CONSTRUCTION MARKET UPDATE

RIDER LEVETT BUCKNALL SINGAPORE AND REGIONAL REPORT

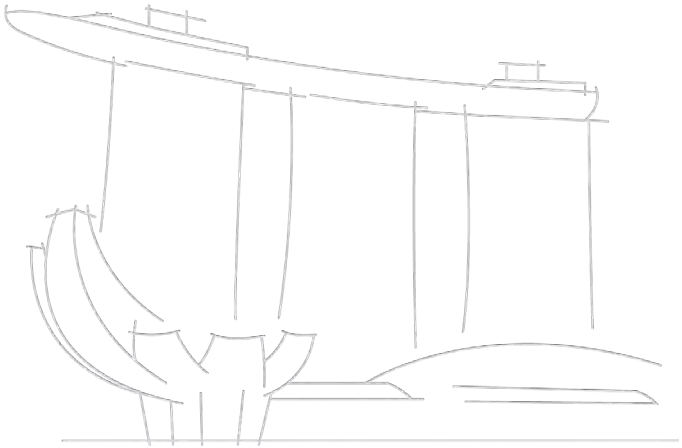
JUNE 2026

2026 H1

RLB Rider Levett Bucknall

CONTENTS

Introduction	1
Highlights	2
Markets	
Singapore	5
Cambodia	7
Indonesia	9
Malaysia	11
Vietnam	13
Philippines	15
Japan	17
Commodity Price Trends	20
Currency Exchange Rates	20
Construction Prices in the Region	21
Professional Services	23
Our Offices	24



INTRODUCTION

General Market

The regional economic outlook entered 2026 on relatively firm foundations, but conditions became increasingly challenging during the first half of the year. The Middle East conflict and resulting disruption to global energy markets have raised fuel, freight and input costs, while trade policy uncertainty and geopolitical tensions continue to weigh on external demand and investment sentiment.

The World Bank expects East Asia and Pacific growth to moderate to 4.2% in 2026, from 5.0% in 2025, as the energy shock compounds elevated trade barriers and global policy uncertainty. Regional inflationary pressures have correspondingly strengthened as higher energy and commodity costs feed through supply chains.

Economic performance nevertheless remains differentiated across the markets covered in this report. Vietnam continues to record strong growth and investment activity, while Indonesia and Malaysia remain supported by domestic demand and investment. Cambodia and the Philippines face more subdued conditions, while Singapore and Japan continue to contend with external exposure.

Construction Industry

Construction activity across the region remains supported by substantial infrastructure programmes, industrial investment and government-led development. However, the operating environment has become more cost-sensitive, with higher energy prices, material escalation, labour constraints and supply-chain risks placing renewed pressure on tender prices and project feasibility.

RLB's regional survey indicates that material costs remain the largest individual influence on construction cost escalation, followed by labour availability. Commercial considerations have also gained importance, reflecting greater attention to contract risk allocation, contractor solvency, margins and tender validity as uncertainty increases.

Several recurring themes are evident across the markets covered in this report:

- Infrastructure investment remains a key growth anchor, supported by public programmes and reforms intended to accelerate project delivery and mobilise private-sector participation. Indonesia's updated PPP framework and Vietnam's construction and investment reforms illustrate this direction.
- Cost pressures are influencing procurement and investment decisions, with contractors pricing greater contingencies and developers increasingly reviewing project feasibility, scope and timing. This is particularly evident in Malaysia, Vietnam and Japan.
- Market performance is becoming increasingly sector-selective, with industrial, data centre, healthcare and infrastructure investment providing pockets of stronger activity.

Looking ahead, regional construction activity is expected to remain resilient but uneven. Public infrastructure and strategic investment continue to underpin project pipelines, while the trajectory of energy prices, geopolitical developments, financing conditions and material costs will remain important determinants of tender pricing and private-sector investment through the remainder of 2026. ADB's July update reinforces this balance: activity remained firm in early 2026, but higher energy costs, supply disruptions and uncertainty are expected to weigh more heavily as the year progresses.

HIGHLIGHTS

	TPI Movement (%) Y-o-Y		Material Costs	Labour Costs
	1Q 2026	2026 (f)	4Q'25 to 1Q'26	
Singapore	4.0	4.0 – 7.0	▲	◀▶
Ho Chi Minh City	3.3	7.0 – 10.0	▲	▲
Jakarta	3.4	3.0	▲	▲
Kuala Lumpur	3.0	4.0 – 8.0	▲	◀▶
Phnom Penh	2.5 - 4.5	3.0 - 5.0	▲	▲
Manila	0.5	4.0	▲	◀▶
Tokyo	4.2	8.0	▲	▲

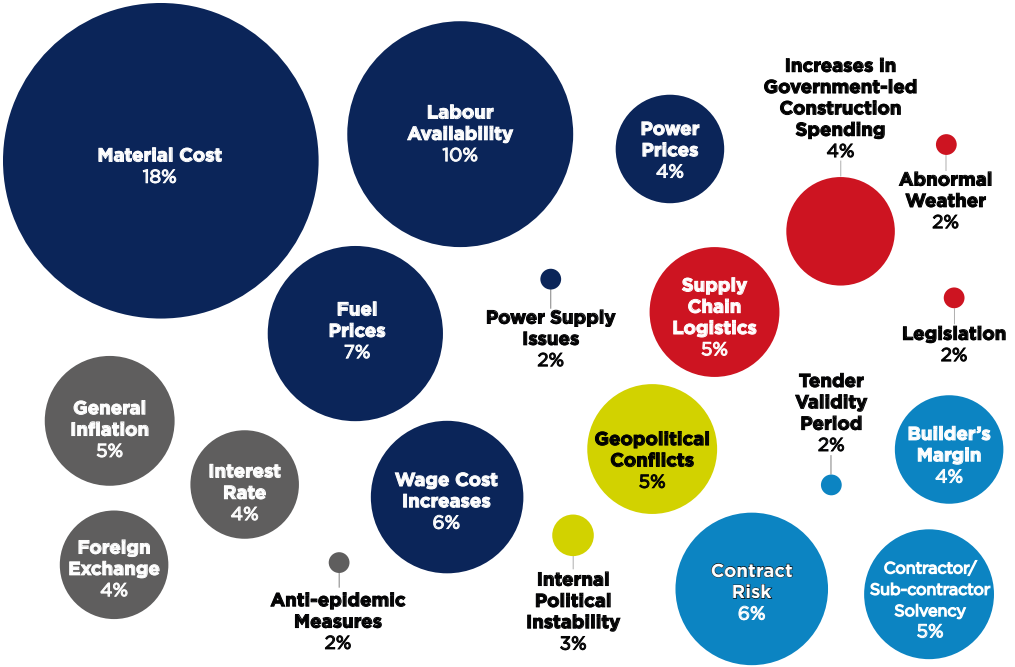
f: forecast

Legend:

▲ Increased
◀▶ Remained
▼ Decreased

HIGHLIGHTS

REGIONAL* CONSTRUCTION INDUSTRY INFLUENCES ON ESCALATION



Y-o-Y percentage change in 2Q 2026

Input Costs +1%
- Material Costs
- Wage Cost Increases
- Fuel Prices
- Labour Availability
- Power Supply Issues
- Power Prices

Macroeconomic -2%
- Interest Rates
- General Inflation
- Foreign Exchange
- Anti-epidemic Measures

Other External -3%
- Increases in Government-led Construction Spending
- Supply Chain Logistics
- Legislation (Carbon, Sustainability, etc.)
- Abnormal Weather

Commercial +4%
- Contract Risk Apportionment
- Contractor/Sub-contractor Solvency
- Builders Margin
- Tender Validity Period

Geopolitical 0%
- Geopolitical Conflicts
- Internal Political Instability

Note: Percentages in the tree map indicates the weightage of each influence on construction cost escalation in 2Q 2026.
* Participating countries: Cambodia, Indonesia, Malaysia, Philippines, Singapore and Vietnam.

Therme Singapore

SINGAPORE

Construction Market

S$47b - S$53b
Construction demand 2026(f)
S$13.6b as at 1Q 2026
S$50.7b in 2025

4.0% - 7.0%
TPI 2026(f)
4.0% Y-o-Y in 1Q 2026
1.8% Y-o-Y in 2025

S$43b - S$46b
Construction output 2026(f)
S$11.4b as at 1Q 2026
S$41.8b in 2025

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ◄►

Economy Indicators

2.0% - 4.0%
GDP 2026(f)
6.0% Y-o-Y in 1Q 2026
5.0% Y-o-Y in 2025

1.5% - 2.5%
Inflation 2026(f)
1.5% Y-o-Y in 1Q 2026
0.9% Y-o-Y in 2025

2.1%
Unemployment rate 2026(f)
2.1% in 1Q 2026
2.0% in 2025

Happening in Singapore

Key construction policies introduced in 1H 2026

- Tranche 3 of the Productivity Solutions Grant (PSG) for the Built Environment (BE) sector which will be available 1 April 2026 to 31 March 20231
- PSG provides enhanced support to help local BE SMEs build more advanced capabilities to achieve higher productivity

Ex-gratia cost sharing on additional costs due to Middle East conflict

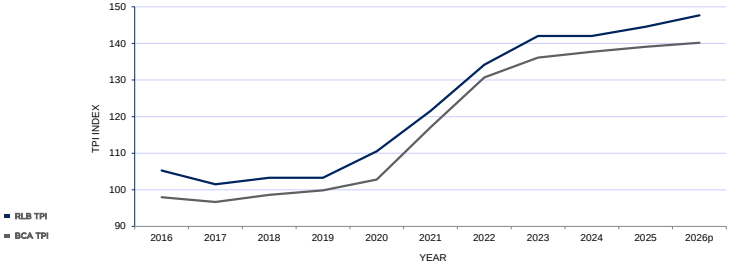
- Applicable to ongoing critical public sector construction contracts
- GPES share direct additional costs incurred by contractors arising from the use of diesel and bitumen from 1 March 2026 to 31 July 2026, or as may be announced by BCA
- The ex-gratia cost sharing seeks to provide temporary relief to affected contractors and mitigate impact of market volatility

Tender prices expected to trend upward in 2026

- Spike in raw material prices due to ore shortages, sanctions and unrest
- Global energy crisis remains a threat with the on-again off-again peace treaties
- Singapore's exposure to external volatilities amplified due to her open economy

SINGAPORE

BUILDING TENDER PRICE INDICES

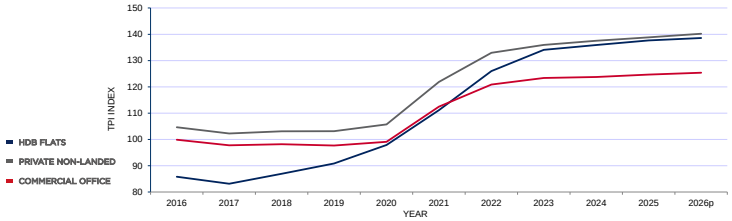


	ANNUAL CHANGE 2026		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026p
RLB TPI	2.2%	↑	105.3	101.5	103.3	103.3	110.5	121.6	134.2	142.0	142.1	144.6	147.7
BCA TPI	0.8%	↑	98.0	96.7	98.6	99.9	102.8	117.1	130.7	136.1	137.7	139.1	140.2

Data Sources: BCA, RLB
p: preliminary

Note: Variances between the RLB and BCA Tender Price Index arise from the differences in index derivation methodology, the basket of items and weightages used for each index and the variety of building projects utilised. The index basket here excludes piling works and Mechanical & Electrical services. Base Year 2010 = 100

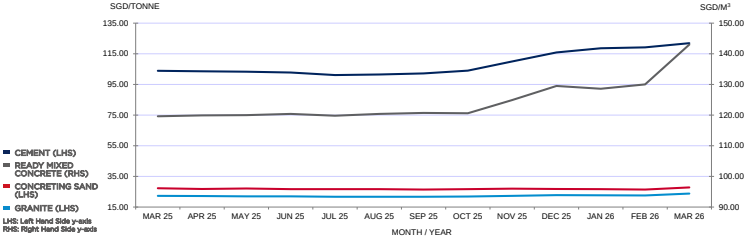
BCA TENDER PRICE INDICES



	ANNUAL CHANGE 2026		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026p
HDB Flats	0.7%	↑	85.8	83.2	86.9	90.9	97.9	111.1	126.0	134.1	135.9	137.7	138.6
Private Non-Landed	1.0%	↑	104.7	102.3	103.1	103.2	105.7	121.9	133.0	136.0	137.5	138.9	140.2
Commercial Office	0.6%	↑	99.9	97.8	98.2	97.7	99.1	112.5	120.9	123.4	123.8	124.7	125.4

Data Source: BCA
p: preliminary

BASIC CONSTRUCTION MATERIALS



	AVG 1Q'26/ 4Q'25 CHANGE		MAR 25	APR 25	MAY 25	JUN 25	JUL 25	AUG 25	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26
CEMENT	9.0%	↑	103.90	103.60	103.30	102.80	101.10	101.50	102.20	104.00	110.00	115.90	118.60	119.20	121.90
READY MIXED CONCRETE	7.1%	↑	119.60	119.90	120.00	120.40	119.80	120.40	120.70	120.60	124.90	129.50	128.60	130.00	143.00
CONCRETING SAND	0.5%	↑	27.30	26.80	27.10	26.70	26.70	26.70	26.40	26.70	27.00	26.80	26.70	26.40	27.80
GRANITE	3.1%	↑	22.30	22.20	22.00	22.00	21.70	21.70	21.70	21.90	22.30	22.80	22.70	22.60	23.80

Data Source: BCA

Note:

- Prices of granite and concreting sand excluded local delivery charges to concrete batching plants.
- The market prices of ready mixed concrete are based on contracts with non-fixed price, fixed price and market retail price for Grade 40 pump.

CAMBODIA

Construction Market

6.6%
Construction sector growth 2026(f)
6.6% Y-o-Y in 1Q 2026
5.2% Y-o-Y in 2025

3.0% - 5.0%
TPI 2026(f)
2.5% - 4.5% Y-o-Y in 1Q 2026
1.5% - 3.0% Y-o-Y in 2025
(Phnom Penh)

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ▲
(Phnom Penh)

Economy Indicators

4.5%
GDP 2026(f)
4.5% Y-o-Y in 1Q 2026
4.8% Y-o-Y in 2025

2.8%
Inflation 2026(f)
3.2% Y-o-Y in 1Q 2026
2.0% Y-o-Y in 2025

0.3%
Unemployment rate 2026(f)
0.3% in 1Q 2026
0.3% in 2025

Happening in Cambodia

Key construction policies introduced in 1H 2026

- Construction permit reform effective February 2026, including the introduction of standardised approval timelines for permits
- Strengthened building safety and certification regulations, including mandatory licensing for elevator installers
- Push for better construction safety, fire safety and sustainability including alignment with international construction safety norms

Stabilising market with selective growth momentum

- Industrial and infrastructure-led investment continues to support pre-tender activity as the construction market transitions towards a more stable growth phase
- Post-contract conditions remain highly cost-disciplined, with stable construction pricing and limited tolerance for broad escalation claims
- Phnom Penh property prices stabilising, with selective pockets of growth

Cautious optimism amid structural market adjustment

- Cambodia's business environment is shifting towards moderate, structurally stable growth, supported by industrial expansion and infrastructure investment
- Subdued property activity and external uncertainties continue to temper confidence

CAMBODIA

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (KHR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	m^3	31,078	31,143	31,181	31,246
Stone Aggregate (20mm)	m^3	64,475	64,611	64,688	64,824
Ordinary Portland Cement	kg	408	409	409	410
Reinforced Concrete (Grade 30 MPA)	m^3	277,128	277,712	278,046	278,628
Reinforced Concrete (Grade 40 MPA)	m^3	304,841	297,549	297,907	298,530
High Tensile Steel Bars (10-32mm)	kg	2,771	3,055	3,059	3,065
Mild Steel Round Bars (10-25mm)	kg	2,692	2,698	2,701	2,707
Structural Steelwork (U-beam, stanchions)	tonne	7,126,145	7,141,177	7,149,759	7,164,710
Plywood Formwork (2,400x1,200x12mm)	m^2	28,180	28,240	28,274	28,333
Clay Bricks (100mm thick brickwall)	m^2	20,131	20,174	20,198	20,240

Data Source: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)

Notes: All supply prices stated above are only applicable for building construction projects in Phnom Penh. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.

Exchange rate assumption (1Q 2026): 1 USD = 3,980 KHR

LABOUR PRICES

SELECTED OCCUPATIONS	UNIT	AVERAGE LABOUR RATE (KHR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
General Worker (Foreign)	Day	71,900	72,000	72,100	72,200
Concretor (Skilled - Local)	Day	71,100	71,300	71,400	71,500
Brick Layer (Skilled - Local)	Day	95,800	96,000	96,100	96,300
Plasterer (Skilled - Local)	Day	93,800	94,000	94,100	94,300
Tiler (Skilled - Local)	Day	86,700	86,900	87,000	87,100
Steel Bar Worker (Skilled - Local)	Day	77,300	77,400	77,500	77,700
Carpenter (Formwork) (Skilled - Local)	Day	95,200	95,400	95,500	95,700
Carpenter (Joinery) (Skilled - Local)	Day	95,200	95,400	95,500	95,700
Roofer (Skilled - Local)	Day	104,300	104,500	104,600	104,800
Structural Steel Worker (Skilled - Local)	Day	98,100	98,300	98,400	98,600
General Welder (Skilled - Local)	Day	82,100	82,300	82,400	82,600
Plumber (Skilled - Local)	Day	85,400	85,500	85,600	85,800
Painter (Skilled - Local)	Day	95,800	96,000	96,100	96,300
Scaffolder (Skilled - Local)	Day	95,200	95,400	95,500	95,700
Electrician (Semi-skilled - Local)	Day	94,900	95,100	95,200	95,400

Data Sources: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (VAT)

Notes: All labour rates stated above are only applicable for building construction projects in Phnom Penh.

INDONESIA

Construction Market

Rp 365t
Construction demand 2026(f)
Rp 106t as at 1Q 2026
Rp 315t in 2025

3.0%
TPI 2026(f)
3.4% Y-o-Y in 1Q 2026
2.5% Y-o-Y in 2025 (Jakarta)

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ▲
(Jakarta)

Economy Indicators

5.2%
GDP 2026(f)
5.6% Y-o-Y in 1Q 2026
5.1% Y-o-Y in 2025

2.5%
Inflation 2026(f)
3.5% Y-o-Y in 1Q 2026
2.9% Y-o-Y in 2025

4.7%
Unemployment rate 2026(f)
4.7% in 1Q 2026
4.7% in 2025

Happening in Indonesia

Key construction policies introduced in 1H 2026

- Updated PPP procedures effective February 2026 strengthen the framework for private-sector participation in public-works infrastructure
- New measures effective April 2026 facilitate faster delivery of priority infrastructure through special government assignments and both single- and multi-year contracts

Domestic resilience cushions external headwinds

- Strong domestic consumption, public spending and investment continue to underpin economic and construction activity, absorbing external pressures arising from the Middle East conflict
- Infrastructure and strategic projects provide continued support to the construction pipeline, while higher energy costs and subdued property activity temper the overall market outlook

Selective investment shapes business confidence

- Business confidence remains constructive but increasingly selective, with investment concentrated in growth sectors such as data centres, industrial facilities and logistics
- Companies remain disciplined on new commitments amid global uncertainty and cost pressures, favouring projects with clearer demand fundamentals

INDONESIA

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (IDR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	m^3	320,000	350,000	380,000	380,000
Stone Aggregate (20mm)	m^3	273,000	300,000	320,000	320,000
Ordinary Portland Cement	bag	82,000	82,000	85,000	85,000
Reinforced Concrete (Grade 30 MPA)	m^3	870,000	875,000	890,000	990,000
Reinforced Concrete (Grade 40 MPA)	m^3	940,000	960,000	980,000	1,050,000
High Tensile Steel Bars (10 - 40mm)	kg	10,200	10,200	10,400	10,400
Mild Steel Round Bars (6 - 20mm)	kg	10,050	10,050	10,200	10,200
Structural Steelwork (U-beam, stanchions)	tonne	18,700,000	18,700,000	18,900,000	18,900,000
Timber Sawn Formwork	m^2	210,000	210,000	230,000	230,000
Clay Bricks (100mm thick brickwall)	m^2	154,000	154,000	158,500	158,500

Data Source: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)
Notes: All supply prices stated above are only applicable for building construction projects in Jakarta. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.
Exchange rate assumption (1Q 2026): 1 USD = 16,845 IDR

LABOUR PRICES

SELECTED OCCUPATIONS	UNIT	AVERAGE LABOUR RATE (IDR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
General Workers	Day	147,500	149,000	149,000	153,500
Carpenter (General)	Day	210,000	210,000	210,000	216,000
Tiler	m^2	92,300	93,000	93,000	95,800
Concretor	m^3	147,500	149,000	149,000	153,500
Steel bar worker	kg	3,300	3,400	3,400	3,500
Formworker	m^2	102,500	103,000	103,000	106,000
Bricker Layer	m^2	59,500	60,000	60,000	61,800
Plasterer	m^2	92,300	92,300	92,300	95,000
Painter	m^2	37,900	38,000	38,000	39,000
Glazer	m^2	312,600	315,000	315,000	324,500
Plumber	Day	225,500	228,000	228,000	235,000
Electrician	Day	225,500	228,000	228,000	235,000

Data Sources: Public Works Department Indonesia (Jakarta), market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (VAT)
Notes: All labour rates stated above are only applicable for building construction projects in Jakarta.

MALAYSIA

Construction Market

5.0% to 8.0%
Construction output 2026(f)
8.5% Y-o-Y in 1Q 2026
12.5% Y-o-Y in 2025

4.0% to 8.0%
TPI 2026(f)
3.0% Y-o-Y in 1Q 2026
3.0% Y-o-Y in 2025
(Kuala Lumpur)

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ◄►
(Kuala Lumpur)

Economy Indicators

4.5% to 5.0%
GDP 2026(f)
5.4% Y-o-Y in 1Q 2026
5.2% Y-o-Y in 2025

1.6% to 2.1%
Inflation 2026(f)
1.6% Y-o-Y in 1Q 2026
1.4% Y-o-Y in 2025

2.9% to 3.3%
Unemployment rate 2026(f)
2.9% in 1Q 2026
3.0% in 2025

Happening in Malaysia

Rising costs prompt more cautious development

- Tender prices continue to rise amid geopolitical uncertainty, higher fuel costs and increases in key construction materials, with building cost inflation estimated at approximately 4–8%
- Concrete, cement, aggregates and steel experience particularly significant price increases, adding pressure to project budgets and feasibility

Cost pressures drive selective market activity

- Contractors are pursuing cost and scope reviews and alternative procurement strategies to manage rising costs on projects already under construction
- Residential demand remains resilient in the affordable and mid-market segments, while higher-end developments face slower take-up and more cautious purchasing decisions
- Healthcare, industrial and hospitality remain among the most active sectors, supported by private investment and government-led initiatives

Caution deepens across project decisions

- Developers are increasingly taking a wait-and-see approach as they monitor construction costs, financing conditions and market demand
- Contractors are adopting more conservative tendering strategies, pricing higher contingencies for material price volatility, fuel costs, labour availability and supply-chain disruptions

MALAYSIA

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (MYR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	tonne	48.00	48.00	53.00	58.00
Stone Aggregate (20mm)	tonne	55.00	55.00	60.00	65.00
Ordinary Portland Cement	bag	22.40	22.40	23.50	24.25
Reinforced Concrete (Grade 30 MPA)	m^3	302.00	302.00	370.00	370.00
Reinforced Concrete (Grade 40 MPA)	m^3	328.00	328.00	395.00	395.00
High Tensile Steel Bars (10 - 32mm)	kg	2.50	2.55	2.55	2.60
Mild Steel Round Bars (10 - 25mm)	kg	2.60	2.75	2.75	2.70
Structural Steelwork (200 x 200mm U-beam)	tonne	3,650.00	3,700.00	4,200.00	4,700.00
Plywood Formwork (4000x8000x12mm)	pc	58.00	58.00	60.00	63.00
Clay Bricks (100mm thick brickwall)	pc	0.45	0.45	0.45	0.50

Data Source: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Goods and Services Tax (GST)

Notes: All supply prices stated above are only applicable for building construction projects in Kuala Lumpur. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.

Exchange rate assumption (1Q 2026): 1 USD = 3.965 MYR

LABOUR PRICES

SELECTED OCCUPATIONS	UNIT	AVERAGE LABOUR RATE (MYR)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
General Worker (Foreign)	Day	80.00	80.00	80.00	80.00
Concretor (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
Brick Layer (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
Plasterer (Skilled - Foreign)	Day	115.00	115.00	115.00	115.00
Tiler (Skilled - Foreign)	Day	135.00	135.00	135.00	135.00
Steel bar worker (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
Carpenter (Formwork) (Skilled - Foreign)	Day	125.00	125.00	125.00	125.00
Carpenter (Joinery) (Skilled - Foreign)	Day	140.00	140.00	140.00	140.00
Roofer (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
Structural Steel Worker (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
General Welder (Skilled - Foreign)	Day	135.00	135.00	135.00	135.00
Plumber (Skilled - Foreign)	Day	130.00	130.00	130.00	130.00
Painter (Skilled - Foreign)	Day	115.00	115.00	115.00	115.00
Scaffolder (Skilled - Foreign)	Day	120.00	120.00	120.00	120.00
Electrician (Semi-Skilled - Foreign)	Day	120.00	120.00	120.00	120.00

Data Sources: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (GST)

Notes: All labour rates stated above are only applicable for building construction projects in Kuala Lumpur.

VIETNAM

Construction Market

7.0% to 8.0%
Construction demand 2026(f)
8.4% Y-o-Y in 1Q 2026
9.0% Y-o-Y in 2025

7.0% to 10.0%
TPI 2026(f)
3.3% Y-o-Y in 1Q 2026
5.5% Y-o-Y in 2025
(Ho Chi Minh City)

6.0% to 8.0%
Construction output 2026(f)
8.0% Y-o-Y in 1Q 2026
9.0% Y-o-Y in 2025

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ▲
(Ho Chi Minh City)

Economy Indicators

6.0% to 7.6%
GDP 2026(f)
7.8% Y-o-Y in 1Q 2026
8.0% Y-o-Y in 2025

4.2%
Inflation 2026(f)
3.6% Y-o-Y in 1Q 2026
3.2% Y-o-Y in 2025

2.4%
Unemployment rate 2026(f)
2.2% in 1Q 2026
2.2% in 2025

Happening in Vietnam

Key construction policies introduced in 1H 2026

- New Law on Construction streamlines administrative procedures, is intended to accelerate project implementation, with decrees rolling out through July 2026
- New Law on Investment reduces regulatory barriers and simplifies investment procedures, supporting foreign investment and project development across sectors

Cost escalation intensifies tendering pressures

- Construction costs rose approximately 10–20% in 1H2026, driven by strong market demand, increased project activity and higher material and labour costs
- Material shortages and skilled labour constraints further affected tender pricing, while geopolitical tensions added volatility to energy and commodity costs

Ambitious growth target faces external headwinds

- Vietnam continues to target double-digit economic growth, underpinned by government efforts to sustain investment and economic expansion over the coming years
- Business sentiment is tempered by heightened global uncertainty, geopolitical risks and elevated energy prices, which could weigh on growth and investment conditions

VIETNAM

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (VND)				
		1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	m^3	502,200	502,200	502,200	502,200	750,000
Stone Aggregate (20mm)	m^3	409,000	429,500	455,300	455,300	655,000
Ordinary Portland Cement (PCB40)	kg	1,900	1,900	1,900	1,900	2,000
Reinforced Concrete (Grade 30 MPA)	m^3	1,589,000	1,652,600	1,652,600	1,652,600	1,879,300
Reinforced Concrete (Grade 40 MPA)	m^3	1,691,500	1,759,160	1,864,700	1,864,700	2,091,400
High Tensile Steel Bars (10 - 40mm)	kg	14,700	14,700	14,400	14,400	15,000
Mild Steel Round Bars (6 - 20mm)	kg	14,700	14,700	14,400	14,400	15,700
Structural Steelwork (U-beam, stanchions)	tonne	21,900	21,900	21,900	21,900	22,400
Timber Sawn Formwork	m^2	165,000	165,000	165,000	165,000	165,000
Clay Bricks (100mm thick brickwall)	m^2	115,000	115,000	115,000	115,000	124,400

Data Source: Ho Chi Minh City Construction Department, market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)
Notes: All supply prices stated above are only applicable for building construction projects in Ho Chi Minh City. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.
Exchange rate assumption (1Q 2026): 1 USD = 26,144 VND

PHILIPPINES

Construction Market

-1.5%
Construction demand 2026(f)
-2.2% Y-o-Y in 1Q 2026
6.2% Y-o-Y in 2025

4.0%
TPI 2026(f)
0.5% Y-o-Y in 1Q 2026
4.0% Y-o-Y in 2025
(Manila)

6.6% to 7.5%
Construction output 2026(f)
0.3% Y-o-Y in 1Q 2026
-7.1% Y-o-Y in 2025

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ◄►
(Manila)

Economy Indicators

3.7%
GDP 2026(f)
2.8% Y-o-Y in 1Q 2026
4.4% Y-o-Y in 2025

3.6%
Inflation 2026(f)
2.8% Y-o-Y in 1Q 2026
1.7% Y-o-Y in 2025

5.0%
Unemployment rate 2026(f)
5.3% in 1Q 2026
4.2% in 2025

Happening in the Philippines

Proposed legislative reforms target standards and modernisation

- New Philippine Building Act would modernise building regulations, strengthening structural design review, construction safety, contractor accountability and enforcement
- National Precast and Industrialized Construction Promotion Act seeks to accelerate construction modernisation, supporting faster delivery

Major pipeline faces funding and delivery constraints

- The Build Better More programme maintains a substantial infrastructure pipeline, with 207 flagship projects valued at approximately PHP10.2t
- Budgetary and funding constraints are delaying parts of the pipeline, while DPWH is shifting towards fewer, higher-priority projects with greater emphasis on integrity and climate resilience

Cautious transition towards sector rebuilding

- Business confidence remains subdued amid slower economic growth, softer consumer demand, inflation and currency risks, governance concerns and continued geopolitical uncertainty
- Construction activity expected to focus on rebuilding confidence in 2026, before stronger infrastructure-led growth potentially resumes from 2027 onwards

PHILIPPINES

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (PHP)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	m^3	958	958	1,904	1,440
Stone Aggregate (20mm)	m^3	1,232	1,232	1,942	1,452
Ordinary Portland Cement	bag	235	227	209	229
Reinforced Concrete (Grade 30 MPA)	m^3	5,302	4,973	4,966	5,201
Reinforced Concrete (Grade 40 MPA)	m^3	6,223	6,500	6,264	6,194
High Tensile Steel Bars (10 - 32mm)	kg	36	36	39	41
Mild Steel Round Bars (10 - 25mm)	kg	37	36	35	38
Structural Steelwork	tonne	75	68	53	61
Plywood Formwork (2438x1219x20mm)	pc	1,438	1,636	1,629	1,792
Clay Bricks (100mm thick brickwall)	pc	55	55	48	44

Data Source: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)
Notes: All supply prices stated above are only applicable for building construction projects in Manila. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.
Exchange rate assumption (1Q 2026): 1 USD =58.995 PHP

LABOUR PRICES

SELECTED OCCUPATIONS	UNIT	AVERAGE LABOUR RATE (PHP)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concretor (Skilled - Local)	Day	1,596	2,197	2,197	2,197
Brick Layer (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Plasterer (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Tiler (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Steel Bar Worker (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Carpenter (Formwork) (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Carpenter (Joinery) (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Roofer (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Structural Steel Worker (Skilled - Local)	Day	1,596	1,751	1,751	1,751
General Welder (Skilled - Local)	Day	1,771	1,958	1,958	1,958
Plumber (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Painter (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Scaffolder (Skilled - Local)	Day	1,596	1,751	1,751	1,751
Electrician (Semi-skilled - Local)	Day	1,552	1,034	1,034	1,034

Data Sources: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (VAT)
Notes: All labour rates stated above are only applicable for building construction projects in Manila.

JAPAN

Construction Market

5.4%
Construction demand 2026(f)
0.1% Y-o-Y in 1Q 2026
4.9% Y-o-Y in 2025

8.0%
TPI 2026(f)
4.2% Y-o-Y in 1Q 2026
5.7% Y-o-Y in 2025
(Tokyo)

2.5%
Construction output 2026(f)
5.2% Y-o-Y in 1Q 2026
3.8% Y-o-Y in 2025

Price movement from 4Q 2025 to 1Q 2026
Construction material ▲
Labour ▲
(Tokyo)

Economy Indicators

1.3%
GDP 2026(f)
2.1% Y-o-Y in 1Q 2026
0.8% Y-o-Y in 2025

1.9%
Inflation 2026(f)
1.4% Y-o-Y in 1Q 2026
2.6% Y-o-Y in 2025

2.4%
Unemployment rate 2026(f)
2.7% in 1Q 2026
2.5% in 2025

Happening in Japan

Fairer cost standards strengthen labour protection

- Public construction cost estimation standards have been revised to better reflect labour shortages, site conditions and safety requirements
- Amendments to the Construction Business Act prohibit unjustified reductions in labour costs and strengthen rules supporting appropriate workforce remuneration

Strong demand widens industry performance gap

- Construction investment remains robust across public and private sectors, sustaining strong demand and expanding market activity
- Labour shortages are intensifying cost pressures, with rising wages and material prices increasing construction costs
- Larger contractors are maintaining profitability while smaller firms face greater financial pressure, accelerating industry consolidation

External shocks heighten economic pressures

- Rising fuel, raw material and electricity costs are increasing pressure on businesses, while supply-chain and logistics disruptions weigh on production and trade
- Yen depreciation is adding to import costs and inflationary pressures, increasing downside risks to Japan's economic outlook

JAPAN

CONSTRUCTION MATERIAL PRICES

MATERIAL	UNIT	AVERAGE SUPPLY RATE (JPY)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
Concreting Sand	m^3	6,350	6,800	6,800	6,750
Stone Aggregate (20mm)	m^3	5,550	5,700	5,700	5,700
Ordinary Portland Cement	tonne	16,000	18,000	18,000	18,000
Reinforced Concrete (Grade 30 MPA)	m^3	23,000	26,400	26,400	26,400
Reinforced Concrete (Grade 40 MPA)	m^3	24,700	28,600	28,600	28,600
Reinforcing Steel (SD295A D16)	tonne	107,000	104,000	103,000	104,000
Reinforcing Steel (SD345A D32)	tonne	113,000	110,000	109,000	110,000
Structural Steelwork	tonne	120,000	116,000	118,000	118,500
Plywood Formwork (1800x900x12mm)	pc	1,720	1,720	1,700	1,720

Data Source: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Tax Expenses (VAT)
Notes: All supply prices stated above are only applicable for building construction projects in Tokyo. Specific cost consultancy should be sought for your particular factual situation prior to utilising this information.
Exchange rate assumption (1Q 2026): 1 USD = 157 JPY

LABOUR PRICES

SELECTED OCCUPATIONS	UNIT	AVERAGE LABOUR RATE (JPY)			
		2Q 2025	3Q 2025	4Q 2025	1Q 2026
General Worker (Local)	Day	26,800	26,800	26,800	27,000
Brick Layer (Skilled - Local)	Day	30,500	30,500	30,500	32,400
Plasterer (Skilled - Local)	Day	33,000	33,000	33,000	33,800
Steel Bar Worker (Skilled - Local)	Day	32,600	32,600	32,600	33,800
Carpenter (Formwork) (Skilled - Local)	Day	31,700	31,700	31,700	33,000
Carpenter (Joinery) (Skilled - Local)	Day	30,400	30,400	30,400	30,600
Structural Steel Worker (Skilled - Local)	Day	29,600	29,600	29,600	29,800
General Welder (Skilled - Local)	Day	37,000	37,000	37,000	38,100
Plumber (Skilled - Local)	Day	28,600	28,600	28,600	30,100
Painter (Skilled - Local)	Day	34,500	34,500	34,500	36,500
Scaffolder (Skilled - Local)	Day	32,900	32,900	32,900	33,100
Electrician (Skilled - Local)	Day	32,600	32,600	32,600	34,300

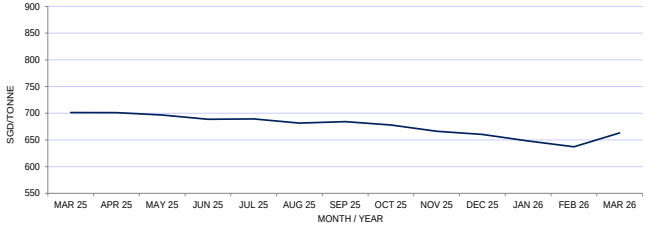
Data Sources: Market sources

Exclusions: • Plant and Equipment • Transport • Wastage • Overheads and Profit • Import Tax • Value Added Tax (VAT)
Notes: All labour rates stated above are only applicable for building construction projects in Tokyo.

Monash University Malaysia City Campus @ TRX, Malaysia

COMMODITY PRICE TRENDS

STEEL REINFORCEMENT (16 - 32MM HIGH TENSILE) SUPPLY PRICES

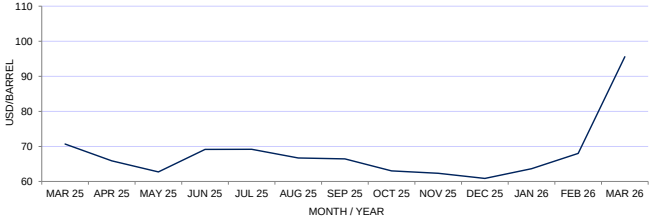


	AVG 1Q'26/ 4Q'25 CHANGE		MAR 25	APR 25	MAY 25	JUN 25	JUL 25	AUG 25	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26
Steel	-2.8%	↓	701	701	697	689	689	682	684	678	666	660	648	637	663

Data Source: BCA

Note:
- Prices of rebar other than 16-32mm dimensions may be subject to surcharge.
- With effect from Jan 2015, the market prices of rebar (without cut & bend) are based on fixed price supply contracts with contract period 1 year or less.

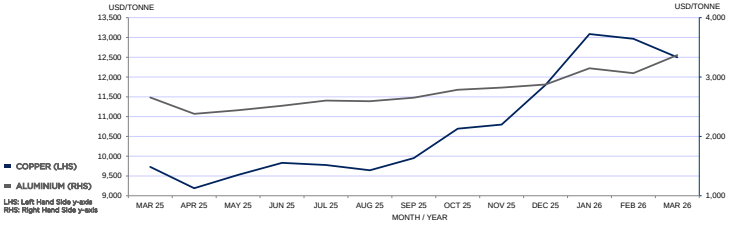
CRUDE OIL PRICES



	AVG 1Q'26/ 4Q'25 CHANGE		MAR 25	APR 25	MAY 25	JUN 25	JUL 25	AUG 25	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26
Crude Oil	22.0%	↑	71	66	63	69	69	67	66	63	62	61	64	68	96

Data Source: IndexMundi

METAL PRICES



	AVG 1Q'26/ 4Q'25 CHANGE		MAR 25	APR 25	MAY 25	JUN 25	JUL 25	AUG 25	SEP 25	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26
Copper	15.8%	↑	9,730	9,191	9,528	9,832	9,777	9,645	9,951	10,695	10,799	11,802	13,087	12,966	12,498
Aluminium	13.0%	↑	2,656	2,381	2,442	2,516	2,603	2,593	2,653	2,786	2,822	2,875	3,148	3,065	3,369

Data Source: London Metal Exchange (LME)

CURRENCY EXCHANGE RATES

CURRENCY			UNITS PER USD						
			UNIT	OCT 25	NOV 25	DEC 25	JAN 26	FEB 26	MAR 26
Singapore Dollar	$	SGD	1	1.29	1.30	1.29	1.28	1.27	1.28
Euro	€	EUR	1	0.86	0.86	0.85	0.85	0.85	0.86
U.K. Pound Sterling	£	GBP	1	0.75	0.76	0.75	0.74	0.74	0.75
Australian Dollar	$	AUD	1	1.53	1.54	1.51	1.48	1.42	1.42
Chinese Yuan	¥	CNY	1	7.12	7.11	7.04	6.97	6.91	6.90
Malaysian Ringgit	RM	MYR	1	4.22	4.16	4.09	4.03	3.92	3.95
Philippine Peso	₱	PHP	1	58.30	58.91	58.83	59.15	58.33	59.51
Japanese Yen	¥	JPY	100	1.51	1.55	1.56	1.57	1.55	1.59
Cambodian Riel	៛	KHR	1000	3.98	3.97	3.96	3.98	3.99	3.98
Indonesian Rupiah	Rp	IDR	1000	16.59	16.68	16.68	16.80	16.82	16.92
Vietnamese Dong	₫	VND	1000	26.34	26.33	26.31	26.22	25.96	26.24

Data Sources: IMF, Oanda
Note: Exchange rates above are expressed in terms of currency units per US Dollar; averaged monthly from daily unit rates.

CONSTRUCTION PRICES IN THE REGION

DEVELOPMENT TYPE	Singapore		Ho Chi Minh City	Jakarta	Kuala Lumpur	Manila	Tokyo
	SGD/m² CFA	SGD/m² GFA	VND ('000)/m²	IDR ('000)/m²	MYR/m²	PHP/m²	JPY ('00)/m²
OFFICE							
Good Quality, 10 to 25 storeys	3,130 - 5,140	3,850 - 6,420	26,400 - 29,750	13,300 - 14,500	2,000 - 3,000	35,070 - 61,660	2,850 - 4,490
Good Quality, 26 to 40 storeys	4,640 - 5,810	5,790 - 7,270	27,690 - 29,860	16,100 - 17,700	2,500 - 3,600	44,640 - 63,610	2,990 - 4,710
Prestige, 10 to 25 storeys	4,390 - 5,170	5,380 - 6,460	29,260 - 36,260	19,800 - 21,800	2,800 - 4,000	63,610 - 89,600	4,480 - 7,350
Prestige, 26 to 40 storeys	4,580 - 6,420	5,940 - 8,020	31,080 - 37,250	22,100 - 24,800	3,000 - 5,000	80,330 - 147,400	4,620 - 8,200
HOTEL	(including FF&E)				(including FF&E)	(including FF&E)	
Three Star	4,610 - 5,570	5,670 - 7,230	31,440 - 40,060	19,200 - 23,100	2,500 - 4,000	73,080 - 98,900	3,840 - 4,750
Four Star	5,510 - 6,770	7,290 - 8,900	39,290 - 47,030	26,000 - 27,700	4,100 - 5,900	89,950 - 120,000	4,870 - 5,900
Five Star	6,500 - 7,950	8,450 - 10,560	44,090 - 53,420	27,700 - 31,800	6,000 - 15,000	117,950 - 276,680	6,980 - 9,630
COMMERCIAL							
Retail/ Shopping Mall	3,510 - 5,490	5,440 - 7,560	23,380 - 31,160	13,300 - 14,300	2,500 - 4,000	51,790 - 70,100	2,940 - 4,960
RESIDENTIAL							
Good Quality Condominium	3,730 - 4,700	4,980 - 6,110	19,080 - 23,100	14,700 - 16,700	2,500 - 3,400	41,800 - 70,000	2,590 - 3,900
Luxury Condominium	4,720 - 6,440	6,050 - 8,370	20,700 - 29,230	20,800 - 23,500	3,500 - 6,000	67,600 - 114,640	4,280 - 6,030
INDUSTRIAL							
Warehouse	1,090 - 1,540	NA	8,180 - 11,500	6,500 - 7,600	1,200 - 2,500	44,700 - 65,000	1,490 - 2,740
Factory	1,710 - 2,450	NA	8,440 - 12,110	7,600 - 8,700	1,500 - 4,500	54,340 - 246,290	2,930 - 5,390
CAR PARK							
Multi Storey	1,030 - 1,840	NA	9,390 - 14,610	6,500 - 7,400	800 - 1,300	47,900 - 57,000	1,390 - 2,570
Basement, outside CBD	2,160 - 3,250	NA	17,310 - 25,070	10,100 - 10,500	1,300 - 3,500	39,790 - 75,060	NA
Basement, CBD	2,270 - 3,360	NA	19,210 - 27,260	10,400 - 11,200	1,700 - 4,500	39,790 - 75,060	NA

Sources: RLB and its affiliates

Notes:

Construction Floor Area (CFA) - The area of all building enclosed covered spaces measured to the outside face of external walls including covered basement and above ground car park areas.

Rates are in local currency per square metre of CFA as described above unless otherwise stated.

All construction prices stated herein are as at **1st Quarter 2026**, and include a general allowance for foundation, car park, external works and preliminaries. The price ranges herein are indicative and due consideration should be given to the impact of varying design, specifications, size, location and nature of each project when utilising this information. Prices described here may not fully reflect the extent of current market forces and tendering conditions on any specific project.

Phnom Penh construction prices are not available in this issue.

Separate construction prices for external works within project development for Kuala Lumpur: 350,000 - 600,000MYR/acre

Construction prices for Tokyo has been advised by courtesy of Sato Facilities Consultants, Inc., Japan. Enquiries can be directed to Takayoshi SATO at asksfc@sfc-net.co.jp

Exclusions:

• Land cost • Legal and professional fees • Development charges • Authority fees • Finance costs • Loose furniture, fittings and works of art (unless otherwise stated) • Tenancy work • Site infrastructure work in master development • Diversion of existing services • Green Mark / LEED / green building cost premiums • Resident site staff cost • Models and prototypes • External Works within project development (Kuala Lumpur only) • Future cost escalation • Service Provider Fees • Taxes, including Goods and Services Tax (GST) / Value Added Tax (VAT) / Import Tax

Disclaimer: While Rider Levett Bucknall ("RLB") has endeavoured to ensure the accuracy of the information and materials in this report (the "Materials"), it does not warrant its accuracy, adequacy, completeness or reasonableness and expressly disclaims liability for any errors in, or omissions therefrom. RLB shall not be liable for any damage, loss or expense whatsoever arising out of or in connection with the use or reliance on the Materials. The Materials are provided for general information only. Professional advice should be obtained for your particular factual situation before making any decision. The Materials may not, in any medium, be reproduced, published, adapted, altered or otherwise used in whole or in part in any manner without the prior written consent of RLB.

Bird Paradise, Singapore

PROFESSIONAL SERVICES

RIDER LEVETT BUCKNALL (RLB) is a global independent construction, property and management consultancy with 115 offices and 4,600 employees across 35 countries.

RLB serves major local and international clientele in Singapore and regionally. Our global expertise and significant project experience provide comprehensive services and solutions to the development and construction of the built environment, extending to building and civil infrastructure, commercial, residential and hospitality buildings, healthcare, industrial and civil engineering projects.

As a multi-disciplinary group, RLB offers a full range of services required by clients in the property and construction industry, ranging from cost consultancy and quantity surveying, project management, advisory services and market research.

RLB Research's expertise in economic and market studies, industry participation and research publications position us as the choice consultant for research advice on construction cost trends and market updates for the Singapore and regional construction markets.

The extensive range of professional consultancy provided by RLB covers the following core services:

QS and Cost Consultancy	Project Management
• Feasibility Studies • Cost Planning and Estimating • Cost Management • Value Engineering • Contract Procurement and Delivery • Tender and Contract Documentation • Post-Contract Services • Variation Valuation • Value Management • Financial Reporting and Management • Final Accounts • Life-Cycle Costing • Green Building Costing • Risk Management Support	• Client Representation • Contract Administration • Construction Management • Development Management

Advisory Services	Research
• Asset Advisory • Transaction Review • Technical Due Diligence • Replacement Cost Assessment • Capital Expenditure Forecasting • RElifing of Assets • Whole Life-Cycle Costing • Facilities Management Consulting • Litigation Support • Risk Mitigation • Procurement Strategies	• Construction Market Research • Cost Escalation and Cost Benchmarking by Sector • Industry Trend Analysis

OUR OFFICES

Contact our offices across the Southeast Asian region for any enquiries.

SINGAPORE

Rider Levett Bucknall Consultancy Pte Ltd
911 Bukit Timah Road, Level 3, Singapore 589622
T: +65 6339 1500 | F: +65 6339 1521 | E: rlb@sg.rlb.com | W: rlb.com | Contact: Colin Kin, Silas Loh

RLB REGIONAL PRACTICES

CAMBODIA

Rider Levett Bucknall (Cambodia) Co., Ltd

The Fortune Tower (C7), Unit #2211, Oknha Tephorn Street (182) and Street 161, Phum 7 Sangkat Veal Vong, Khan 7 Makara, 120307 Phnom Penh, Cambodia

T: +855 239 02298
E: rlb@sg.rlb.com
Contact: Benson Chua

INDONESIA

PT. Rider Levett Bucknall

Jl. Jend. Sudirman, av. 45-46, Sampoerna Strategic Square, South Tower Level 19, Jakarta 12930, Indonesia

T: +62 21 5795 2308
E: rlb@id.rlb.com
Contact: Fadli Aulia

MALAYSIA

Rider Levett Bucknall Quantity Surveying Consultant Sdn Bhd

B2-6-3 Solaris Dutamas, No. 1 Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia

T: +60 3 6207 9991
F: +60 3 6207 9992
E: rlb@my.rlb.com
Contact: Martin Lai

VIETNAM

Rider Levett Bucknall Co. Ltd

Centec Tower, 19th Floor, Unit 1904B, 72-74 Nguyen Thi Minh Khai Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam

T: +84 83 823 8070
F: +84 83 823 7803
E: rlb@vn.rlb.com
Contact: Serene Wong

PHILIPPINES

Rider Levett Bucknall Philippines, Inc.

Bldg. 3, Corazon Clemena Compound, No. 54 Danny Floro St., Bagong Ilog, Pasig City 1600, Philippines

T: +63 2 234 0141/
+63 917 548 1313
F: +63 2 477 3856
E: rlb@ph.rlb.com
Contact: Corazon Ballard

We thank our long-time collaborator, Sato Facilities Consultants, Inc., for their invaluable contribution of data and information on Tokyo, Japan in this report.

RLB.com

AFRICA | AMERICAS | ASIA | EUROPE | MIDDLE EAST | OCEANIA

RLB Rider Levett Bucknall