



MACROECONOMIC BOOKLET

“Navigating Unpredictability”

January 2025

Office of Chief Economist



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Latest Development – Global

Trump's Policies Will Determine The Course Of Growth, Labor Market, Inflation, And Interest Rates

United States: Fed's rate cuts likely to slow with inflation pressures still elevated

- **The annual inflation rate in the US rose for a 2nd consecutive month to 2.7% in Nov-24 from 2.6% in Oct-24.** The rise is partly influenced by low base effects from last year. On a monthly basis, the CPI rose by 0.3%, the most since Apr-24. The index for shelter rose 0.3%, accounting for nearly 40% of increase. The core CPI rose 3.3% yoy and 0.3% mom.
- **The Fed announced another 25 bps cut to the federal funds rate in Dec-24.** The decision marking the third consecutive reduction this year and bringing borrowing costs to the 4.25% - 4.5% range. The newest Fed Guidance per Dec-24 indicates that policymakers now anticipate just two rate cuts in 2025, totaling 50 bps.
- **Fed Guidance Dec-24: Higher GDP growth and inflation rate outlook.** The Fed also revised its GDP growth forecasts upward for (2.5% vs to 2% in the Sep-24 projection) and 2025 (2.1% vs 2%), while remaining steady at 2% for 2026. Similarly, PCE inflation projections have been adjusted higher for (2.4% vs 2.3%), 2025 (2.5% vs 2.1%), and 2026 (2.1% vs 2%).

Euro Area: The ECB remains focused on ensuring inflation returns to its 2% target

- **The European Central Bank (ECB) has decided to cut its key interest rates for the fourth time this year by 25 bps in Dec-24.** This move reflects a more favorable inflation outlook and improvements in monetary policy transmission. Inflation is expected to gradually decrease, with forecasts of 2.4% in , 2.1% in 2025, and 1.9% in 2026. Core inflation, excluding energy and food, is also expected to fall, with a target of 2% in the medium term.
- **The HCOB Eurozone Manufacturing PMI was at 45.1 in Dec-24, edging lower from 45.2 in the previous month.** It was the sharpest decline in manufacturing activity in three months to extend the ongoing two-year contractionary streak. Lower demand led manufacturers to reduce their workers, especially in Germany and France.

Asia Pacific: Rising concerns on growth and trade outlooks, particularly with the threat of US tariffs.

- **The Caixin China General Manufacturing PMI edged down to 50.5 in Dec-24 from November's 5-month high of 51.5.** Both output and new orders expanded at slower rates while foreign orders shrank after increasing at the fastest pace for seven months in the prior month. Also, employment dropped for the fourth month, resulting in the third month of backlog accumulation.
- **China's annual inflation rate unexpectedly eased to 0.2% in Nov-24.** This slowdown highlighted mounting deflation risks in the country despite recent stimulus measures from Beijing and the central bank's supportive monetary policy stance.

Global Economic Indicators	Oct-24	Nov-24	Dec-24
United States			
Inflation Rate (% yoy)	2.60	2.70	
Policy Rate (%)	5.00	4.75	4.50
Unemployment Rate (%)	4.10	4.20	
Manufacturing PMI	48.5	49.7	49.4
Euro Area			
Inflation Rate (% yoy)	2.00	2.20	
Policy Rate (%)	3.40	3.40	3.15
Manufacturing PMI	46.0	45.2	45.1
Unemployment Rate (%)	6.30	6.30	
Asia Pacific			
China's Caixin PMI	50.3	51.5	50.5
China's Inflation (%)	0.30	0.20	
Japan's Manufacturing PMI	49.2	49.0	49.6

Latest Development – Indonesia

Indonesia's Economic Resilience: Inflation Manageable, Trade Surplus record for 55 consecutive months

- **Bank Indonesia Board of Governors meeting on 17 - 18 December decided to hold the BI Rate at 6.00% amidst rising global volatility.** The Deposit Facility (DF) and Lending Facility (LF) rates also stayed at 5.25% and 6.75%, respectively.
- **Indonesia's recorded modest inflation at 1.57% yoy by year-end , lower than the 2.61% yoy recorded in 2023.** It marked the lowest inflation rate since 2021, at slightly above Bank Indonesia's lower target range of 1.5–3.5%. It highlights the effectiveness of the government's coordinated efforts in maintaining price stability for goods and services, which has supported consumer purchasing power amid turbulent global economy. On average, inflation in was recorded at 2.30%, lower than the 3.73% recorded in 2023
- **Indonesia's foreign exchange (FX) reserves at USD 150.2 bn in Nov-24, slightly declining from a record high of USD 151.2 bn in Oct-24.** This decrease was primarily due to government foreign debt payment. Indonesia's FX reserves were sufficient to cover 6.5 months of imports or 6.3 months of imports and government foreign debt payments, exceeding the international adequacy standard of about 3 months of imports.
- **Indonesia recorded a trade surplus for 55 consecutive months in Nov-24.** The trade surplus in Nov-24 widened to USD4.42 bn from USD2.48 bn in the previous month. Export slightly slowed to 9%yoy, while import growth generally stable in Nov-24. OG imports dropped 29.88% mom or -26.32% yoy. The decrease in non-OG imports was driven by a drop in imports of electrical machinery and equipment
- **Indonesia's loan growth in Nov-24 grew to 10.79% yoy (vs. 10.92% yoy in Oct-24).** Meanwhile, deposits grew to 7.54% yoy in Nov-24 (vs 6.74% in Oct-24). Liquidity remains tight reflected in the LDR at 87.34%, compared to the previous month at 87.49%.

Economic Indicators	Oct-24	Nov-24	Dec-24
BI Rate (%)	6.00	6.00	6.00
CPI Inflation			
Inflation Rate (% yoy)	1.71	1.55	1.57
Inflation Rate (% mom)	0.08	0.30	0.44
Core Inflation Rate (% yoy)	2.21	2.26	2.26
Trade Performance			
Export (% yoy)	10.25	9.14	
Import (% yoy)	17.49	0.01	
Trade Balance (USD bn)	2.48	4.42	
Banking Ratio			
Loan (% yoy)	10.92	10.79	
Deposit (% yoy)	6.74	7.54	
LDR (%)	87.49	87.34	
M2 (% yoy)	6.76	7.01	
NPL (%)	2.20	-	

GLOBAL ECONOMIC UPDATE



Fed Guidance Dec-24: The Fed may only cut interest rates twice in 2025

Indicators						2025	2026	2027	Long-run
	Mar-24 FOMC Projection	Jun-24 FOMC Projection	Sep-24 FOMC Projection	Dec-24 FOMC Projection	Realization as of 31-Dec-24	FOMC Dec-24 FOMC Projection			
GDP Growth	2.10%	2.10%	2.00%	2.50%	3Q24 = 2.7% (yoy)	2.10%	2.00%	1.90%	1.80%
Unemployment Rate	4.00%	4.00%	4.40%	4.20%	Nov-24 = 4.2%	4.30%	4.30%	4.30%	4.20%
PCE Inflation Rate	2.40%	2.60%	2.30%	2.40%	Nov-24 = 2.4%	2.50%	2.10%	2.00%	2.00%
Meeting Date	Policy Rate Realization		Policy Rate Projection						
				2025	2026	2027	Long-run		
FOMC Mar-24	5.25% - 5.50%		4.50% - 4.75%	3.75% - 4.00%	3.00% - 3.25%	-	2.50% - 2.75%		
FOMC Jun-24	5.25% - 5.50%		5.00% - 5.25%	4.00% - 4.25%	3.00% - 3.25%	-	2.75% - 3.00%		
FOMC Sep-24	4.75% - 5.00%		4.25% - 4.50%	3.25% - 3.50%	2.75% - 3.00%	2.75% - 3.00%	2.75% - 3.00%		
FOMC Dec-24	4.25% - 4.50%		4.25% - 4.50%	3.75% - 4.00%	3.25% - 3.50%	3.00% - 3.25%	2.75% - 3.00%		

Fed Funds Rate:

US growth stabilized; the Fed began raising rates

2017		2018	
GDP : 2.4%		GDP : 2.9%	
Unemployment : 4.1%		Unemployment : 3.9%	
Inflation : 2.1%		Inflation : 1.9%	

Slow global growth and muted inflation

2019	
GDP : 2.1%	
Unemployment : 3.5%	
Inflation : 2.3%	

COVID-19 pandemic

2020	
GDP : -3.5%	
Unemployment : 6.7%	
Inflation : 1.4%	

2021

GDP : 5.7%	
Unemployment : 3.9%	
Inflation : 7.0%	

The Fed monetary normalization; increasing inflation

2022

GDP : 2.1%	
Unemployment : 3.5%	
Inflation : 6.5%	

The Fed begins to cut rates

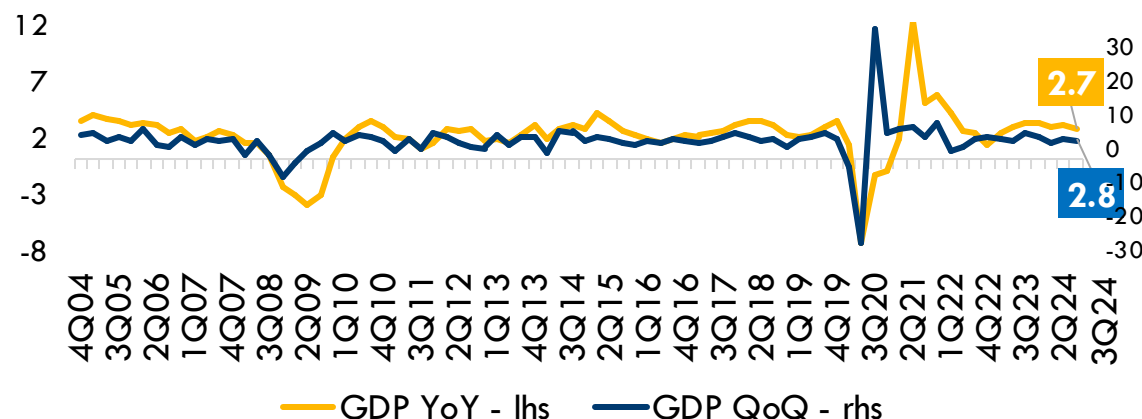


US Leading Economic Indicators

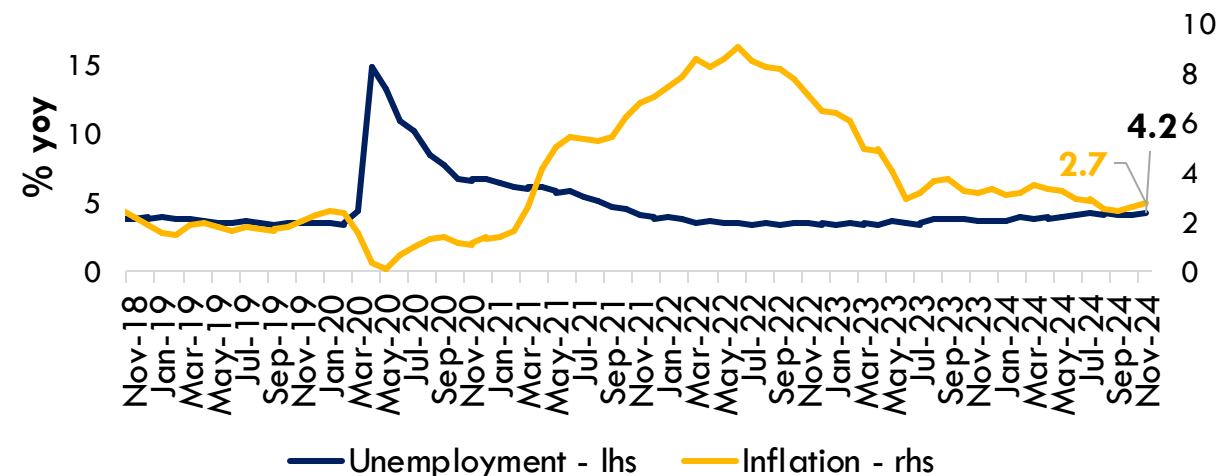
The Fed may adopt a more cautious approach to the monetary policy as inflation risk re-appear

- In the third quarter of , the U.S. economy experienced a 2.8% annualized growth in GDP, slightly below the 3.0% growth observed in the second quarter, indicating a steady yet moderating economic expansion.
- Inflationary pressures persisted, with the annual Consumer Price Index (CPI) rising to 2.7% in November from 2.6% in October.
- At the December 2024 Federal Open Market Committee (FOMC) meeting, Federal Reserve Chair Jerome Powell announced a 25 basis point reduction in the federal funds rate, bringing it to a target range of 4.25% to 4.5%. Looking ahead, the Fed's projections indicate a more cautious approach for 2025, with expectations of only two additional quarter-point cuts, totaling 50 basis points, by the end of next year. This adjustment reflects the Fed's assessment of persistent inflationary pressures and a robust labor market, suggesting a measured pace of monetary easing to balance economic growth with price stability.

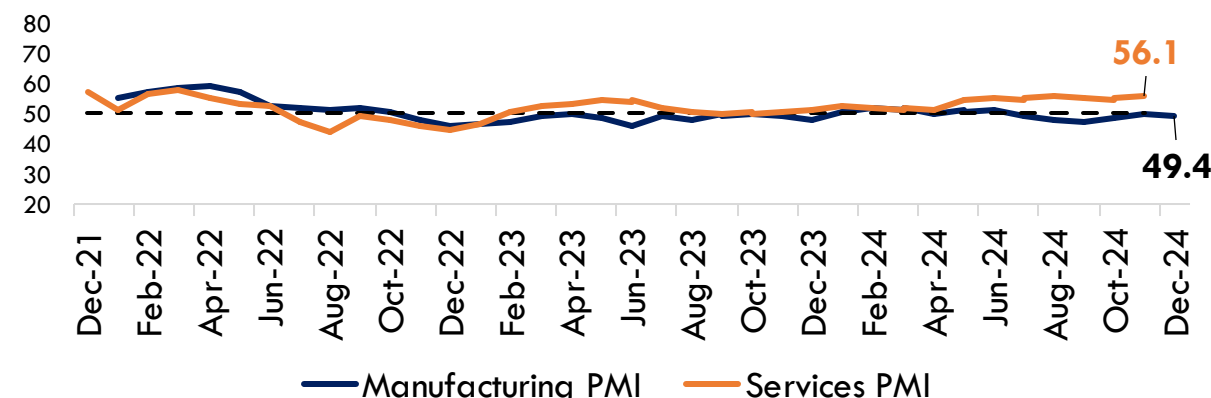
US Economy



Unemployment & Inflation

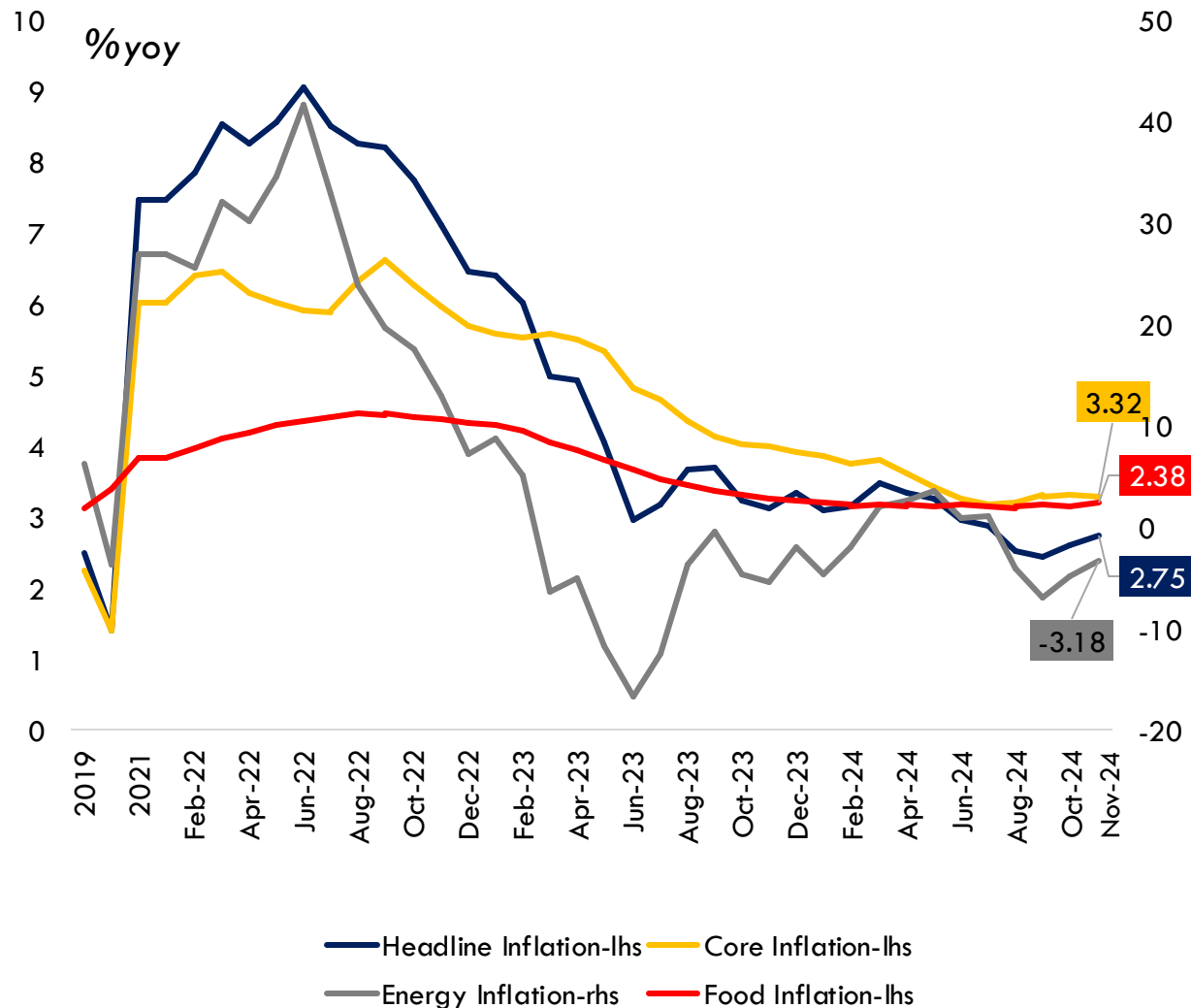


Manufacturing & Services PMI



The US Inflation Rate

The rise in service prices, particularly for housing and healthcare, can slow the decline in inflation.



Source: CEIC & Bloomberg

CPI Component % yoy	2021	2022	2023	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24
Headline	7.00	6.50	3.40	2.90	2.50	2.40	2.60	2.75
Food	6.30	10.40	2.70	2.20	2.10	2.30	2.10	2.40
Food at Home	6.50	11.80	1.30	1.10	0.90	1.30	1.10	1.60
Food Away From Home	6.00	8.30	5.20	4.10	4.00	3.90	3.80	3.60
Energy	29.30	7.30	-2.00	1.10	-4.00	-6.80	-4.90	-3.20
Energy Commodities	48.90	0.40	-2.90	-2.00	-10.10	-15.30	-12.40	-8.50
Gasoline	49.60	-1.50	-1.90	-2.20	-10.30	-15.30	-12.20	-8.10
Fuel Oil	41.00	41.50	-14.70	-0.30	-12.10	-22.40	-20.80	-19.50
Energy Services	10.40	15.60	-1.10	4.20	3.10	3.40	4.00	2.80
Electricity	6.30	14.30	3.30	4.90	3.90	3.70	4.50	3.10
Utility Gas Service	24.10	19.30	-13.80	1.50	-0.10	2.00	2.00	1.80
Core	5.50	5.70	3.90	3.20	3.20	3.30	3.30	3.30
Commodities Less Food & Energy	10.70	2.10	0.20	-1.90	-1.90	-1.00	-1.00	-0.60
Commodities								
Services Less Energy	3.70	7.00	5.30	4.90	3.90	4.70	4.80	4.60
Services								

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Trump's Policies: What to Anticipate?

Trump's Policy: "America First"

Trade Protectionism

More support on the wealthy
(business sector)



Immigration restriction

Less Support for climate change
policies

Dampak ke Ekonomi Global

US Economy

Expansionary Fiscal Policy → Rising US Debt → Higher UST Yield → Strong US Growth → Higher Inflation

Higher tariff on China's product → Rising Input Cost → Higher Inflation

US Monetary Policy

Higher UST Yield and inflation → Slowing pace of FFR cut

China Economy

Higher risk of China's economic slowdown

A trade war can severely hit Chinese exports, a large portion of which goes to the US.

Global Economy

Rising global volatility

US Populist Policies and trade war with China will trigger market volatility

Declining global trade

China and US now have 21.2% share to world's export and 23.8% share of total import.

Declining commodity price due to deeper slowdown

Dampak ke Indonesia

Trade Channel

(-) Lower export performance due to:

- Declining demand from China
- Declining export to US, if US implement tariff to non-China including Indonesia

(+) Higher export if Indonesia can take advantage by replacing China's export to US

Investment Channel

(-) Lower investment flows:

- China economic slowdown
- Shifting US foreign investment policies

Financial Market Channel

Rising Volatility due:

Trade war sentiment

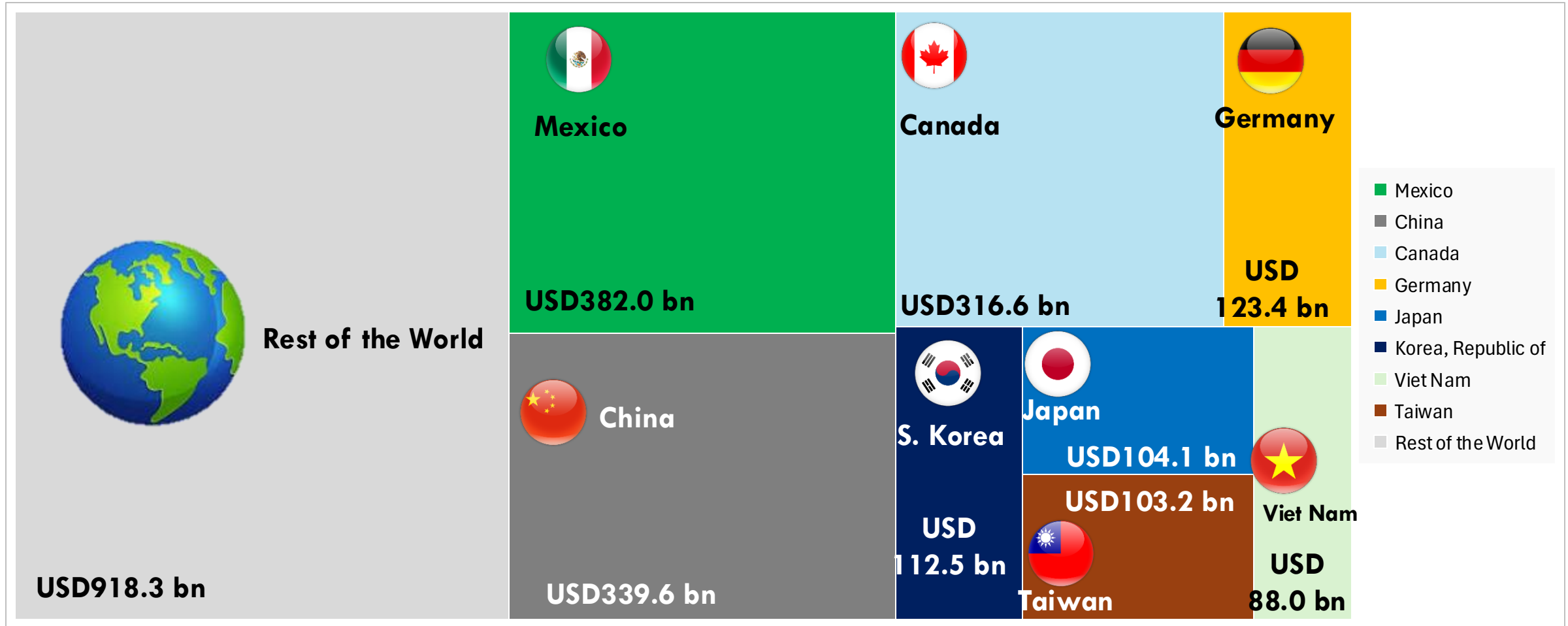
Expectation of a slowing pace of FFR cuts

Indonesia's Economic Growth

The Challenge: U.S. Stricter Protectionism Policies

China, Indonesia's largest export market, may experience pressure due to Trump's stricter protectionist policies

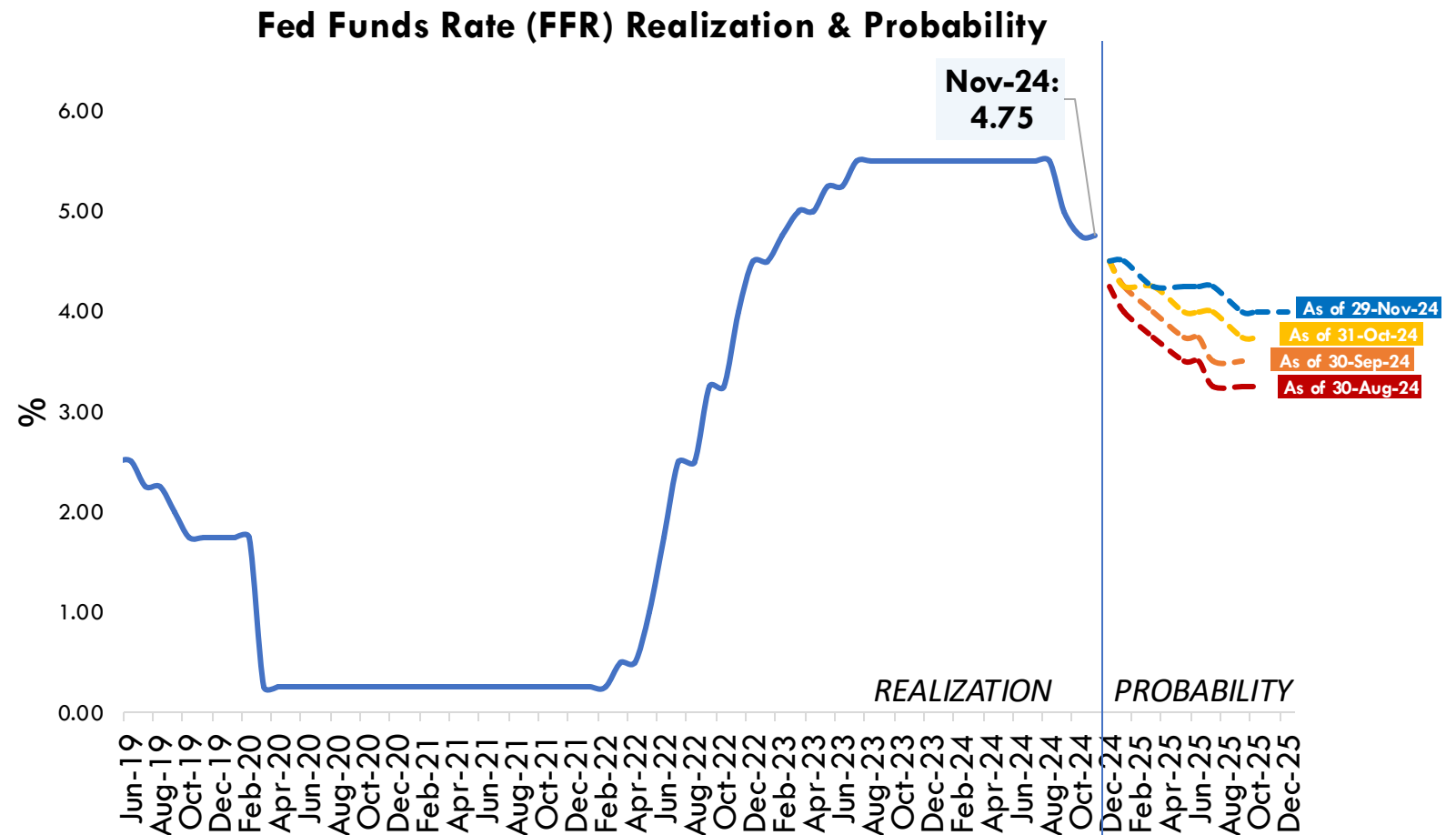
U.S. Import Share By Country Of Origin (9M24)



Shifting Market Expectation of the Fed Rate Cut

- A** The market sees that Trump's victory will have an impact on rising US inflation, the US dollar strengthens.
- B** The geopolitical situation will remain unstable and will cause fluctuations in oil prices
- C** Markets now see the potential for a smaller cut in the benchmark interest rate than previously expected
- D** The sell-off of foreign investors in the stock market is largely due to the election of Donald Trump and domestic issues

“The economy is not sending any signals that we need to be in a hurry to lower rates.” (Jerome Powell)



The Fed Meeting Target Rate Probabilities

Market expects another 25bps rate cut in FOMC Dec-

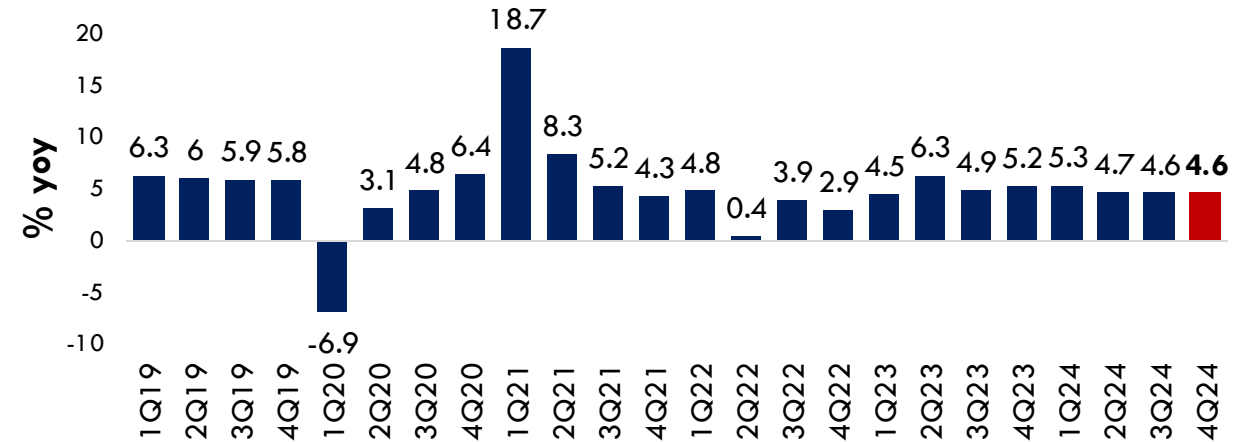
Meeting Date	275-300	300-325	325-350	350-375	375-400	400-425	425-450
1/29/2025		0.0%	0.0%	0.0%	0.0%	11.2%	88.8%
3/19/2025	0.0%	0.0%	0.0%	0.0%	4.9%	45.3%	49.7%
5/7/2025	0.0%	0.0%	0.0%	1.1%	14.0%	46.3%	38.6%
6/18/2025	0.0%	0.0%	0.4%	5.5%	25.0%	43.7%	25.4%
7/30/2025	0.0%	0.1%	1.3%	8.9%	28.3%	40.5%	21.0%
9/17/2025	0.0%	0.3%	2.7%	12.6%	30.6%	36.7%	17.0%
10/29/2025	0.0%	0.6%	4.0%	14.9%	31.4%	34.2%	14.8%
12/10/2025	0.1%	1.0%	5.3%	16.9%	31.7%	31.9%	13.0%

China's Leading Economic Indicators

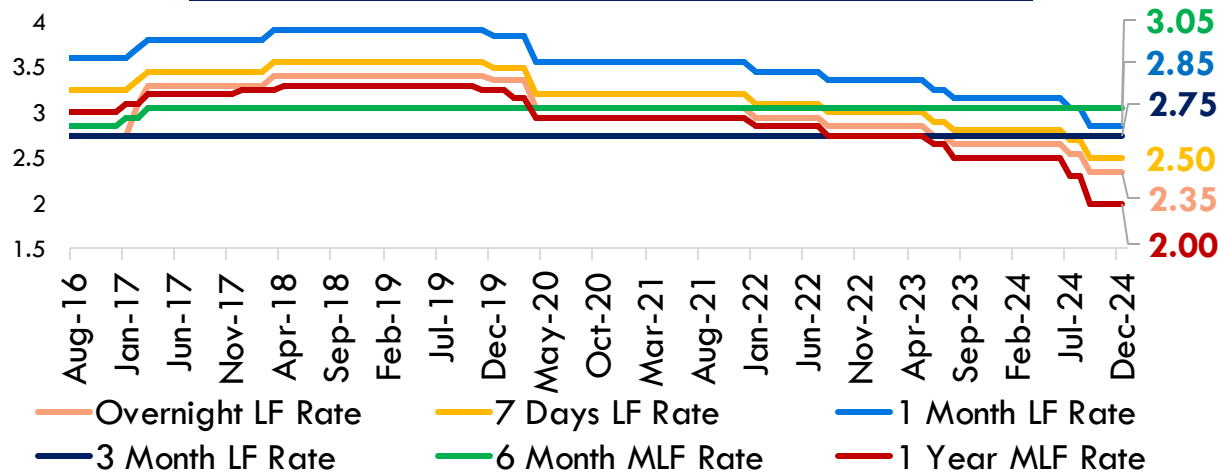
China plans to revive the economy through various fiscal and monetary stimulus

- China's economic growth decelerated to 4.6% yoy in 3Q24 due to weak domestic demand and a prolonged property downturn, despite stable industrial production. The economy continues to face structural imbalances, with supply-side growth outpacing demand-side recovery.
- The Chinese government introduced a tax reduction policy to stimulate the housing market. Residential properties up to 140 square meters now incur a deed tax of 1%, while properties exceeding this size face a reduced rate of 1.5%, down from the previous 3%. These measures aim to bolster domestic demand and mitigate economic challenges.

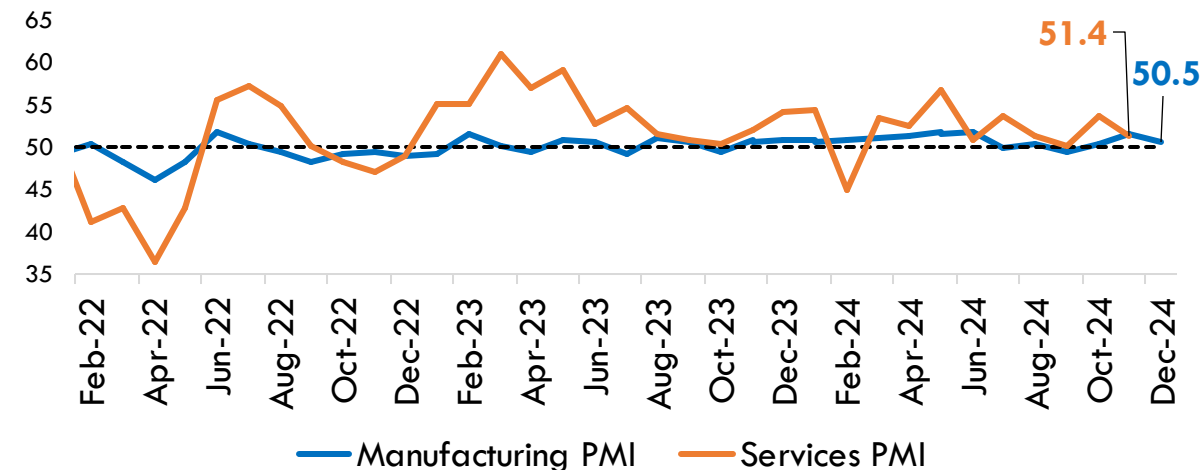
China's GDP Growth



People Bank of China's Lending Facility Rate



Manufacturing & Services PMI

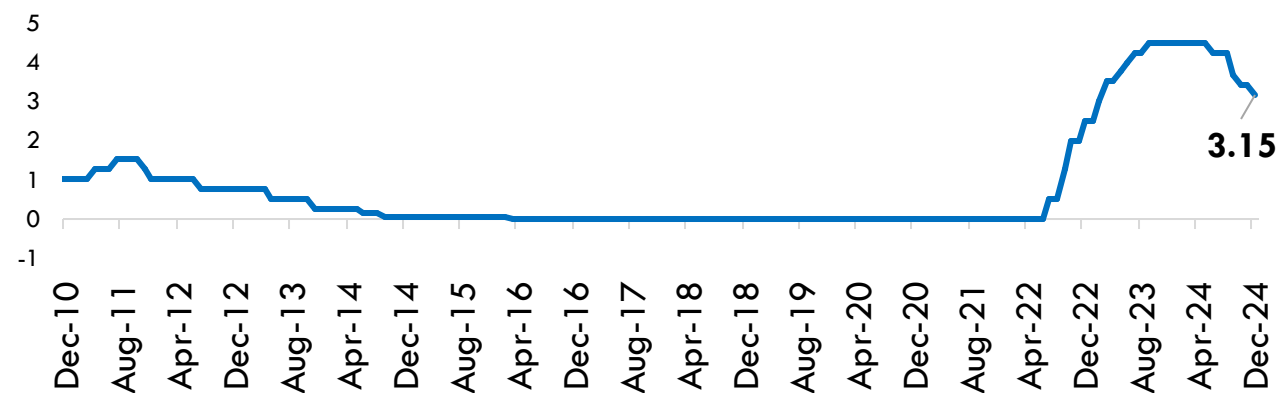


Eurozone's Leading Economic Indicators

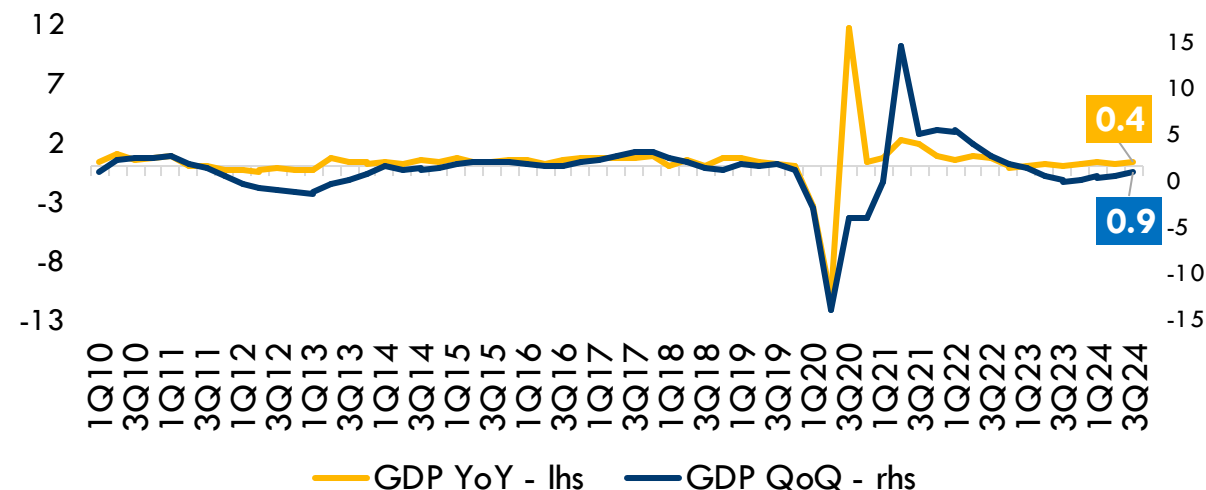
The euro area is showing signs of gradual recovery, although industrial activity is still contracted

- Eurozone GDP growth remained subdued, with 0.4% YoY growth in 3Q24 and a modest 0.9% QoQ increase, reflecting gradual recovery amid global uncertainties.
- European Central Bank (ECB) cut rates by 25 basis points, reducing the main refinancing operations rate to 3.15%, the deposit facility rate to 3.00%, and the marginal lending facility rate to 3.40%. ECB officials emphasized that future rate decisions will be data-dependent, focusing on inflation and economic trends. Despite this adjustment, the eurozone continues to face significant risks from weak manufacturing activity and external trade pressures.

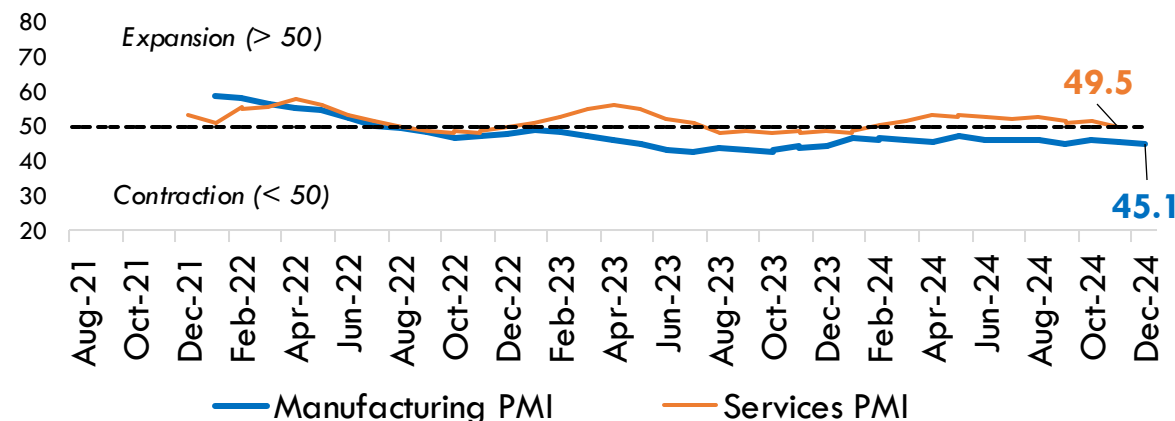
European Central Bank (ECB) Rate



Euro Zone Economic Growth (%)



Manufacturing & Services PMI

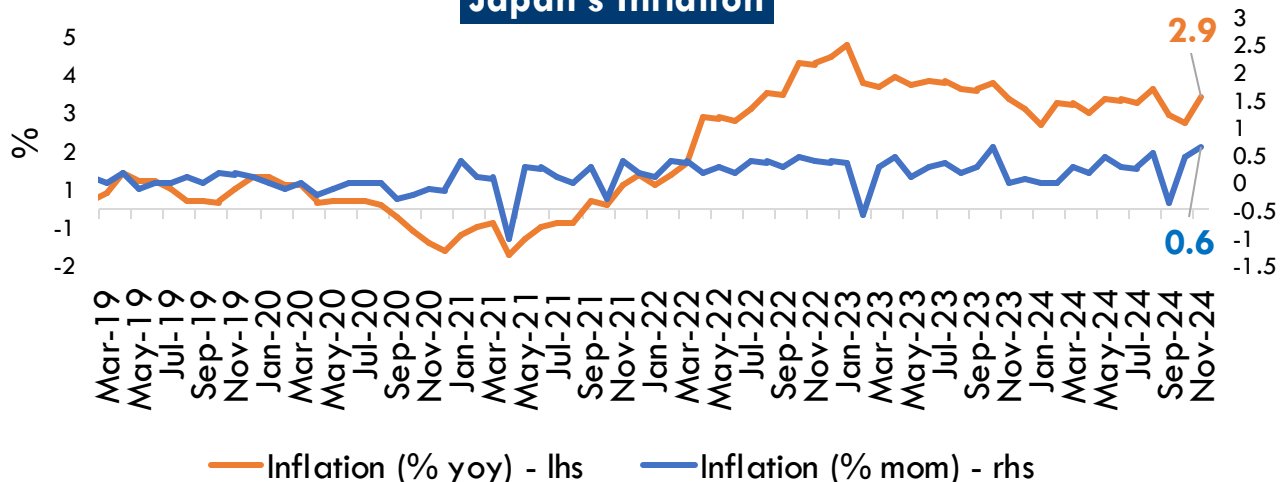


Japan's Leading Economic Indicators

Unlike other countries, Japan is likely still hawkish

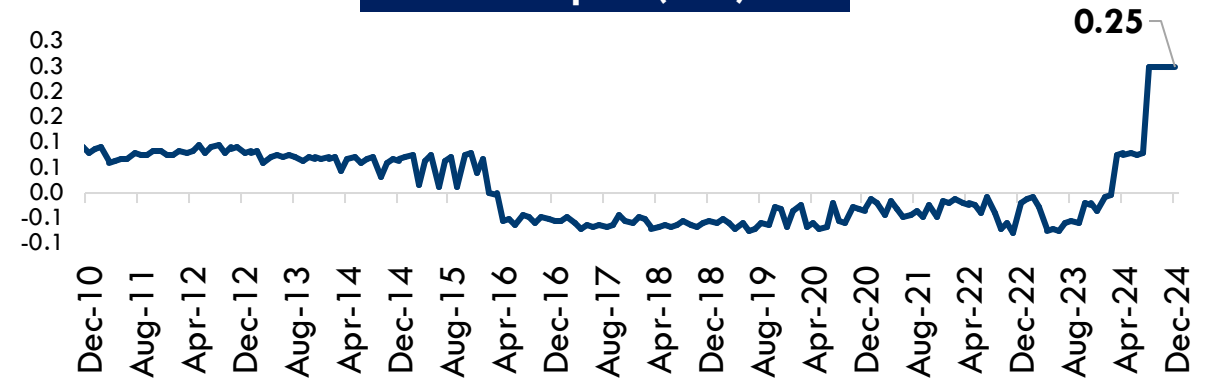
- The Bank of Japan (BoJ) kept interest rates unchanged at 0.25% in November, citing the need for continued economic support. Inflation rose to 2.9% YoY in October, surpassing the BoJ's 2% target, while GDP grew by 0.9% YoY in 3Q24, with a modest 0.3% QoQ increase, reflecting limited recovery momentum. The slow growth was driven by weak global demand and constrained exports, compounded by subdued domestic consumption and sluggish wage growth.
- With inflation consistently above target and signs of economic stabilization, speculation has intensified that the BoJ may consider raising rates in the near future. However, the central bank remains focused on monitoring inflation dynamics and broader economic trends before making any definitive policy moves.

Japan's Inflation

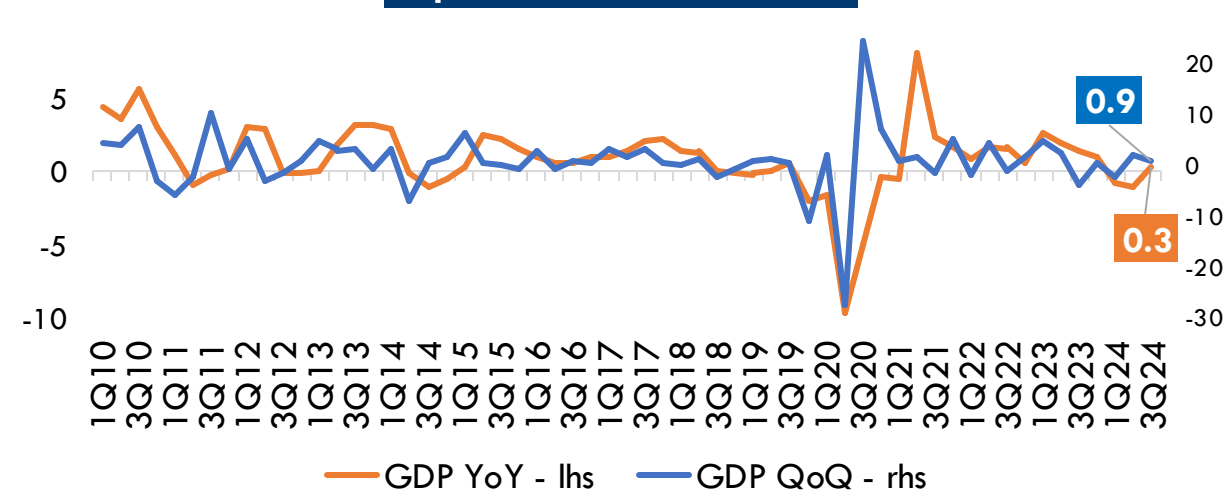


Source: CEIC, as of 3-Jan-25

Bank of Japan (BoJ) Rate



Japan's Economic Growth

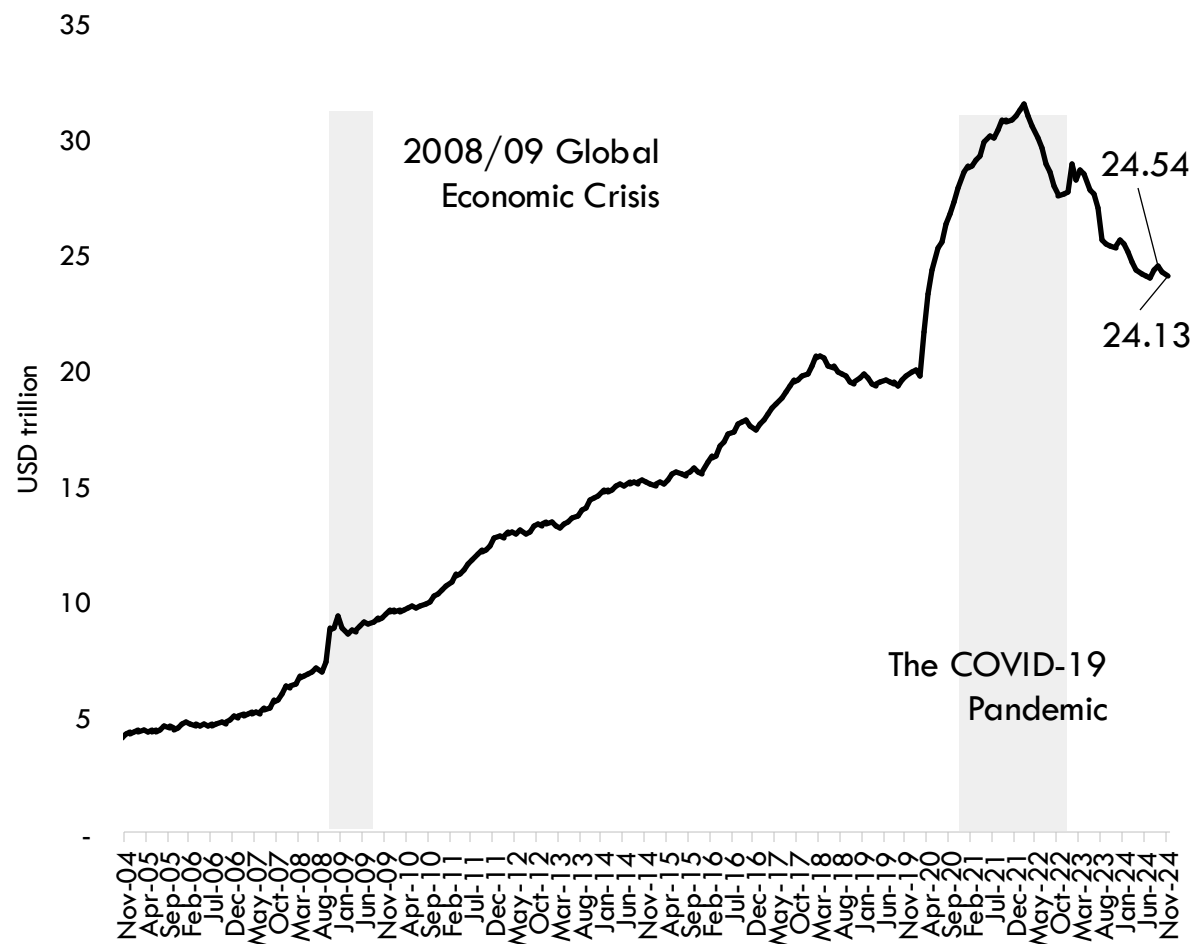


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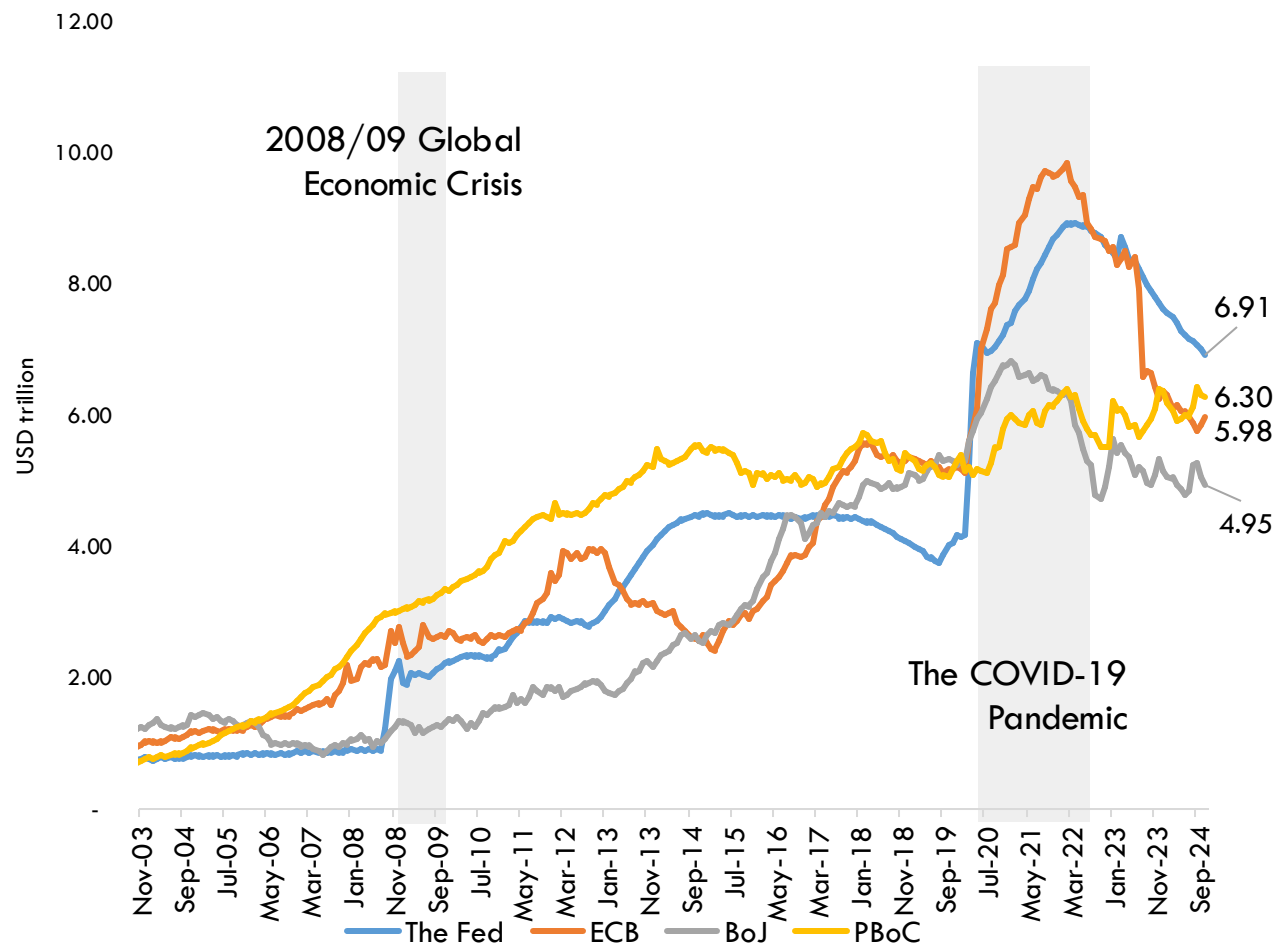
Balance Sheet of Major Central Banks

PBoC's asset surge on huge stimulus

G4 CB Total Assets



CB Total Assets



ASEAN-5 Economic Indicators

Inflation in ASEAN-5 showed decreasing trend, supporting stable economic growth

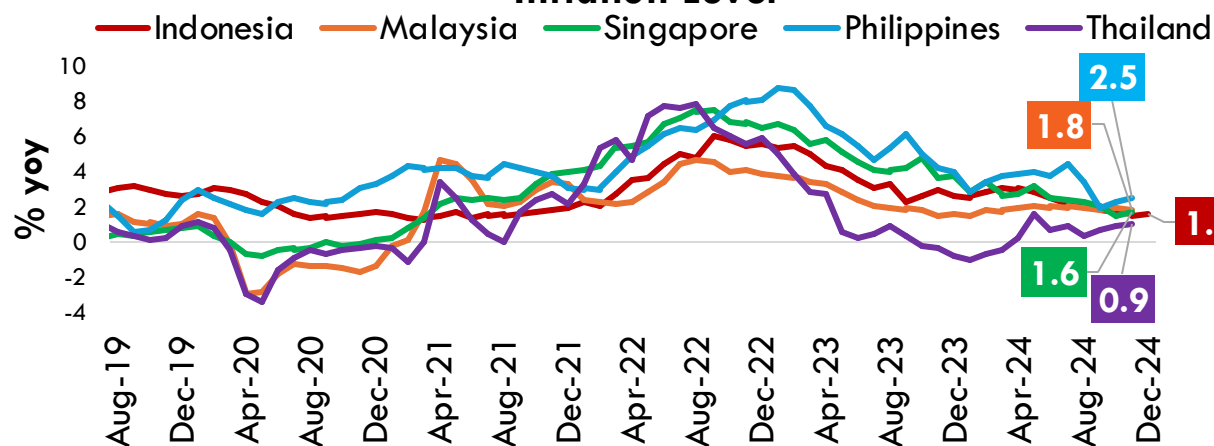
GDP (% yoy)

Year	Indonesia	Malaysia	Singapore	Philippines	Thailand
2017	5.1	5.8	4.5	6.9	4.2
2018	5.2	4.8	3.5	6.3	4.2
2019	5.0	4.4	1.3	6.1	2.1
2020	-2.1	-5.5	-3.9	-9.5	-6.1
2021	3.7	3.3	9.7	5.7	1.6
2022	5.3	8.9	3.8	7.6	2.5
2023	5.0	3.6	1.1	5.5	1.9
1Q24	5.1	4.2	3.0	5.8	1.6
2Q24	5.0	5.9	2.9	6.3	2.3
3Q24	4.9	5.3	5.4	5.2	3.0
4Q24	-	-	4.3	-	-

ASEAN-5 Economy

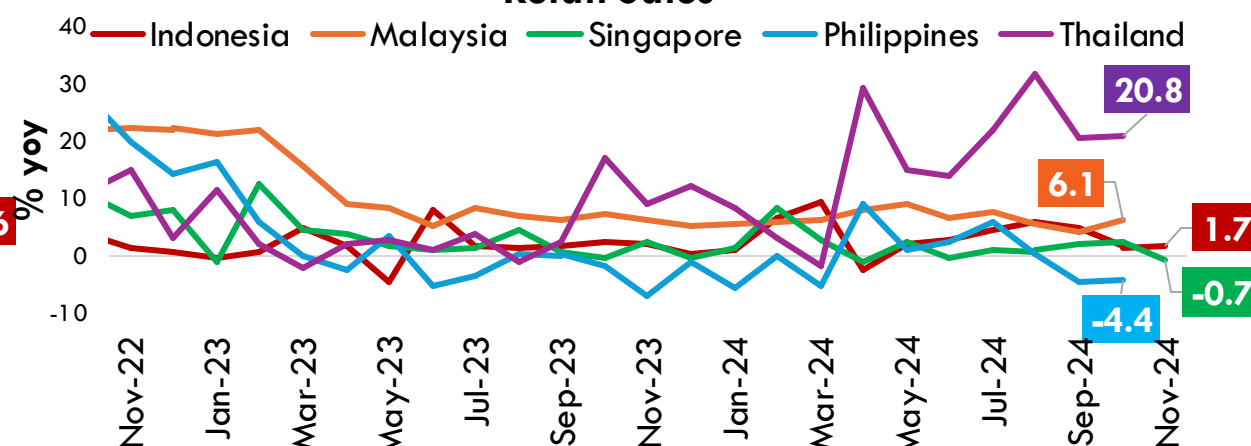
- In 3Q24, GDP growth in ASEAN-5 showed mixed trends: Indonesia, Malaysia, and the Philippines experienced slower growth compared to 2Q24, while Singapore and Thailand saw an acceleration.
- Inflation in these countries showed declining trend, supported consumption.
- The region's economy is expected to maintain acceleration, driving the global growth, supported by the rising prospect of a rate cut this year

Inflation Level



Source: CEIC

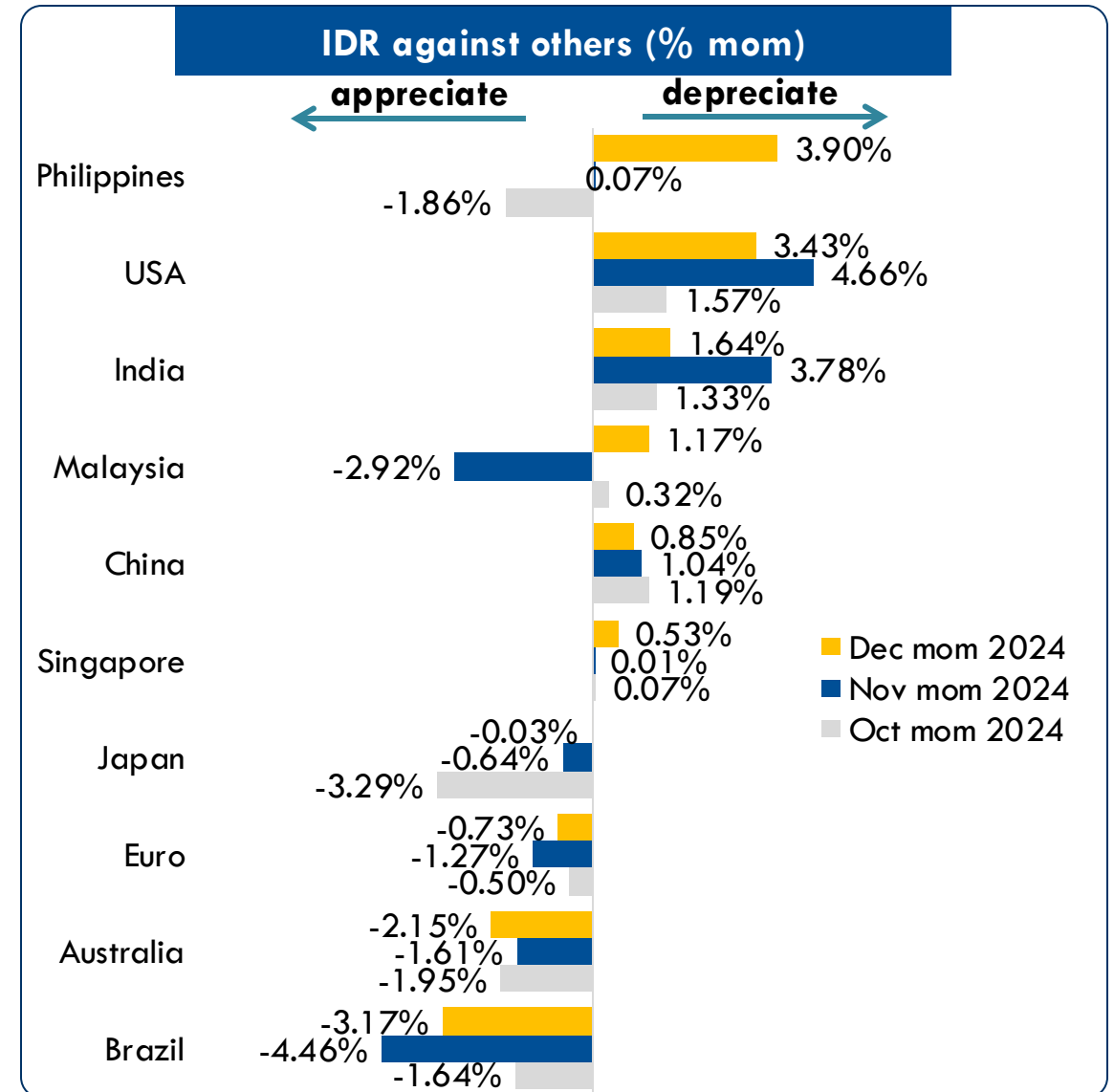
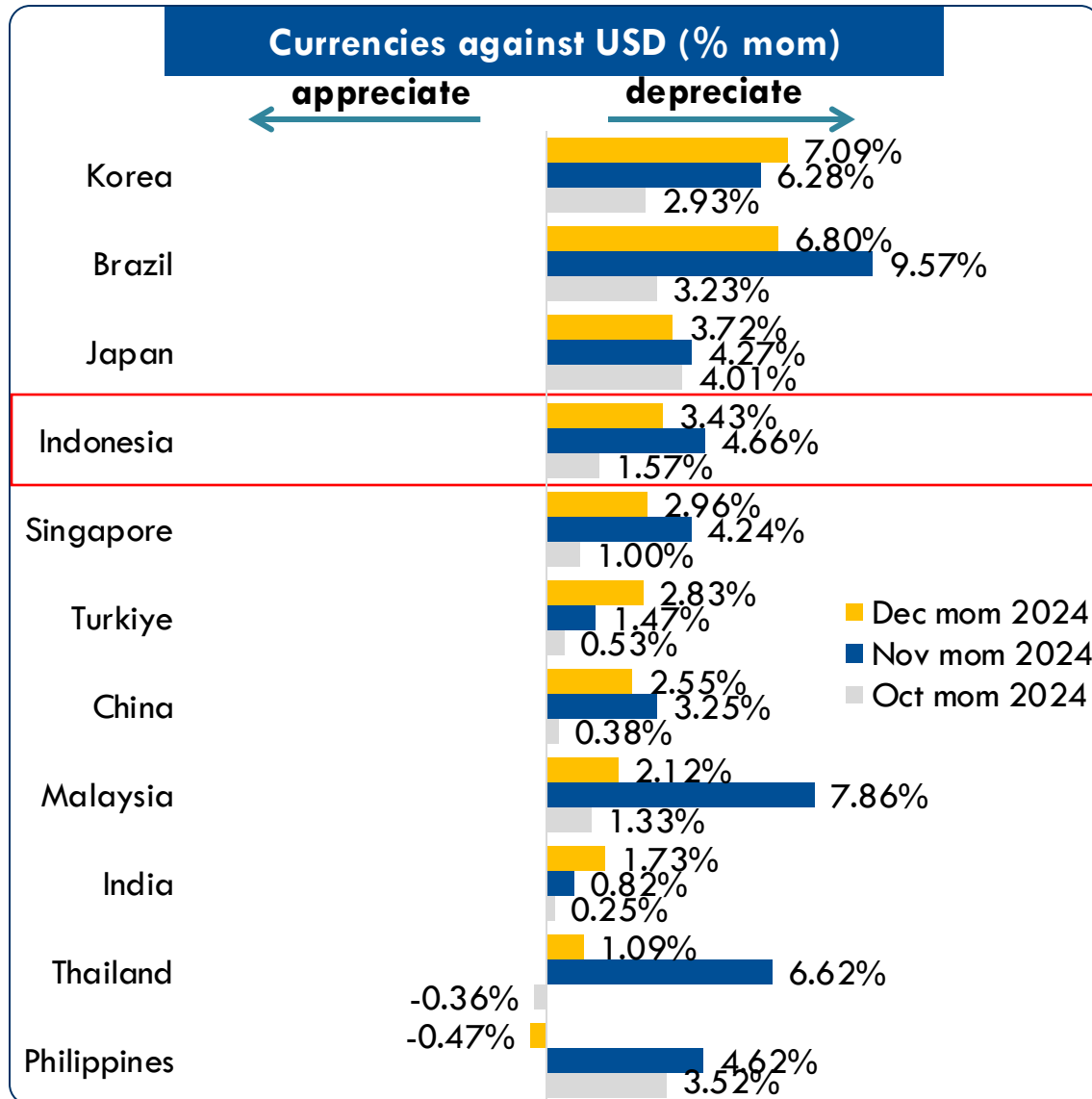
Retail Sales



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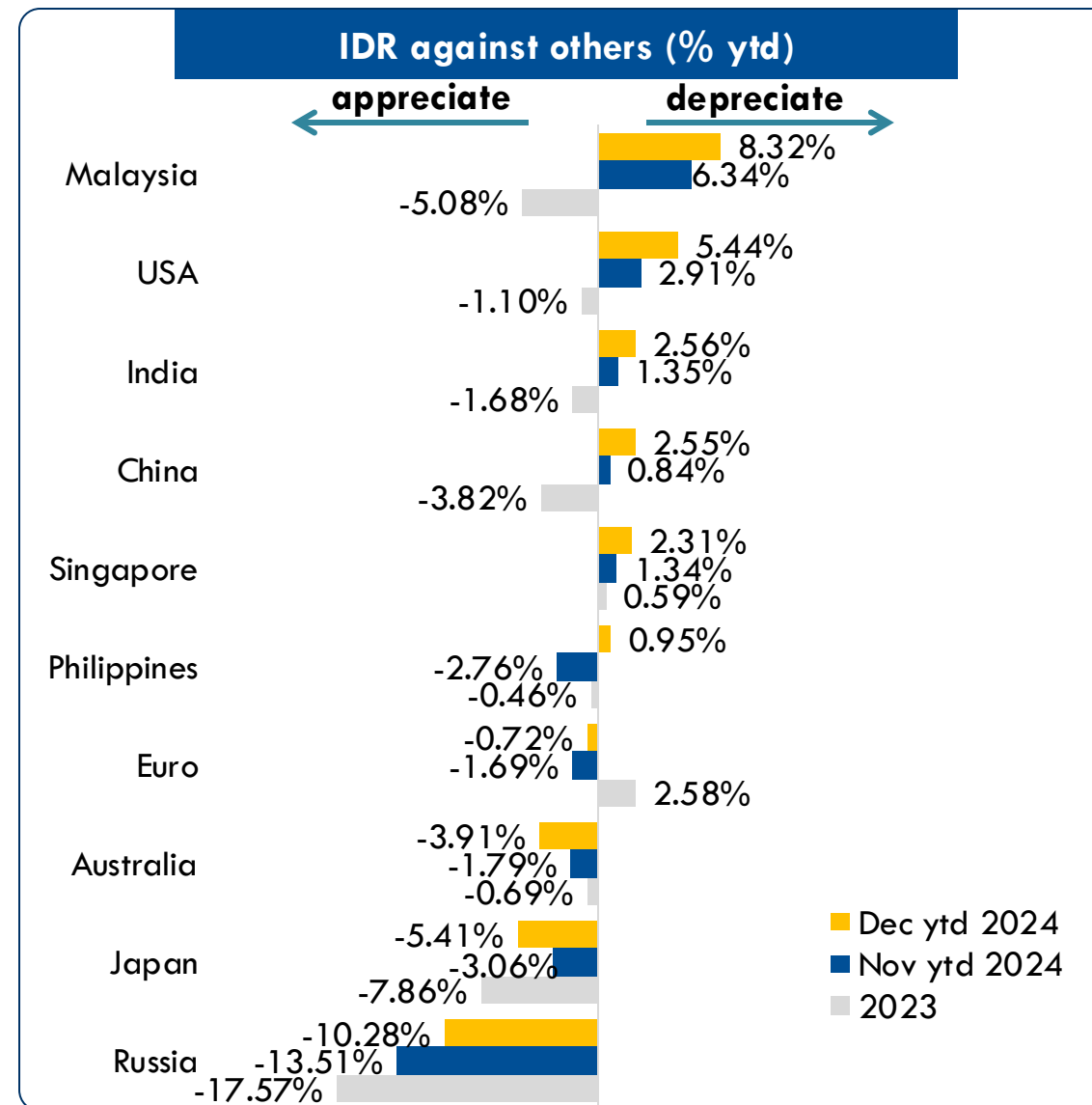
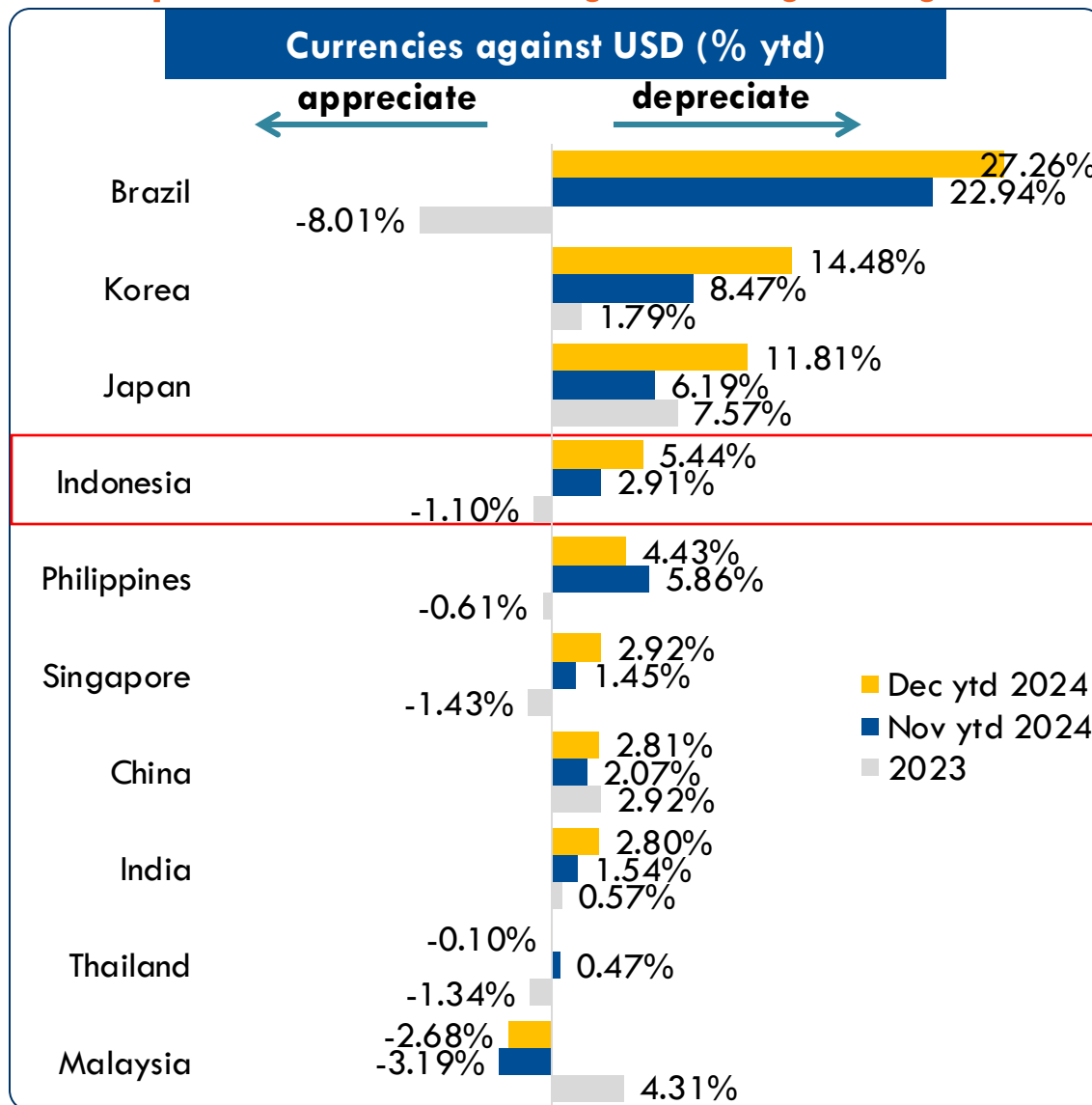
Comparison of currency movement

Most currencies posted smaller month-to-month depreciation compared to previous period



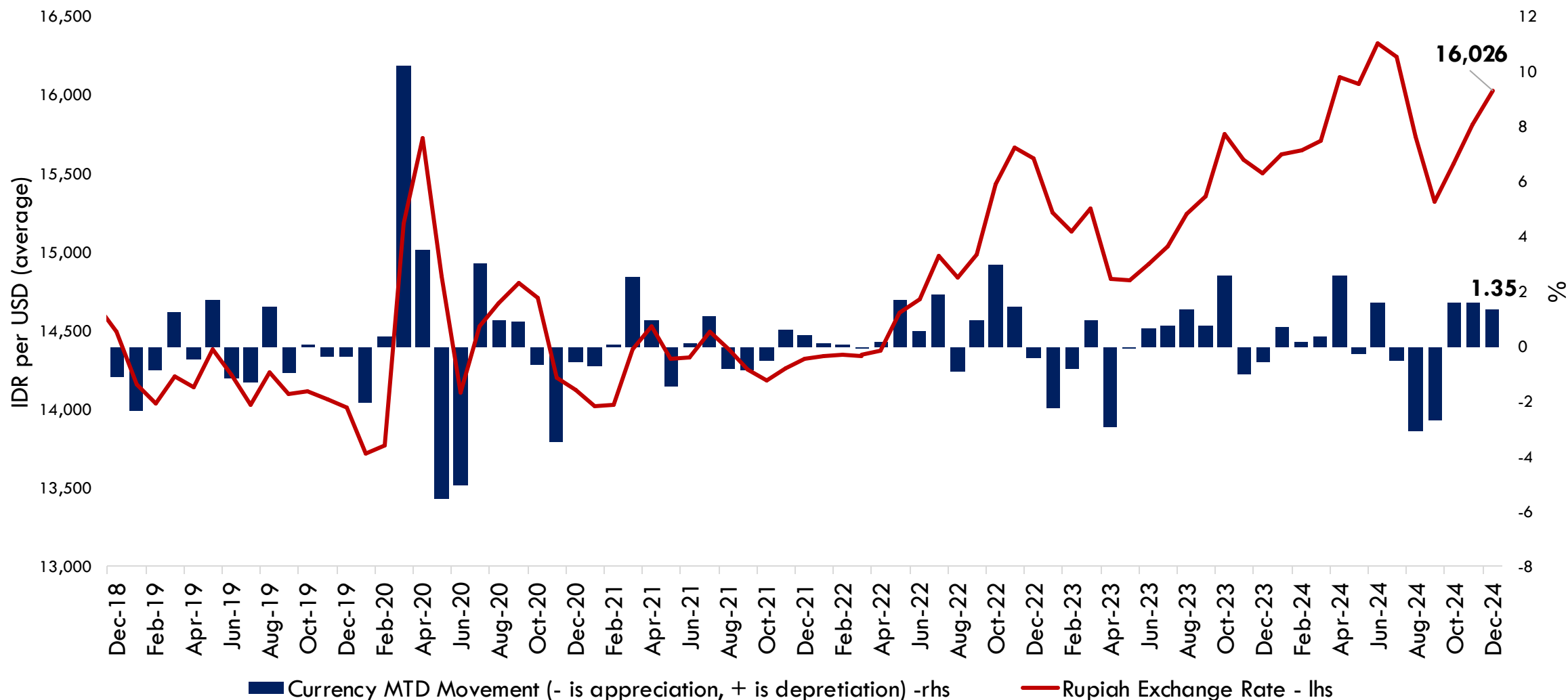
Uncertainties in the US policies led to depreciation of global currencies

The rupiah weakened following the strengthening of the US dollar amid a more conservative outlook for interest rate cuts



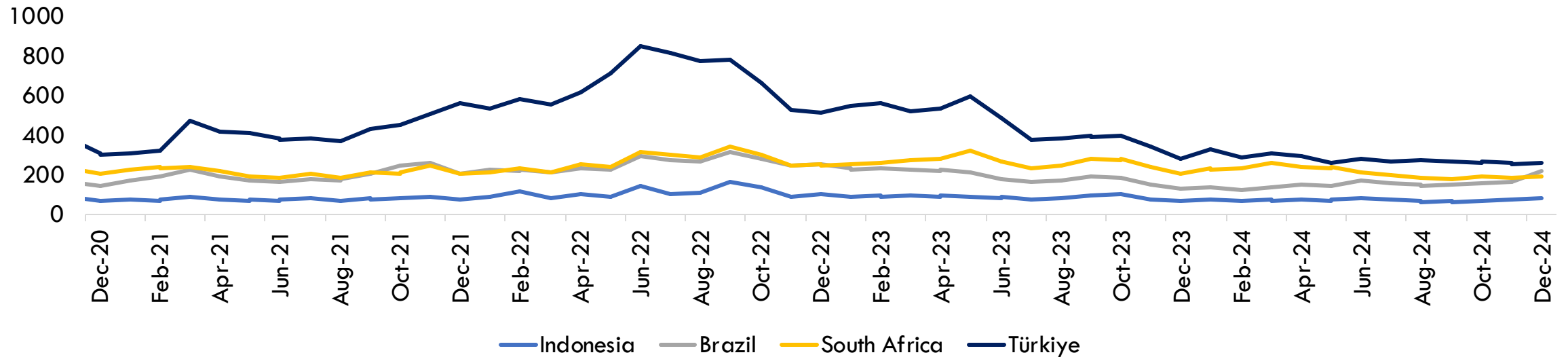
Rupiah Movement: Depreciated in Dec-24

The Rupiah weakened amid the possibility of more aggressive trade protectionism policy in the US and more conservative FFR cuts in 2025



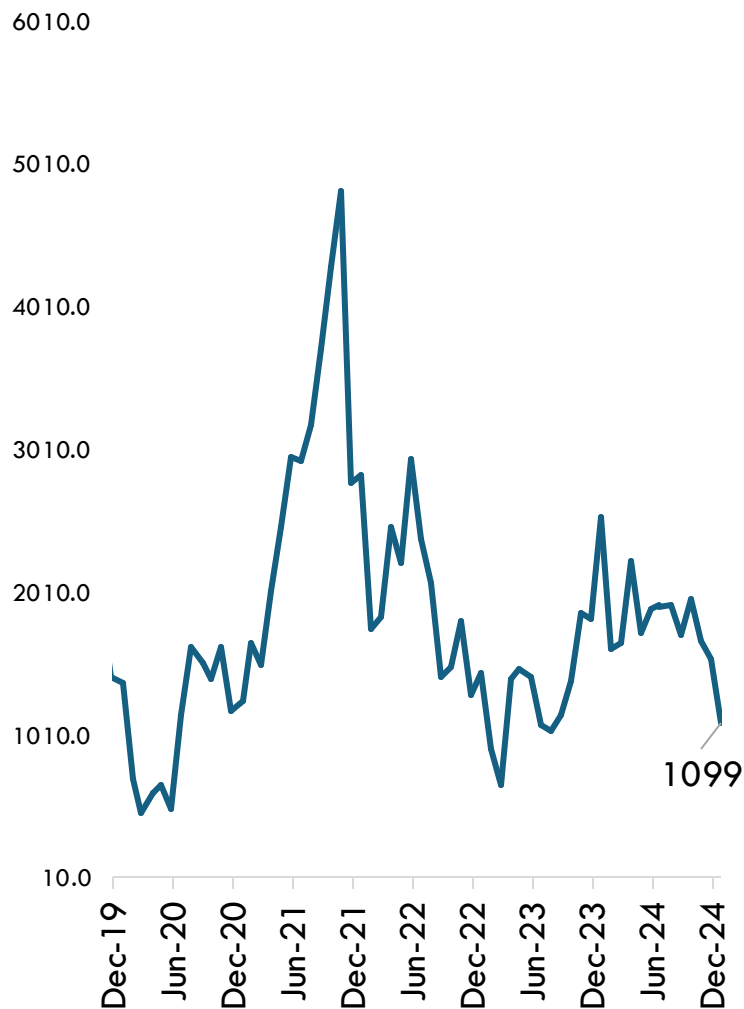
Risk Perception (CDS 5Y) in Emerging Markets

CDS in several countries increased driven by changes in the geopolitical landscape and the world economy

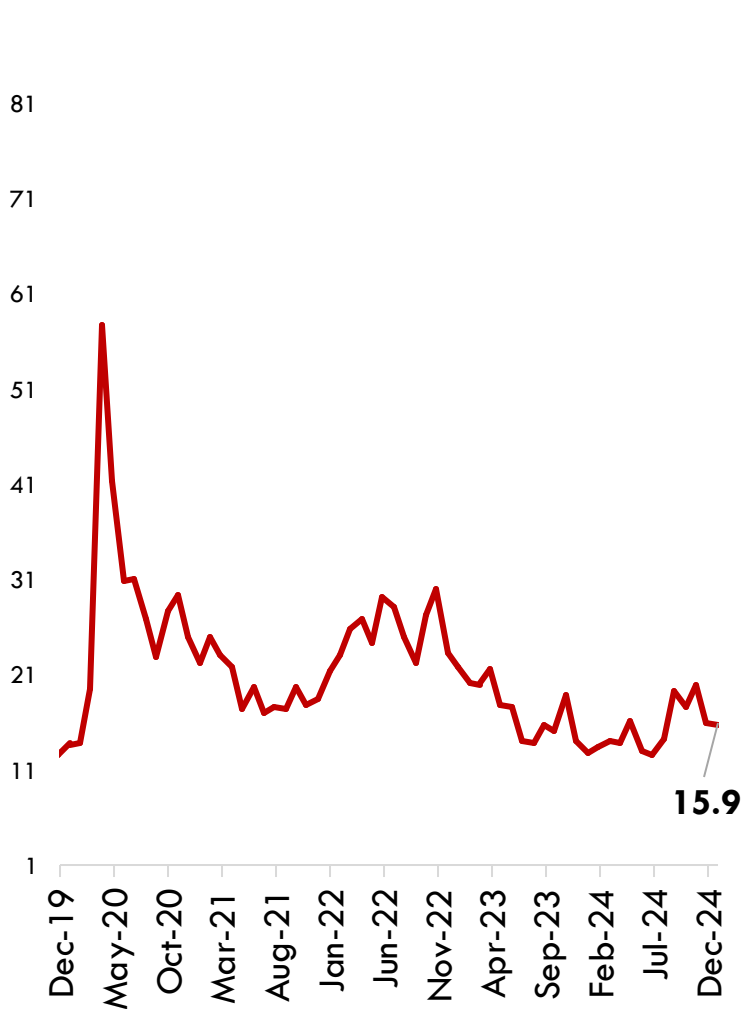


No.	Country	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		Δ yoy
1	Indonesia	231	157	229	157	85	137	68	68	75	100	72	78.9	6.9
2	Philippines	108	90	107	110	67	88	34	36	56	97	64	68.6	4.6
3	Thailand	124	102	134	80	45	44	25	37	27	61	41	43.8	2.6
4	China	80	86	108	118	50	67	31	28	40	73	61	65.8	5.2
5	South Korea	66	54	55	44	52	39	24	22	19	53	27	37.5	10.2
6	Mexico	91	104	170	156	106	154	79	81	90	130	88	141.2	52.7
7	Brazil	193	201	494	281	226	207	99	143	205	254	133	216.4	83.9
8	South Africa	200	190	335	217	176	222	163	204	203	250	203	192.7	-10.5
9	Türkiye	253	183	273	273	266	361	282	306	564	512	284	262.6	-20.9

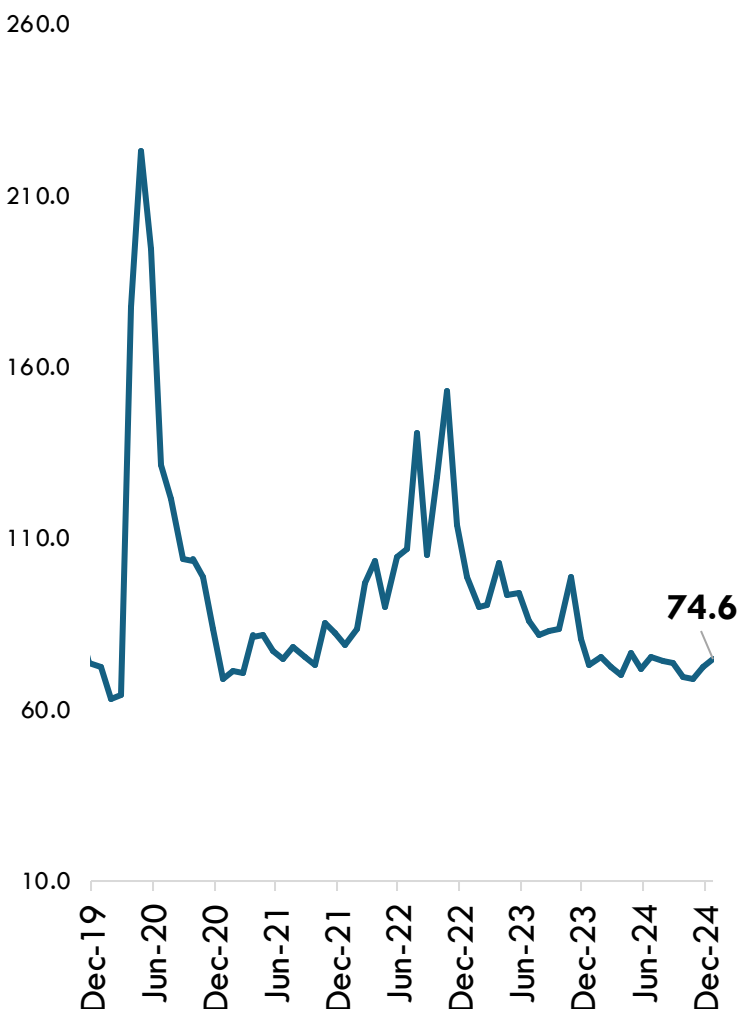
Baltic Dry Index



VIX (Volatility Index)

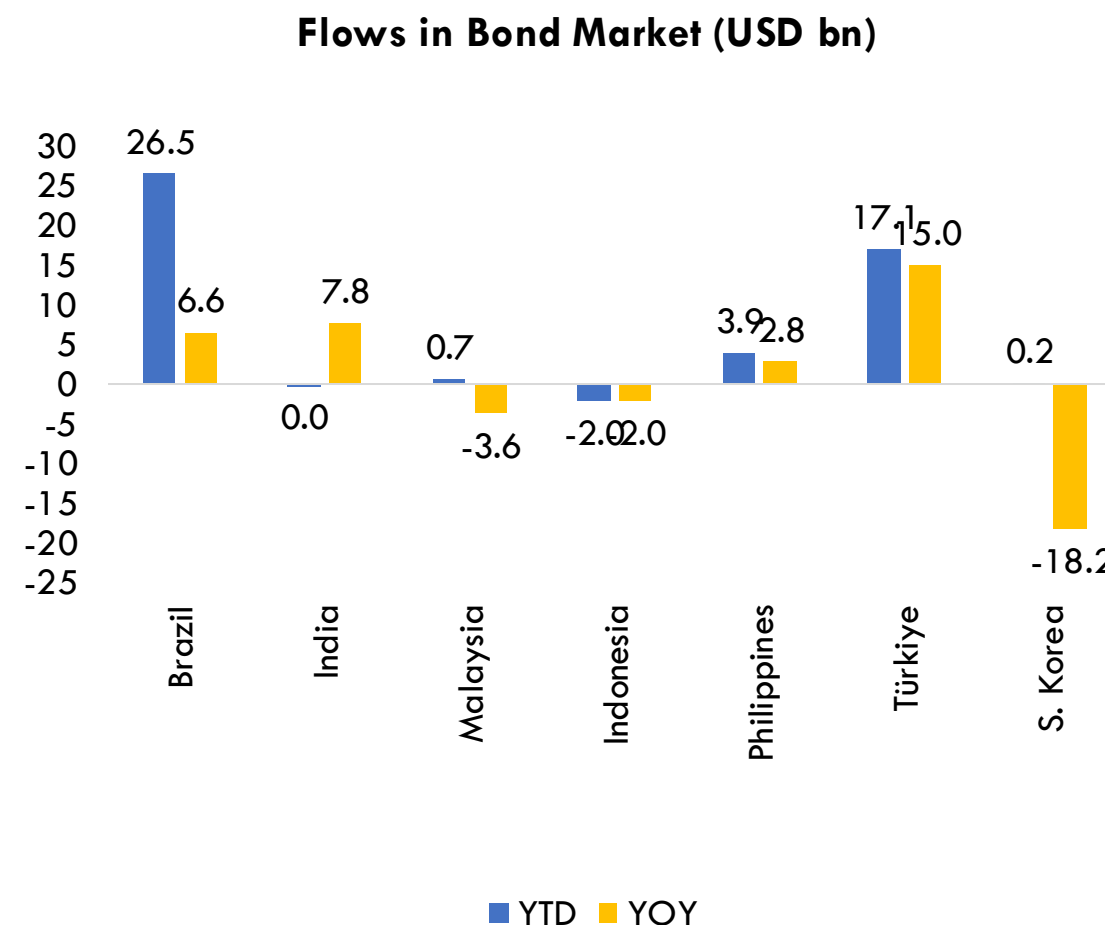
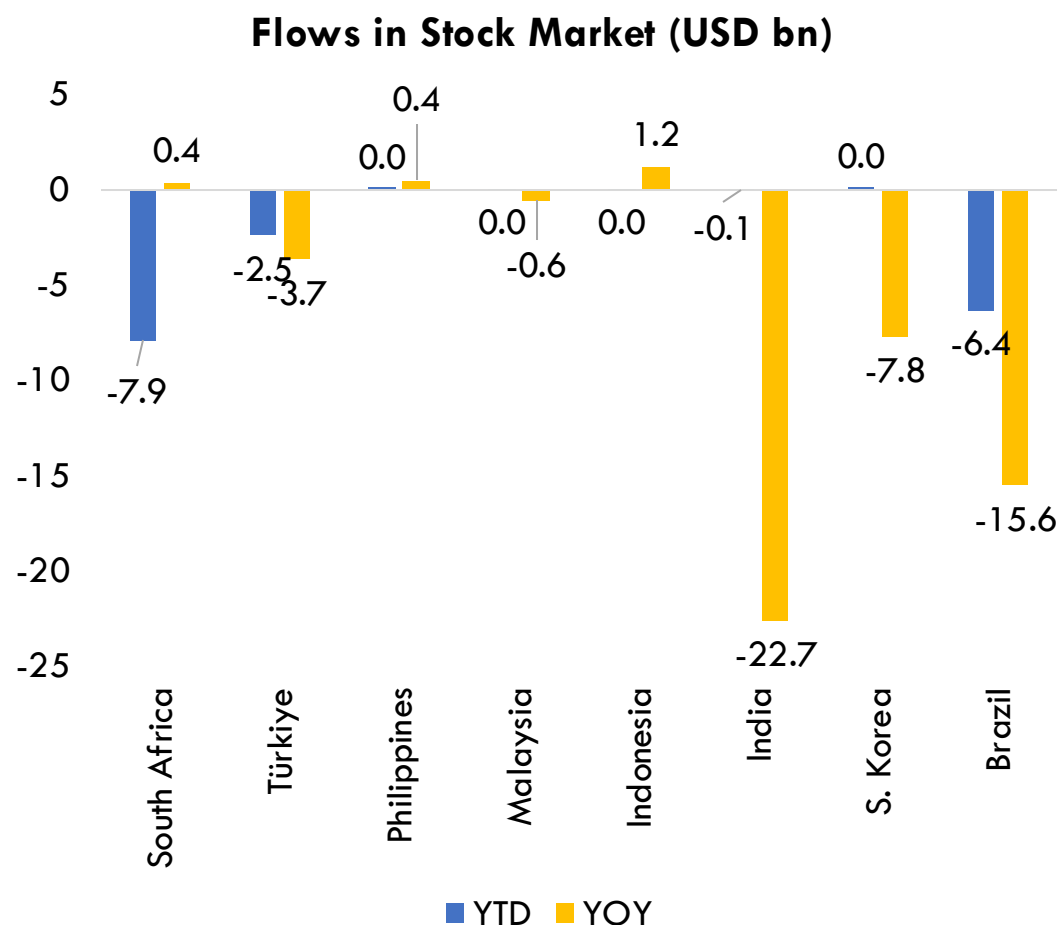


5-year Indonesia CDS



Capital Flows in the EM Countries

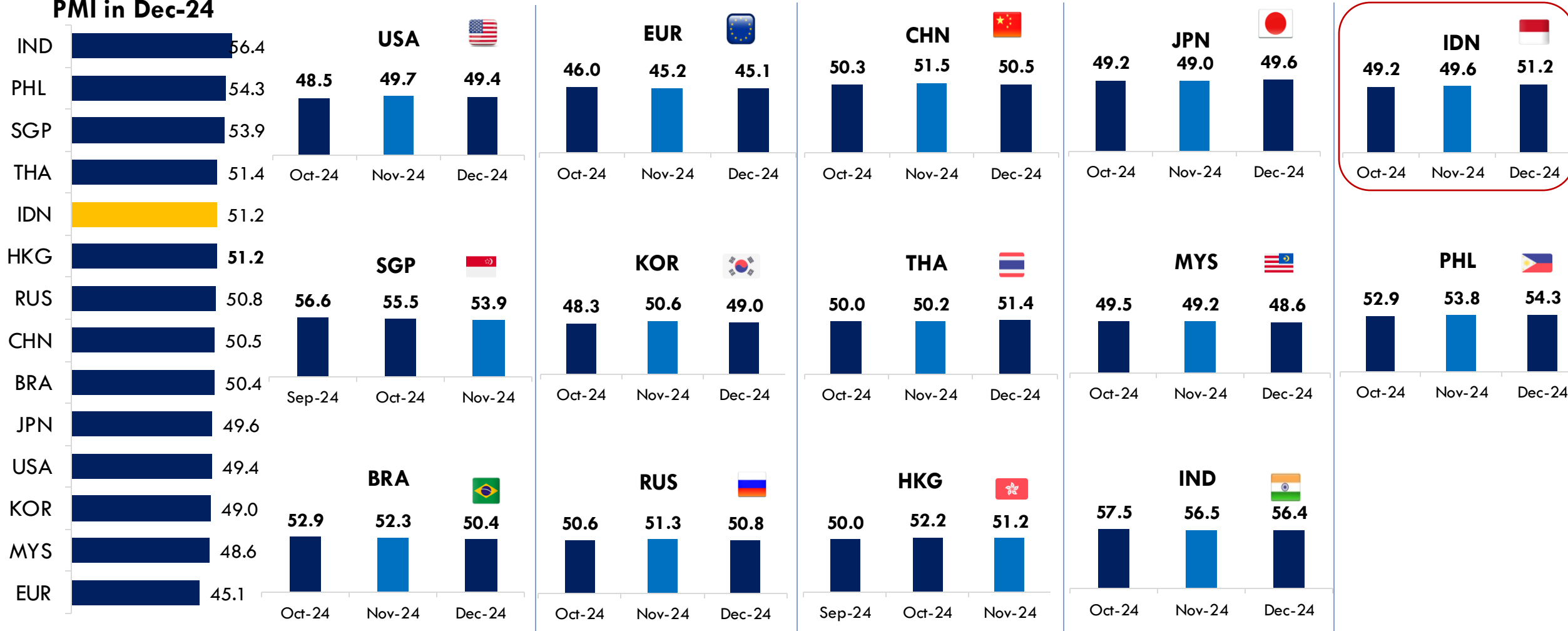
Foreign investors still recorded outflows due to the impact of the Fed's less aggressive interest rate



Global Manufacturing PMI

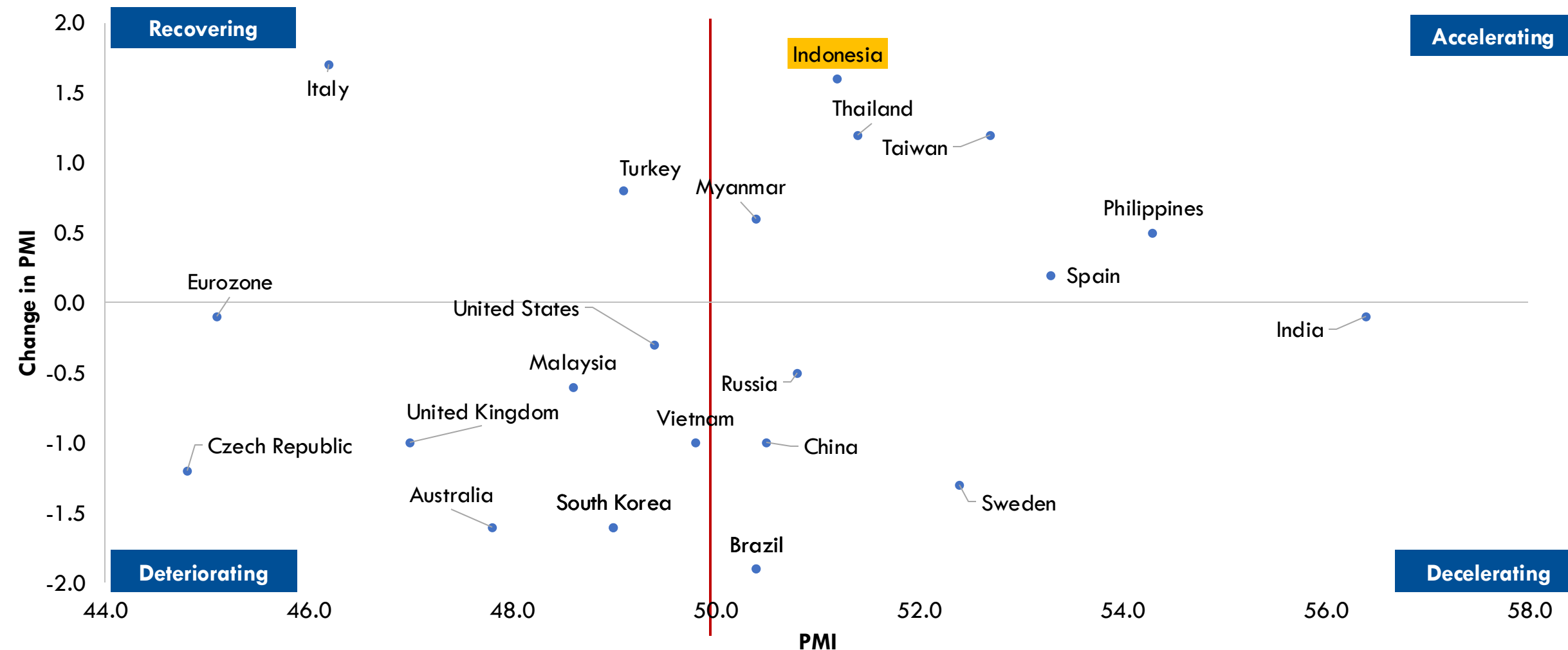
Indonesia's PMI improves and comes out of contraction zone

Manufacturing PMI in Dec-24



Global Manufacturing PMI Quadrant

Indonesia's Manufacturing PMI improved on Dec-24



Global Economic Outlook

Growth slowdown expected to continue through to , particularly for major economies, i.e. US and China

(GDP growth, %)

Countries / Area	2019	2020	2021	2022	2023	IMF		World Bank		Bloomberg		OECD	
						F	2025F	F	2025F	F	2025F	F	2025F
World 	2.8	-2.7	6.5	3.5	3.2	3.2	3.2	3.4	2.7	3.1	3.1	3.2	3.2
US 	2.5	-2.2	5.8	1.9	2.5	2.8	2.2	2.5	1.8	2.7	2.1	2.6	1.6
Euro Zone 	1.6	-6.1	5.9	3.4	0.4	0.8	1.2	0.7	1.4	0.8	1.2	0.7	1.3
Indonesia 	5.0	-2.0	3.7	5.3	5.1	5.0	5.1	5.0	5.1	5.0	5.0	5.1	5.2
Japan 	-0.4	-4.2	2.7	1.0	1.9	0.3	1.1	0.7	1.0	-0.2	1.2	-0.1	1.4
China 	6.0	2.2	8.4	3.0	5.2	4.8	4.5	4.8	4.1	4.8	4.5	4.9	4.5
India 	6.5	3.9	-5.8	9.7	7.0	7.0	6.5	6.6	6.7	7.8	6.8	6.7	6.8
Russia 	2.2	-2.7	5.9	-1.2	3.6	3.6	1.3	2.9	1.4	3.5	1.5	3.7	1.1
Brazil 	1.2	-3.3	5.0	3.0	2.9	3.0	2.2	2.0	2.2	3.0	2.0	2.9	2.6
ASEAN-5 	4.9	-3.4	3.4	5.5	4.1	4.5	4.5	-	-	-	-	-	-

Source : IMF, Oct-24 World Economic Outlook; World Bank, Jun-24 Global Economic Prospect;
OECD, Sep-24 Economic Outlook; Bloomberg as of 5-Dec-24

GDP in Several Countries

Most emerging countries are still showing resilient economic growth

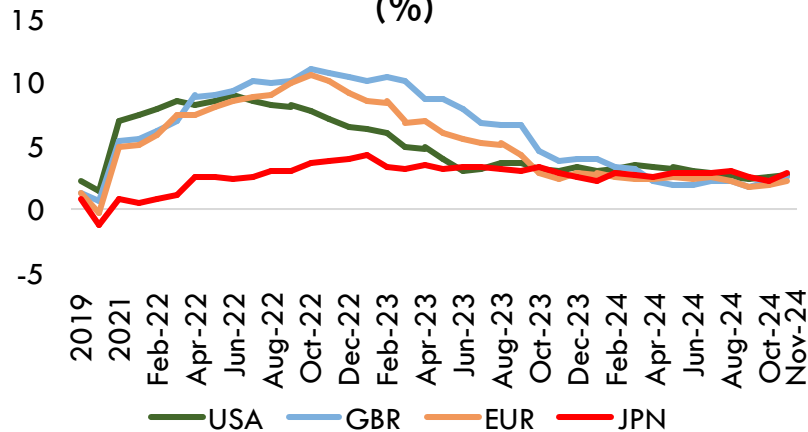
(GDP growth, % yoy)

Countries	2022	2023	F	2025F	2026F	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24F	1Q25F	2Q25F	3Q25F	4Q25F
US	1.9	2.9	2.7	2.1	2.0	2.8	3.2	3.2	2.9	2.6	2.4	2.5	2.2	2.0	1.9
Euro Zone	3.5	0.4	0.8	1.0	1.2	0.0	0.1	0.4	0.5	0.9	1.1	1.0	1.1	1.0	1.1
Japan	1.2	1.7	-0.2	1.2	0.9	1.1	0.7	-0.9	-0.9	-0.8	0.6	1.4	1.2	1.1	1.0
UK	5.0	0.4	0.9	1.4	1.5	0.3	-0.3	0.3	0.9	1.1	1.6	1.3	1.3	1.5	1.6
China	3.0	5.2	4.8	4.5	4.2	4.9	5.2	5.3	4.7	4.6	4.9	4.5	4.8	4.5	4.1
South Korea	2.8	1.4	2.2	1.8	1.9	1.4	2.1	3.3	2.3	1.5	1.7	1.0	1.7	2.1	2.1
Russia	-1.2	3.6	3.6	1.5	1.4	5.7	4.9	5.4	4.1	2.8	2.5	2.1	1.7	1.6	1.1
India	9.7	7.0	7.8	6.5	6.5	8.1	8.6	7.8	6.7	6.5	6.3	6.7	6.5	6.7	6.4
Brazil	3.0	3.3	3.2	2.0	1.9	2.4	2.4	2.6	2.4	3.5	3.8	2.7	1.8	1.5	1.5
Indonesia	5.3	5.1	5.0	5.0	5.1	4.9	5.0	5.1	5.0	5.0	5.0	4.9	5.0	5.0	5.0
Malaysia	8.7	3.7	5.2	4.7	4.5	2.8	3.1	2.9	4.2	5.3	5.2	5.1	4.5	4.4	4.8
Thailand	2.5	1.9	2.7	3.0	2.7	1.4	1.7	1.6	2.2	2.6	3.7	3.3	3.1	2.5	2.4
Singapore	3.9	1.1	3.6	2.6	2.5	1.0	2.2	3.0	3.0	4.1	3.2	3.5	3.5	1.7	2.4
Philippines	7.6	5.5	5.8	6.0	6.0	6.0	5.5	5.8	6.4	5.5	5.4	5.7	6.3	6.3	6.0
Australia	4.2	2.1	1.0	1.9	2.4	2.1	1.5	1.1	1.0	1.0	1.1	1.5	1.9	2.1	2.2

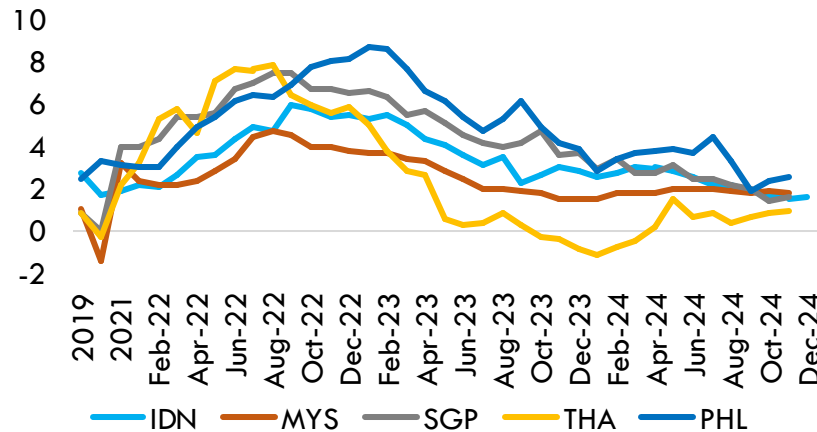
Global Inflation Rate

The inflation rate of developed countries edged up due to the effect of the remaining high purchasing power driven by rising income

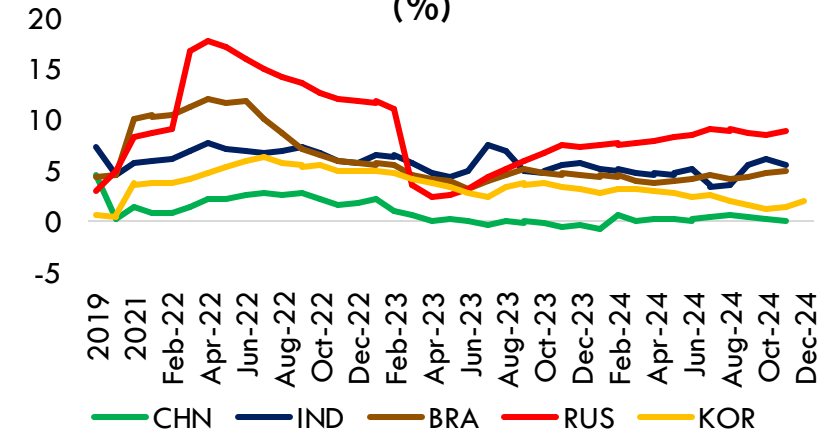
Inflation Rate in Developed Countries (%)



Inflation Rate in Emerging Countries (%)



Inflation Rate in Emerging Countries (%)



Period	USA	GBR	EUR
Mar-24	3.50	3.20	2.40
Apr-24	3.40	2.30	2.40
May-24	3.30	2.00	2.60
Jun-24	3.00	2.00	2.50
Jul-24	2.90	2.20	2.60
Aug-24	2.50	2.20	2.20
Sep-24	2.40	1.70	1.70
Oct-24	2.60	2.30	2.00
Nov-24	2.70	2.60	2.20
F	2.90	2.60	2.40
2025F	2.30	2.30	2.00

Period	IDN	MYS	SGP	THA	PHL	CHN	IND	BRA	RUS	KOR	JPN
Apr-24	3.00	1.80	2.70	0.19	3.80	0.30	4.83	3.69	7.84	2.90	2.50
May-24	2.84	2.00	3.10	1.54	3.90	0.30	4.80	3.93	8.30	2.70	2.80
Jun-24	2.51	2.00	2.40	0.62	3.70	0.20	5.08	4.23	8.59	2.40	2.80
Jul-24	2.13	2.00	2.40	0.83	4.40	0.50	3.60	4.50	9.13	2.60	2.80
Aug-24	2.12	1.90	2.20	0.35	3.30	0.60	3.65	4.24	9.05	2.00	3.00
Sep-24	1.84	1.80	2.00	0.61	1.90	0.40	5.49	4.42	8.63	1.60	2.50
Oct-24	1.71	1.90	1.40	0.83	2.30	0.30	6.21	4.76	8.54	1.30	2.30
Nov-24	1.55	1.80	1.60	0.95	2.50	0.20	5.48	4.78	8.88	1.50	2.90
Dec-24	1.55	-	-	-	-	-	-	-	-	1.90	-
F	2.57	2.10	2.50	0.70	3.40	0.50	4.60	4.30	8.10	2.40	2.50
2025F	2.97	2.60	2.00	1.40	3.00	1.30	4.50	3.70	6.00	2.00	2.00

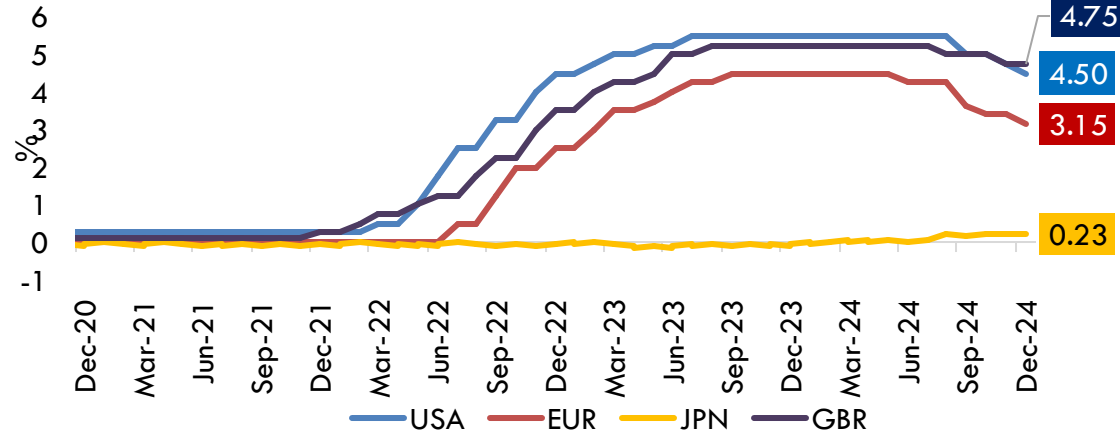
Source: Bloomberg

Office of Chief Economist

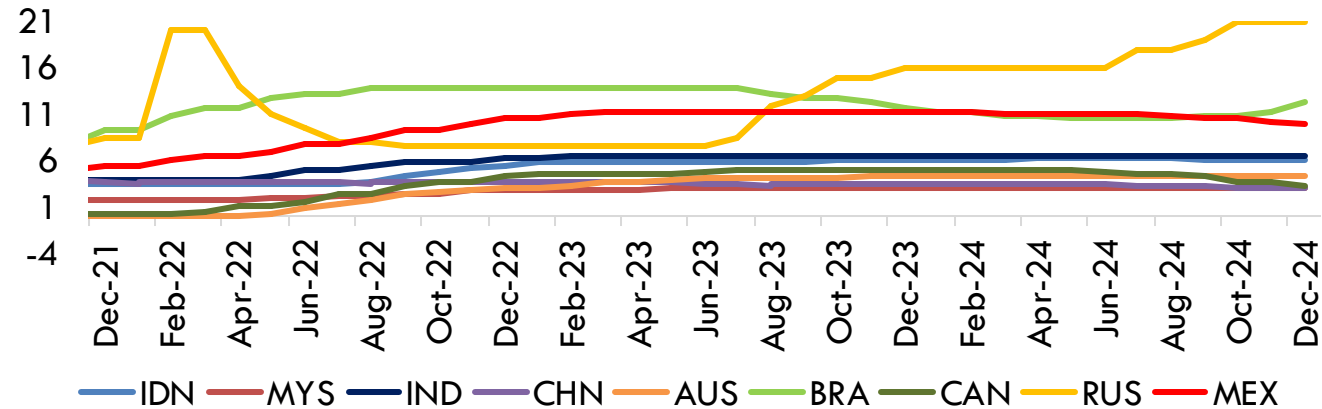
Global Policy Rates

Countries are preparing for more rate cuts, but with a more cautious approach

Developed Countries



Emerging Market



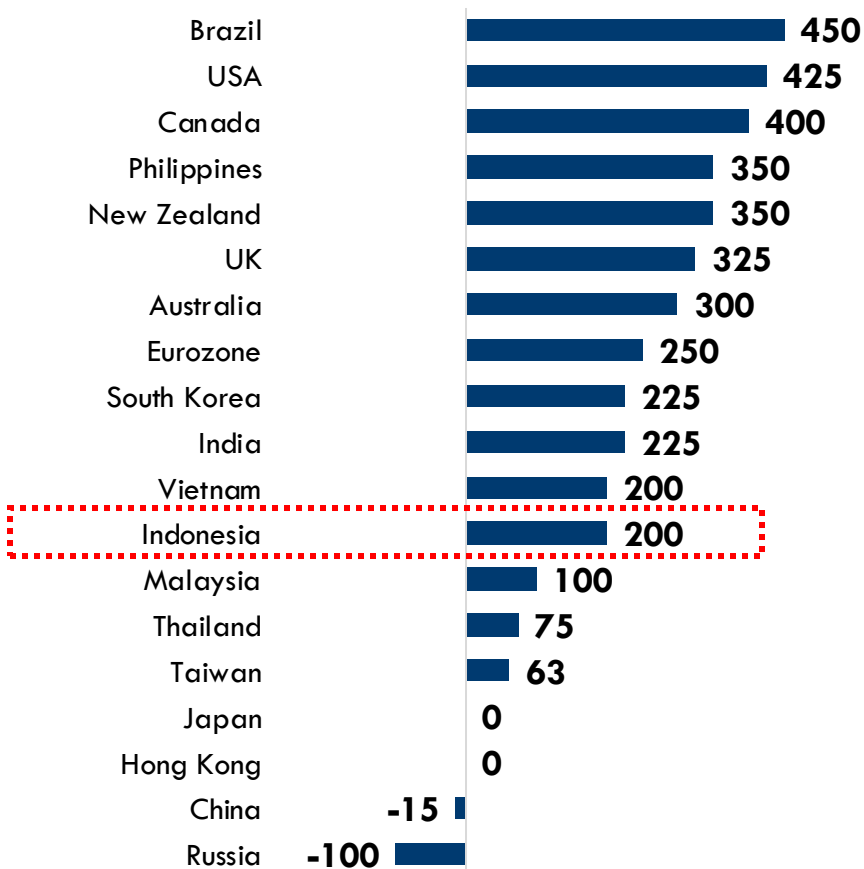
Date	USA	EUR	JPN	GBR
Dec-23	5.50	4.50	-0.04	5.25
Jan-24	5.50	4.50	-0.01	5.25
Feb-24	5.50	4.50	-0.01	5.25
Mar-24	5.50	4.50	0.07	5.25
Apr-24	5.50	4.50	0.08	5.25
May-24	5.50	4.50	0.08	5.25
Jun-24	5.50	4.25	0.08	5.25
Jul-24	5.50	4.25	0.08	5.25
Aug-24	5.50	4.25	0.23	5.00
Sep-24	5.00	3.65	0.23	5.00
Oct-24	5.00	3.40	0.23	5.00
Nov-24	4.75	3.40	0.23	4.75
Dec-24	4.50	3.15	0.23	4.75

Date	IDN	MYS	IND	CHN	BRA	RUS	MEX
Dec-23	6.00	3.00	6.50	3.45	11.75	16.00	11.25
Jan-24	6.00	3.00	6.50	3.45	11.25	16.00	11.25
Feb-24	6.00	3.00	6.50	3.45	11.25	16.00	11.25
Mar-24	6.00	3.00	6.50	3.45	10.75	16.00	11.00
Apr-24	6.25	3.00	6.50	3.45	10.75	16.00	11.00
May-24	6.25	3.00	6.50	3.45	10.50	16.00	11.00
Jun-24	6.25	3.00	6.50	3.45	10.50	16.00	11.00
Jul-24	6.25	3.00	6.50	3.35	10.50	18.00	11.00
Aug-24	6.25	3.00	6.50	3.35	10.50	18.00	10.75
Sep-24	6.00	3.00	6.50	3.35	10.75	19.00	10.50
Oct-24	6.00	3.00	6.50	3.10	10.75	21.00	10.50
Nov-24	6.00	3.00	6.50	3.10	11.25	21.00	10.25
Dec-24	6.00	3.00	6.50	3.10	12.25	21.00	10.00

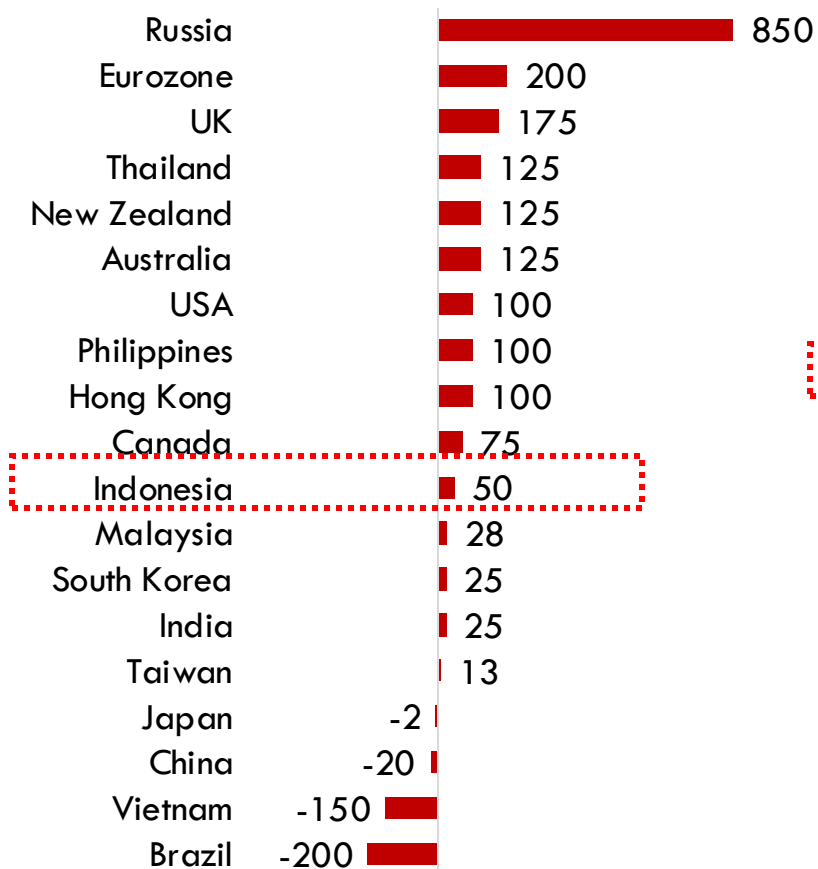
Policy Rate Comparison

Several central banks have cut the policy rate in , while Indonesia's BI Rate remained unchanged

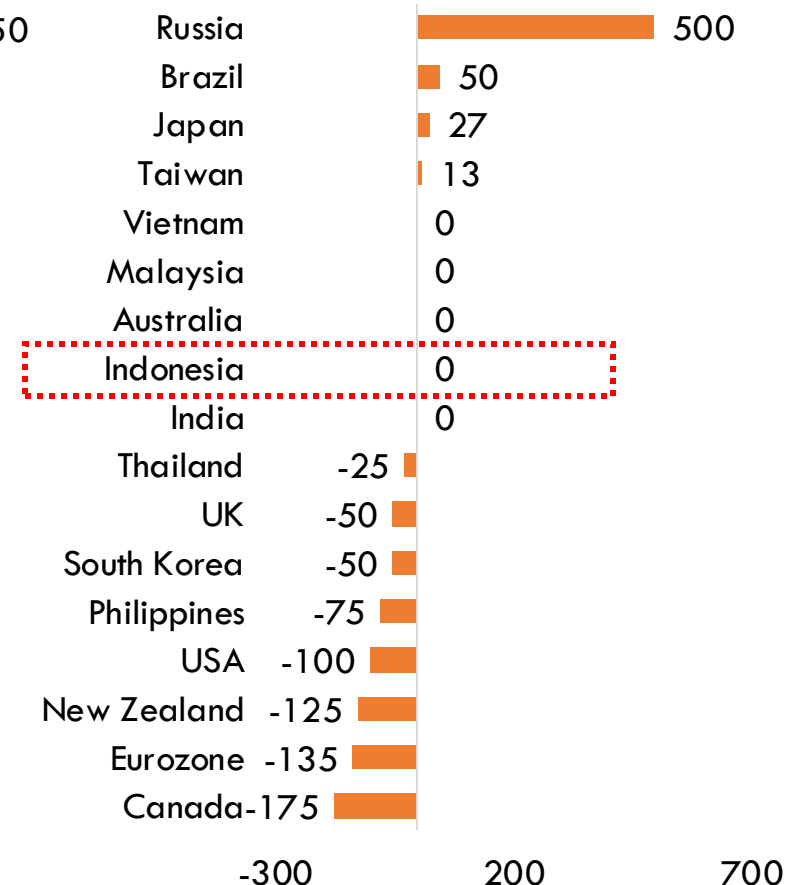
Realization Policy Rate Change
in 2022 (bps)



Realization of Policy Rate Change
in 2023 (bps)



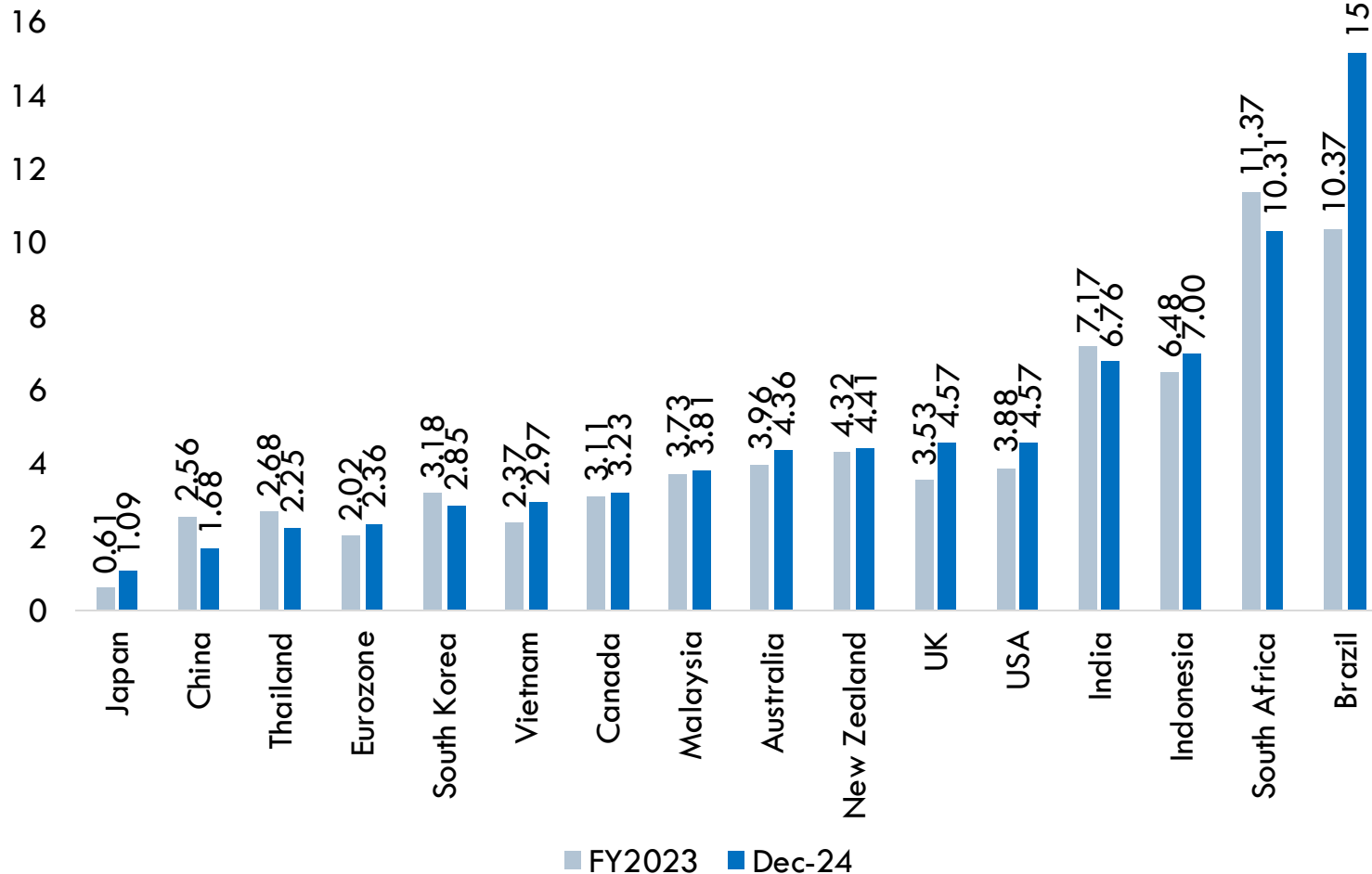
Realization of Policy Rate Change
in 2024 (bps)



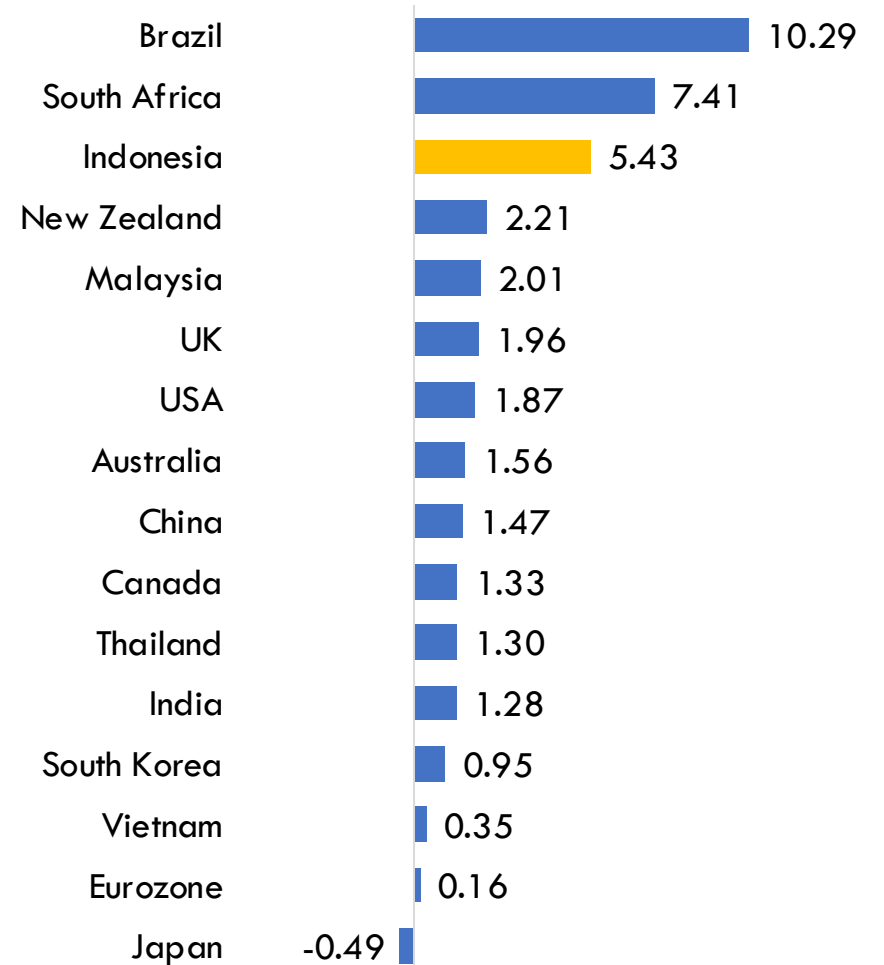
10-year Government Bond Real Yield

Indonesia's real yields are still one of the highest

10 Year Government Bond Yield (%)



Real yield 10Y (%)



Global Commodity Prices

Most commodity prices showed mixed movement compared to last month

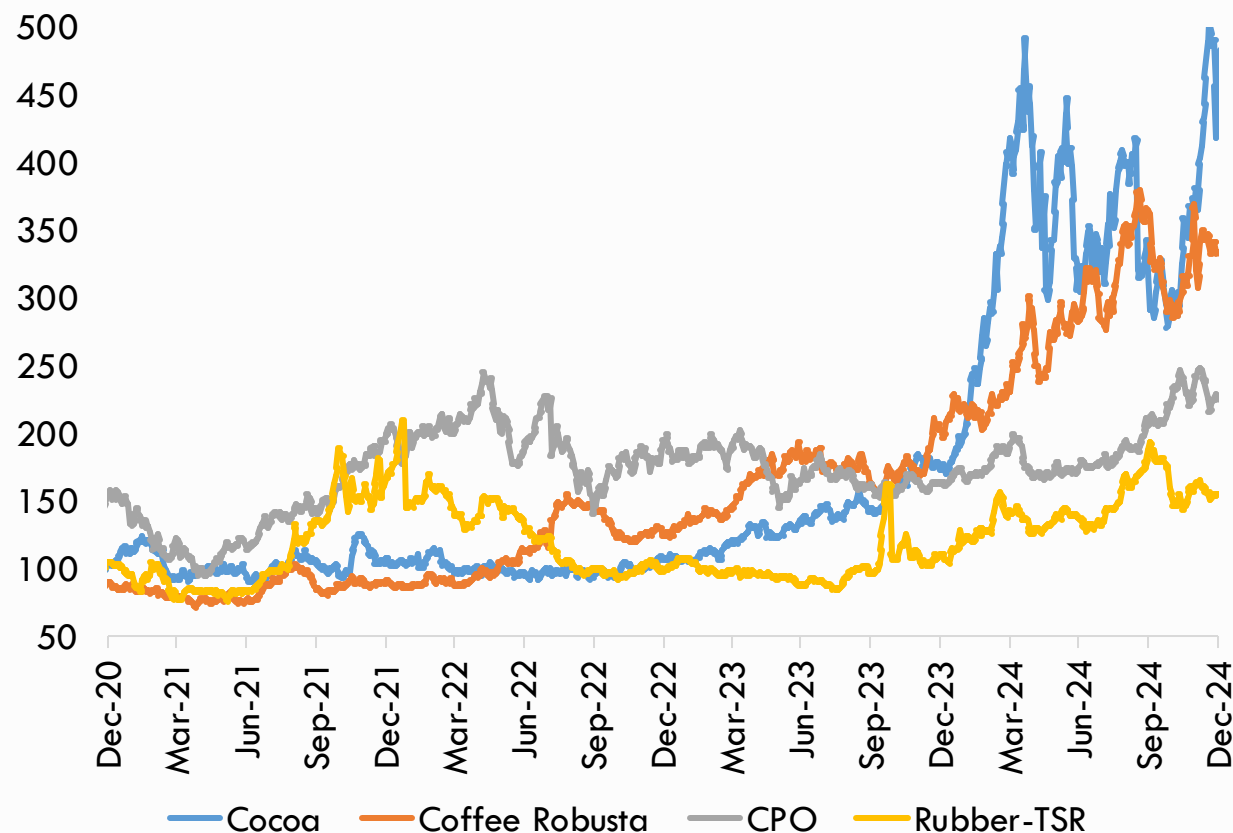
Commodity	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	% mtd	% ytd
Crude Oil (barrel)	51.8	77.8	85.9	77.0	74.6	2.3	-3.1
Coal (metric ton)	80.5	169.6	404.2	146.4	125.3	-11.5	-14.4
CPO (metric ton)	963.8	1,240.8	947.0	797.8	1,086.7	-7.7	36.2
Gold (troy ounce)	1,894.4	1,829.2	1,824.0	2,063.0	2,624.5	-0.7	27.2
Tin (metric ton)	20,290.0	39,100.0	24,900.0	25,500.0	29,150.0	2.5	14.3
Rubber (Kg)	1.5	1.78	1.30	1.60	2.0	1.4	26.5
Nickel (metric ton)	16,607.0	20,750.0	30,550.0	16,570.0	15,310.0	-4.4	-7.6
Copper (metric ton)	7,766.0	9,720.5	8,372.0	8,559.0	8,768.0	-2.7	2.4
Gas (MMBtu)	2.5	3.7	4.5	2.5	3.6	8.0	44.5
Cocoa (metric ton)	2,413.0	2,450.1	2,515.6	4,160.0	10,908.3	21.5	162.2

note: Price in USD
Source: Bloomberg

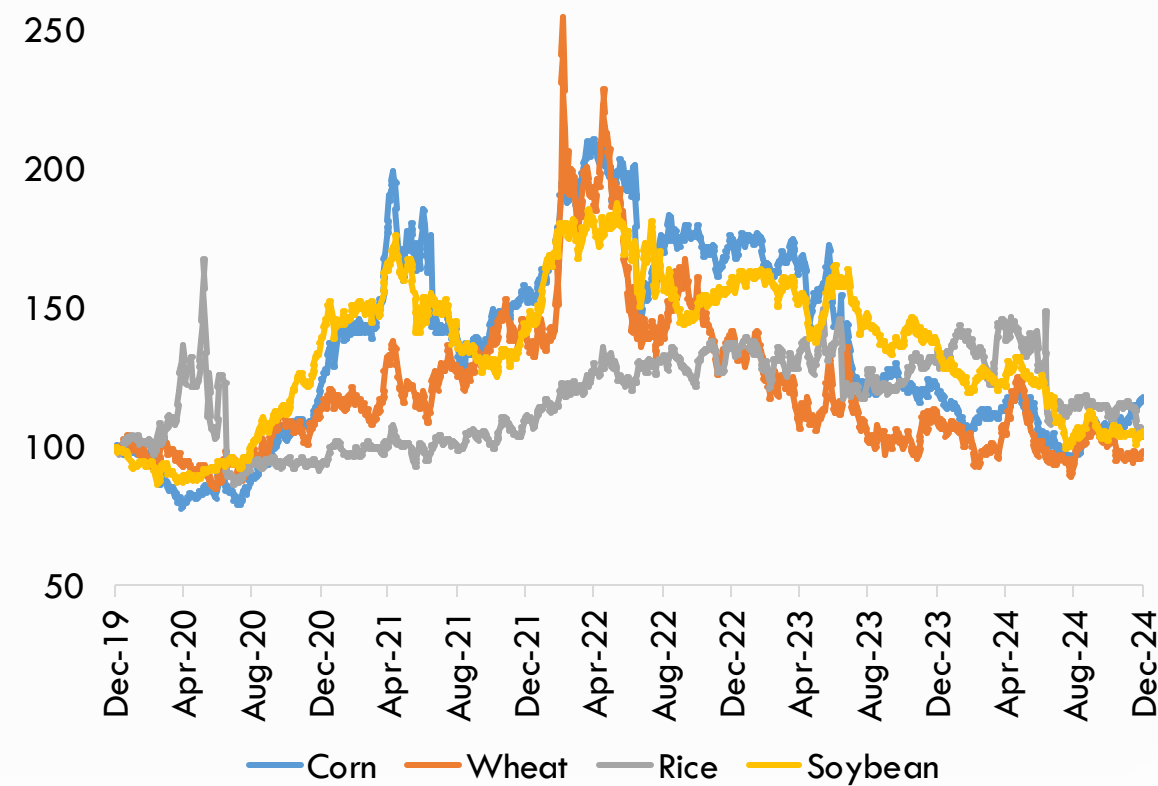
Global Food's Price

Most food prices decrease in December

Global Price Index of Indonesia's Main Export Commodities
(2019=100)



Food Price Index of Indonesia's Main Export Commodities
(2019=100)



Global Stock Indices

Global stock indices showed mixed performance amid the possibility of Trump aggressive policies

Stock Market	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	% mtd	% ytd
IDX – Indonesia	5,979	6,581	6,851	7,273	7,080	-0.5	-2.7
Nikkei 255 – Japan	27,444	28,792	26,095	33,464	39,895	4.4	19.2
Hang Seng – Hong Kong	27,231	23,398	19,781	17,047	20,060	3.3	17.7
DJIA – US	30,606	36,338	33,147	37,690	42,544	-5.3	12.9
STI – Singapore	2,844	3,124	3,251	3,240	3,788	1.3	16.9
SET – Thailand	1,449	1,658	1,669	1,416	1,400	-1.9	-1.1
KLCI – Malaysia	1,627	1,568	1,495	1,455	1,642	3.0	12.9
Shanghai – China	3,473	3,640	3,089	2,975	3,352	0.8	12.7
FTSE – UK	6,461	7,385	7,452	7,733	8,173	-1.4	5.7
DAX – Germany	13,719	15,885	13,924	16,752	19,909	1.4	18.8

10-year USD Bond Yields in Advanced and Emerging Economies

Bond yields mostly increased in Dec-24

Bond (%)	Rating (S&P)	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	mtd (bps)	ytd (bps)
US	AA+u	0.9	1.51	3.87	3.88	4.57	9.6	17.8
Japan	A+u	0.0	0.07	0.41	0.61	1.09	4.4	78.5
Australia	AAAu	1.0	1.67	4.02	3.96	4.36	0.5	10.3
UK	AAu	0.2	0.97	3.66	3.53	4.56	7.6	29.3
Germany	AAAu	-0.6	-0.18	2.56	2.02	2.36	13.3	17.0
Indonesia	BBB	2.0	2.2	4.8	4.82	5.45	7.0	63.4
Türkiye	B+u	5.4	7.6	9.0	7.15	7.41	5.1	26.3
Brazil	BB-	3.2	4.5	6.2	6.01	7.15	12.6	113.5

Global Currencies

Global currencies mostly depreciated against the USD in Dec-24

Currency	Dec-20	Dec-21	Dec-22	Dec-23	Dec-24	% mtd	% ytd	mtd (↑ / ↓)
EUR – European Union	1.22	1.14	1.07	1.10	1.0	-2.1	-5.9	↓
GBP – UK	1.37	1.35	1.21	1.27	1.3	-1.7	-1.4	↓
JPY – Japan	103.25	115.08	131.12	141.04	157.2	5.0	11.5	↓
AUD – Australia	0.77	0.73	0.68	0.68	0.6	-5.0	-9.0	↓
IDR – Indonesia	14,050.0	14,253.0	15,568.0	15,397.0	16,102.0	1.6	4.6	↓
PHP – Philippines	48.0	51.0	55.7	55.4	57.8	-1.4	4.4	↑
CNY – China	6.5	6.4	6.9	7.1	7.3	0.7	2.8	↓
BRL – Brazil	5.2	5.6	5.3	4.9	6.2	3.5	26.1	↓
MXN – Mexico	19.9	20.5	19.5	17.0	20.8	2.2	22.5	↓
TRY – Türkiye	7.4	13.3	18.7	29.5	35.4	1.9	19.8	↓
THB – Thailand	30.0	33.4	34.6	34.1	34.1	-0.6	0.0	↑
SGD – Singapore	1.3	1.3	1.3	1.3	1.4	2.0	5.1	↓
MYR – Malaysia	4.0	4.2	4.4	4.6	4.5	0.6	-2.8	↑
KRW – South Korea	1,086.4	1,188.9	1,265.5	1,288.1	1,472.0	5.3	14.3	↓
ZAR – South Africa	14.7	15.9	17.0	18.4	18.8	4.4	2.6	↓

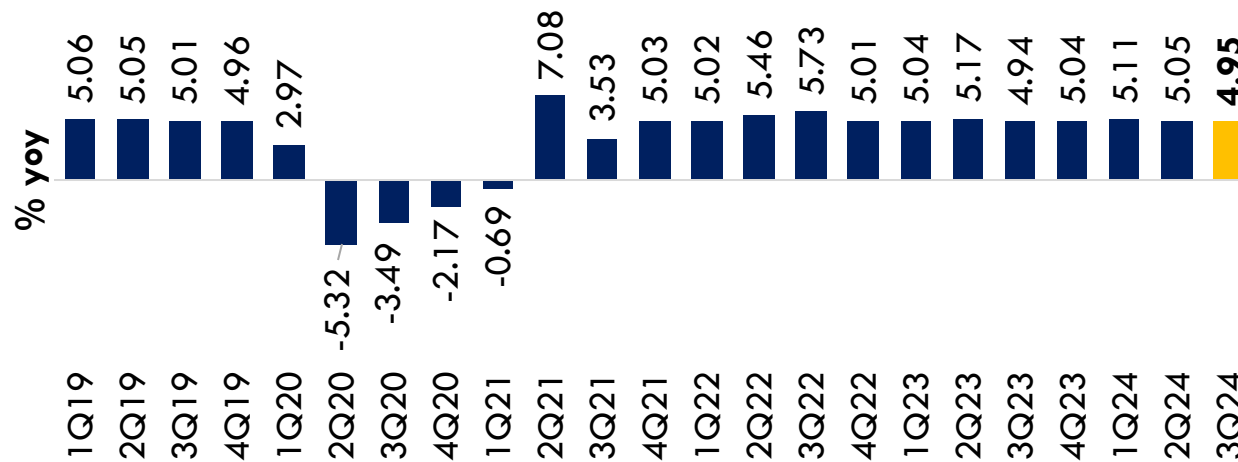
INDONESIA ECONOMIC UPDATE



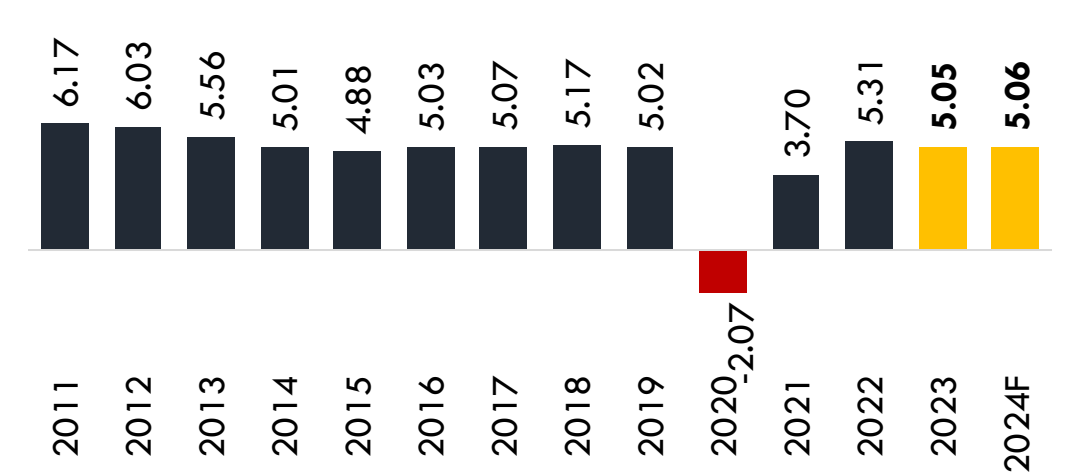
Indonesia's GDP Growth

Indonesia's economy recorded softer growth in 3Q24 due to seasonal factors. Yet domestic activities remained resilient, as reflected in higher growth in investments and spending by the government and non-profit institutions.

Quarterly GDP Growth (% yoy)



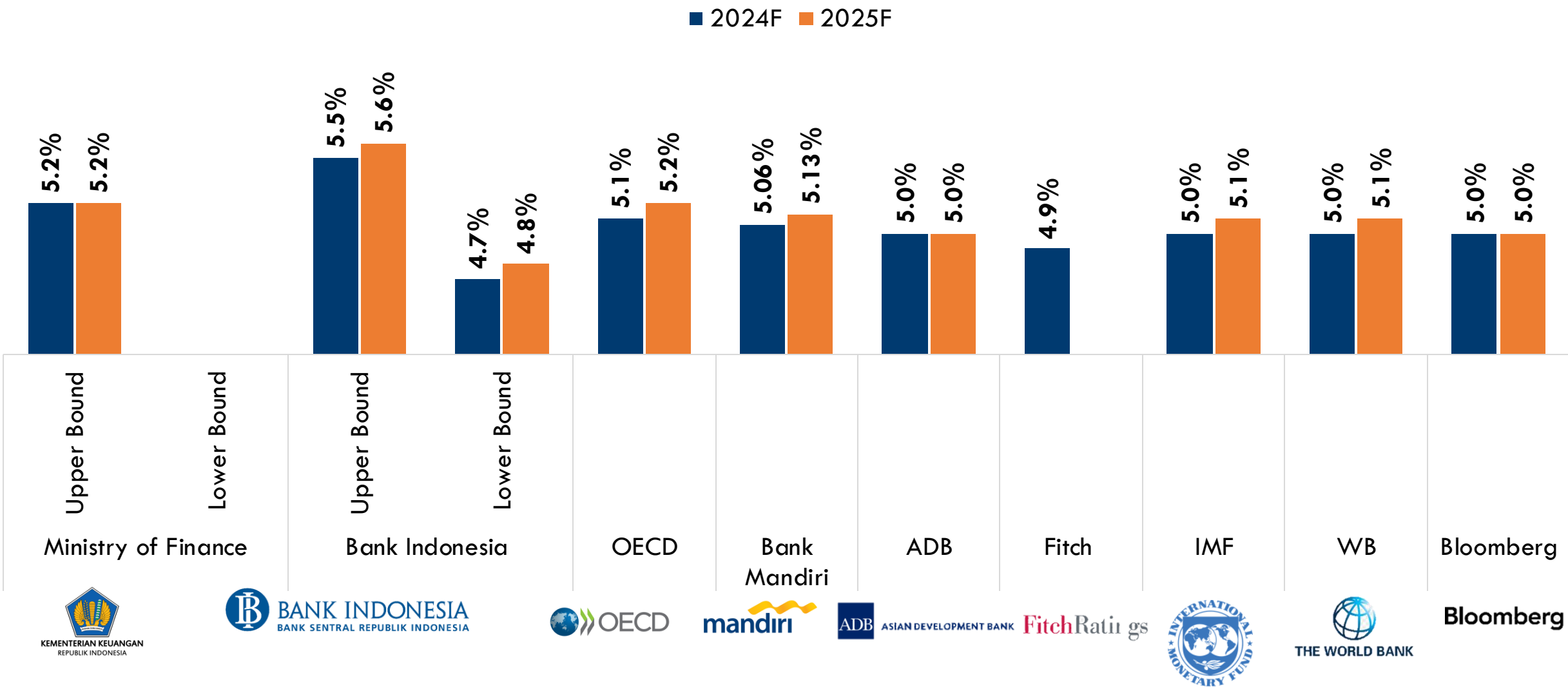
Full-year GDP growth (%)



GDP growth by expenditure

Components	2022 (% yoy)				2023 (% yoy)				1 Q24 (% yoy)	2Q24 (% yoy)	3Q24 (% yoy)	2022 (% yoy)	2023 (% yoy)	F (% yoy)	Share 2022 (% of GDP)	Share 2023 (% of GDP)	Share 1 Q24 (% of GDP)	Share 2Q24 (% of GDP)	Share 3Q24 (% of GDP)
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4											
GDP	5.02	5.45	5.72	5.01	5.04	5.17	4.94	5.04	5.11	5.05	4.95	5.31	5.05	5.06	100	100	100	100	100
Household spending	4.34	5.51	5.39	4.48	4.54	5.22	5.06	4.47	4.91	4.93	4.91	4.93	4.82	5.02	52.8	52.7	53.32	52.98	51.94
Government expenditure	-6.94	-4.86	-2.55	-4.77	3.45	10.57	-3.76	2.81	19.90	1.42	4.62	-4.51	2.95	8.21	7.4	7.3	6.09	7.02	6.86
Non-Profit Institutions Servings Households	5.91	5.03	5.99	5.72	6.16	8.59	6.18	18.11	24.29	9.98	11.69	5.66	9.83	10.01	1.2	1.2	1.41	1.31	1.29
Investment	4.09	3.07	4.98	3.33	2.11	4.63	5.77	5.02	3.79	4.43	5.15	3.87	4.40	4.25	31.5	31.3	30.99	29.66	31.68
Exports	16.70	20.02	19.41	14.93	12.17	-2.97	-4.26	1.64	1.37	8.18	9.09	16.28	1.32	0.72	24.4	23.5	23.39	22.74	24.22
Imports	15.88	12.37	25.37	6.25	3.80	-3.06	-6.18	-0.15	1.46	7.79	11.47	14.75	-1.65	2.22	20.7	19.4	19.19	18.96	20.36

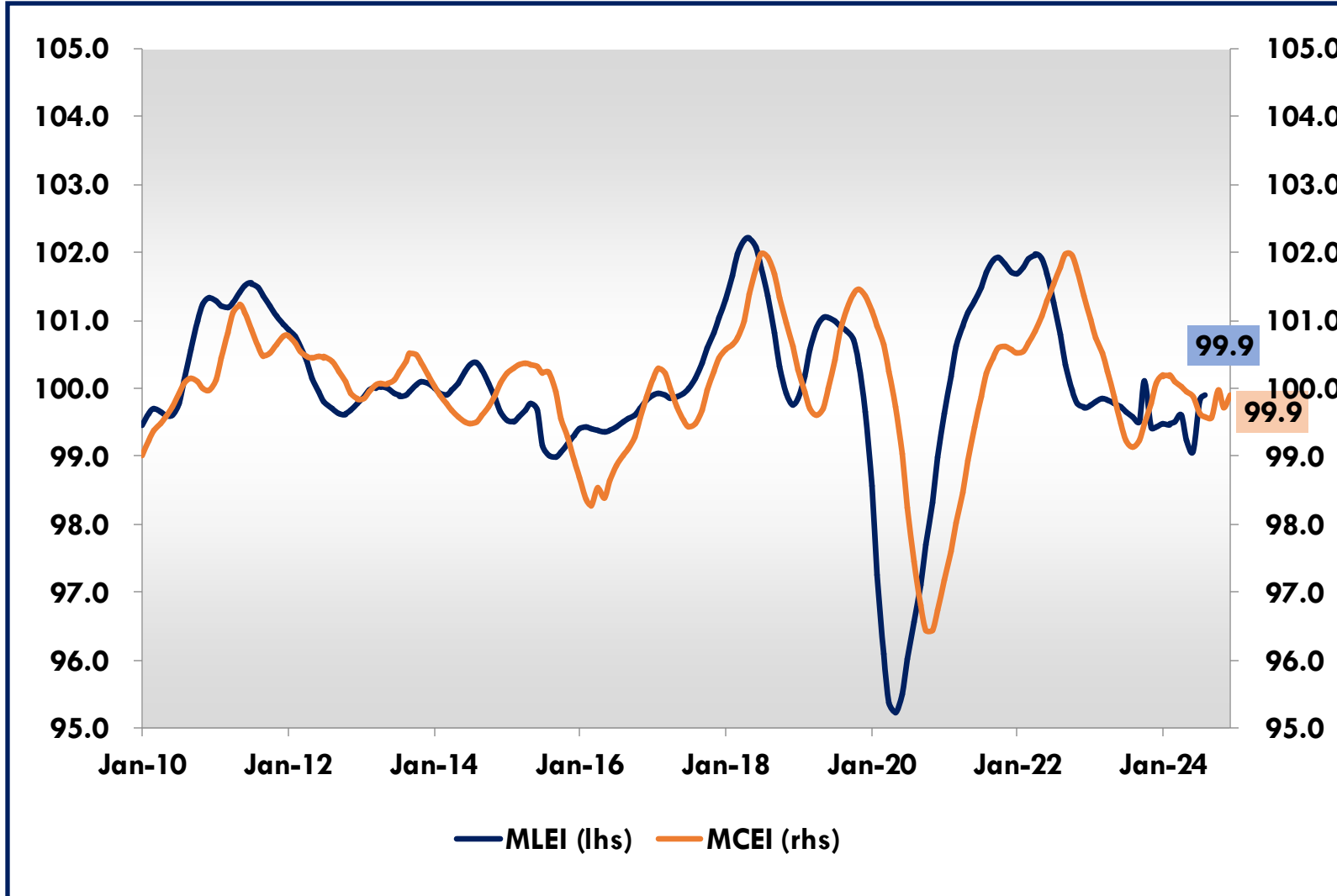
Indonesia's Economic Growth Forecast



Source: OCE BMRI, various sources

Mandiri Leading Economic Index (MLEI)

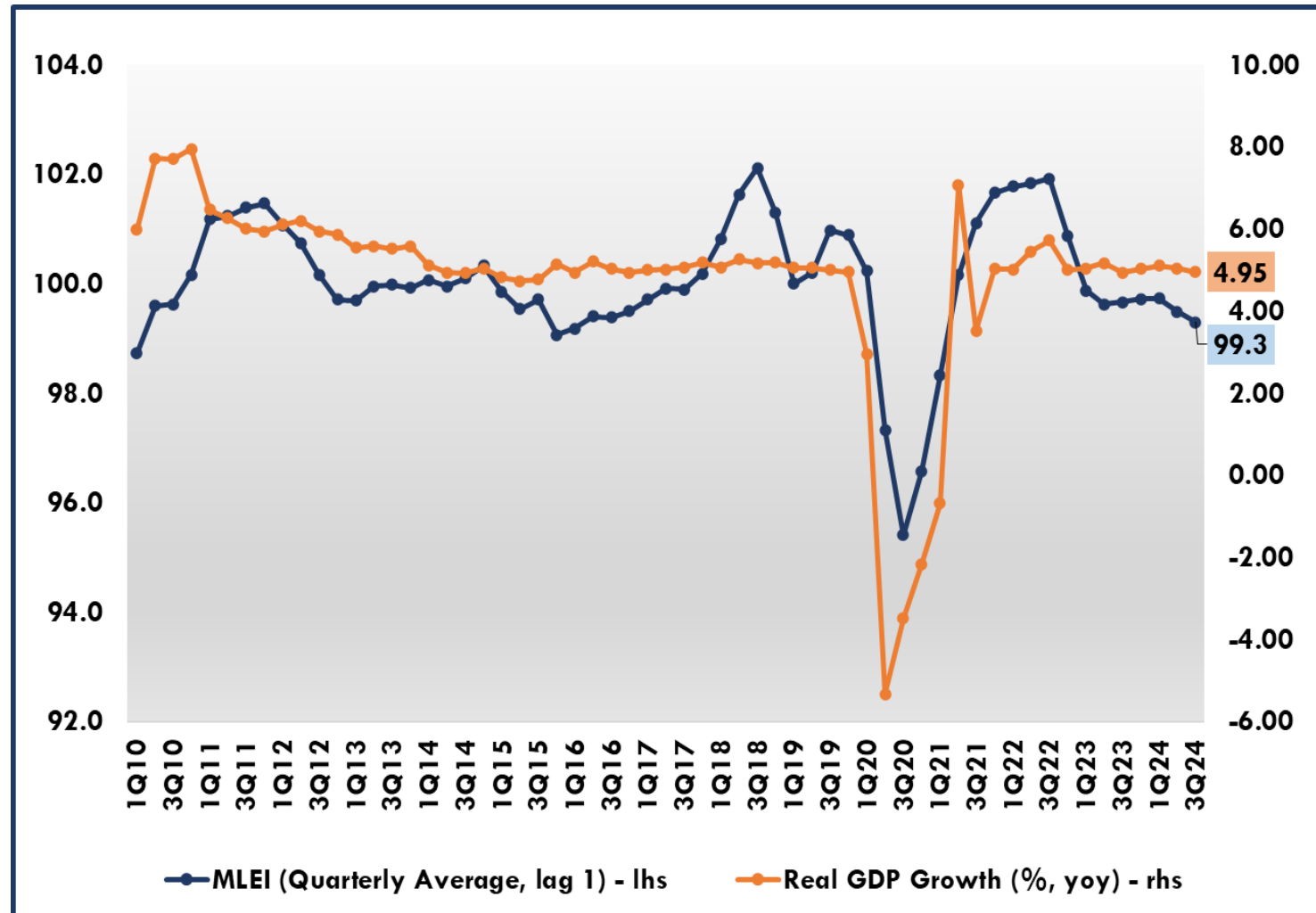
MLEI prediction confirmed slower economic growth in 3Q24



- **MLEI increased by 0.1% to 99.9 in Aug-24.** External pressure is still high after the election of Donald Trump as US President. Trump's policy is expected to make US inflation rise again and the movement of foreign funds to the US becomes even higher. This condition can affect Indonesia's economic activities in the future. Meanwhile, MCEI slightly up by 0.2% to 99.9 in Dec-24.
- **The 2Q24 MLEI quarterly average was 99.3, lower than the 1Q24 MLEI of 99.6.** This value indicates that the economic growth in 3Q24 grew lower than 2Q24. **In realization, Indonesia's economy grew by 4.95% yoy in 3Q24, lower than 5.05% yoy in 2Q24.**
- **Early indications of the 3Q24 MLEI show the possibility that economic growth in 4Q24 will grow higher than in 3Q24 (99.9 vs. 99.3).** This is along with the influence of public and government consumption which can be higher seasonally.
- Bank Mandiri's economic research team estimates that economic growth in will grow in the range of 5.00 - 5.05%.

MLEI indication was relatively in line with GDP growth realization

The economic growth remains solid in 3Q24, grew by 4.95% (yoy)



- **Indonesia's economy grew by 4.95% yoy in 3Q24.** Household consumption, the economy's backbone, slightly eased from 4.93% yoy in 2Q24 to 4.91% in 3Q24, primarily due to seasonal factors. Non-Profit Institutions Serving Households saw an increase from 9.98% yoy in 2Q24 to 11.69% yoy in 3Q24 driven by heightened activities in preparation for local elections at the end of the year.
- **Gross Fixed Capital Formation (GFCF), or investments, rose from 4.43% yoy 2Q24 to 5.15% yoy,** supported by infrastructure projects undertaken by both the government and private sector, including toll road construction and the development of the new capital city.
- **Government spending also increased** from 1.42% yoy in 2Q24 to 4.62% yoy in 3Q24 due to higher spending realization towards the end of the year, driven by capital expenditure on infrastructure.
- Conversely, **imports grew at a faster rate than exports,** indicating stronger domestic demand relative to global demand. Imports surged from 8.57% yoy in 2Q24 to 11.47% yoy in 3Q24, driven by higher demand for capital goods and raw materials due to increased domestic activities.

MLEI Breakdown

The MLEI indexes mostly increased in Aug-24

	4Q - 2023			1Q - 2024			2Q - 2024			3Q - 2024	
	Oct-23	Nov-23*	Dec-23*	Jan-24*	Feb-24*	Mar-24*	Apr-24*	May-24*	Jun-24*	Jul-24*	Aug-24*
Mandiri Leading Economic Index (MLEI)	100.1	99.4	99.4	99.5	99.6	99.6	99.7	99.2	99.1	99.8	99.9
Change (% , mom)	0.6	(0.7)	0.0	0.1	0.1	0.0	0.0	(0.4)	(0.2)	0.7	0.1
Average		99.7			99.6			99.3		99.9	

	4Q - 2023			1Q - 2024			2Q - 2024			3Q - 2024	
	Oct-23	Nov-23*	Dec-23*	Jan-24*	Feb-24*	Mar-24*	Apr-24*	May-24*	Jun-24*	Jul-24*	Aug-24*
Mandiri Leading Economic Index (MLEI)	100.1	99.4	99.4	99.5	99.6	99.6	99.7	99.2	99.1	99.8	99.9
Consumer Goods Import	100.8	99.9	99.9	100.0	100.0	99.8	99.8	99.2	99.2	99.8	99.9
Real US GDP Index	99.7	99.4	99.6	99.8	100.2	100.5	100.6	100.1	99.8	100.0	99.6
Export Index	100.1	98.7	98.6	98.5	98.5	98.5	98.7	98.4	98.3	99.8	100.2
12-mth State Banks Real Time Dep. Rate	99.9	99.8	99.7	99.7	99.6	99.6	99.6	99.2	99.1	99.7	99.8

note : *) preliminary

Index > 100 and increasing indicates expansion

Index > 100 but decreasing indicates downturn

Index < 100 and decreasing indicates slowdown

Index < 100 but increasing indicates recovery

Changes in parentheses indicate negative numbers

MCEI Breakdown

The MCEI's constituent indexes showed a mixed move in Dec-24

	1Q - 2024			2Q - 2024			3Q - 2024			4Q - 2024		
	Jan-24	Feb-24	Mar-24*	Apr-24*	May-24*	Jun-24*	Jul-24*	Aug-24*	Sep-24*	Oct-24*	Nov-24*	Dec-24*
Mandiri Coincident Economic Index (MCEI)	100.1	100.1	100.0	100.0	100.0	99.9	99.7	99.7	99.6	100.0	99.7	99.9
Change (% , mom)	0.1	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.2)	(0.1)	(0.1)	0.4	(0.2)	0.2
Average	100.1			100.0			99.7			99.9		

	1Q - 2024			2Q - 2024			3Q - 2024			4Q - 2024		
	Jan-24	Feb-24	Mar-24*	Apr-24*	May-24*	Jun-24*	Jul-24*	Aug-24*	Sep-24*	Oct-24*	Nov-24*	Dec-24*
Mandiri Coincident Economic Index (MCEI)	100.1	100.1	100.0	100.0	100.0	99.9	99.7	99.7	99.6	100.0	99.7	99.9
Imports: Raw Materials Index	99.2	99.2	99.3	99.5	99.7	100.0	99.7	100.1	100.8	100.7	100.7	100.6
Equity Market Index: Month End: IDX	99.4	99.3	99.3	99.4	99.8	100.1	100.4	100.4	99.8	101.1	101.5	100.9
US Dollar: Spot: Mid: Monthly - eop Index	100.8	100.6	100.4	100.2	100.2	100.2	100.1	99.9	99.5	99.6	98.7	98.8
Business Activity: Expectation: (WNB) Index	101.0	101.3	101.2	100.8	100.2	99.5	98.7	98.3	98.2	98.5	98.0	99.3

note : *) preliminary

Index > 100 and increasing indicates expansion

Index > 100 but decreasing indicates downturn

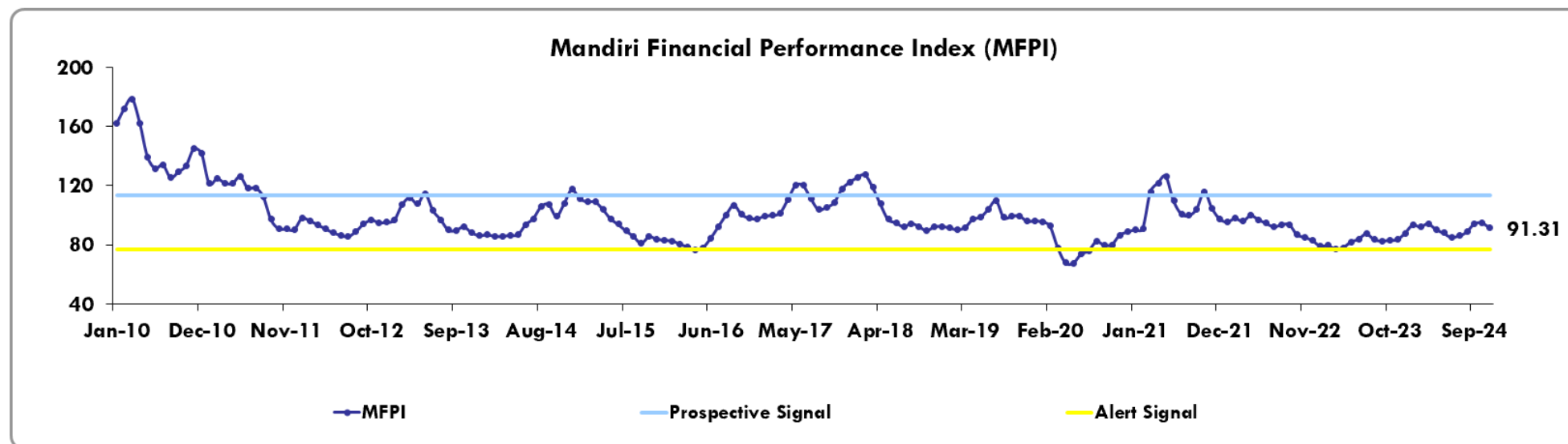
Index < 100 and decreasing indicates slowdown

Index < 100 but increasing indicates recovery

Changes in parentheses indicate negative numbers

Mandiri Financial Performance Index (MFPI)

The Banking Sector Still in Normal Condition



Period	2017 Dec	2018 Dec	2019 Dec	2020 Dec	2021 Dec	2022 Dec	2023 Dec	2024 Nov*
MFPI	122.11	92.43	96.08	88.59	97.38	82.98	83.61	91.31
Chg (%mom)	3.92	0.32	0.15	2.55	(6.88)	(2.42)	0.35	(3.59)

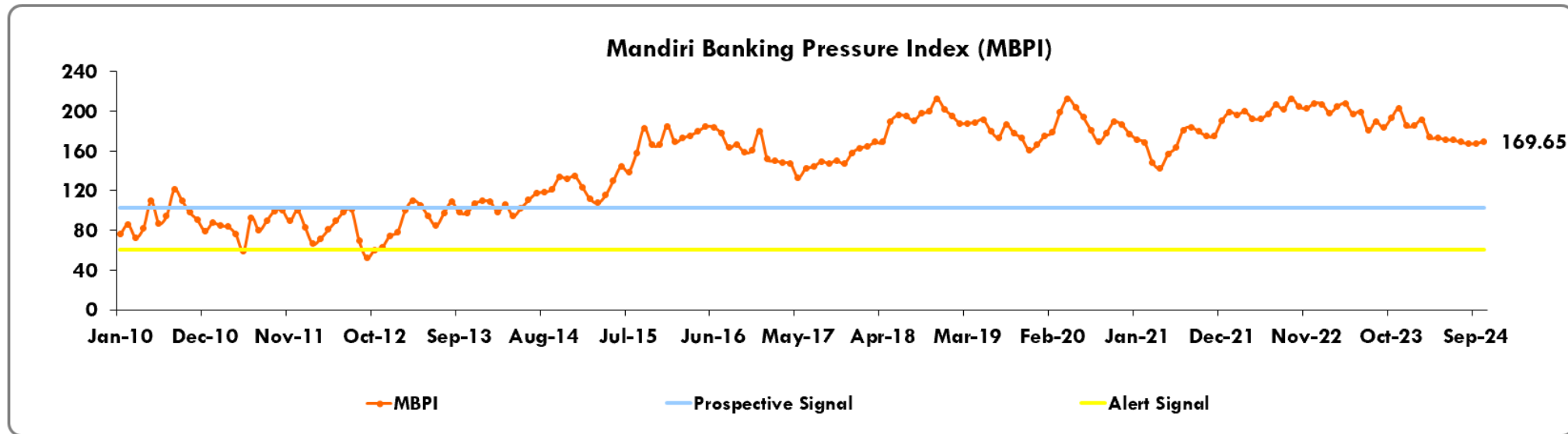
note: * preliminary

MFPI Threshold	
Prospective :	MFPI > 113
Normal :	77 < MFPI < 113
Alert :	MFPI < 77

MFPI in Nov-24 decelerated by -3.59% (mom) to 91.31 level. This position indicates that the Indonesian banking sector is in normal condition. In Oct-24, the Capital Adequacy Ratio (CAR) stood at 25.57%, while non-performing loans (NPL) reached 2.20% (gross) or 0.77% (netto). The Board of Governors of Bank Indonesia decided to hold the benchmark interest rate at 6.00%. The BI RDG on 17-18 Dec-24 also maintained the Deposit Facility rate at 5.25% and the Lending Facility rate at 6.75%. This decision is consistent with pro-stability monetary policy to ensure inflation remains under control within the $2.5 \pm 1\%$ target in and 2025, including the effectiveness of maintaining foreign capital inflows and rupiah exchange rate stability. Meanwhile, macroprudential policies and the payment system remain pro-growth to support sustainable economic growth amid global uncertainty.

Mandiri Banking Pressure Index (MBPI)

Maintain Prospective Outlook in Next 6-9 months



Period	2017 Dec	2018 Dec	2019 Dec	2020 Dec	2021 Dec	2022 Dec	2023 Dec	2024 Oct*
MBPI	157.87	201.98	166.05	177.41	190.09	207.93	188.66	169.65
Chg (%mom)	7.20	(4.81)	3.53	(4.73)	8.57	2.62	(0.48)	1.33

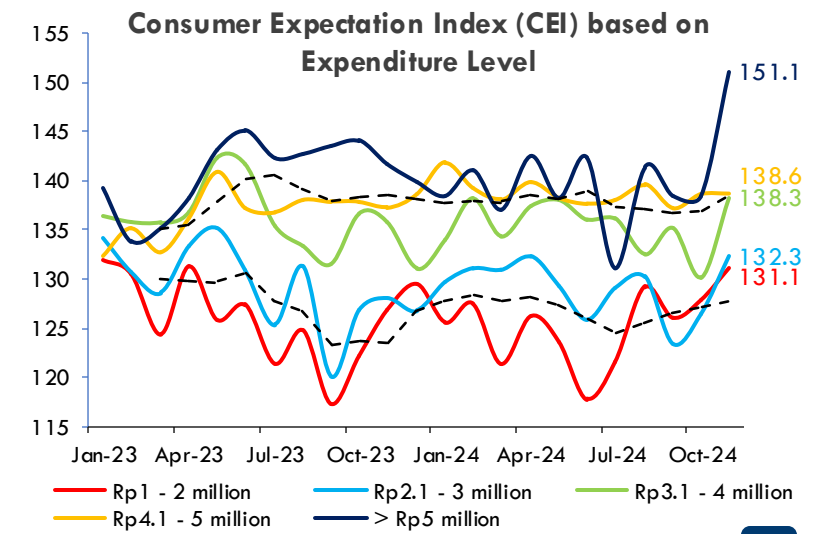
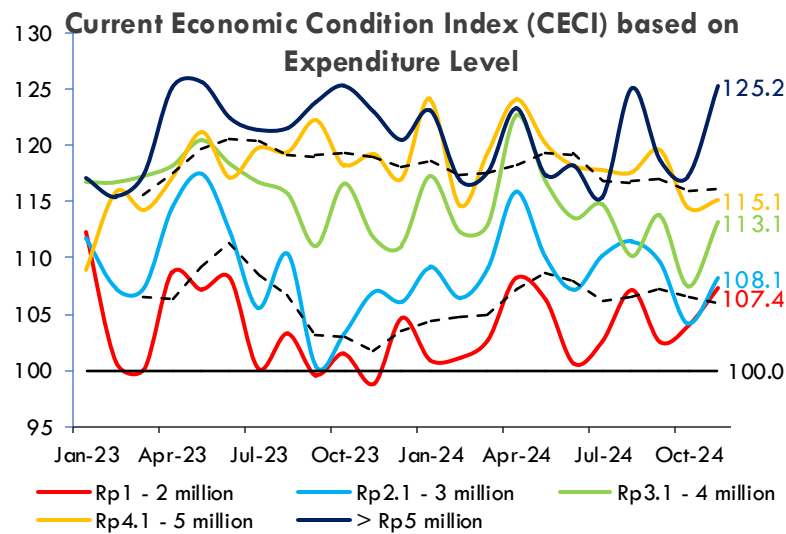
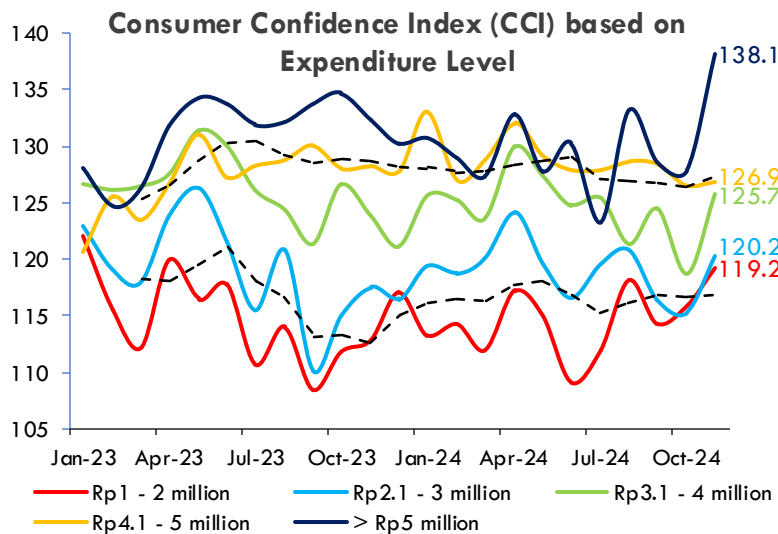
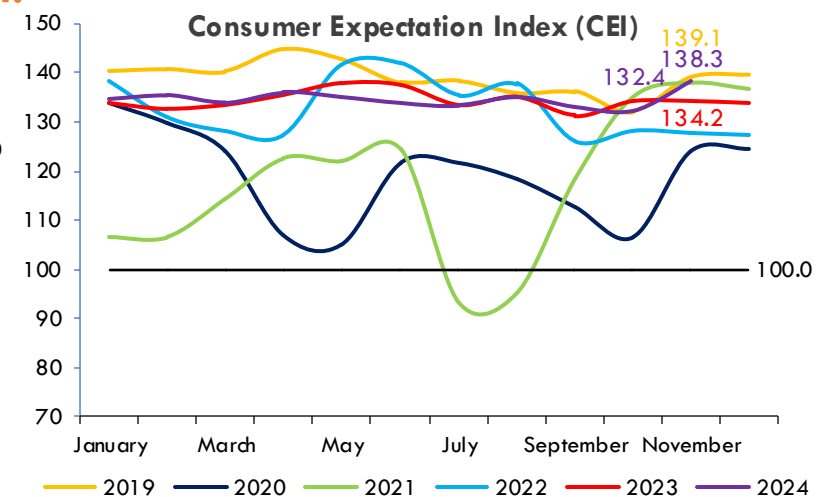
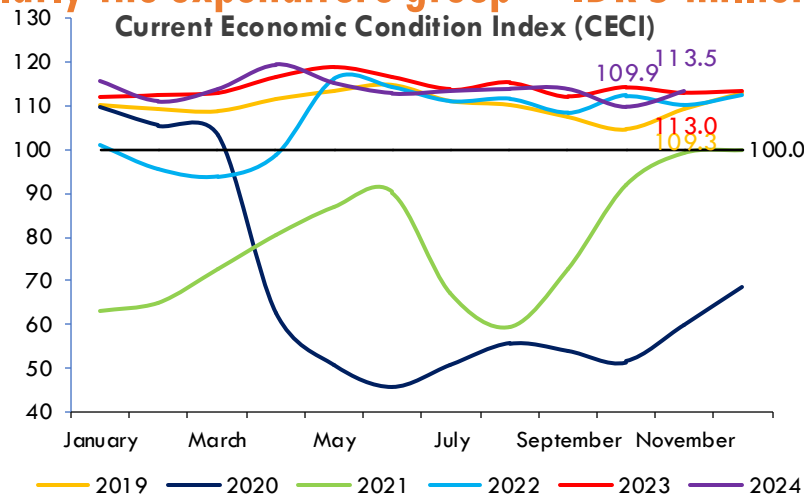
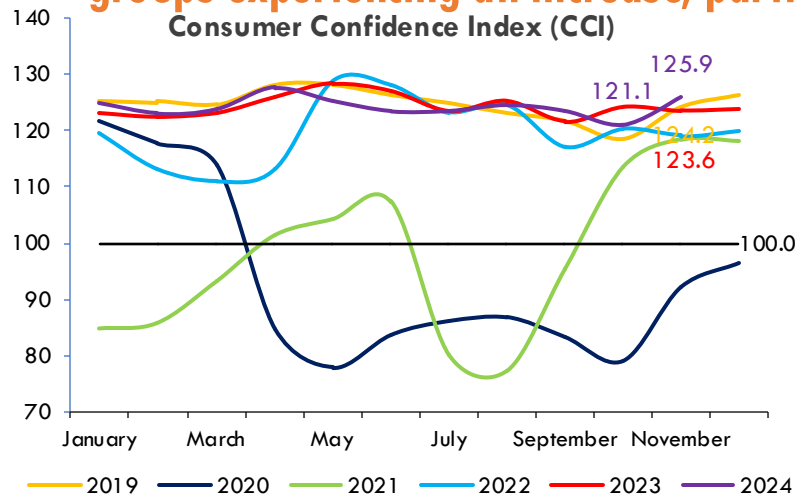
note: * preliminary

MBPI Threshold	
Prospective :	MBPI > 103
Normal :	61 < MBPI < 103
Alert :	MBPI < 61

Mandiri Banking Pressure Index (MBPI) is a leading indicator of the banking sector in Indonesia. It is an indicator that provides a predicted direction of MBPI's movement in the next 6-9 months. On Oct-24, MBPI increased by 1.33% (mom) to 169.65. The position of MBPI was still above the 103 level, which means we still predicted the Indonesian banking sector to be in the prospective condition in the period from Mar-25 to Jun-25 as Bank Indonesia maintained policies to support economic growth and rupiah stabilization through triple intervention and issuing Bank Indonesia Rupiah Securities (SRBI), Bank Indonesia Foreign Currency Securities (SVBI) and Bank Indonesia Foreign Currency Sukuk (SUVBI) as (contractionary) pro-market instruments to attract capital inflows.

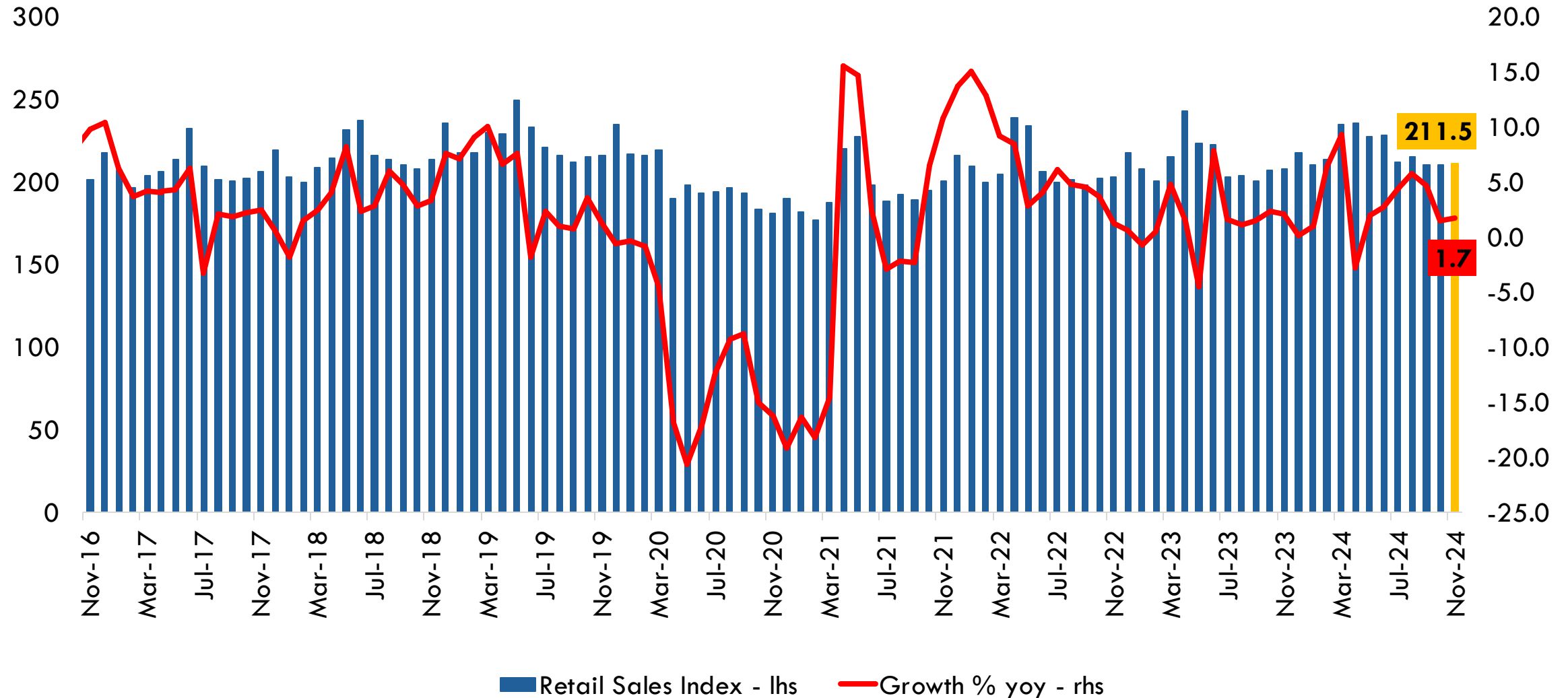
Consumer Confidence Index Trend

The Consumer Confidence Index (CCI) rose to 125.9 in November, the highest level since July 2023, with all groups experiencing an increase, particularly the expenditure group > IDR 5 million.



Retail Sales Index (RSI)

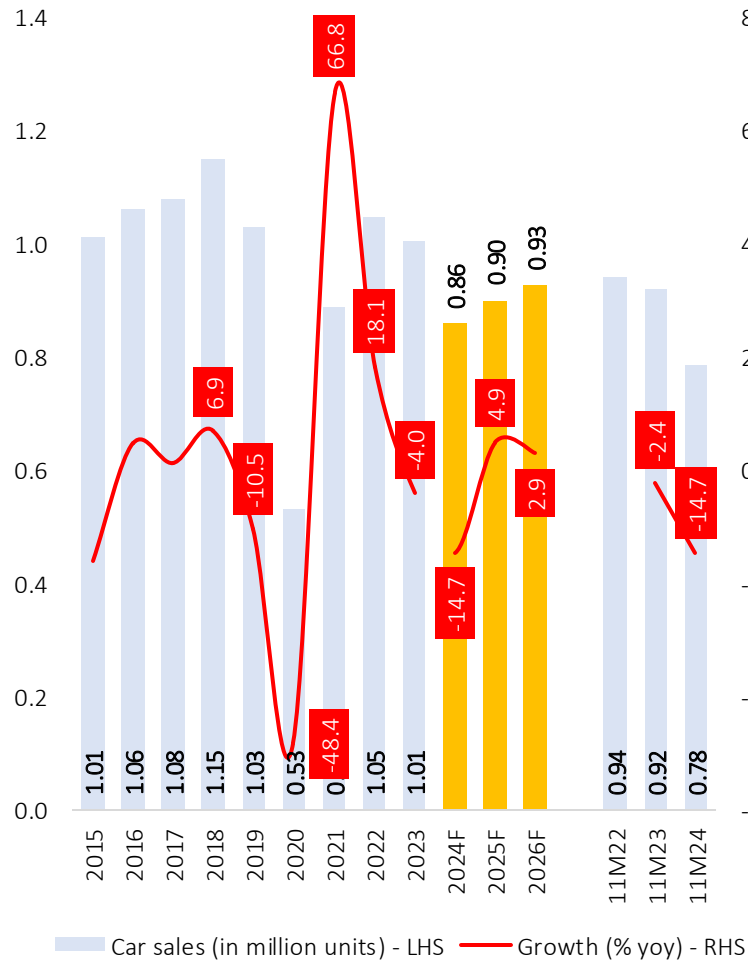
BI expects annual retail sales growth to increased in Nov-24



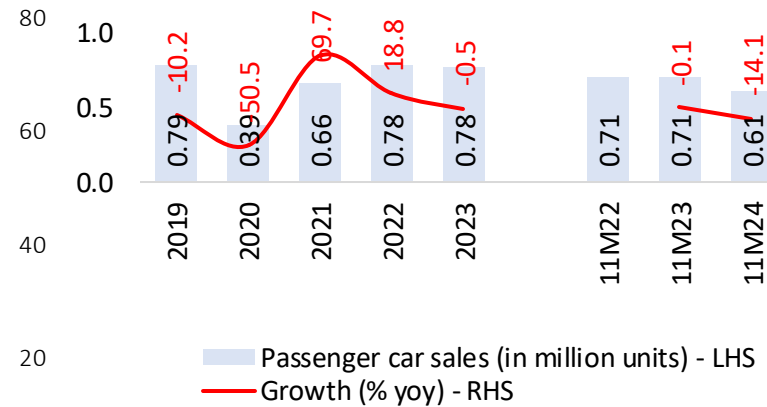
Wholesale Car and Motorcycle Sales

Car sales continue to contract, indicating that consumers are holding back on spending for big-ticket items. Meanwhile, motorcycle sales are growing steadily.

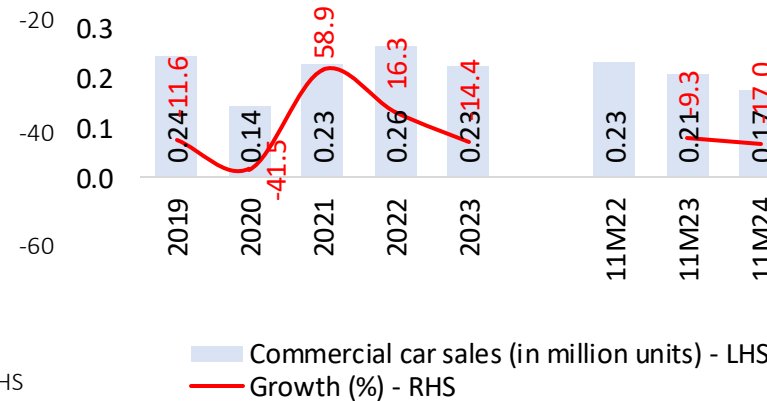
Wholesale Car Sales in 11M24



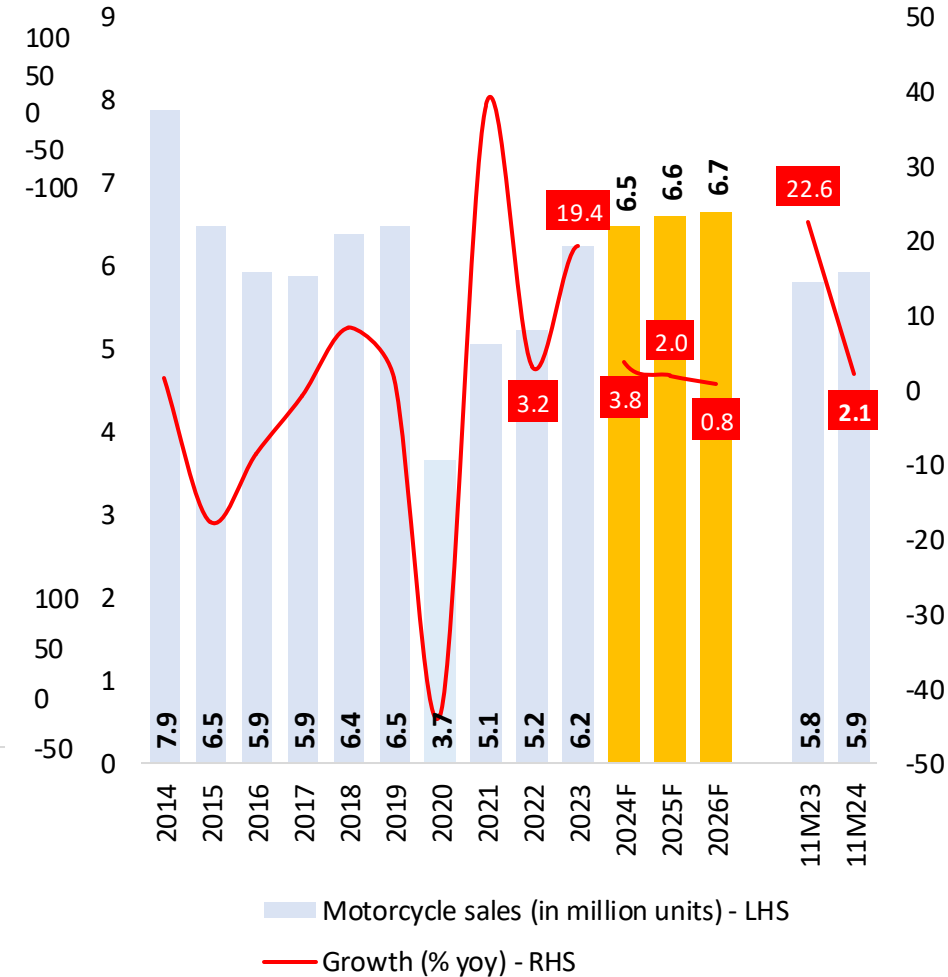
Passenger Car Sales in 11M24



Commercial Car Sales in 11M24



Motorcycle Sales in 11M24



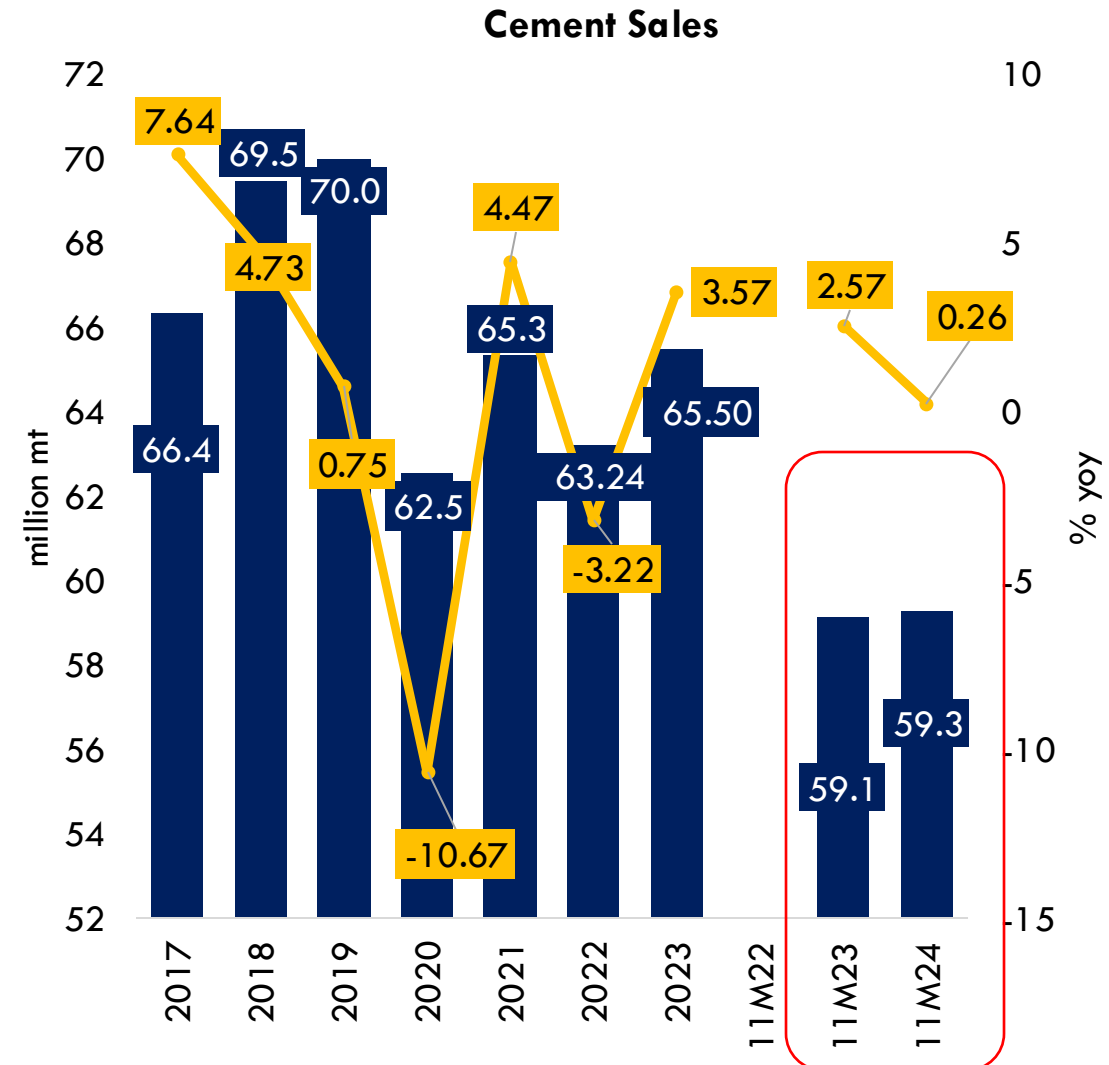
Indonesia Cement Consumption by Area

Cement consumption increased in 11M24 (yoy)

Cement Sales by Region (million mt)

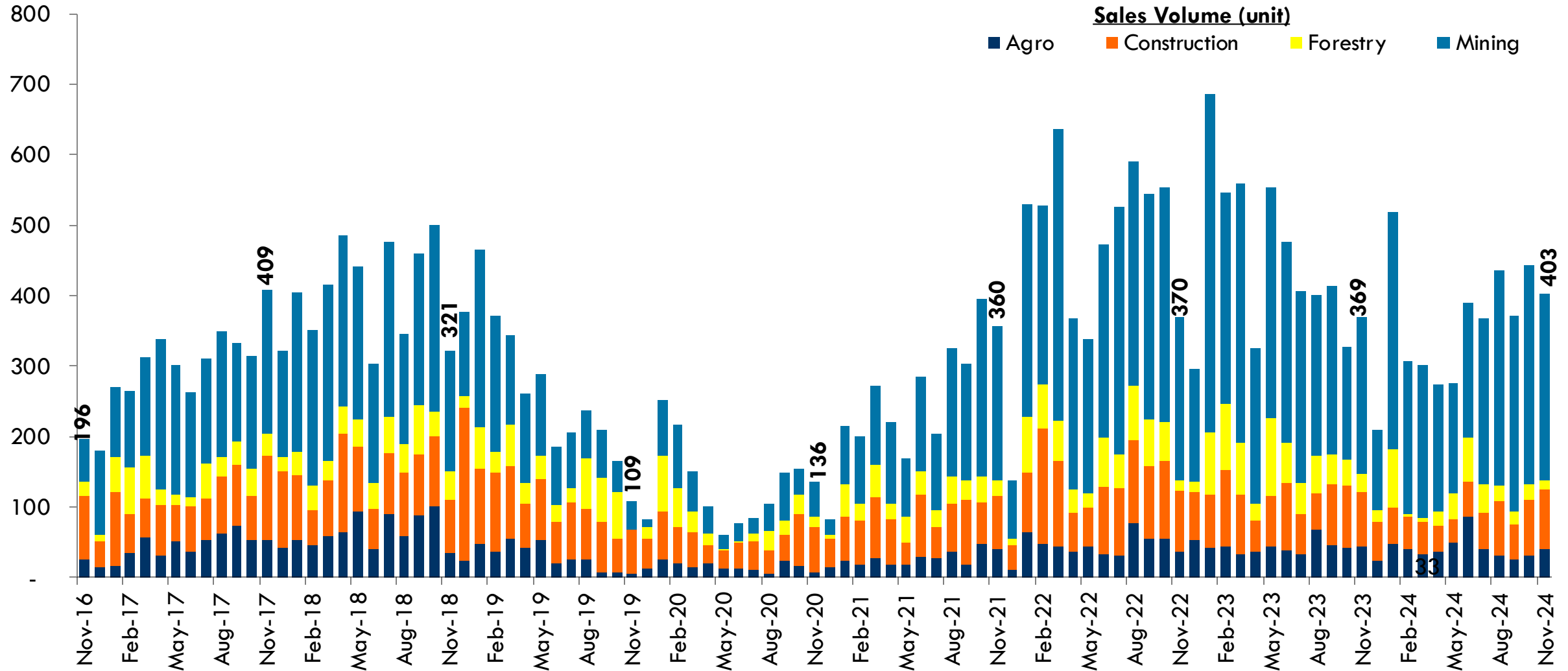
Region	2022	% yoy	2023	% yoy	Nov-24	% mtd	% yoy
Jakarta	2.57	-0.17	2.67	4.26	0.22	-6.25	-13.13
Banten	3.38	5.92	3.42	1.30	0.34	-4.86	2.55
West Java	10.74	-2.65	10.78	0.98	0.93	-7.71	-4.86
Central Java	7.35	-17.66	7.21	-1.76	0.72	-9.00	7.71
Yogyakarta	0.98	-17.54	1.03	4.92	0.09	-19.71	-3.98
East java	8.36	6.08	8.57	2.57	0.76	-5.19	-9.16
Total Java	33.39	-4.06	33.67	1.17	3.05	-7.40	-3.20
Sumatera	13.40	-5.47	14.24	5.59	1.33	-4.31	-3.58
Kalimantan	4.25	0.23	5.19	22.10	0.54	-10.15	-0.77
Sulawesi	6.42	-0.44	6.20	-3.47	0.51	-6.37	-15.45
Bali-Nusa Tenggara	3.50	-2.23	3.95	13.12	0.39	1.50	2.32
Maluku and Papua	2.18	4.17	2.31	5.76	0.22	-0.52	-11.20
Total Indonesia	63.14	-3.37	65.56	3.87	6.04	-6.13	-4.23

Source : ASI



United Tractors Sales Volume

Sales volume decreased in November-24

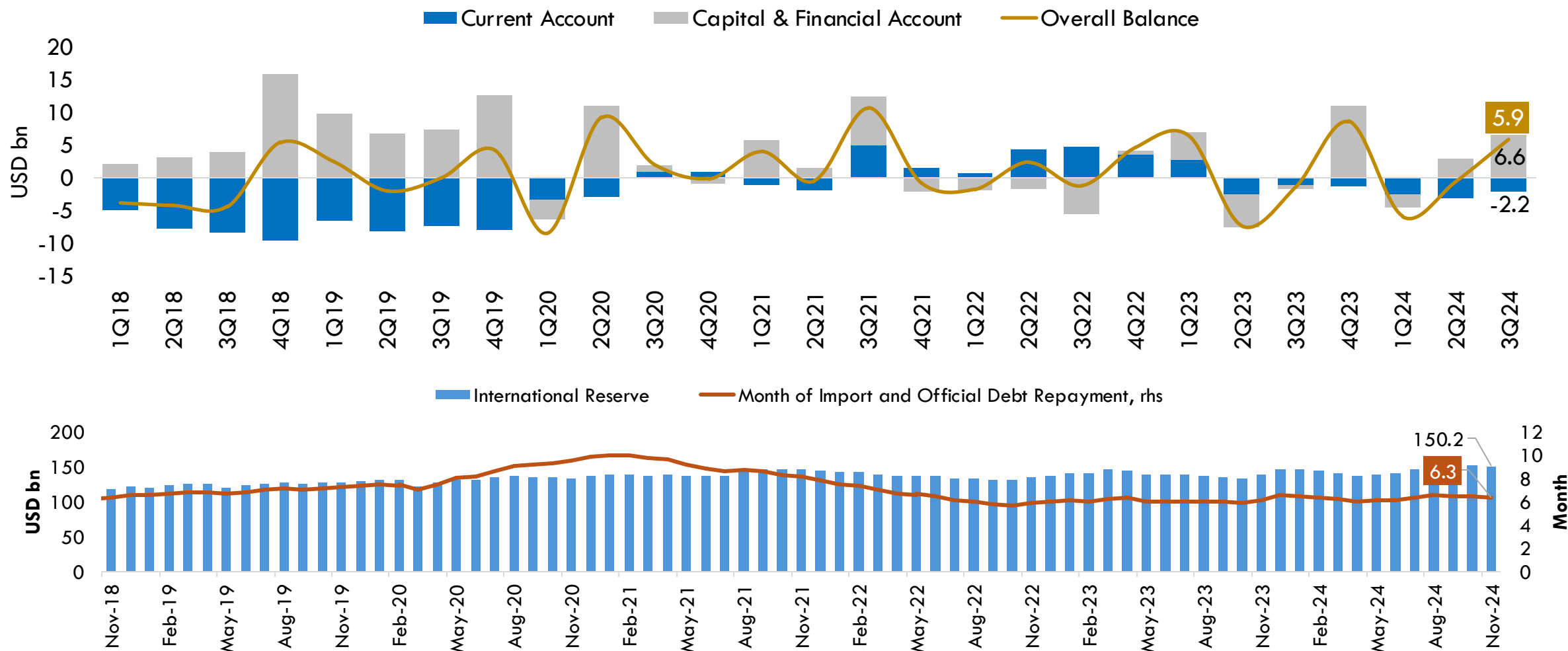


BALANCE OF PAYMENT AND EXTERNAL TRADE



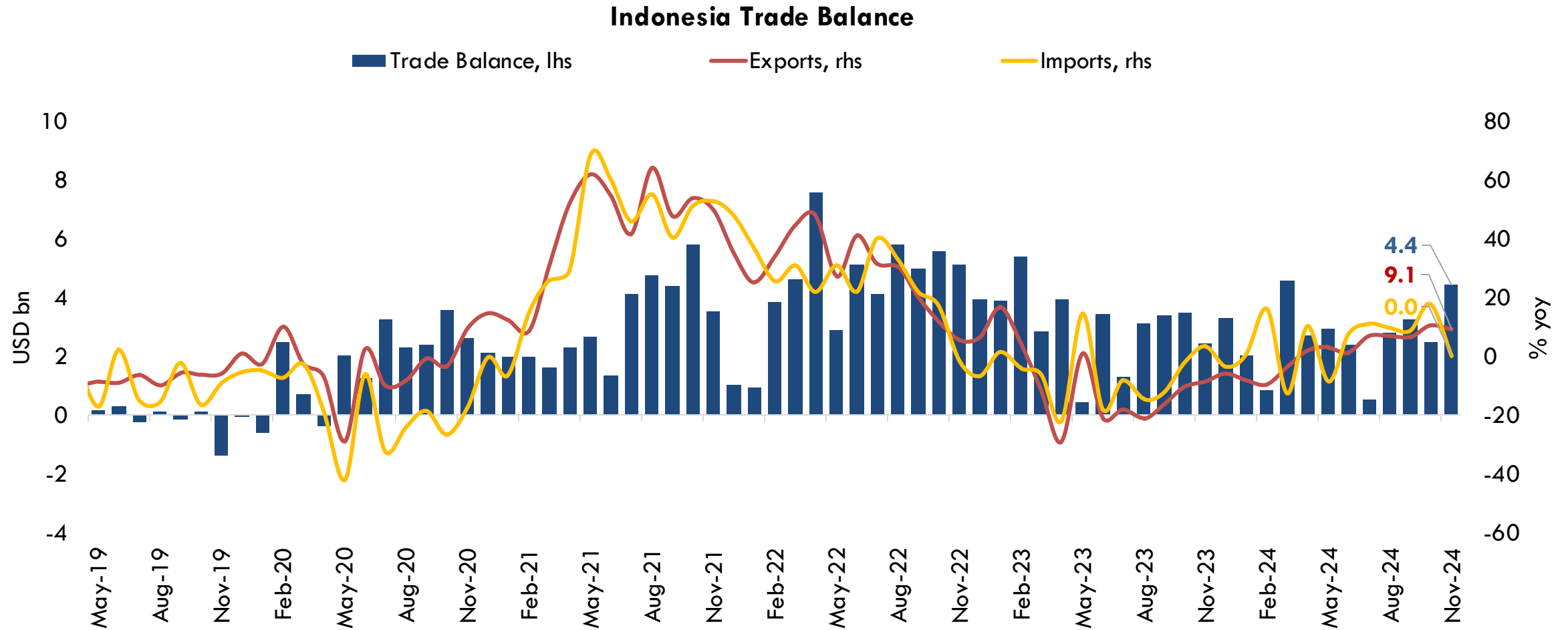
Indonesia's Balance of Payment and FX Reserves

- Indonesia's Balance of Payments (BOP) expanded in 3Q24 underpinned by higher capital inflow
- FX reserves position remained robust at USD150.2 bn in Nov-24, equivalent to 6.3 months of imports and debt repayment



Indonesia's Trade Performance

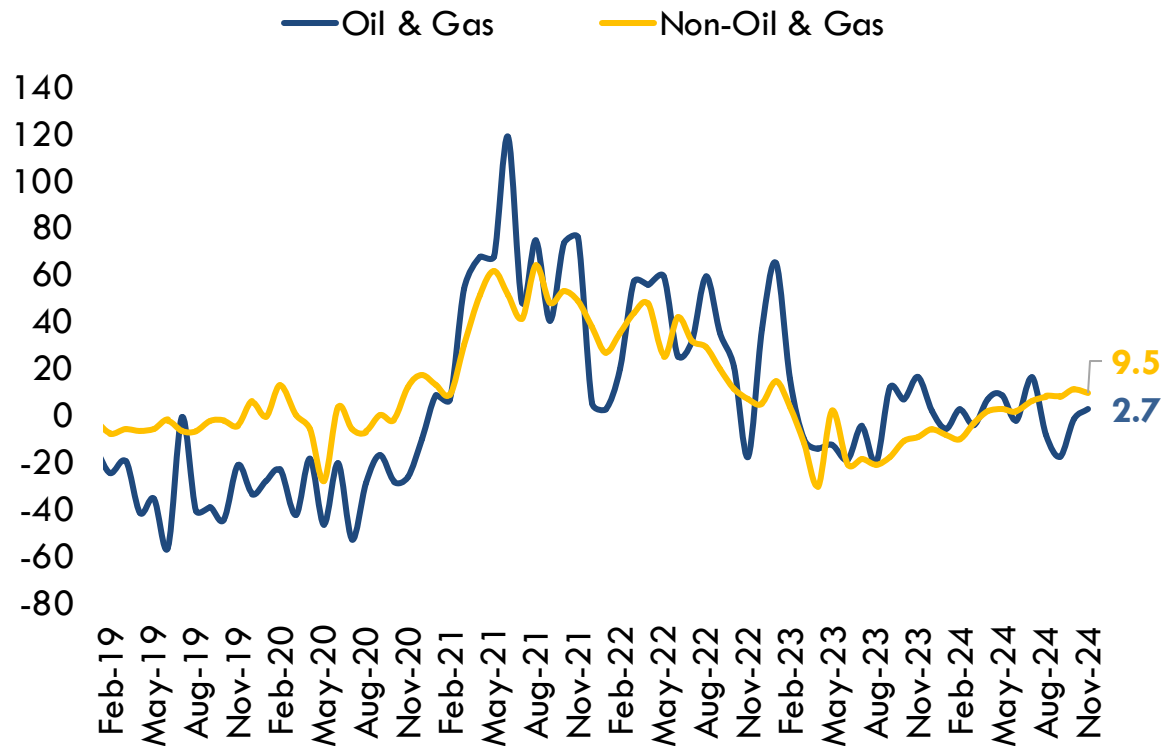
Indonesia's trade surplus continued for 55 consecutive months in Nov-24, underpinned by steady export performance



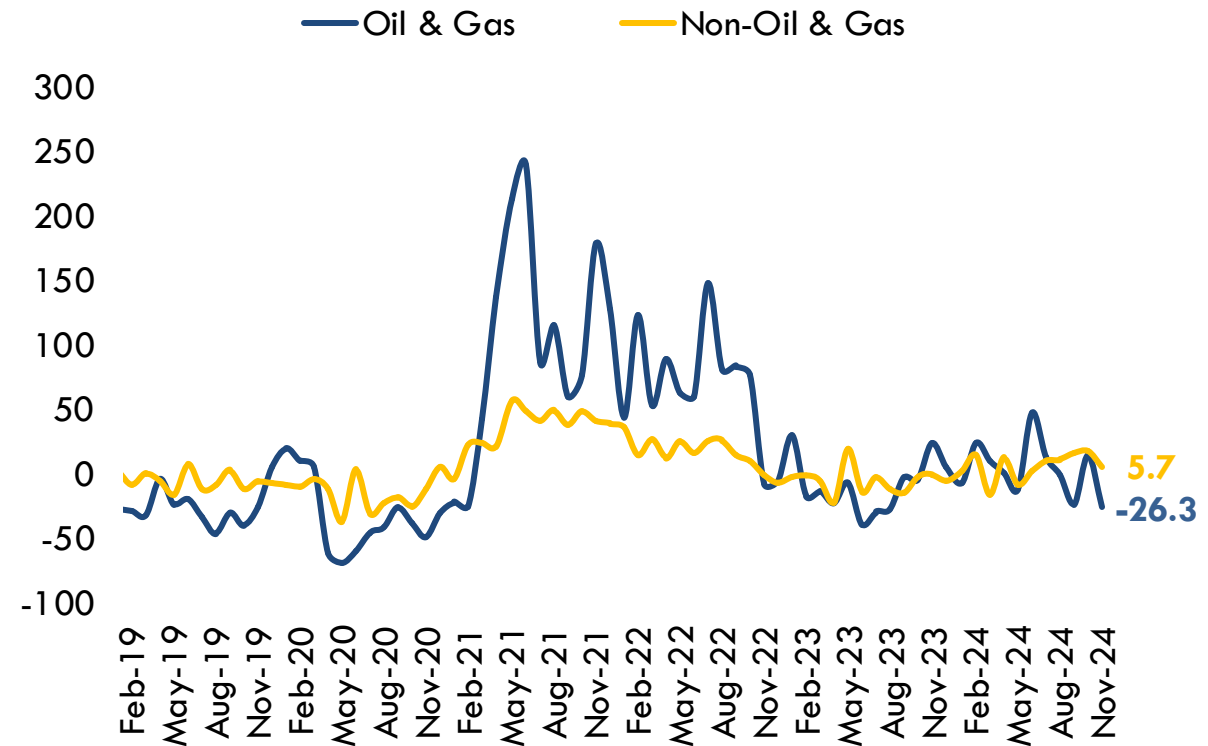
Indonesia's Trade Performance by Type of Goods

Non-OG exports accelerated underpinned by CPO commodity, while non-OG imports grew 5.7% yoy driven by machinery products

Indonesia Exports Performance (% yoy)



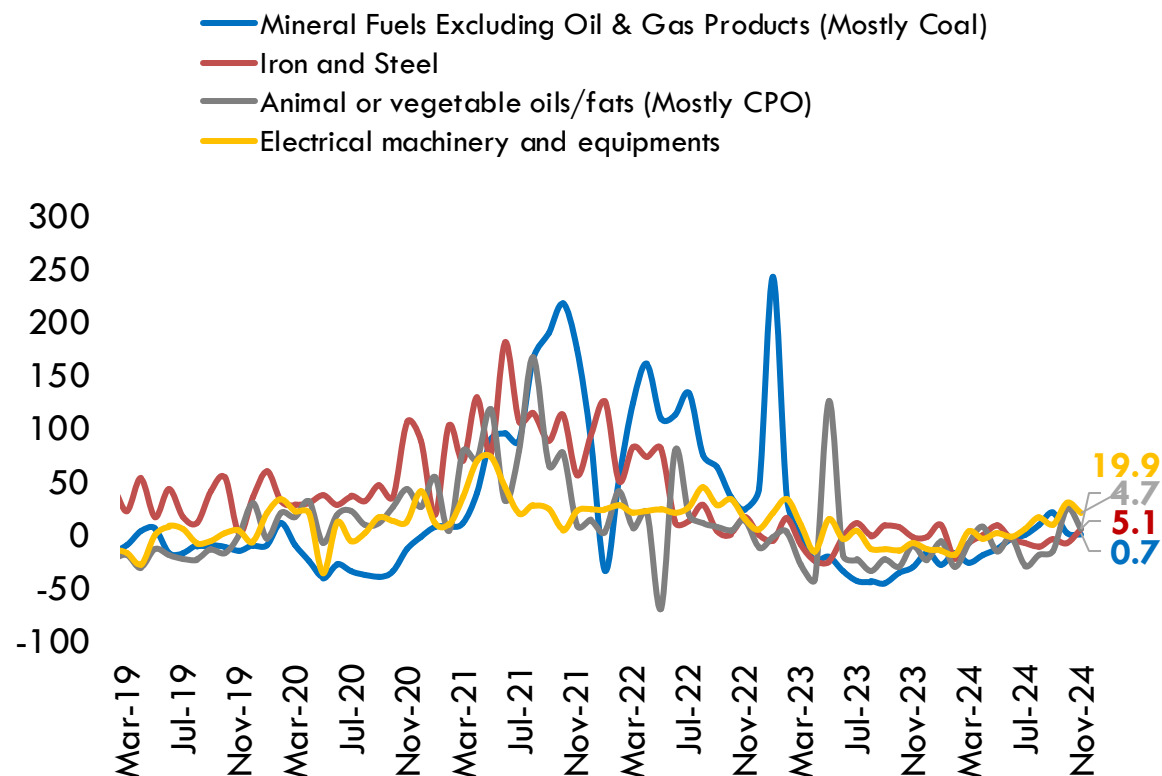
Indonesia Imports Performance (% yoy)



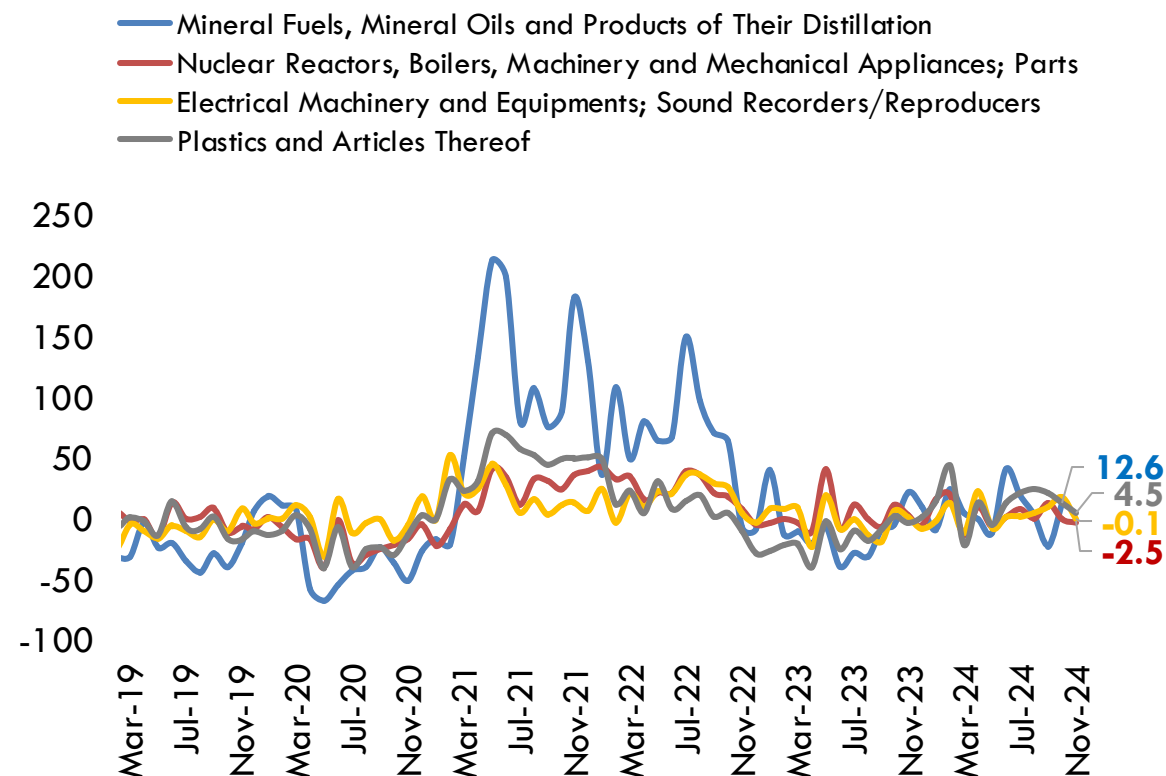
Indonesia's Trade Performance by Commodity

CPO exports accelerated due to higher demand and prices, while imports of plastic products expanded in line with increased demand ahead of the election and year-end

Indonesia's Exports by Major Commodity (% YOY)



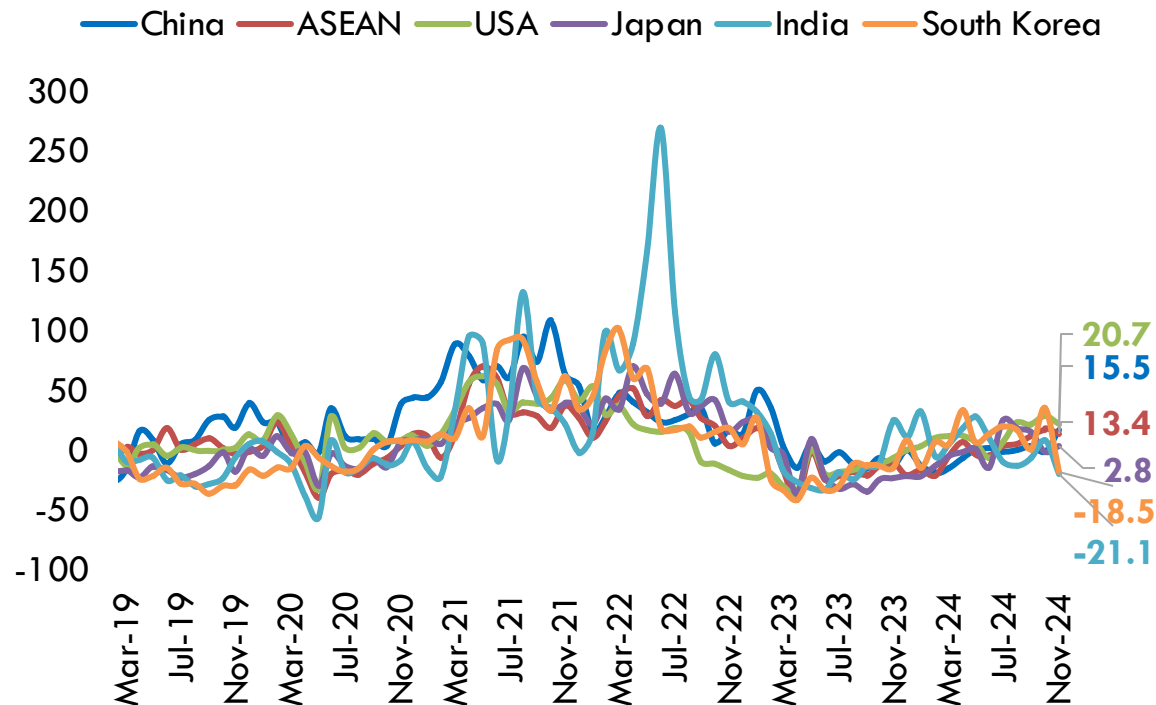
Indonesia's Imports by Major Commodity (% YOY)



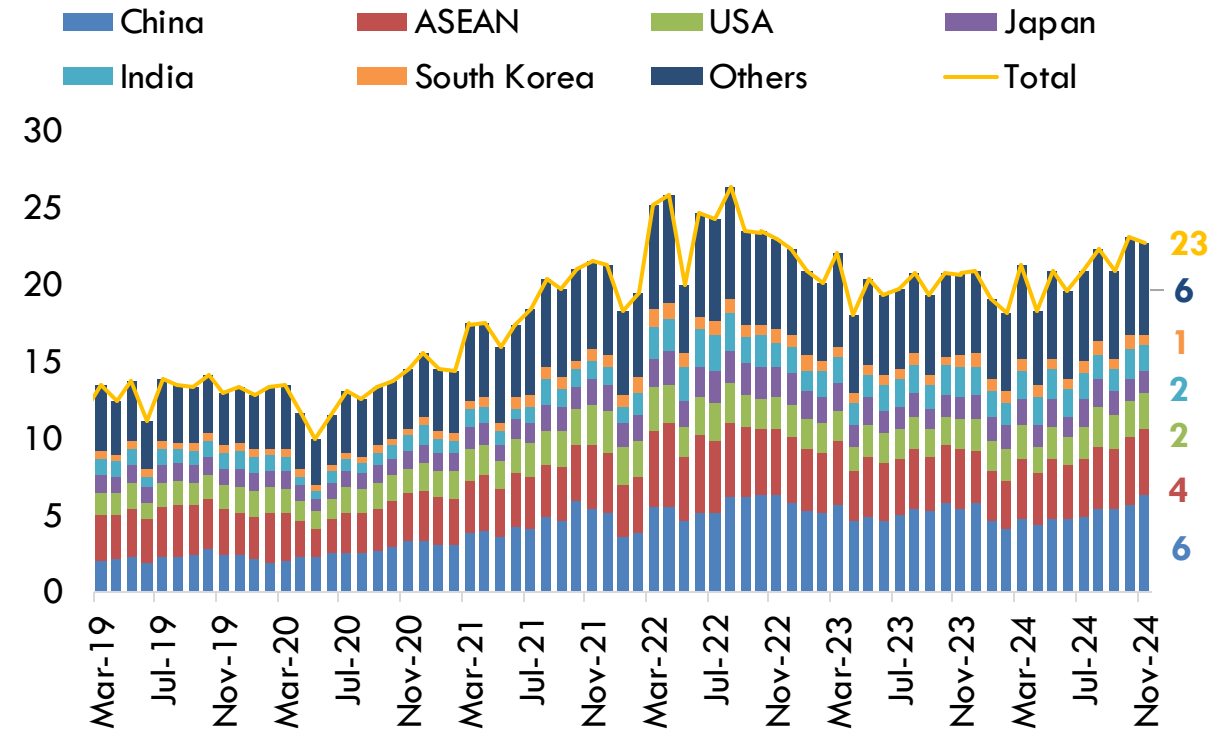
Non-OG Exports by Country

Non-OG export grew 9.5% yoy in Nov-24, underpinned by higher demand from USA, China, and ASEAN

Exports by Country (% yoy)



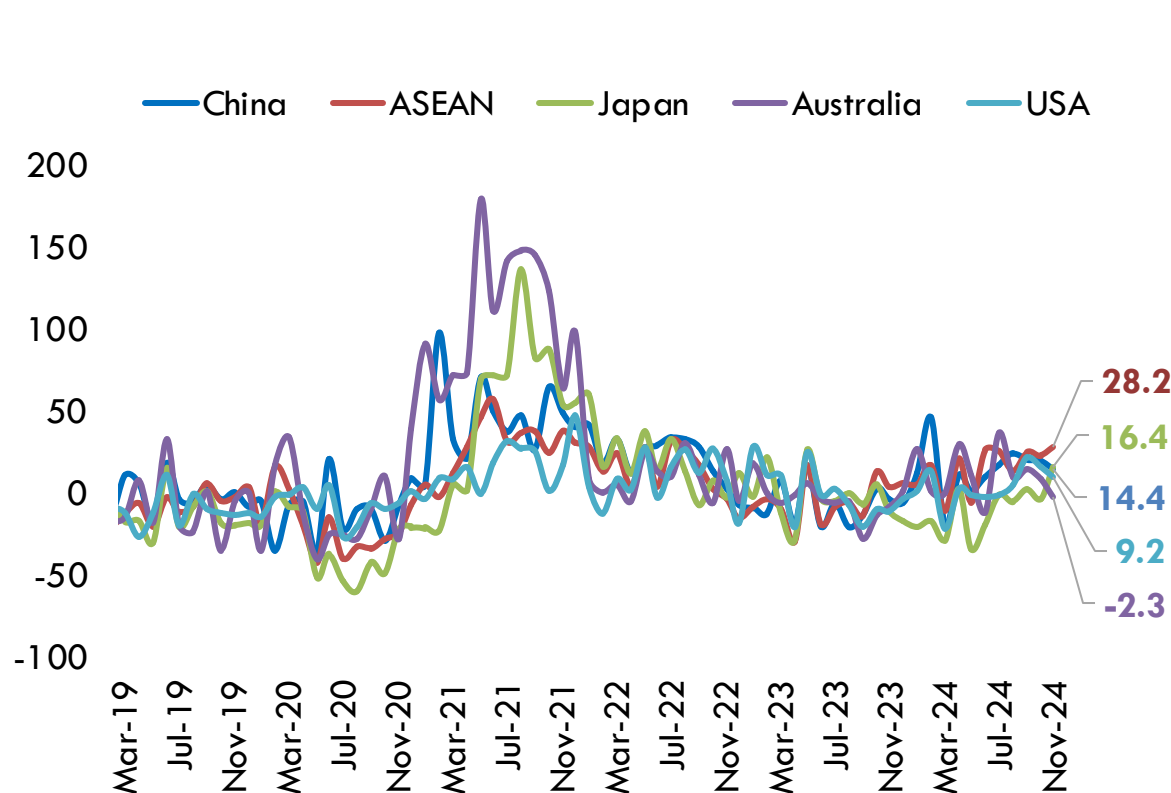
Non-OG Exports by Country (USD bn)



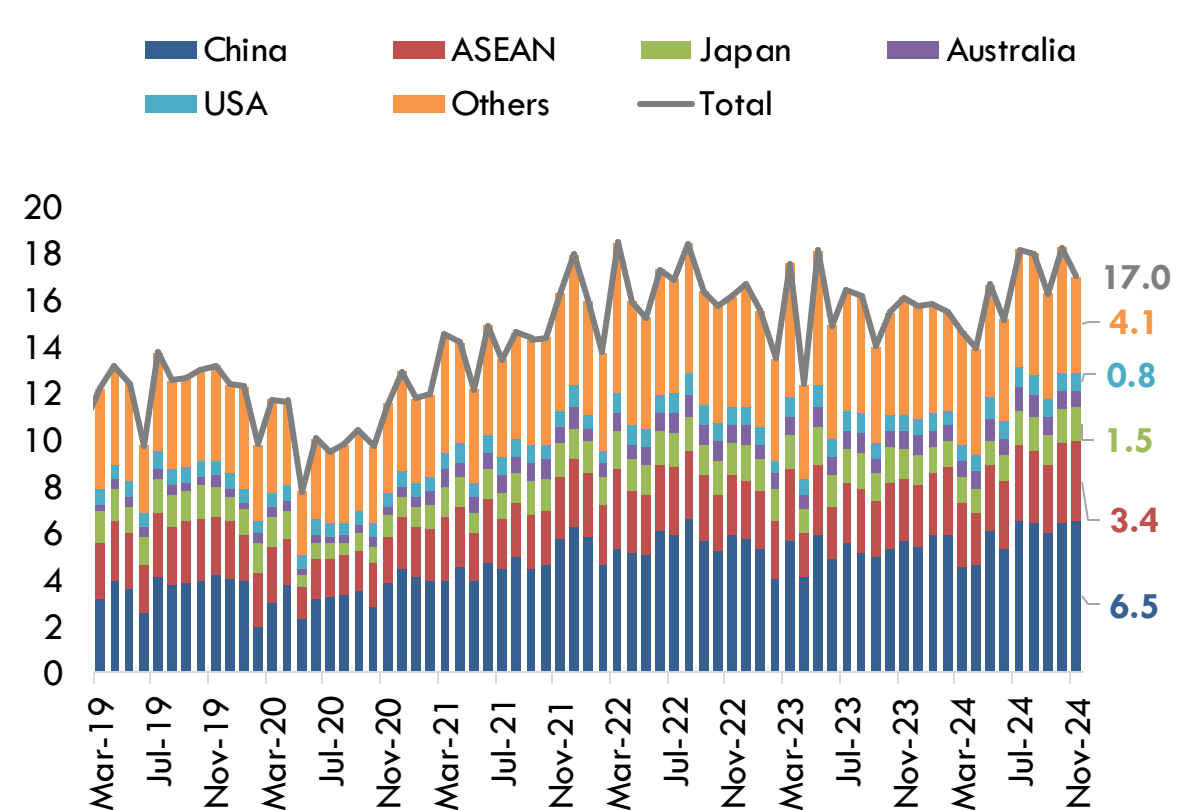
Non-OG Imports by Country

Non-OG imports grew 5.7% yoy in Nov-24 underpinned by accelerated imports from ASEAN, Japan, China, and USA

Imports by Country (% yoy)



Non-OG Imports by Country (USD bn)



Indonesia's Trade Balance

Indonesia's trade surplus expanded in Nov- on the backed of steady demand from Indonesia's main trading partners

Period	Export (USD mn)	% yoy*		Import (USD mn)	% yoy*		Trade Balance (USD mn)
2015	150,366	-14.6		142,695	-19.9		7,671
2016	145,186	-3.4		135,653	-4.9		9,533
2017	168,828	16.3		156,986	15.7		11,843
2018	180,013	6.6		188,711	20.2		-8,699
2019	167,683	-6.8		171,276	-9.2		-3,593
2020	163,192	-2.7		141,569	-17.3		21,623
2021	231,522	41.9		196,190	38.6		35,332
2022	291,904	24.9		237,447	22.0		54,457
2023	258,786	-11.3		221,886	-6.6		36,900
11M24	241,251	9.1		212,393	0.0		28,858
		% mom	% yoy		% mom	% yoy	
Feb-24	19,273	-6.0	-9.6	18,440	-0.3	15.8	833
Mar-24	22,538	16.9	-3.8	17,961	-2.6	-12.8	4,577
Apr-24	19,615	-13.0	1.7	16,896	-5.9	10.1	2,719
May-24	22,326	13.8	2.9	19,400	14.8	-8.8	2,926
Jun-24	20,845	-6.6	1.2	18,450	-4.9	7.6	2,395
Jul-24	22,237	6.7	6.6	21,736	17.8	11.1	501
Aug-24	23,440	5.4	6.6	20,665	-4.9	9.5	2,775
Sep-24	22,056	-5.9	6.3	18,825	-8.9	8.6	3,231
Oct-24	24,422	10.7	10.3	21,938	16.5	17.5	2,483
Nov-24	24,007	-1.7	9.1	19,588	-10.7	0.0	4,420

Notes: * Cumulative Growth

Source: Indonesia Statistics, OCE BMRI

Indonesia's NOG Export and Import by Country

Non-OG exports to the US and India grew steady in Nov-24, while imports from major trading partners grew higher than exports driven by higher demand for consumption and capital goods

NON-OIL AND GAS (NOG) EXPORT BY COUNTRY OF DESTINATION

Country of Destination	Nov-24 (USD mn)	% mom	11M24 (USD mn)	% yoy*	Share* (%)
China	6,244	10.2	54,435	-3.8	24.0
US	2,344	0.0	23,853	12.7	10.5
India	1,582	-21.8	18,909	2.5	8.3
Japan	1,484	1.4	17,134	-0.8	7.6
Malaysia	890	-6.0	9,326	-2.2	4.1

NON-OIL AND GAS (NOG) IMPORT BY COUNTRY OF ORIGIN

Country of Origin	Nov-24 (USD mn)	% mom	11M24 (USD mn)	% yoy*	Share* (%)
China	64,339	1.5	64,339	13.4	35.86
Japan	13,525	-0.7	13,525	-11.0	7.54
Singapura	9,084	-32.7	9,084	24.0	5.06
Thailand	8,816	-13.6	8,816	-5.8	4.91
Australia	8,752	-6.0	8,752	10.8	4.88

Notes: * Cumulative Growth
Source: BPS

Top Five NOG Export - Import by Top-5 Commodity

Exported commodities mostly decreased in Nov-24

NON-OIL AND GAS (NOG) EXPORT BY COMMODITY

Commodity (USD mn)	Nov-24	% mom	11M24	% yoy*	Share* (%)
Mineral fuels, mineral oils and products of their distillation	3,542	1.9	36,076	-9.1	15.9
Animal or vegetable fats and oils and their cleavage products	2,715	-10.5	24,184	-8.5	10.7
Iron and steel	2,399	6.9	23,431	-4.1	10.3
Electrical machinery and equipment and parts thereof	1,342	-4.3	13,731	3.6	6.1
Nickel and articles thereof	1,003	87.3	7,198	14.4	3.2

NON-OIL AND GAS (NOG) IMPORT BY COMMODITY

Commodity (USD mn)	Nov-24	% mom	11M24	% yoy*	Share* (%)
Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	2,847	-1.9	30,470	3.6	17.0
Electrical machinery and equipment and parts thereof	2,206	-15.5	24,772	4.0	13.8
Iron and steel	952	-8.7	9,731	-6.7	5.4
Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	933	-8.9	8,807	-7.8	4.9
Plastics and articles thereof	864	-11.4	9,703	12.1	5.4

Notes: * Cumulative Growth
Source: BPS

Import by Category

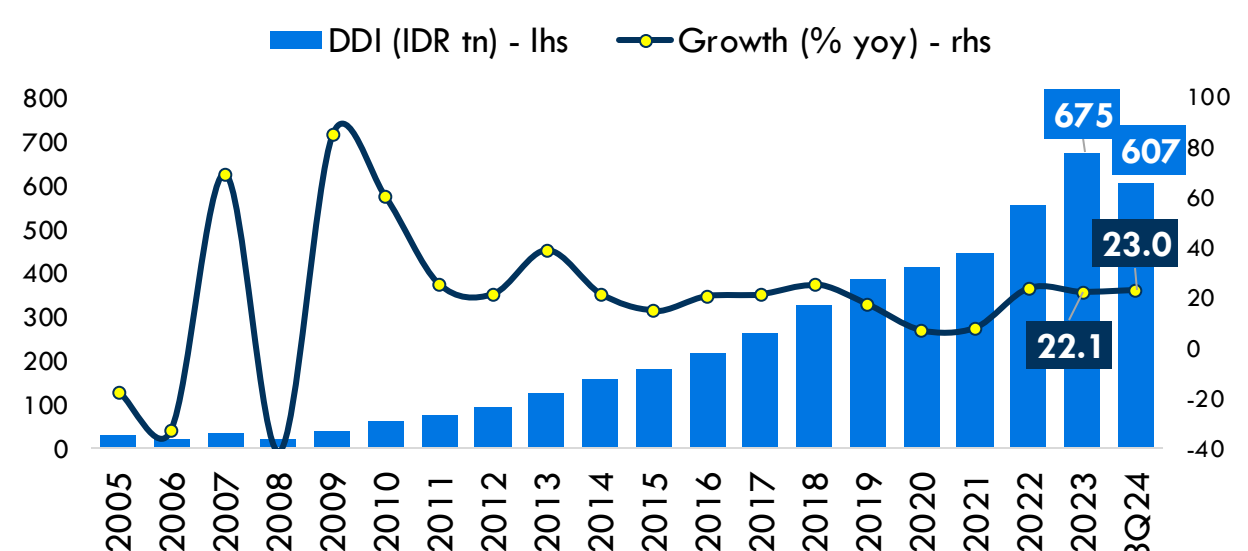
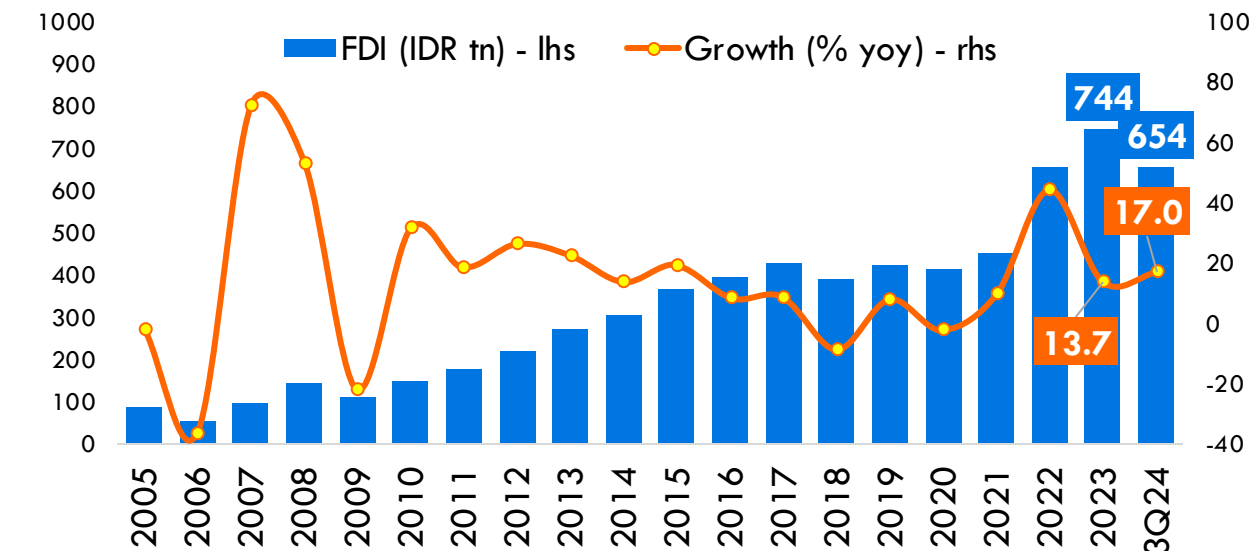
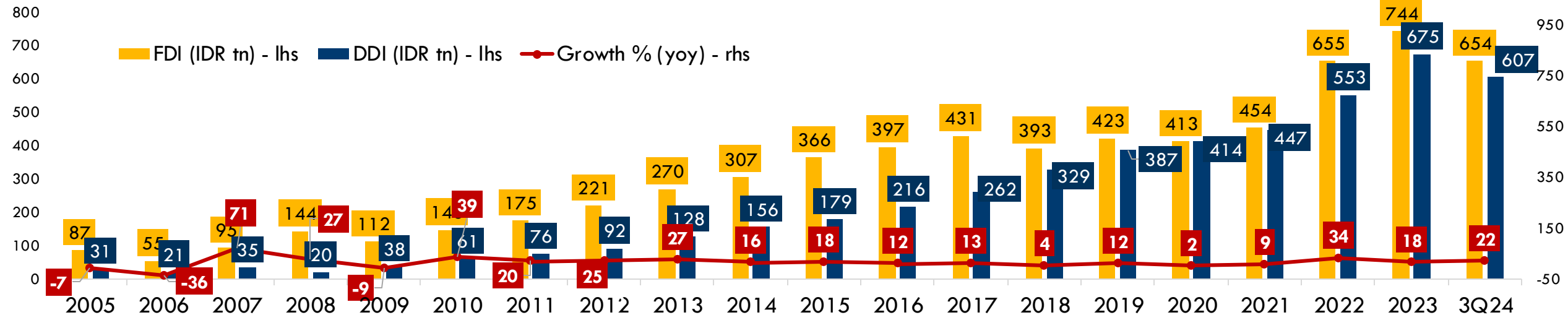
In November , all import categories recorded positive growth

Category	Nov-24 (USD mn)	% mom	11M24 (USD mn)	% yoy*	Share (%)
Consumer Goods	2,022	-0.8	20,398	4.6	9.6
Raw Material	14,017	-12.0	154,675	5.0	72.8
Capital Goods	3,549	-10.8	37,321	3.9	17.6
Total Import	19,588	-10.7	212,393	14	100

Notes: * Cumulative Growth
Source: BPS

Direct Investment Realization in Indonesia

Direct investment increased by 22% yoy as of 3Q24 or reaching IDR 1,261 tn



Note: 3Q24 in cumulative terms during Jan-Sep-24

Source: Ministry of Investment

Office of Chief Economist

Domestic and Foreign Investment by Industry in 3Q24

Foreign investments favored Basic Metal Industry, Metal Goods, Non-Machinery and Its Equipment

Domestic Direct Investment

Total IDR 607.03 tn

Value (Share of total DDI)

Transportation. Storage
and Communication

IDR 87.59 tn
(14.43%)

Mining

IDR 74.63 tn
(12.29%)

Real Estate. Ind. Estate
& Business Activities

IDR 56.51 tn (9.31%)

Food Industry

IDR 50.46 tn (8.31%)

Trade & Repair

IDR 49.76 tn (8.20%)

Foreign Direct Investment

Total USD43.6 bn

Value (Share of total FDI)

Basic Metal Industry. Metal Goods.
Non Machinery and Its Equipment

USD 10.18 bn
(23.35%)

Transportation. Storage
and Communication

USD 3.97 bn (9.12%)

Mining

USD 3.86 bn (8.85%)

Chemical & Pharmaceutical
Industry

USD 3.22 bn (7.39%)

Paper & Printing Industry

USD 2.65 bn (6.07%)

Note: 3Q24 in cumulative terms during Jan-Sep-24

Source: Ministry of Investment

Office of Chief Economist

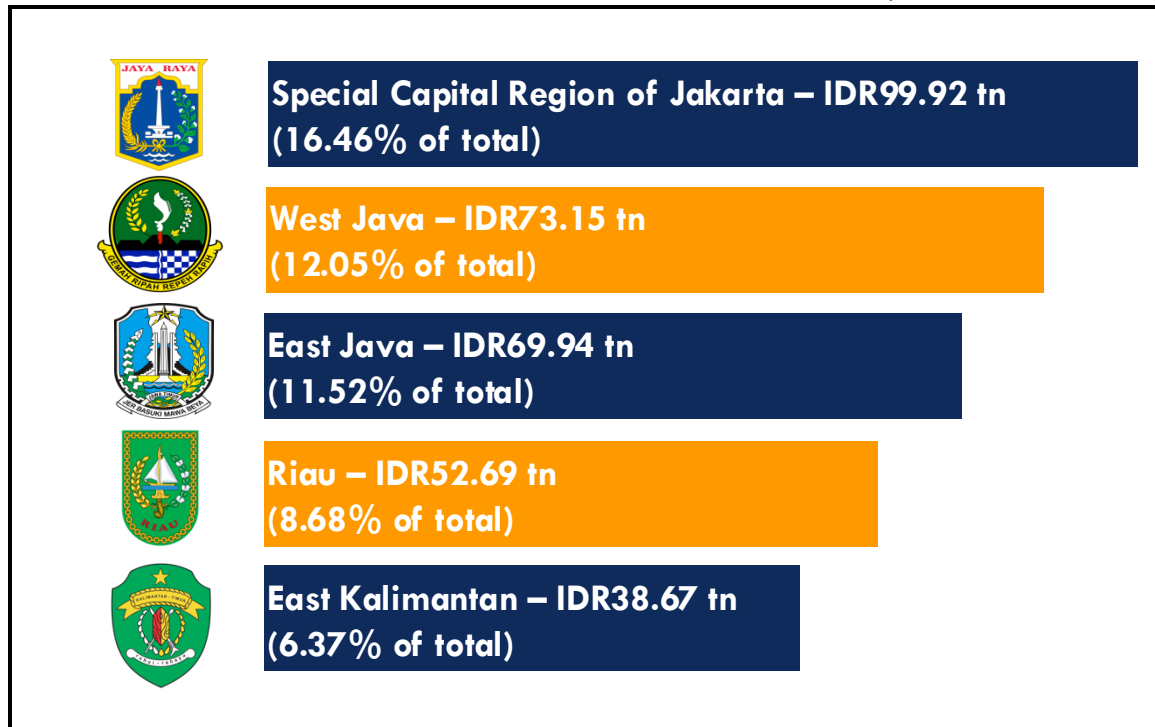
Investment Realization by Location in 3Q24

West Java received the most FDI in 3Q24

Domestic Direct Investment

Total IDR 607.03 tn

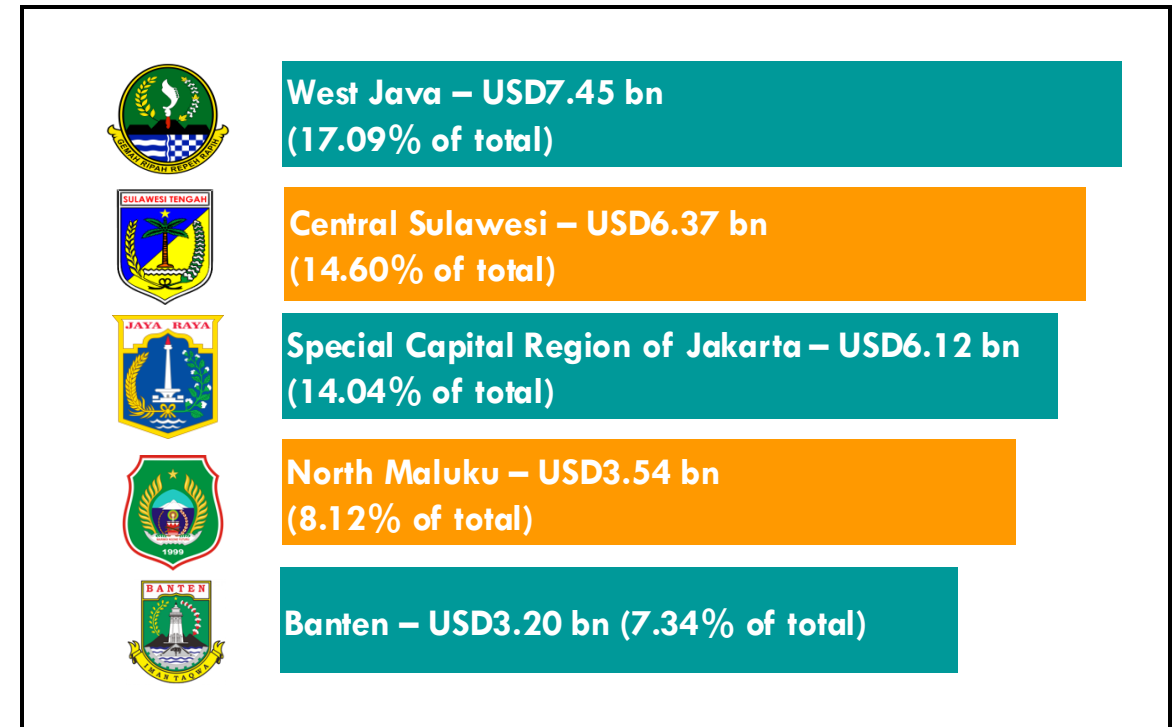
Value (Share of total DDI)



Foreign Direct Investment

Total USD43.6 bn

Value (Share of total FDI)



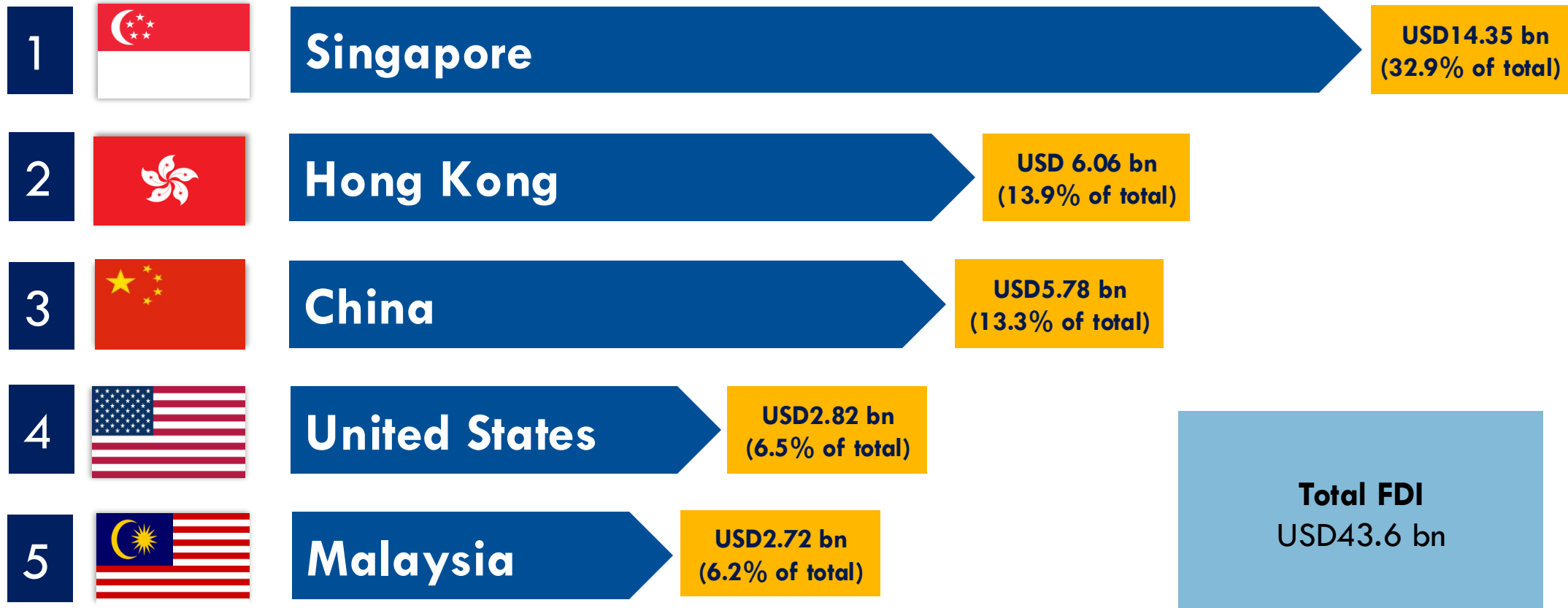
Note: 3Q24 in cumulative terms during Jan-Sep-24

Source: Ministry of Investment

Office of Chief Economist

Investment Realization by Country in 3Q24

Singapore remained to be the main investor of FDI



Note: 3Q24 in cumulative terms during Jan-Sep-24

Source: Ministry of Investment

GOVERNMENT FINANCE



Macroeconomic Assumption on State Budget

Macroeconomic variables mostly still in line, while oil and gas lifting is below the target

Macro Assumption	2023 Realization	Budget Assumption	Budget Outlook	Realization	2025 Budget Assumption
Economic Growth (% yoy)	5.3	5.2	5.1	5.04	5.0
Inflation (% yoy)	3.6	2.8	2.7	1.57	2.90
Exchange Rate (USD/IDR)	14,800	15,000	16,000	16,102	16,000
10-years SBN	7.9	6.7	6.9	7.02	7.0
Indonesian Crude Oil Price (USD/bbl)	90	82	82	71.83	82
Oil Lifting (bopd)	660	635	592	571.7	600
Gas Lifting (bopd)	1,100	1,033	990	973	1,005

*Realization data in Dec-24 refer to the latest data as of 31 Dec-24

Recent Update and Outlook on Indonesia's State Budget

Fiscal deficit widened to IDR402 tn or -1.81% of GDP in Nov-24, driven by acceleration in government spending, while government revenue grew slightly by 1.3% yoy

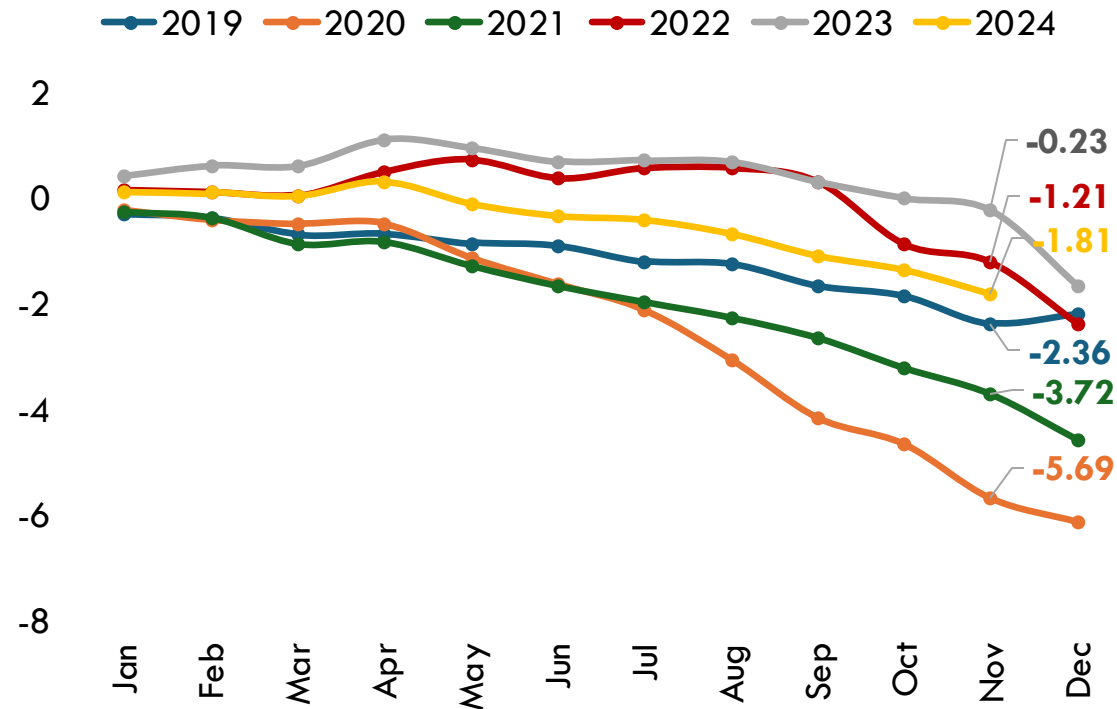
	Component (in IDR tn)	2023 Realization	Budget	Nov-24 Realization	Realization to Budget (%)	Growth (% yoy)	Outlook
A	Government Revenue	2,784	2,802	2,493	89.0	1.3	2,802
	Tax and Excise Duties Revenue	2,154	2,310	1,947	84.3	1.7	2,218
	I. Tax Revenue	2,090	1,989	1,689	84.9	1.1	1,922
	II. Excises Duties	64	321	257.7	80.3	5.2	297
	Non-Tax Revenue	613	492	522.4	106.2	-4.0	549
	Grant	17	0.4	-	-	-	34.9
B	Government Expenditure	3,121	3,325	2,895	87.1	15.3	3,412
	Central Govt. Expenditure	2,240	2,468	2,099	85.0	18.3	2,558
	I. Spending K/L	1,152	1,091	1,050	96.2	17.9	1,199
	II. Spending Non-K/L	1,088	1,377	1,049	76.2	18.6	1,359
	Regional Transfer and Village Funds	881	858	796	92.8	8.1	854
C	Primary Balance	103	-25.5	47.1	-184.7	-86.9	-111
D	Surplus/Deficit	-337	-523	-402	76.9	-	-610
	% to GDP	-1.61	-2.29	-1.81	79.0	-	-2.70
E	Govt. Financing	357	523	428.8	82.0	50.9	610

*Estimation refer to recent macro variable indicators

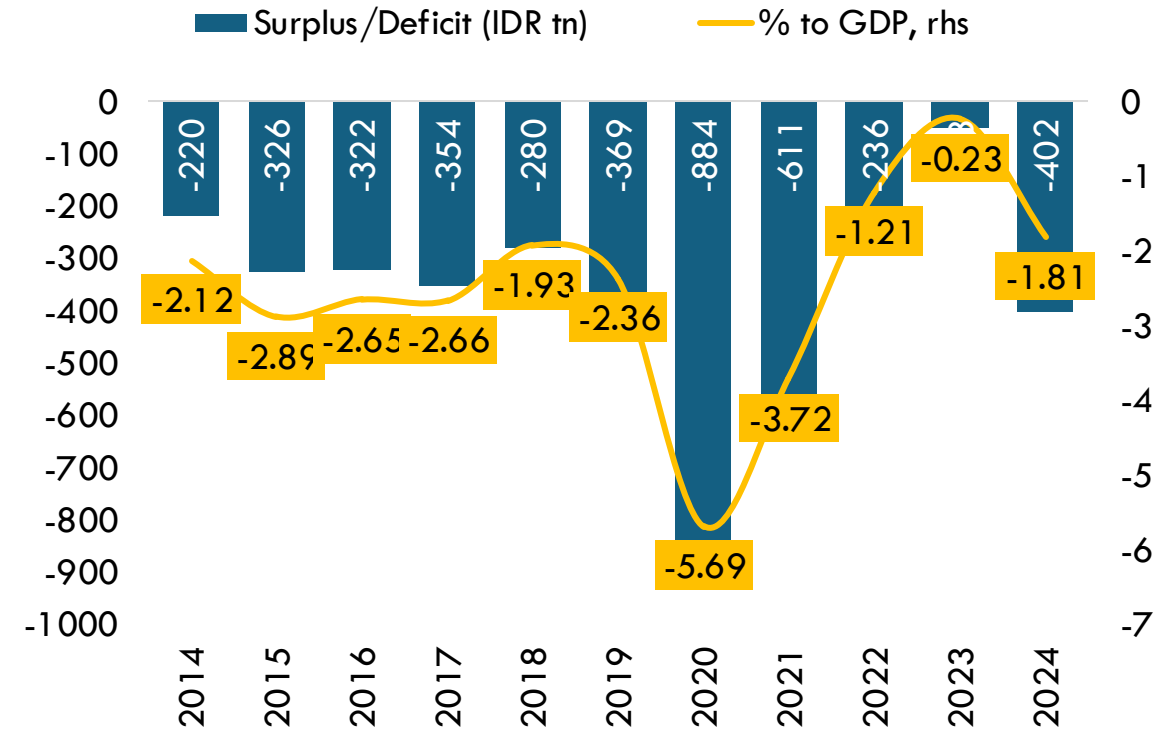
Monthly Fiscal Balance

Fiscal deficit in Nov recorded at IDR402 tn (-1.81% to GDP), notably lower from the targeted deficit by the government at -2.70% to GDP

Monthly Fiscal Deficit Comparison (% to GDP)



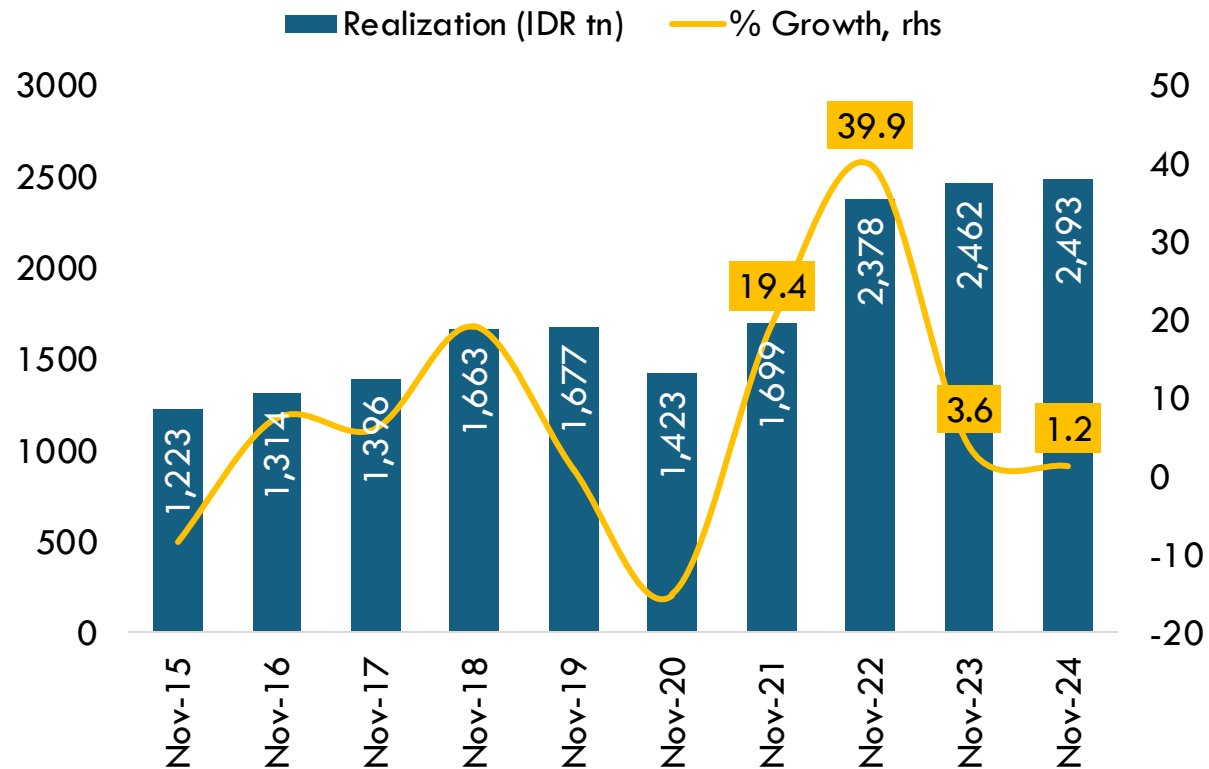
Fiscal Balance as of Nov'24



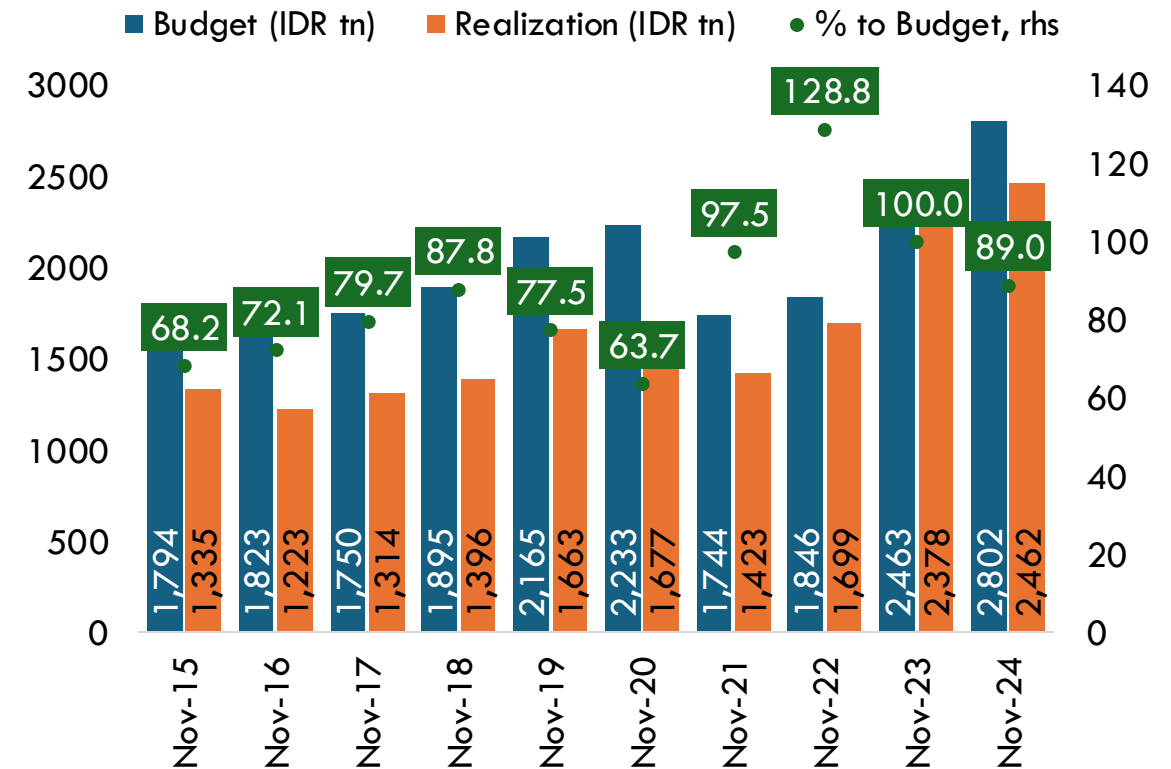
Government Revenue Realization

Government revenue grew 1.2% yoy underpinned by higher income in VAT as well as land & building tax

Government Revenue Realization Growth

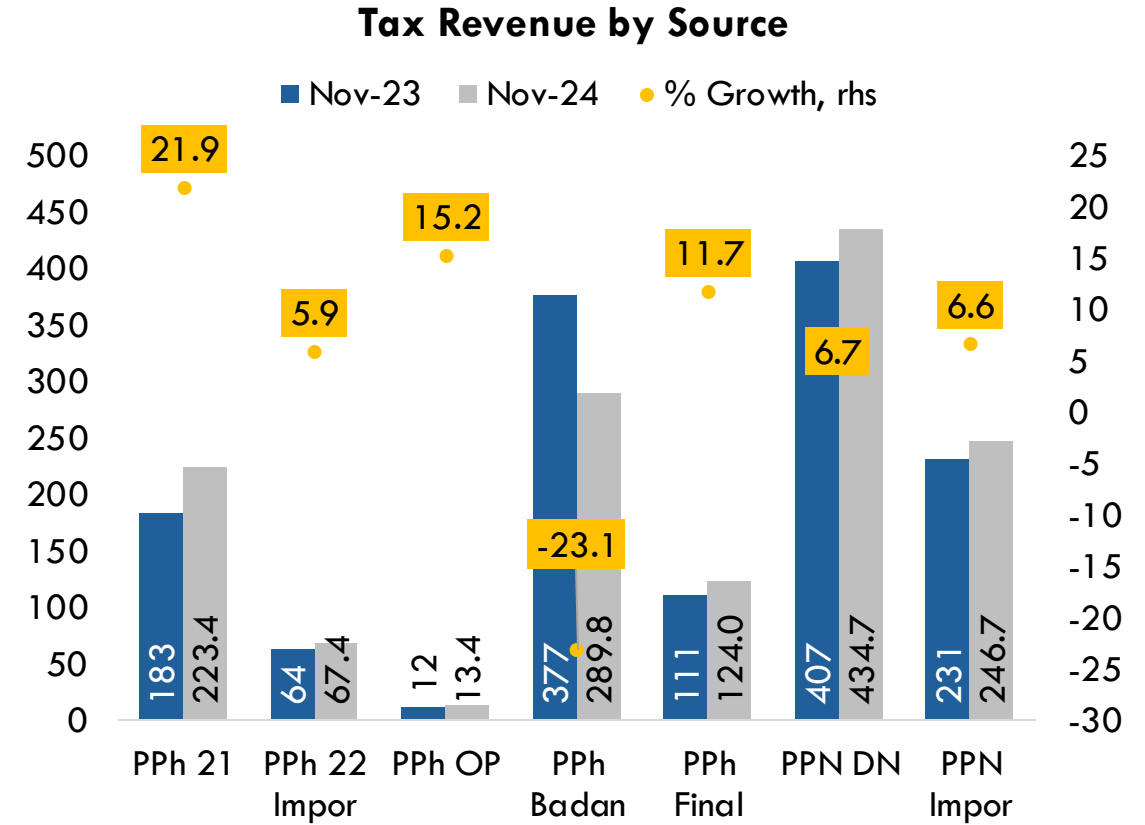
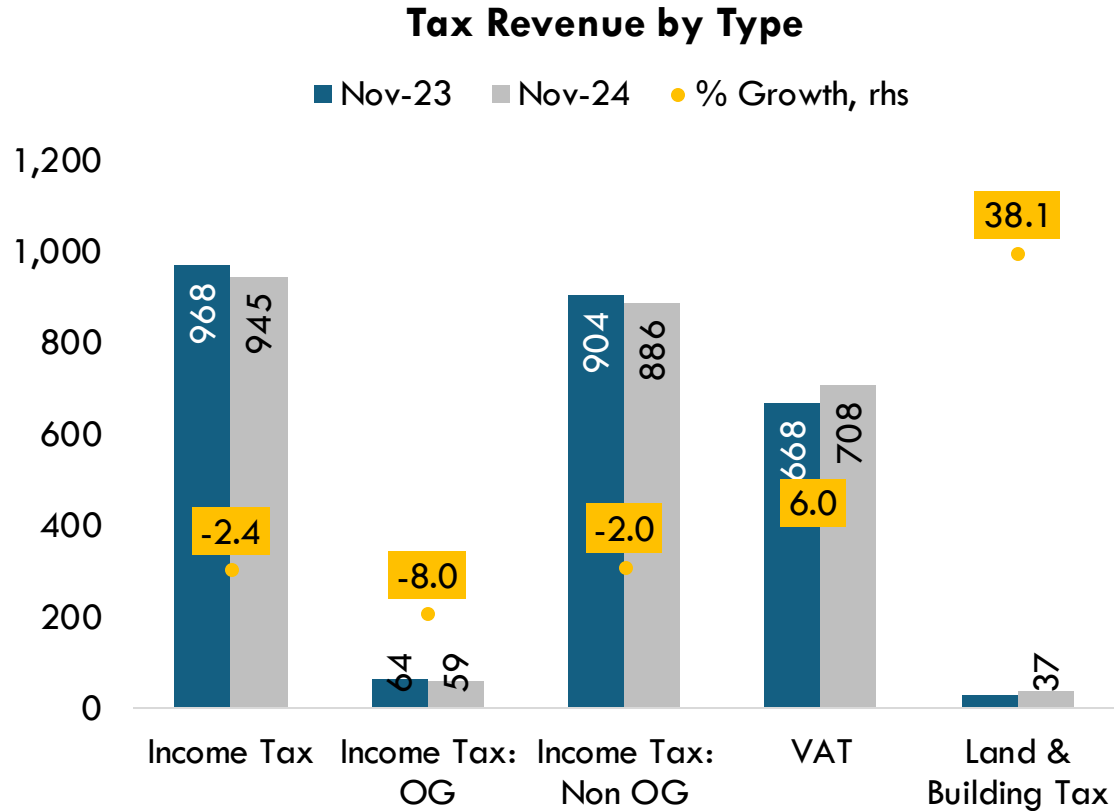


Government Revenue Realization to Budget



Tax Revenue by Type

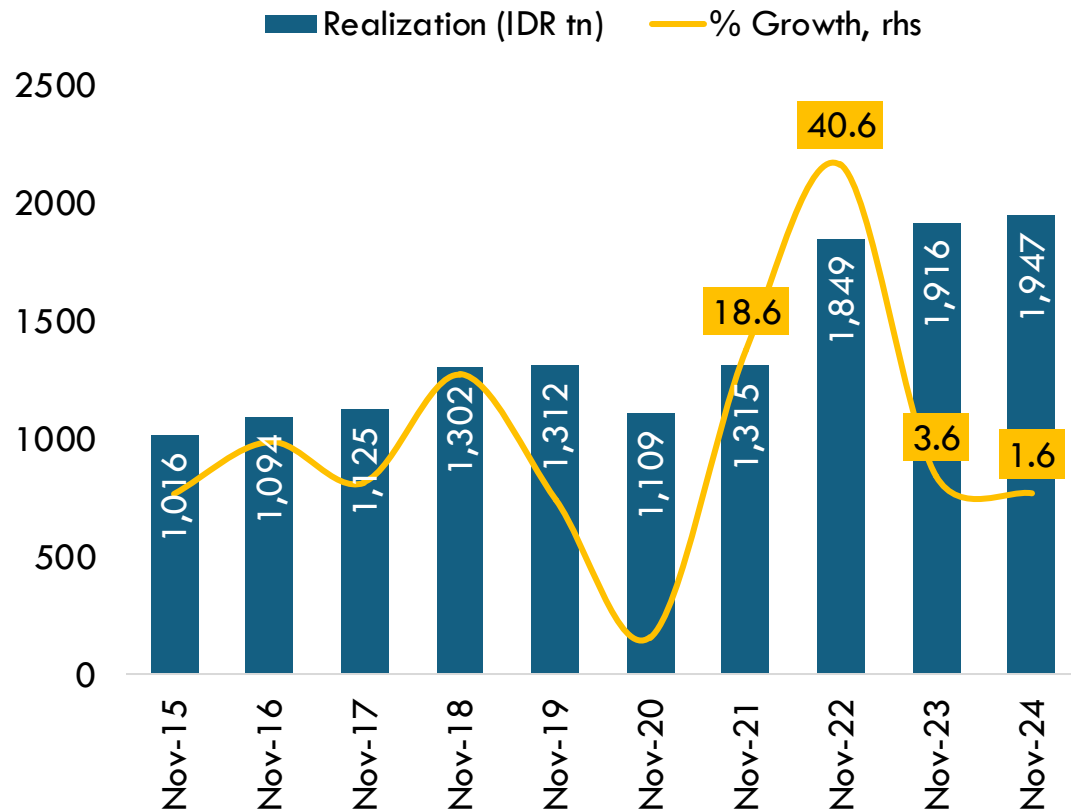
VAT and land & building tax revenue accelerated underpinning an improvement in government revenue



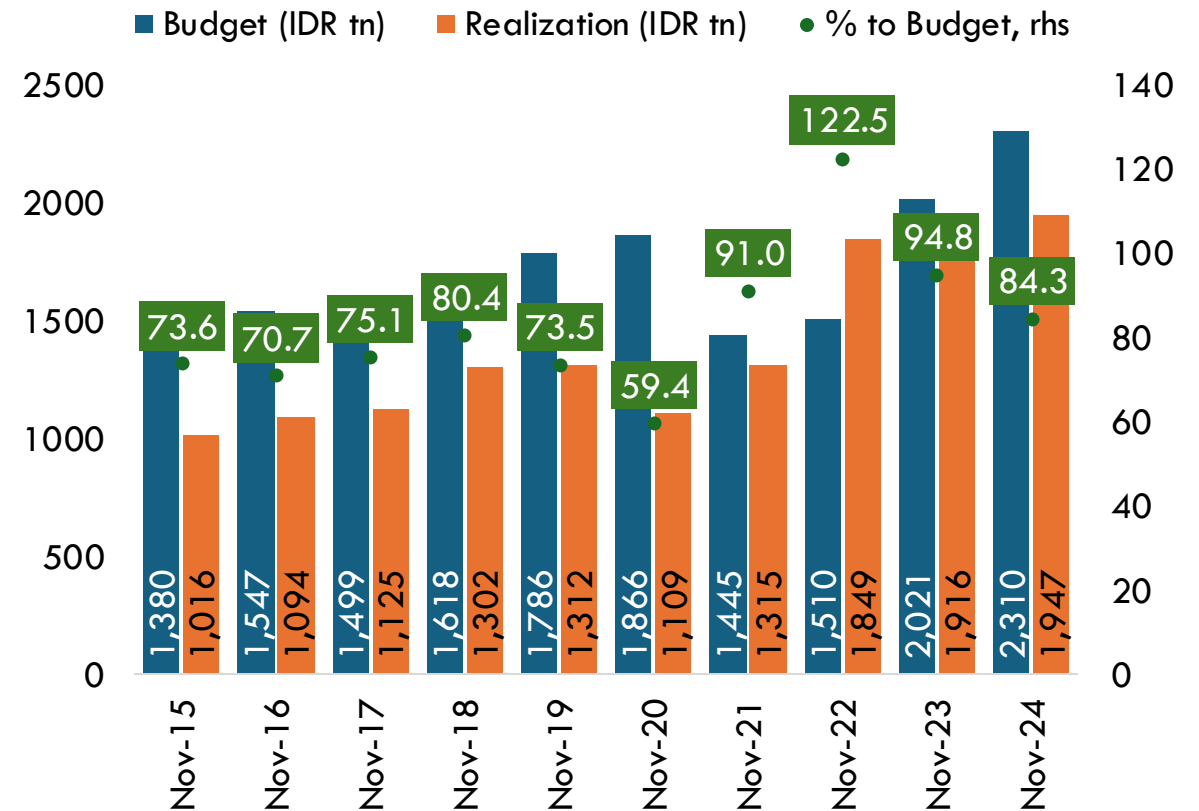
Tax Revenue Realization

Tax revenue realization remains below the levels of the past two years, due to moderation in commodity price

Tax Revenue Realization Growth



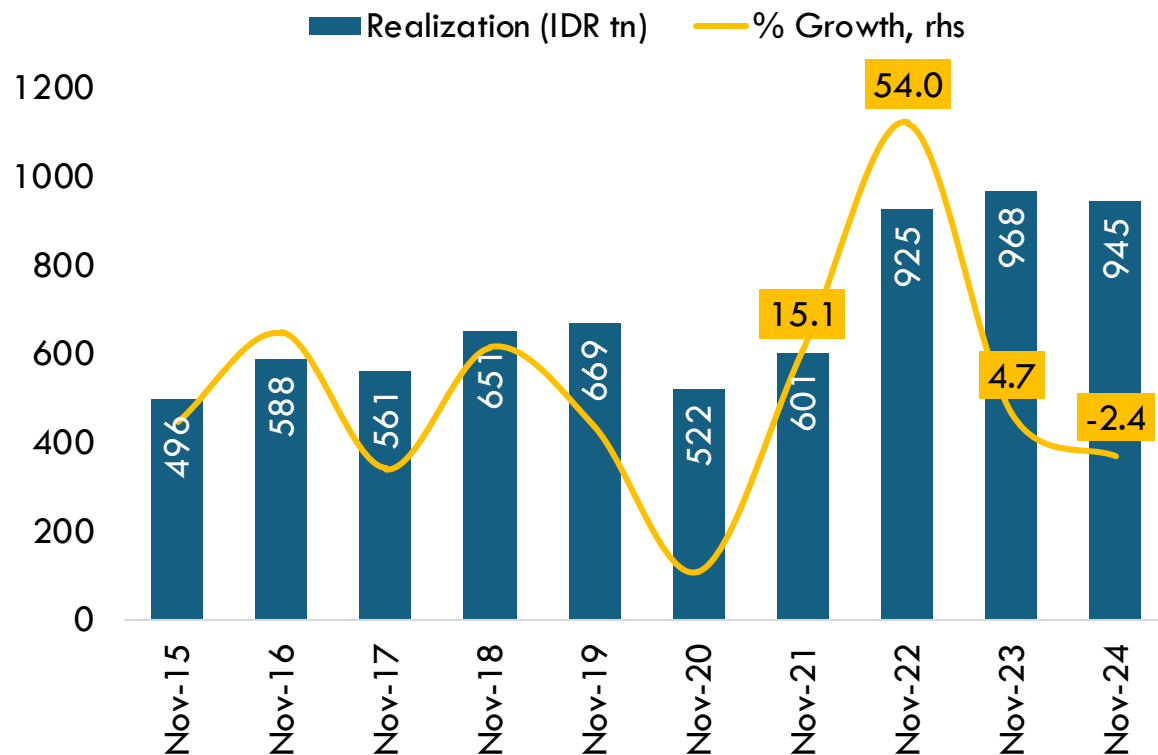
Tax Revenue Realization to Budget



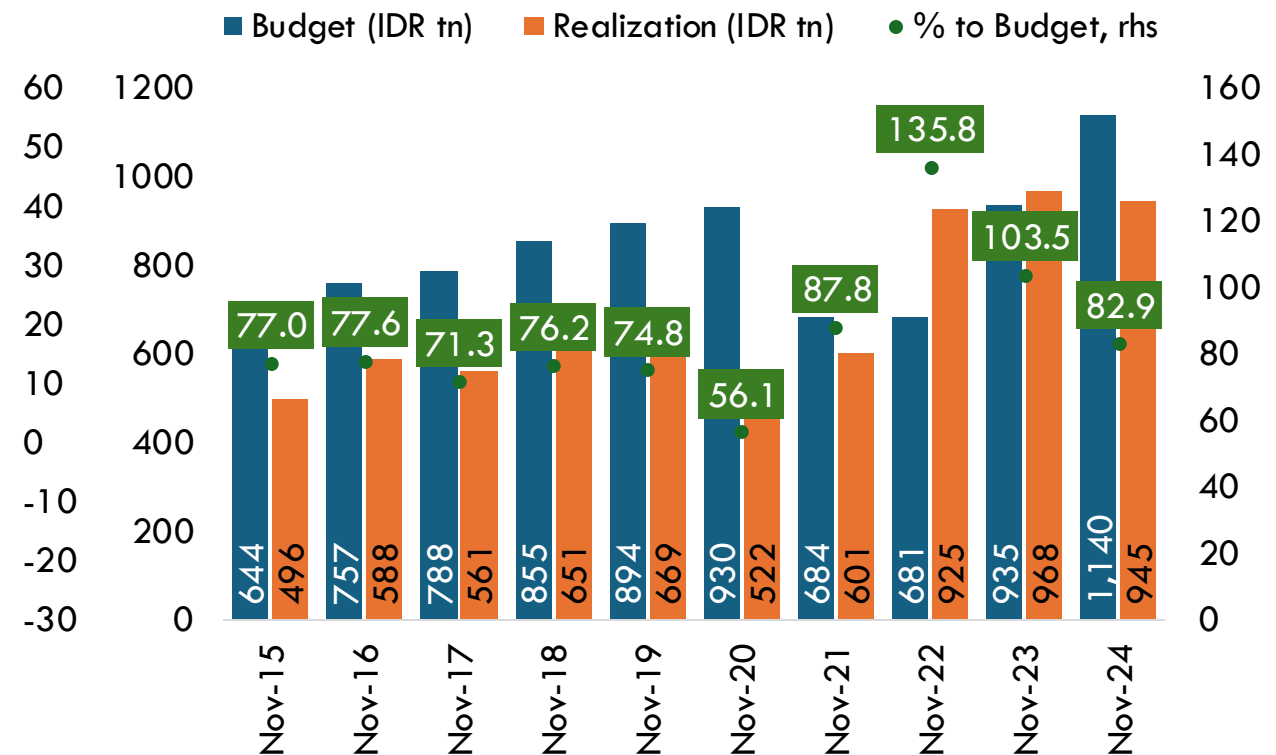
Income Tax Revenue Realization

The decline in income tax revenue was driven by reduced tax collection from the formal sector, resulting from a shift in labor from the formal to the informal sector

Income Tax Realization Growth



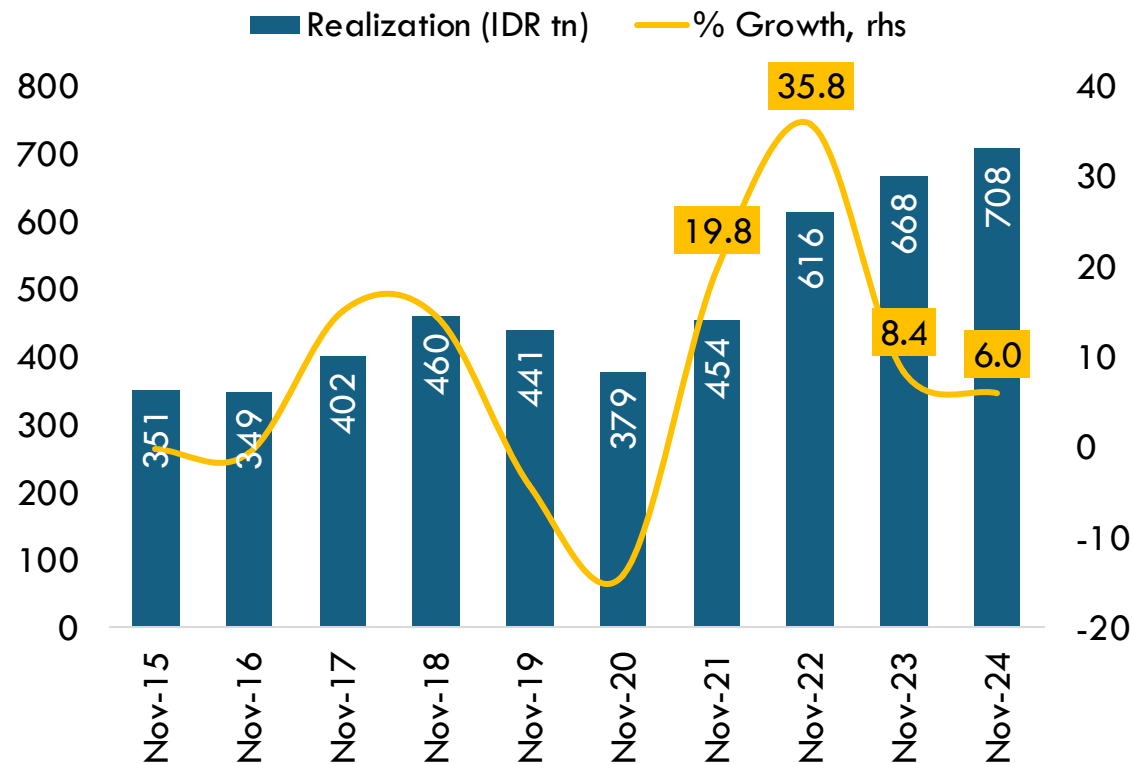
Income Tax Realization to Budget



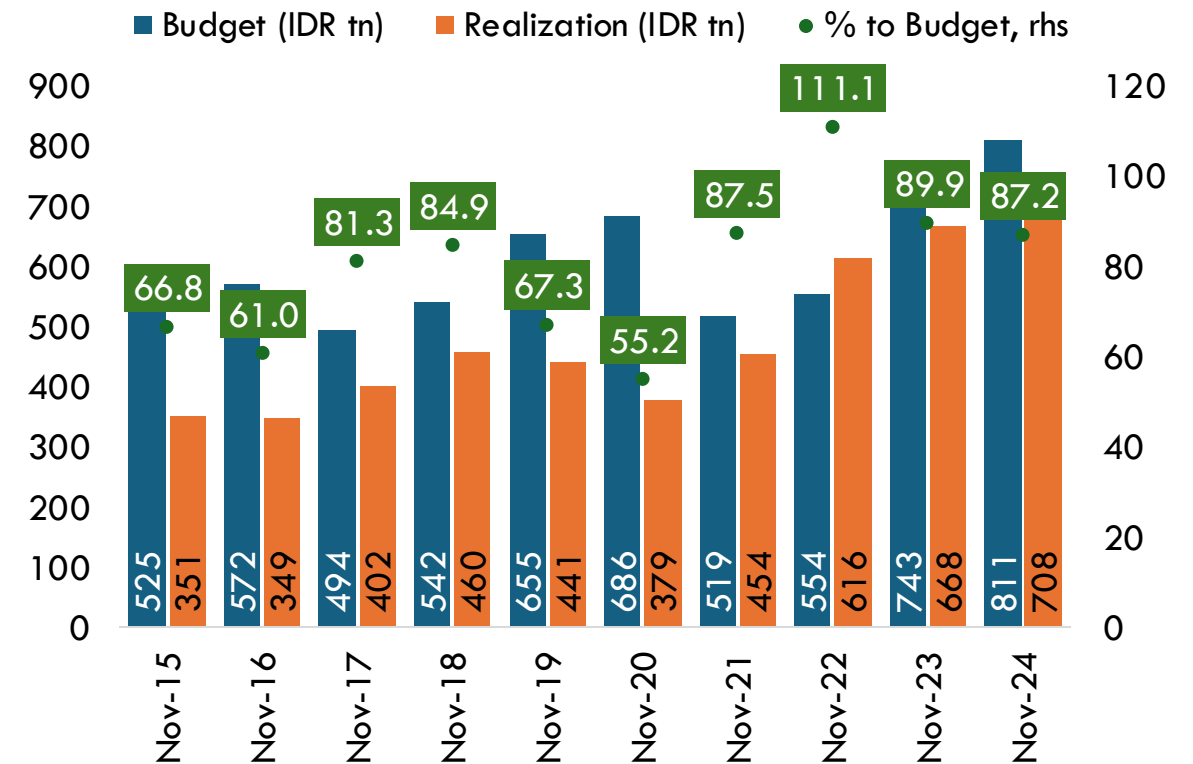
Value Added Tax (VAT) Revenue

Sluggish consumption, particularly among the middle-income class, led to lower VAT revenue realization in Nov-24.

VAT Realization Growth



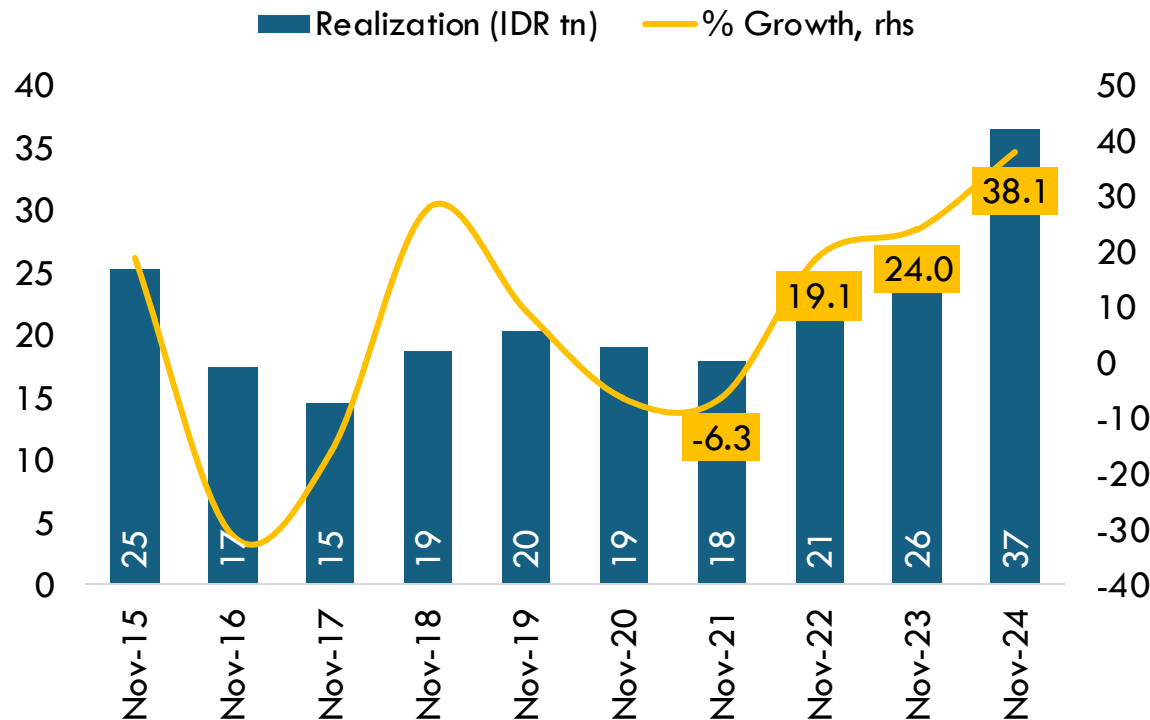
VAT Realization to Budget



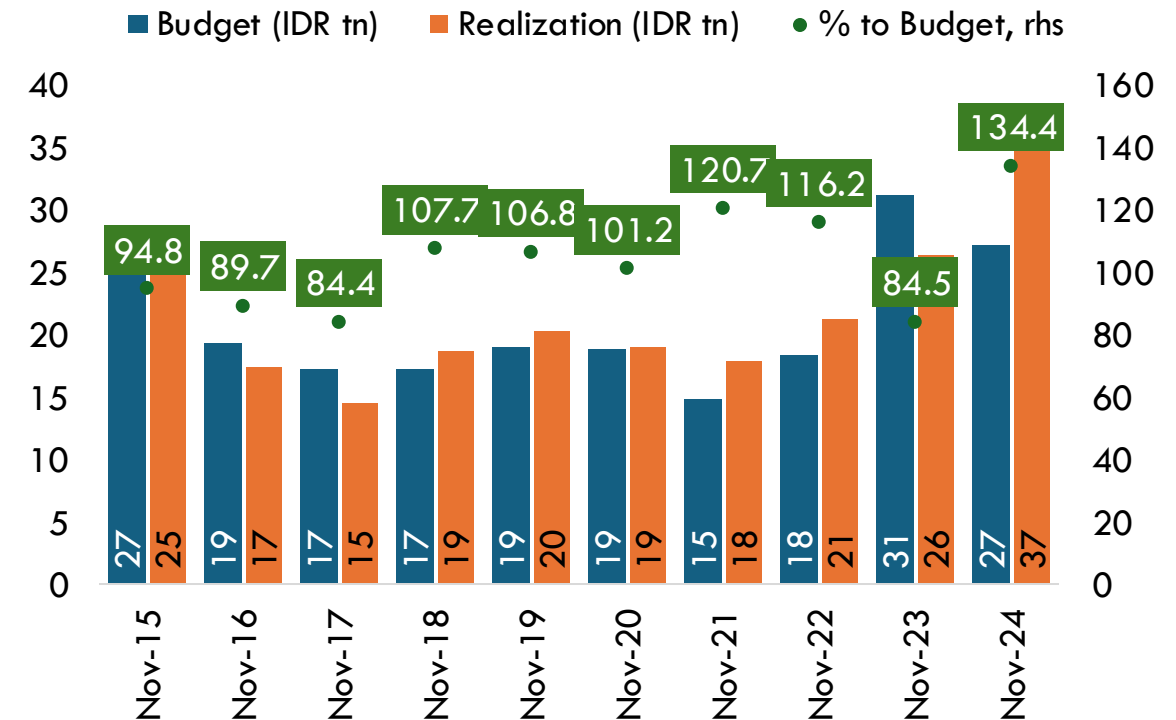
Land and Building Tax Revenue

Land and Building Tax Revenue accelerated on higher demand for housing, reflecting people purchasing power remains steady

Land and Building Tax Realization Growth



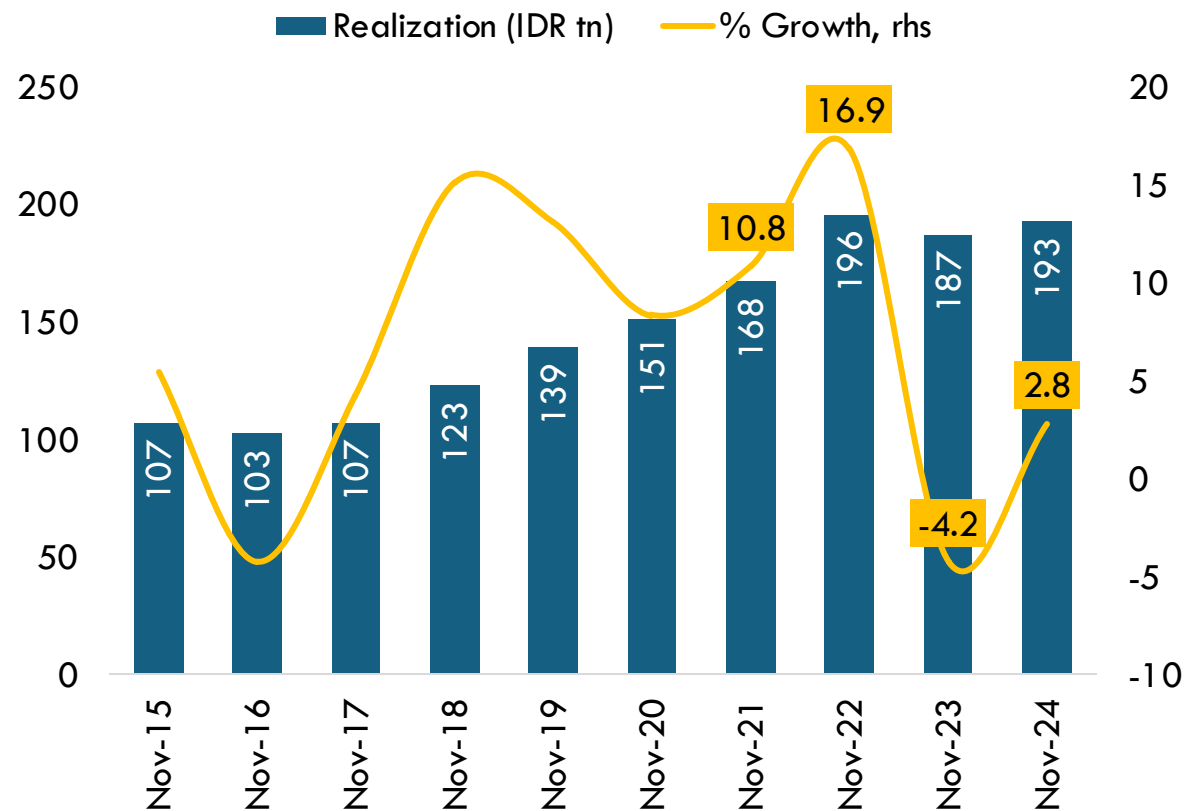
Land and Building Tax Realization to Budget



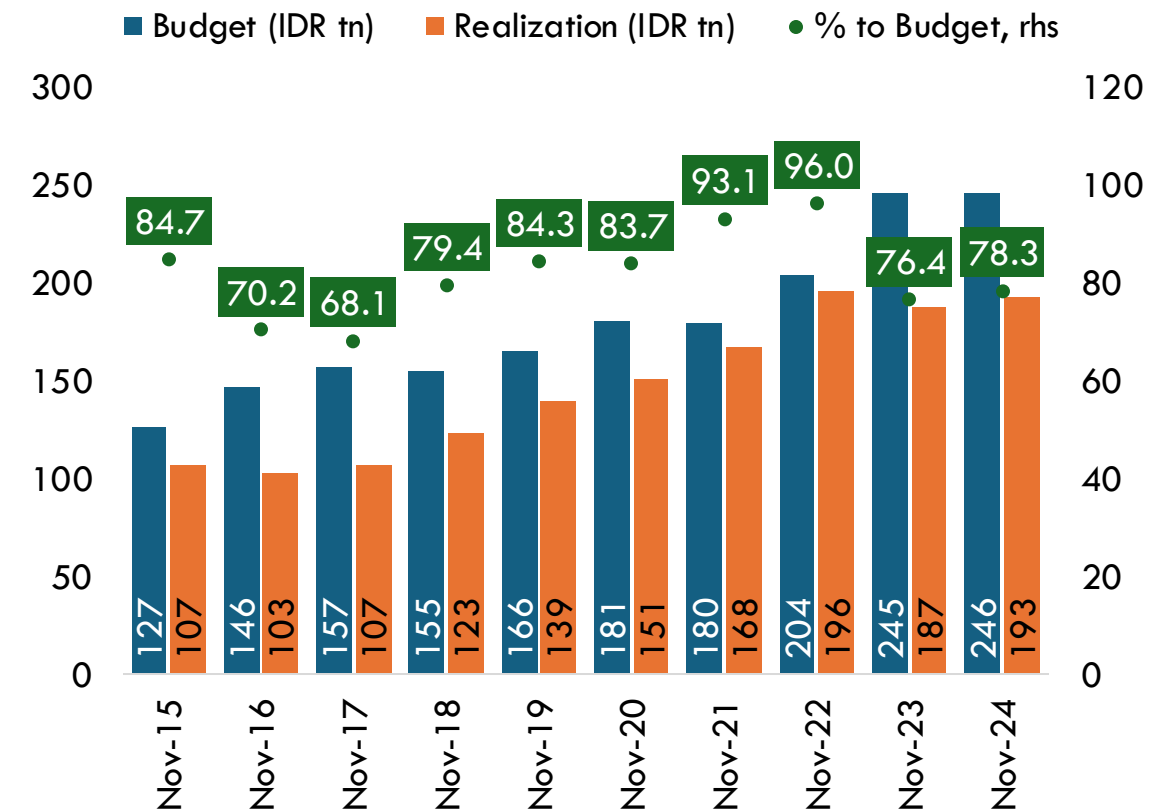
Excise Duties Revenue

Excise and duties grew 2.8% yoy driven by higher imports and exports in Nov-24, also increased rates and stronger enforcement

Excise Duties Revenue Growth



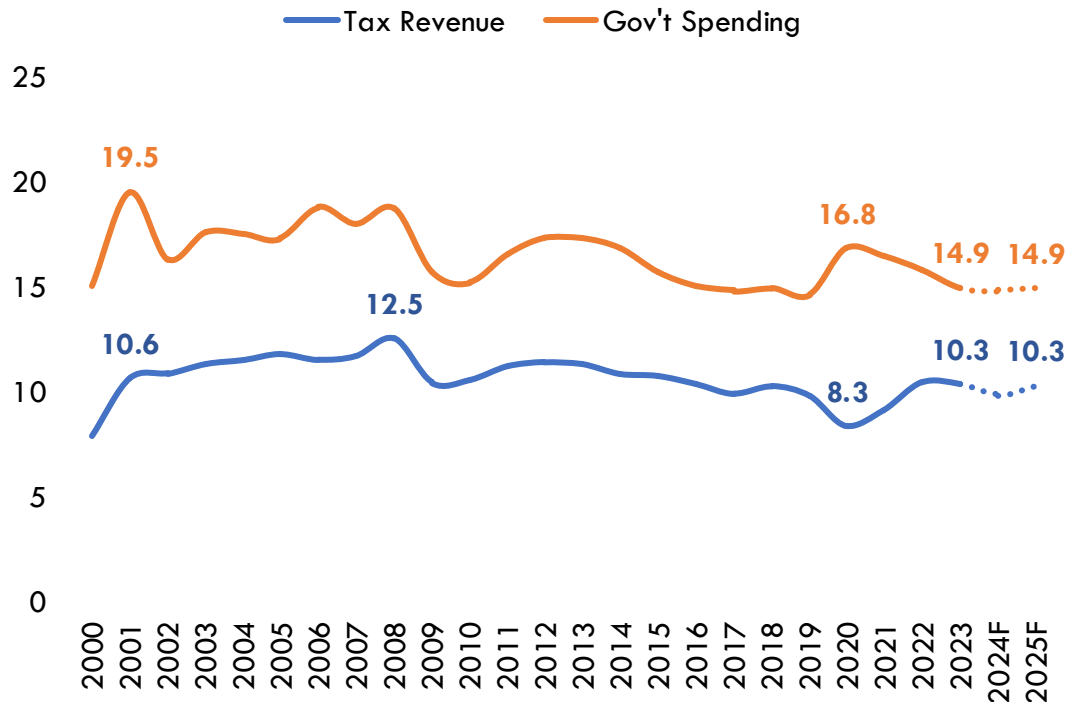
Excise Duties Realization to Budget



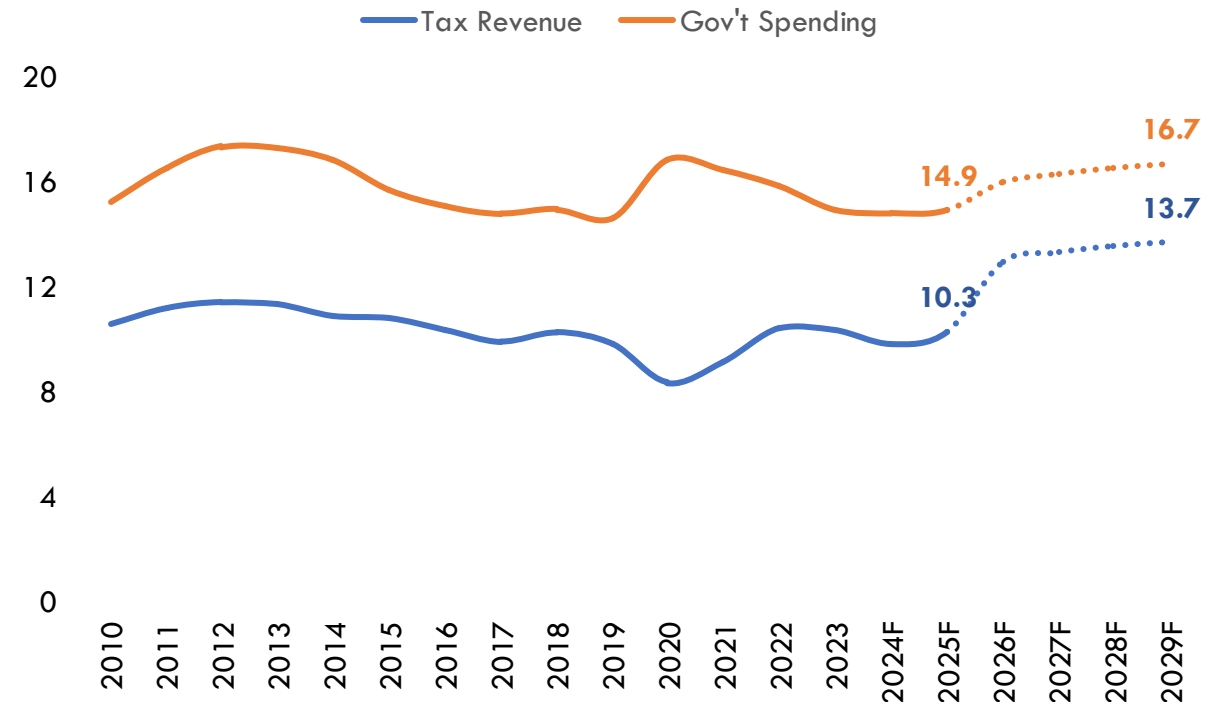
To Achieve 8% GDP Growth, Indonesia Needs to Boost Tax Ratio

Indonesia's tax ratio in the past decade has stagnated

Gov't Revenue and Spending Gap in BAU (% to GDP)



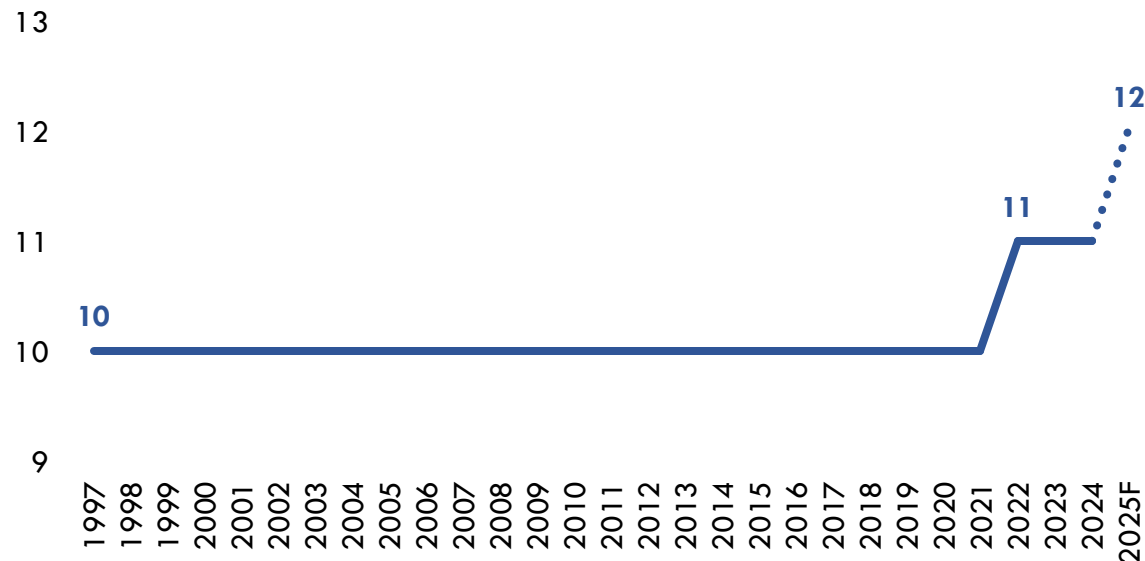
Gov't Revenue and Spending Gap to Achieve 8% GDP Growth (% to GDP)



Harmonization of Tax Rates in 2025 as an Effort to Boost Tax Revenue

The government is harmonizing taxes to optimize tax revenue sources

VAT Tariff in 1997 - 2025



Notes:

- Referring to Law (UU) Number 7 of 2021 about the Harmonization of Tax Regulations (HPP)
- The Directorate General of Taxes on 12 Oct-24 said that the implementation of the 12% VAT will start on 1 Jan-25.

Other Tax Adjustment in 2025



Final Income Tax for MSMEs at 0.5% (Currently)

MSMEs with revenue up to IDR 4.8 billion annually can use the Final Income Tax scheme at 0.5% of gross revenue.

Tax Calculation Based on Net Income (Effective 2025)

Tax calculation refers to net income.

- **The 1st layer**, income up to IDR60 mn per year, tax rate of 5%
- **The 2nd layer**, income above IDR60 mn to IDR 250 mn per year, tax rate of 15%
- **The 3rd layer**, income above IDR250 mn to IDR 500 mn per year, tax rate of 25%
- **The 4th layer**, income above IDR500 mn to IDR 5 bn per year, tax rate of 30%
- **The 5th layer**, income above IDR5 bn per year, tax rate of 35%



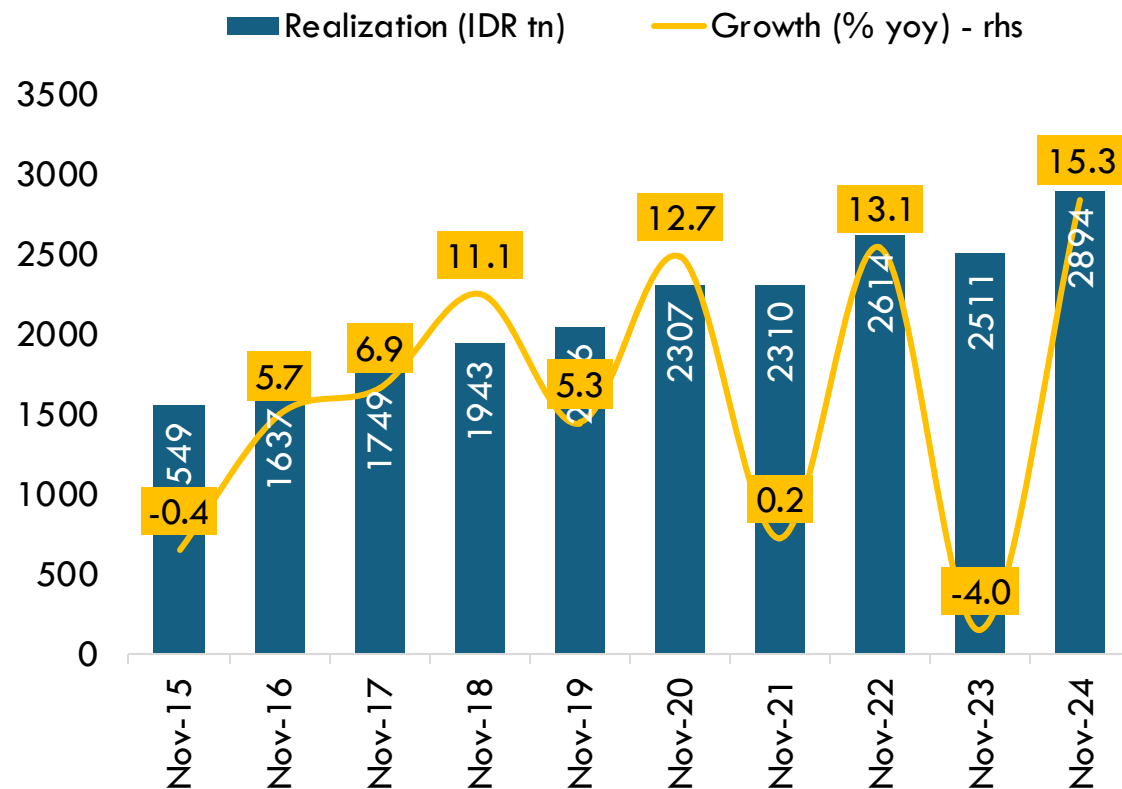
Sugar-Sweetened Beverage Tax

- **Object of Excise**, sweetened beverages with a sugar content of 5-6% per 100ml
- **Excise Rate**, 2.5% of the price
- **Tax Exemption**, drinks for health and drinks consumed on the premises (restaurant/stall)

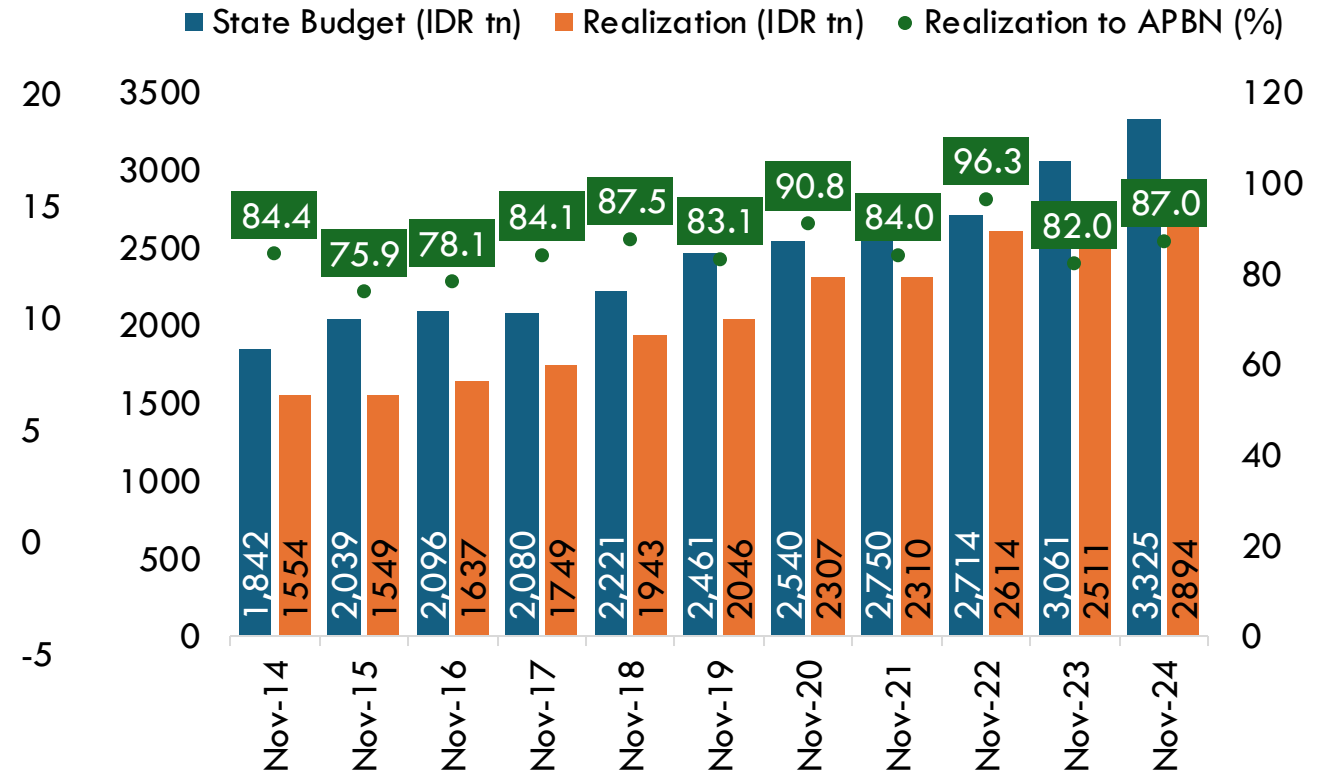
Government Expenditure

Government spending accelerated 15.3% yoy on the back of acceleration in capital spending and general elections

Government Spending Realization in Oct (IDR tn)



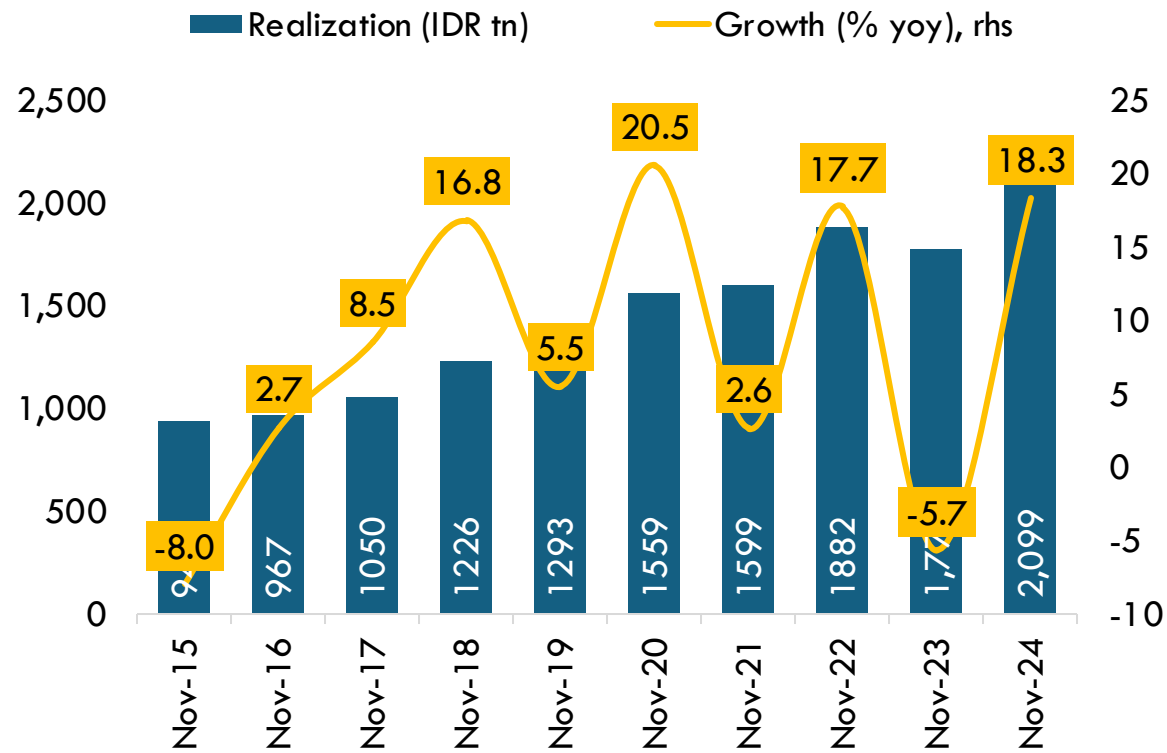
Government Spending Realization to Budget in Nov



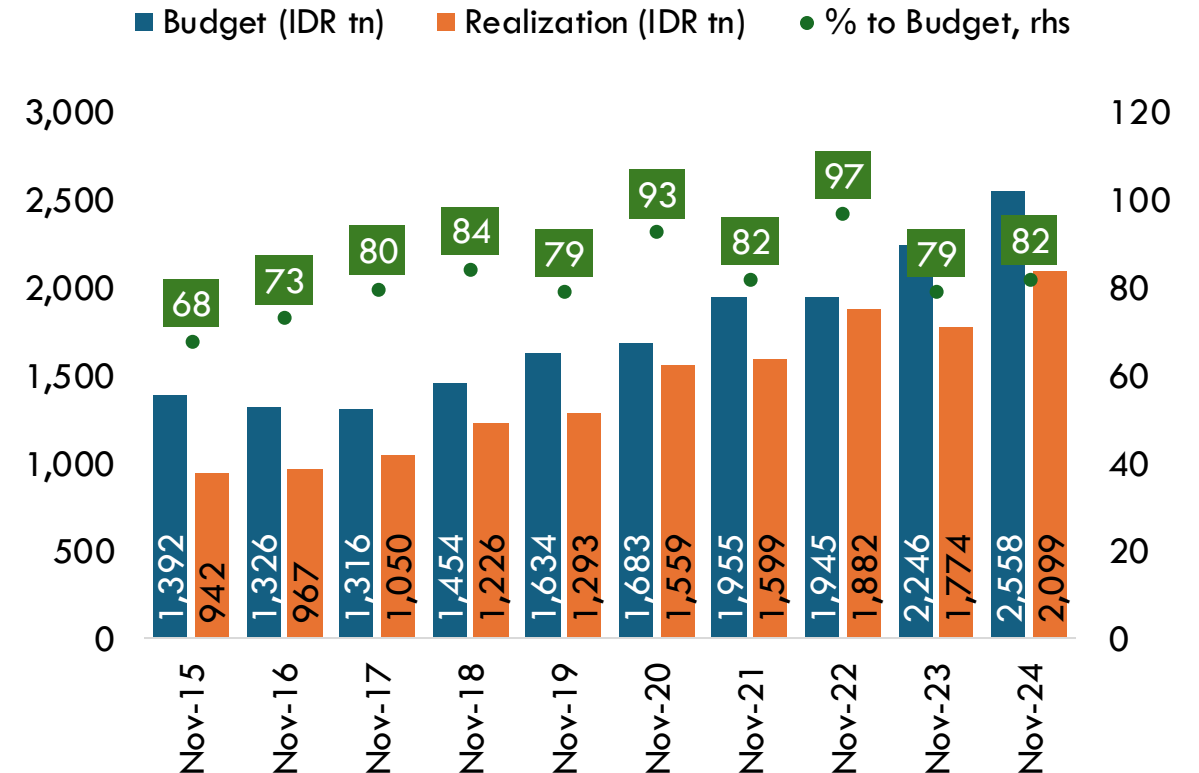
Central Government Expenditure

Central gov't spending expanded on capital, materials, and personnel spending

Central Gov't Expenditure Growth



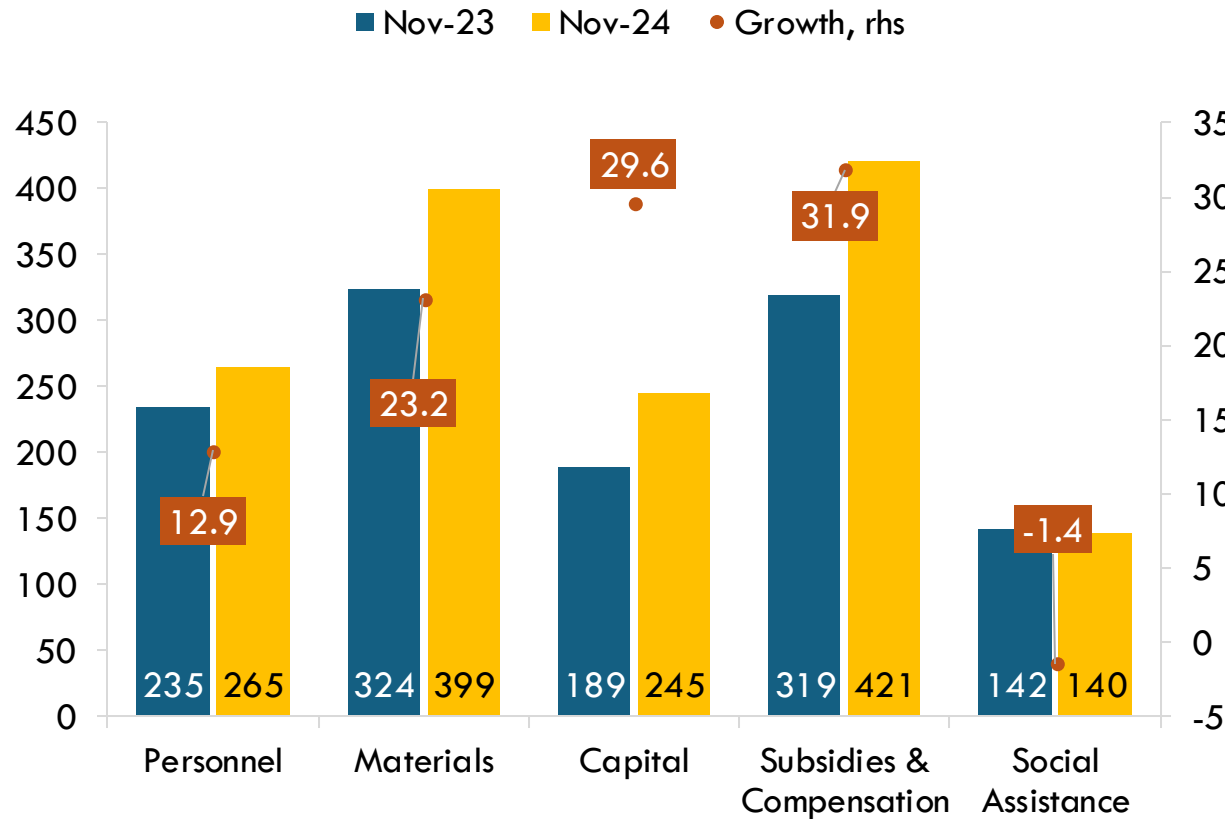
Central Gov't Expenditure Realization to Budget



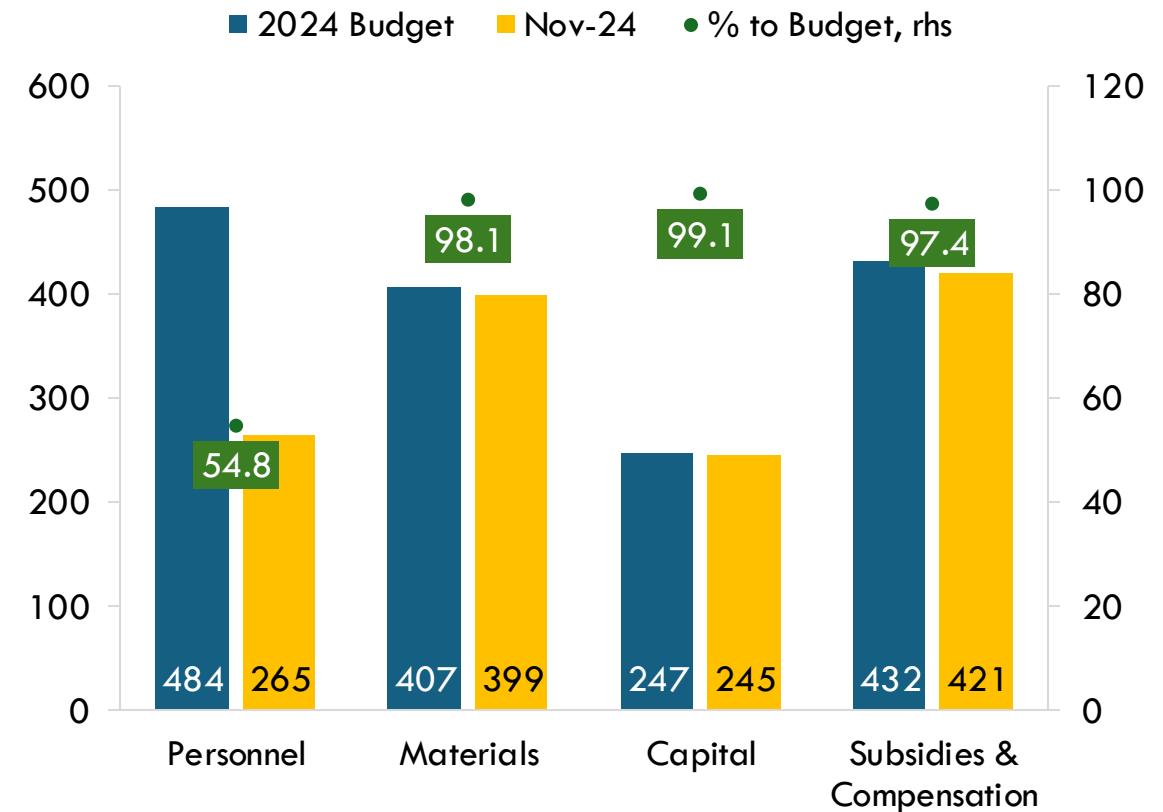
Government Expenditure by Type

Capital spending accelerated 29.6% yoy on higher spending in infrastructure

Central Gov't Expenditure Growth by Type



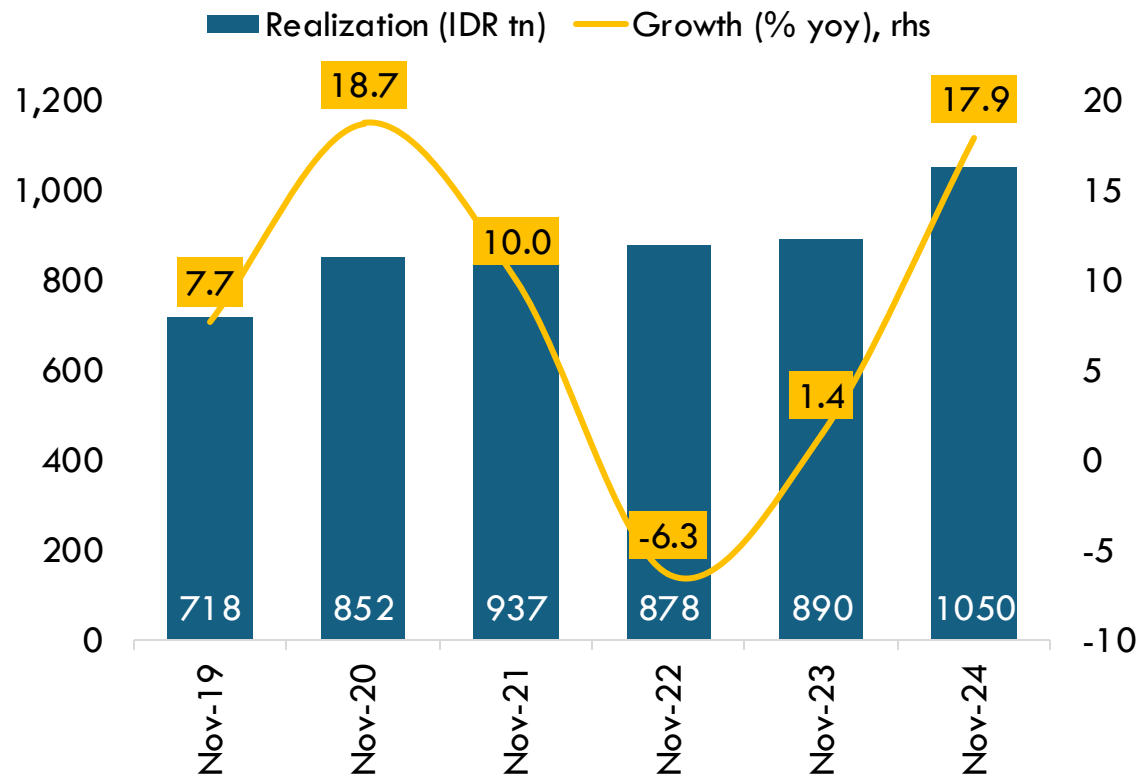
Central Gov't Expenditure % Realization by Type



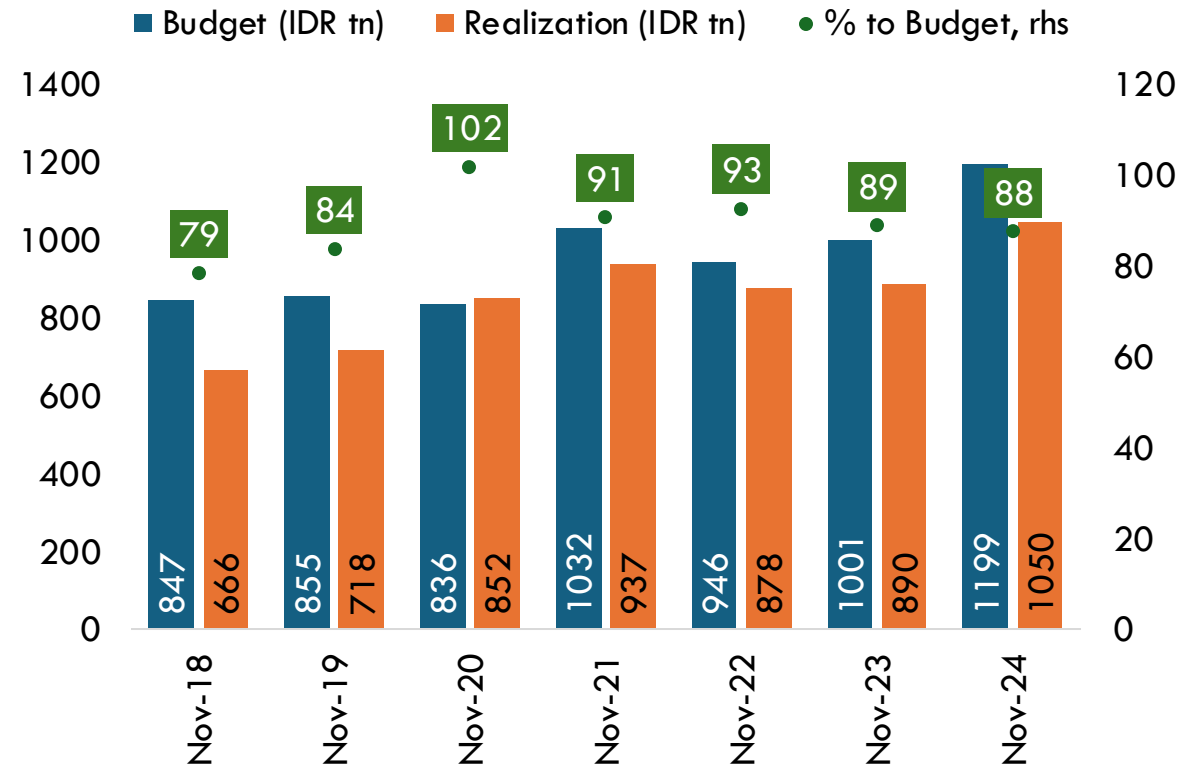
Ministries/Agencies Spending

Ministry spending increased by 17.9% yoy underpinned by higher spending in capital and materials

K/L Spending Growth



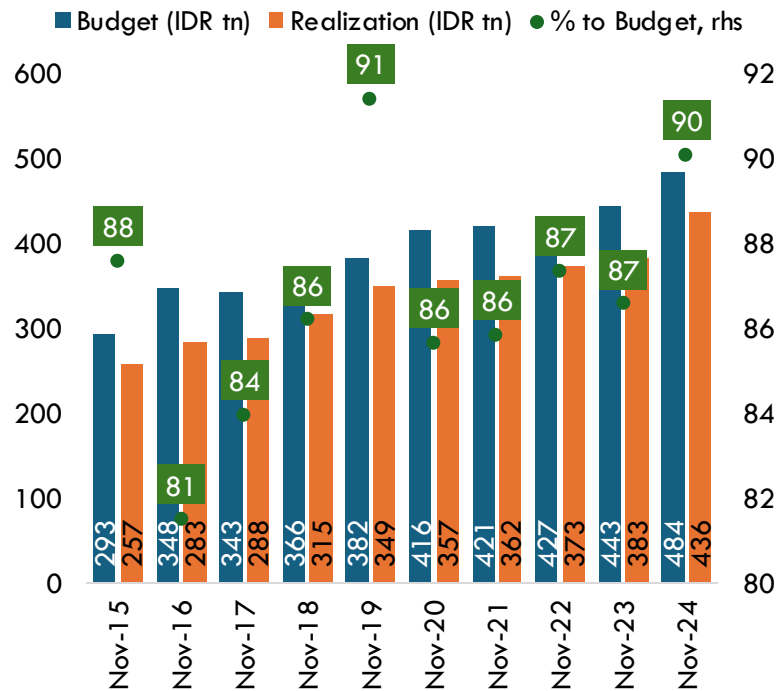
K/L Spending Realization to Budget



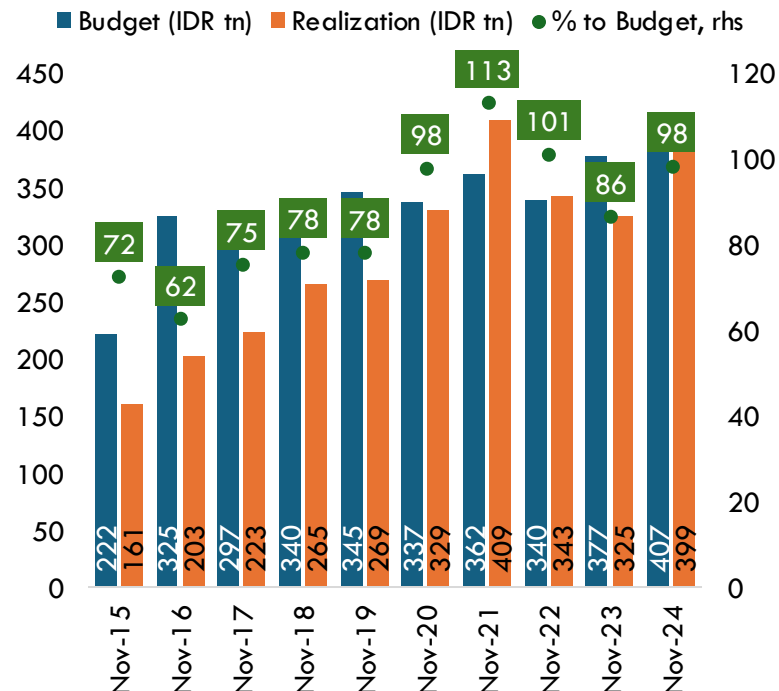
Ministries/Agencies Spending by Type

Accelerated spending in personnel, materials, and capital can be attributed by acceleration in infrastructure and elections

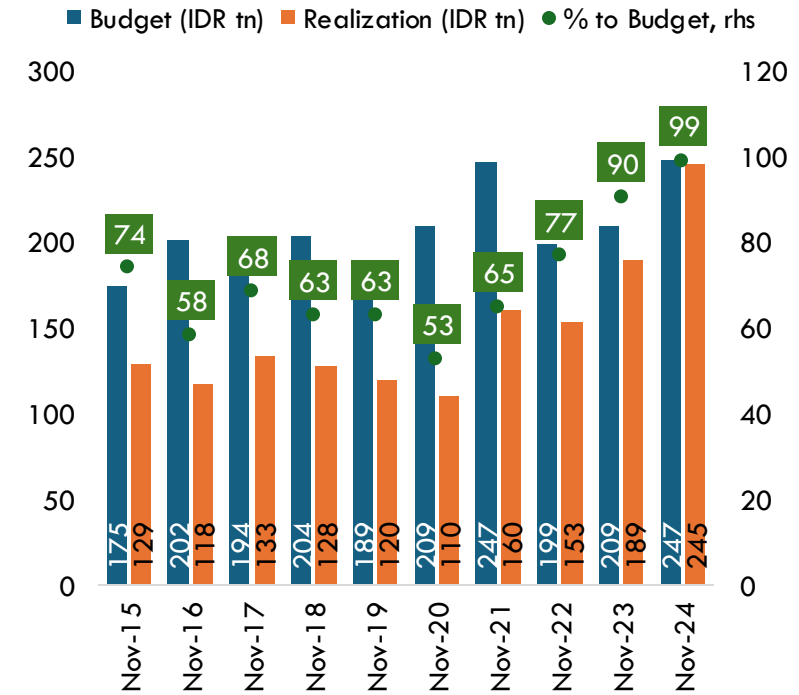
Personnel Realization to Budget



Materials Realization to Budget



Capital Realization to Budget



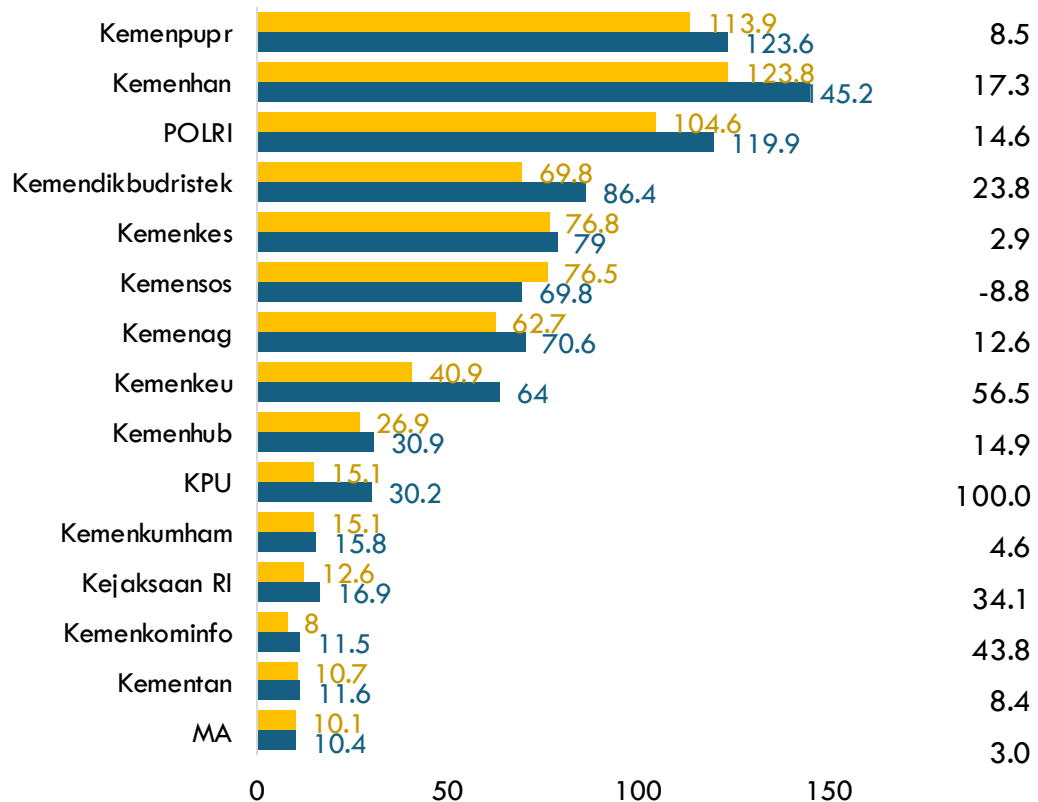
Government Expenditure by Ministries

Spending by the Ministry of Defense and the National Police reached more than 100%, driven by the acceleration spending for defense equipment.

Spending by Ministries Growth (IDR tn)

■ Nov-23 ■ Nov-24

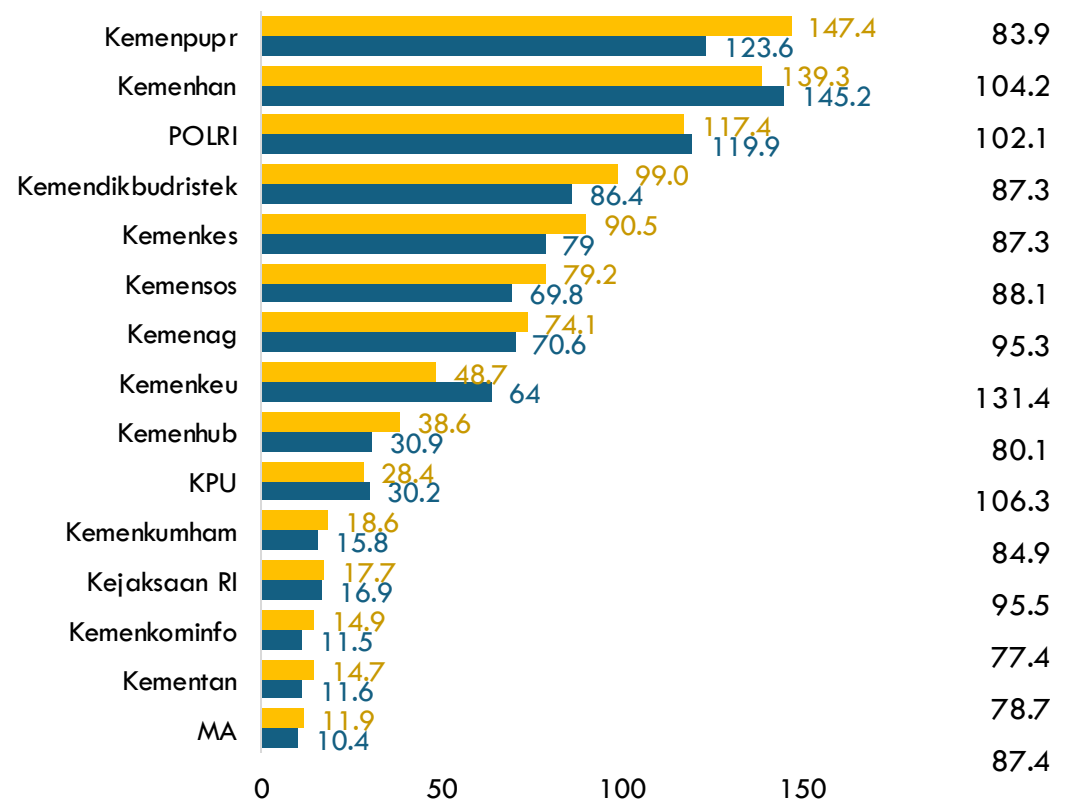
Growth, % yoy



Spending by Ministries % to Budget (IDR tn)

■ Budget ■ Realization as of Oct-24

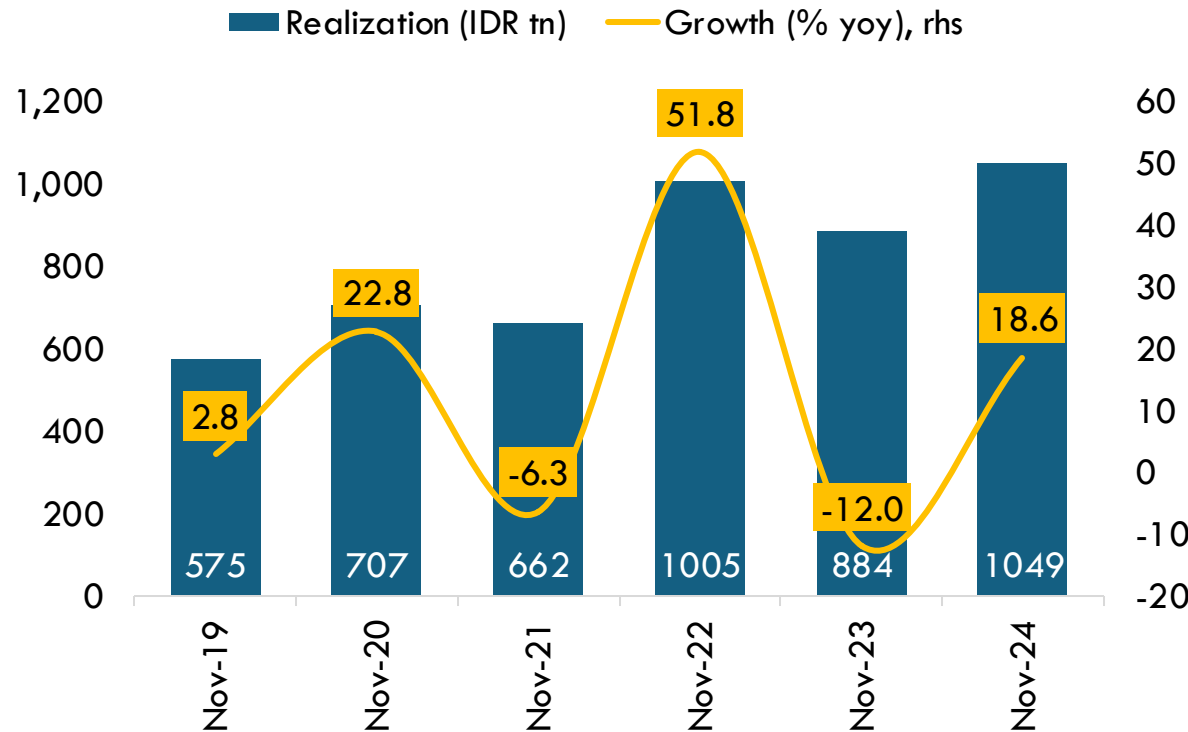
Realization to Budget



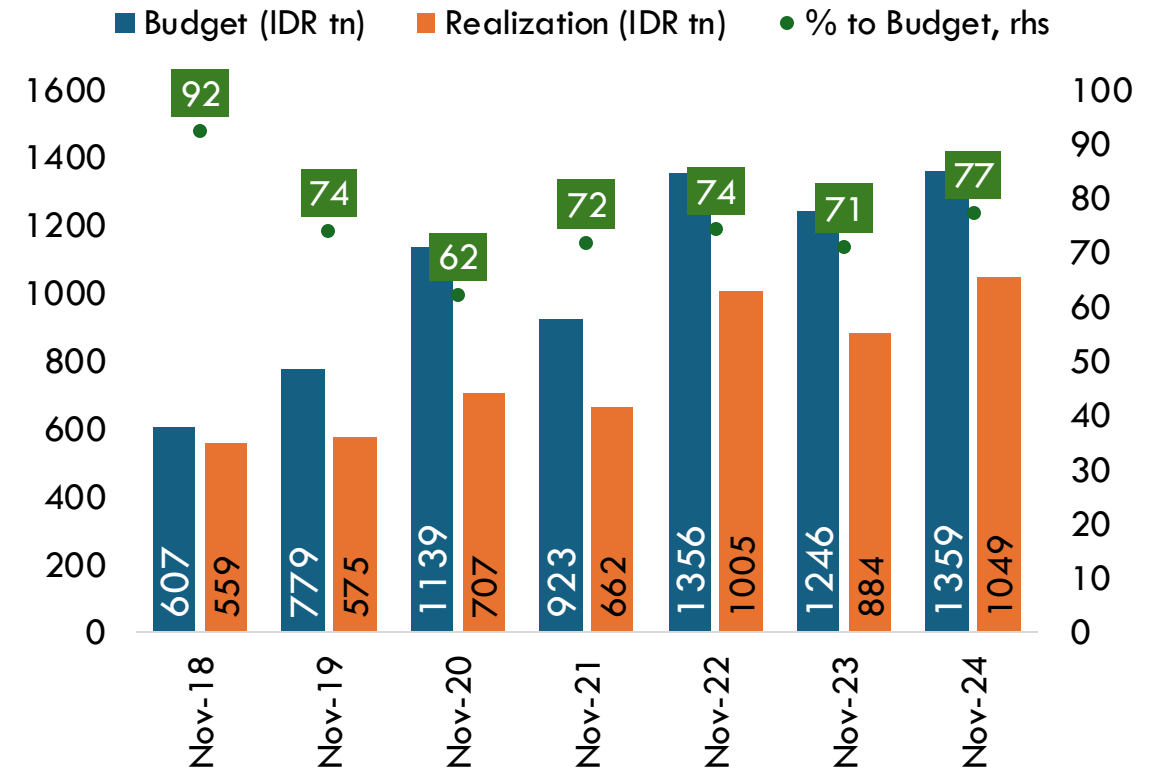
Non-Ministries/Agencies Spending

Non-K/L spending rose 18.6% yoy driven by acceleration in subsidies

Non-K/L Spending Growth



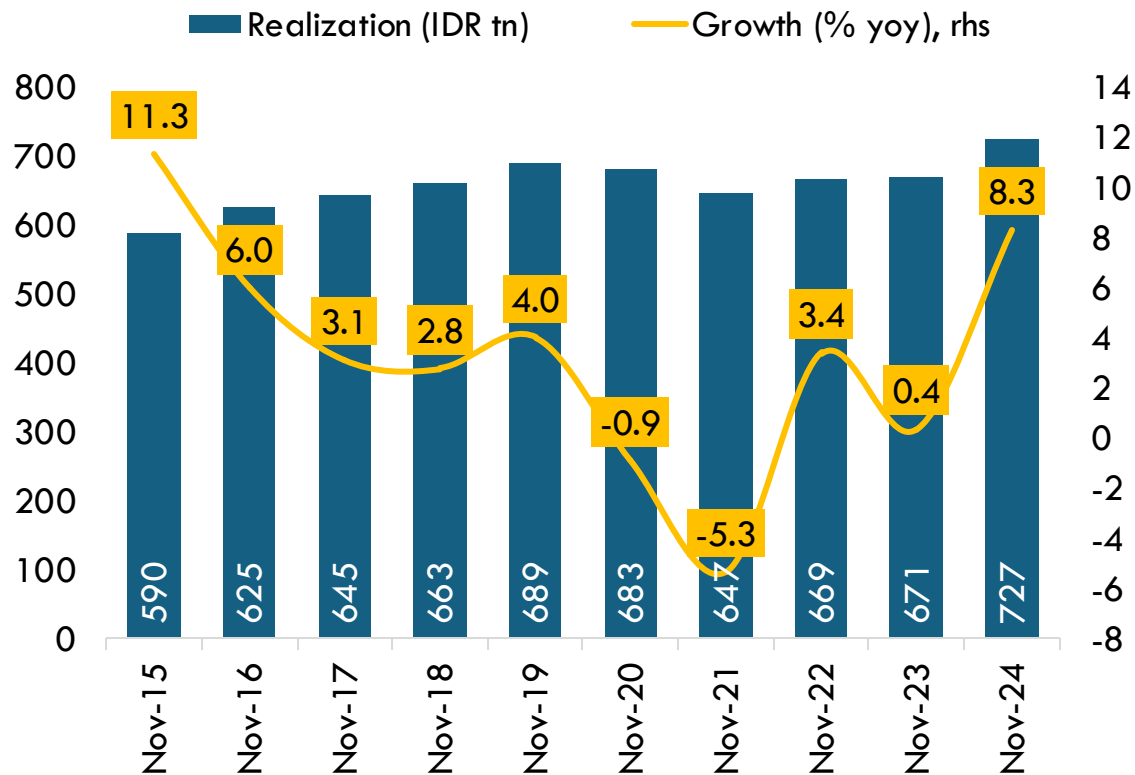
Non-K/L Spending Realization to Budget



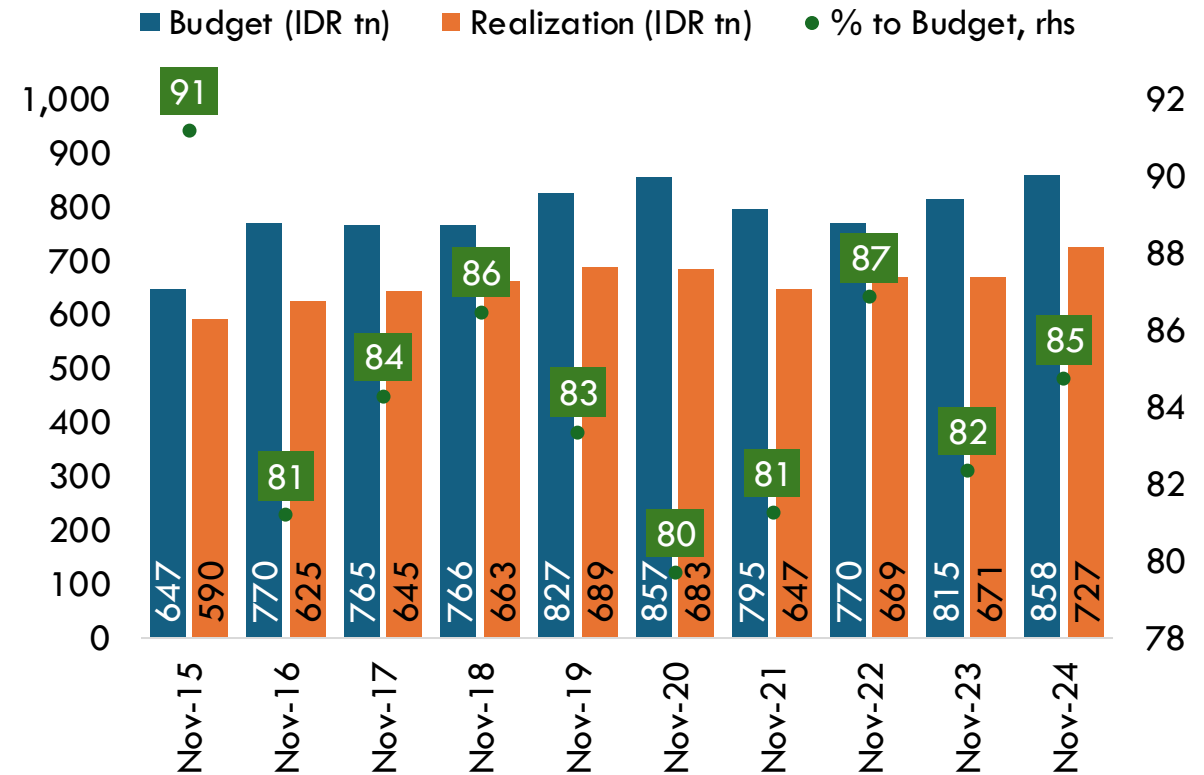
Regional Transfer

Regional transfers increased as local governments increased compliance in completing general allocation fund transfer requirements

Regional Transfer Growth



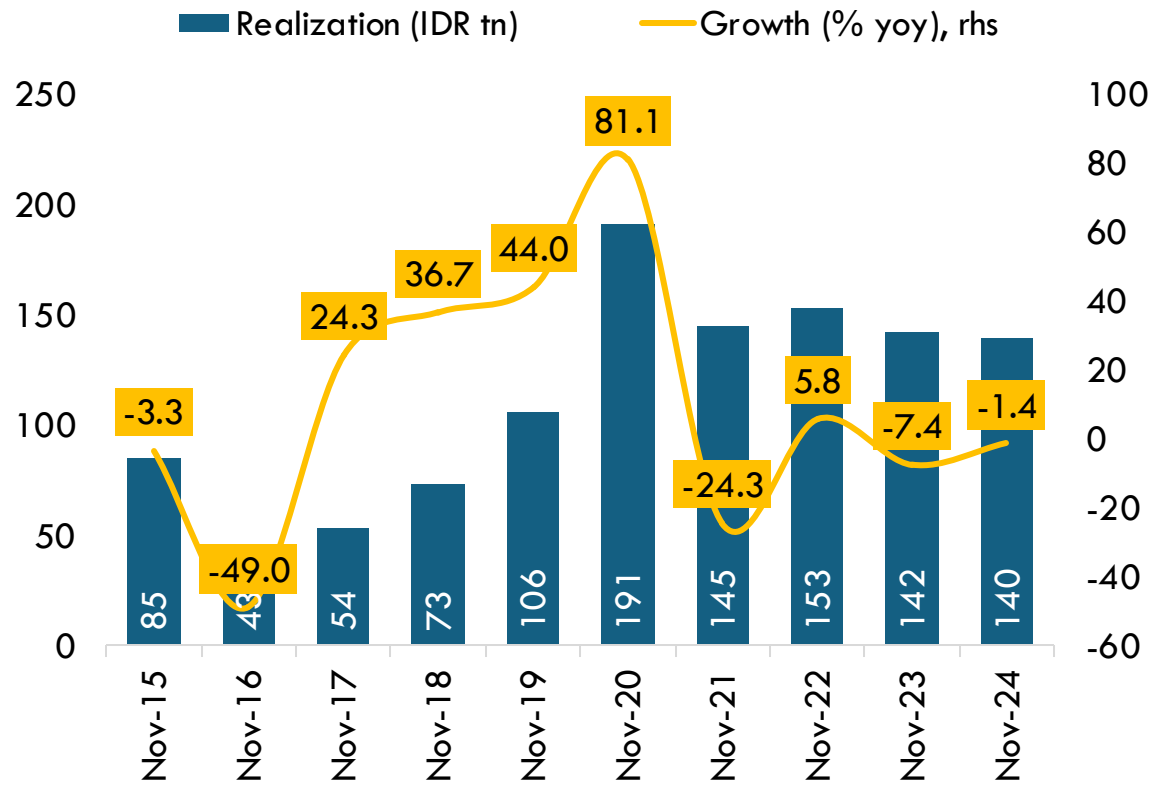
Regional Transfer Realization to Budget



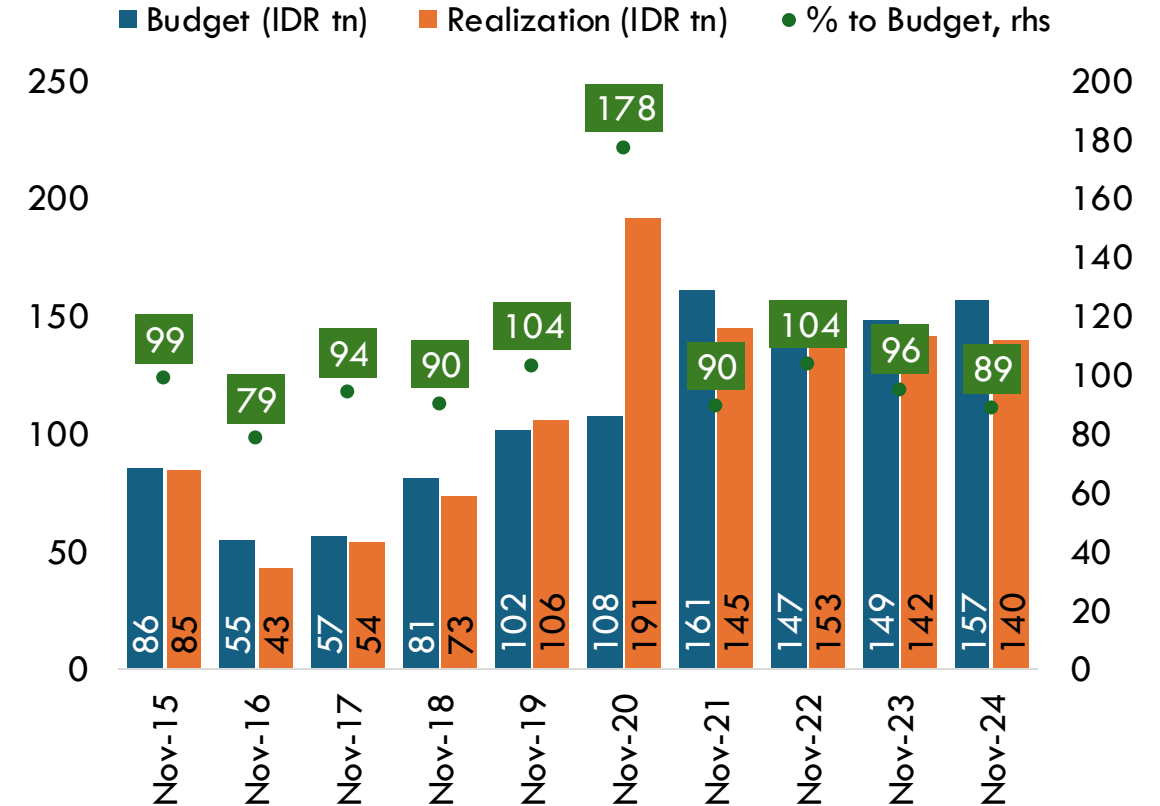
Social Assistance Budget Realization

The lower-than-target social assistance budget was due to the delay in the realization of social assistance at the end of the year

Social Assistance Growth



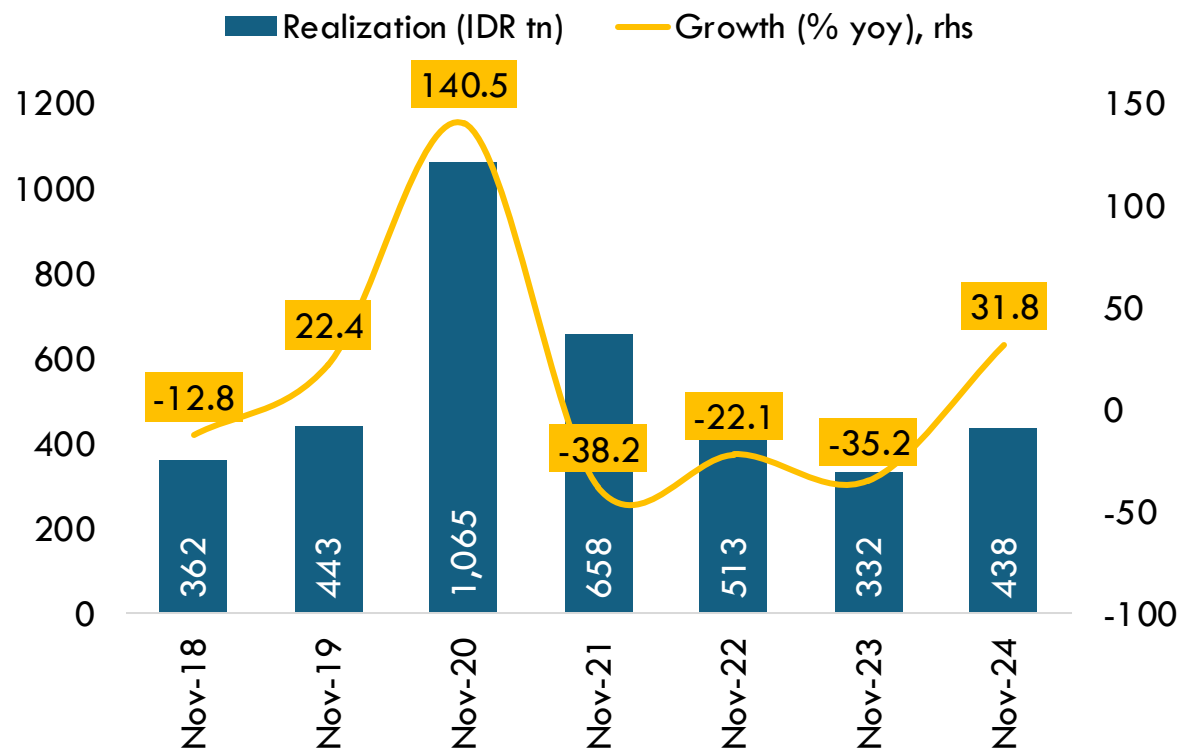
Social Assistance Realization to Budget



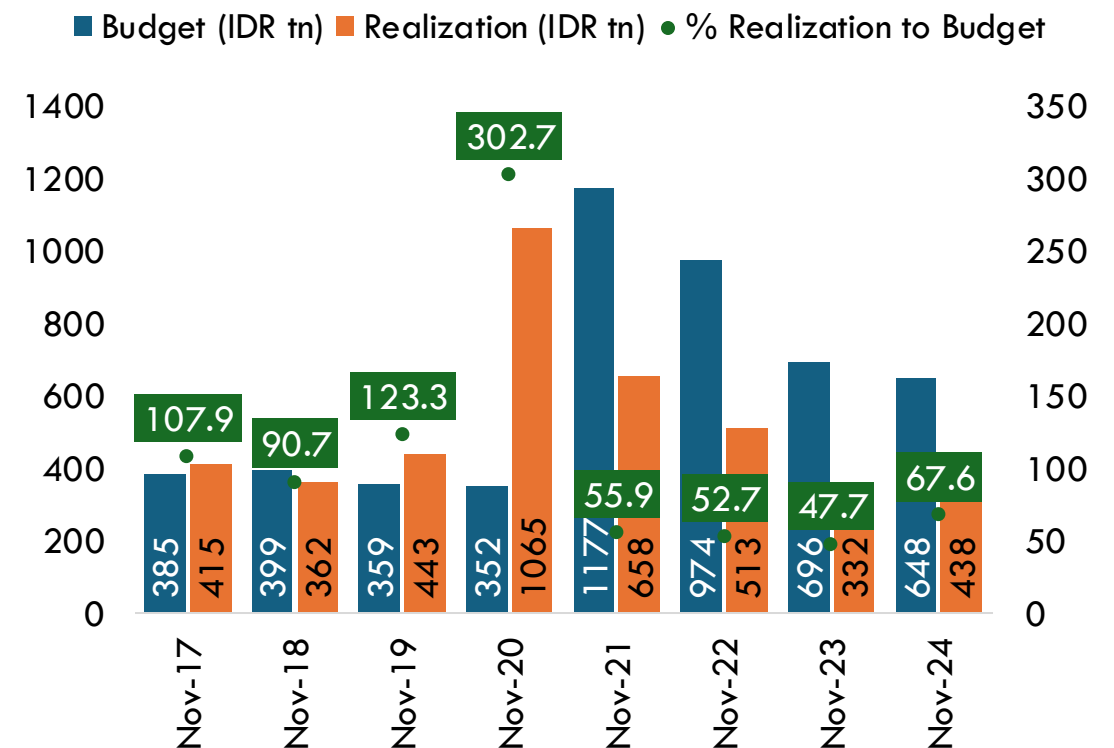
Government Financing

Budget financing reached 67.6% of the target, still relatively well-maintained as the government optimized other financing source (SAL)

Debt Financing Growth



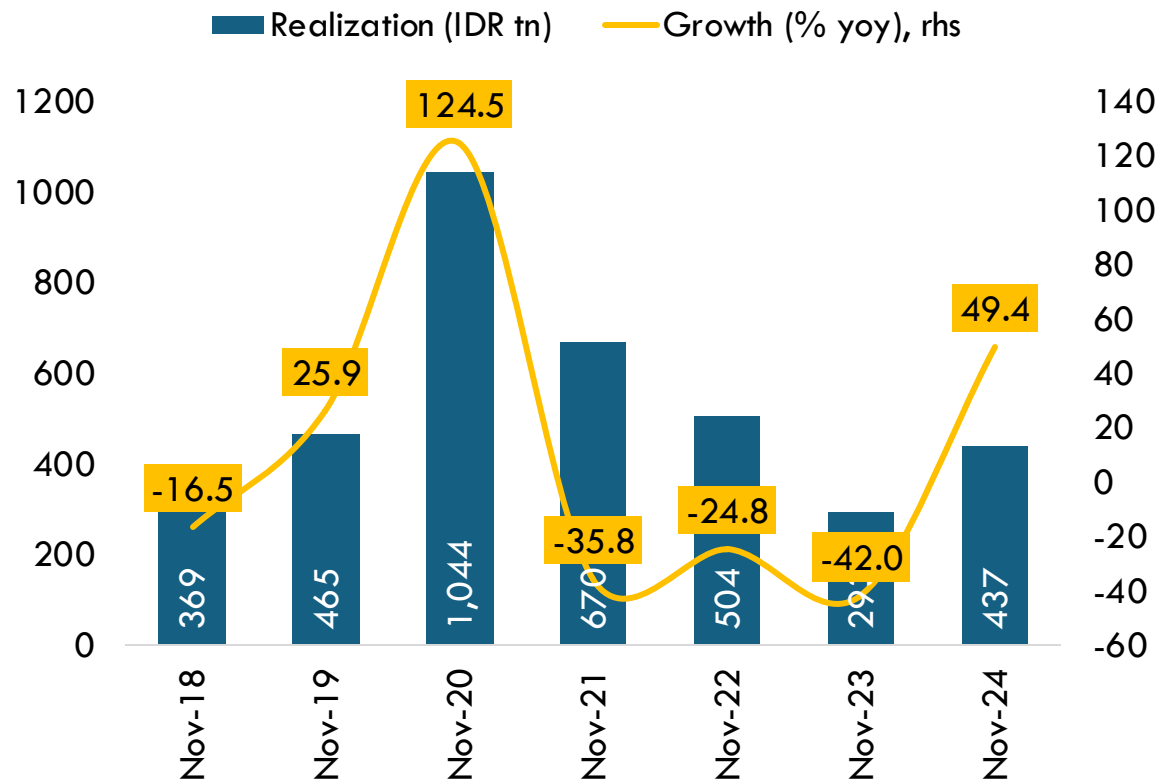
Debt Financing to Budget



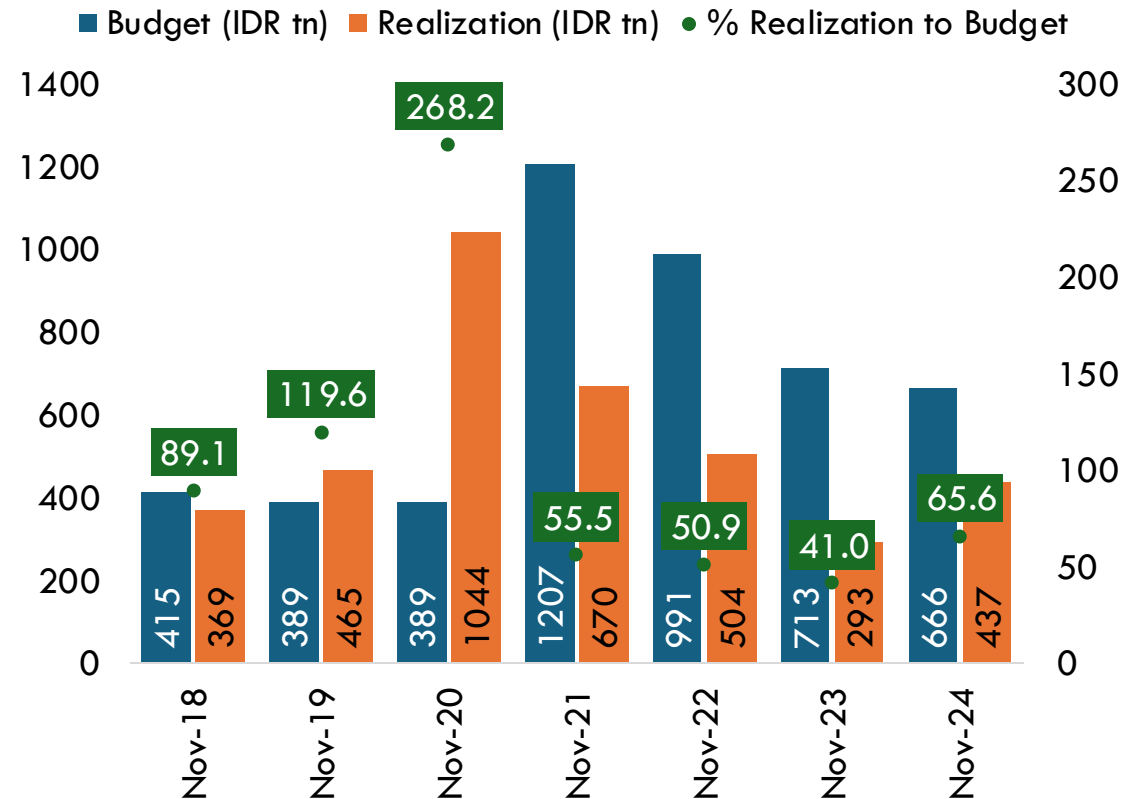
Bond Securities Financing

Bond issuance increased around 49.4% yoy, edged higher than previous year which was only IDR293 tn, driven by higher tax revenue

Government Securities (Nett) Growth

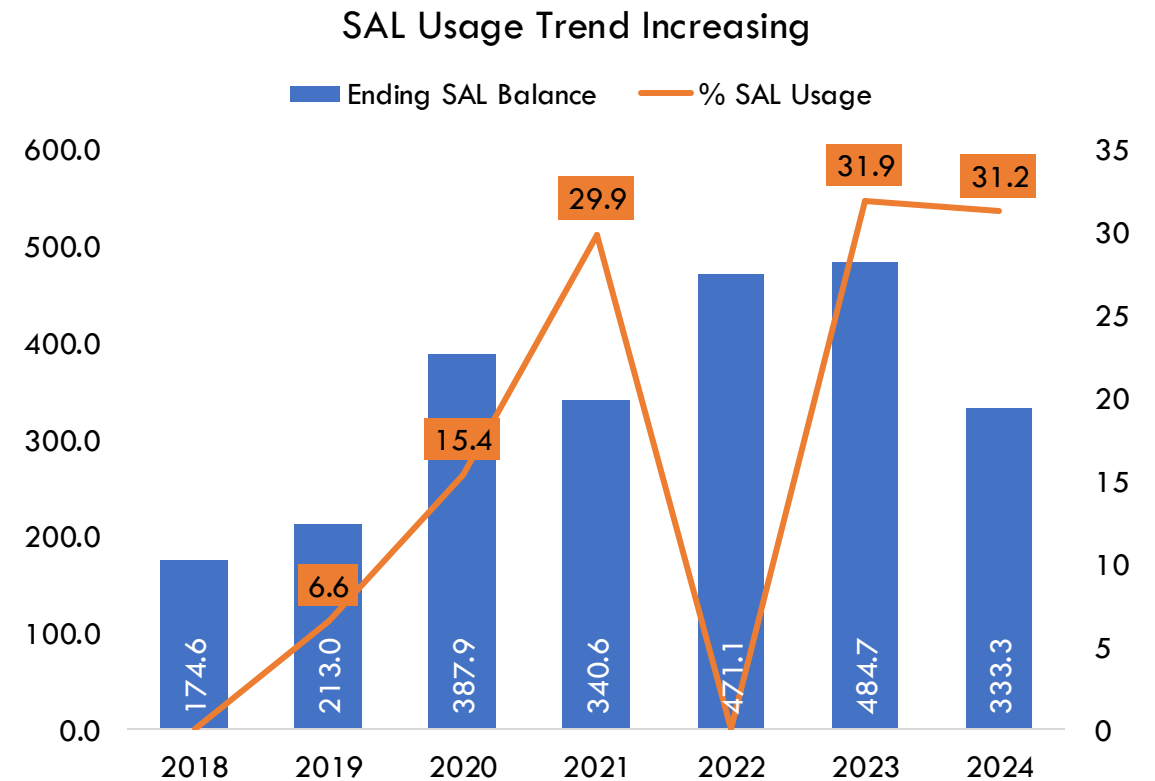
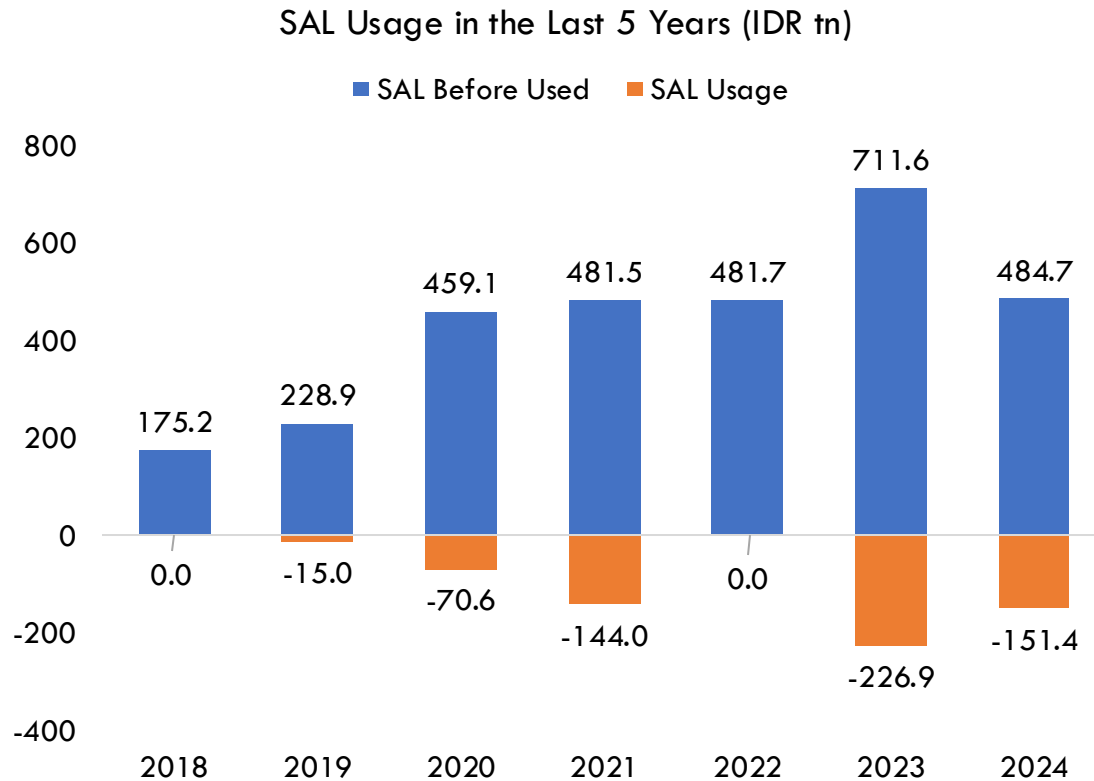


Government Securities (Nett) % Realization



Excess Budget Financing

The trend of SAL use is increasing, in line with the government's efforts to maintain the financing burden through bonds

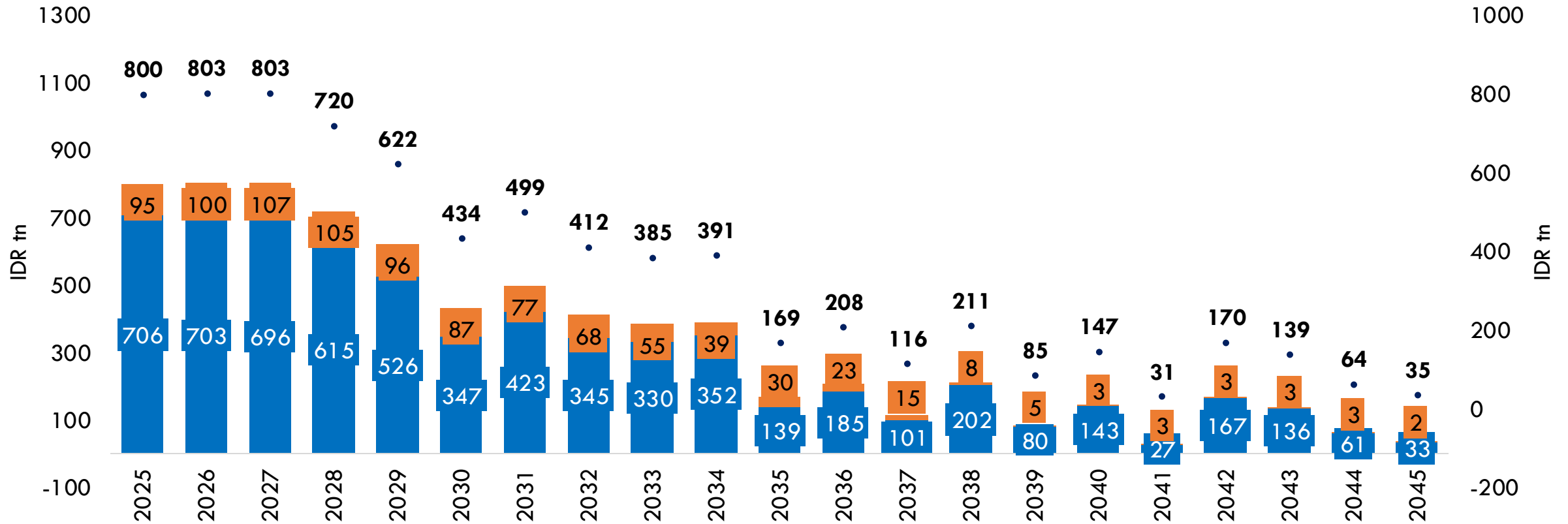


2025 Budget Challenge: Higer Debt Maturity in 2025

Indonesia's government debt maturity in 2025 reach IDR 800 tn

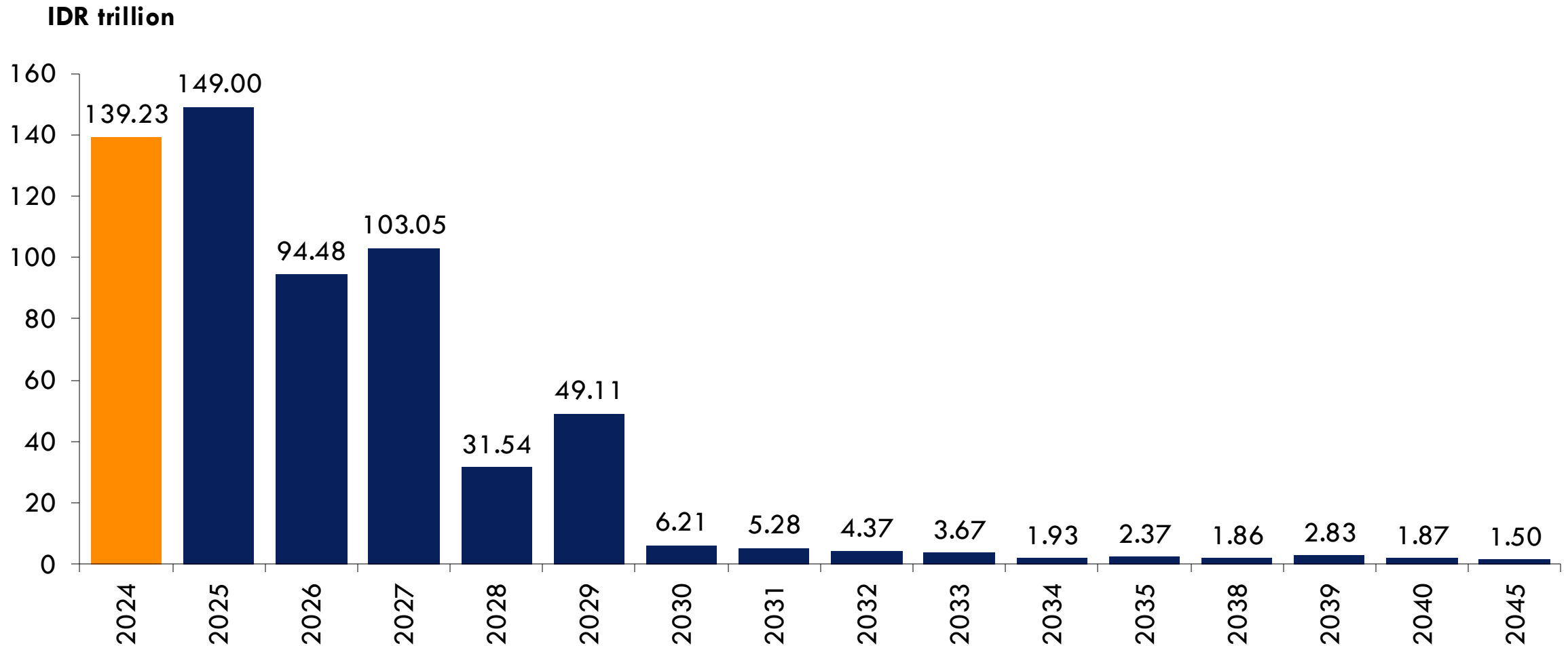
Government's Debt Maturity by Year

Government Bonds - lhs Loan - lhs Total Debt - rhs



Long-Term Corporate IDR Bond Maturity

Bond maturity expected to decline in the next 5 years, easing policy rate will encourage lower bond yield

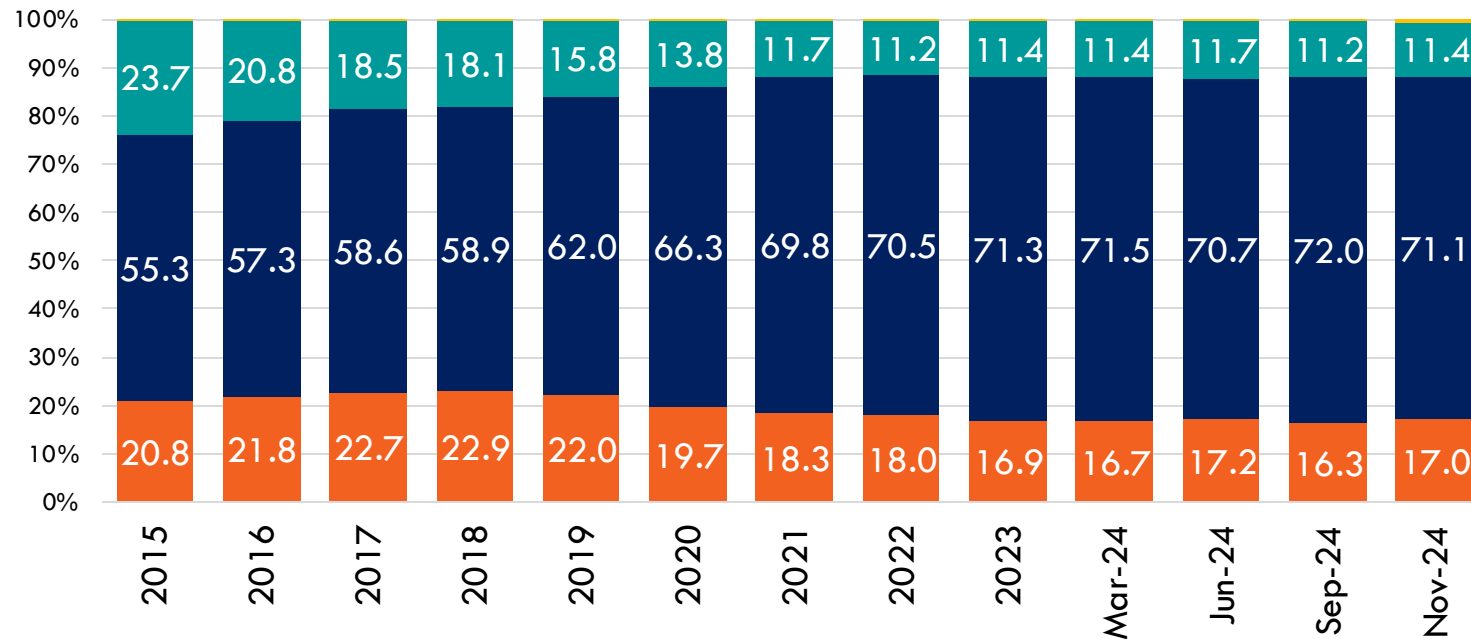


Indonesia's Government Debt by Type

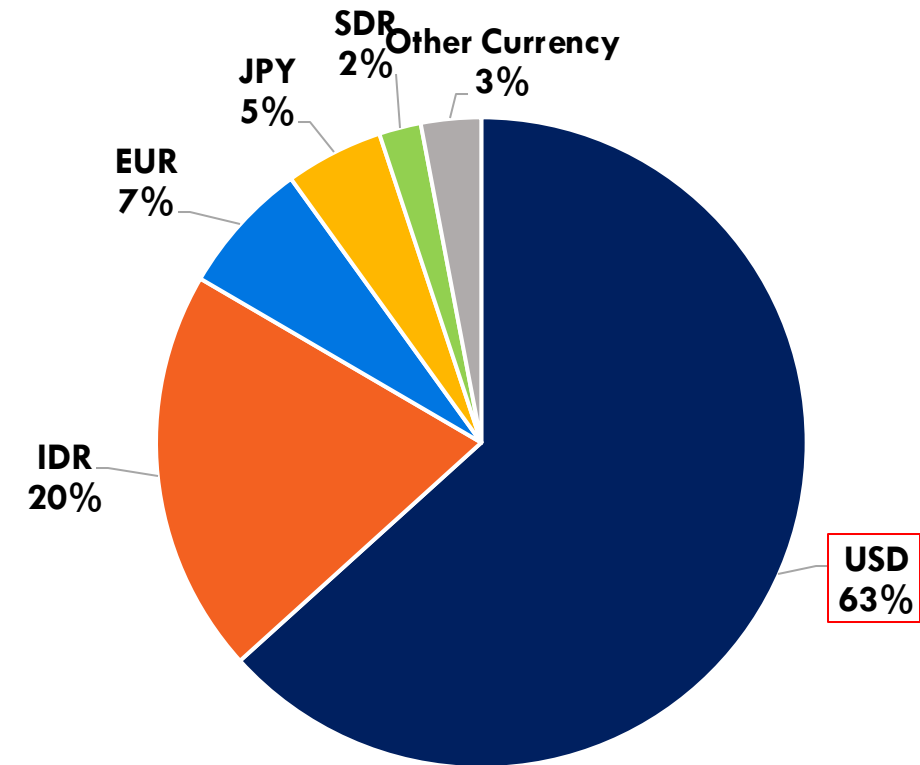
The portion of foreign bonds increased, while rupiah-denominated remained stable at around 70% of the total government debt position

Government Debt Composition (%)

- Domestic Loans
- External Loans
- Rupiah Denominated Government Securities
- Foreign Currency Denominated Government Securities



Proportion of External Debt by Currency (% , Oct-24)



Government Debt to GDP Ratio in Several Countries

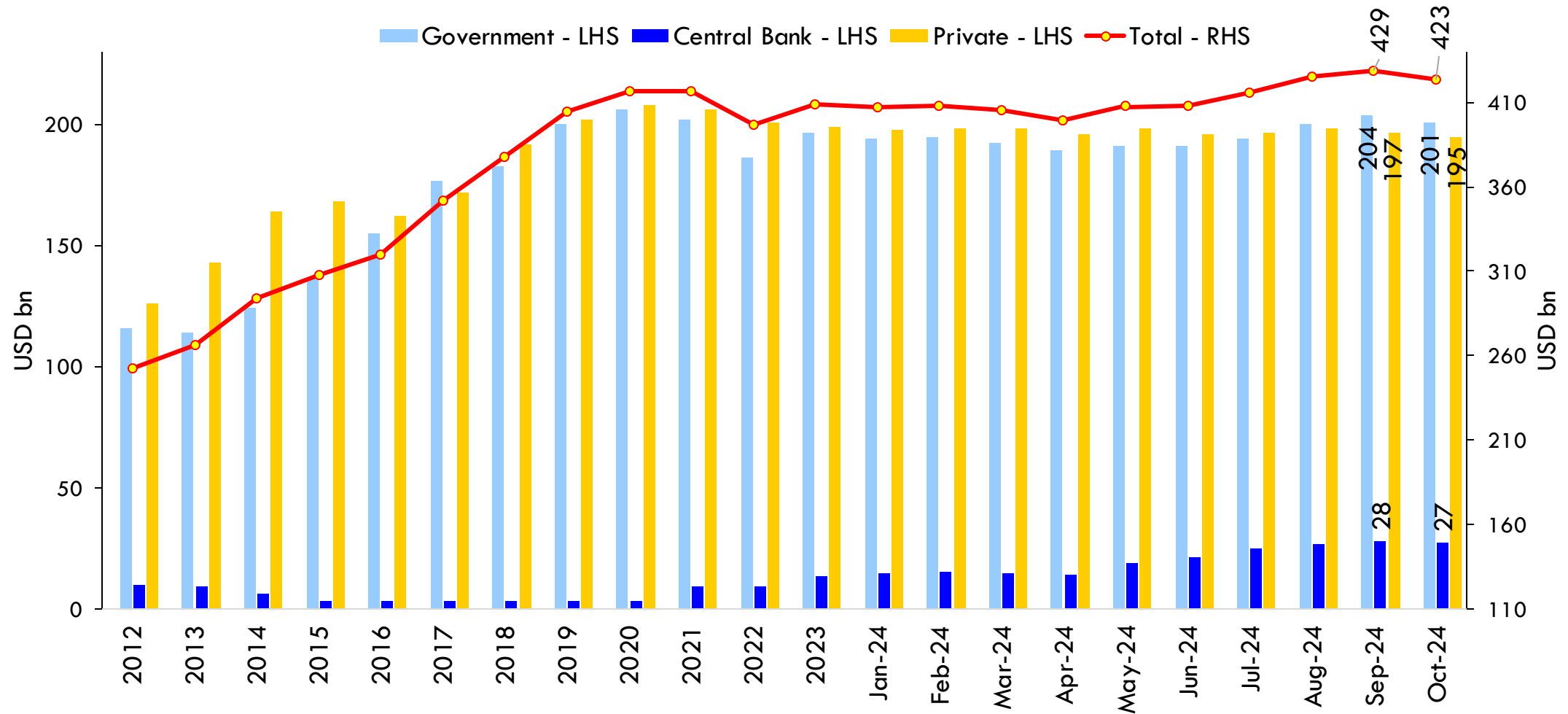
Indonesia's government debt to GDP is relatively lower than other countries

(% Government Debt to GDP)

	China	India	Indonesia	Japan	Korea	Malaysia	Philippines	Singapore	Thailand	United Kingdom	United States	Vietnam	Brazil
2014	40.0	67.1	24.6	233.3	37.9	55.4	40.3	97.7	43.3	87.1	104.2	43.6	61.6
2015	41.5	69.0	27.0	228.3	38.8	57.0	39.7	102.2	42.6	87.9	104.7	46.1	71.7
2016	50.7	68.9	28.0	232.4	39.1	55.8	37.4	106.5	41.7	87.8	106.6	47.9	77.4
2017	55.0	69.7	29.4	231.3	38.0	54.4	38.1	107.8	41.8	86.7	105.5	46.6	82.7
2018	56.7	70.4	30.4	232.4	37.9	55.6	37.1	109.4	41.9	86.3	106.8	43.8	84.8
2019	60.4	75.0	30.6	236.4	39.7	57.1	37.0	127.8	41.1	85.7	108.0	41.0	87.1
2020	70.2	88.4	39.7	258.4	45.9	67.7	51.6	148.1	49.4	105.8	131.8	41.3	96.0
2021	71.9	83.5	41.1	253.7	48.0	69.2	57.0	142.9	58.3	105.1	124.5	39.2	88.9
2022	77.4	81.7	40.1	256.3	49.8	65.5	57.4	158.2	60.5	99.6	118.6	34.7	83.9
2023	84.4	83.0	39.6	249.7	51.5	69.8	56.5	174.8	62.4	100.0	118.7	34.4	84.7
F	90.1	83.1	40.5	251.2	52.9	68.4	57.6	175.2	65.0	101.8	121.0	33.8	87.6
2025F	93.8	82.6	40.7	248.7	54.3	68.1	58.2	175.8	66.1	103.8	124.1	33.2	92.0
2026F	97.7	81.8	40.6	246.9	55.4	68.2	58.0	176.5	66.4	104.9	126.6	32.6	94.7
2027F	102.1	80.8	40.3	245.7	56.3	68.8	57.1	177.2	66.3	106.1	128.4	32.0	96.4
2028F	106.6	79.7	40.0	244.8	57.2	69.3	55.8	177.9	66.2	107.3	130.2	31.5	97.4
2029F	111.1	78.4	39.6	245.0	58.2	69.6	54.2	178.4	66.1	108.3	131.7	31.0	97.6

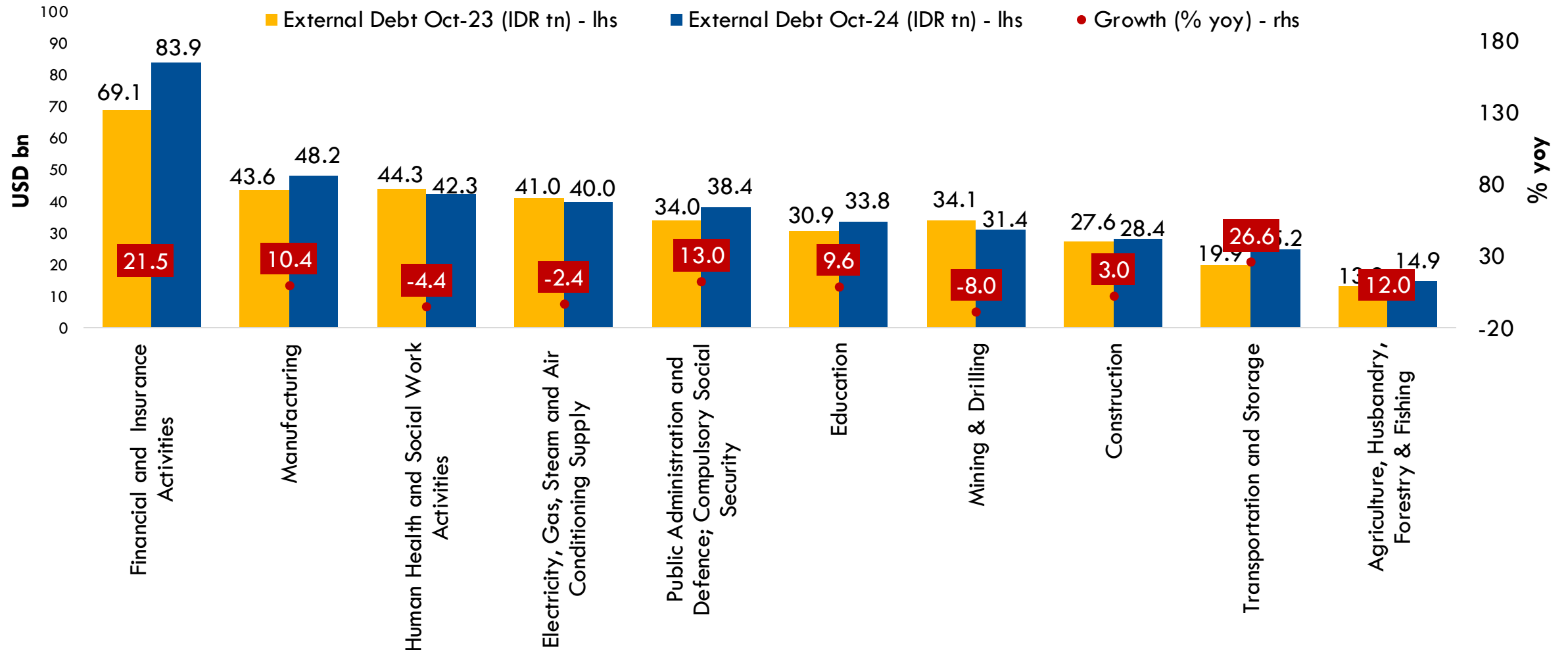
External Debt Position by Group of Borrower

External debt by government decreased in Oct-24



Private External Debt Position by Economic Sector

External debt from transportation and storage sector grew the highest by 26.6% yoy in Oct-24



External Debt Position by Remaining Maturity

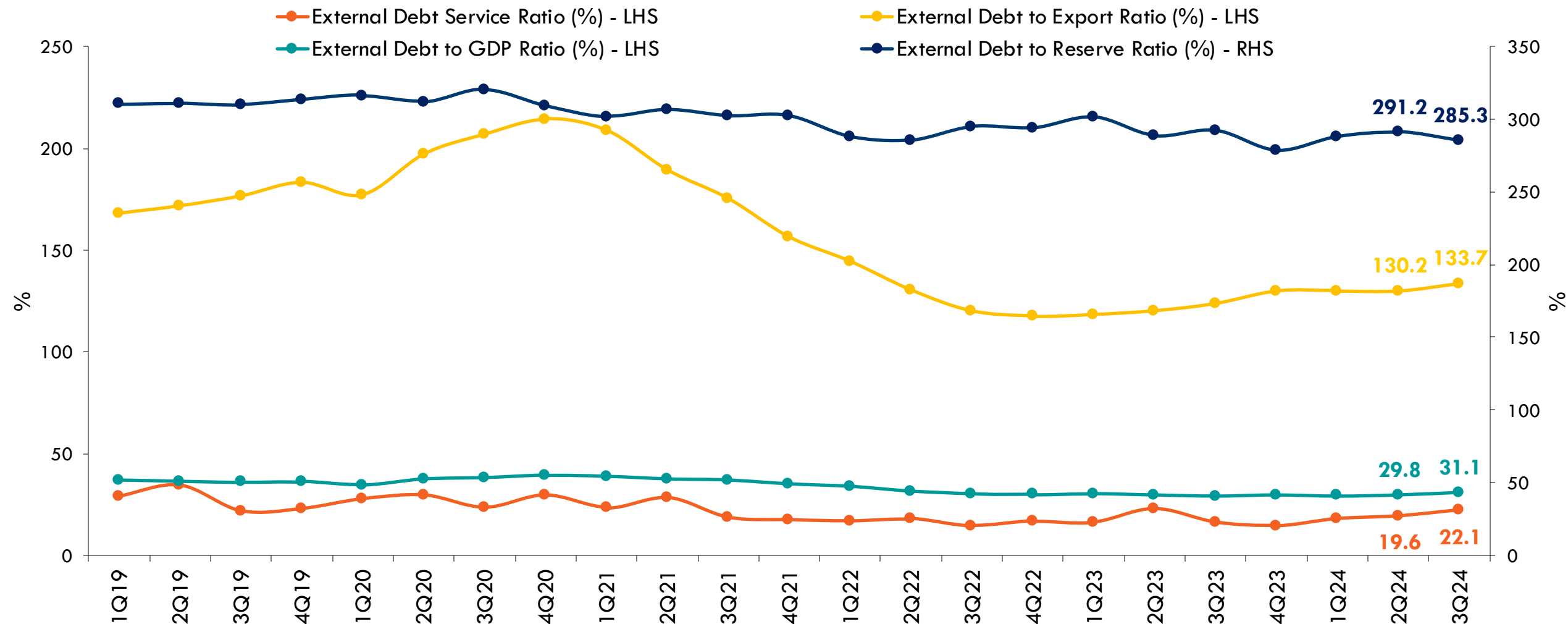
Share of government's short-term debt decreased in Oct-24

(USD mn)

Term	Borrower	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24	Sep-24 Share to total (%)	Oct-24 Share to total (%)
Short Term Debt ≤ 1 Year	Government	8,204	12,867	10,968	14,111	12,690	14,310	13,701	7,705	7,498	3.8	3.7
	Central Bank	491.0	354.0	283.0	21.0	27.0	871.9	5,116	19,268	18,889	69.7	69.6
	Private	46,127	46,319	52,063	51,121	46,713	51,466	51,159	50,839	50,596	25.8	25.9
Long Term Debt ≥ 1 Year	Government	169,114	170,330	188,909	192,264	187,485	172,164	182,935	196,435	193,640	96.2	96.3
	Central Bank	2,812	2,724	2,714	2,850	9,003	8,326	8,319	8,381	8,262	30.3	30.4
	Private	125,720	145,553	149,569	157,115	159,614	149,706	146,898	145,149	144,509	74.2	74.1
TOTAL	Government	177,318	183,197	199,876	206,375	200,175	186,474	196,636	204,140	201,139		
	Central Bank	3,304	3,078	2,996	2,871	9,030	9,198	13,434	27,649	27,151		
	Private	171,847	191,872	201,632	208,235	206,327	201,172	198,056	195,989	195,106		

External Debt Burden Indicators

Indonesia's external debt-to-GDP ratio in 3Q24 was 31.1%, increasing from the previous quarter



External Debt Service Ratio = Ratio of External Debt to Reserve Assets

Source: Bank Indonesia

Office of Chief Economist

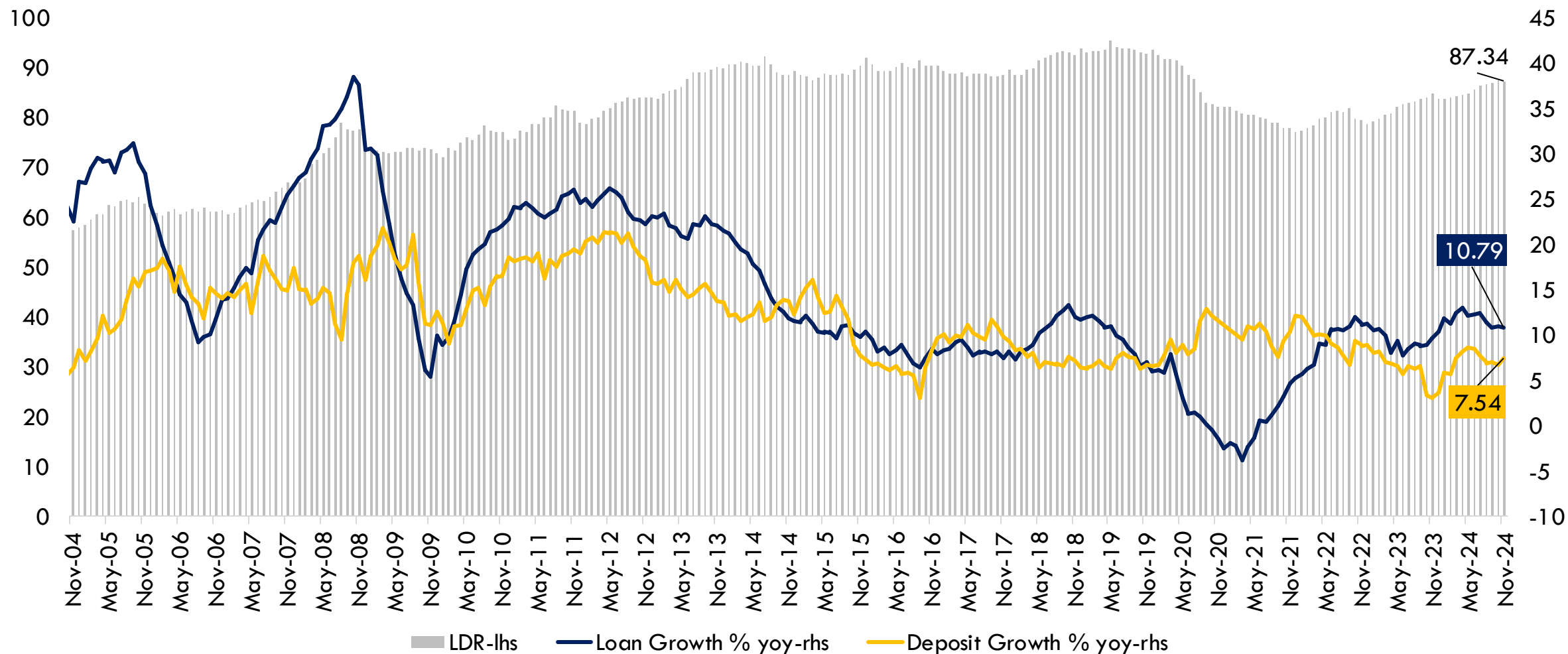
INDONESIA BANKING SECTOR



Loan Growth, Deposit Growth and Liquidity

Bank lending remained strong, supported by strong demand and accommodative macroprudential policy.

Deposit growth recovers but remains below the pace of loan growth



Loan and Deposit Growth of Banking Sector

Deposit Growth slowing down in Oct-24

Year/Month	Deposit (IDR tn)	% yoy	% mom	Loan (IDR tn)	% yoy	% mom
2016	4,837	9.6		4,377	7.9	
2017	5,289	9.4		4,738	8.2	
2018	5,630	6.5		5,295	11.8	
2019	5,999	6.5	0.9	5,617	6.1	1.7
2020	6,665	11.1	0.5	5,482	-2.4	0.6
2021	7,478	12.2	2.0	5,767	5.2	1.0
2022	6,423	9.0	1.3	6,423	11.4	1.9
	8,458	3.7	2.9	7,090	10.4	1.8
Jul-24	8,687	7.7	-0.4	7,515	12.4	0.5
Aug-24	8,650	7.0	-0.4	7,508	11.4	-0.1
Sep-24	8,721	7.0	0.8	7,579	10.9	1.0
Oct-24	8,751	6.7	0.3	7,657	10.9	1.0

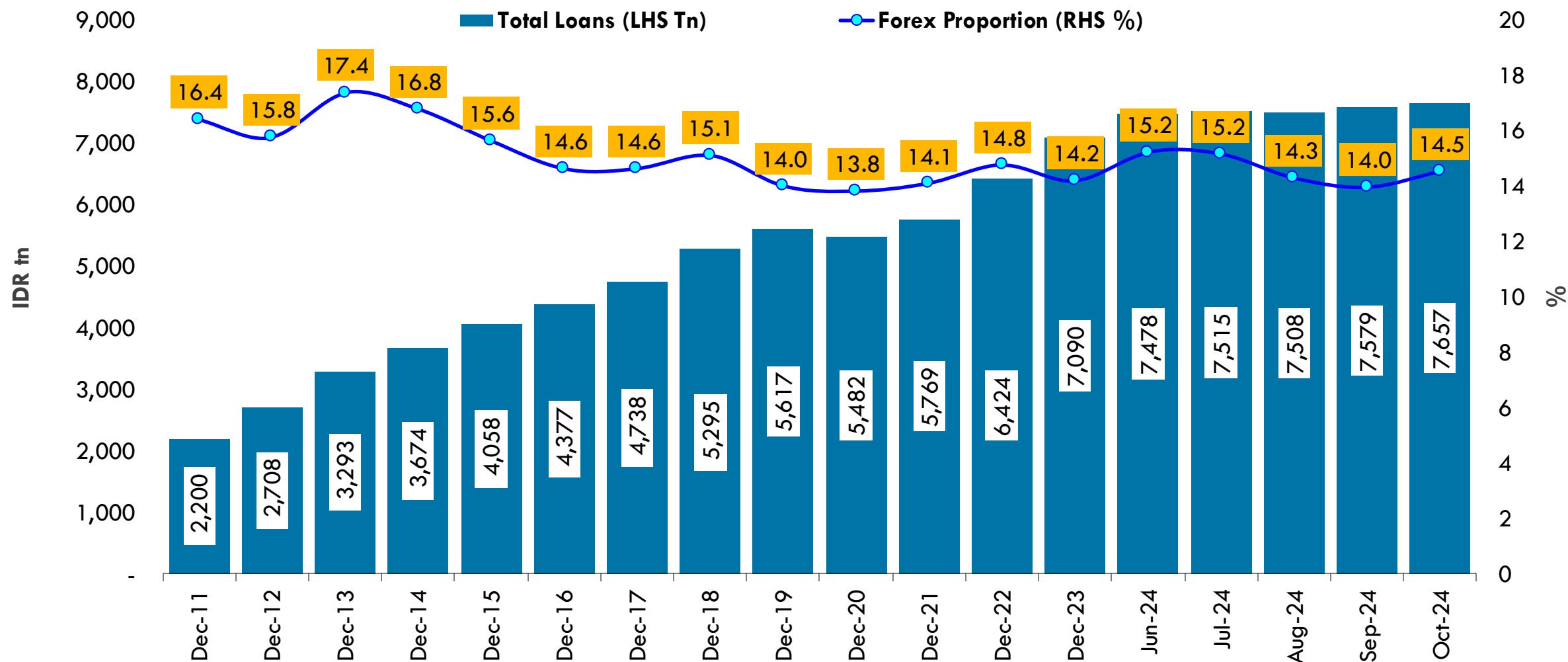
Loan Growth by Currencies

Forex Loans growth accelerated in Oct-24

Year/Month	IDR Loans (IDR tn)	% yoy	% mom	Forex Loans (IDR tn)	% yoy	% mom
2012	2,281	24.0		427	18.2	
2013	2,721	19.3		572	34.1	
2014	3,058	12.4		616	7.7	
2015	3,423	11.9		635	3.0	
2016	3,737	9.2		641	0.9	
2017	4,045	8.2		693	8.2	
2018	4,494	11.1		800	15.5	
2019	4,831	7.5	1.7	786	-1.8	1.8
2020	4,724	-2.2	0.7	758	-3.6	0.1
2021	4,956	4.9	1.3	813	7.3	0.0
2022	5,475	10.5	1.6	948	16.6	-1.1
2023	6,083	11.1	2.0	1008	6.3	0.5
Aug-24	6,434	11.1	0.9	1073	13.1	-5.8
Sep-24	6,521	11.2	1.3	1059	8.6	-1.4
Oct-24	6,544	11.1	0.4	1113	9.6	5.1

Proportion of FX Loan to Total Loan

Proportion of foreign currency loans to total loans increased in Oct-24



Vehicle and Mortgage Loan

Mortgage loan growth increased in Oct-24

Year/Month	Vehicles Ownership Loan (IDR tn)	% yoy	% mom	% Share*	Mortgage Loan (IDR tn)	% yoy	% mom	% Share*
2012	99	-6.7			211	15.8		
2013	104	5.9			269	27.1		
2014	123	17.9			303	12.7		
2015	121	-2.1			326	7.7		
2016	118	-2.0			354	8.4		
2017	125	5.4			393	11.1		
2018	140	12.8			445	13.3		
2019	140	0.0	-0.1	2.5	480	7.8	0.9	8.5
2020	106	-24.7	-2.1	1.9	497	3.5	0.7	9.1
2021	99	-6.3	0.8	1.7	544	9.5	1.0	9.4
2022	116	17.0	1.3	1.8	587	7.8	0.9	9.1
2023	131	13.3	2.0	1.9	660	12.5	0.8	9.3
Aug-24	136	8.4	0.1	1.8	707	11.0	0.4	9.4
Sep-24	138	9.0	1.5	1.8	709	10.4	0.2	9.4
Oct-24	140	10.0	1.4	1.8	716	10.4	0.9	9.3

*) Share to total loan
Source: OJK

Investment and Working Capital Loan

Investment Loan growth accelerated in Oct-24

Year/Month	Investment Loan (IDR tn)	% yoy	% mom	% Share*	Working Capital Loan (IDR tn)	% yoy	% mom	% Share*
2012	591	27.4			1,317	23.2		
2013	798	35.0			1,586	20.4		
2014	903	13.2			1,757	10.8		
2015	1,036	14.7			1,916	9.0		
2016	1,125	8.6			2,049	6.9		
2017	1,180	4.8	1.8	24.9	2,223	8.5	3.9	46.9
2018	1,309	10.9	2.8	24.7	2,512	13.0	3.3	47.5
2019	1,481	13.2	2.3	26.4	2,576	2.5	1.7	45.9
2020	1,469	-0.8	0.9	26.8	2,465	-4.3	0.6	45.0
2021	1,528	4.0	0.6	26.5	2,621	6.3	1.5	45.4
2022	1,711	12.0	-0.5	26.6	2,940	12.2	2.2	45.8
2023	1,921	12.3	1.9	27.1	3,236	10.1	2.1	45.6
Aug-24	2,056	13.1	-1.0	27.4	3,390	10.8	-0.1	45.2
Sep-24	2,064	12.3	0.4	27.2	3,434	10.0	1.3	45.3
Oct-24	2,122	13.6	2.8	27.7	3,431	9.3	-0.1	44.8

*) Share to total loan

Source: OJK

Percentage of Undisbursed Loan

The proportion of undisbursed loans relative to total loans remained relatively flat in Oct-24

Year/Month	Undisbursed Loan (IDR tn)	% Total Loan	Total Loan (IDR tn)
2012	817	30.2	2,708
2013	1,013	30.8	3,293
2014	1,138	31.0	3,674
2015	1,220	30.1	4,058
2016	1,304	29.8	4,377
2017	1,408	29.7	4,738
2018	1,545	29.2	5,295
2019	1,603	28.5	5,617
2020	1,643	30.0	5,482
2021	1,705	29.6	5,769
2022	2,143	33.4	6,424
2023	2,028	28.6	7,090
Aug-24	2,155	28.7	7,508
Sep-24	2,143	28.3	7,579
Oct-24	2,184	28.5	7,657

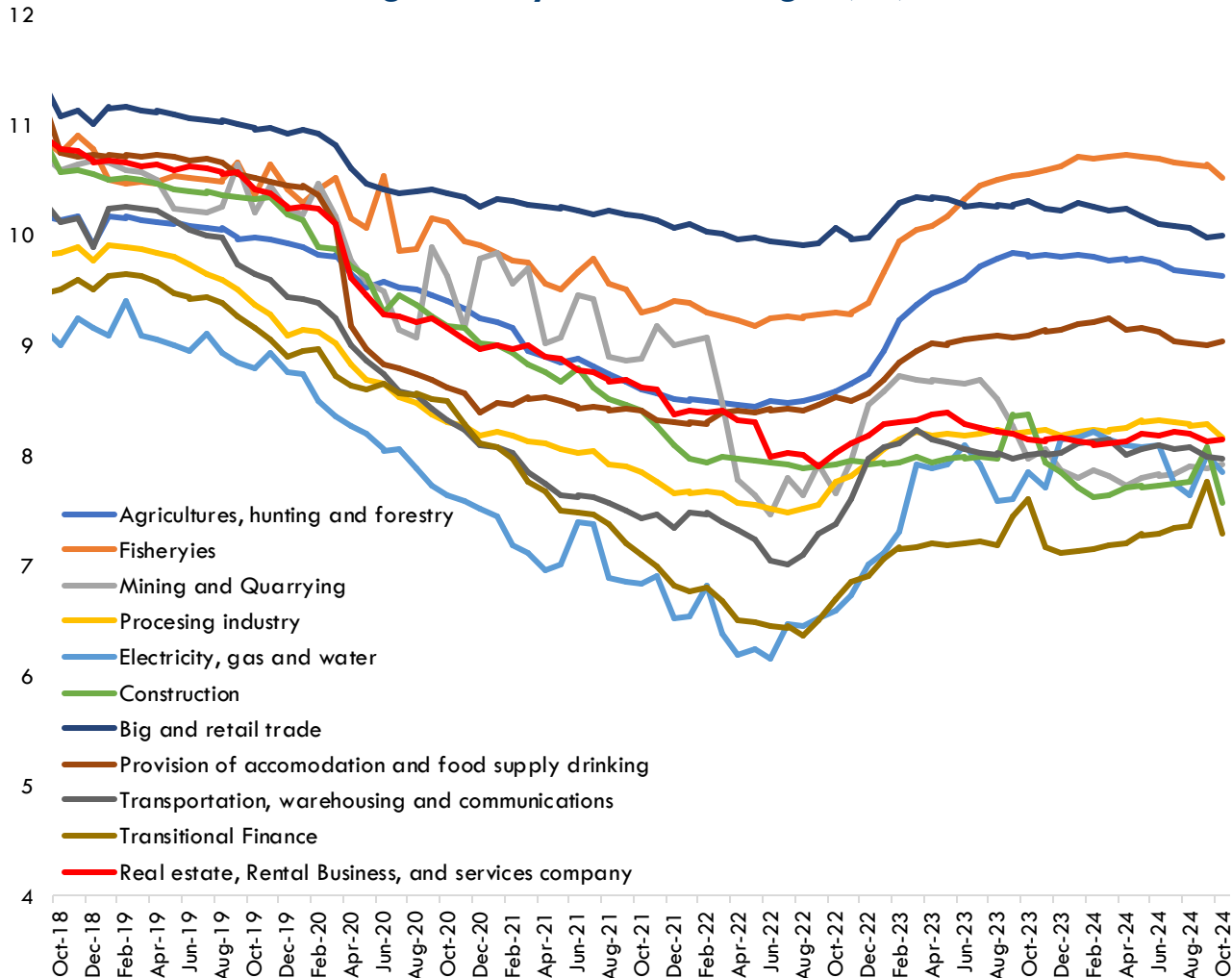
Loan Growth by Sector, still driven by commodity and services sector

Loan By Industries	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Oct-23	Oct-24	% Proportion to total loans
Wholesale and Retail Trade	11.3	10.6	6.2	5.2	10.2	3.1	-6.3	3.4	7.1	9.1	5.70	8.33	15.72
Procesing	14.3	15.1	2.9	5.4	9.1	3.6	-4.1	6.4	12.2	4.7	4.16	7.53	15.49
Agricultures, Hunting and Forestry	19.9	20.0	11.3	11.8	11.8	4.2	4.2	7.8	10.3	8.6	8.62	7.60	6.82
Financial intermediaries	9.9	-0.9	17.8	10.4	14.1	2.2	-13.4	3.9	36.1	20.9	22.90	24.31	5.58
Transportation, Warehousing and Communications	5.1	3.3	-3.2	6.3	19.0	13.6	7.8	15.0	2.2	19.3	14.30	16.11	5.46
Construction	26.9	17.4	24.2	20.6	22.1	14.6	3.9	1.0	4.3	-0.4	-0.68	-0.06	5.15
Real Estate, Business, Ownership, and Business Services	-14.3	11.7	13.7	5.7	11.8	8.5	-3.5	2.1	18.6	13.2	13.86	5.75	4.80
Mining and Quarrying	11.8	-4.6	-6.6	-10.1	21.4	-2.6	-7.2	23.4	54.3	22.4	15.23	25.69	4.60
Electricity, Gas and Water	2.1	22.6	36.2	7.9	16.5	16.5	-14.8	-5.4	1.6	13.3	4.36	23.77	2.72
Community, Sociocultural, Entertainment and Other Individual Services	25.8	-14.4	1.2	23.3	10.4	3.3	8.4	7.0	19.8	38.3	35.27	12.12	2.19
Provision of accomodation and the provision of eating and drinking	24.1	16.7	8.8	4.8	1.9	10.1	5.8	3.9	2.4	5.8	4.33	6.77	1.80
Government	-11.6	17.2	13.8	48.4	14.9	15.3	6.9	11.0	27.9	49.0	49.30	47.23	1.11
Health Services and Social Activities	21.4	74.3	-21.0	12.5	18.9	47.9	-15.8	0.9	10.6	18.7	23.29	11.95	0.54
Fisher	20.4	14.9	7.2	18.9	7.7	16.3	13.6	16.6	5.6	5.4	5.66	-1.74	0.27
Education Services	21.4	22.3	5.2	18.1	22.0	15.2	-4.2	2.9	6.5	13.3	12.22	7.36	0.23
Individual Services which Serve Households	44.4	22.0	-2.4	3.8	-1.0	25.8	-12.5	29.5	2.9	0.4	-0.74	-6.79	0.05
International Agency and Other Extra Agency International	-33.7	-47.8	109.5	-32.7	11.2	61.8	28.1	1.9	-94.1	-17.0	60.93	1283.45	0.00
Business Activities which are not clearly defined	298.9	-24.7	-11.3	-74.1	-18.0	-12.5	26.0	-71.3	-	-	-	-!	0.00
Total Industries	11.7	11.0	7.5	7.2	12.3	6.2	-3.0	5.4	12.1	10.9	8.88	10.89	72.5
For Home Ownership	12.71	7.73	8.37	11.10	13.31	7.80	3.47	9.55	7.82	6.85	12.61	10.39	9.35
For Apartement Ownership	10.08	-1.66	-0.73	19.49	28.97	12.03	2.31	14.34	7.07	4.83	5.39	5.90	0.41
For Shop House Ownership	3.96	2.35	3.17	-1.11	-5.79	-4.73	-9.60	-5.60	1.08	-0.96	3.91	31.11	0.37
For Vehicles Ownership	17.91	-2.12	-2.01	5.42	12.78	-0.04	-24.66	-6.31	17.01	16.27	13.41	9.98	1.83
For Ownership of Other Household Appliances/Others	32.27	16.96	8.94	15.78	11.92	7.52	3.16	3.23	11.27	9.37	6.45	11.32	11.67
Non Industrial Origin Others	-18.53	4.75	17.31	4.95	1.08	1.85	-5.39	3.78	5.10	8.84	9.18	11.02	3.85
Total Non Industrial	11.38	9.09	8.76	11.04	10.35	5.83	-0.77	4.72	9.37	8.68	9.28	11.01	27.5
Total Loans	11.58	10.44	7.87	8.24	11.75	6.08	-2.41	5.24	11.35	10.38	8.99	10.92	100

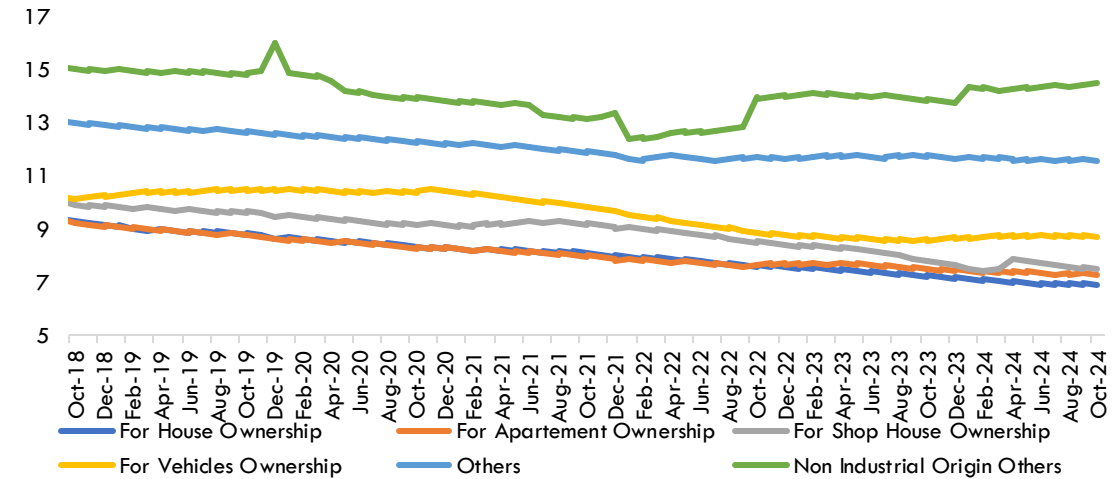
Lending Rate by Sector and Type

The pace of lending rate hikes have moderated for most sectors

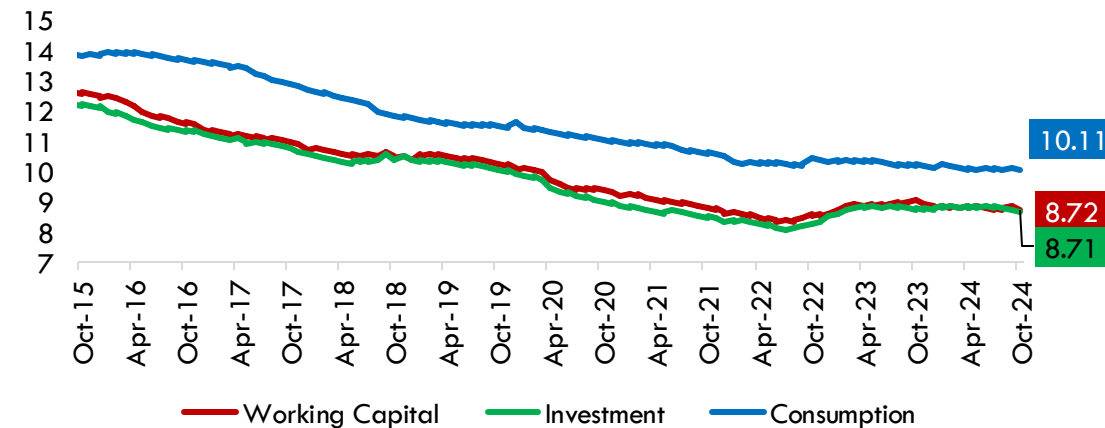
Lending rates by industrial origin (%)



Lending rates for consumer segments (%)

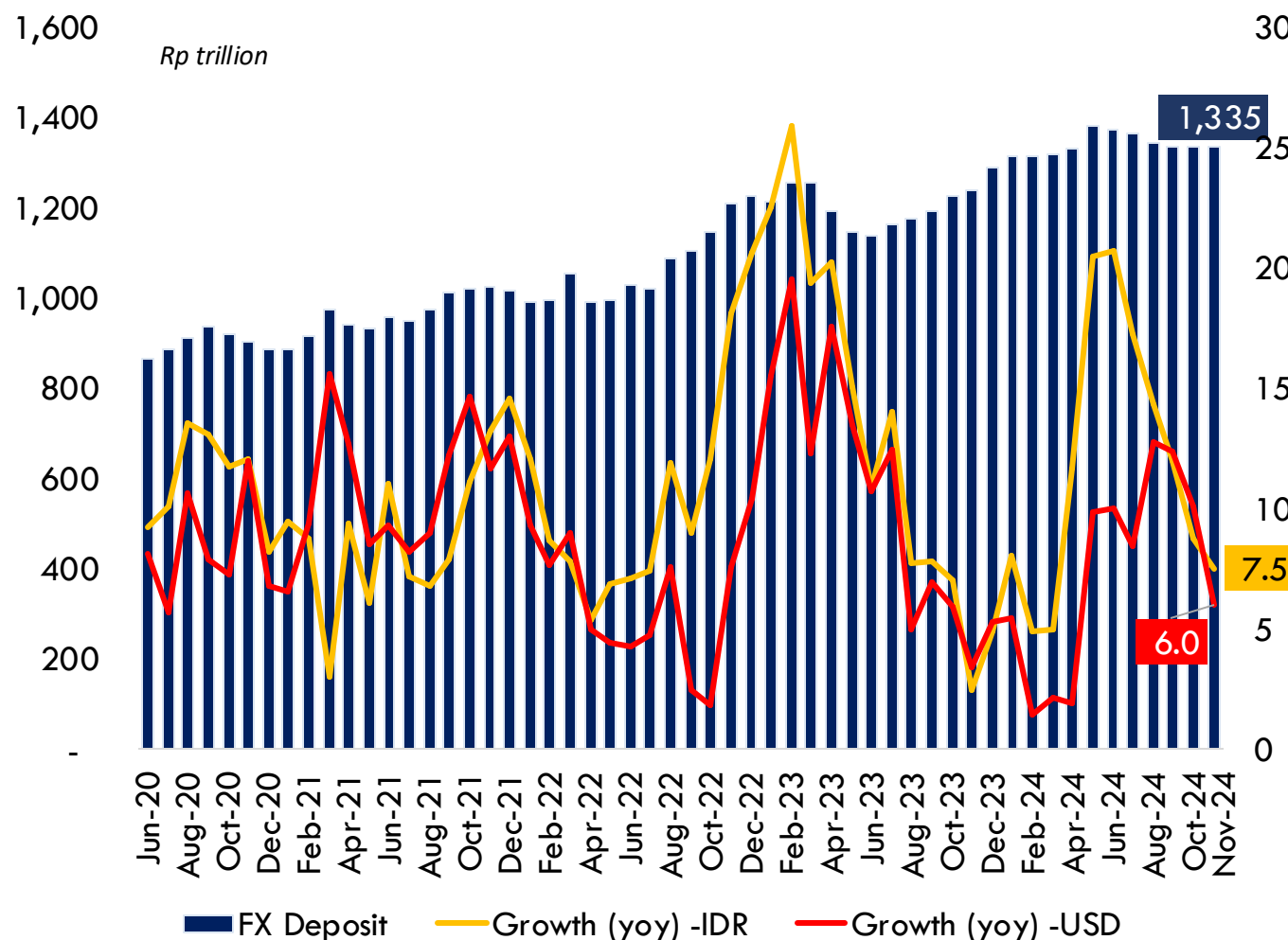


Interest rate by type of loan %



FX deposit growth weakens in November

Forex Deposit TPF (LPS Data)



Year	Forex Deposit			Kurs
	in IDR bn	in USD bn	Growth (%yoy)	Rp/USD
2018	771,945	53.3	1.13	14,496
2019	821,313	58.6	10.1	14,010
2020	888,992	63.0	7.5	14,105
2021	1,018,847	71.3	13.1	14,293
2022	1,229,027	78.9	10.4	15,568
2023	1,289,018	83.1	5.3	15,507
Nov-23	1,241,850	77.6	3.4	15,594
Nov-24	1,335,244	84.4	6.0	15,182

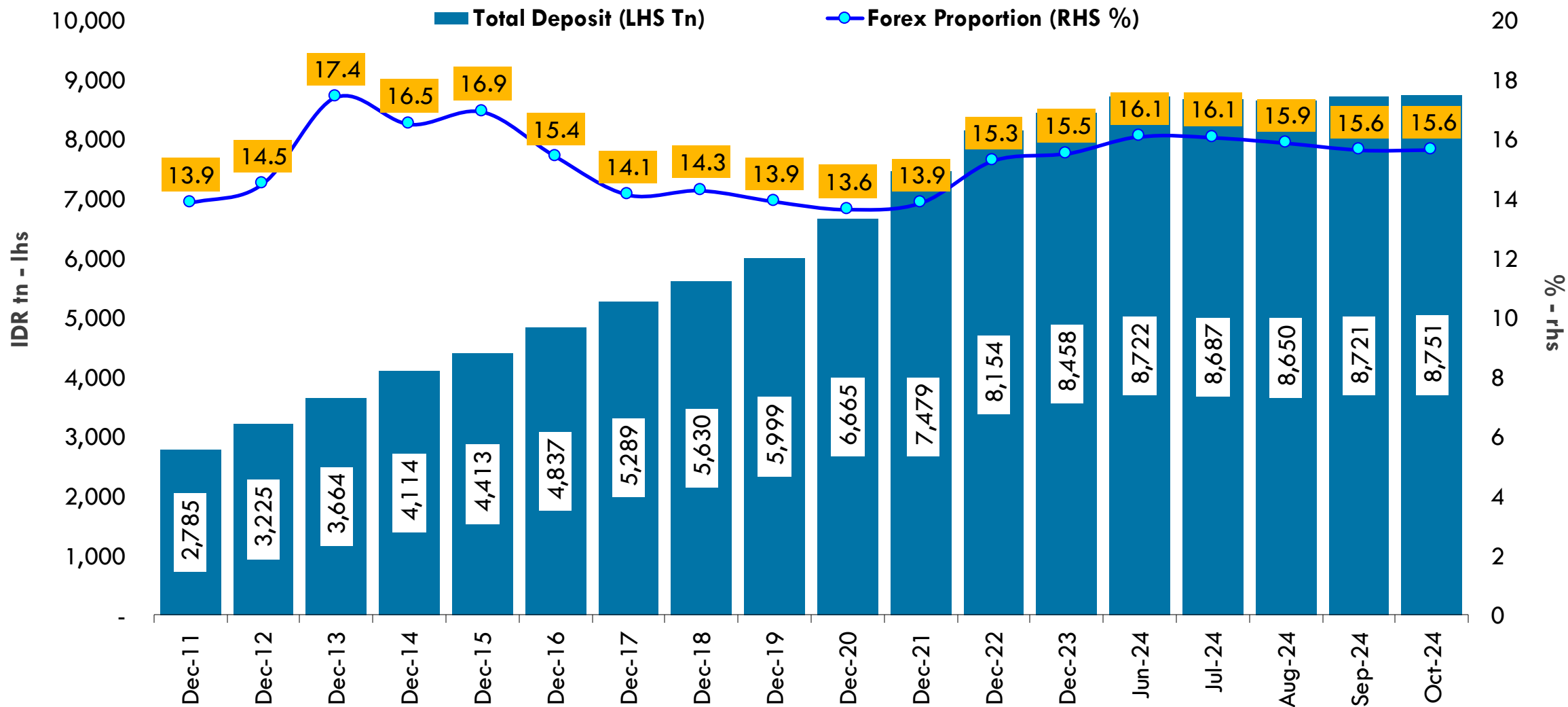
Third party fund growth by types

Demand deposit growth slowed down in Oct-24

Year/Month	Demand Deposit (IDR tn)	% yoy	% mom	Saving Deposit (IDR tn)	% yoy	% mom	Time Deposit (IDR tn)	% yoy	% mom
2012	767	17.5		1,077	19.9		1,381	11.9	
2013	847	10.4		1,213	12.6		1,604	16.2	
2014	890	5.1		1,284	5.9		1,940	20.9	
2015	892	9.6		1,396	8.7		2,030	4.6	
2016	1,124	13.8		1,552	11.2		2,161	6.5	0.4
2017	1,223	9.7	1.0	1,701	9.6	5.5	2,355	9.0	-0.5
2018	1,315	6.6	-3.8	1,825	7.3	4.9	2,490	5.8	0.9
2019	1,466	11.5	0.5	1,945	6.6	4.2	2,588	3.9	-1.3
2020	1,687	15.1	-2.5	2,174	11.7	3.6	2,805	8.4	-0.1
2021	2,144	27.1	3.2	2,432	11.9	3.3	2,904	3.5	0.4
2022	2,546	18.8	3.8	2,615	7.5	2.8	2,992	3.0	0.6
2023	2,663	4.6	5.4	3,126	4.5	1.5	2,669	2.1	2.3
Aug-24	2,653	10.1	-1.2	3,257	5.4	0.3	2,740	6.1	-0.5
Sep-24	2,704	9.4	1.9	3,252	5.0	-0.1	2,765	7.3	0.9
Oct-24	2,703	6.7	0.0	3,275	6.2	0.7	2,773	7.4	0.3

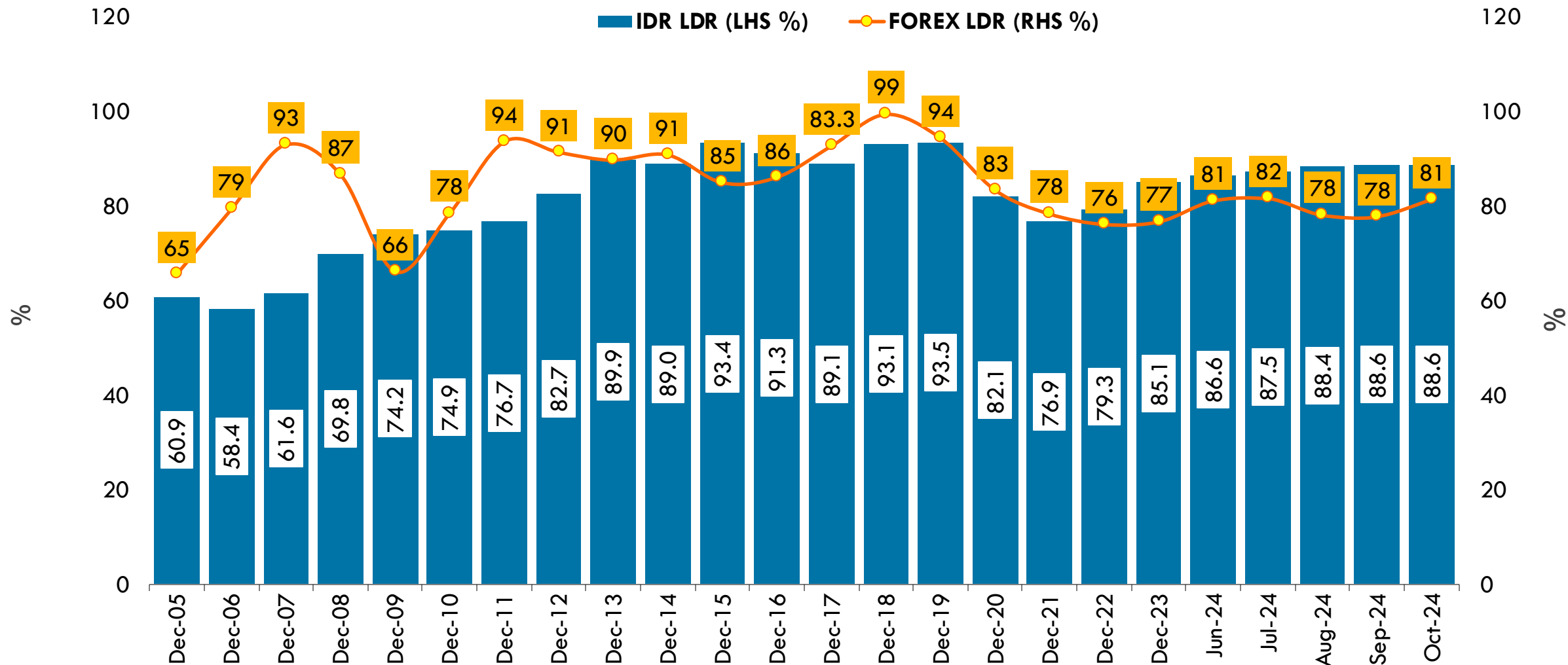
Proportion of FX Deposit to Total Deposit

Proportion of FX deposit to total deposit stable in Oct-24



LDR by Currencies

FX LDR increased in Oct-24



LDR by Bank Category

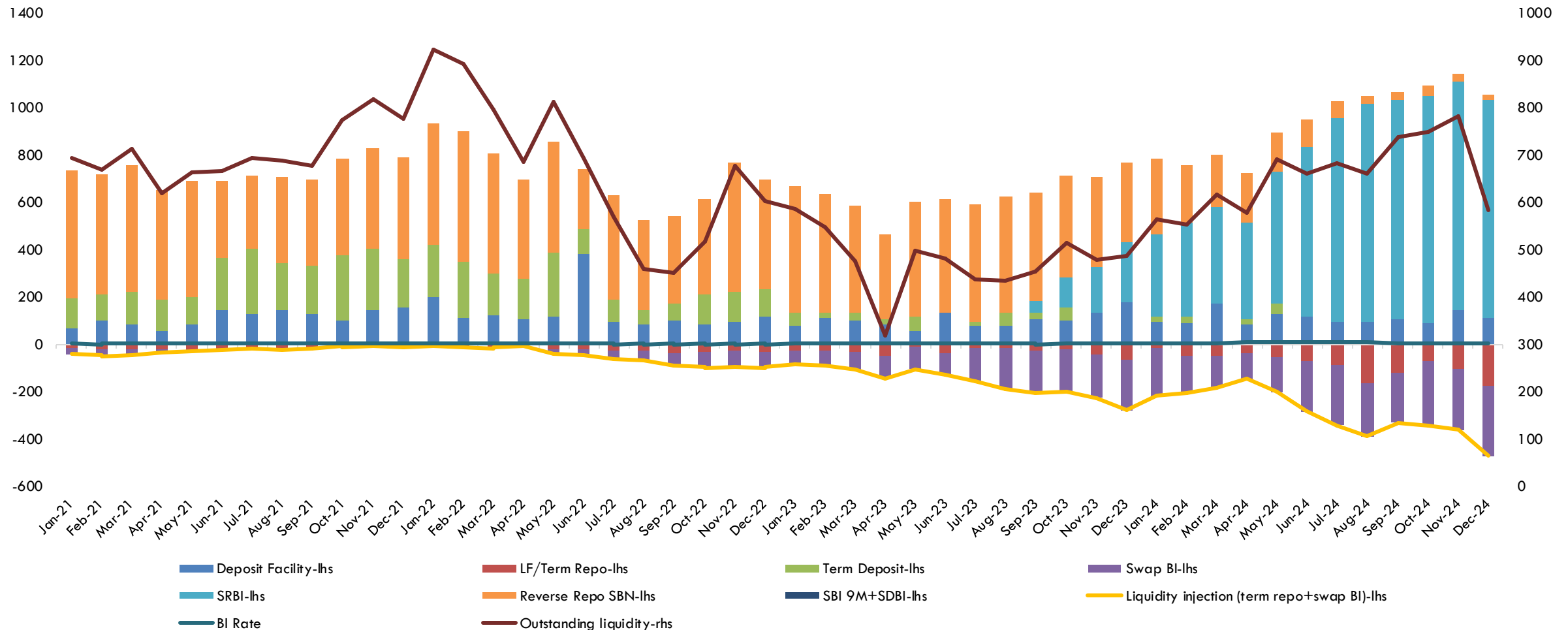
SOE LDR remains the highest among other banks

Category										LDR (%)
	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24
SOE Bank	88.7	88.7	92.8	94.2	85.1	82.5	80.8	86.5	92.5	93.3
Regional Development Bank	93.7	87.6	88.9	88.1	83.1	75.9	77.9	83.0	81.1	79.3
Domestic Private Bank	88.6	89.5	94.6	93.7	78.8	72.4	77.7	82.3	83.9	84.7
Foreign Bank	122.4	122.2	139	126.5	95.9	81.3	72.3	74.3	66.3	68.3
Banking Industry	90.7	90	94.8	94.4	82.5	77.5	79.0	84.1	87.1	87.7

Banks' Placement at BI Instruments

Banks' placement at BI's Open Market Operation instruments decreased in Dec-24

Placement at BI instruments (IDR tn)



Asset Growth of Commercial Banks

Banks' asset increased in Oct-24

Size of Banking Industry	Oct-23	Dec-23	Oct-24	% yoy
Total Asset (IDR tn)	11,345	11,766	12,172	7.3
Deposits (IDR tn)	8,199	8,458	8,751	6.7
- Demand Deposits	2,533	2,663	2,703	6.7
- Savings Accounts	2,581	2,669	2,773	7.4
- Time Deposit	3,085	3,126	3,275	6.2
Loans (IDR tn)	6,903	7,090	7,657	10.9

Banking Ratios	Oct-23	Dec-23	Oct-24	ppt yoy
Capital Adequacy Ratio (%)	27.5	27.8	27.1	-0.4
NPL Gross (%)	2.4	2.2	2.2	-0.2
Return on Assets (%)	2.8	2.8	2.8	0.0
Net Interest Margin (%)	4.9	4.9	4.7	-0.2
Ops. Expense/Ops. Income (%)	76.4	78.9	79.1	2.8
Loan to Deposit Ratio (%)	84.3	84.1	87.7	3.4
Number of Banks	105	105	105	

NPL by Industries

Asset quality maintained well; most sectors showed relatively stable NPLs in Oct-24

Asset quality maintained well, most sectors showed relatively stable NPLs in Oct-24														NPL (%)
Industries	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24
Agriculture	1.9	1.5	1.8	1.9	2.2	1.4	1.3	1.7	2.1	1.7	1.6	2.0	2.0	2.1
Mining	1.2	1.5	2.5	4.1	7.2	6.2	4.4	3.7	7.1	4.6	2.7	1.5	1.5	1.4
Manufacturing	2.4	1.7	1.9	2.5	3.4	2.7	2.8	3.8	4.9	5.1	3.5	2.8	2.8	2.7
Utilities	0.4	0.7	1.9	2.3	1.6	1.1	2.3	3.4	4	4.6	3.3	2.8	2.8	2.7
Construction	3.6	4.1	4.6	4.1	3.9	3.7	2.5	2.6	2.8	2.9	2.7	2.6	2.5	2.4
Trade, Hotel and Restaurant	2.4	2.3	3	3.4	4.1	4.1	3.5	3.5	4.2	3.9	3.6	3.4	3.4	3.4
Transportation and Communication	2.1	2	3.2	3.8	4.8	3.7	3.8	3.7	4.5	4.3	3.8	3.2	3.3	3.3
Business Services	1	1.1	1.5	1.7	2	1.6	3.6	2.8	3.1	3.3	2.7	1.5	1.5	1.5
Social Services	2.6	1.8	2.3	2.5	2.1	1.9	1.9	1.1	1.4	1.7	1.2	0.7	0.6	0.6
Other	1.5	1.4	1.4	1.5	1.5	1.6	1.5	1.4	1.9	2.1	1.4	1.1	1.1	1.1

NPL by Loan Types

NPLs for working capital and consumption types stable in Oct-24

													NPL (%)		Nominal (IDR tn) Sep-24
Loan Types	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24		
Working Capital	2.0	2.5	3.0	3.6	3.2	2.8	3.2	3.9	4.0	3.3	2.8	2.7	2.7	93.3	
Investment	1.7	2.3	2.6	3.2	2.6	2.4	2.3	3.0	2.7	2.0	1.7	1.7	1.7	35.6	
Consumption	1.4	1.4	1.5	1.5	1.6	1.5	1.6	1.8	1.7	1.5	1.7	1.8	1.9	39.4	

CAR & NPL by Bank Category

NPL still at a low levels in Oct-24

CAR (%)

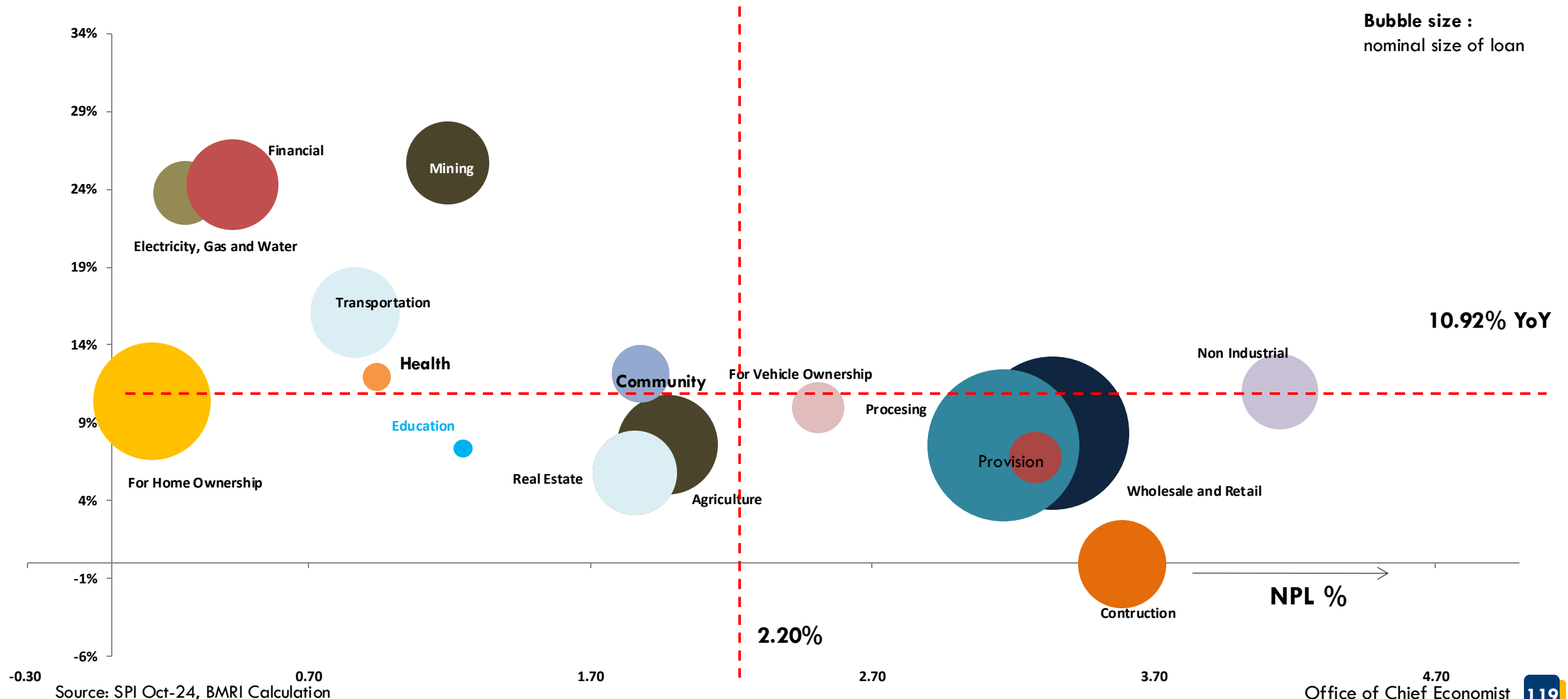
Category	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24
SOE Bank	21.5	21.1	20.9	21.2	18.8	21.4	21.2	23.2	22.2	22.5
Regional Dev't Bank	21.7	21.7	22.1	21.2	22.1	22.8	23.6	25.9	25.1	25.1
Domestic Private Bank	18.1	18.8	19.0	20.1	23.4	26.8	27.0	29.0	28.5	28.4
Foreign Bank	48.9	53.1	47.9	50.4	54.6	60.9	57.3	58.6	54.8	58.9
Banking Industry	22.9	23.2	23.0	23.4	23.9	25.7	25.6	27.8	26.8	27.1

NPL (%)

Category	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24
SOE Bank	2.86	2.50	2.27	2.56	3.47	3.20	2.54	2.17	2.12	2.14
Regional Dev't Bank	3.30	3.23	2.68	2.62	2.77	2.54	2.13	2.18	2.54	2.54
Domestic Private Bank	3.04	2.68	2.47	2.55	2.83	2.91	2.45	2.26	2.29	2.25
Foreign Bank	1.89	1.44	1.71	1.66	1.36	2.80	1.46	1.15	1.11	1.06
Banking Industry	2.93	2.59	2.37	2.53	3.06	3.00	2.44	2.19	2.21	2.20

Some of large sectors i.e. wholesale and retail, manufacture still recorded higher NPLs

Size of loan, loan growth, and NPL by sector



There was an increase in Nominal NPLs by Sector in Oct-24



% NPL

Sector	% NPL												^ Nominal NPL IDR tn	
By industries	2014	2015	2016	2017	2018	2019	2020	2021	2023	2023	Oct-23	Oct-24	Ytd-Sep-24	Ytd-Oct-24
Agricultures, Hunting and Forestry	1.80	1.90	2.21	1.36	1.32	1.53	1.94	1.57	1.38	1.86	2.27	1.97	0.57	1.03
Fisher	2.53	2.96	2.55	2.68	1.82	5.31	5.53	5.64	6.52	5.30	5.48	5.75	0.04	0.07
Mining and Quarrying	2.52	4.13	7.16	6.18	4.66	3.58	7.26	4.42	2.42	1.23	1.31	1.19	0.80	0.64
Procesing	1.86	2.50	3.44	2.70	2.53	3.88	4.58	5.18	3.77	3.26	3.56	3.17	0.99	1.16
Electricity, Gas and Water	1.91	2.30	1.64	1.08	1.33	0.89	1.24	1.04	0.47	0.36	0.42	0.26	-0.13	-0.12
Construction	4.61	4.05	3.86	3.67	3.14	3.55	3.45	3.62	3.55	3.62	3.85	3.59	0.31	-0.12
Wholesale and Retail Trade	3.18	3.53	4.25	4.08	3.62	3.45	4.43	4.08	3.61	3.27	3.65	3.34	2.93	3.01
Provision of accomodation	1.44	2.29	2.71	4.33	5.53	5.56	5.39	6.34	5.37	2.97	3.49	3.28	0.64	0.64
Transportation, Warehousing	3.21	3.84	4.83	3.74	2.68	1.64	2.16	2.07	1.63	1.01	0.96	0.86	-0.21	-0.16
Financial intermediaries	0.94	0.64	1.25	0.77	1.17	0.50	0.50	1.30	0.74	0.44	0.56	0.43	0.26	0.21
Real Estate, Business, Ownership	2.05	2.61	2.60	2.47	1.86	2.30	3.10	2.79	2.00	1.85	2.31	1.86	0.23	0.23
Government	0.06	0.08	0.03	0.01	0.01	0.03	0.01	0.01	0.00	0.00	0.00	0.08	0.07	0.07
Education Services	1.04	1.72	1.48	1.27	0.82	0.84	1.80	1.51	1.73	1.35	1.40	1.25	-0.01	-0.01
Health Services and Social Activities	1.60	0.73	0.79	1.67	1.68	1.23	1.35	0.60	0.74	1.22	0.89	0.94	-0.08	-0.07
Community, Sociocultural	2.85	3.75	3.02	2.53	1.84	2.23	3.24	2.35	2.09	1.98	2.00	1.88	-0.03	0.02
Individual Services which Serve Households	2.39	2.01	2.55	2.07	2.18	1.87	1.85	2.06	2.39	2.73	2.81	3.23	0.03	0.01
International Agency	3.32	2.13	13.25	9.04	0.04	0.00	0.00	0.00	0.00	0.83	0.00	0.18	0.00	0.00
Business Activities which are not clearly defined	1.91	2.01	0.69	5.70	12.49	6.57	5.56	13.35	-	-	#DIV/0!	#DIV/0!	0.00	0.00
Total NPL Industry	2.45	2.86	3.46	2.99	2.69	2.88	3.56	3.52	2.78	2.37	2.66	2.32	6.42	6.61
Non industrial origins														
For Home Ownership	2.16	2.32	2.45	2.53	2.31	2.53	2.57	2.24	2.02	2.33	2.50	2.51	1.92	2.57
For Apartement Ownership	1.09	1.35	2.25	2.13	1.83	1.56	2.22	2.03	1.94	2.40	2.59	2.61	0.08	0.10
For Shop House Ownership	2.51	3.11	3.88	4.27	4.80	5.56	4.88	4.54	4.79	4.16	4.60	4.15	0.31	0.25
For Vehicles Ownership	1.07	1.40	1.32	1.31	1.37	1.36	2.05	1.99	1.51	1.97	2.01	2.28	0.60	0.60
Others	1.00	0.91	0.85	0.94	0.97	0.99	1.22	1.29	1.26	1.25	1.29	1.46	2.61	2.78
Non industrial origins others	1.11	1.28	1.29	1.28	1.28	1.12	1.30	1.18	0.96	1.04	1.07	1.10	0.28	0.44
Total NPL non industrial origins	1.41	1.50	1.53	1.58	1.54	1.60	1.79	1.69	1.54	1.69	1.78	1.87	5.80	6.74
NPL Ratio	2.16	2.49	2.93	2.59	2.37	2.53	3.06	3.00	2.44	2.19	2.42	2.20	12.22	13.35

There was an increase in Nominal NPLs UMKM by Sector in Oct-24

% NPL

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Oct-24	Change Nominal NPL Sep-24 (IDRtn)	Change Nominal NPL Oct-24 (IDRtn)
By Industry													
Agricultures, Hunting and Forestry	3.94	4.13	3.86	3.08	2.31	2.21	1.90	1.80	1.43	2.02	2.57	1.49	1.79
Fisher	3.77	4.05	3.16	3.24	2.38	2.55	3.28	2.55	3.05	3.96	4.96	0.15	0.18
Mining and Quarrying	5.41	8.86	6.50	20.74	4.12	4.11	15.56	4.42	4.69	4.63	3.42	-0.05	-0.04
Procesing Industry	3.17	3.61	3.77	3.35	3.32	4.11	4.34	4.23	3.45	4.06	4.19	0.25	0.32
Electricity, Gas and Water	1.19	4.74	2.86	4.70	3.13	1.61	2.75	3.50	2.88	2.22	3.51	0.11	0.05
Construction	7.36	7.39	6.80	6.44	6.31	7.91	10.63	12.75	10.81	9.62	9.59	0.10	0.10
Wholesale and Retail Trade	3.66	3.82	3.83	3.78	3.44	3.38	3.35	3.59	3.63	3.98	4.29	2.01	2.31
Provision of accomodation and the provision of eating and drinking	2.60	2.92	3.56	3.30	3.15	3.18	4.00	2.89	3.01	2.92	3.24	0.52	0.36
Transportation, Warehousing and Communications	3.91	4.95	4.75	8.36	3.08	2.83	3.22	4.50	3.17	3.36	3.36	0.10	0.13
Financial intermediaries	3.06	2.36	2.59	2.98	2.07	1.74	2.13	2.86	3.23	4.25	7.32	0.23	0.22
Real Estate, Business, Ownership, and Business Services	3.55	4.00	3.64	3.31	3.09	2.97	5.46	5.93	4.11	4.08	4.70	0.44	0.44
Government administration, Defese and Compulsory social security	1.70	3.62	1.26	0.00	0.38	0.70	3.41	1.50	0.02	0.47	0.40	0.00	0.00
Education Services	2.03	1.87	2.55	2.09	1.66	2.06	1.69	1.03	1.80	1.12	1.15	0.00	0.01
Health Services and Social Activities	2.54	1.50	1.86	1.41	1.48	2.31	1.78	1.12	1.07	1.85	1.89	0.01	0.02
Community, Sociocultural,Entertainment and Other Individual Services	2.77	3.82	3.25	2.97	1.99	2.32	3.02	2.55	2.59	3.10	3.28	0.30	0.35
Individual Services which Serve Households	2.49	2.18	2.45	1.86	2.18	2.31	1.33	1.93	2.29	2.71	3.23	0.03	0.01
International Agency and Other Extra Agency International	4.36	8.94	18.57	21.54	0.00	0.00	0.00	0.00	0.00	0.00	4.17	0.00	0.00
Business Activities which are not clearly defined	0.37	2.32	4.63	0.18	4.76	4.03	4.82	3.74	n.a	n.a	#DIV/0!	0.00	0.00
Total	3.75	4.03	3.96	3.98	3.34	3.47	3.81	3.83	3.41	3.71	4.02	5.71	6.24

Notes: NPL Sep-24 and NPL Oct-24 (Change nominal in IDR tn ytd)

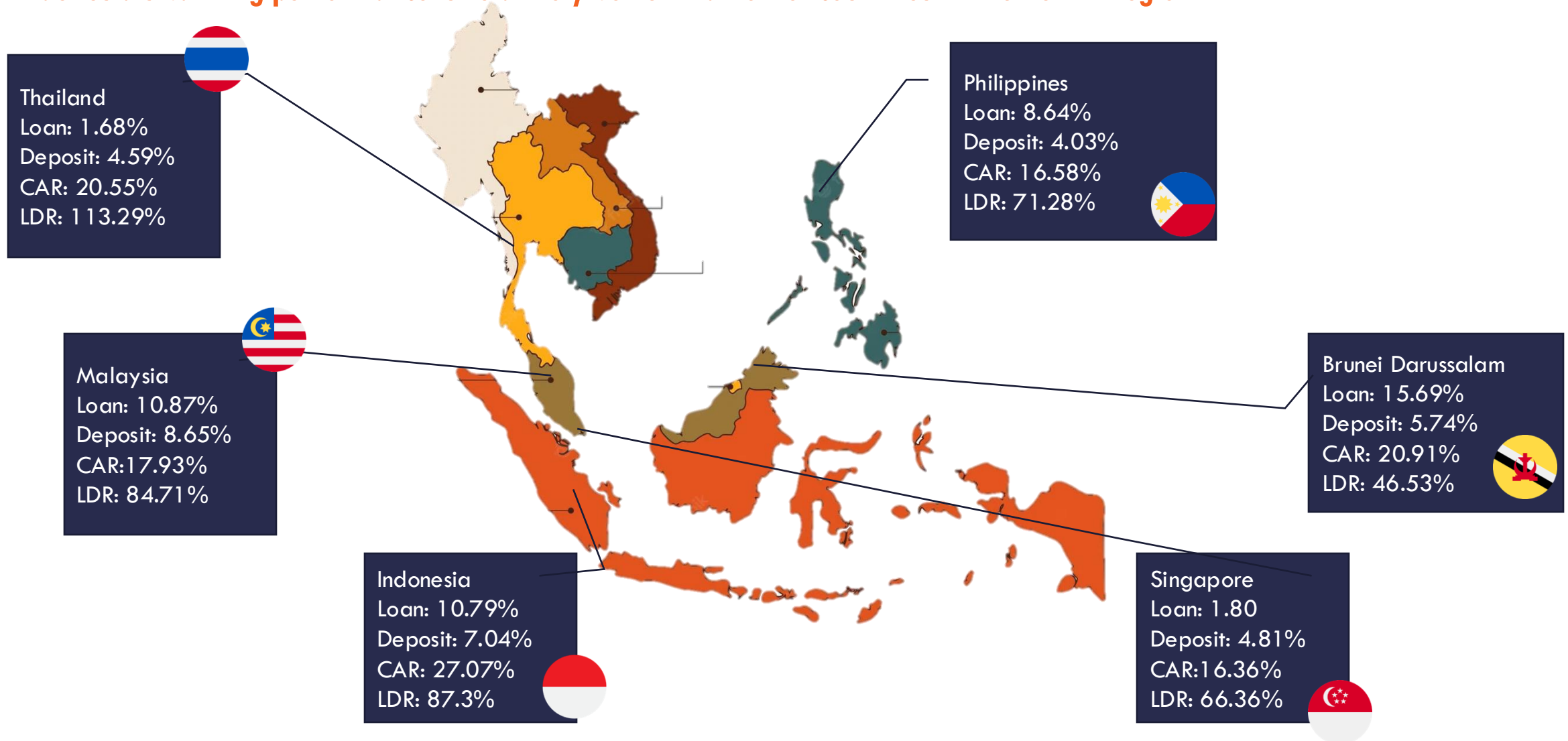
There was an increase in Nominal NPLs by Province in Oct-24

% NPL

Region	2016	2017	2018	2019	2020	2021	2022	2023	Oct-24	^ NPL Sep-24-IDR tn	^ NPL Oct-24-IDR tn
Jawa Barat	3.55	3.70	2.86	3.02	3.39	3.53	3.04	2.99	3.09	1.38	1.84
Banten	2.11	2.10	1.69	1.65	2.54	2.26	2.02	1.73	2.08	0.87	0.91
DKI Jakarta	2.99	2.26	2.14	2.16	3.01	2.95	2.17	1.85	1.80	3.63	3.62
D.I Yogyakarta	2.34	2.09	2.61	2.38	2.35	2.63	2.66	2.59	3.13	0.37	0.38
Jawa Tengah	2.85	2.23	2.46	4.18	4.91	5.07	4.14	4.09	4.64	2.82	2.62
Jawa Timur	2.65	3.03	2.90	3.27	3.76	3.57	3.36	3.01	2.79	-0.37	-0.13
Bengkulu	1.60	1.39	1.57	1.64	1.61	1.37	1.47	1.93	1.66	-0.06	-0.05
Jambi	2.62	2.08	2.63	2.75	2.77	2.02	1.89	1.81	1.83	0.08	0.08
Aceh	2.63	1.91	1.54	1.01	2.51	1.94	1.53	1.57	1.74	0.09	0.15
Sumatera Utara	2.50	2.59	2.40	3.04	3.54	2.61	2.32	1.85	1.89	0.42	0.45
Sumatera Barat	2.77	2.36	2.23	2.16	2.25	1.77	1.68	1.75	2.09	0.30	0.30
Riau	3.44	2.90	2.67	2.58	2.94	2.28	1.95	2.18	2.40	0.32	0.38
Sumatera Selatan	3.23	3.14	3.43	2.96	4.61	3.07	2.95	3.42	2.14	-1.05	-0.99
Bangka Belitung	3.39	5.89	1.38	3.46	4.31	2.21	3.30	1.63	1.69	0.03	0.04
Kepulauan Riau	1.85	3.24	2.44	4.14	4.18	2.99	1.91	3.81	3.91	0.11	0.16
Lampung	2.46	2.07	2.46	3.01	2.92	5.36	4.87	2.60	2.63	0.12	0.13
Kalimantan Selatan	2.91	2.77	2.65	2.36	2.53	2.39	2.57	2.20	2.14	0.15	0.23
Kalimantan Barat	2.94	1.83	1.83	1.70	1.94	2.17	1.95	1.76	2.26	0.42	0.45
Kalimantan Timur	7.28	6.57	5.25	4.54	6.19	3.89	3.27	1.89	2.06	0.25	0.29
Kalimantan Tengah	1.43	1.13	0.91	1.02	1.39	1.23	1.15	1.35	1.62	0.15	0.17
Sulawesi Tengah	2.69	2.47	1.95	1.96	2.25	1.91	1.67	1.74	1.46	-0.01	0.00
Sulawesi Selatan	2.29	3.45	3.52	3.59	2.61	3.29	2.50	2.81	2.90	0.30	0.33
Sulawesi Utara	3.40	3.29	2.95	3.16	3.78	3.18	2.75	2.47	2.10	-0.15	-0.13
Gorontalo	3.36	3.20	2.92	2.72	3.65	3.75	3.56	5.38	3.48	-0.33	-0.33
Sulawesi Barat	1.38	1.31	1.51	1.44	1.22	1.31	1.89	2.18	2.43	0.04	0.04
Sulawesi Tenggara	2.69	2.72	2.19	2.33	2.37	1.74	1.48	1.62	1.70	0.05	0.10
Nusa Tenggara Barat	1.58	1.29	1.23	1.06	1.01	1.37	1.64	1.15	2.00	0.52	0.61
Bali	2.15	3.05	2.60	2.90	2.69	2.53	2.40	1.59	1.56	0.12	0.07
Nusa Tenggara Timur	2.31	2.13	1.97	1.95	1.98	1.26	1.34	1.65	3.48	0.79	0.86
Maluku	1.58	1.37	1.27	1.31	1.50	1.80	1.74	2.23	2.53	0.07	0.07
Papua	4.49	6.02	2.80	2.12	2.46	2.60	2.48	2.47	2.76	0.14	0.16
Maluku Utara	1.66	1.56	1.42	1.73	1.35	1.34	1.07	1.52	2.66	0.29	0.20
Papua Barat	4.27	4.97	2.53	2.73	2.51	2.59	3.53	2.49	2.94	0.09	0.10
National	2.93	2.59	2.37	2.53	3.06	3.00	2.44	2.19	2.20	12.22	13.35

ASEAN Banking Performance Ratio Nov-24

Indonesia's banking performance is relatively better than other countries in the ASEAN region



Islamic Banking: Recent Development

Islamic Banking Network	2015	2016	2017	2018	2019	2020	2021	2022	2023	Sep-24	Oct-24
Islamic Commercial Bank											
Number of Banks	12	13	13	14	14	14	12	13	13	14	14
Number of Offices	1,990	1,869	1,825	1,875	1,919	2,034	2,035	2,007	1,967	2,005	2,005
Islamic Business Unit											
Conventional Banks that have Islamic Business Unit	22	21	21	20	20	20	21	20	20	19	19
Number of Offices	311	322	344	354	381	392	444	438	426	384	384
Sharia Commercial Bank and Sharia Business Unit Operation											
Number of Banks	34	34	34	34	34	34	35	33	33	33	31
Number of Offices	2,301	3,259	2,169	2,229	2,300	2,426	2,479	2,445	2,380	2,389	2,389
Growth of Assets of Sharia Bank (IDR bn)											
Sharia Commercial Banks	213,423	254,184	288,027	316,691	350,364	397,073	441,789	531,860	594,709	619,810	619,810
Sharia Business Units	82,839	102,320	136,154	160,636	174,200	196,875	234,947	250,240	274,277	276,107	279,408
Earning Assets of Sharia Bank (IDR bn)											
Financing	270,73	324,03	382,697	438,338	484,059	550,949	629,062	707,008	800,473	834,289	838,930
a. Current	241,755	295,82	352,038	411,771	455,068	520,409	602,159	678,453	765,880	795,770	799,890
b. Special Mention	19,507	17,680	19,517	17,346	17,923	18,331	15,843	16,697	22,345	24,925	25,262
c. Sub-Standard	2,417	3,015	3,376	2,070	3,407	3,027	2,991	3,067	2,942	3,198	3,170
d. Doubtful	924	1,326	1,919	1,474	954	1,382	1,653	1,379	1,503	1,911	1,683
e. Lost	6,132	6,187	5,847	5,676	6,707	7,800	6,415	7,412	7,804	8,485	8,926
Non-Performing Financing (Nominal)	9,473	10,528	11,142	9,132	11,068	12,209	11,059	11,857	12,248	13,594	13,779
Ratio Non-Performing Financing (%)	4.84	4.42	4.77	2.85	3.11	3.08	2.57	2.31	2.04	2.15	2.15

Comparison of asset, market cap, loan and deposit of ASEAN banks

Singaporean banks were still dominating in terms of total asset, loan and deposit

As of Sep-24	Total asset	Market Cap	Loan	Deposit
1  DBS	615	84	335	429
2  OCBC Bank	466	53	237	288
3  UOB	402	42	204	303
4  Maybank	258	31	162	164
5  CIMB	180	21	108	112
6  mandiri	149	43	103	109
7  Bangkok Bank	139	9	83	97
8  Bank of Indonesia	136	11	76	86
9  BANK BRI	131	50	93	92
10  PUBLIC BANK	127	21	100	103
11  Krungthai Bank	114	9	80	82
12  SCB	106	11	76	76
13  BCA	95	84	58	74
14  BDO Unibank	86	15	54	67

EQUITY AND BOND MARKET DEVELOPMENT

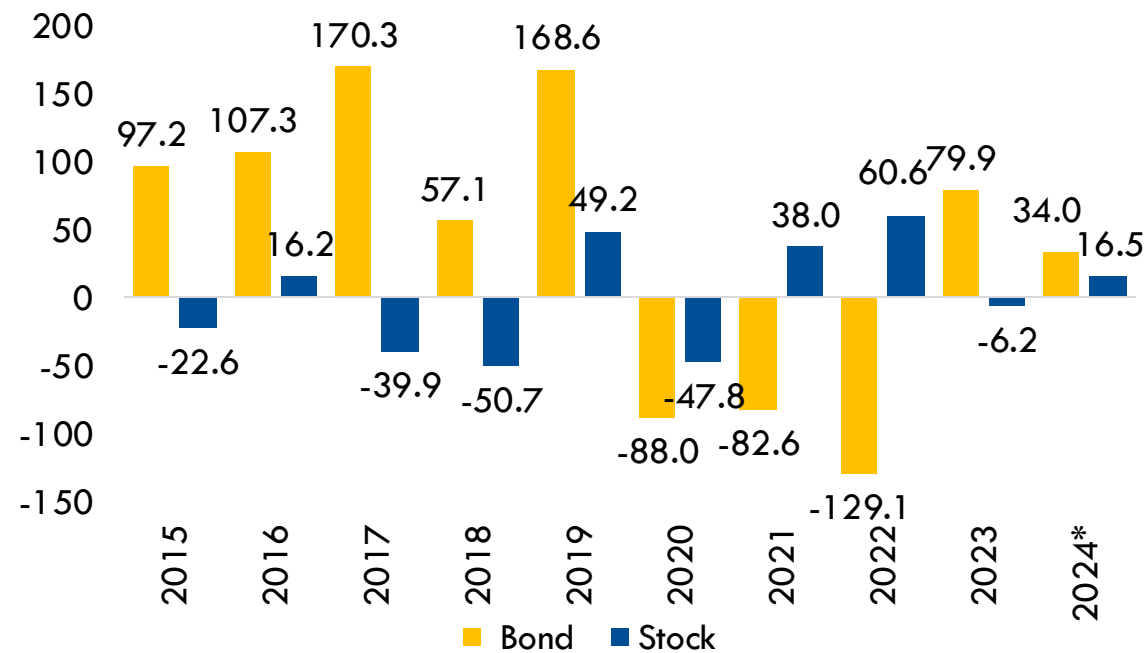


Foreign Capital Flows in Stock and Bond Market

Indonesia's stock and bond market still posted net foreign inflow on ytd basis

Yearly Net Capital Inflow/Outflow in Stock and Bond Markets (IDR tn)

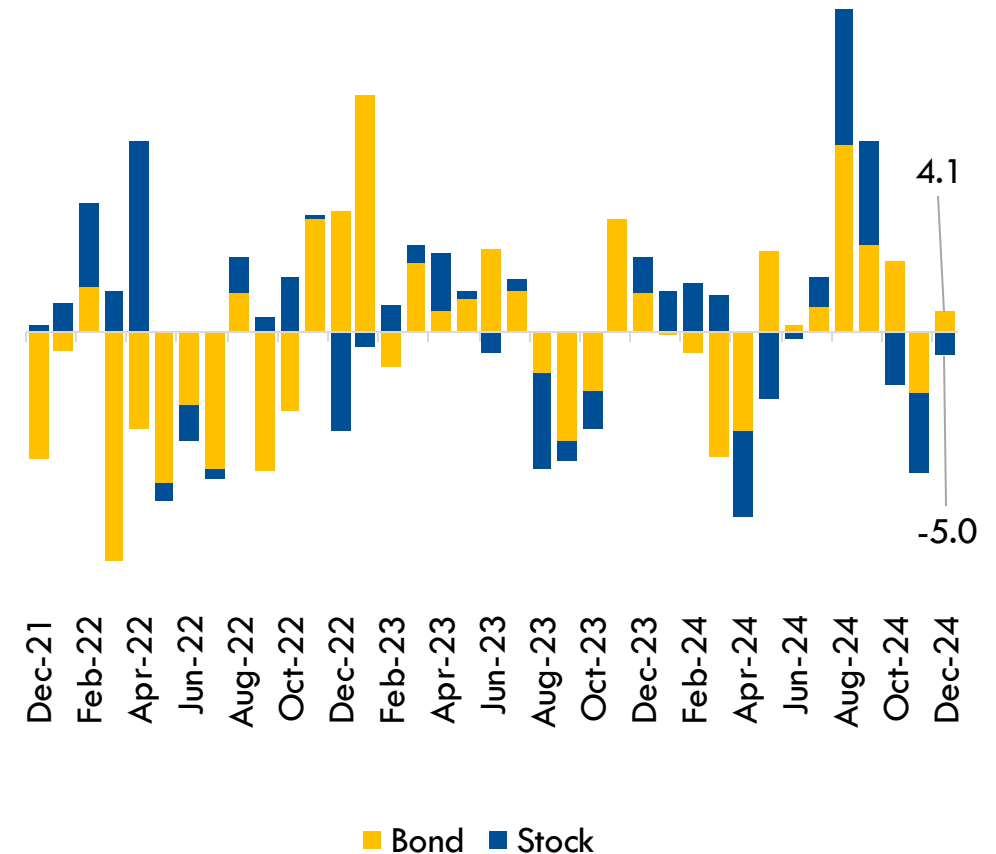
Bond market as of 31 Dec-24: Net inflow IDR34.0 tn ytd
Stock market as of 30 Dec-24: Net inflow IDR16.5 tn ytd



2015: Net inflow of IDR74.6 tn
2016: Net inflow of IDR123.5 tn
2017: Net inflow of IDR130.5 tn
2018: Net inflow of IDR6.4 tn
2019: Net inflow of IDR217.8 tn

2020: Net outflow of IDR135.8 tn
2021: Net outflow of IDR44.6 tn
2022: Net outflow of IDR68.5 tn
2023: Net inflow of IDR73.7 tn
*: Net inflow of IDR50.6 tn

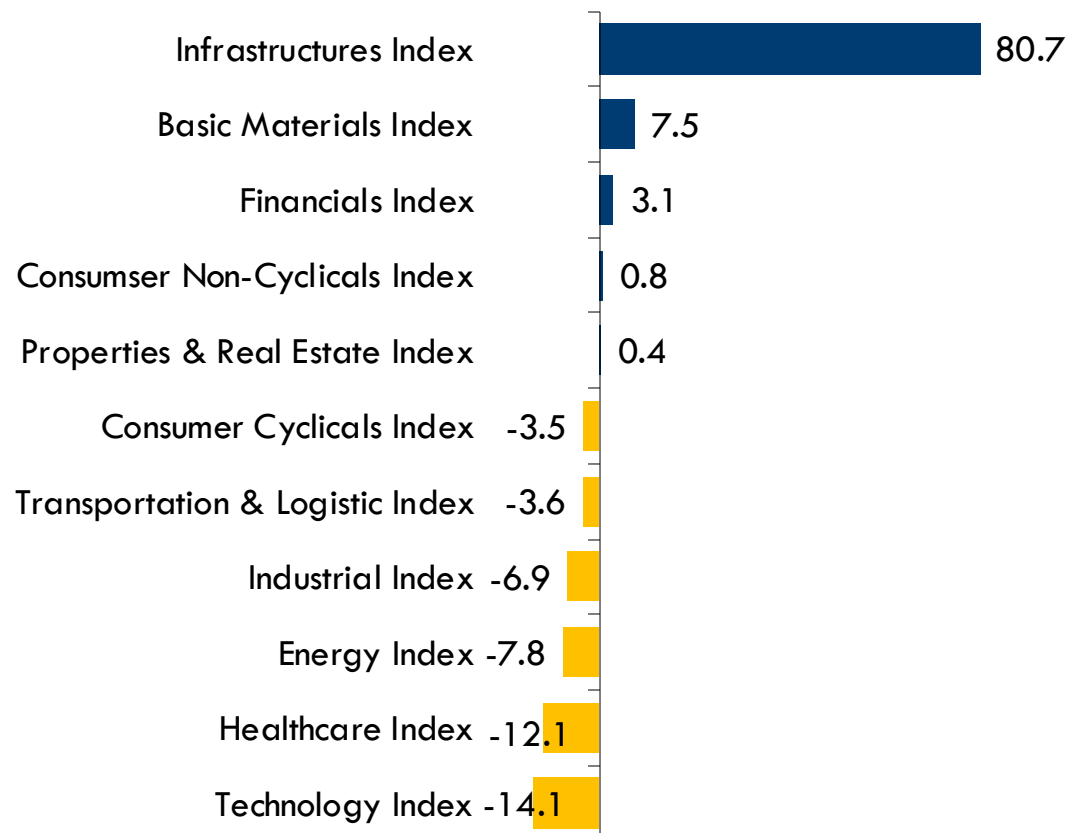
Monthly Net Capital In Inflow/Outflow in Stock and Bond Market (IDR tn) mtd



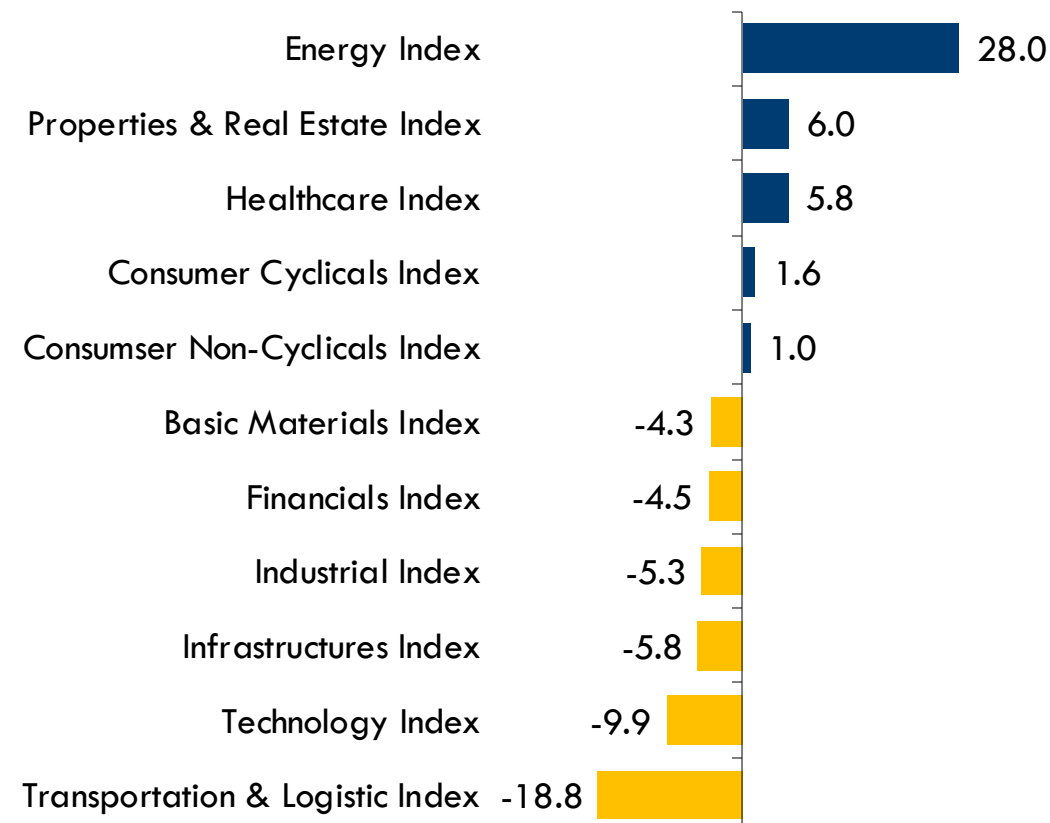
Sectoral Index in Indonesia Stock Exchange

Energy Index improved the most in

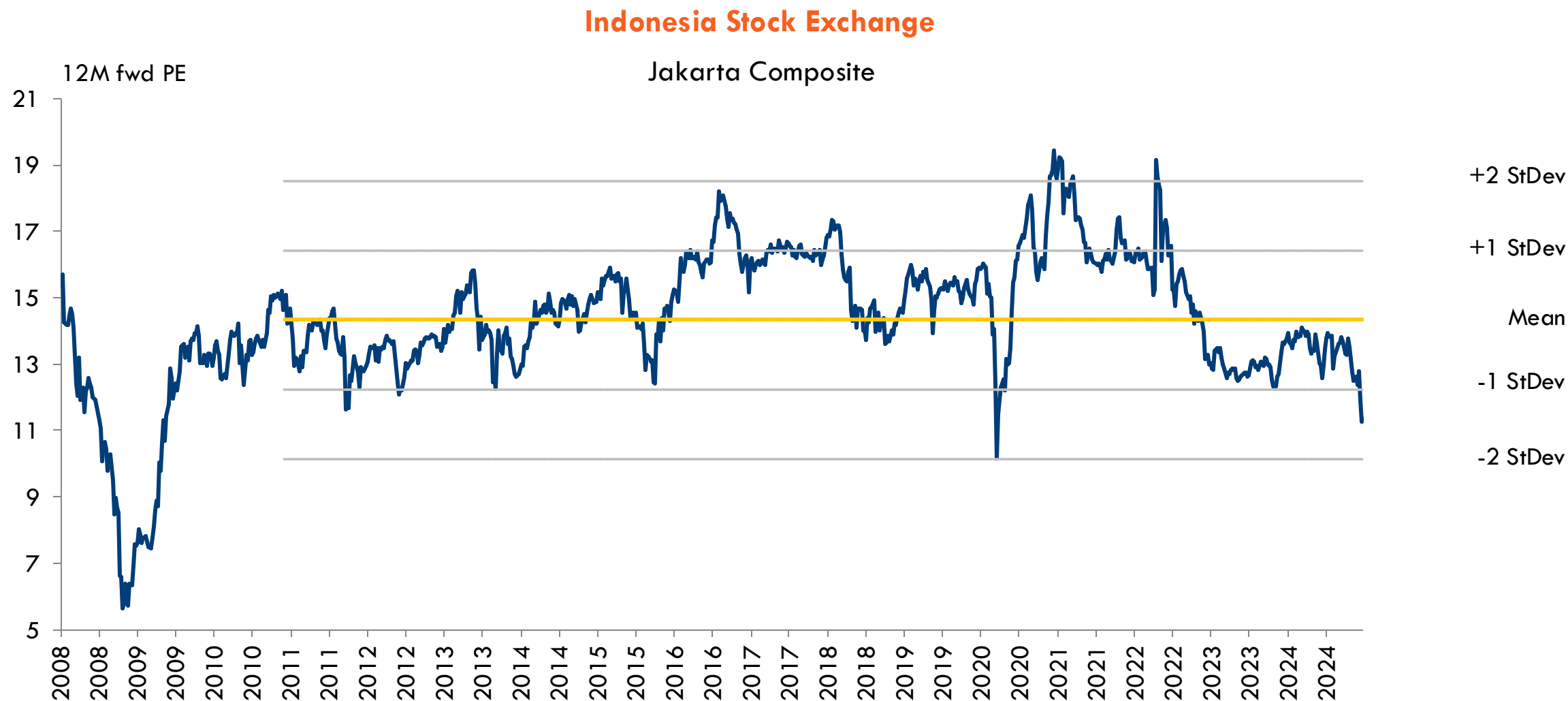
Index Performance - 2023 (%)



Index Performance – (%)



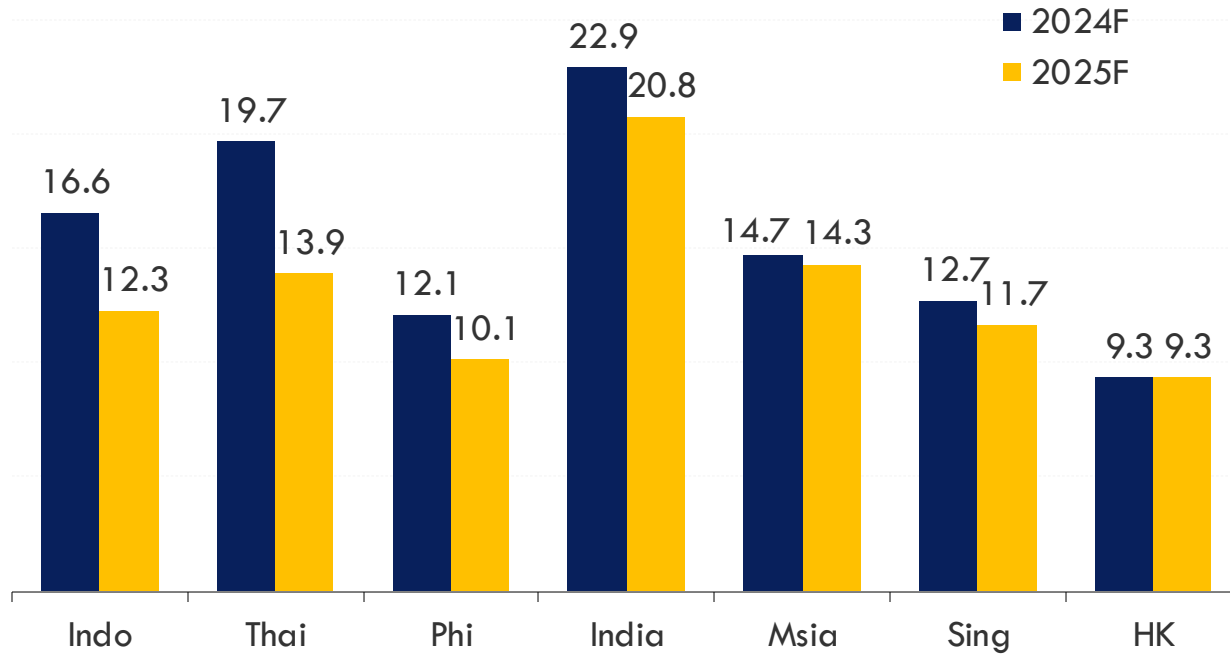
JCI 12M Forward PER band is 11.3x, below the average of 14.3x



PE Ratio Comparison in Asian Stock Market

At 12.3x PER24F, the JCI's valuation is relatively in-line with peers

PER comparison

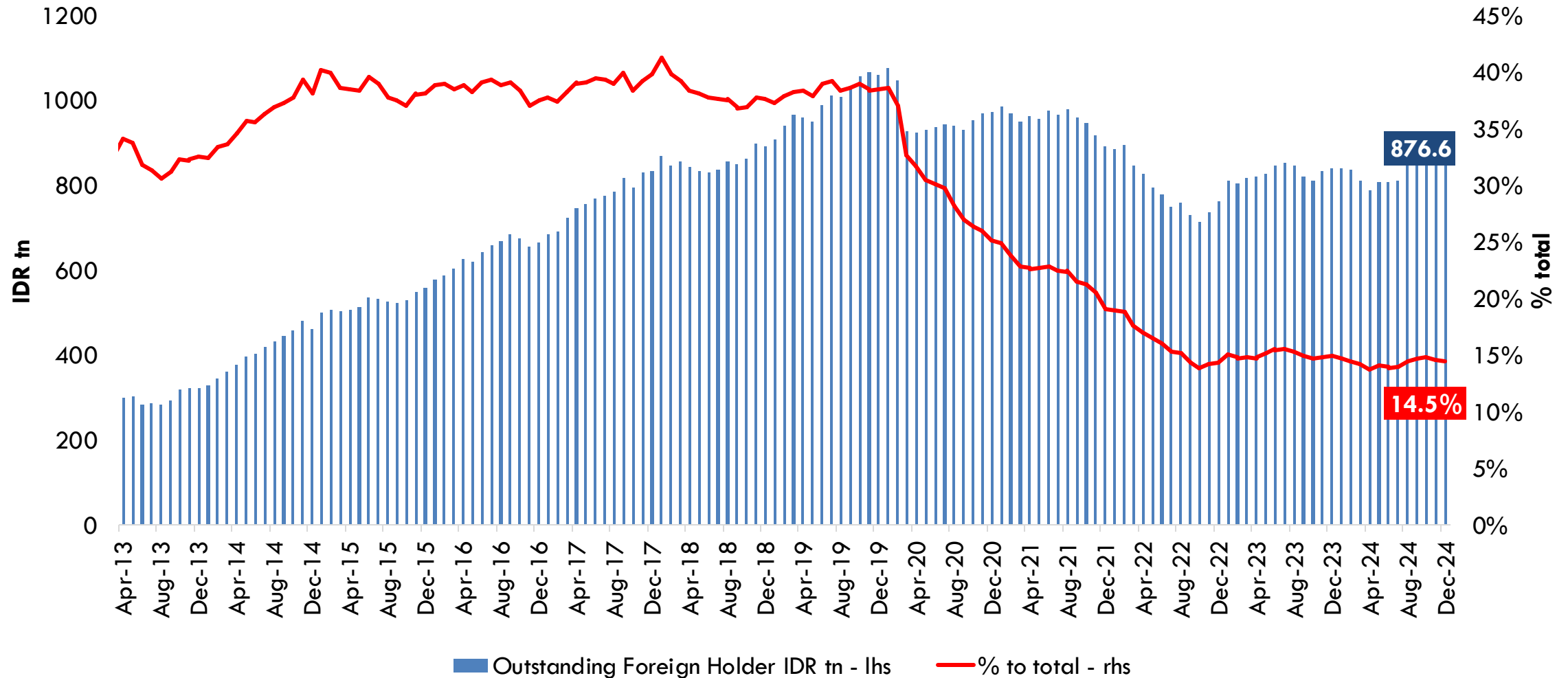


EPS Growth comparison

	EPS Growth	
	FY24F	FY25F
Hong Kong	10.6%	5.5%
Indonesia	-2.1%	2.9%
India	22.5%	11.3%
Malaysia	-3.1%	6.1%
Philippines	17.2%	11.0%
Thailand	12.9%	7.5%

Foreign Investor Activity in Government Bond

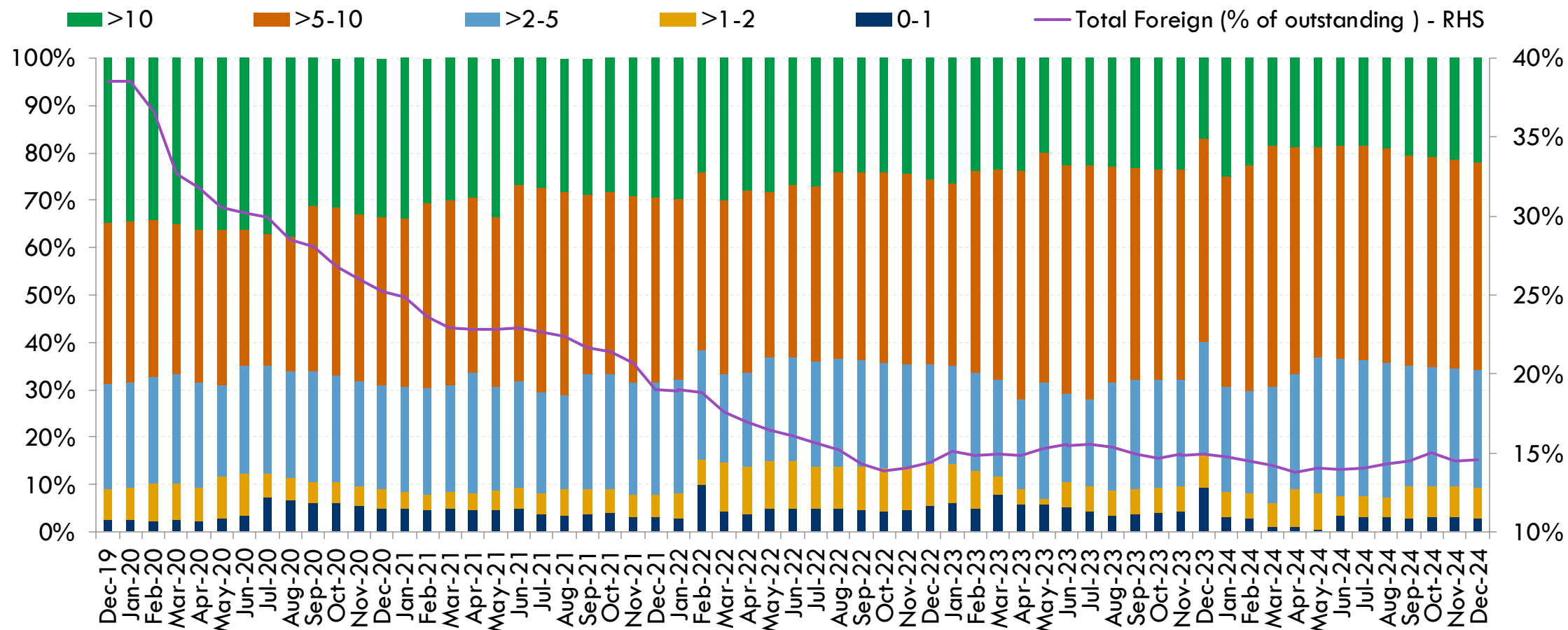
Foreign ownership in the government bond as of 31-Dec-24 was IDR876.6 tn (14.5% of total)



Foreign Bond Ownership: Portfolio Distribution by Tenor

Foreign Bond Ownership: Portfolio Distribution by Tenor

Foreign ownership in SBN by tenor



MACROECONOMIC FORECAST



Consensus Forecast: GDP Growth

Global growth will most likely be driven by the Emerging Market

Country	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24F	1Q25F	2Q25F	3Q25F	4Q25F	2023	F	2025F	2026F
US	2.8	3.2	3.2	2.9	2.6	2.4	2.5	2.2	2.0	1.9	2.9	2.7	2.1	2.0
UK	0.3	-0.3	0.3	0.9	1.1	1.6	1.3	1.3	1.5	1.6	0.4	0.9	1.4	1.5
Euro Zone	0.0	0.1	0.4	0.5	0.9	1.1	1.0	1.1	1.0	1.1	0.4	0.8	1.0	1.2
Australia	2.1	1.5	1.1	1.0	1.0	1.1	1.5	1.9	2.1	2.2	2.1	1.0	1.9	2.4
Japan	1.1	0.7	-0.9	-0.9	-0.8	0.6	1.4	1.2	1.1	1.0	1.5	-0.2	1.2	0.9
China	4.9	5.2	5.3	4.7	4.6	4.9	4.5	4.8	4.5	4.1	5.2	4.8	4.5	4.2
Indonesia	4.9	5.0	5.1	5.0	5.0	5.0	4.9	5.0	5.0	5.0	5.1	5.0	5.0	5.1
Brazil	2.4	2.4	2.6	2.4	3.5	3.8	2.7	1.8	1.5	1.5	3.3	3.2	2.0	1.9

Consensus Forecast: Inflation Rate

Market expects global inflation will decline in 2025

Country	3Q23	4Q23	1Q24	2Q24	3Q24F	4Q24F	1Q25F	2Q25F	3Q25F	4Q25F	2023	F	2025F	2026F
US	3.5	3.2	3.3	3.2	2.6	2.7	2.5	2.4	2.6	2.5	4.1	2.9	2.5	2.5
UK	6.7	4.2	3.5	2.1	2.1	2.5	2.5	2.6	2.7	2.5	7.4	2.5	2.5	2.2
Euro Zone	4.9	2.7	2.6	2.5	2.2	2.2	2.1	2.0	2.0	2.0	5.5	2.4	2.0	2.0
Australia	5.4	4.1	3.6	3.7	2.9	2.7	2.6	2.4	3.0	3.2	5.6	3.2	2.8	2.7
Japan	3.2	2.9	2.6	2.7	2.8	2.6	2.7	2.4	2.1	1.9	3.3	2.6	2.1	1.8
China	-0.1	-0.3	0.0	0.3	0.5	0.3	0.7	0.6	0.7	1.0	0.2	0.4	0.9	1.4
Indonesia	2.9	2.7	2.8	2.8	2.1	1.7	1.9	2.0	2.6	2.5	3.8	2.3	2.5	2.6
Brazil	4.6	4.7	4.3	4.0	4.4	4.9	4.8	5.0	5.0	4.7	4.6	4.4	4.3	3.7

Notes: average inflation

Source: Bloomberg consensus, as of 2-Jan-25

Consensus Forecast: Exchange Rates

Rupiah exchange rate is expected to depreciate in 2025

Currency	1Q24	2Q24	3Q24F	4Q24	1Q25F	2Q25F	3Q25F	4Q25F	2023	F	2025F	2026F
EUR/USD	1.08	1.06	1.09	1.06	1.03	1.04	1.05	1.05	1.10	1.06	1.05	1.08
GBP/USD	1.26	1.25	1.28	1.28	1.26	1.26	1.27	1.28	1.27	1.28	1.28	1.29
USD/JPY	151.35	157.00	147.00	152.00	150.00	149.00	146.00	145.00	141.04	152.00	145.00	140.00
AUD/USD	0.65	0.66	0.67	0.66	0.64	0.64	0.65	0.66	0.68	0.66	0.66	0.68
USD/IDR	15,855	16,000	16,000	15,750	16,100	16,177		16,150	15,397	15,750	16,150	15,600
USD/SGD	1.35	1.36	1.09	1.06	1.03	1.04	1.05	1.05	1.32	1.06	1.05	1.08
USD/CNY	7.22	7.30	7.20	7.20	7.35	7.40		7.40	7.10	7.20	7.40	7.15

Consensus Forecast: Central Bank Rates

Most central banks are expected to conduct interest rate cuts in 2025

Interest Rate	3Q23	4Q23	1Q24	2Q24	3Q24F	4Q24F	1Q25F	2Q25F	3Q25F	4Q25F	2023	F	2025F
US Fed Rate	5.5	5.5	5.5	5.5	5.3	4.5	4.3	4.0	3.9	3.8	5.5	4.5	3.8
JP BOJ Rate	-0.1	0.0	0.1	0.1	0.2	0.3	0.5	0.6	0.7	0.8	0.0	0.3	0.8
ECB Refinancing Rate	4.5	4.5	4.5	4.3	3.7	3.2	2.7	2.2	2.2	2.2	4.5	3.2	2.2
UK BOE Bank Rate	5.3	5.3	5.3	5.3	5.0	4.8	4.5	4.2	3.9	3.7	5.3	4.8	3.7
AU RBA Cash Rate	4.1	4.4	4.4	4.4	4.4	4.4	4.3	4.0	3.8	3.6	4.4	4.4	3.6
CN PBoC Rate	3.5	3.5	3.5	4.3	4.3						3.5		
BI Rate	5.8	6.0	6.0	6.3	6.0	6.0	5.8	5.5	5.4	5.3	6.0	6.0	5.3

Bank Mandiri's Macroeconomic Forecast

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024F	2025F
National Account											
Real GDP (% yoy)	4.88	5.03	5.07	5.17	5.02	-2.07	3.70	5.31	5.05	5.06	5.13
Real Consumption: Private (% yoy)	4.96	5.01	4.94	5.05	5.04	-2.63	2.02	4.93	4.82	4.92	5.09
Real Consumption: Government (% yoy)	5.31	-0.14	2.12	4.82	3.27	2.12	4.24	-4.51	2.95	7.43	6.52
Real Gross Fixed Capital Formation (% yoy)	5.01	4.47	6.15	6.68	4.45	-4.96	3.80	3.87	4.40	4.29	4.69
Real Exports (% yoy)	-2.12	-1.66	8.9	6.51	-0.48	-8.42	17.95	16.28	1.32	3.02	5.85
Real Imports (% yoy)	-6.25	-2.41	8.07	12.14	-7.13	-17.60	24.87	14.75	-1.65	4.13	4.78
External Sector											
Goods Exports (% yoy)	-14.93	-3.12	16.90	7.01	-6.79	-2.68	41.92	26.03	-11.32	1.30	2.36
Goods Imports (% yoy)	-19.75	-4.39	16.20	20.58	-8.85	-17.34	38.58	21.03	-6.55	5.48	2.15
Goods Balance (USD bn)	14.05	15.32	18.81	-0.23	3.59	21.62	35.42	54.45	36.98	33.21	32.8
Current Account (% of GDP)	-2.04	-1.82	-1.59	-2.94	-2.71	-0.42	0.30	1.00	-0.11	-0.9	-1.2
Current Account (USD bn)	-17.52	-16.95	-16.20	-30.63	-30.28	-4.43	3.51	13.13	-1.57	-12.66	-17.05
IDR/USD (year end)*	13,788	13,473	13,568	14,390	13,866	14,050	14,253	15,568	15,397	16,102	15,753
IDR/USD (average)*	13,394	13,305	13,384	14,247	14,141	14,543	14,321	14,874	15,248	15,841	15,903
Other											
BI Rate (% year end)*	7.50	4.75	4.25	6.00	5.00	3.75	3.50	5.50	6.00	6.00	5.50
Headline Inflation (% yoy. period end)*	3.35	3.02	3.61	3.13	2.62	1.68	1.87	5.51	2.61	1.57	2.38
S&P's Rating - FCY	BB+	BB+	BBB-	BBB-	BBB	BBB	BBB	BBB	BBB	BBB	BBB
S&P's Rating - LCY	BBB-	BBB-	BBB-	BBB-	BBB	BBB	BBB	BBB	BBB	BBB	BBB

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