



Economy

Inflation Slows for Fourth Straight Month

The Jakarta Globe – January 2, 2012

Jakarta – Indonesia's inflation slowed for a fourth straight month in December to the lowest level since March 2010, an easing that may give the central bank scope to cut interest rates further. Consumer prices rose 3.79% from a year earlier in December, the Central Bureau of Statistics said. Consumer prices climbed 0.57% in December from the previous month, today's report showed. Core inflation slowed to 4.34% in December on a year-on-year basis, compared with 4.44% previously reported for November.

Govt Targets US\$230 Billion in Export Next Year

Bisnis Indonesia – December 30, 2011

Jakarta – Ministry of Trade is optimistic the export will reach US\$230 billion next year, although the economic crisis in US and Europe still suppress global market. The export realization grew 34.88% to US\$169.03 billion throughout January-October 2011 compared to the same period last year. Meanwhile, the cumulative value of import reached US\$145.68 billion or 33.03% higher compared to the same period a year earlier.

Tourist Arrivals Primed to Reach 7.6 Million in 2011

The Jakarta Globe – December 28, 2011

Jakarta – A record of 7.6 million tourists are expected to have visited Indonesia by the end of the year, up 0.6 million from last year's numbers but less than the government's optimistic target of 7.7 million, the Ministry of Tourism and Culture has said. At the start of November, the number of tourists had reached 6.27 million, up 8.47 percent from 5.78 million by the same time last year, according to the Central Statistics Agency.

Angkasa Pura II Serves 64 Million Passengers as of November

Indonesia Finance Today – December 28, 2011

Jakarta – PT Angkasa Pura II has served 64.28 million passengers as of November 2011, a 13.56 percent increase from 56.60 million year-on-year (YOY). From the 12 airports managed by the company, Soekarno-Hatta Airport in Cengkareng contributed the highest with 70.41 percent or 45.26 million passengers. Angkasa Pura II expects 2.31 million passengers during the Christmas and New Year holidays, from December 22 to January 4, 2012. Soekarno-Hatta airport is expected to serve 1.57 million passengers or 67.80 percent of all passengers during the holidays.



General

Governor Publishes Green Building Regulations

Indonesia Finance Today – December 29, 2011

Jakarta – The DKI Jakarta Governor Regulation imposing "Green Buildings" in the capital will soon be published. The assessment and monitoring will be conducted by the Green Building Council Indonesia (GBCI), in partnership with the DKI Jakarta Provincial Government. With the regulation, new and old buildings must acquire a certification from GBCI. If an old building does not meet environmental-friendly requirements, the building management will be required to create a program meeting green building principles. Some of the programs include the promotion of energy efficiency, proper waste disposal and water conservation.

Bali Starts Construction on Crucial Toll Road, Underpass

The Jakarta Post – December 22, 2011

Bali – The public works and state-owned enterprises ministers officially kicked off the construction of the Benoa-Nusa Dua toll road and Dewa Ruci underpass, the resort island's latest efforts to cope with the severe traffic congestion that strangles its main tourist route. The two projects are targeted to be completed by May 2013 in time for the APEC Meeting in 2013 and the Bali Summer Summit in 2013.

Sharp to Build New Factory in Indonesia

The Jakarta Post – December 20, 2011

Jakarta – PT Sharp Electronics Indonesia will build a ¥10-billion- (US\$128.156 million) factory in Jakarta next year in anticipation of the rising demand for household appliances from the market. Sharp also plans to move the production of LCD televisions from its factory in Pulo Gadung, East Jakarta, to the new factory.

Ciawi-Sukabumi Toll Road Begins Construction

Kompas – December 17, 2011

Bogor – PT Bakrie Toll Road will start construction of Ciawi-Sukabumi toll road in West of Java with 14.6 kilometers in length starting from Ciawi to Lido. At the same time, PT Bakrieland Development Tbk also is starting its 1,000 hectare development of an integrated township in Lido.

Long-Awaited Land Acquisition Law Passed

The Jakarta Post – December 17, 2011

Jakarta – The Land Acquisition Law passed by the House of Representatives (DPR) is expected to speed up the development of public infrastructure facilities in the country. By having the law, all legal proceedings pertinent to land acquisition for a government-commissioned infrastructure project should be completed within 436 working days at the most. The law also allowed a more democratic process for providing a 60 day public consultation period before acquiring land.



Property

Bonded Zone Regulation Raises Demand for Industrial Land

Indonesia Finance Today – December 29, 2011

Jakarta – Industrial Estate Association assessed that the implementation of Finance Minister Decree Number 147 Year 2011 on Bonded Zones will boost the demand growth for industrial land. The association estimates that the demand of industrial land will exceed 30 percent in 2012.

Green Central Project to Operate in March 2012

Investor Daily – December 29, 2011

Jakarta – PT Modernland Realty Tbk through its subsidiary of PT Bumi Perkasa Permai plans to operate its superblock project of Green Central City located on Gajah Mada Street, Central of Jakarta in March 2012. The superblock will comprise a condominium hotel, an office tower, commercial areas and an apartment tower.

ICON Prepares IDR80 Billion for Hotel Expansion

Bisnis Indonesia – December 28, 2011

Jakarta – PT Island Concepts Indonesia Tbk is planning to enter hospitality and construction business through acquisitions by next year. The company has set IDR80 billion to meet the target, stated Corporate Secretary I Putu Widya Laksana Pendit. It set IDR20 billion to acquire The Hills Villas in Nusa Dua, Bali, it will also acquire Azur Point in Padang Bay, Bali.

Pembangunan Jaya and Wahana Develop Ancol Beach City

Indonesia Finance Today – December 28, 2011

Jakarta – PT Pembangunan Jaya Ancol Tbk (PJAA) partners with PT Wahana Agung Indonesia to develop a new Rp180 billion outlet, Ancol Beach City. This is an integrated entertainment and culinary center equipped with international standard giant auditorium for an audience of 18,000. The investment is estimated at Rp180 billion. The project will be officially operational in mid of 2012.

Mitra Adiperkasa Plans 15 New Burger King Outlets

Indonesia Finance Today – December 27, 2011

Jakarta – PT Mitra Adiperkasa Tbk (MAPI) plans to expand by opening 10-15 Burger King restaurants in 2012 through its subsidiary, PT Sari Burger Indonesia. This target is included in the expansion plan of 200 outlets in 2012. Currently, Burger King has 22 restaurants in Jakarta and other cities.

Grand Whiz Kuta Hotel Operates in Bali

Investor Daily – December 23, 2011

Jakarta – PT Intiland Development, through its subsidiary PT Intiwhiz International, officially operates its Grand Whiz Kuta Hotel. The hotel provides 135 rooms and resides on a 2,000 sq-m of land and comprising two 4-story and 5-story buildings and a ground floor parking facility.



Kompas Gramedia Group to Develop the Biggest Hotel in Makassar

The Jakarta Post – December 23, 2011

Jakarta – PT Nusa Dua Indonesia, a subsidiary of Kompas Gramedia Group, plans to develop a hotel, convention and exhibition hall named Santika Dyandra Makassar in Tanjung Bunga coastal area in South Sulawesi. Situated on a 3-hectare plot of land and commencing in February 2012, the Rp600 billion (US\$65.93 million) of Santika Dyandra Makassar will be the biggest project in Eastern Indonesia.

Tower Topaz, the New Tower in Gateway Pasteur

Kompas – December 23, 2011

Jakarta – Binakarya Propertindo Group (BOG) and Istana Group will soon launch a Tower Topaz, its third tower of the Gateway Pasteur Apartment in Bandung early 2012. The new tower will have 506 units with starting prices ranging from Rp100 million for the Studio type to Rp500 million for the 3-bedroom type.

Megapolitan Offers Rp1.7 Billion Luxury Residential in Cinere

DetikFinance.com – December 22, 2011

Jakarta – PT Megapolitan Development Tbk (EMDE) continues to develop its land bank in Cinere, Depok. The new third stage project of Puri Cinere Riverside is priced at Rp1.7 billion per unit. Until September 2011, 60% of a total of 30 units have been sold and they will be completed by end of 2011.

Intiland Seeks Additional Bank Loan of IDR600 Billion

Bisnis Indonesia – December 22, 2011

Jakarta – PT Intiland Development Tbk is eyeing an additional bank loan amounted to IDR600 billion to meet capital expenditure in 2012 at IDR1 trillion. Intiland will construct three new projects in 2012, namely South Quarter on T.B. Simatupang, Aeropolis Residence in Cengkareng and Gandaria II apartment.

Summarecon Ready to Expand

Bisnis Indonesia – December 22, 2011

Jakarta – PT Summarecon Agung Tbk is poised to expand its business next year by allocating capital expenditure up to IDR1.3 trillion. Of total capital expenditure, 70% will be covered by bank's loan and the rest comes from internal cash. The fund will be utilized for development projects in Serpong and Bekasi.

Sinar Mas Land Allocates IDR3.25 trillion to Add Land Banks

Bisnis Indonesia – December 22, 2011

Jakarta – Sinar Mas Land is allocating IDR3.25 trillion for 2012 investment. It plans to channel most of the fund to land acquisition. It plans to add land banks in several regions including East Java, Bali, and East Kalimantan. In addition, the developer may expand in two to three new cities within next three years.



Aston Introduces Its 5-Star Hotel in Yogyakarta

SWA Media – December 21, 2011

Jakarta – Aston International introduces its first 5-star rating hotel in Java Island with a name of Grand Aston Yogyakarta Hotel & Convention Center. The hotel offers 141 rooms, 3 suite rooms with a mixed design theme of Javanese, Chinese and Western and a Sky Lounge.

Sixty Six to Build Rp370 Billion Condotel

Investor Daily – December 21, 2011

Jakarta – PT Sixty Six Paradise Investasi will build a Rp370 billion condotel named 66 Suite with completion in 2013. The 5-star condotel will be privately managed and has 137 rooms with sizes ranging from 86 sq-m to 115 sq-m. It also offers a return on investment (ROI) about 6%-7% for the first three months in U.S. dollar.

Panorama Hospitality Sets Up 5 Hotels in 2012

Indonesia Finance Today – December 21, 2011

Jakarta – PT Panorama Hospitality Management, a unit of PT Panorama Sentrawisata Tbk (PANR), is set to develop five hotels in 2012. The first hotel will be built in Bogor operating in 2013. The company will set up two hotels in Bogor, one in Dharmawangsa (South Jakarta), one in Yogyakarta and one in Legian.

Lippo Karawaci Expects Net Income to Jump 43% in 2012

The Jakarta Globe – December 20, 2011

Jakarta – Lippo Karawaci forecasts its profit to grow 43 percent next year, supported by high demand for residential and industrial properties. The company expects to record Rp1 trillion (\$109 million) in net income next year, up from an estimated Rp705 billion in 2011. Revenue is projected to rise 45 percent to Rp6 trillion from Rp4.15 trillion estimated this year.

Duta Anggada Starts Construction of Luxury Apartment

Indonesia Finance Today – December 19, 2011

Jakarta – PT Duta Anggada Realty Tbk has started the construction of Le Maison, a luxury apartment located in Jalan Barito area with an investment cost of Rp250 billion (US\$27.75 million). The apartment will have 163 units with sales prices around Rp22 million per square meter.

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About Knight Frank in Indonesia

Knight Frank has strengthened its Indonesian presence with collaboration with PT. Willson Properti Advisindo, Indonesia. A strong track record of impressive local and regional MCN clients has already been built since its establishment. Knight Frank in Indonesia is part of Knight Frank Newmark, an integrated global property advisory firm, which has a powerful network of over 243 offices in more than 43 countries across six continents in established and emerging property markets.

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We assist the creators, owners and users of property to enhance the value of their residential and commercial spaces as investments, and as effective and attractive places in which to live, work and play.

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Valuation of all property types throughout Indonesia for mortgage, financial reporting, acquisition & disposal, insurance and loan workout. Valuation is an important element in IPO and REIT listing, mergers & acquisitions, corporate restructuring & Investment decision.



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