

# Quarterly Construction Cost Review

China and Hong Kong

2024 | Q1

Arcadis Hong Kong Limited





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# China and Hong Kong Market Overview





The 2024-25 Land Sale Programme published by the Lands Department planned 124,700m<sup>2</sup> of lots in residential and commercial use, rolled over from 2023-24 land sale. Additionally, it included 89,800m<sup>2</sup> of new lots in residential, commercial, and industrial use. The total area for sale in this fiscal year was 214,500m<sup>2</sup>. The scheduled land sale this year has significantly dropped from total 279,052m<sup>2</sup> of lots in 2023-24 Land Sale Programme. Due to the slowdown in property market transactions and a drop in the property prices, only 5 lots were put up for land sale in 2023-24, and two of them failed to meet their reserve price and were withdrawn. The substantial drop in land bids would eventually reduce the construction activity in the coming years.

In Q1 2024, the commenced works in private domestic development dropped by 29% compared to the previous quarter, while the commenced works in private non-domestic development rose by 92%. Overall, the commenced works in private development rose by 23%. The current construction activity in the private sector remained stable.

The approved funding in the first two months of the fiscal year 2024-25 by the Legislative Council is HK\$42.4 billion, which is almost 42% of the total funding in 2023-24. The capital works approved are mainly for infrastructure works at the Northern Metropolis. As there is no sign of recovery in the property market, it is anticipated that the construction activities will be led by public works of infrastructure projects and public housing.

## Market movement



### Economy

	Q1/22 - Q1/23	Q4/22 - Q4/23	Q1/23 - Q1/24
 GDP Growth	(+) 2.8%	(+) 4.3%	(+) 2.7%
 Inflation Rate (CPI)	Mar 22-23 (+) 1.7%	Dec 22-23 (+) 2.4%	Mar 23-24 (+) 2.0%


### Construction Output

	Q4/22	Q3/23	Q4/23
 Activity Level (Gross output; new + A&A)	HK\$68.402 Bn	HK\$69.764 Bn	HK\$71.267 Bn*

### Basic Costs

	Dec - Feb 23	Sep - Nov 23	Dec - Feb 24
 Highways Material Index	1162.2	1118.0	1114.5
 Labour Wages Index	154.5	157.4	158.1

### Construction Cost Trend

	Q1/23	Q4/23	Q1/24
 Tender Price Index (Arcadis)	1882	1935	1945

\*Provisional

Source: Highways Materials Index from Civil Engineering and Development Department (CEDD), other data from Census and Statistics Department (CSD).





# Market Analysis

## China

Data from the National Bureau of Statistics showed that in the first quarter of 2024, China's GDP grew by 5.3% year-on-year (YoY), among which the construction industry had an increase of 5.8% while real estate had a decrease of 5.4%. The growth in construction output primarily driven by infrastructure construction and industrial projects.

By the end of Q1 2024, real estate investment and the sales of commercial buildings had declined by 9.5% and 27.2% YoY, respectively. According to the National Bureau of Statistics, the completed housing construction area decreased by 11.1% and the new commencement area decreased by 27.8%.

Although the new construction area of real estate has continued to decline year-on-year since July 2021, the number of stock commercial housing has continued to increase. As of the end of March, the area of commercial housing for sale is 748.33 million square meters, an increase of 15.6% YoY, of which the residential area for sale has increased by 23.9%. The government has taken a series of proactive measures to ease the high inventories. Since 2024, 10 major cities have loosened or rescinded purchase restrictions to stimulate the real estate market, such as Beijing, Shanghai, Guangzhou, and Shenzhen.

In Q1 2024, construction wages remained stable compared to the previous quarter. Prices of basic construction materials have fluctuated, with rebar, steel and aluminium prices remaining stable, copper price increasing 2%, concrete price remaining stable, and cement prices decreasing 3%. Tender prices remained stable in Q1 2024. Due to the increase of investment in infrastructure construction and industrial projects, the construction market price level is anticipated to be flat in the coming quarters.

## Hong Kong

### Growth in economy of Hong Kong

The real gross domestic product (GDP) in Q1 2024 increased by 2.7%, demonstrating a slight drop compared to the previous quarter's rate of 4.3%. Additionally, the Consumer Price Index (CPI) increased by 1.9% in the first quarter of 2024, also having dropped compared to the previous quarter's rate of 2.6%. The CPI over the last 12 months ranged from 1.7% to 2.7%. This stability suggests that inflation is well managed and under control.

### Floor area of commenced and completed work

In Q1 2024, the data reveals some noteworthy trends. The total gross floor area of the consented private construction works experienced a significant decrease of 62.1% compared to the previous quarter and a 2.8% decrease over the last 12 months compared to the preceding period. However, for commenced private construction works, there was a rise of 23.2% compared to the previous quarter and a 31.4% increase over the last 12 months compared to the preceding period. The increment in commenced works mainly on non-domestic projects. In fact, consented and commenced works in private domestic projects in Q1 2024 dropped by 7.6% and 28.6% compared to previous quarter.

In contrast, completed private construction works showed an increase of 53.1% QoQ and an 8.2% decrease over the last 12 months.

### Gross value of performed construction work

In Q4 2023, the gross value of performed new-built private works increased by 2.2% QoQ, while public works increased by 6.6% QoQ. In contrast, the gross value of performed works at "Locations other than Sites" decreased by 2.2% QoQ. The overall performed construction works showed an increase of 2.2% QoQ. When compared to the whole year of 2022, the gross value of new-built private works increased by 27.0%, while that of public works increased by 0.7%. The gross value of performed works at "Locations other than Sites" also recorded an increase of 3.6%. The overall gross value of performed construction work in 2023 shows an 8.8% increase compared to 2022.

### Cost of materials and labour

During Q1 2024, the Tender Price Index (TPI) recorded a 3.3% YoY increase. Based on the data published in Feb 2024, comparing with preceding quarter, steel price slightly increased by 2.9% QoQ and dropped by 25.7% from its peak in early 2022. The price of homogeneous floor tiles remained stable QoQ, but witnessed a year-on-year increase of 4%. In terms of fuel price, diesel fuel experienced a slight drop of 0.6% QoQ but still with a 5% rise YoY. It almost climbed back to its peak in mid-2022. The construction labour wages index increased slightly by 0.4% compared to the previous quarter. Year-on-year, wages for general worker, concreter, bar bender and fixer, general welder, plumber, painter, and mechanical fitter increased by 6.6%, 6.4%, 1.5%, 3.9%, 3.5%, 7.9%, and 1.9% respectively. However, wages for bricklayer and carpenter decreased by 7.2% and 2.3% respectively.

# Approximate Building Costs Hong Kong

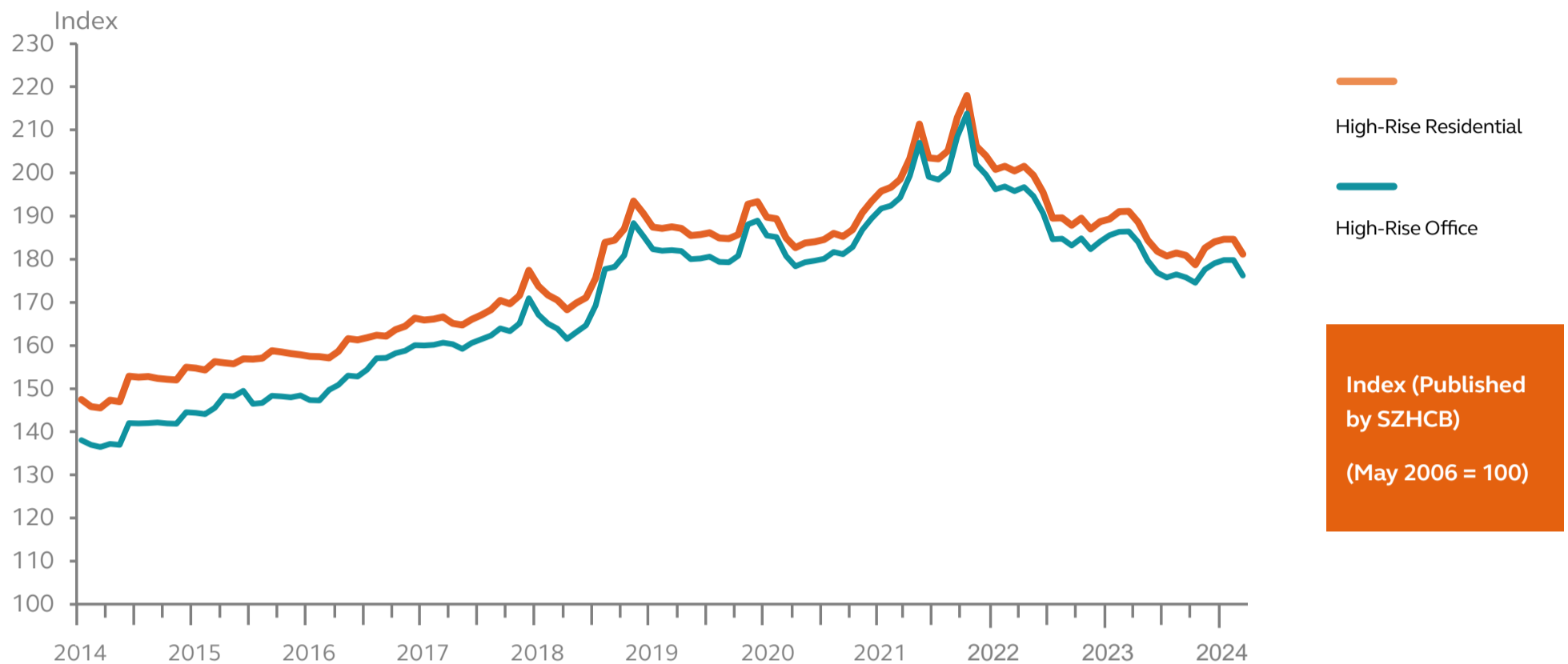
## Notes:

1. The cost for the respective categories given are averages based on fixed price competitive tenders. It must be understood that the actual cost of a building will depend upon the design and many other factors and may vary from the figures shown.
2. The cost per square metre are based on the Construction Floor Areas (CFA) measured to the outside face of the external walls/ external perimeter including lift shafts, stairwells, balconies, plant rooms, water tanks and the like.
3. All buildings are assumed to have no basements (except otherwise stated) and are built on flat ground, with normal soil and site conditions. The cost, excludes site formation works, external works, land cost, professional fees, finance and legal expenses.

Building Type	HK\$/m2 CFA	Outline Specification
<b>Domestic</b>		
Apartments, high rise, public authority standard	12,300 - 14,400	Based on Hong Kong Housing Authority Non-standard Cruciform Block design (Rental Housing)
Apartments, high rise, average standard	25,600 - 29,400	Apartment units with fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Apartments, high rise, high end	33,000 - 38,100	Apartment units with good quality fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Terraced houses, average standard	35,200 - 40,400	Houses with fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
Detached houses, high end	51,000 up	Houses with good quality fit-out, including air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
<b>Office / Commercial</b>		
Medium/high rise offices, average standard	25,500 - 28,800	RC structure, curtain wall/window wall, including public area fit-out, tenant area with screeded floor, painted wall and ceiling
High rise offices, prestige quality	30,300 - 34,600	RC structure, curtain wall, including public area fit-out, tenant area with raised floor, painted wall and false ceiling
Out-of-town shopping centre, average standard	25,100 - 29,400	Including public area fit-out and M&E, but excluding shop fit-out
Retail malls, high end	32,400 - 37,600	
<b>Industrial</b>		
Owner operated factories, low rise, light weight industry	19,100 - 23,800	RC structure, including small office with simple fit-out and M&E, but excluding a/c
<b>Hotel</b>		
Budget hotels - 3-star, mid market	32,100 - 34,100	1) Interior decoration
Business hotels - 4/5-star	33,100 - 38,100	2) Furniture (fixed and movable)
Luxury hotels - 5-star	38,500 - 43,000	3) Special light fittings (chandeliers, etc.) 4) Operating Supplies and Equipment (OS&E) excluded
<b>Others</b>		
Underground/basement car parks (<3 levels)	28,800 - 33,300	RC structure
Multi storey car parks, above ground (<4 levels)	16,900 - 19,800	RC structure, natural ventilation, no facade enclosure
Schools (primary and secondary)	21,600 - 23,200	Public authority standard including fit-out and a/c, but excluding loose furniture and educational equipment
Students' residences	24,500 - 27,500	Including fit-out, loose furniture and a/c
Sports clubs, multi purpose sports/ leisure centres (dry sports)	32,000 - 36,000	Dry sports (no swimming pool) and are for 'leisure centre' type schemes including main sports hall, ancillary sports facilities, changing and showers, restaurant / cafe, bar, etc. Costs include a/c, Furniture, Fittings and Equipment (FF&E)
General hospitals - public sector	40,000 - 44,000	Excluding medical and operating equipment

The above costs are at 1<sup>st</sup> Quarter 2024 levels.

# Building & Building Services Price Index Mainland China



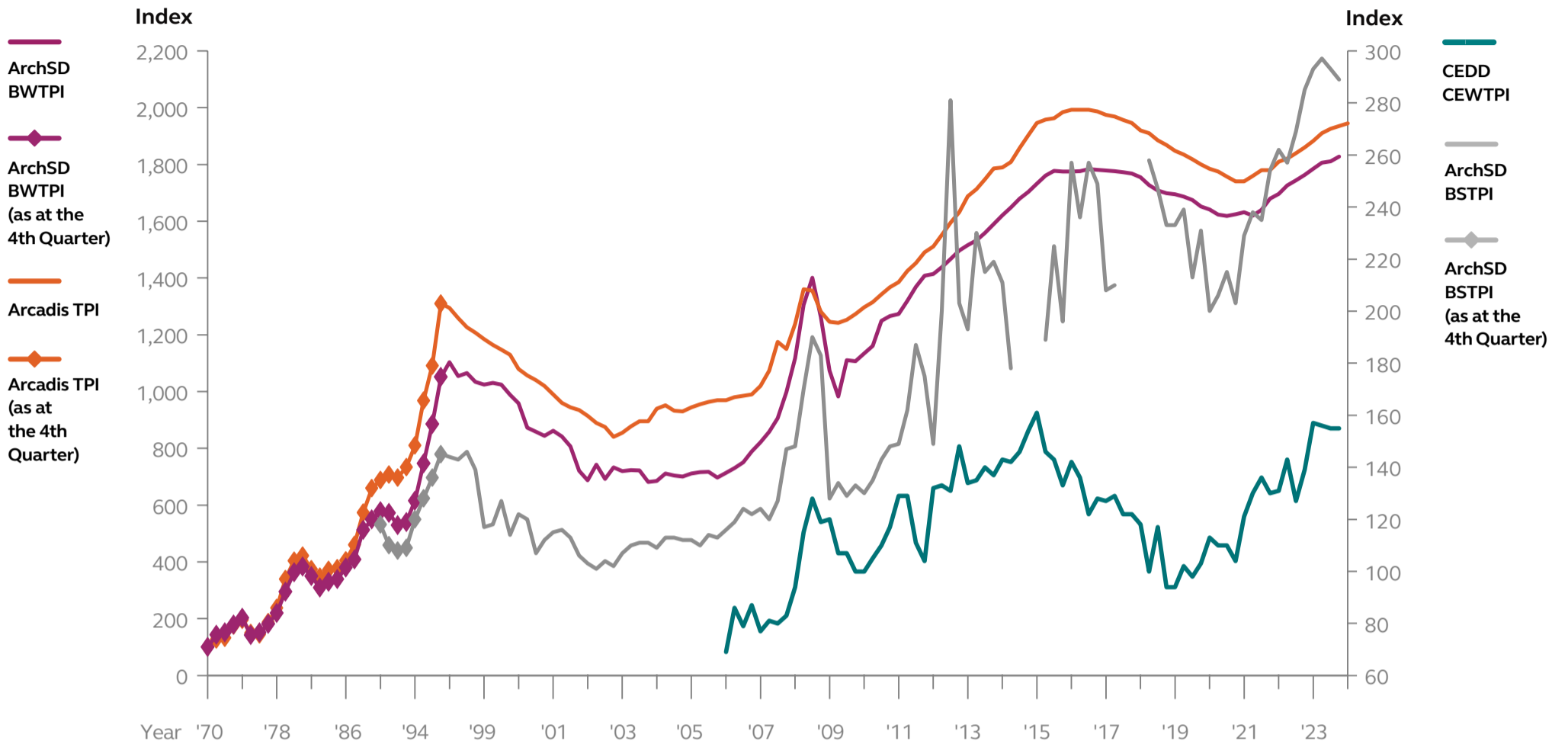
Building & Building Services Price Index												
Index	(Base Index: May 2006 = 100)											
	High-Rise Residential						High-Rise Office					
Month / Year	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
January	187.5	189.8	195.8	200.8	189.3	184.7	182.4	185.5	191.8	196.3	185.6	179.8
February	187.2	189.4	196.6	201.5	191.1	184.7	182.0	185.2	192.4	196.9	186.4	179.8
March	187.5	185.0	198.5	200.5	191.1	181.2	182.1	180.8	194.3	195.8	186.5	176.3
April	187.2	182.7	203.4	201.6	188.6		181.9	178.3	199.3	196.7	184.0	
May	185.5	183.8	211.4	199.4	184.5		180.1	179.3	207.0	194.7	179.7	
June	185.7	184.1	203.5	195.5	181.8		180.2	179.7	199.1	190.7	176.9	
July	186.1	184.6	203.3	189.6	180.7		180.6	180.1	198.4	184.6	175.8	
August	184.9	186.0	205.2	189.6	181.4		179.4	181.7	200.3	184.8	176.5	
September	184.8	185.3	212.9	187.9	180.9		179.3	181.2	208.4	183.2	175.8	
October	185.7	186.8	218.0	189.5	178.7		180.8	182.8	213.8	184.9	174.6	
November	192.8	190.8	206.2	187.0	182.6		188.1	186.8	202.0	182.3	177.7	
December	193.4	193.4	204.0	188.7	184.0		189.0	189.4	199.6	184.1	179.1	

Source : Housing and Construction Bureau of Shenzhen



# Tender Price Index

## Hong Kong



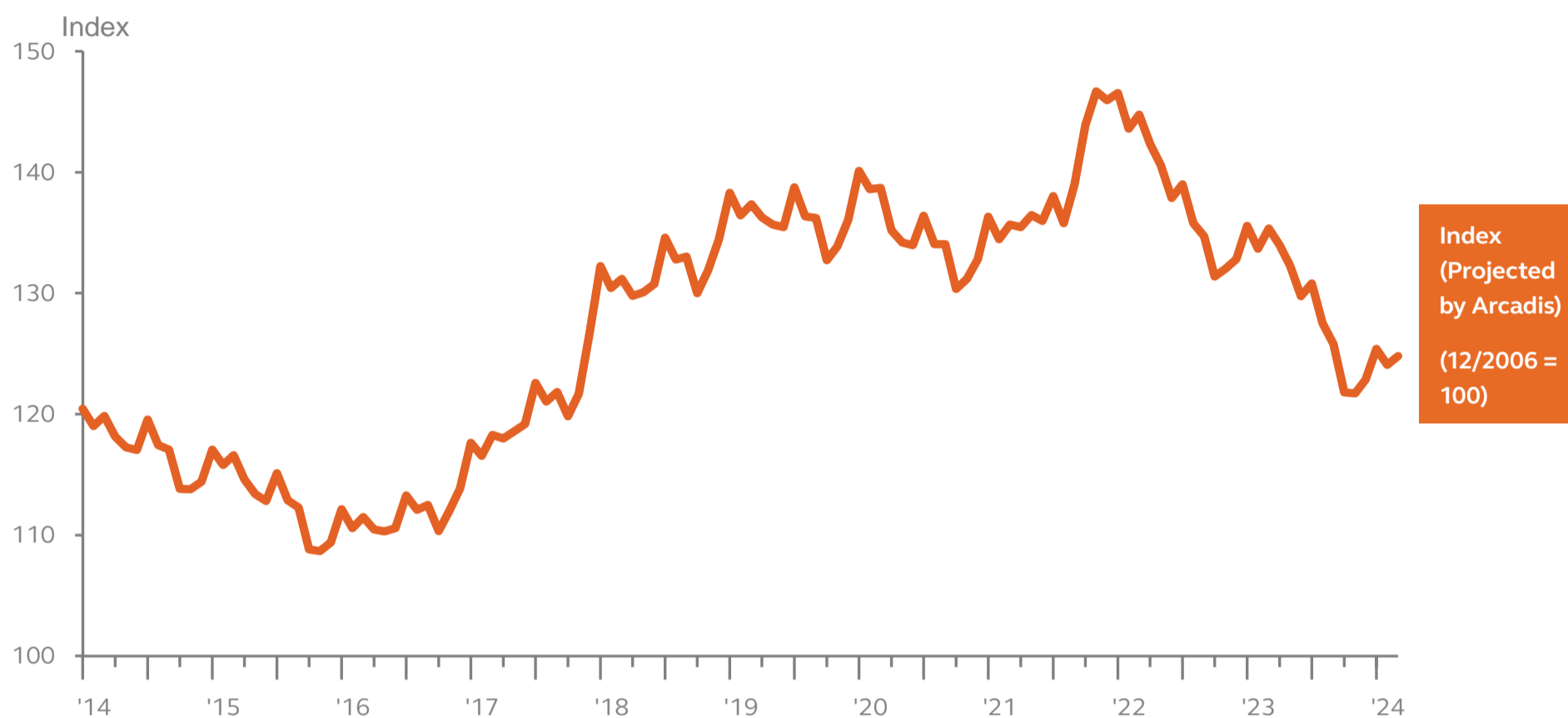
Quarter/Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>ArchSD BWTPI (Base = 100, at Q1 1970)</b>											
Q1	1621	1732	1775	1779	1755	1695	1641	1631	1696	1785	
Q2	1648	1761	1776	1776	1727	1686	1623	1620	1726	1806	
Q3	1679	1777	1783	1773	1708	1675	1618	1640	1744	1811	
Q4	1703	1775	1781	1768	1698	1652	1625	1679	1763	1828	
<b>ArchSD BSTPI (Base = 100, at Q4 1989)</b>											
Q1	211	(N/A)	257	208	(N/A)	233	200	229	262	293	
Q2	178	189	236	210	258	239	206	238	257	297	
Q3	(N/A)	225	257	(N/A)	247	213	215	235	269	293	
Q4	(N/A)	196	249	287	233	231	203	254	285	289	
<b>Arcadis TPI (Base = 100, at Q1 1970)</b>											
Q1	1789	1946	1992	1975	1920	1848	1785	1740	1810	1882	1945
Q2	1808	1958	1992	1968	1910	1835	1775	1760	1820	1910	
Q3	1857	1963	1993	1957	1885	1818	1757	1780	1840	1925	
Q4	1903	1984	1986	1946	1868	1800	1740	1780	1860	1935	
<b>CEWTPI (Base = 100, at Q1 2010)</b>											
Q1	143	161	142	127	118	94	113	121	131	157	
Q2	142	146	136	129	100	102	110	130	143	156	
Q3	146	143	122	122	117	98	110	136	127	155	
Q4	154	133	128	122	94	103	104	130	139	155*	

Source : Competitive tenders received by Arcadis, Building Works Tender Price Index (BWTPI) and Building Services Tender Price Index (BSTPI) of Architectural Services Department (ArchSD) of HKSAR, and Civil Engineering Works Tender Price Index (CEWTPI) of Civil Engineering and Development Department (CEDD) of HKSAR

### Notes:

- [\*] denotes forecast figures
- Both BWTPI (ArchSD) and Arcadis TPI measure the trend of general builder's works only. Special works and Mechanical and Electrical Services would have to be considered separately.
- All indices were published quarterly. For reference purpose, only indices from 1st quarter of 2014 and onwards are given in detail, whereas indices between year 1970 to 1997 are shown with their 4th Quarter figures.

# Materials Mainland China



Construction Material Price Index												
Month / Year	Published (by NBS of China) (Base : Corresponding month in preceding year = 100)						Projected (by Arcadis) (Base : 12/2006 = 100) (see explanatory notes below)					
	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
January	104.6	101.3	97.3	107.5	92.5	92.5	138.3	140.1	136.3	146.6	135.6	125.4
February	104.6	101.6	97.0	106.8	93.1	92.8	136.4	138.6	134.5	143.6	133.7	124.1
March	104.7	101.0	97.8	106.7	93.5	92.2	137.3	138.7	135.7	144.8	135.3	124.8
April	105.0	99.2	100.2	105.1	94.1		136.3	135.2	135.5	142.4	134.0	
May	104.3	98.9	101.7	103.0	94.1		135.7	134.2	136.5	140.6	132.3	
June	103.6	98.9	101.5	101.4	94.1		135.5	134.0	136.0	137.9	129.7	
July	103.1	98.3	101.2	100.7	94.1		138.8	136.4	138.0	139.0	130.8	
August	102.7	98.3	101.3	100.0	93.9		136.4	134.0	135.8	135.8	127.5	
September	102.4	98.4	103.7	96.9	93.4		136.2	134.0	139.0	134.7	125.8	
October	102.1	98.2	110.4	91.3	92.7		132.7	130.3	143.9	131.4	121.8	
November	101.5	98.0	111.8	90.0	92.2		133.9	131.2	146.7	132.0	121.7	
December	101.2	97.6	109.9	91.0	92.5		136.1	132.8	146.0	132.8	122.9	

Source : National Bureau of Statistics (NBS) of China

## Notes:

1. Data are published on a monthly basis, measuring the year-on-year change in price level of each month, but the quarter-on-quarter change is not published, ie. the changes between consecutive quarters are not given.
2. To give an illustration of the price trend over time, Arcadis applies a hypothetical calculation to derive the data table and chart as above. For comparison purpose, December 2006 is referred to as base and the base index as 100.





# Basic Construction Materials

## Copper, CIF European port

US\$/Tonne



Source : London Metal Exchange

## Ready Mix Concrete, 40 MPa

RMB/m3



Shanghai Municipal Management Commission of Housing and Urban-Rural Development

## Steel Reinforcement, Grade III

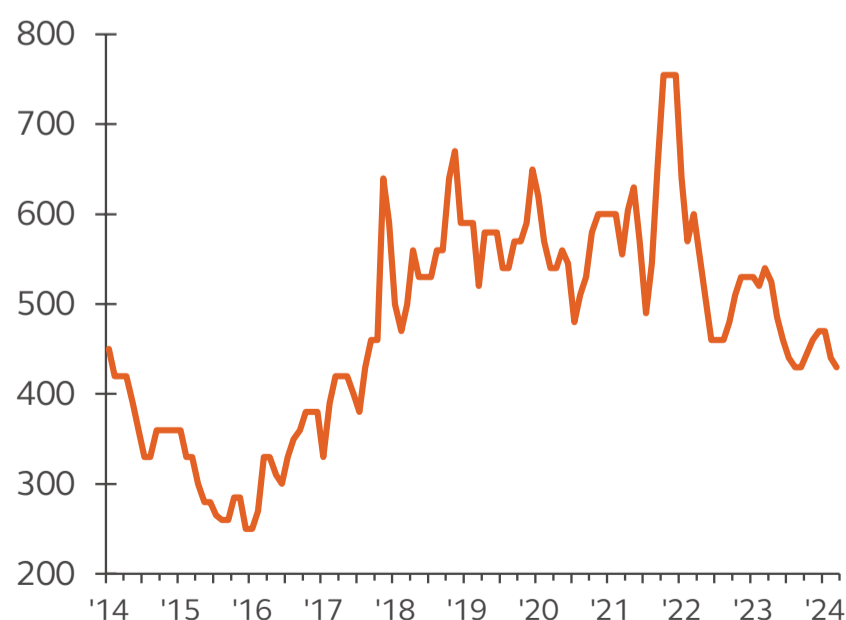
RMB/Tonne



Shanghai Municipal Management Commission of Housing and Urban-Rural Development

## Portland Cement, 42.5 MPa

RMB/Tonne

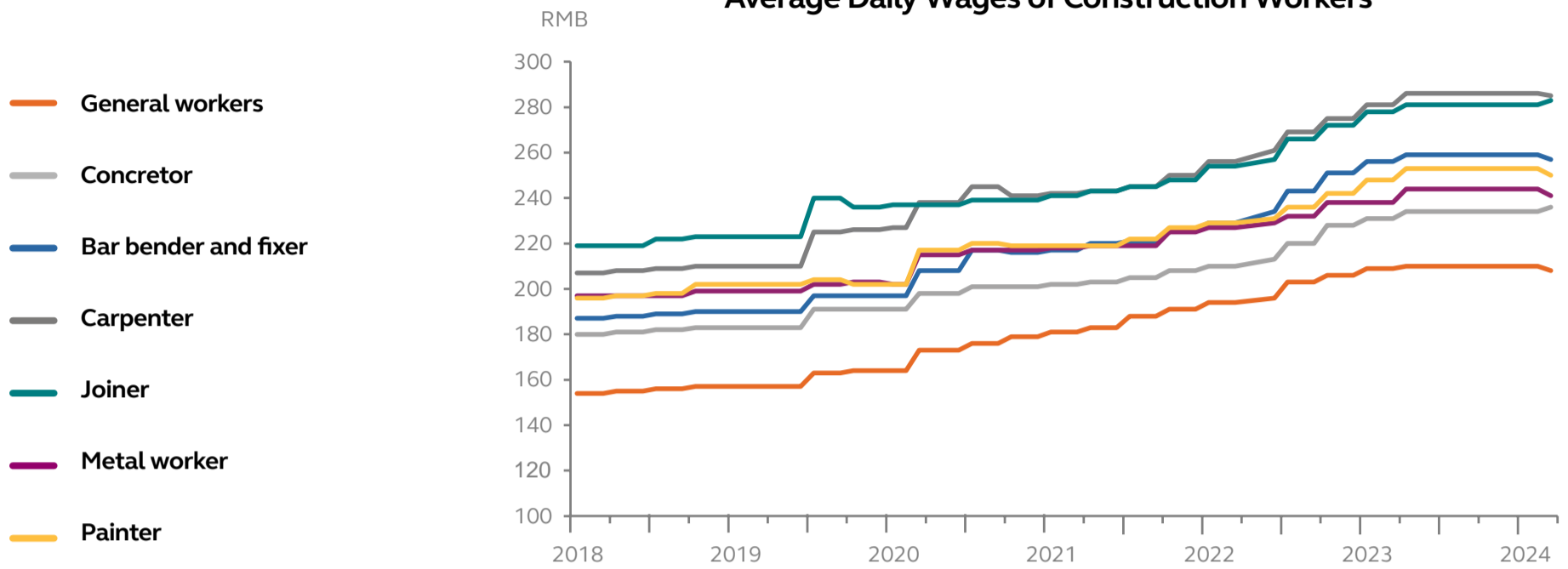


Shanghai Municipal Management Commission of Housing and Urban-Rural Development

# Labour

## Mainland China

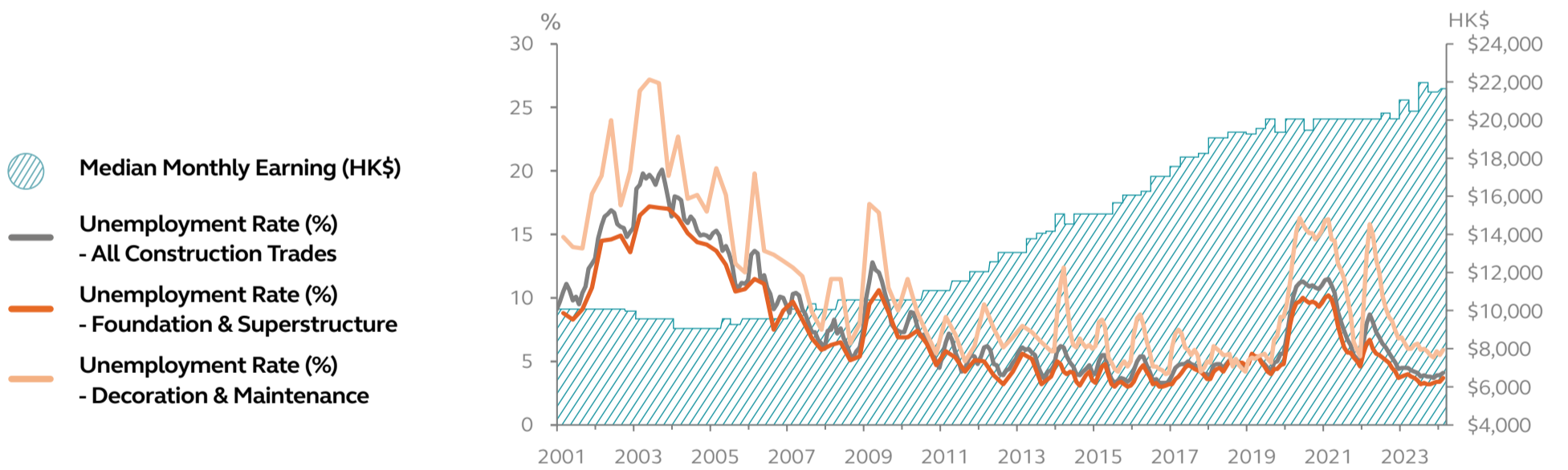
Average Daily Wages of Construction Workers



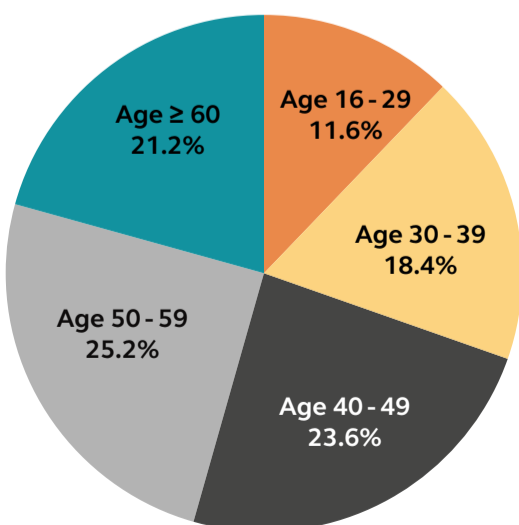
Source : Shanghai Municipal Management Commission of Housing and Urban-Rural Development

## Hong Kong

Construction Workers in Hong Kong



Source : Census & Statistics Department, Hong Kong SAR



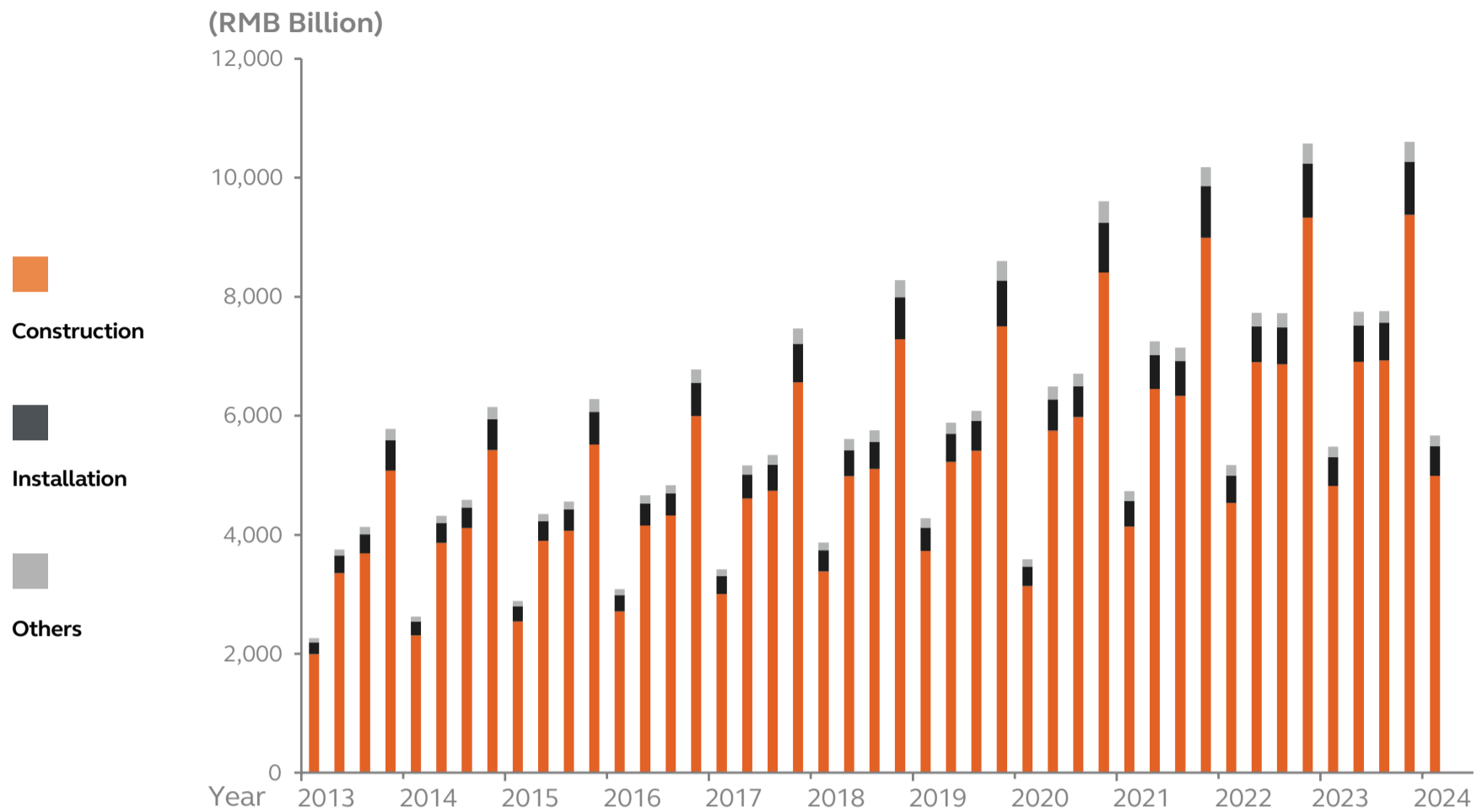
Age Distribution of Workers

Age Group	No. of Workers Employed by Construction Industry	
Age 16 - 29	74,716	11.6%
Age 30 - 39	118,992	18.4%
Age 40 - 49	152,516	23.6%
Age 50 - 59	162,707	25.2%
Age ≥ 60	136,984	21.2%
<b>Total (as at Mar 2024) :</b>	<b>645,915</b>	<b>100.0%</b>

Source : Construction Industry Council



# Gross Value of Construction Work Performed – Mainland China



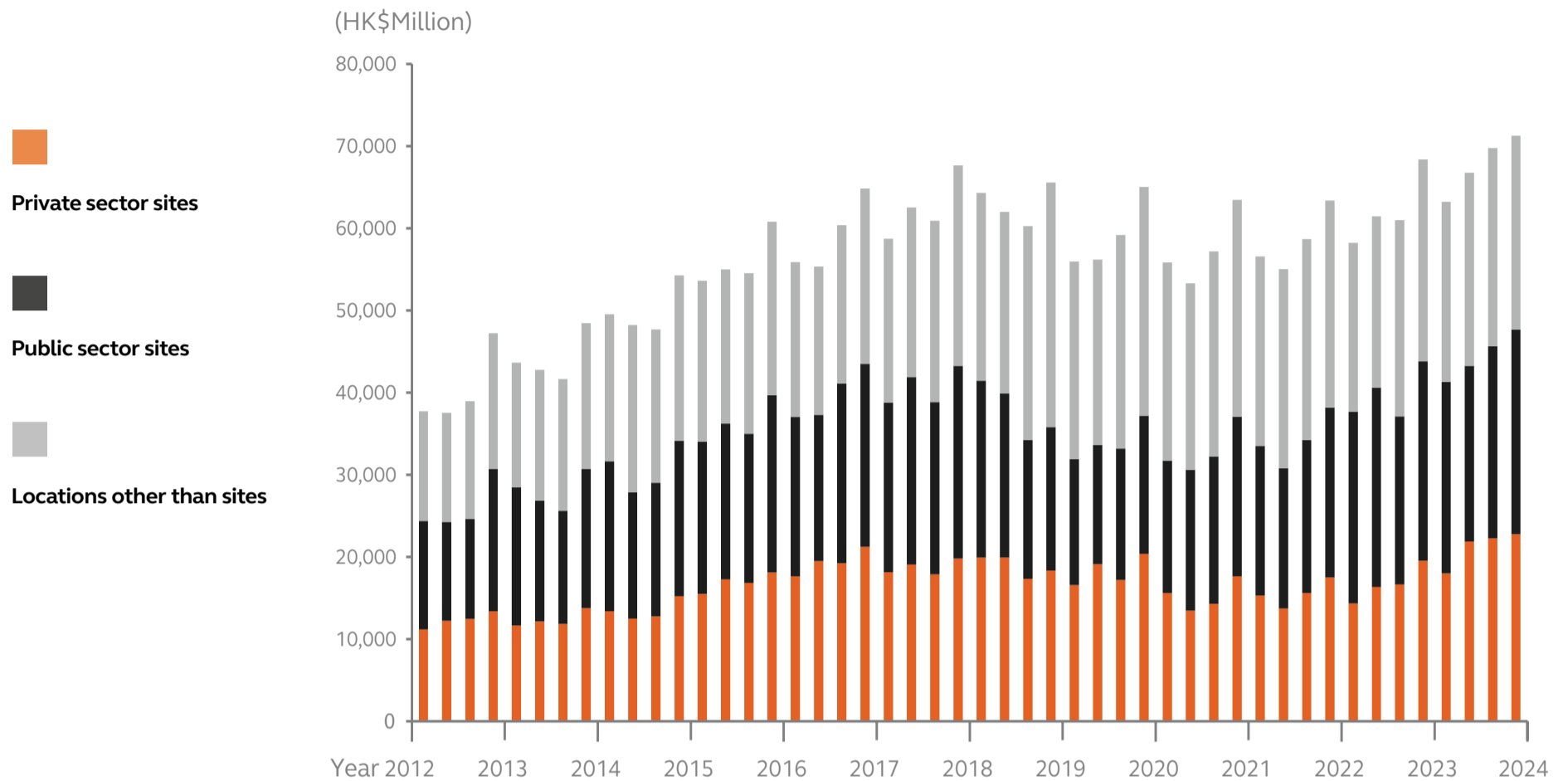
Value Performed (RMB Billion)											
Quarter	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>A. Construction</b>											
1 <sup>st</sup> Quarter	2,311	2,544	2,712	3,003	3,382	3,727	3,138	4,141	4,533	4,820	4,988
2 <sup>nd</sup> Quarter	3,866	3,899	4,158	4,609	4,985	5,223	5,753	6,453	6,902	6,907	
3 <sup>rd</sup> Quarter	4,113	4,068	4,322	4,742	5,106	5,414	5,977	6,336	6,863	6,929	
4 <sup>th</sup> Quarter	5,425	5,517	5,994	6,562	7,286	7,502	8,405	8,991	9,328	9,378	
<b>Year Total:</b>	<b>15,714</b>	<b>16,028</b>	<b>17,186</b>	<b>18,916</b>	<b>20,759</b>	<b>21,867</b>	<b>23,272</b>	<b>25,921</b>	<b>27,625</b>	<b>28,034</b>	<b>4,988</b>
<b>B. Installation</b>											
1 <sup>st</sup> Quarter	230	255	277	303	358	393	326	428	463	485	498
2 <sup>nd</sup> Quarter	333	331	366	405	438	476	523	569	602	614	
3 <sup>rd</sup> Quarter	346	363	374	437	459	498	519	579	623	638	
4 <sup>th</sup> Quarter	517	548	561	646	708	768	840	871	906	890	
<b>Year Total:</b>	<b>1,426</b>	<b>1,498</b>	<b>1,578</b>	<b>1,791</b>	<b>1,963</b>	<b>2,135</b>	<b>2,208</b>	<b>2,448</b>	<b>2,594</b>	<b>2,628</b>	<b>498</b>
<b>C. Others</b>											
1 <sup>st</sup> Quarter	83	91	96	113	129	155	127	164	175	175	180
2 <sup>nd</sup> Quarter	118	117	138	154	187	186	217	229	223	224	
3 <sup>rd</sup> Quarter	126	126	137	160	189	173	213	228	240	194	
4 <sup>th</sup> Quarter	205	216	222	262	282	328	357	318	340	336	
<b>Year Total:</b>	<b>531</b>	<b>550</b>	<b>593</b>	<b>689</b>	<b>787</b>	<b>843</b>	<b>915</b>	<b>940</b>	<b>978</b>	<b>930</b>	<b>180</b>
<b>Annual gross value performed (A + B + C)</b>											
<b>Total:</b>	<b>17,671</b>	<b>18,076</b>	<b>19,357</b>	<b>21,396</b>	<b>23,509</b>	<b>24,845</b>	<b>26,395</b>	<b>29,308</b>	<b>31,198</b>	<b>31,591</b>	<b>5,667</b>

Source : National Bureau of Statistics of China

## Notes:

1. Value of "Construction" refers to the value of projects included in the project budgets.
2. Value of "Installation" refers to the value of the installation of equipment, excluding the value of the equipment to be installed.
3. Value of "Others" refer to the output value excluding construction projects and installation projects. It includes: output value of repairing buildings and structures; output value of non-standard equipment manufacturing; overhead expenses received by contracted enterprises from the sub-contracted enterprises and the completed output value of construction activities undefined.

# Gross Value of Construction Work Performed – Hong Kong



Value Performed (HK\$ Million)												
Quarter	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>A. Private sector sites</b>												
1 <sup>st</sup> Quarter	11,209	11,675	13,395	15,528	17,652	18,150	19,918	16,583	15,647	15,339	14,351	18,031
2 <sup>nd</sup> Quarter	12,260	12,176	12,507	17,284	19,530	19,070	19,925	19,112	13,489	13,758	16,360	21,900
3 <sup>rd</sup> Quarter	12,481	11,848	12,792	16,849	19,252	17,912	17,340	17,199	14,303	15,620	16,674	22,282
4 <sup>th</sup> Quarter	13,411	13,781	15,259	18,119	21,231	19,813	18,369	20,393	17,685	17,521	19,540	22,771*
<b>Year Total:</b>	<b>49,361</b>	<b>49,480</b>	<b>53,953</b>	<b>67,780</b>	<b>77,665</b>	<b>74,945</b>	<b>75,552</b>	<b>73,287</b>	<b>61,124</b>	<b>62,238</b>	<b>66,925</b>	<b>84,984*</b>
<b>B. Public sector sites</b>												
1 <sup>st</sup> Quarter	13,168	16,829	18,258	18,531	19,414	20,639	21,533	15,338	16,083	18,167	23,356	23,303
2 <sup>nd</sup> Quarter	12,023	14,690	15,397	18,964	17,780	22,827	20,002	14,512	17,155	17,054	24,247	21,367
3 <sup>rd</sup> Quarter	12,137	13,792	16,253	18,163	21,878	20,934	16,888	16,022	17,940	18,604	20,462	23,386
4 <sup>th</sup> Quarter	17,332	16,976	18,915	21,585	22,295	23,455	17,433	16,825	19,400	20,687	24,292	24,931*
<b>Year Total:</b>	<b>54,660</b>	<b>62,287</b>	<b>68,823</b>	<b>77,243</b>	<b>81,367</b>	<b>87,855</b>	<b>75,856</b>	<b>62,697</b>	<b>70,578</b>	<b>74,512</b>	<b>92,357</b>	<b>92,987*</b>
<b>C. Location other than sites</b>												
1 <sup>st</sup> Quarter	13,347	15,140	17,909	19,549	18,809	19,963	22,871	24,032	24,126	23,075	20,526	21,888
2 <sup>nd</sup> Quarter	13,245	15,914	20,327	18,744	18,041	20,657	22,073	22,592	22,674	24,249	20,867	23,504
3 <sup>rd</sup> Quarter	14,358	16,038	18,636	19,520	19,274	22,093	26,027	25,992	24,971	24,465	23,864	24,096
4 <sup>th</sup> Quarter	16,479	17,716	20,088	21,111	21,333	24,406	29,797	27,839	26,398	25,183	24,569	23,565*
<b>Year Total:</b>	<b>57,429</b>	<b>64,808</b>	<b>76,960</b>	<b>78,924</b>	<b>77,457</b>	<b>87,119</b>	<b>100,768</b>	<b>100,455</b>	<b>98,169</b>	<b>96,972</b>	<b>89,826</b>	<b>93,053*</b>
<b>Annual gross value performed (A + B + C)</b>												
<b>Total:</b>	<b>161,450</b>	<b>176,575</b>	<b>199,736</b>	<b>223,947</b>	<b>236,489</b>	<b>249,919</b>	<b>252,176</b>	<b>236,439</b>	<b>229,871</b>	<b>233,722</b>	<b>249,108</b>	<b>271,024*</b>

\*Provisional

Source : Census and Statistics Department, Hong Kong SAR



# Approximate Building Costs For Major Cities In Asia

Building Type	Shanghai	Beijing	Guangzhou/ Shenzhen	Chongqing/ Chengdu
	Q1/2024	Q1/2024	Q1/2024	Q1/2024
	RMB/ m <sup>2</sup> CFA			
<b>Domestic</b>				
<b>Apartments, high rise, average standard</b>				
- Shell and core	3,015 - 3,438	2,743 - 3,164	2,625 - 3,015	2,683 - 3,050
- Full fit	4,930 - 5,434	4,339 - 4,765	4,165 - 4,778	4,101 - 4,755
<b>Apartments, high rise, high end</b>				
- Shell and core	3,626 - 3,927	3,269 - 4,741	2,739 - 3,715	3,315 - 4,219
- Full fit	11,131 - 12,136	10,516 - 11,971	6,767 - 7,715	6,623 - 8,122
<b>Terraced houses, average standard</b>				
- Shell and core	3,375 - 3,663	3,167 - 3,698	2,758 - 3,132	3,305 - 3,952
- Full fit	6,810 - 7,419	6,213 - 6,730	6,310 - 7,545	5,592 - 6,566
<b>Detached houses, high end</b>				
- Shell and core	4,964 - 5,487	4,769 - 5,307	3,838 - 4,360	4,332 - 4,944
- Full fit	11,976 - 12,707	11,941 - 12,458	12,107 - 14,185	7,115 - 8,083
<b>Office / Commercial</b>				
Medium/high rise offices, average standard	6,324 - 8,356	6,189 - 8,338	5,930 - 6,773	6,433 - 7,393
High rise offices, prestige quality	8,125 - 11,112	10,059 - 13,693	8,680 - 10,909	8,112 - 10,782
Out-of-town shopping centre, average standard	N/A	N/A	5,641 - 6,413	5,205 - 6,589
Retail malls, high end	8,586 - 11,576	8,368 - 11,520	8,346 - 12,093	7,732 - 10,674
<b>Industrial</b>				
Industrial units, shell only (Conventional single storey framed units)	1,947 - 2,386	1,911 - 2,330	2,211 - 2,717	3,171 - 3,942
Owner operated factories, low rise, light weight industry	3,013 - 3,773	3,695 - 4,235	N/A	N/A
<b>Hotels</b>				
Budget hotels - 3-star, mid market	6,920 - 8,434	6,847 - 8,434	7,584 - 8,600	7,017 - 8,578
Business hotels - 4/5-star	11,150 - 15,093	11,667 - 15,403	12,259 - 18,043	12,592 - 15,577
Luxury hotels - 5-star	15,075 - 18,020	14,849 - 19,115	16,498 - 18,747	15,506 - 18,437
<b>Others</b>				
Underground/basement car parks (<3 levels)	5,167 - 7,206	5,289 - 5,812	3,914 - 6,403	3,030 - 4,196
Multi storey car parks, above ground (<4 levels)	2,648 - 3,700	3,182 - 3,213	2,788 - 3,159	2,415 - 2,952
Schools (primary and secondary)	3,950 - 4,985	3,682 - 4,753	3,150 - 4,091	3,202 - 3,528
Students' residences	2,891 - 3,943	2,604 - 3,682	2,903 - 3,701	2,241 - 3,206
Sports clubs, multi purpose sports/ leisure centres (dry sports)	6,664 - 8,186	6,305 - 6,360	5,380 - 6,096	5,052 - 5,538
General hospitals - public sector	10,182 - 13,127	8,290 - 10,382	8,147 - 10,500	8,074 - 9,998

The above costs are at 1<sup>st</sup> Quarter 2024 levels.

# Approximate Building Costs For Major Cities In Asia

Building Type	Hong Kong	Macau	Singapore	Kuala Lumpur
	Q1/2024	Q1/2024	Q1/2024	Q1/2024
	USD/ m2 CFA (See also exchange rates per U.S. dollar below)			
	HK\$ 7.82	MOP 8.04	S\$ 1.34	RM 4.78
<b>Domestic</b>				
<b>Apartments, high rise, average standard</b>				
- Shell and core	N/A	1,834 - 2,719	N/A	N/A
- Full fit	3,270 - 3,760	2,363 - 2,889	1,905 - 2,200	300 - 600
<b>Apartments, high rise, high end</b>				
- Shell and core	N/A	2,719 - 4,077	N/A	N/A
- Full fit	4,220 - 4,870	3,299 - 5,041	3,170 - 4,365	685 - 1,440
<b>Terraced houses, average standard</b>				
- Shell and core	N/A	3,221 - 3,998	N/A	N/A
- Full fit	4,500 - 5,170	4,025 - 4,804	2,465 - 2,760	215 - 355
<b>Detached houses, high end</b>				
- Shell and core	N/A	3,893 - 5,607	N/A	N/A
- Full fit	6,520 up	4,909 - 6,388	3,135 - 4,180	730 - 995
<b>Office / Commercial</b>				
Medium/high rise offices, average standard	3,260 - 3,680	2,719 - 3,510	2,465 - 2,800	575 - 760
High rise offices, prestige quality	3,870 - 4,420	3,510 - 4,841	2,800 - 3,020	900 - 1,290
Out-of-town shopping centre, average standard	3,210 - 3,760	2,560 - 3,841	2,650 - 2,950	425 - 635
Retail malls, high end	4,140 - 4,810	4,025 - 4,857	2,950 - 3,210	665 - 1,015
<b>Industrial</b>				
Industrial units, shell only (Conventional single storey framed units)	N/A	N/A	1,155 - 1,345	310 - 440
Owner operated factories, low rise, light weight industry	2,440 - 3,040	N/A	N/A	410 - 525
<b>Hotels</b>				
Budget hotels - 3-star, mid market	4,100 - 4,360	3,577 - 4,052	3,135 - 3,435	970 - 1,425
Business hotels - 4/5-star	4,230 - 4,870	4,857 - 5,805	4,030 - 4,700	1,265 - 2,220
Luxury hotels - 5-star	4,920 - 5,500	5,805 - 6,863	4,030 - 4,700	1,855 - 2,490
<b>Others</b>				
Underground/basement car parks (<3 levels)	3,580 - 4,260	2,124 - 3,114	1,380 - 1,790	300 - 530
Multi storey car parks, above ground (<4 levels)	2,160 - 2,530	1,175 - 1,545	860 - 1,270	195 - 345
Schools (primary and secondary)	2,760 - 2,970	2,349 - 2,719	N/A	245 - 315
Students' residences	3,130 - 3,520	1,860 - 2,165	2,315 - 2,425	290 - 365
Sports clubs, multi purpose sports/ leisure centres (dry sports)	4,090 - 4,600	N/A	2,835 - 3,020	575 - 735
General hospitals - public sector	5,120 - 5,630	N/A	3,995 - 4,180	795 - 1,160

The above costs are at 1<sup>st</sup> Quarter 2024 levels.



# Approximate Building Costs For Major Cities In Asia

Building Type	Bangkok	Bangalore	Manila	Ho Chi Minh
	Q1/2024	Q1/2024	Q1/2024	Q1/2024
	USD/ m2 CFA (See also exchange rates per U.S. dollar below)			
	BAHT 36.33	INR 83.45	PHP 56.28	VND 25,153
<b>Domestic</b>				
<b>Apartments, high rise, average standard</b>				
- Shell and core	495 - 688	612 - 680	N/A	N/A
- Full fit	688 - 853	697 - 840	971 - 1,298	561 - 696
<b>Apartments, high rise, high end</b>				
- Shell and core	688 - 908	971 - 1,179	N/A	N/A
- Full fit	1,101 - 1,514	1,112 - 1,402	1,289 - 2,322	882 - 1,189
<b>Terraced houses, average standard</b>				
- Shell and core	413 - 551	485 - 546	N/A	336 - 389
- Full fit	551 - 688	490 - 548	855 - 1,047	554 - 643
<b>Detached houses, high end</b>				
- Shell and core	551 - 826	528 - 622	N/A	468 - 568
- Full fit	688 - 963	620 - 697	1,661 - 2,828	803 - 903
<b>Office / Commercial</b>				
Medium/high rise offices, average standard	688 - 826	514 - 571 <sup>#</sup>	873 - 1,158	730 - 835
High rise offices, prestige quality	963 - 1,239	596 - 756 <sup>#</sup>	1,264 - 1,639	842 - 1,134
Out-of-town shopping centre, average standard	661 - 881	524 - 582	745 - 927	615 - 753
Retail malls, high end	881 - 1,046	680 - 802	1,016 - 1,438	770 - 941
<b>Industrial</b>				
Industrial units, shell only (Conventional single storey framed units)	495 - 661	453 - 560	495 - 638	300 - 373
Owner operated factories, low rise, light weight industry	N/A	423 - 560	665 - 836	340 - 444
<b>Hotels</b>				
Budget hotels - 3-star, mid market	1,156 - 1,239	996 - 1,074	1,108 - 1,371	1,161 - 1,405
Business hotels - 4/5-star	1,514 - 1,789	1,413 - 1,801	1,265 - 2,105	1,338 - 1,619
Luxury hotels - 5-star	1,927 - 2,202	1,941 - 2,268	1,758 - 3,335	1,731 - 2,054
<b>Others</b>				
Underground/basement car parks (<3 levels)	606 - 826	337 - 393	577 - 751	617 - 728
Multi storey car parks, above ground (<4 levels)	330 - 495	279 - 330	457 - 713	398 - 431
Schools (primary and secondary)	551 - 826	351 - 411	651 - 899	549 - 671
Students' residences	413 - 551	364 - 448	729 - 923	524 - 664
Sports clubs, multi purpose sports/ leisure centres (dry sports)	N/A	678 - 767	1,097 - 1,597	1,056 - 1,290
General hospitals - public sector	N/A	767 - 886	1,321 - 1,544	N/A

The above costs are at 1<sup>st</sup> Quarter 2024 levels.

# Approximate Building Costs For Major Cities In Asia

Building Type	Outline Specification
<b>Domestic</b>	
Apartments, high rise, average standard	<b>Shell and core</b> , including finishes and fittings to public area, but <b>excluding</b> finishes and fittings to apartment units <b>Full fit</b> , with air-conditioning, kitchen cabinets and home appliances, but <b>excluding</b> decorative light fittings and loose furniture
Apartments, high rise, high end	<b>Shell and core</b> , including finishes and fittings to public area, but <b>excluding</b> finishes and fittings to apartment units <b>Full fit</b> , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but <b>excluding</b> decorative light fittings and loose furniture
Terraced houses, average standard	<b>Shell and core</b> , joined houses in row(s), <b>excluding</b> garden, parking, finishes and fittings to house interior <b>Full fit</b> , including finishes and fittings to house interior, with air-conditioning, kitchen cabinets and home appliances, but <b>excluding</b> decorative light fittings, loose furniture, garden and parking
Detached houses, high end	<b>Shell and core</b> , good quality facade, <b>excluding</b> garden, parking, finishes and fittings to house interior <b>Full fit</b> , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but <b>excluding</b> decorative light fittings, loose furniture, garden and parking
<b>Office / Commercial</b>	
Medium/high rise offices, average standard	RC structure, curtain wall/window wall, including public area fit-out, tenant area with screeded floor, painted wall and ceiling
High rise offices, prestige quality	RC structure, curtain wall, including public area fit-out, tenant area with raised floor, painted wall and false ceiling
Out-of-town shopping centre, average standard	Including public area fit-out and M&E, but <b>excluding</b> shop fit-out
Retail malls, high end	
<b>Industrial</b>	
Industrial units, shell only (Conventional single storey framed units)	RC structure with steel roof and M&E to main distribution, but <b>excluding</b> a/c and tenant fit-out
Owner operated factories, low rise, light weight industry	RC structure, including ancillary office with simple fit-out and M&E, but <b>excluding</b> a/c
<b>Hotels</b>	
Budget hotels - 3-star, mid market	<ol style="list-style-type: none"> <li>Interior decoration</li> <li>Furniture (fixed and movable)</li> <li>Special light fittings (chandeliers, etc.)</li> <li>Operating Supplies and Equipment (OS&amp;E) <b>excluded</b></li> </ol>
Business hotels - 4/5-star	
Luxury hotels - 5-star	
<b>Others</b>	
Underground/basement car parks (<3 levels)	RC structure
Multi storey car parks, above ground (<4 levels)	RC structure, natural ventilation, no facade enclosure
Schools (primary and secondary)	Government standard and provisions; <b>excluding</b> educational equipment
Students' residences	University standard
Sports clubs, multi purpose sports/leisure centres (dry sports)	Dry sports (no swimming pool) and are for 'leisure centre' type schemes including main sports hall, ancillary sports facilities, changing and showers, restaurant / café, bar, etc. Costs include a/c, Furniture, Fittings and Equipment (FF&E)
General hospitals - public sector	<b>Excluding</b> medical and operating equipment

## Notes :

- The costs for the respective categories given above are averages based on fixed price competitive tenders. It must be understood that the actual cost of a building will depend upon the design and many other factors and may vary from the figures shown.
- The costs per square metre are based on Construction Floor Areas (CFA) measured to the outside face of the external walls / external perimeter including lift shafts, stairwells, balconies, plant rooms, water tanks and the like.
- All buildings are assumed to have no basements (except otherwise stated) and are built on flat ground, with normal soil and site conditions. The cost excludes site formation works, external works, land cost, professional fees, finance and legal expenses.
- The standard for each category of building varies from region to region and do not necessarily follow that of each other.
- "Shell and core" generally covers ONLY base building elements. "Shell" refers to overall structure and foundations, exterior walls and roof, completing with common areas, staircases, lift shafts, service ducts and fire services systems to local statutory requirements. "Core" refers to fully-fitted public areas (like lobbies and corridors) and M&E main plant and upfeed, with occupant areas unfurnished.
- "Full fit" buildings should complete with all elements that allow the buildings to be ready for operation, including public and occupant areas (i.e. with ALL finishes, fittings and M&E distributions).
- Fluctuation in exchange rates may lead to changes in construction costs expressed in U.S. dollars.
- Kuala Lumpur:** \$ 6-12 units per floor, 46m<sup>2</sup> - 83m<sup>2</sup> per unit; excluding air-conditioning, kitchen cabinets and home appliances \$\$. **Bangkok:** #Tenant area with screeded floor, painted wall and ceiling, excluding raised floor.
- The data for Bangkok is provided by Mentabuild Limited.
- The data for Bangalore is provided by Arkind LS Private Limited.
- The data for Singapore is provided by Asia Infrastructure Solutions Singapore Pte. Ltd.
- The data for Kuala Lumpur is provided by JUBM Group.
- The data for Ho Chi Minh is provided by DLS Consultant Company Limited.
- Singapore, Kuala Lumpur and Bangalore:** Rates are nett of GST. **Bangkok and Ho Chi Minh:** Rates are nett of VAT. **Manila:** Rates include 12% VAT.



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