CBRE

Limited New Supply Creates Tailwinds for Jakarta Retail Market Recovery

▲ 86.0
Occupancy Rate (%)

▲ 15,600
Net Absorption (sqm)

▲ 333,100
Avg. Rent (Rp/sqm/mth)

Executive Summary

- New supply remained limited with PIM 5 completion, bringing total stock to around 3.46 million sqm, while future developments stay restrained and increasingly focused on higher-quality formats alongside rising stand-alone retail offerings.
- Leasing demand remained robust with circa 15,600 sqm net take-up, driving occupancy up to 86.02%. High-end malls outperforming at around 95.4% and capturing the majority of premium tenant demand. Meanwhile, rents grew modestly by 0.5% q-o-q to approx. Rp 333,100/sqm/month, with cautious landlord sentiment and a widening gap between top-tier and lower grade malls.
- Looking ahead, 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 mall landscape.

Table 1. Jakarta Retail Market Statistics

Grade	Total Stock (sqm)	Occupancy (%)	Rent (Rp/sqm/mth)
High-end	427,500	95.4	877,140
Upper	1,158,100	85.7	462,100
Middle-up	1,474,700	85.0	265,100
Middle-low	400,000	80.7	184,400

Source: CBRE Research, Q1 2026

Supply

New retail supply remained limited during Q1 2026, with only one project completion recorded. Pondok Indah Mall 5 (PIM 5) was delivered in South Jakarta, introducing a semi-outdoor retail concept anchored by a gourmet supermarket. The addition reflects a continued shift toward more experiential retail formats, blending indoor and outdoor environments to enhance customer engagement. With this completion, total stock increased to approx. 3.46 million sqm.

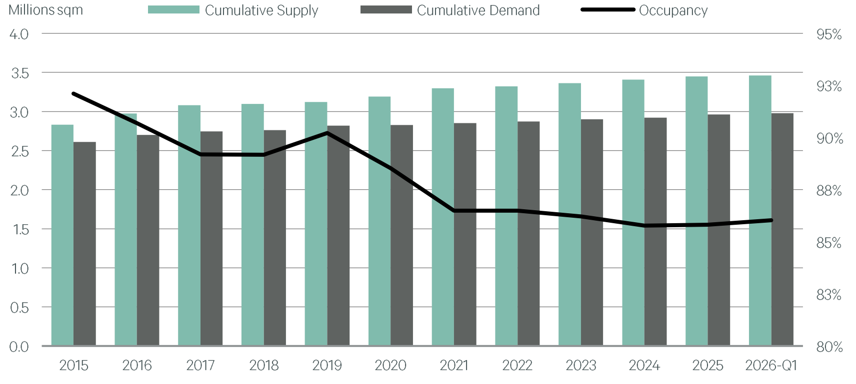
Looking at the broader pipeline, new developments remain relatively restrained and are largely concentrated within upper-grade, high-quality projects that emphasize new concepts and curated tenant mixes. At the same time, there has been a growing number of stand-alone retail establishments emerging across the city, in lifestyle and F&B segments. This trend suggests a diversification in retail formats, where developers and operators are complementing traditional malls with more flexible, street-front and community-oriented retail offerings to better capture evolving consumer preferences.

Demand

Leasing demand remained positive supported by ongoing retailer expansion and improving consumer sentiment. Total net take-up reached approx. 15,600 sqm during the quarter, indicating steady absorption across key retail nodes. Notably, demand was largely concentrated in higher-quality, upper-grade malls, where stronger footfall, curated tenant mixes, and lifestyle-driven concepts continue to attract both local and international retailers seeking premium locations.

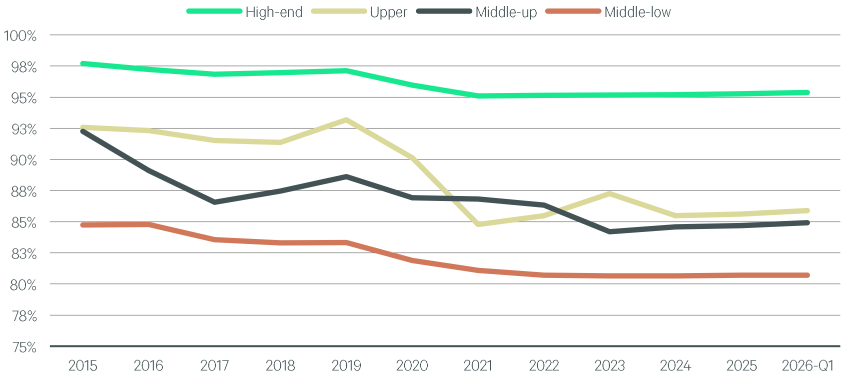
As a result of this sustained demand, overall occupancy levels recorded a slight increase to 86.02% by end-1Q26. High-end malls significantly outperformed the broader market, achieving occupancy rates of around 95.4%, reflecting their strong positioning and ability to capture resilient retail demand. This trend highlights a clear divergence in performance, with top-tier malls continuing to dominate leasing activity, while reinforcing the ongoing shift toward experience-led, high-quality retail environments.

Figure 1. Jakarta Retail Cumulative Supply-Demand-Occupancy



Source: CBRE Research, Q1 2026

Figure 2. Jakarta Retail Occupancy By Grade



Source: CBRE Research, Q1 2026

Rent

Rental performance in Jakarta's retail sector showed modest improvement in Q1 2026, amid gradual recovery in occupancy levels. Most landlords remain cautious in adjusting rents due to ongoing competition across retail assets and evolving tenant requirements. As a result, rent grew by approx. 0.5% q-o-q to around Rp 333,100 per sqm per month. This reflects a balanced approach, where landlords opt for incremental adjustments while maintaining flexibility to retain and attract tenants.

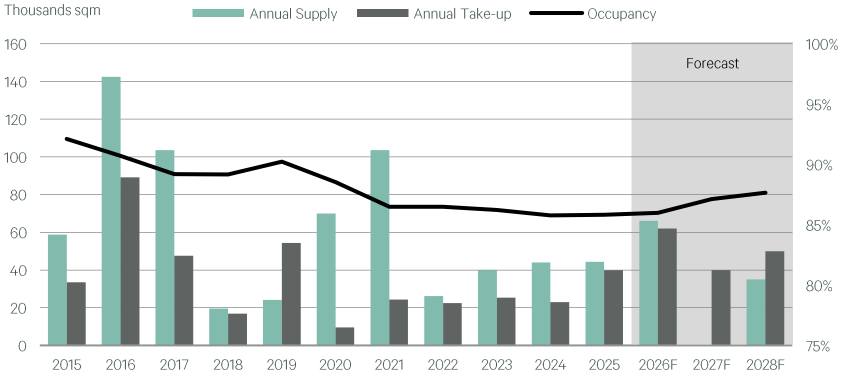
A notable feature of the market remains the significant rental gap between top-tier and lower grade malls. High-end shopping malls – in particular – continue to command substantially higher rents, supported by stronger footfall, brand positioning, and tenant demand. In contrast, middle-up and middle-low grade malls face more competitive pressure and therefore exhibit modest rental growth. This disparity highlights the widening performance gap within the sector, driven by the increasing importance of quality, location, and experience-driven retail positioning.

Outlook

The market is expected to see a modest addition to supply, with two projects scheduled for completion in the remainder of 2026. Overall development activity remains relatively limited, helping to maintain a balanced supply-demand dynamic.

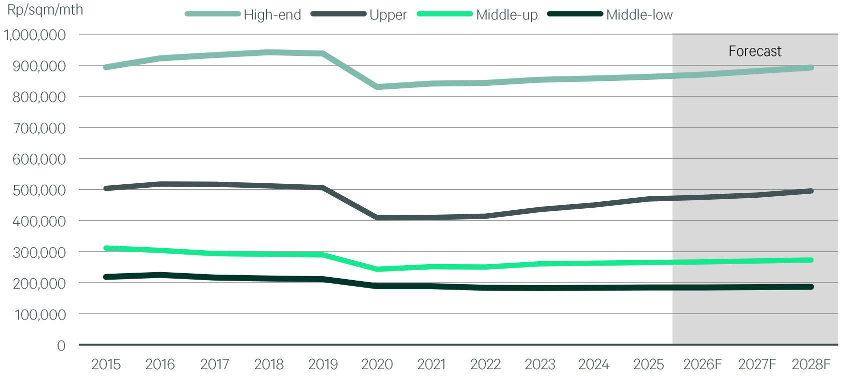
On the demand side, leasing activity is projected to remain positive, driven by ongoing retailer expansion, particularly among lifestyle segments such as F&B, fashion and apparel, sports, and leisure. These sectors are expected to play a key role in filling upcoming spaces, supporting higher net take-up 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



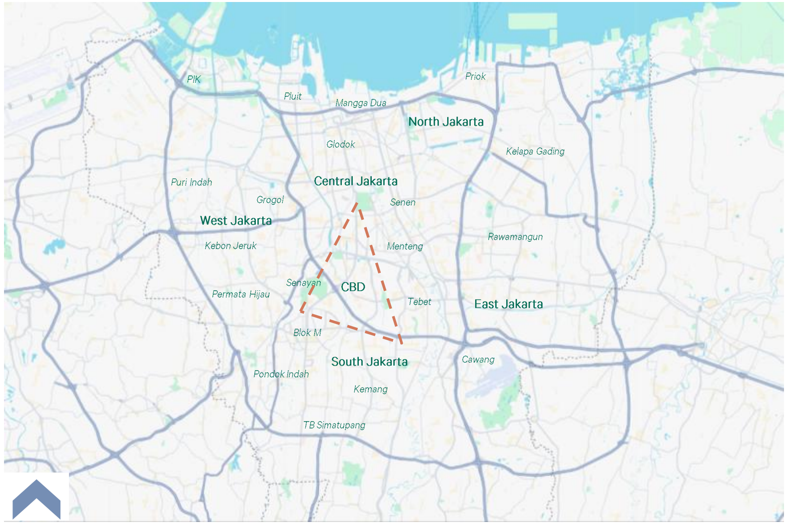
Source: CBRE Research, Q1 2026

Figure 4. Jakarta Retail Rent Growth By Grade | Forecast



Source: CBRE Research, Q1 2026

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 centers and malls offered for lease in the region with a minimum size of approximately 5,000 sqm – excluding those centers marketed as strata trade centers. 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 centers.

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