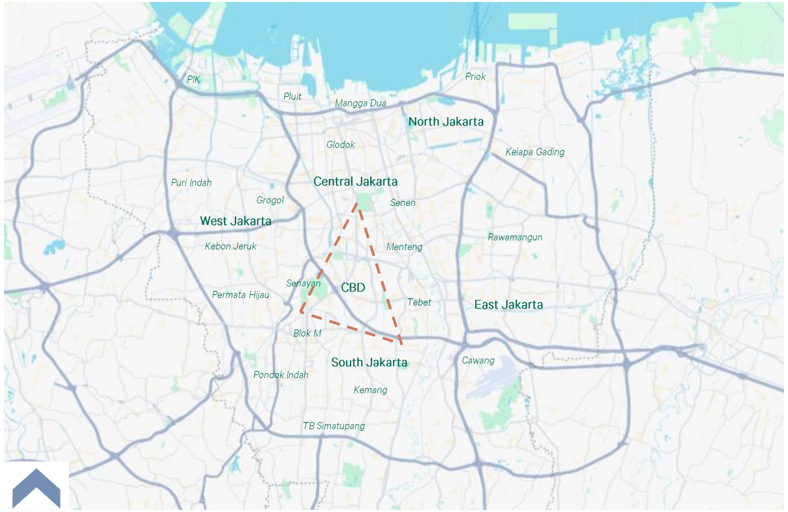
REPORT

Q2 2026
Jakarta Retail Market Outlook

CBRE RESEARCH | INDONESIA

Jakarta Retail Map



Definitions

Jakarta's retail landscape is shaped by several key clusters, with Central Jakarta serving as the city's core retail hub anchored by major destination malls and strong office, hotel, and transport linkages. North Jakarta forms another major cluster, supported by large residential catchments and major malls in Kelapa Gading, Pluit, and Mangga Dua that cater to family-oriented and mass-affluent consumers. Pantai Indah Kapuk (PIK) has also emerged as one of the city's most dynamic retail destinations, supported by an affluent demographic base and its strategic location near the airport. To the south and west, South Jakarta hosts somef the most active lifestyle-driven nodes—SCBD, Kemang, Blok M, and Pondok Indah—while West Jakarta maintains a strong mid-to-upper retail belt around Puri Indah, Grogol, and Taman Anggrek. Meanwhile, East Jakarta functions as a suburban retail base anchored by mid-market shopping center serving dense residential corridors, completing a multi-node retail map shaped by diverse catchments and evolving consumer preferences.

CBRE's market report evaluates existing and proposed shopping malls offered for lease in Jakarta with a minimum size of approximately 5,000 sqm NLA – excluding strata trade centers (offered for sale). Our classification framework applies a structured grading system that considers key factors such as location, net lettable area, overall building quality, retailer segments, facilities and amenities, and management standards. Based on these criteria, all buildings in our surveyed stock are categorized into four grades: High-end, Upper Grade, Middle-up Grade and Middle-low Grade shopping malls.

01

The Economy

GDP Beats Forecast as Rupiah Remains Soft

Indonesia's economy grew 5.29% y-o-y in Q2 2026, moderating from 5.61% in Q1 but exceeding market expectations.. Growth was supported by household consumption, investment, and government spending, while manufacturing, trade, and construction continued to be key contributors. Meanwhile, the rupiah has remained under pressure near the Rp18,000 per US dollar level, reflecting cautious investor sentiment and external uncertainties. Overall, the latest data suggests that Indonesia's economic fundamentals remain solid, although currency weakness continues to highlight challenges in attracting and sustaining capital inflows

Rising Inflation Prompts Policy Tightening

Domestic inflationary environment remained relatively manageable in Q2 2026, although price pressures increased toward the end of the quarter. Headline inflation accelerated to 3.34% y-o-y in June 2026, up from 3.08% in May, driven mainly by higher food, transportation, and energy-related costs. In response to rising external risks and ongoing pressure on the rupiah, Bank Indonesia raised the BI Rate to 5.75% in June, prioritizing currency stability and inflation management while maintaining support for economic growth. The combination of moderate inflation and tighter monetary policy suggests that macroeconomic conditions remain broadly stable, although higher financing costs could moderate borrowing activity and investment decisions in the near term

Figure 1. Economic Growth
National GDP Growth

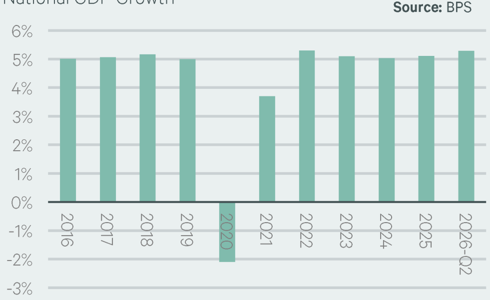


Figure 2. Rupiah Exchange Rate
IDR/USD

Figure 3. Inflation
CPI Growth

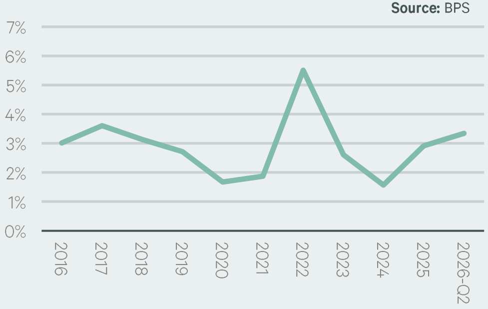
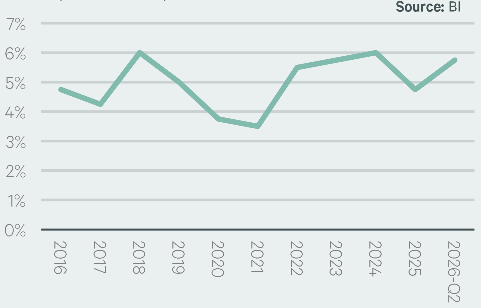


Figure 4. Interest Rate
BI 7-day Reverse Repo Rate



Investment Momentum Remains Strong

Investment realization reached Rp1,010.6 trillion in 1H 2026, growing 7.2% y-o-y and achieving nearly half of the annual target, highlighting continued investor confidence despite global uncertainty. FDI contributed Rp507.6 trillion (50.2%), slightly surpassing DDI at Rp502.9 trillion (49.8%), indicating a well-balanced investment profile. Investment activity remained concentrated in metals, mining, transportation, and industrial property sectors, while regions outside Java attracted a marginally larger share of capital than Java. Overall, the data points to sustained investment momentum, supported by industrial downstreaming policies, infrastructure development, and resilient domestic demand.

Manufacturing Remains the Largest FDI Contributor

Investment inflows were led by Hong Kong, Singapore, China, Japan, and Malaysia, highlighting Indonesia's growing role as a regional manufacturing and supply-chain hub, particularly for resource-based industries and downstream processing activities. The basic metals manufacturing sector remained the largest investment destination, driven by nickel smelting and EV battery-related projects, while significant capital also flowed into mining, transportation and telecommunications, industrial estates, and office property, reflecting sustained momentum in industrial expansion, infrastructure development, and business activity across the country.

Figure 5. Foreign Direct Investment & Domestic Direct Investment

Investment Growth (USD Million)

Source: BKPM

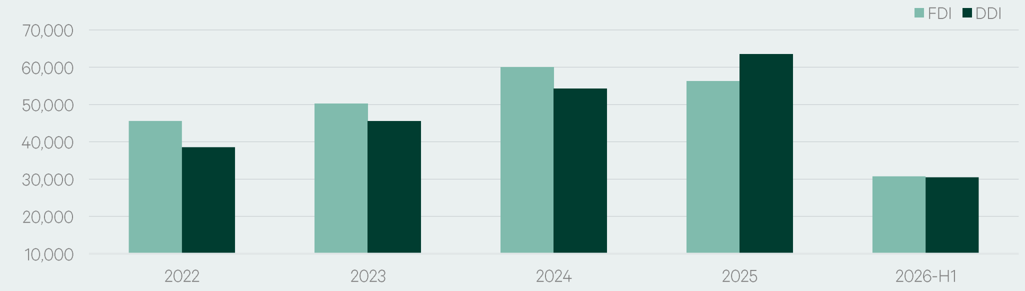


Figure 6. Top 5 Country of Origins

Investor country of origins (USD Million)

Source: BKPM

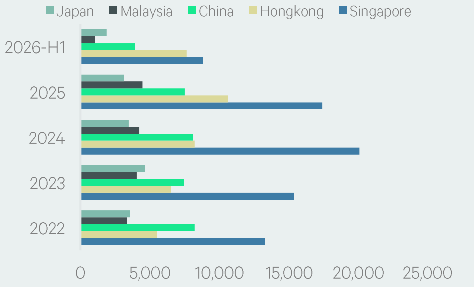
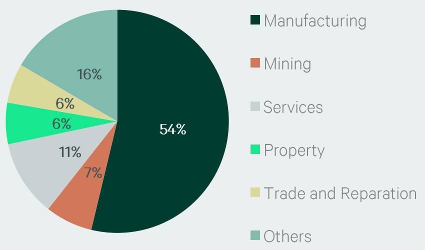


Figure 7. FDI Top Industries

Top five industries by sectors

Source: BKPM



Q2 2026

Jakarta Retail Market Outlook

Key Trends

Experience-Driven Retail

Malls are shifting from pure retail hubs to experience-led destinations. Investments in dining, entertainment, tenant curation, and property upgrades are helping boost visitor traffic and customer engagement.

Consumer Behaviour Shifts

Amid ongoing economic uncertainty, consumers are becoming more value-conscious and selective in their spending. Preference for local brands is growing due to their familiarity, affordability, and faster delivery.

Category Highlights

Experiential spending continues to boost the F&B segment, making it the leading contributor to growth. Meanwhile, Electronics and Health & Beauty are gaining momentum, driven by digital innovation and heightened wellness awareness among consumers.

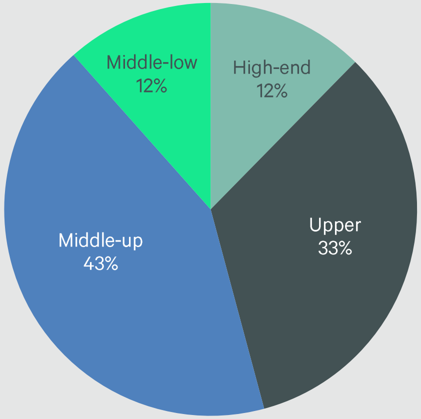
Retailer Expansion

International brands continue to view Jakarta as a strategic growth market. Their entry is broadening consumer choice, increasing retail market competitiveness, and supporting demand for quality lifestyle and experiential offerings.

02

Retail (Mall)

Market Snapshot
Q2 2026



TOTAL JAKARTA RETAIL STOCK
3.47 mil sqm

NET TAKE-UP
20,600 sqm
(Q2 2026)

FUTURE SUPPLY
40,000 sqm
(2026 – 2028)

OCCUPANCY

	1Q 2026		2Q 2026
Jakarta Overall	**86.0%**	↑	**86.4%**
High-end	95.4%	↑	95.7%
Upper	85.7%	↑	86.6%
Middle-up	85.0%	↑	85.2%
Middle-low	80.7%	↓	80.0%

RENT

(Rp/sqm/month)	1Q 2026		2Q 2026
Jakarta Overall	**333,100**	↑	**334,800**
High-end	877.100	↑	880.000
Upper	462,000	↑	462,800
Middle-up	265,100	↑	267,600
Middle-low	184,400	↑	185,400

Source: CBRE Research

Supply

- The market saw the completion of Annajon @ The Sima in this quarter, contributing approximately 10,000 sqm of net leasable area.
- Looking ahead, the supply pipeline remains thin, with Holland Village currently standing as the only significant confirmed project U/C. The lack of new projects reflects a cautious approach among developers, who continue to prioritize the optimization of existing assets amid evolving consumer preferences and changing retail formats.

Demand

- Demand strengthened in Q2 2026, supported by an increase in leasing enquiries and expansion from the F&B, sports lifestyle, and stationery segments. Retailers continued to pursue strategic expansion opportunities, focusing on malls with strong footfall, established tenant mixes, and attractive catchment areas. Upper-grade malls captured the largest share of leasing activity, benefiting from their superior positioning and consistent shopper traffic, while middle-upper grade malls also recorded healthy absorption as retailers sought cost-effective expansion options.
- As a result, net take-up increased by 32% q-o-q, reflecting improved leasing momentum and greater occupier confidence and overall occupancy edging up to 86.4% by end-June 2026.

Rent

- Rent improved slightly supported by ongoing leasing activity and a modest increase in occupancy levels. Average rents increased by approximately 0.5% q-o-q to Rp334,800 per sqm per month, reflecting a measured approach to rental adjustments while preserving leasing flexibility and tenant retention.
- Comparatively, high-end and upper-grade malls continued to command significantly better rents, amid stronger footfall and their ability to attract both international and domestic brands. In contrast, middle-up and middle-low grade malls experienced more moderate rental growth as they competed more actively for tenants.

Figure 1. Jakarta Retail Cumulative Supply-Demand-Occupancy

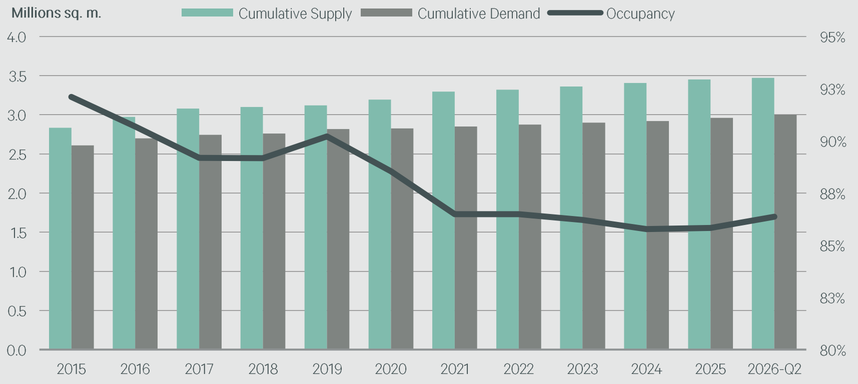
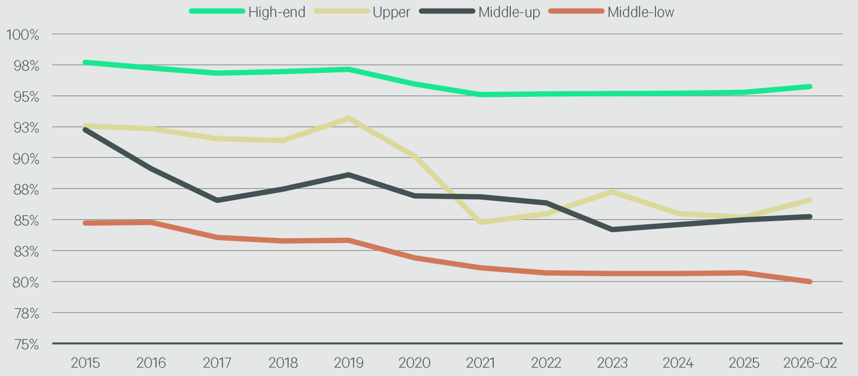


Figure 2. Jakarta Retail Occupancy By Grade



Source: CBRE Research

Outlook

Looking ahead, Jakarta's retail supply pipeline is expected to remain limited. The scarcity of new developments is likely to keep overall retail stock relatively stable, supporting occupancy levels and reducing competitive pressure among existing shopping malls. On the demand side, leasing activity is projected to remain positive, driven by ongoing retailer expansion, particularly among lifestyle segments such as F&B, fashion and apparel, sports, and leisure. These sectors are expected to play a key role in filling upcoming spaces, supporting higher net take-up levels in the near term. On this basis, occupancy rates are forecast to improve further, reaching around 88% as the market continues to stabilize. Overall, the outlook suggests a steady recovery trajectory, underpinned by resilient demand and limited supply growth, with lifestyle-driven retail continuing to shape the evolution of Jakarta's shopping mall landscape..

Figure 3. Jakarta Retail Annual Supply-Demand-Occupancy | Forecast

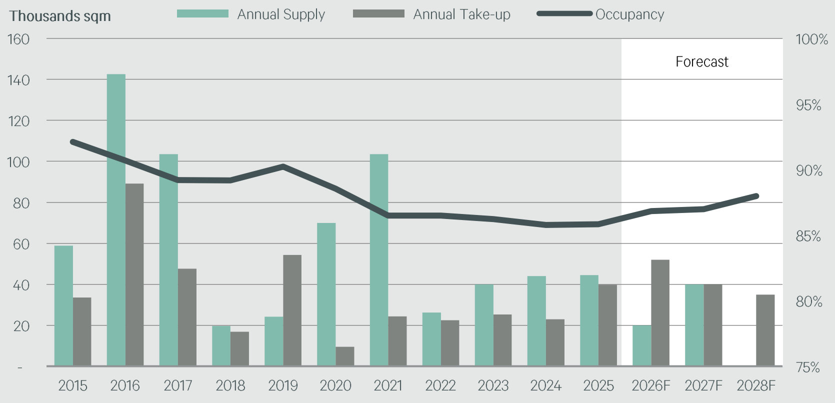
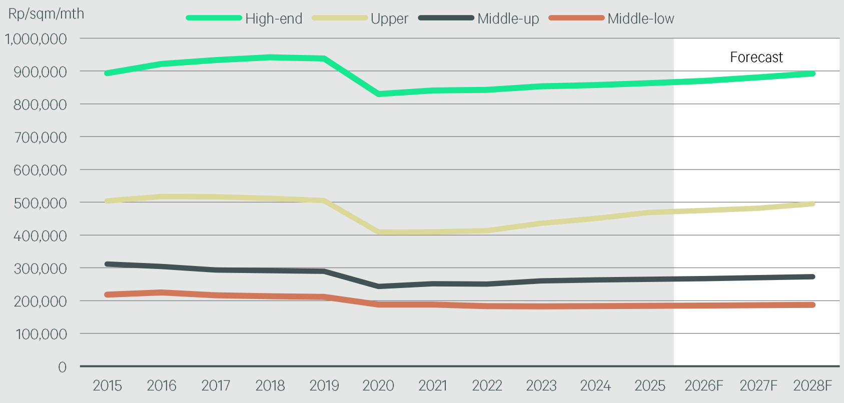


Figure 4. Jakarta Retail Rent Growth By Grade | Forecast



Source: CBRE Research

Thank you

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