

Quarterly Construction Cost Review

China and Hong Kong

2024 | Q4

Arcadis Hong Kong Limited



Contents

China and Hong Kong Market Overview	3
Market Analysis	4
Approximate Building Costs – Hong Kong	5
Building & Building Services Price Index – Mainland China	6
Tender Price Index – Hong Kong	7
Materials	8-9
Labour	10
Gross Value of Construction Work Performed – Mainland China	11
Gross Value of Construction Work Performed – Hong Kong	12
Approximate Building Costs For Major Cities In Asia	13-16
Our Offices in Greater China	17

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Hong Kong Market Overview



The Hong Kong Legislative Council approved a total of HK\$139 billion from the Capital Works Reserve Fund to support planned public works in 2024. This represented a 43% and 73% increase compared to the approved funding in 2023 and 2022, respectively.

However, with mounting pressure from the budget deficit, the government may face pressure to curb expenditure, including scaling back the number of infrastructure projects or postponing the construction of non-urgent works.

In October 2024, the Hong Kong Construction Industry Employees General Union proposed new daily payroll rates for workers in 16 major trades, recommending a salary freeze for 14 trades and an approximate 3% increase for metal scaffolders and excavators. Additionally, the unemployment rate in the construction sector hovered between 4.1% and 4.5% in 2024, higher than the rates in the second half of 2023, which ranged from 3.7% to 3.9%.

Arcadis' Tender Price Index (TPI) showed a mild increase of 0.5% in tender prices in 2024. Arcadis is cautiously optimistic about the level of construction activity in the public sector, which will continue to be supported by projects funded in recent years. Meanwhile, ongoing challenges in the property market persist, leaving the public sector as the sole driver of growth. It is anticipated that the trend in material and labour costs will remain stable in the coming year. However, due to the shrinkage in the private sector, competition in tender prices is expected to become more intense, and construction costs are projected to decline by 2% in 2025.

Market movement

Economy

	Q4/22 - Q4/23	Q3/23 - Q3/24	Q4/23 - Q4/24
 GDP Growth	(+) 4.3%	(+) 1.9%	(+) 2.4%
 Inflation Rate (CPI)	Dec 22-23 (+) 2.4%	Sep 23-24 (+) 2.2%	Dec 23-24 (+) 1.4%

Construction Output

	Q3/23	Q2/24	Q3/24
 Activity Level (Gross output; new + A&A)	HK\$69.764 Bn	HK\$68.956 Bn	HK\$73.111 Bn*

Basic Costs

	Aug - Oct 23	May - Jul 24	Aug - Oct 24
 Highways Material Index	1119.2	1113.4	1092.1
 Labour Wages Index	Sep - Nov 23 157.4	Jun - Aug 24 162.0	Sep - Nov 24 167.2

Construction Cost Trend

	Q4/23	Q3/24	Q4/24
 Tender Price Index (Arcadis)	1935	1945	1945

*Provisional

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



Market Analysis

Mainland China

Data from the National Bureau of Statistics showed that, in Q4 2024, China's GDP expanded by 5.0%. This growth is mainly attributed to the expansion of industry and manufacturing sectors, with construction contributing 6.7% to the overall GDP. The growth in construction is 3.9% in 2024.

By the end of 2024, real estate investment and the sales of commercial buildings had declined by 10.6% and 17.1% year-on-year, respectively. According to the National Bureau of Statistics, the completed housing construction area decreased by 27.7%, while the area of new commencements fell by 23%. However, construction output in 2024 experienced growth of 3.9%, primarily driven by infrastructure construction in transportation and industry.

On September 29th, 2024, the People's Bank of China, together with the National Financial Regulatory Administration, introduced four financial policies to support a stable real estate market. These policies comprehensively contribute to the stable development of the real estate market in terms of mortgage interest rates, down payment ratios, re-loans for social housing, and the extension of the terms for real estate financial policies. The aim is to stimulate housing consumption and alleviate the short-term debt repayment pressure on real estate companies, providing them with more time to improve their operating conditions and optimize their debt structures. This represents a further step in supporting the stability of the real estate market through financial policies, following a series of easing measures regarding real estate purchase restrictions in 2023. After the policies were released, the market showed a positive response, with real estate sales in the fourth quarter increasing compared to the previous year.

There are development opportunities for the construction industry in 2025. This year is crucial for the "14th Five-Year Plan". The construction industry is moving towards a high-quality development stage under the guidance of various policies. The successive implementation of policies such as the "Implementation Opinions on Green and Low-Carbon Development of Urban and Rural Construction" and the "Action Plan for Smart Cities and Digital Buildings" has clarified the core transformation goals of prefabricated and green buildings, promoted the improvement of industry standards, and enhanced market competitiveness. Driven by these policies, public infrastructure projects such as new urbanization, the expansion of transportation networks, and improvements to the rural living environment are continuously emerging, providing strong support for the construction market. It is expected that the total output value of China's construction industry will accelerate its growth in 2025.

The construction wages have remained stable. Year on year, the prices of basic construction products have fluctuated, with steel at -12.0%, rebar at -14%, concrete at -10%, cement at -7%, copper at +8%, and aluminium at +8%. Additionally, tender prices recorded a decrease of 2% in 2024.

The growth of construction wages is anticipated to remain stable in the coming year due to a stable consumer price index. In addition, material prices have fallen to a lower price level. However, many real estate companies are still facing debt risks, which may lead them to proceed with caution. Therefore, we anticipate that construction costs will remain stable in 2025.

Hong Kong

Growth in economy of Hong Kong

The quarterly Gross Domestic Product (GDP) growth in 2024 fluctuated between 1.9% and 3.1%, reflecting a slower pace compared to the second half of 2023, which achieved a year-on-year growth rate of 4.2%. Meanwhile, the annual Composite Consumer Price Index in 2024 registered a modest year-on-year increase of 1.7%, down from 2.1% in 2023.

Floor area of commenced and completed work

For the 12 months ending November 2024, the total gross floor area for private works with consent to commence saw a significant year-on-year decrease of 43%. In addition, the areas with notifications of commencement and completion declined by 19% and 17%, respectively. The downturn in the private sector became evident and further worsened in the last quarter of 2024. Given the current status of the property market, the outlook for construction activity in the private sector in 2025 appears rather bleak.

Gross value of performed construction work

According to data published by the Census and Statistics Department (C&SD), overall, construction activity maintained its growth momentum in 2024, driven primarily by contributions from the public sector. Based on data from Q3 2024, the total gross value of works performed in the preceding four quarters is around \$282 billion, marking the highest level in recent years. Both the public and private sectors saw increases of 16.9% and 5.7%, respectively. However, works performed at locations other than sites experienced a decline of 6.4% during this period.

Cost of materials and labour

Based on data from October 2024 published by the C&SD, the prices of major construction materials declined compared to the previous year. These included high tensile steel bars, plywood, Portland cement, sand, concrete blocks, and UPVC pipes. In particular, the prices of sand and steel both fell by around 10%. Diesel fuel prices, however, remained relatively stable throughout 2024.

Regarding labour wages, data from November 2024 published by the C&SD indicated yearly wage inflation ranging from 1.7% to 10.4% across 11 trades and general workers compared to last year, with the exception of bricklayers, which indicated a drop of 7.3%. The most significant wage growth was observed among general workers, carpenters (formwork), painters, and mechanical fitters. It is believed that the adoption of innovative construction methods and prefabrication will further alleviate some of the labour supply shortage issues.

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
Domestic		
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	25,500 - 29,300	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	32,800 - 37,900	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	35,100 - 40,200	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	50,800 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
Office / Commercial		
Medium/high rise offices, average standard	25,400 - 28,700	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	30,200 - 34,400	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	25,000 - 29,300	Including public area fit-out and M&E, but excluding shop fit-out
Retail malls, high end	32,300 - 37,400	
Industrial		
Owner operated factories, low rise, light weight industry	19,100 - 23,700	RC structure, including small office with simple fit-out and M&E, but excluding a/c
Hotel		
Budget hotels - 3-star, mid market	32,000 - 34,000	1) Interior decoration
Business hotels - 4/5-star	33,000 - 37,900	2) Furniture (fixed and movable)
Luxury hotels - 5-star	38,300 - 42,800	3) Special light fittings (chandeliers, etc.) 4) Operating Supplies and Equipment (OS&E) excluded
Others		
Underground/basement car parks (<3 levels)	28,800 - 33,200	RC structure
Multi storey car parks, above ground (<4 levels)	16,900 - 19,700	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	24,400 - 27,400	Including fit-out, loose furniture and a/c
Sports clubs, multi purpose sports/ leisure centres (dry sports)	31,900 - 35,800	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	39,900 - 43,800	Excluding medical and operating equipment

The above costs are at 4th Quarter 2024 levels.

Building & Building Services Price Index Mainland China

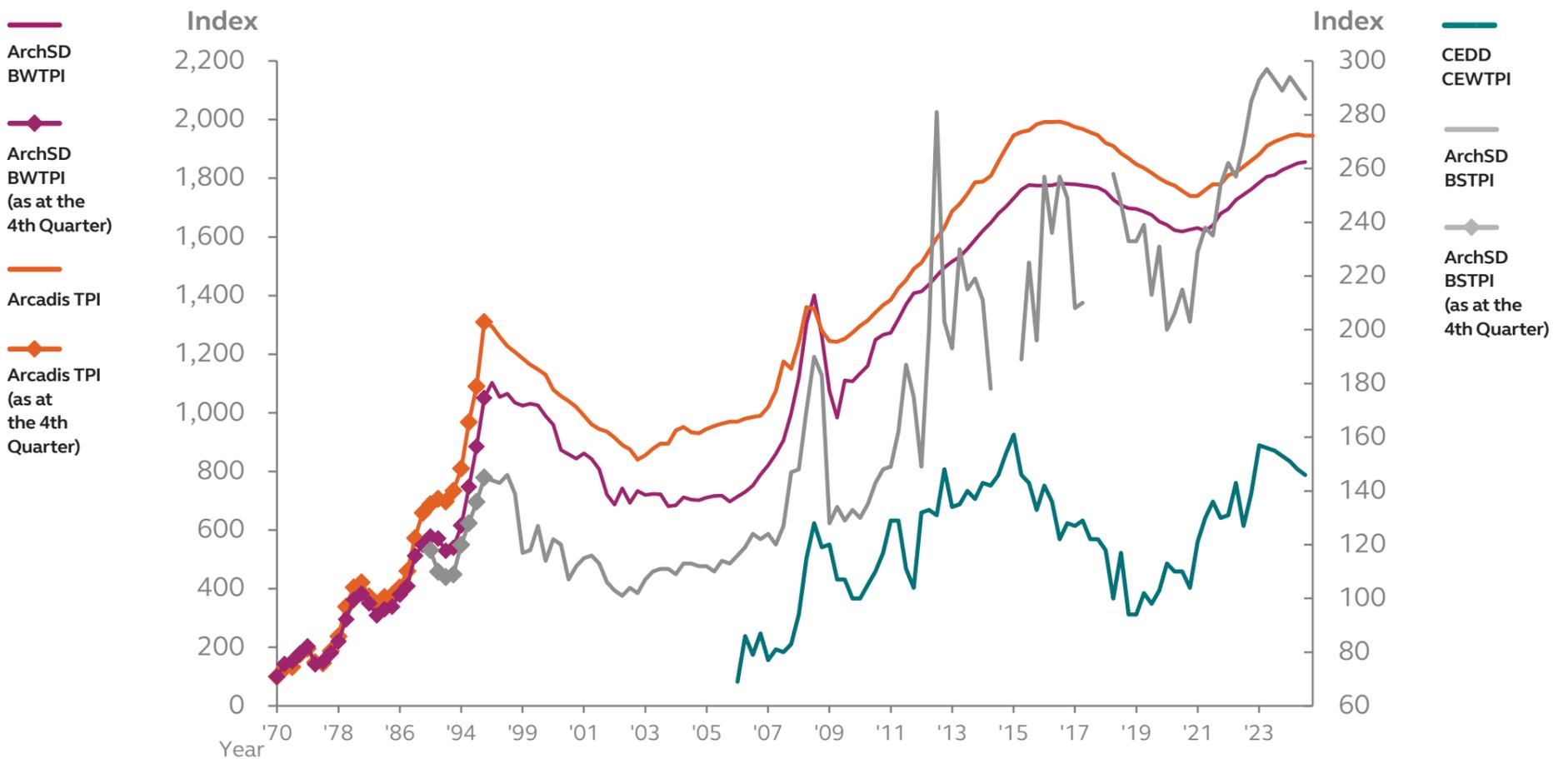


Building & Building Services Price Index												
Index	(Base Index: May 2006 = 100)											
	High-Rise Residential						High-Rise Office					
Month / Year	2019	2020	2021	2022	2023	2024	2019	2020	2021	2022	2023	2024
January	187.5	189.8	195.8	200.8	189.3	184.7	182.4	185.5	191.8	196.3	185.6	179.8
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	180.0	181.9	178.3	199.3	196.7	184.0	175.0
May	185.5	183.8	211.4	199.4	184.5	178.7	180.1	179.3	207.0	194.7	179.7	173.9
June	185.7	184.1	203.5	195.5	181.8	176.6	180.2	179.7	199.1	190.7	176.9	171.6
July	186.1	184.6	203.3	189.6	180.7	176.1	180.6	180.1	198.4	184.6	175.8	171.0
August	184.9	186.0	205.2	189.6	181.4	171.3	179.4	181.7	200.3	184.8	176.5	166.0
September	184.8	185.3	212.9	187.9	180.9	170.2	179.3	181.2	208.4	183.2	175.8	164.9
October	185.7	186.8	218.0	189.5	178.7	175.2	180.8	182.8	213.8	184.9	174.6	169.8
November	192.8	190.8	206.2	187.0	182.6	172.9	188.1	186.8	202.0	182.3	177.7	167.3
December	193.4	193.4	204.0	188.7	184.0	172.6	189.0	189.4	199.6	184.1	179.1	167.0

Source : Housing and Construction Bureau of Shenzhen

Tender Price Index

Hong Kong



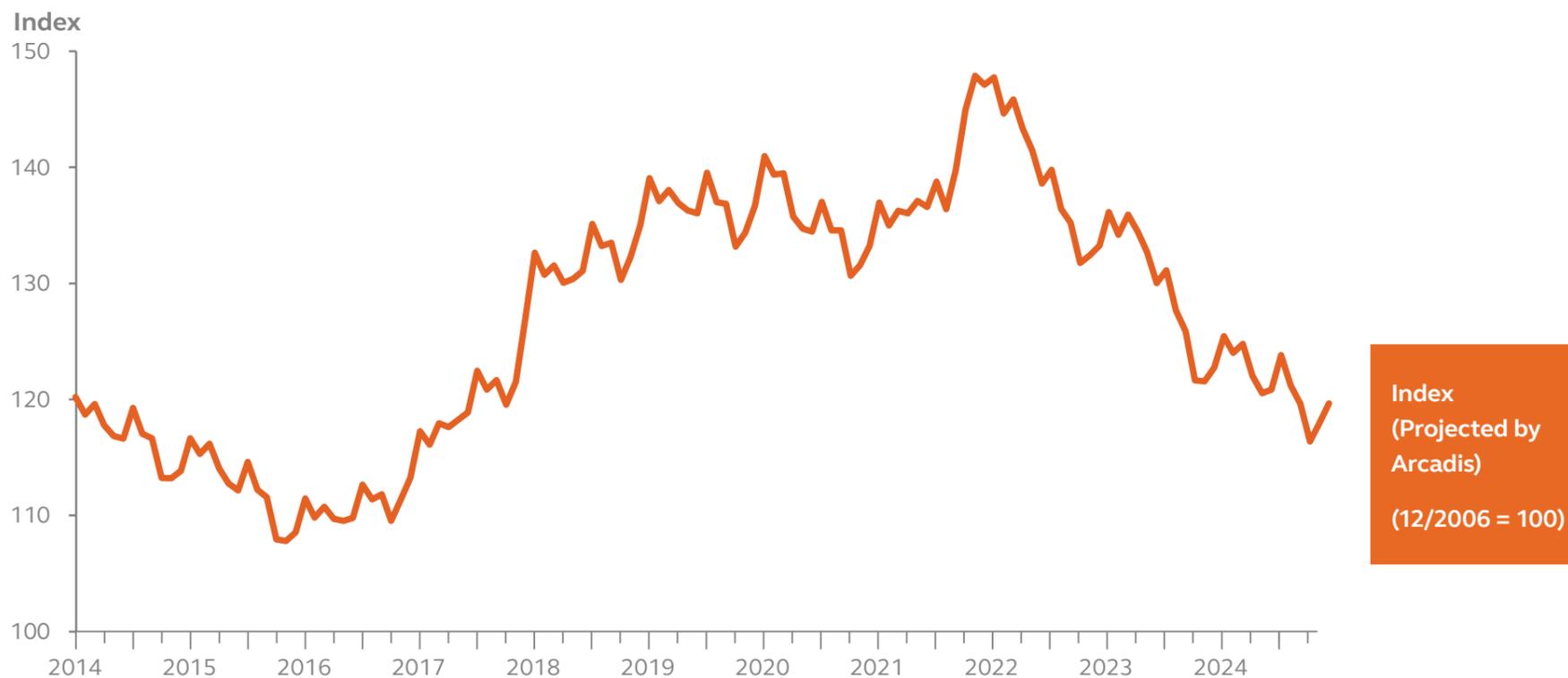
Quarter/Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
ArchSD BWTPI (Base = 100, at Q1 1970)											
Q1	1621	1732	1775	1779	1755	1695	1641	1631	1696	1785	1840
Q2	1648	1761	1776	1776	1727	1686	1623	1620	1726	1806	1851
Q3	1679	1777	1783	1773	1708	1675	1618	1640	1744	1811	1856
Q4	1703	1775	1781	1768	1698	1652	1625	1679	1763	1828	
ArchSD BSTPI (Base = 100, at Q4 1989)											
Q1	211	(N/A)	257	208	(N/A)	233	200	229	262	293	294
Q2	178	189	236	210	258	239	206	238	257	297	290
Q3	(N/A)	225	257	(N/A)	247	213	215	235	269	293	286
Q4	(N/A)	196	249	287	233	231	203	254	285	289	
Arcadis TPI (Base = 100, at Q1 1970)											
Q1	1789	1946	1992	1975	1920	1848	1785	1740	1810	1882	1945
Q2	1808	1958	1992	1968	1910	1835	1775	1760	1820	1910	1950
Q3	1857	1963	1993	1957	1885	1818	1757	1780	1840	1925	1945
Q4	1903	1984	1986	1946	1868	1800	1740	1780	1860	1935	1945
CEWTPI (Base = 100, at Q1 2010)											
Q1	143	161	142	127	118	94	113	121	131	157	151
Q2	142	146	136	129	100	102	110	130	143	156	148
Q3	146	143	122	122	117	98	110	136	127	155	146*
Q4	154	133	128	122	94	103	104	130	139	153	

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	91.2	136.3	135.2	135.5	142.4	134.0	122.2
May	104.3	98.9	101.7	103.0	94.1	91.3	135.7	134.2	136.5	140.6	132.3	120.8
June	103.6	98.9	101.5	101.4	94.1	93.3	135.5	134.0	136.0	137.9	129.7	121.1
July	103.1	98.3	101.2	100.7	94.1	94.7	138.8	136.4	138.0	139.0	130.8	123.9
August	102.7	98.3	101.3	100.0	93.9	95.2	136.4	134.0	135.8	135.8	127.5	121.4
September	102.4	98.4	103.7	96.9	93.4	95.3	136.2	134.0	139.0	134.7	125.8	119.9
October	102.1	98.2	110.4	91.3	92.7	95.9	132.7	130.3	143.9	131.4	121.8	116.8
November	101.5	98.0	111.8	90.0	92.2	97.2	133.9	131.2	146.7	132.0	121.7	118.3
December	101.2	97.6	109.9	91.0	92.5	97.6	136.1	132.8	146.0	132.8	122.9	119.9

Source : National Bureau of Statistics (NBS) of China

Notes:

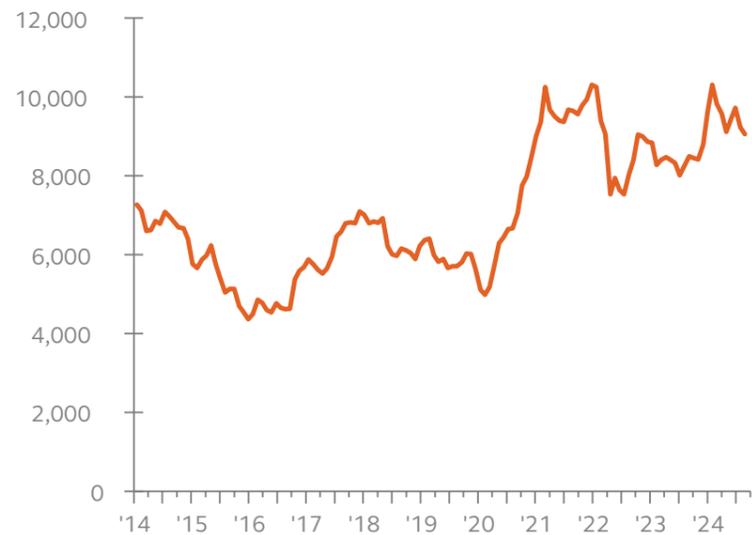
1. Data are published on a monthly basis, measuring the year-on-year change in price level of each month, but the quarter-on-quarter change is not published, ie. the changes between consecutive quarters are not given.
2. To give an illustration of the price trend over time, Arcadis applies a hypothetical 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

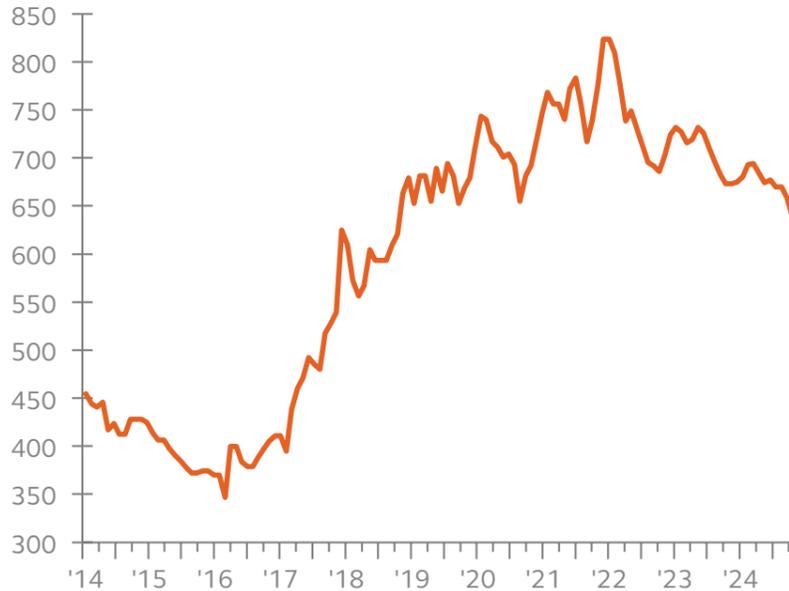
US\$/Tonne



Source : London Metal Exchange

Ready Mix Concrete, 40 MPa

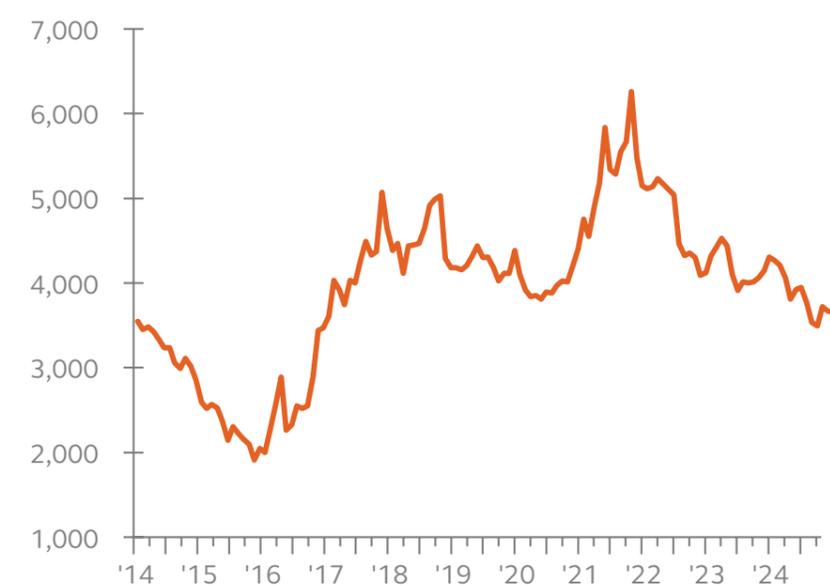
RMB/m3



Shanghai Municipal Management Commission of Housing and Urban-Rural Development

Steel Reinforcement, Grade III

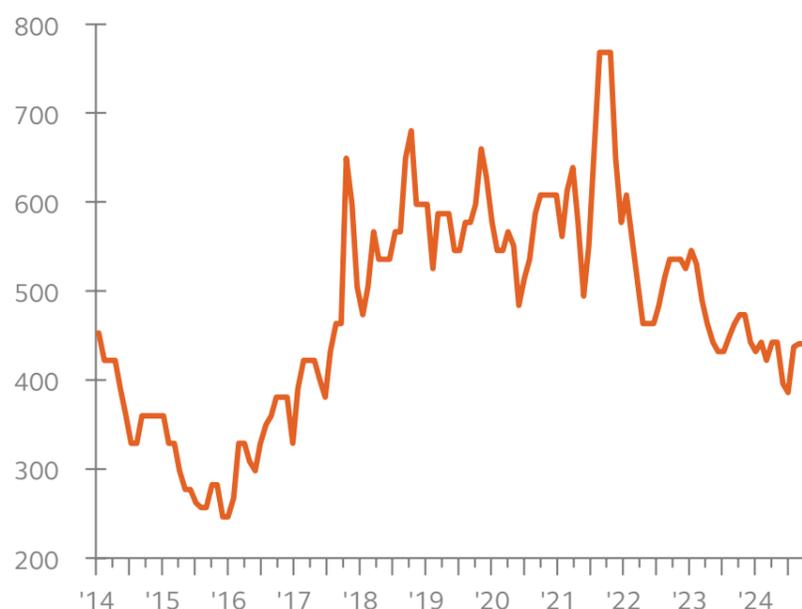
RMB/Tonne



Shanghai Municipal Management Commission of Housing and Urban-Rural Development

Portland Cement, 42.5 MPa

RMB/Tonne

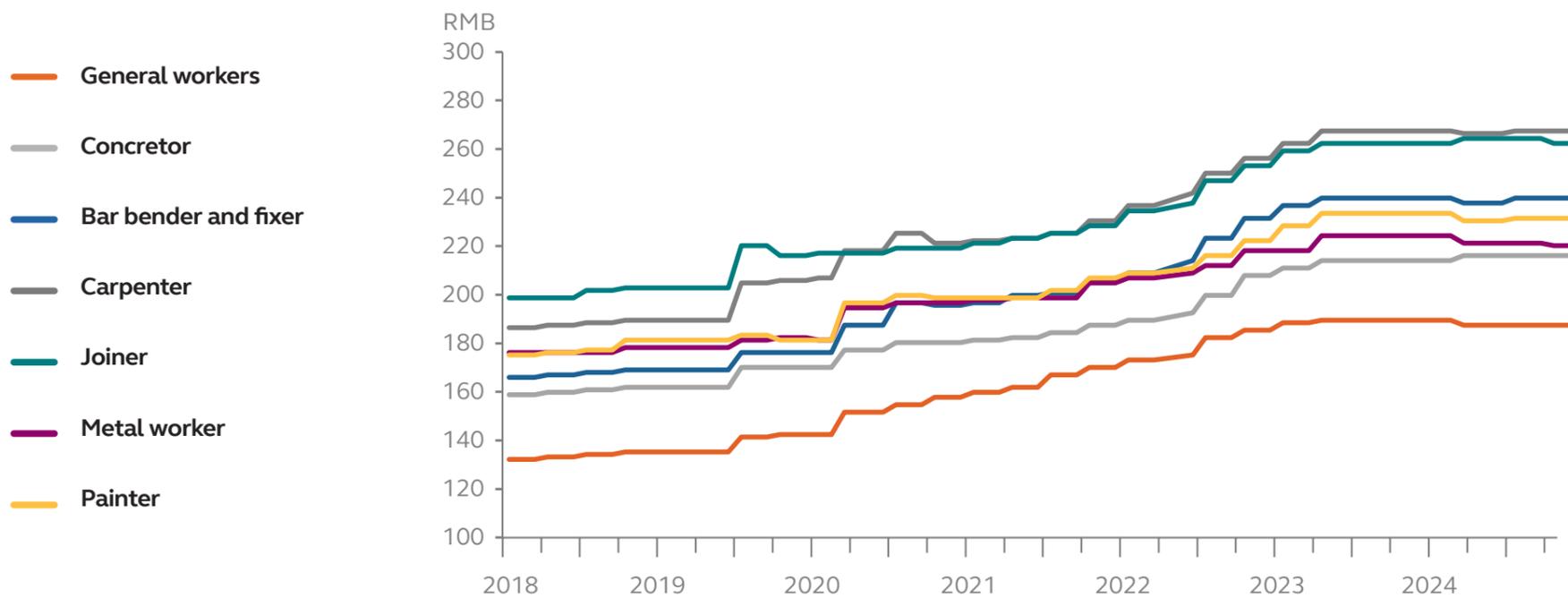


Shanghai Municipal Management Commission of Housing and Urban-Rural Development

Labour

Mainland China

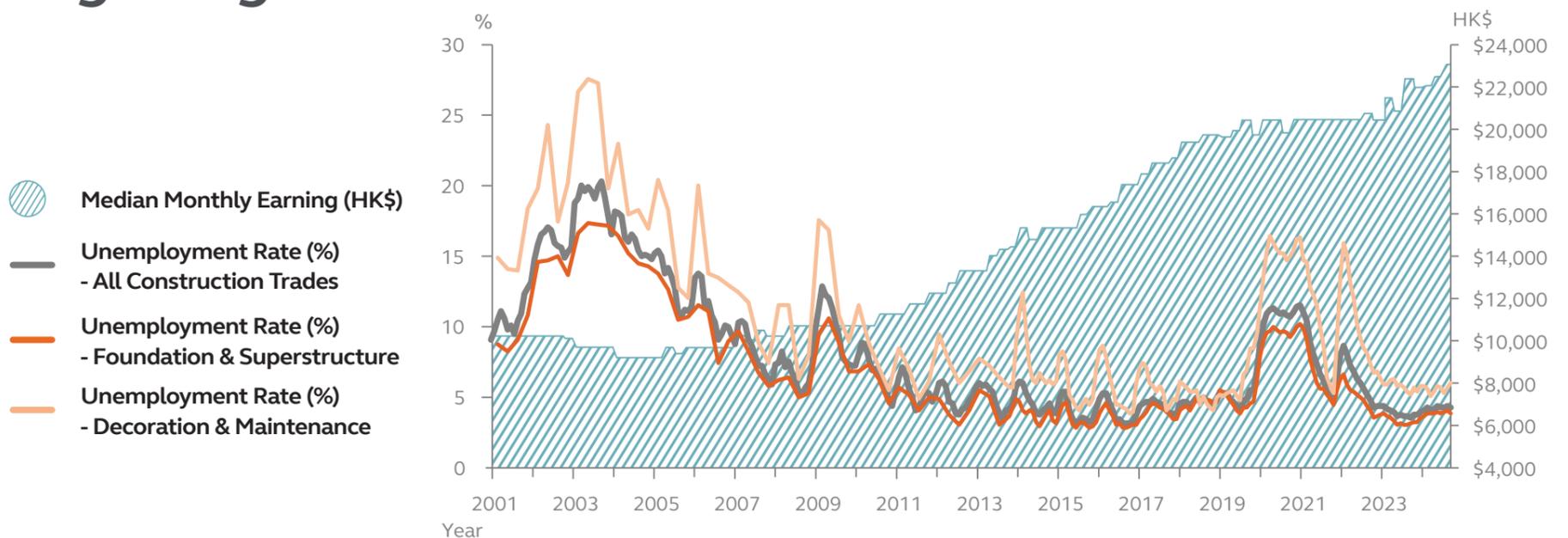
Average Daily Wages of Construction Workers



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

Hong Kong

Construction Workers in Hong Kong

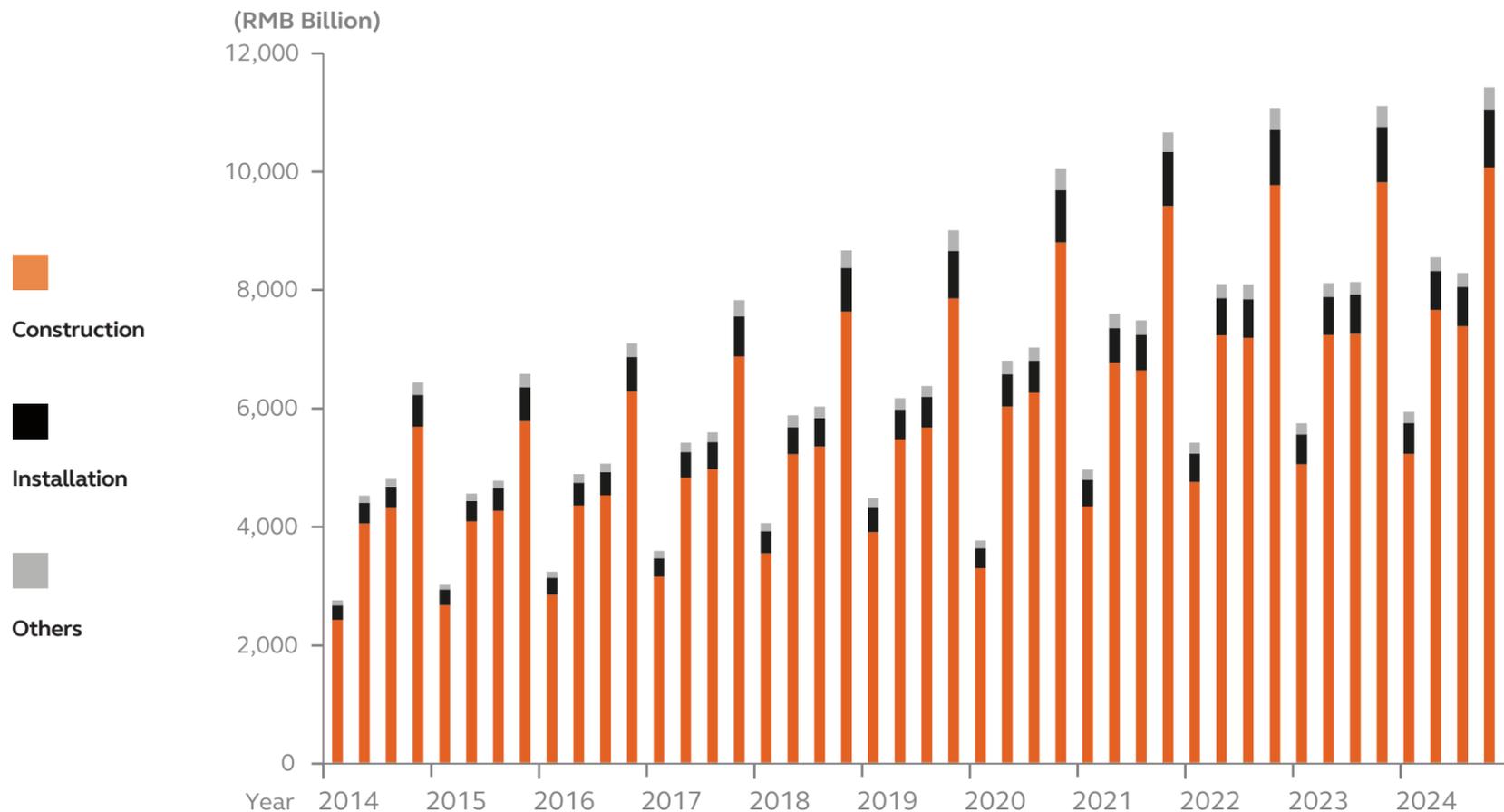


Source : Census & Statistics Department, Hong Kong SAR

Age Group	No. of Registered Construction Workers (Dec 2024)		No. of Engaged Construction Workers (Jan 2024 - Dec 2024)							
	All levels		All levels		Skilled	Semi Skilled	General			
Age 16-29	73,515	11.0%	32,923	11.6%	2,070	0.7%	4,768	1.7%	26,085	9.2%
Age 30-39	124,394	18.6%	59,429	21.0%	11,828	4.2%	10,438	3.7%	37,163	13.1%
Age 40-49	155,660	23.3%	66,892	23.6%	25,893	9.1%	7,829	2.8%	33,170	11.7%
Age 50-59	168,789	25.3%	72,107	25.5%	32,490	11.5%	5,388	1.9%	34,229	12.1%
Age ≥ 60	145,245	21.8%	51,693	18.3%	32,291	11.4%	1,807	0.6%	17,595	6.2%
Total	667,603	100.0%	283,044	100.0%	104,572	36.9%	30,230	10.7%	148,242	52.4%

Source : Construction Industry Council

Gross Value of Construction Work Performed – Mainland China



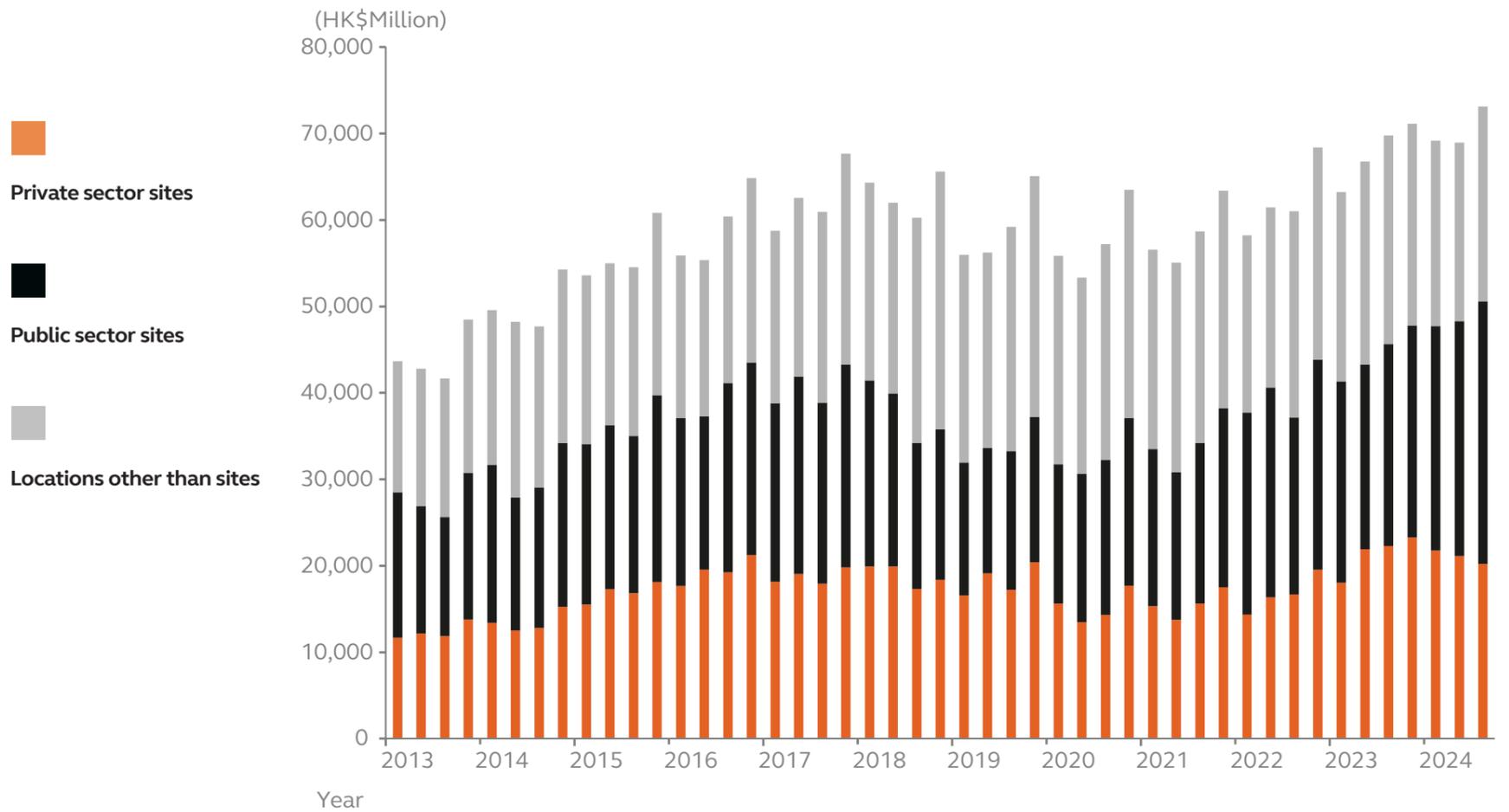
Value Performed (RMB Billion)											
Quarter	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
A. Construction											
1 st Quarter	2,311	2,544	2,712	3,003	3,382	3,727	3,138	4,141	4,533	4,820	4,988
2 nd Quarter	3,866	3,899	4,158	4,609	4,985	5,223	5,753	6,453	6,902	6,907	7,316
3 rd Quarter	4,113	4,068	4,322	4,742	5,106	5,414	5,977	6,336	6,863	6,929	7,047
4 th Quarter	5,425	5,517	5,994	6,562	7,286	7,502	8,405	8,991	9,328	9,378	9,616
Year Total:	15,714	16,028	17,186	18,916	20,759	21,867	23,272	25,921	27,625	28,034	28,968
B. Installation											
1 st Quarter	230	255	277	303	358	393	326	428	463	485	498
2 nd Quarter	333	331	366	405	438	476	523	569	602	614	625
3 rd Quarter	346	363	374	437	459	498	519	579	623	638	639
4 th Quarter	517	548	561	646	708	768	840	871	906	890	938
Year Total:	1,426	1,498	1,578	1,791	1,963	2,135	2,208	2,448	2,594	2,628	2,699
C. Others											
1 st Quarter	83	91	96	113	129	155	127	164	175	175	180
2 nd Quarter	118	117	138	154	187	186	217	229	223	224	223
3 rd Quarter	126	126	137	160	189	173	213	228	240	194	224
4 th Quarter	205	216	222	262	282	328	357	318	340	336	355
Year Total:	531	550	593	689	787	843	915	940	978	930	982
Annual gross value performed (A + B + C)											
Total:	17,671	18,076	19,357	21,396	23,509	24,845	26,395	29,308	31,198	31,591	32,650

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	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
A. Private sector sites												
1 st Quarter	11,675	13,395	15,528	17,652	18,150	19,918	16,583	15,647	15,339	14,351	18,031	21,759
2 nd Quarter	12,176	12,507	17,284	19,530	19,070	19,925	19,112	13,489	13,758	16,360	21,900	21,134
3 rd Quarter	11,848	12,792	16,849	19,252	17,912	17,340	17,199	14,303	15,620	16,674	22,282	20,236*
4 th Quarter	13,781	15,259	18,119	21,231	19,813	18,369	20,393	17,685	17,521	19,540	23,267	
Year Total:	49,480	53,953	67,780	77,665	74,945	75,552	73,287	61,124	62,238	66,925	85,480	63,129*
B. Public sector sites												
1 st Quarter	16,829	18,258	18,531	19,414	20,639	21,533	15,338	16,083	18,167	23,356	23,303	25,948
2 nd Quarter	14,690	15,397	18,964	17,780	22,827	20,002	14,512	17,155	17,054	24,247	21,367	27,160
3 rd Quarter	13,792	16,253	18,163	21,878	20,934	16,888	16,022	17,940	18,604	20,462	23,386	30,363*
4 th Quarter	16,976	18,915	21,585	22,295	23,455	17,433	16,825	19,400	20,687	24,292	24,517	
Year Total:	62,287	68,823	77,243	81,367	87,855	75,856	62,697	70,578	74,512	92,357	92,573	83,471*
C. Location other than sites												
1 st Quarter	15,140	17,909	19,549	18,809	19,963	22,871	24,032	24,126	23,075	20,526	21,888	21,467
2 nd Quarter	15,914	20,327	18,744	18,041	20,657	22,073	22,592	22,674	24,249	20,867	23,504	20,662
3 rd Quarter	16,038	18,636	19,520	19,274	22,093	26,027	25,992	24,971	24,465	23,864	24,096	22,513*
4 th Quarter	17,716	20,088	21,111	21,333	24,406	29,797	27,839	26,398	25,183	24,569	23,363	
Year Total:	64,808	76,960	78,924	77,457	87,119	100,768	100,455	98,169	96,972	89,826	92,851	64,642*
Annual gross value performed (A + B + C)												
Total:	176,575	199,736	223,947	236,489	249,919	252,176	236,439	229,871	233,722	249,108	270,904	211,242*

*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
	Q4/2024	Q4/2024	Q4/2024	Q4/2024
	RMB/ m ² CFA			
Domestic				
Apartments, high rise, average standard				
- Shell and core	2,941 - 3,352	2,675 - 3,085	2,468 - 2,835	2,622 - 2,981
- Full fit	4,807 - 5,299	4,231 - 4,646	3,916 - 4,493	4,008 - 4,647
Apartments, high rise, high end				
- Shell and core	3,536 - 3,829	3,187 - 4,624	2,576 - 3,493	3,240 - 4,123
- Full fit	10,855 - 11,834	10,255 - 11,673	6,363 - 7,254	6,473 - 7,938
Terraced houses, average standard				
- Shell and core	3,292 - 3,572	3,088 - 3,607	2,593 - 2,945	3,252 - 3,888
- Full fit	6,641 - 7,235	6,059 - 6,563	5,933 - 7,095	5,502 - 6,460
Detached houses, high end				
- Shell and core	4,840 - 5,350	4,650 - 5,175	3,609 - 4,100	4,262 - 4,865
- Full fit	11,679 - 12,391	11,644 - 12,148	11,384 - 13,338	7,001 - 7,953
Office / Commercial				
Medium/high rise offices, average standard	6,167 - 8,148	6,035 - 8,131	5,544 - 6,343	6,336 - 7,282
High rise offices, prestige quality	7,923 - 10,836	9,809 - 13,353	8,129 - 10,217	7,990 - 10,620
Out-of-town shopping centre, average standard	N/A	N/A	5,348 - 6,080	5,131 - 6,495
Retail malls, high end	8,373 - 11,288	8,160 - 11,234	7,913 - 11,465	7,621 - 10,521
Industrial				
Industrial units, shell only (Conventional single storey framed units)	1,899 - 2,326	1,864 - 2,273	2,119 - 2,604	3,137 - 3,900
Owner operated factories, low rise, light weight industry	2,938 - 3,679	3,603 - 4,130	N/A	N/A
Hotels				
Budget hotels - 3-star, mid market	6,748 - 8,225	6,677 - 8,225	7,131 - 8,087	6,882 - 8,413
Business hotels - 4/5-star	10,873 - 14,718	11,377 - 15,021	11,527 - 16,966	12,350 - 15,277
Luxury hotels - 5-star	14,701 - 17,572	14,480 - 18,640	15,513 - 17,628	15,207 - 18,082
Others				
Underground/basement car parks (<3 levels)	5,039 - 7,027	5,157 - 5,667	3,700 - 6,052	2,893 - 4,006
Multi storey car parks, above ground (<4 levels)	2,582 - 3,608	3,103 - 3,134	2,635 - 2,986	2,306 - 2,819
Schools (primary and secondary)	3,852 - 4,861	3,591 - 4,635	2,978 - 3,867	3,057 - 3,369
Students' residences	2,819 - 3,845	2,539 - 3,591	2,744 - 3,498	2,140 - 3,061
Sports clubs, multi purpose sports/ leisure centres (dry sports)	6,499 - 7,982	6,148 - 6,202	5,101 - 5,780	4,824 - 5,288
General hospitals - public sector	9,929 - 12,801	8,084 - 10,124	7,724 - 9,955	7,709 - 9,546

The above costs are at 4th Quarter 2024 levels.

Approximate Building Costs For Major Cities In Asia

Building Type	Hong Kong	Macau	Singapore	Kuala Lumpur
	Q4/2024	Q4/2024	Q4/2024	Q4/2024
	USD/ m2 CFA (See also exchange rates per U.S. dollar below)			
	HK\$ 7.78	MOP 8.04	S\$ 1.33	RM 4.48
Domestic				
Apartments, high rise, average standard				
- Shell and core	N/A	1,913 - 2,834	N/A	N/A
- Full fit	3,280 - 3,770	2,463 - 3,012	1,990 - 2,330	330 - 655
Apartments, high rise, high end				
- Shell and core	N/A	2,834 - 4,249	N/A	N/A
- Full fit	4,220 - 4,870	3,439 - 5,254	3,310 - 4,510	750 - 1,575
Terraced houses, average standard				
- Shell and core	N/A	3,356 - 4,186	N/A	N/A
- Full fit	4,510 - 5,170	4,194 - 5,006	2,555 - 2,855	235 - 385
Detached houses, high end				
- Shell and core	N/A	4,056 - 5,845	N/A	N/A
- Full fit	6,530 up	5,117 - 6,657	3,235 - 4,325	800 - 1,085
Office / Commercial				
Medium/high rise offices, average standard	3,260 - 3,690	2,834 - 3,659	2,630 - 2,970	625 - 830
High rise offices, prestige quality	3,880 - 4,420	3,659 - 4,003	2,970 - 3,195	980 - 1,415
Out-of-town shopping centre, average standard	3,210 - 3,770	2,668 - 4,003	2,820 - 3,120	460 - 695
Retail malls, high end	4,150 - 4,810	4,194 - 5,062	3,120 - 3,385	725 - 1,110
Industrial				
Industrial units, shell only (Conventional single storey framed units)	N/A	N/A	1,205 - 1,390	340 - 480
Owner operated factories, low rise, light weight industry	2,460 - 3,050	N/A	N/A	450 - 570
Hotels				
Budget hotels - 3-star, mid market	4,110 - 4,370	3,729 - 4,223	3,270 - 3,570	1,060 - 1,560
Business hotels - 4/5-star	4,240 - 4,870	5,062 - 6,051	3,570 - 4,510	1,385 - 2,430
Luxury hotels - 5-star	4,920 - 5,500	6,051 - 7,153	4,175 - 4,850	2,030 - 2,725
Others				
Underground/basement car parks (<3 levels)	3,700 - 4,270	2,213 - 3,246	1,430 - 1,840	325 - 580
Multi storey car parks, above ground (<4 levels)	2,170 - 2,530	1,223 - 1,611	900 - 1,315	215 - 375
Schools (primary and secondary)	2,780 - 2,980	2,449 - 2,834	2,030 - 2,630	270 - 345
Students' residences	3,140 - 3,520	1,939 - 2,255	2,405 - 2,555	315 - 400
Sports clubs, multi purpose sports/ leisure centres (dry sports)	4,100 - 4,600	N/A	2,930 - 3,120	630 - 800
General hospitals - public sector	5,130 - 5,630	N/A	4,135 - 4,325	870 - 1,270

The above costs are at 4th Quarter 2024 levels.

Approximate Building Costs For Major Cities In Asia

Building Type	Bangkok	Bangalore	Manila	Ho Chi Minh
	Q4/2024	Q4/2024	Q4/2024	Q4/2024
	USD/ m2 CFA (See also exchange rates per U.S. dollar below)			
	BAHT 34.18	INR 85.04	PHP 58.01	VND 25,498
Domestic				
Apartments, high rise, average standard				
- Shell and core	527 - 731	603 - 668	N/A	N/A
- Full fit	731 - 907	689 - 827	970 - 1,259	562 - 697
Apartments, high rise, high end				
- Shell and core	731 - 965	956 - 1,159	N/A	N/A
- Full fit	1,170 - 1,609	1,100 - 1,380	1,253 - 2,270	816 - 1,099
Terraced houses, average standard				
- Shell and core	439 - 585	478 - 537	N/A	332 - 383
- Full fit	585 - 731	485 - 539	830 - 1,016	550 - 639
Detached houses, high end				
- Shell and core	585 - 878	520 - 611	N/A	461 - 560
- Full fit	731 - 1,024	613 - 685	1,611 - 2,744	797 - 896
Office / Commercial				
Medium/high rise offices, average standard	731 - 878	507 - 562#	854 - 1,123	667 - 763
High rise offices, prestige quality	1,024 - 1,316	588 - 744#	1,246 - 1,594	846 - 1,140
Out-of-town shopping centre, average standard	702 - 936	516 - 572	727 - 900	617 - 755
Retail malls, high end	936 - 1,112	670 - 788	993 - 1,411	772 - 944
Industrial				
Industrial units, shell only (Conventional single storey framed units)	527 - 702	446 - 551	482 - 621	300 - 373
Owner operated factories, low rise, light weight industry	N/A	416 - 550	647 - 811	340 - 444
Hotels				
Budget hotels - 3-star, mid market	1,229 - 1,316	981 - 1,056	1,075 - 1,331	1,165 - 1,409
Business hotels - 4/5-star	1,609 - 1,902	1,391 - 1,771	1,233 - 2,048	1,342 - 1,624
Luxury hotels - 5-star	2,048 - 2,340	1,908 - 2,228	1,799 - 3,283	1,739 - 2,063
Others				
Underground/basement car parks (<3 levels)	644 - 878	332 - 386	564 - 729	616 - 726
Multi storey car parks, above ground (<4 levels)	351 - 527	274 - 324	519 - 692	398 - 431
Schools (primary and secondary)	585 - 878	346 - 404	633 - 872	549 - 671
Students' residences	439 - 585	359 - 443	709 - 914	524 - 665
Sports clubs, multi purpose sports/ leisure centres (dry sports)	N/A	677 - 754	1,064 - 1,550	1,065 - 1,291
General hospitals - public sector	N/A	754 - 871	1,281 - 1,498	N/A

The above costs are at 4th Quarter 2024 levels.

Approximate Building Costs For Major Cities In Asia

Building Type	Outline Specification
Domestic	
Apartments, high rise, average standard	Shell and core , including finishes and fittings to public area, but excluding finishes and fittings to apartment units Full fit , with air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Apartments, high rise, high end	Shell and core , including finishes and fittings to public area, but excluding finishes and fittings to apartment units Full fit , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings and loose furniture
Terraced houses, average standard	Shell and core , joined houses in row(s), excluding garden, parking, finishes and fittings to house interior Full fit , including finishes and fittings to house interior, with air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
Detached houses, high end	Shell and core , good quality facade, excluding garden, parking, finishes and fittings to house interior Full fit , good quality provisions, with air-conditioning, kitchen cabinets and home appliances, but excluding decorative light fittings, loose furniture, garden and parking
Office / Commercial	
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 excluding shop fit-out
Retail malls, high end	
Industrial	
Industrial units, shell only (Conventional single storey framed units)	RC structure with steel roof and M&E to main distribution, but excluding 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 excluding a/c
Hotels	
Budget hotels - 3-star, mid market	<ol style="list-style-type: none"> Interior decoration Furniture (fixed and movable) Special light fittings (chandeliers, etc.) Operating Supplies and Equipment (OS&E) excluded
Business hotels - 4/5-star	
Luxury hotels - 5-star	
Others	
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; excluding 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	Excluding 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, 46m² - 83m² 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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