<td>850,000</td>
<td>870,000</td>
<td>895,000</td>
</tr>
<tr>
<td>Reinforced Concrete (Grade 40 MPA)</td>
<td>m³</td>
<td>1,219,700</td>
<td>900,000</td>
<td>930,000</td>
<td>950,000</td>
</tr>
<tr>
<td>High Tensile Steel Bars (10 - 40mm)</td>
<td>Kg</td>
<td>9,300</td>
<td>9,500</td>
<td>8,800</td>
<td>8,400</td>
</tr>
<tr>
<td>Mild Steel round bars (6 - 20mm)</td>
<td>Kg</td>
<td>9,300</td>
<td>9,500</td>
<td>8,800</td>
<td>8,400</td>
</tr>
<tr>
<td>Structural Steelwork (U-beam, stanchions)</td>
<td>tonne</td>
<td>11,388,200</td>
<td>12,500,000</td>
<td>12,500,000</td>
<td>12,300,000</td>
</tr>
<tr>
<td>Timber Sawn Form-work</td>
<td>m³</td>
<td>207,300</td>
<td>160,000</td>
<td>160,000</td>
<td>170,000</td>
</tr>
<tr>
<td>Clay Bricks (100mm thick brick-wall)</td>
<td>m³</td>
<td>96,100</td>
<td>110,400</td>
<td>110,400</td>
<td>108,000</td>
</tr>
</tbody>
</table>

**Exclusions:** Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)

**Notes:** All supply prices stated above are only applicable for building construction projects in Jakarta.

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## LABOUR PRICES

<table>
<thead>
<tr>
<th>SELECTED OCCUPATIONS</th>
<th>UNIT</th>
<th>2Q2018</th>
<th>3Q2018</th>
<th>4Q2018</th>
<th>1Q2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Workers</td>
<td>Day</td>
<td>100,100</td>
<td>110,000</td>
<td>110,000</td>
<td>110,000</td>
</tr>
<tr>
<td>Carpenter (General)</td>
<td>Day</td>
<td>150,200</td>
<td>155,000</td>
<td>155,000</td>
<td>158,000</td>
</tr>
<tr>
<td>Tiler</td>
<td>m²</td>
<td>45,100</td>
<td>47,500</td>
<td>47,500</td>
<td>48,000</td>
</tr>
<tr>
<td>Concretor</td>
<td>m³</td>
<td>49,600</td>
<td>50,500</td>
<td>50,500</td>
<td>52,000</td>
</tr>
<tr>
<td>Steel bar worker</td>
<td>Kg</td>
<td>1,900</td>
<td>2,000</td>
<td>2,000</td>
<td>2,200</td>
</tr>
<tr>
<td>Formworker</td>
<td>m³</td>
<td>67,600</td>
<td>70,000</td>
<td>70,000</td>
<td>72,500</td>
</tr>
<tr>
<td>Bricklayer</td>
<td>m³</td>
<td>27,500</td>
<td>30,000</td>
<td>30,000</td>
<td>32,500</td>
</tr>
<tr>
<td>Plasterer</td>
<td>m²</td>
<td>37,600</td>
<td>40,000</td>
<td>40,000</td>
<td>42,000</td>
</tr>
<tr>
<td>Painter</td>
<td>m²</td>
<td>27,500</td>
<td>28,000</td>
<td>28,000</td>
<td>28,000</td>
</tr>
<tr>
<td>Glazier</td>
<td>m²</td>
<td>200,300</td>
<td>225,000</td>
<td>225,000</td>
<td>225,000</td>
</tr>
<tr>
<td>Plumber</td>
<td>Day</td>
<td>175,200</td>
<td>180,000</td>
<td>180,000</td>
<td>180,000</td>
</tr>
<tr>
<td>Electrician</td>
<td>Day</td>
<td>175,200</td>
<td>180,000</td>
<td>180,000</td>
<td>180,000</td>
</tr>
</tbody>
</table>

**Exclusions:** Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (VAT)

**Notes:** All supply prices and labour rates stated above are only applicable for building construction projects in Jakarta.
## JAKARTA CONSTRUCTION PRICES

<table>
<thead>
<tr>
<th>DEVELOPMENT TYPE</th>
<th>COST PER CFA IDR ('000) / m²</th>
<th>COST PER CFA USD / m²</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OFFICE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good Quality, 10 to 25 storeys</td>
<td>7,500 - 8,800</td>
<td>530 - 620</td>
</tr>
<tr>
<td>Good Quality, 26 to 40 storeys</td>
<td>9,000 - 11,550</td>
<td>640 - 820</td>
</tr>
<tr>
<td>Prestige, 10 to 25 storeys</td>
<td>11,130 - 11,730</td>
<td>680 - 830</td>
</tr>
<tr>
<td>Prestige, 26 to 40 storeys</td>
<td>12,100 - 15,900</td>
<td>860 - 1,130</td>
</tr>
<tr>
<td><strong>HOTEL (Excluding FF&amp;E)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three Star</td>
<td>13,500 - 18,000</td>
<td>960 - 1,280</td>
</tr>
<tr>
<td>Five Star</td>
<td>15,000 - 20,000</td>
<td>1,060 - 1,420</td>
</tr>
<tr>
<td><strong>COMMERCIAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>6,520 - 8,520</td>
<td>460 - 600</td>
</tr>
<tr>
<td><strong>RESIDENTIAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Good Quality Condominium</td>
<td>6,870 - 8,090</td>
<td>490 - 570</td>
</tr>
<tr>
<td>Luxury Condominium</td>
<td>7,910 - 16,000</td>
<td>560 - 1,130</td>
</tr>
<tr>
<td><strong>INDUSTRIAL</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warehouse</td>
<td>4,790 - 6,080</td>
<td>340 - 430</td>
</tr>
<tr>
<td>Factory</td>
<td>5,200 - 6,500</td>
<td>370 - 460</td>
</tr>
<tr>
<td><strong>CARPARK</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi Storey</td>
<td>3,500 - 4,500</td>
<td>250 - 320</td>
</tr>
<tr>
<td>Basement outside CBD</td>
<td>4,000 - 6,000</td>
<td>280 - 430</td>
</tr>
<tr>
<td>Basement, CBD</td>
<td>5,000 - 7,000</td>
<td>350 - 500</td>
</tr>
</tbody>
</table>

**Notes:** Construction Floor Area (CFA) - The area of all building enclosed covered spaces measured to the outside face of external walls including covered basement and above ground car park areas.

All Jakarta construction prices stated herein are as at 1st Quarter 2019 and include a general allowance for foundation and external works. The price ranges herein are indicative and due consideration should be given to the different specification, size, location and nature of each project when utilising this information. The prices here may not fully reflect the extent of current market forces and tendering conditions.

**Exchange Rate Assumption:** 1 USD = 14,099 IDR

**Exclusions:** • Land cost • Legal and professional fees • Development charges • Authority fees • Finance costs • Loose furniture, fittings and works of art • Tenancy work • Site infrastructure work • Diversion of existing services • Resident site staff cost • Models and prototypes • Future cost escalation • Import Tax • Value Added Tax (VAT)

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RLB REGIONAL PRACTICES

SINGAPORE
Rider Levett Bucknall LLP
911 Bukit Timah Road
Level 3, Singapore 589622
T: +65 6339 1500
F: +65 6339 1521
E: rlb@sg.rlb.com
Contact: Colin Kin / Silas Loh

MALAYSIA
RL Bersepadu Sdn Bhd
B2-6-3 Solaris Dutamas
No 1, Jalan Dutamas 1
50480 Kuala Lumpur, Malaysia
T: +60 3 6207 9991
F: +60 3 6207 9992
E: rlb@my.rlb.com
Contact: Lai Kar Fook

MYANMAR
Rider Levett Bucknall Co. Ltd
Union Business Centre,
Nat Maung Road, Bo Cho Quarter, Bahan Township,
Suite 03-02, Yangon 1121,
Myanmar
T: +95 1860 3448 Ext 4004
E: rlb@mm.rlb.com
Contact: Serene Wong

VIETNAM
Rider Levett Bucknall Co. Ltd
Centec Tower, 16th Floor,
Unit 1603, 72-74, Nguyen Thi Minh Khai Street Ward 6
District 3, Ho Chi Minh City,
Vietnam
T: +84 83 823 8070
E: rlb@vn.rlb.com
Contact: Ong Choon Beng

For enquiries, please contact:

PT. RIDER LEVETT BUCKNALL
Jl. Jend. Sudirman Kav. 45-46 Sampoerna Strategic Square, South Tower Level 19, Jakarta 12930, Indonesia
T: +62 21 5795 2308 | E: rlb@id.rlb.com | W: www.rlb.com | Contact: Widitomo Puntoadi
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