MARKETBEAT
JAKARTA
HOTEL H1 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
42.9% Vacancy Rate	▲	▼
-3,105 Net Absorption, units	▼	▲
1,192,900 ADR IDR / Night	▲	▲

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
5.2% Indonesia GDP Growth	—	—
3.34% Indonesia Inflation Rate	▲	▲
5.75% Indonesia Central Bank Rate	▲	—

Source: Central Bank and Census Bureau

SUPPLY: THE TREND OF LIMITED SUPPLY AND REBRANDING CONTINUES

The trend of limited supply condition and rebranding continues in the Jakarta hotel market. Only one new hotel commenced operation in the first half of 2026: Mercure Jakarta Grogol (95 rooms – upper-midscale), formerly known as Ibis Budget Jakarta Daan Mogot. Additionally, a reduction in supply occurred during the review period with the official closure of Hotel Sultan in the Senayan area, Central Jakarta, following a state-led land clearance operation on June 18, 2026.

The total cumulative supply of hotel rooms, ranging from midscale to luxury, reached 43,749 by the end of the first half of 2026, distributed as follows: 3-star hotels (27%), 4-star hotels (41%), 5-star hotels (21%), and the luxury category (11%).

DEMAND: BUDGET EFFICIENCY MEASURES CONTINUE TO NEGATIVELY IMPACT DEMAND

Government agencies and state-owned enterprises (SOEs) budget efficiency measures—specifically those restricting official travel and events—continue to negatively impact demand for guest rooms and meeting spaces, particularly at hotels heavily reliant on government-related activities. A decline in occupancy of approximately 2.6% was observed among 3 and 4-star hotels.

On the other hand, despite the decline in MICE activities, Jakarta continues to present strong potential within FIT and corporate segments. The 5-star and luxury hotels recorded a 4.5% increase in occupancy as these segments primarily cater business travelers, as well as corporate and private events that are less affected by government budget-efficiency policies.

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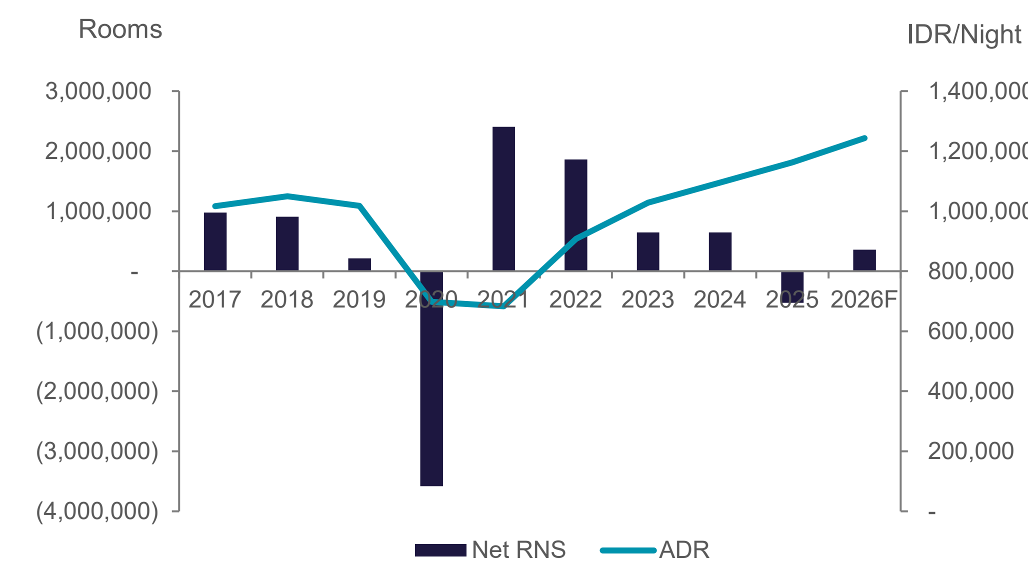
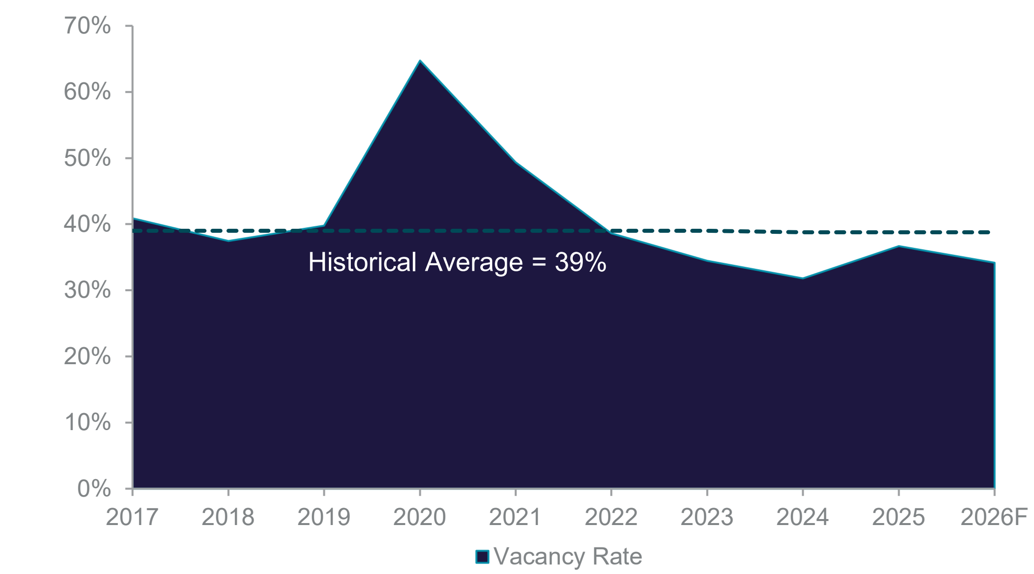
OVERALL NET ABSORPTION & ADR



OVERALL VACANCY



KEY PROJECTS UNDER CONSTRUCTION

Property	Location	Segmentation	Rooms	Competion
MAXONE Rota Wahid Hasyim	Wahid Hasyim	Midscale	110	2026
JW Marriott Gelora Jakarta	Palmerah	Luxury	300	2026
ParkRoyal Jakarta	Thamrin	Upscale	162	2027
Fairfield By Marriot Jakarta S. Parman	Slipi	Upper Midscale	250	2027
Andaz Jakarta	Thamrin	Luxury	198	2028

Hotel occupancy rates in Jakarta show a strong correlation with passenger arrival numbers at Soekarno-Hatta International Airport. Anomalous patterns typically emerge at the beginning of the year and during Ramadan, when hotel occupancy rates remain low despite high passenger arrival volume.

This decline was also observed during Ramadan 2026 when the average monthly hotel occupancy rate in Jakarta dropped to 42% in March, compared to a year-to-date (YTD) occupancy rate of 58% for the first half of 2026.

ADR: ADR TREND WAS RELATIVELY STABLE DURING 1H2026

Declining demand for guest rooms and meeting spaces continues to weigh on occupancy rates, resulting in stagnant Average Daily Rates (ADR). The ADR recorded throughout the 1H2026 were as follows: 3-star – Rp510,000; 4-star – Rp878,500; 5-star – Rp1,849,500; and luxury – Rp2,419,800.

OUTLOOK: THE MARKET WILL STILL NAVIGATE HEADWINDS IN 2026

Throughout 2026, the hotel market in Jakarta will continue to face significant challenges—stemming from government agency policies aimed at cutting travel and meeting costs as well as persistent geopolitical tensions—which are dampening Indonesia's overall macroeconomic climate and raising potential cancellations of business trips and both domestic and international MICE events..

Hotel operators must remain focused on market diversification as well as product and service innovation. Those previously relied on guests from government agencies and state-owned enterprises are now enhancing their offerings to attract individual business travelers and meetings organized by private companies, professional associations, and other communities, while also strengthening partnerships with online travel agency (OTA) platforms.

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