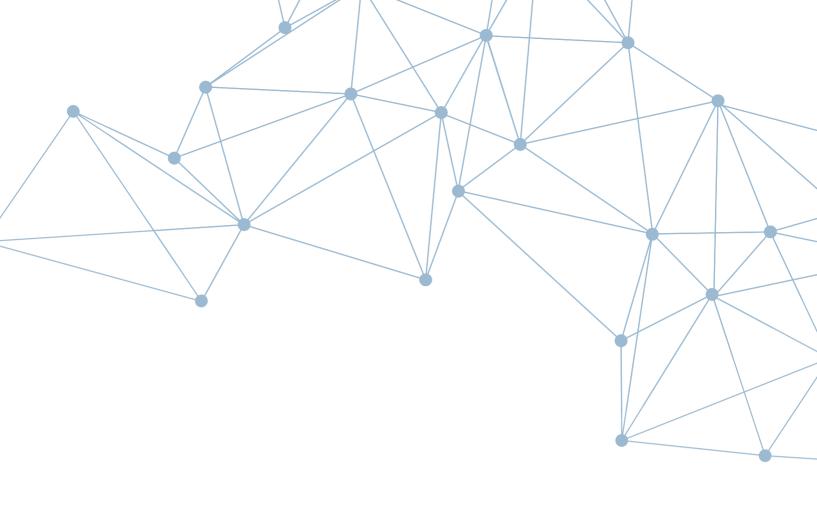
Trade-off JudonesiaEconomic and Business Advisory

THE INDONESIAN ECONOMIC STATE OF PLAY

19th edition: July 2021



High multi-storey residence apartments in Central Jakarta. Apartment market in Jakarta since 2016 has been declining. The Covid-19 pandemic made the sale and launch of new apartments free falling until mid of 2021 because potential consumers are very careful in deciding to purchase the apartments. During property boom in 2014, the number of apartments in Jakarta had been 75% absorbed. Afterwards, the sales are decreasing and stagnating at 60%. The developers are making various efforts to attract buyers by avoiding the prices increase and focusing on alternatives financing.



Publisher : Trade-off Indovesia - Economic and Business Advisory Website : www.trade-off.id Email : contact of trade-off.id WhatsApp : +62, 1282290434 Disclaimer : This periodical provides overtiew and insight on the development of Indonesian economy based on a stock-take of the publicly statistical data. The publisher has made efforts to ensure that the data contained is reliable. Neither the publisher nor any person using on its behalf may be held responsible for the use to which information contained may be put. Next edition: August 2021





STATE OF PLAY: General prices charted a deflation.

The prices recorded a 0.16% deflation in June due to the slower demand after holidays in May. Annual inflation of 1.33% was lower than 1.68% in June 2020.

Rupiah weakens, monetary policy rate unchanged.

The currency has been depreciating since early June and continued until the third week of July, from the level of Rp14,200 to Rp14,500 per US\$. The increasing number of Covid-19 positive cases in Indonesia is still become major concerns in the money market, creates negative sentiment to the rupiah. Bank Indonesia kept BI Rate at 3.5% in July. Foreign reserve increased a bit to US\$137.0 bn from US\$136.4 bn .

Banking is fairly stable, stock market volatile.

Overall, banks' capital adequacy increased because the decrease in outstanding loans, while non-performing loans hiked. Net interest margin modestly rose. Stock market experienced mild volatility and the stock price composite index moves at the level of between 6,000 and 6,100. The performance of government and corporate bonds slightly improved over June-July. Yields of Indonesian 10-years state debt and 5-years Sovereign Credit Default Swap still fairly stable.

Manufacturing was on slower expansionary phase. Indonesian Purchasing Manager Index was 53.5 in June, fell from 55.3 in May. Foreign demand softened, with growth in new export decreasing to a three-month low. The pandemic situation led to a drop in overseas orders and .to a lengthening of lead times for Indonesian manufacturers, with supplier performance deteriorating at the fastest rate since January. Price pressures continued to build with both input and output price inflation quickening in June. Rising raw material prices remained a key driver of inflation. However, overall, firms maintained an optimistic outlook with regards to production in the next 12 months.

Exports increased at lower rate than the imports.

Trade surplus contracted 51.1% (m-t-m) to US\$1.32 bn in June. Exports expanded only 9.6%, much lower than the 21.0% imports expansion. Exports of mining, agriculture and manufacturing increased, and so did the imports of consumption, intermediary, and capital goods. Over January-June 2021, trade surplus has reached US\$11.8 bn, elevated 114.1% from US\$5.51 bn in the same period of 2020. Oil & gas deficit deepened 62.2%, while non-oil & gas surplus rose 93.9%.

State revenues grew slower than the expenditures.

State revenues realization increased 9.3% (y-o-y) in January-May, while expenditures increased 12.1%. Tax collection rose 3.4% contributed by the growths in VAT and other taxes amidst falling income tax. Budget deficit has reached Rp219.3 tn and it was 1.32% of GDP. The deficit of primary balance was Rp67.6 tn, doubled compared with last year. Excess financing dropped 49%, valued at Rp90.0 tn, signifies a more efficient budget management. Central government spending was 33.1% of target, contributed largely by the accelerated spending on goods and capital as well as social assistance.

External debts expanding but at a slower pace.

Outstanding of the debts was US\$415.3 bn, grew 2.6% (y-o-y) in May from 4.4% in April. Public debt was US\$206.6 bn and grew 8.6%, private debt grew 6.0% to US\$206.6 bn. State-Owned Enterprises' debt continued growing, in contrast with the drops in the debts of foreign and joint venture companies as well as local private companies. Debt to GDP ratio 37.6% and long-term debt 88.5% of total.

OUTLOOK: In July, general prices will return to inflation, largely sourced from the hikes in some staple foods of vegetables like chilies, tomato, and red onion. Rupiah would still be volatile at the level of Rp14,500 until end of July. Stock market performance could improve a bit and the index will modestly hike to around 6,200 at the highest. Exports could grow at higher rates than the imports along with decreasing domestic demand of consumption and intermediary goods.

TRADE-OFF: Indonesia is facing a shortage of medical oxygen as many hospitals are in dire need of such an essential therapeutic substance to cope with the overwhelming number of Covid-19 patients. Scarcity in oxygen supplies to hospitals happens along with the surging number of cases. The crisis of oxygen stockpile erupts due to high demand for oxygen in hospitals, and some people keep more than one oxygen tubes at homes. The government has diverted 100% of industrial oxygen for health and approached the Indonesian Industrial Gas Association to ensure the supply of medical oxygen gas to hospitals. Such an action is a trade-off during emergency situation of pandemic, benefiting public health at the expenses of industrial gas users.

Jakarta, 23 July 2021 **Trade-off Indonesia**

LLL DASHBOARD

INDICATORS	2020				2021								
INDICATORS	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
INFLATION (%)													
Year-on-year	1.96	1.54	1.32	1.42	1.44	1.59	1.68	1.55	1.38	1.37	1.42	1.68	1.33
Month-to-month	0.18	(0.1)	(0.05)	(0.05)	0.07	0.28	0.45	0.26	0.10	0.08	0.13	0.32	(0.16)
Core	0.02	0.16	0.29	0.13	0.04	0.06	0.05	0.14	0.11	-0.03	0.14	0.24	0.14
Administered prices	0.22	(0.07)	(0.02)	(0.19)	(0.15)	0.16	0.35	-0.19	0.21	0.02	0.11	0.48	(0.21)
Volatile Goods	0.77	(1.19)	(1.44)	(0.60)	0.4	1.31	2.17	1.15	(0.01)	0.56	0.15	0.39	(1.23)
Energy	(0.07)	(0.02)	(0.01)	0.01	(0.12)	(0.11)	0.02	0.00	0.01	(0.02)	0.12	(0.01)	0.01
Volatile Foods	0.66	(1.06)	(1.29)	(0.55)	0.38	1.18	2.02	1.07	0.03	0.52	0.17	0.46	(1.10)
CURRENCY, FOREIGN RESERVE, BI	RATE												
Rupiah to US dollar (average)	14,196	14,582	14,725	14,845	14,758	14,237	14,166	14,062	14,047	14,417	14,552	14,334	14,351
Foreign Reserve (US\$ billion)	131.7	135.1	137.0	135.18	133.7	133.6	135.9	138.0	138.0	137.1	138.8	136.4	137.0
BI Rate (%)	4.25	4.00	4.00	4.00	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50
EXTERNAL DEBT													
Public Debt Growth (%, y-o-y)	1.9	2.2	3.40	1.60	0.33	2.57	3.14	2.82	4.32	12.22	8.56		
Private Debt Growth (%, y-o-y)	6.9	4.8	6.53	5.00	6.13	4.98	3.41	1.99	3.08	1.90	0.62		
MANUFACTURING													
Purchasing Manager Index	39.1	46.9	50.8	47.2	47.8	50.6	51.3	52.2	50.9	53.2	54.6	55.3	53.5
EXTERNAL TRADE (US\$ BILLION)													
Total Exports	12.08	13.73	13.07	14.01	14.39	15.28	16.54	15.30	15.27	18.35	18.49	16.60	18.55
Total Imports	10.76	10.47	10.74	11.57	10.79	12.66	14.44	13.34	13.26	16.79	16.20	14.23	17.23
Trade Balance				2.44	3.61	2.61	2.10			1.57	2.29	2.36	
	1.32	3.26	2.33					1.96	2.00				1.32
Oil and Gas Balance	(0.10)	(0.25)	(0.34)	(0.47)	(0.45)	(0.32)	(0.46)	(0.67)	(0.44)	(1.37)	(1.06)	(1.13)	(1.07)
Non-oil and Gas Balance	1.41	3.52	2.67	2.91	4.06	2.94	2.56	2.63	2.44	2.94	3.35	3.49	2.38
Oil and Gas Export	0.58	0.70	0.61	0.70	0.63	0.76	1.02	0.88	0.86	0.91	0.96	0.94	1.23
Oil and Gas Import	0.68	0.96	0.95	1.17	1.08	1.09	1.48	1.55	1.30	2.28	2.02	2.06	2.30
Non Oil and Gas Export Non Oil and Gas Import	11.50	9.51	12.46 9.79	13.31	13.76	14.51	15.52 12.96	14.42	14.40 11.96	17.45 14.51	17.53 14.18	15.66 12.17	17.31
·	10.09	9.51	9.79	10.40	9.71	11.50	12.90	11.79	11.90	14.51	14.10	12.17	14.93
BANKING Conital Adamson Patia (%)	22.50	22.02	22.50	22.52	23.74	24.25	23.89	24.50	24.53	24.04	24.21		
Capital Adequacy Ratio (%) Loan to Deposit Ratio (%)	22.59 89.1	23.03	23.50 85.38	23.52 83.46	83.07	24.25 82.33	82.54	82.44	81.8	80.93	80.83		
Net Interest Margin (%)	4.46	4.44	4.43	4.41	4.41	4.41	4.45	4.66	4.55	4.62	4.64		
Funding Growth (%, y-o-y)	7.95	8.53	11.64	12.88	12.10	11.55	11.17	9.52	10.11	9.50	10.94%		
Lending Growth (%, y-o-y)	1.49	1.53	1.04	0.12	(0.47)	(1.39)	(2.41)	(2.03)	(1.97)	(3.77)	-2.28%		
Non Performing Loan (%)	3.11	3.22	3.22	3.14	3.15	3.18	3.06	3.17	3.21	3.17	3.22%		
CAPITAL MARKETS													
Stock Price Index (end of month)	4,905	5,150	5,238.	4,870	5,128	5,612	5,979	5,862	6,242	5,986	5,996	5,947	5,985
Market Capitalisation (Rp trillion)	5,674	5,968	6,074	5,664	5,958	6,721	6,970	6,829	7,071	7,356	7,096	7,039	7,039
Price Earning Ratio (average, x)	12.6	10.1	11.5	12.4	11.86	9.75	9.99	9.45	11.1	11.62	11.5	11.99	11.99
Yield 10-year Govt. Bonds (avg.)	7.215	7.041	6.789	6.917	6.790	6.319	6.111	6.311	6.670	6.814	6.476	6.460	6.630
Credit Default Swap - 5 years	133.0	115.8	89.2	93.9	99.45	71.32	67.5	75.68	79.44	87.92	77.67	75.86	73.94
Credit Default Swap - 5 years	155.0	115.6	- 65.2						/9.44			75.80	73.34

Explanatory Notes: Colours indicate the movement of each indicators: "IMPROVED", "UNCHANGED", or "DETERIORATED".

: **Improved**, an indicator increased or decreased. For example, export increased, inflation decreased, and etc.

: **Unchanged**, an indicator did not change compared with the previous month.

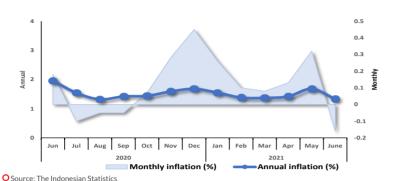
: **Deteriorated**, an indicator increased or decreased. For example, deficit increased, stock index decreased, and etc.

: Data on the respective indicator has not available yet

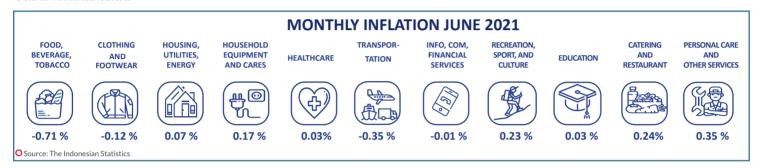
市三 OVERVIEW

1. MACROECONOMY

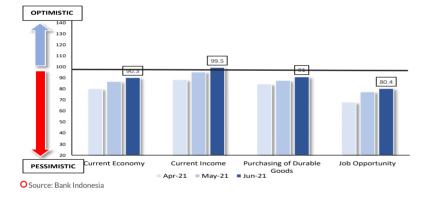
INFLATION



A monthly deflation of -0.16% recorded in Jun, after the 0.32% inflation in May. Annually, the inflation was 1.33% (y-o-y), down from 1.68% one month earlier. Core inflation remains low and under control in line with subdued domestic demand in the aftermath of seasonal higher demand in May during the holidays of ledul Fitri as Muslim festivities.

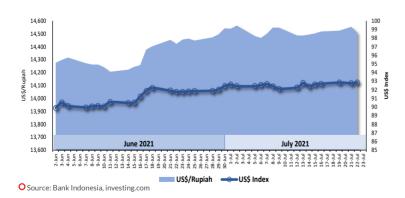


PERCEPTION ON ECONOMIC CONDITION



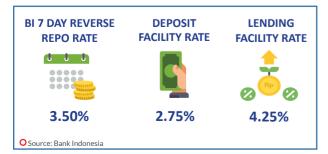
Consumers' perception on Indonesia's economy charted another rise in Jun and approaching the optimistic zone. According to Bank Indonesia's survey, the index of current economy rose to 90.3. Higher indexes also charted in current income, purchasing durable goods, and job opportunity. Better confidence on job opportunity felt by high-school and university graduated respondents.

CURRENCY



Over Jun, rupiah was volatile on weakening trend, and its average value fell to Rp14,351 per US\$ from Rp14,334 in May. The weakening trend continued over three weeks of Jul to reach the level of above Rp14,500. Sufficient foreign reserves hampered the currency from further depreciation. As indicated by the US\$ index, the value of US\$ steadily increased since mid-Jun to the level of above 92.

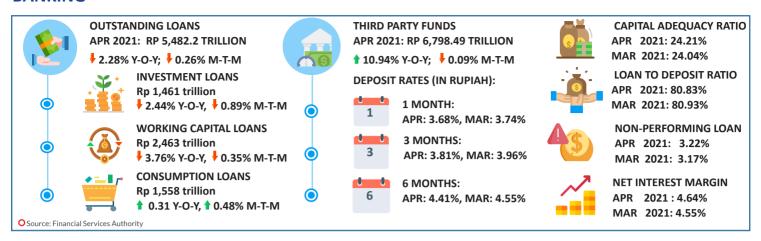
MONETARY POLICY RATES



On 22 Jul, Bank Indonesia decided to keep its monetary policy rates of BI 7-Day Reverse Repo Rate (BI Rate), Deposit Facility and Lending Facility Rates. The decision is consistent with the need to maintain exchange rates and financial system stability due to the elevated global financial market uncertainty amidst projected low inflation and efforts to revive the growth impacted by the Covid-19 pandemic.

2. BANKING AND CAPITAL MARKETS

BANKING



Until April, the overall banks' loans decreased on yearly and monthly basis, which made Loan to Deposit Ratio charted another fall because banks' funding was still expanding. Capital adequacy ratio and net interest margin hiked, but non-performing loans also rose. Deposit rates continued on a downward trend.

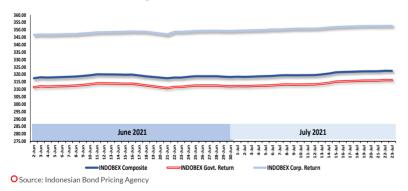
CAPITAL MARKETS



O Source: The Indonesian Stock Exchange

MARKET	FOREIGN INVESTORS TRANSACTION				
	Jun-21	May-21	Trade Side	Jun-21	May-21
Total trading (Rp bn.)	254,923	186,755	Buy (Rp bn)	65,284	59,005
Capitalization (Rp tn)	7,107	7,039	Sell (Rp bn)	60,413	55,479
P/E Ratio (avg.)	11.99	11.99	Net Purchase	4,871	3,526
P/BV Ratio (avg)	2.37	2.37	% to trading	49.3%	61.3%

OSource: The Indonesian Stock Exchange

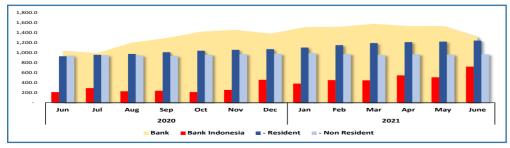


Stok market was fairly stable as reflected by the movement of composite stock price index at the levels of between 6,000 and 6,100. The index bottomed at 5,996 on 21 Jun before recovering afterwards and returned to the 6,000 level and peaked at 6,138 on 22 Jul. Issue of worsening pandemic hampers economic activities was among the concerns for investors invest the stocks in short-term.

In Jun, total stock trading fell 36.55% (m-t-m). Market capitalization modestly increased, while average P/E ratio did not change compared with the previous month. The share of foreign investors' trading fell, but they charted a higher net-buy of Rp4.8 tn.

The Indonesian bonds kept improving in Jun albeit the growth was lower than in May. Indonesia Composite Bond Index grew only 0.68 in Jun (m-t-m) from 1.06% in May. The bonds' performance was at higher growth rate over three weeks of Jul. Investors' confidence on the bonds, as major financial instrument in the markets, remained strong.

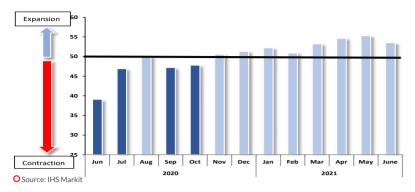
As of 30 Jun, Indonesian state securities increased 36.4% (y-o-y) and 0.7% (m-t-m) to Rp 4,282 tn, consist of Rp3,542.5 tn "SUN/SBN" (conventional bond) and Rp740.1 tn "SBSN" (shariah bond/sukuk). The share of banks' ownership fell to 31.0%, while foreigners' ownership stable at 22.8%, and Indonesian's rose to 29.3%. The average yield of 10-year securities up to 6.63 but 5-years Sovereign Credit Default Swap fell to 79.93.



As of 21 Jul, the state securities fell to Rp4,235.0 tn. "SUN/SBN" fell Rp70.8 tn and "SBSN" increased Rp23.2 tn. The yields of 10-year bonds fell dropped to 6.377, and the 5-years CDS decreased to 79.40.

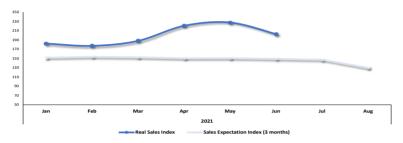
3. INDUSTRY AND TRADE

MANUFACTURING



Manufacturing still expanded but at a lower phase. The IHS Markit Manufacturing Purchasing Managers' Index™ (PMI™) for Indonesia fell to 53.5 in Jun amid renewed case of Covid-19. Rates of output and new order growth eased. Hiring conditions were stable, but supply disruption and higher raw material costs contributed to stronger increases in input costs and selling prices.

RETAIL SALES



Bank Indonesia survey indicated a substantial decrease of retail sales in Jun, after the hikes in Apr and May. It largely was caused by falling demand after the holidays and added with the restriction in people mobility amid the worsening Covid-19 pandemic. The sales would flat in Jul before falling in Aug.

O Source: Bank Indonesia

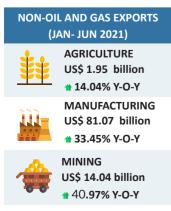
EXTERNAL TRADE



Trade surplus slashed about a half to US\$1.32 bn in Jun from US\$2.36 in May. Exports increased 9.6% (m-t-m), but imports rose higher by 21.0%. Oil & gas deficit dropped -3.3% to US\$1.06 bn also due to higher exports growth than imports. Non-oil & gas surplus decreased 37.1% to US\$2.38 bn, the lowest over seven months of 2021.

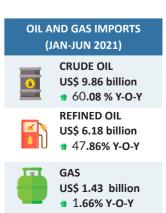
In Jun, the exports of top ten product groups valued at US\$8.29 bn, only rose 1.89% (m-t-m) and accounted for 47.9% of total non-oil and gas exports. Animal/Vegetable oil (especially crude palm oil) was still the largest exports dropped -30.89% (m-t-m) due to the falling global price. Iron and steel export boosted 32.3%, while machinery and electrical exports hiked 15.8%. Exports to China remained the largest, valued at US\$4.13 bn and rose 17.8%, then exports to the U.S (US\$2.13 bn/+21.3%), European Union (US\$1.43 bn/+1.8%), Japan (US\$1.36 bn/+22.8%), and Malaysia (US\$0.85 bn/-0.9%).

The imports of top ten product groups valued at US\$55.86 bn, boosted 21.8% (m-t-m) and accounted for 39.2% of total non-oil and gas imports. Machinery & electrical equipment rose 28.31% (m-t-m), in line with the continued expansionary phase of manufacturing in the last eight months. The imports of iron and steel increased 29.3%, and plastics hiked 26.9%. Exports to all major destinations increased on monthly basis. China remained the largest sources for Indonesia's imports, and its value rose 19.05% to US\$4.73 bn, then Japan (US\$1.28 bn/+39.9%), European Union (US\$0.92 bn/+16.9%), South Korea (US\$0.74 bn)/+9.85%), and Singapore (US\$0.84 bn/+32.23%).









O Source: The Indonesian Statistics

CAL AND EXTERNAL

STATE BUDGET

Budget Post	APBN 2021	Realization	% of	Growth (y-o-y)		
buuget Post	(Rp trillion)	Jan-May 2021	budget	2021	2020	
A. Revenues	1,743.6	726.4	41.7%	9.3%	-9.0%	
1. Domestic Revenue	1,742.7	726.5	41.7%	9.5%	-9.1%	
a. Taxes	1,229.6	459.6	37.4%	3.4%	-10.8%	
b. Import duty and excise	215.0	99.3	46.2%	21.6%	12.2%	
c. Non-tax revenue	298.2	167.6	56.2%	22.4%	-13.6%	
2. Grant	0.9	-0.1	-6.7%	-104.3%	143.7%	
B. Expenditures	2,750.0	945.7	34.4%	12.1%	-1.4%	
1. Central Government	1,954.6	647.6	33.1%	20.5%	1.2%	
a. Ministries/Govt. Instns.	1,032.0	359.8	34.9%	33.07%	-6.1%	
b. Non Ministries/Govt. Instns.	922.6	287.9	31.2%	7.8%	10.0%	
2. Transf to region & Village Fund	795.5	298.0	37.5%	-2.8%	-5.7%	
a. Transfer to Region	723.5	275.7	38.1%	-0.7%	-8.8%	
b. Village Fund	72.0	22.3	31.0%	-22.64%	4,130%	
C. Primary Balance	(633.1)	(67.6)	10.7%	100.6%	2,710%	
D. Budget Balance	(1,006.4)	(219.3)	21.8%	22.2%	42.8%	
E. Budget Financing	1,006.4	309.3	30.7%	-13.6%	122.6%	
F. Excess/Shortage Financing		90.0		-49.0%		

O Source: The Ministry of Finance

Type of Tax	APBN 2021	Realization	% of	Growth (y-o-y)	
туре от тах	(Rp trillion)	Jan-May 2021	budget	2021	2020
1. Income Tax	683.8	277.6	40.6%	-1.5%	-12.4%
• Non-oil & gas	638.0	257.7	40.4%	-2.7%	-10.4%
• Oil & gas	45.8	19.9	43.4%	16,98%	-35.6%
2. VAT & Luxury Taxes	518.6	177.4	34.2%	10.9%	-8.0%
3. Land & Building Tax & Others	27.3	4.7	17.1%	68.0%	-3.5%
Total	1,229.6	459.6	37.4%	3.4%	-10.8%

O Source: The Ministry of Finance

Central Government	APBN 2021	Realization	% of	Growth (y-o-y)	
Expenditures	(Rp trillion)	JanMay 2021	budget	2021	2020
1. Employee Expenditure	421.2	164.9	39.2%	72.8%	30.3%
2. Goods Expenditure	360.8	132.4	36.7%	91.4%	16.9%
3. Capital Expenditure	246.8	59.3	24.0%	120.3%	-5.9%
4. Subsidy	175.4	56.6	32.3%	15.8%	-17.0%
5. Social Assistance	156.4	71.5	45.7%	-9.3%	53.7%
6. Others (incl interest payment)	594.0	162.9	27.4%	-25.2%	13.5%
Total	1,954.5	647.6	33.1%	28.1%	15.9%

O Source: The Ministry of Finance

Over Jan-May 2021, state revenues grew 9.31% (y-o-y), slower than the expenditures that grew 12.05%. Budget deficit grew lower than last year and its ratio to GDP was 1.32%. Yet, state revenues Rp726.41 trillion was 41.7% of target, higher than 34.4% in expenditure. Excess financing only Rp90 tn, sharply fell from Rp178.5 tn, which signifies better efficiency of the budget management.

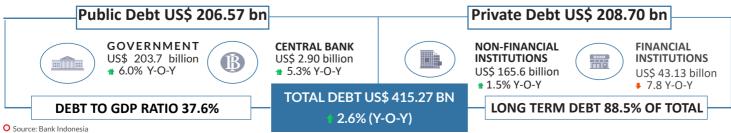
In end of May 2021, the outstanding of government debt was Rp6,418.15 tn. The debt consisted of 86.94% securities and 13.06% loans. Over Jan-May, government has issued Rp348.1 tn of tradable state securities, withdrawn Rp19.6 tn domestic and foreign loans, and paid Rp37.5 tn of domestic and foreign loans. The ratio of government debt to GDP was 40.49% in May, a drop from 41.18% in Apr.

Tax revenues until May 2021 was 37.4% of the target and grew 3.4%, meaning that growth of tax collection has now entered positive zone. Such a performance reflects the Indonesian economy actually starts recovering from the impact of the Covid-19 pandemic. The VAT was one of the main drivers of tax revenue, valued at Rp177.4 trillion and grew 10.9%.

central of Realization government expenditures until May has reached 33.1% of the ceiling, grew 28.1% (y-o-y). This growth was mainly driven by growth in realization of capital expenditures for basic and connectivity infrastructure projects, goods spending for implementation of Covid-19 vaccinations, and assistance for micro-enterprises, as well as employee expenditure.

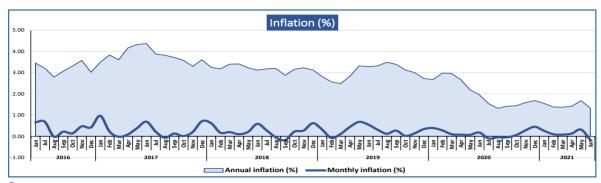
EXTERNAL DEBT

On an annual basis, the growth of government's external debt in May slowed down to 6.0% (y-o-y) in May from 8.6% in Apr. Meanwhile, private's external debt decreased -0.6%. Still, the debt of State-Owned Enterprises grew 1.79%, in contrast with the decrease of foreign companies debts by 1.98% and local companies debts by -0.79%. Overall, external debts grew 2.6% in May, lower than 4.4% in Apr.

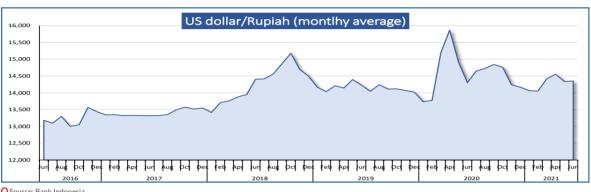


FIVE-YEAR TRENDS

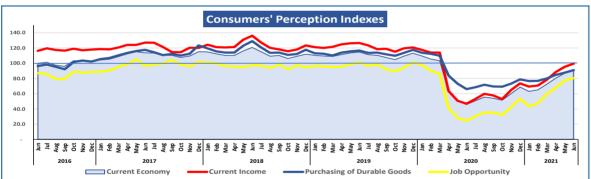
MACROECONOMY



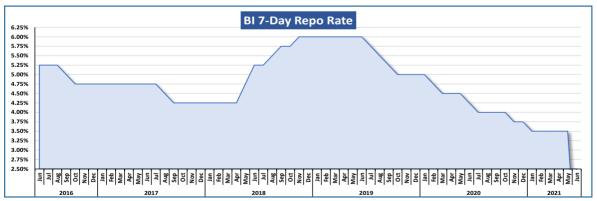
O Source: The Indonesian Statistics



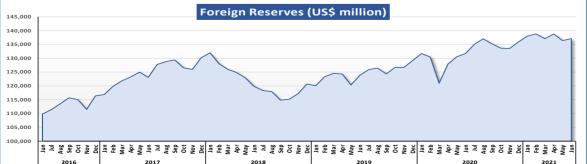
O Source: Bank Indonesia



O Source: Bank Indonesia



O Source: Bank Indonesia



Mostly thanked to the manageable food prices, annual inflation was below 4%. In 2020, inflation fell to 2%, will stay around same level in 2021.

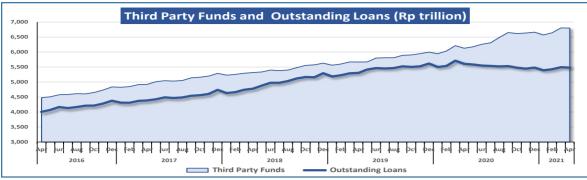
Rupiah had been ranging at the level of Rp14,000 -15,000 per US\$ since mid-2018 to 2020. It is volatile at 14,000-14,500 in early until mid of 2021.

Consumers' perception indexes stable above 100 since mid-2017. **The** indexes fell since Apr 2020, and it gradually improved in 2021.

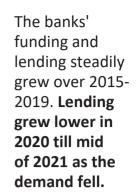
As a monetary policy tool, BI Rate anchors inflation expectation and stabilize rupiah. It peaked at 6%, and gradually reduced to 3.75% in Nov 2020, and 3.5% in Feb 2021 to date.

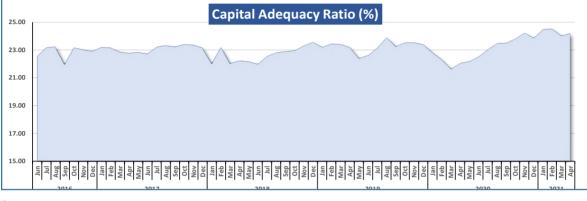
Foreign reserves fluctuated and on upward trend since end 2017. It was volatile in 2017-2018, peaked at US\$138 bn in Feb and a bit fell afterward.

BANKING



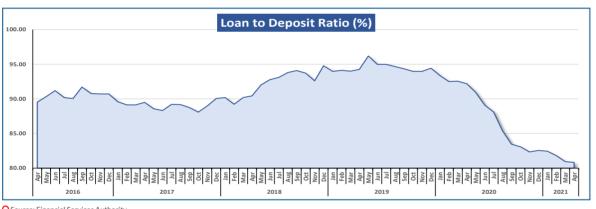
O Source: Financial Services Authority





Since end 2015 the banks' CAR fluctuated at between 21% and 23% till 2019. After falling to 22%, CAR has returned to 23% since Aug 2020 and 24% in 2021.

O Source: Financial Services Authority

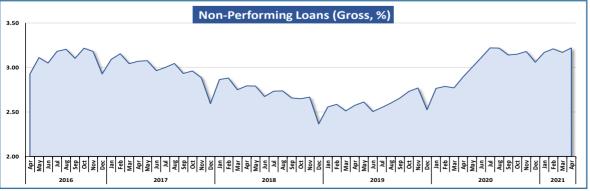


Over 2015-2017, the banks' LDR was below 90% It was on an upward trend, near to 95% in 2019, then fell in 2020 till mid of 2021 along with lower lending.

O Source: Financial Services Authority



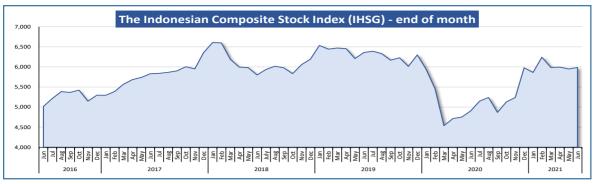
Banks' NIM peaked at +/-5.5% in 2016, and dropped over 2018-2019. **The** NIM continued falling to 4.45% in Dec 2020, rose since Jan 2021.



O Source: Financial Services Authority

After hovering at around 3% over May 2016-2017, the banks' NPL was decreasing. It rose since mid 2019, peaked at Jun 2020, and ups and downs since Sep 2020 to date.

CAPITAL MARKETS

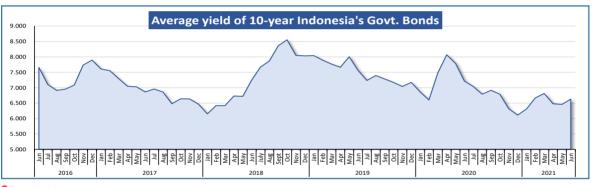


O Source: The Indonesian Stock Exchange

Stock index moved between 5,000 and 6,000 over mid-2017 to end 2019. It fell in early 2020, recovered since end 2020 until 7 months of 2021.

Market Capitalization of Indonesian Stock Exchange (Rp billion) 8,000 7.000 5,000 4,000 3.000 HANDER OF THE PROPERTY OF THE Total market capitalization of listed stocks constantly increased. The capitalization dropped in early 2020, and ups and downs in first 7 months of 2021.

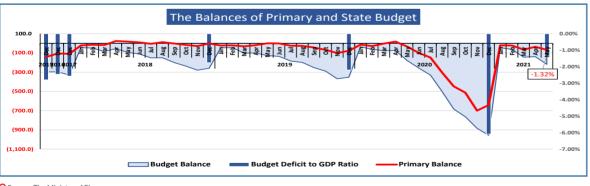
O Source: The Indonesian Stock Exchange



The yield volatile depends on financial markets and economic situation. Peaked in Apr 2020, then decreasing, but modestly up and down in 2021.

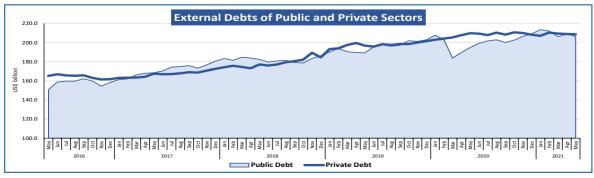
O Source: investing.com

STATE BUDGET



Primary balance deficit hiked in 2020, new debt to pay interests. **Budget deficit to GDP** was 6.09% in end of 2020 and will alightly decrease in 2021.

EXTERNAL DEBT



Public debt constantly grew, while private debt grew lower. After falling in Mar and Apr 2020, public debt rose again, private debt grew slow till May 2021

O Source: Bank Indonesia

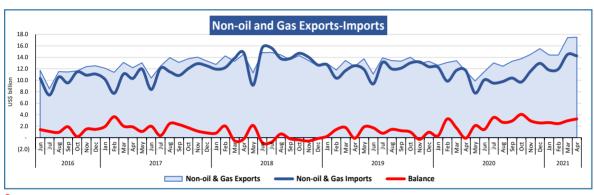
MANUFACTURING



Manufacturing was mostly on expansionary phases till 2019. PMI fell in Apr-May 2020, before recovering and kept expanding until Jul 2021.

O Source: IHS Markit

EXTERNAL TRADE



surplus most of the time. In 2020, the surplus hiked as imports falling, but slowed down since Nov 2020 to

Jun 2021.

Trade in non-oil

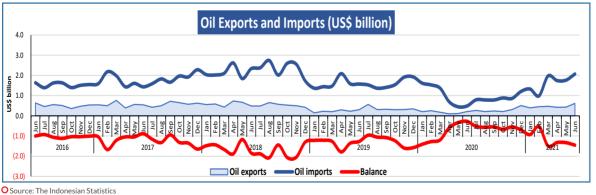
and gas enjoyed

O Source: The Indonesian Statistics

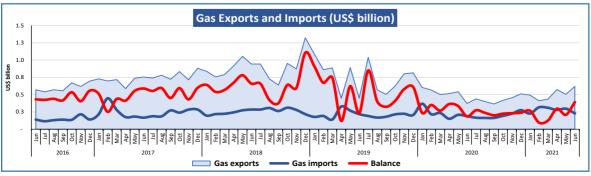


Manufacturing imports' value outpaced the exports over mid-2017 to early 2020. Imports fell and lower than exports over the period of May 2020-May 2021.

O Source: Bank IIndonesia



Indonesia is a net-oil importer. Lower oil price has reduced deficit in oil trade. Imports was the lowest in Apr 2020 before steadily rising until Jun 2021.



O Source: The Indonesian Statistics

The surplus of trade in gas follows exports movements. From 2020 until Q1/2021 exports falling, recovered since May, while imports dropped.



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