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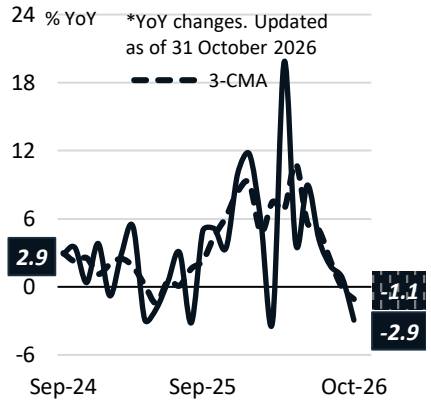
A Halloween Haunt for purchasing power

02 November 2026

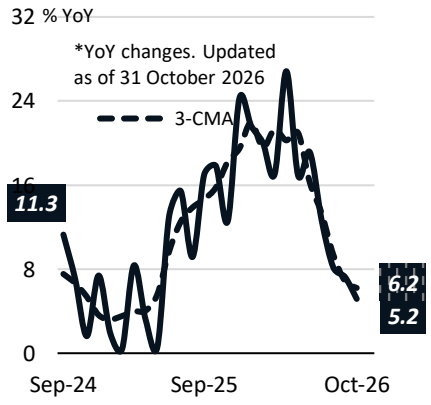
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BCA Consumer Spending Index*

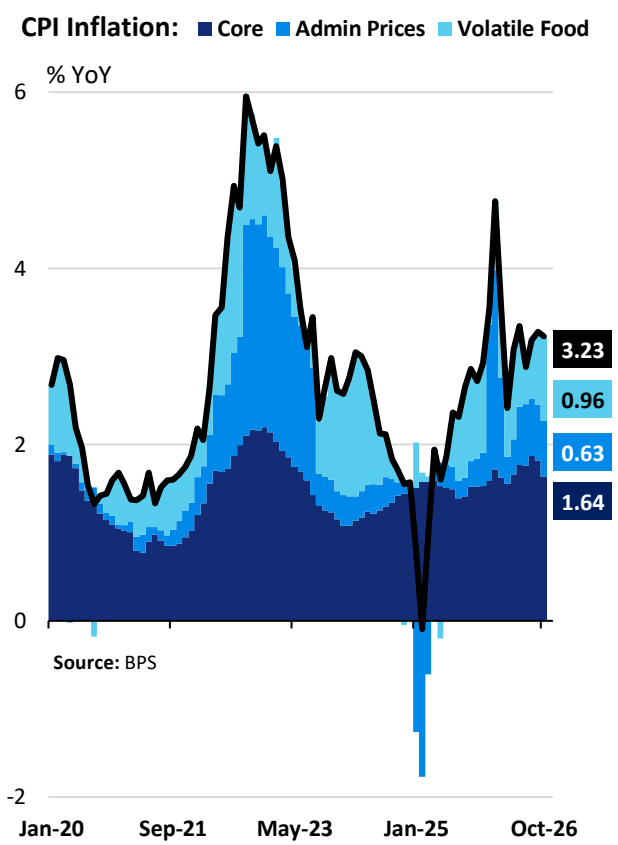


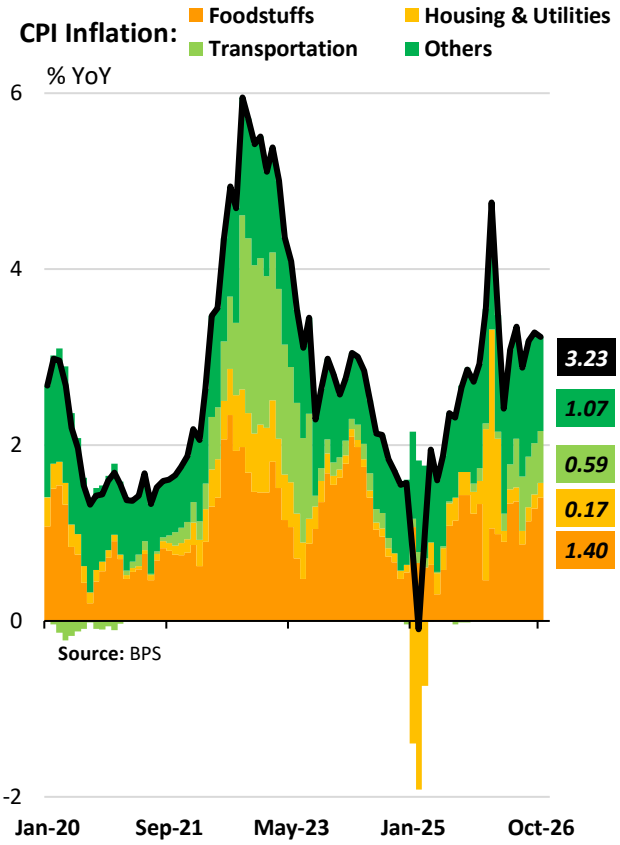
BCA Business Transaction Index*



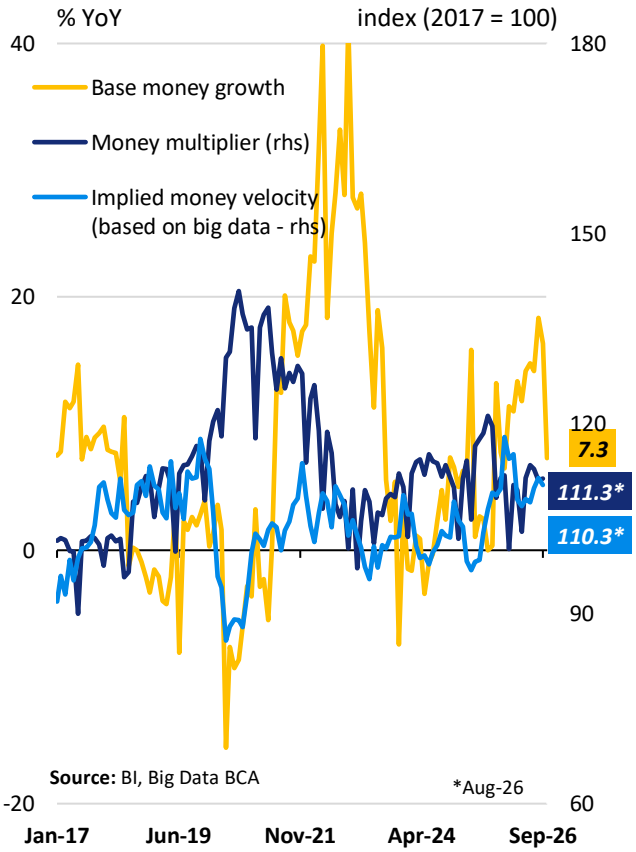
- **Indonesia's inflation stood at 3.23% YoY (0.22% MoM) in Oct-26, easing slightly from 3.28% YoY (0.30% MoM) in Sept-26.** On a monthly basis, external pressures continued to drive volatile food inflation (0.77% MoM), while lower gold prices and stable fuel prices (adm. prices: 0.09% MoM) helped contain headline inflation.
- El Niño-induced food price volatility remained the primary driver of monthly inflation, with red chilies, bird's eye chilies, tomatoes, and mustard greens among the key contributors. **With El Niño expected to persist into early 2027, inflationary pressures are likely to continue in the next few months.**
- On a YoY basis, core inflation eased to 2.56% YoY from 2.84% YoY, primarily reflecting slower annual gold price growth. **Meanwhile, the contribution of core inflation (ex. gold) continued to trend upward, rising from 1.38% YoY to 1.42% YoY, suggesting that credit growth may remain robust.**
- **Inflation is becoming a more pressing concern for Indonesia**. Externally, the threat of an MSCI reclassification to a standalone market has triggered capital outflows from both equities (IDR 13,07 Tn as of 30 Oct) and SBN (-IDR 7,44 Tn as of 29 Oct), putting further pressure on the Rupiah, which weakened to 18,127 as of 30 Oct (depreciating by 1.4% MoM; 8.6% YtD). Meanwhile, persistently high energy prices amid the prolonged Middle East conflict have kept global inflation elevated.
- **The next factor is how the government will respond to this backdrop, balancing growth against limited fiscal ammunition**. For now, the government is expected to keep subsidized fuel prices unchanged through the end of 2026 and has announced stimulus (including transport discounts) of around IDR 32 T for Q4-26. Taking together, these measures could keep inflationary pressures moderate for the time being.
- The focus then shifts to Bank Indonesia (BI). For now, BI continues to rely on higher hedging incentives to keep capital inflows attractive. **However, continued rupiah depreciation and inflationary pressures could prompt BI to adopt a tighter monetary stance.**

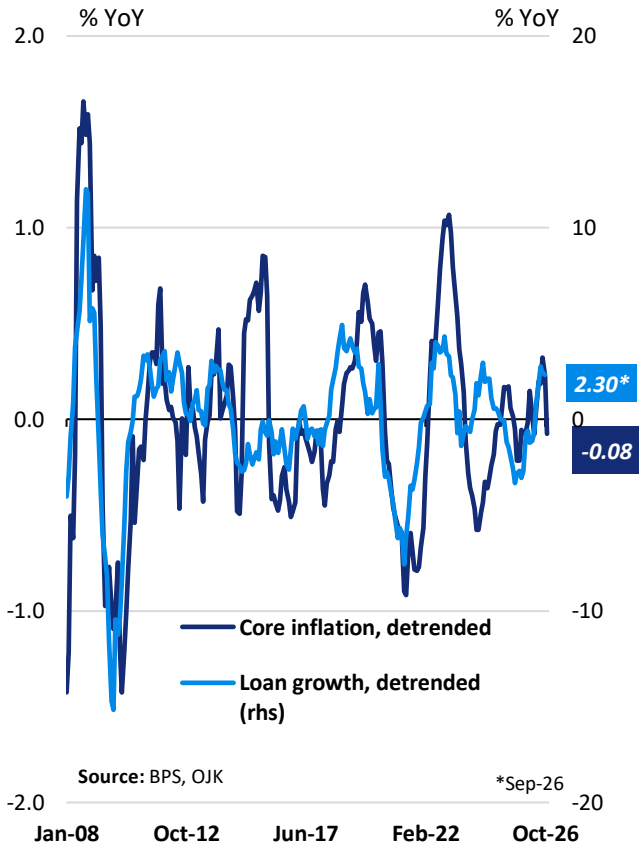
1 El-Niño makes volatile food the main contribution to Inflation



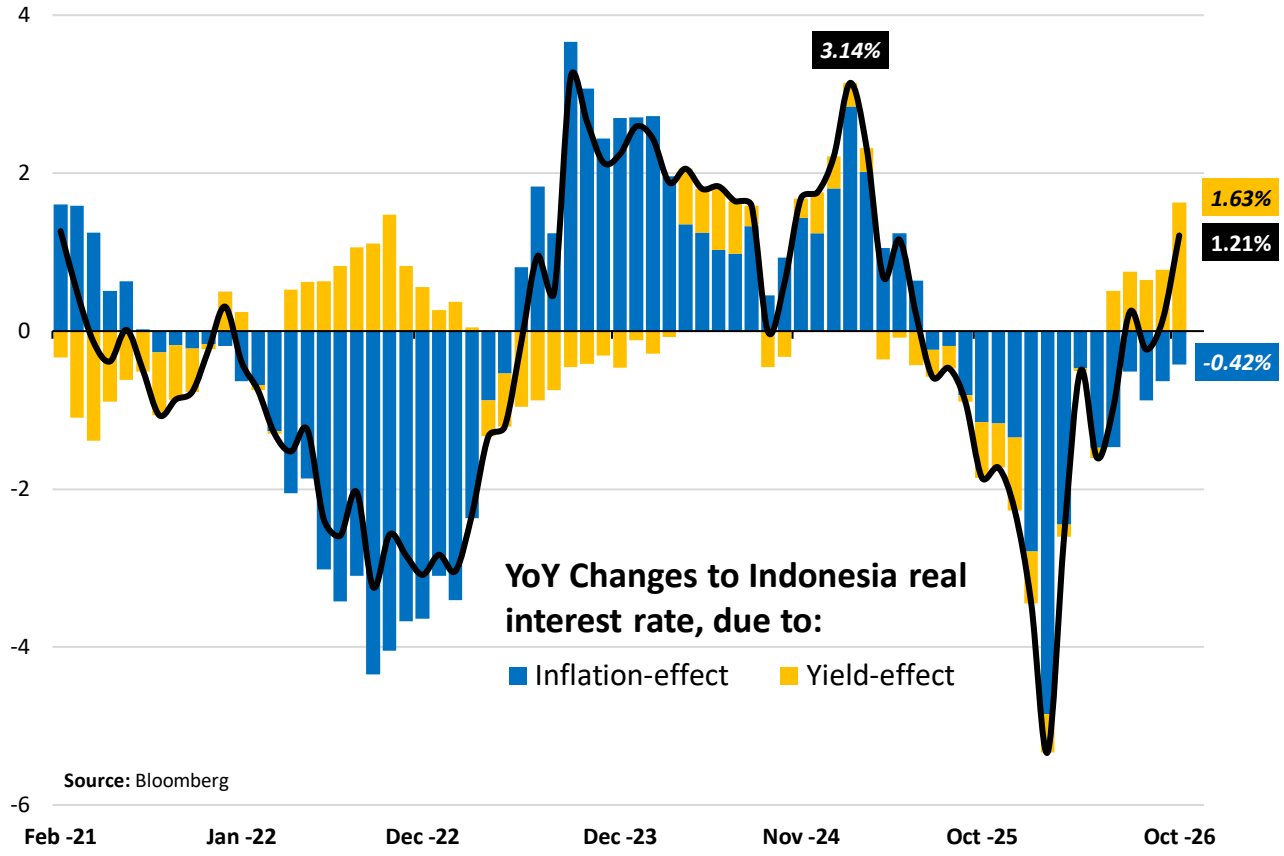


2 Lower gold prices eased core inflation, while rising core inflation (ex. gold suggests credit growth remains robust

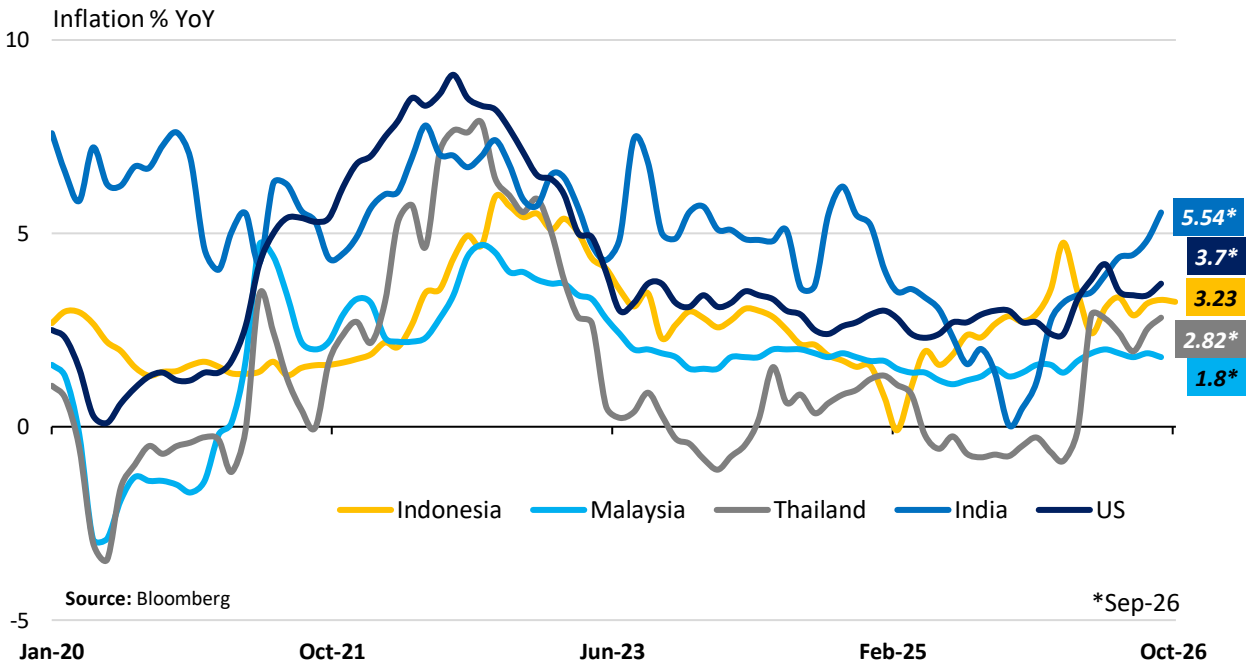




3 Yield increases outpacing inflation have driven real interest rates higher



4 Indonesia's inflation remains within the 2.5% ± 1% target range



Selected Macroeconomic Indicators

Key Policy Rates	Rate (%)	Last Change	Real Rate (%)
US	4.00	Sep-26	0.30
UK	3.75	Dec-25	0.25
EU	2.65	Sep-26	-1.15
Japan	1.25	Sep-26	-0.85
China (lending)	2.00	Sep-24	3.45
Korea	3.00	Aug-26	0.10
India	5.50	Oct-26	-0.04
Indonesia	5.75	Jun-26	2.52
Money Mkt Rates	**30-Oct**	**-1 mth**	**Chg (bps)**
SPN (1Y)	5.73	6.45	-71.8
SUN (10Y)	7.69	7.18	51.2
INDONIA (O/N, Rp)	5.16	5.71	-54.8
JIBOR 1M (Rp)	5.03	5.03	0.0
Bank Rates (Rp)	**Aug**	**Jul**	**Chg (bps)**
Lending (WC)	8.17	8.14	3.00
Deposit 1M	5.45	5.35	10.00
Savings	0.75	0.68	7.00
Currency/USD	**30-Oct**	**-1 mth**	**Chg (%)**
UK Pound	0.747	0.756	1.20
Euro	0.896	0.882	-1.60
Japanese Yen	157.6	157.3	-0.17
Chinese RMB	6.655	6.707	0.78
Indonesia Rupiah	18,127	17,975	-0.84
Capital Mkt	**30-Oct**	**-1 mth**	**Chg (%)**
JCI	5,057.1	6,121.7	-17.39
DJIA	51,770.3	51,349.9	0.82
FTSE	10,729.8	10,636.7	0.87
Nikkei 225	63,290.1	65,481.3	-3.35
Hang Seng	23,294.4	24,523.6	-5.01
Foreign portfolio ownership (Rp Tn)	**Oct**	**Sep**	**Chg (Rp Tn)**
Stock	2,235.4	2,723.2	-487.83
Govt. Bond	914.8	907.5	7.38
Corp. Bond	4.3	4.3	-0.04

Trade & Commodities	30-Oct	-1 mth	Chg (%)
Baltic Dry Index	2,714.0	3,178.0	-14.6
S&P GSCI Index	754.4	722.9	4.4
Oil (Brent, $/brl)	117.6	102.6	14.7
Coal ($/MT)	155.0	147.8	4.9
Gas ($/MMBtu)	2.38	3.20	-25.5
Gold ($/oz.)	3,874.6	4,182.3	-7.4
Copper ($/MT)	14,329.4	14,474.9	-1.0
Nickel ($/MT)	15,089.8	15,768.5	-4.3
CPO ($/MT)	1,081.8	1,088.6	-0.6
Rubber ($/kg)	2.45	2.48	-1.2
External Sector	**Sep**	**Aug**	**Chg (%)**
Export ($ bn)	27.59	26.61	3.68
Import ($ bn)	24.23	23.06	5.09
Trade bal. ($ bn)	3.36	3.55	-5.51
Central bank reserves ($ bn)*	146.3	146.5	-0.13
Prompt Indicators	**Sep**	**Aug**	**Jul**
Consumer confidence index (CCI)	118.1	118.5	116.8
Car sales (%YoY)	28.1	32.4	33.3
Motorcycle sales (%YoY)	15.4	3.2	8.3
Manufacturing PMI	**Oct**	**Sep**	**Chg (bps)**
USA	56.0	55.9	10
Eurozone	52.4	52.9	-50
Japan	53.3	54.1	-80
China	52.0	52.1	-10
Korea	51.3	53.9	-260
Indonesia	54.0	52.4	160

Source: Bloomberg, BI, BPS

Notes:

*Data from earlier period

For changes in currency: **Black indicates appreciation against USD, **Red** otherwise

***For PMI, **>50** indicates economic expansion, **<50** otherwise

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Indonesia – Economic Indicators Projection

	2020	2021	2022	2023	2024	2025	2026E
Real GDP growth (% YoY)	-2.1	3.7	5.3	5.0	5.0	5.1	5.3
Nominal GDP growth (% YoY)	-2.5	9.9	15.4	6.7	6.0	7.6	9.1
GDP per capita (USD)	3912	4350	4784	4920	4960	5083	5126
CPI inflation (% YoY)	1.7	1.9	5.5	2.6	1.6	2.9	3.2
BI Rate (%)	3.75	3.50	5.50	6.00	6.00	4.75	6.00
SBN 10Y yield (%)	5.86	6.36	6.92	6.45	6.97	6.05	7.31
USD/IDR exchange rate (average)	14,529	14,297	14,874	15,248	15,841	16,468	17,621
USD/IDR exchange rate (end of year)	14,050	14,262	15,568	15,397	16,102	16,690	18,238
Trade balance (USD Bn)	21.7	35.3	54.5	37.0	31.0	41.1	19.2
Current account balance (% of GDP)	-0.4	0.3	1.0	-0.1	-0.6	-0.1	-1.3

Notes:

- *USD/IDR exchange rate projections are for fundamental values; market values may diverge significantly at any moment in time*

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