Indonesia's Economy Remains Resilient in 2Q26

Consumption and investment continued driving growth

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GDP Growth

	2024					2025					2026	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
GDP	**5.11**	**5.10**	**4.95**	**5.02**	**5.03**	**4.87**	**5.12**	**5.04**	**5.39**	**5.11**	**5.61**	**5.29**
Consumption												
Household	4.91	4.90	4.91	4.98	4.94	4.95	4.97	4.89	5.11	4.98	5.52	5.06
Non-Profit	24.29	10.00	11.69	6.06	12.48	3.07	7.82	4.28	5.90	5.13	6.28	6.93
Government	19.90	1.40	4.62	4.17	6.61	-1.37	-0.33	5.49	4.55	2.50	21.81	15.97
Gross Fixed Capital Formation (GFCF)	3.79	4.40	5.15	5.03	4.61	2.12	6.99	5.04	6.12	5.09	5.96	6.87
Export of Goods & Service	0.20	8.30	11.47	7.63	6.51	6.46	10.67	9.91	3.25	7.03	0.90	4.13
Import of Goods & Service	1.77	8.60	4.95	10.36	7.95	4.17	11.65	1.18	3.96	4.77	7.18	8.82

- Indonesia's 2Q26 GDP growth exceeded market expectations**, expanding 5.29% YoY (3.73% QoQ), driven by resilient domestic demand.**
- **Household consumption**, the largest growth contributor, **expanded 5.05% YoY, contributing 2.67ppt to GDP growth**. Restaurant & hotels (6.47% YoY) led spending growth, followed by transportation & communication (5.71%), other services (5.66%), and health & education (5.27%).
- **Gross Fixed Capital Formation (GFCF) accelerated to 6.87% YoY**, contributing 2.06ppt to growth, supported by strong investment in vehicles (+26.03% YoY), other equipment (+16.18%), and buildings (+6.61% YoY).
- **Government consumption remained a key growth driver**, rising 15.97% YoY and contributing 1.07ppt to overall GDP growth.
- External demand remained supportive as **exports grew 4.13% YoY**, although **imports continued to outpace exports, increasing 8.82% YoY** alongside robust domestic activity.

Source: Indonesia Statistics

GDP Expenditure growth in details

Investment accelerated while household consumption remained broadly resilient

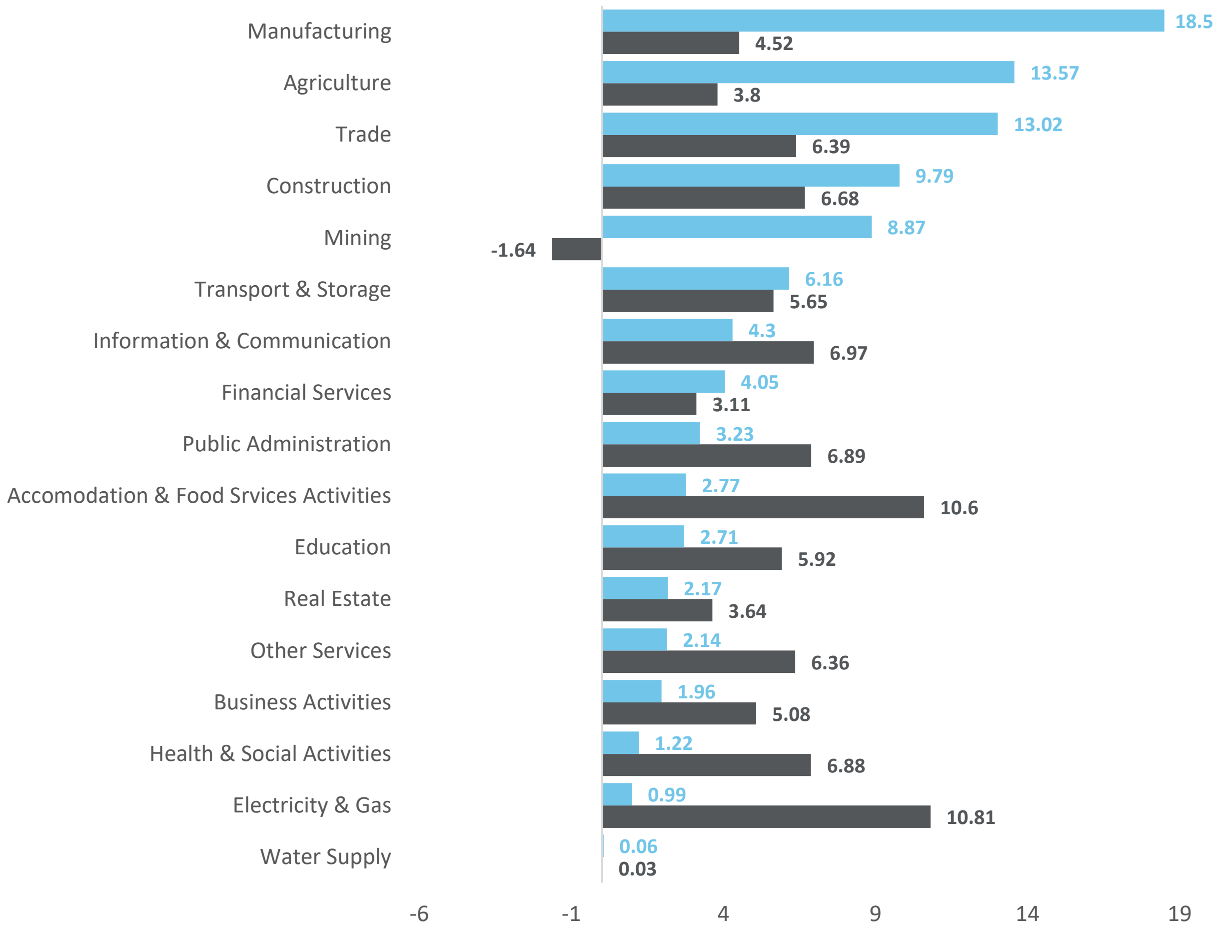
	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Household Consumption	**4.5**	**5.2**	**5.1**	**4.5**	**4.91**	**4.93**	**4.91**	**4.98**	**4.95**	**4.97**	**4.89**	**5.11**	**5.52**	**5.06**
a. Food & Beverage, ex-restaurant	3.4	3.8	4.0	2.6	4.3	4.1	4.2	4.34	4.04	4.15	4.11	4.42	4.54	4.25
b. Clothing, Footwear, and Maintenance Services	3.8	7.0	3.6	3.5	1.7	1.7	3.4	3.39	6.86	2.91	4.21	4.56	5.99	3.52
c. Household Housing and Equipment	2.8	3.8	3.8	4.9	5.0	4.4	3.7	4.33	5.06	4.34	3.74	4.3	4.65	5.10
d. Health and Education	2.6	5.5	4.2	3.7	3.7	3.7	4.4	4.31	3.66	4.16	4.06	4.8	4.82	5.27
e. Transportation and Communication	7.9	7.6	7.7	7.2	6.4	6.84	6.5	6.45	6.15	6.48	6.41	6.31	6.91	5.71
f. Restaurants and Hotels	5.9	6.8	6.5	6.4	6.4	6.80	6.6	6.3	6.02	6.77	6.32	6.28	7.38	6.47
g. Others	2.7	3.7	3.0	2.2	2.8	3.8	3.9	3.48	3.76	4.34	4.92	4.57	5.08	5.66
Non-Profit Institution Consumption	**6.2**	**8.6**	**6.2**	**18.1**	**24.1**	**9.8**	**11.5**	**6.06**	**3.07**	**7.82**	**4.28**	**5.90**	**6.28**	**6.93**
Government Consumption	**3.3**	**10.5**	**-3.9**	**2.8**	**20.4**	**2.0**	**4.6**	**4.17**	**-1.37**	**-0.33**	**5.49**	**4.55**	**21.81**	**15.97**
a. Collective Consumption	2.9	21.2	-3.8	5.8	27.2	2.0	7.5	3.83	-2.78	1.44	1.56	-0.76	5.91	5.37
b. Individual Consumption	4.0	-2.9	-4.2	-2.2	9.4	2.1	0.5	4.78	1.3	-3.07	11.49	14.04	50.66	33.32
Gross Domestic Fixed Capital	**2.1**	**4.6**	**5.8**	**5.0**	**3.8**	**4.4**	**5.2**	**5.03**	**2.12**	**6.99**	**5.04**	**6.12**	**5.96**	**6.87**
a. Building	0.1	3.3	6.3	6.4	5.5	5.3	6.0	5.26	1.35	4.89	3.02	3.74	5.29	6.61
b. Machinery and Equipment	4.6	7.7	-1.0	2.0	2.9	6.1	11.2	9.3	7.95	25.3	17.00	22.16	10.78	1.32
c. Vehicle	24.1	15.5	21.3	3.2	-13.3	-7.7	-15.3	-4.13	1.73	0.4	6.24	7.29	12.39	26.03
d. Other Equipment	-5.3	-5.3	-5.6	0.5	5.0	10.7	19.2	11.74	-0.29	7.34	5.92	-0.13	-11.30	16.18
e. Cultivated Biological Resources (CBR)	3.3	5.6	2.1	-1.5	3.2	4.2	1.0	-0.51	-1.78	0.19	2.74	-5.05	0.3	4.93
f. Intellectual Property Products	5.1	9.3	7.7	4.1	5.2	-4.0	4.3	4.88	6.2	0.69	0.19	5.97	5.89	6.19
Export of Goods and Services	**11.7**	**-2.9**	**-3.9**	**1.6**	**1.5**	**8.1**	**8.8**	**7.63**	**6.46**	**10.67**	**9.91**	**3.25**	**0.90**	**4.13**
a. Goods	8.3	-5.5	-6.7	0.4	0.6	7.8	8.2	6.74	6.76	10.62	10.16	3.39	0.32	3.90
a.1. Non-oil and gas goods	7.7	-6.0	-7.8	-0.6	0.6	8.0	9.0	6.97	7.82	12.56	12.56	5.44	0.85	5.42
a.2. Oil and gas goods	15.4	0.1	6.8	12.6	0.4	5.3	-0.5	4.29	-4.5	-9.34	-18.15	-19.64	-6.09	-15.53
b. Services	81.3	38.2	35.7	17.9	12.7	11.8	14.4	17.5	3.16	11.17	7.62	1.81	7.37	6.44
Import of Goods and Services	**4.2**	**-3.2**	**-6.8**	**-0.2**	**1.5**	**7.8**	**11.9**	**10.36**	**4.17**	**11.65**	**1.18**	**3.96**	**6.43**	**8.82**
a. Goods	0.5	-5.5	-8.1	-0.3	1.9	8.0	12.3	10.19	3.41	12.17	0.92	5.07	7.82	10.29
a.1. Non-oil and gas goods	-0.6	-6.5	-8.8	-2.0	0.4	7.9	14.9	12.71	4.2	16.32	2.14	5.41	9.10	8.58
a.2. Oil and gas goods	6.7	0.4	-4.5	8.5	10.6	8.5	-0.8	-2.18	-0.77	-10.18	-6.31	3.1	0.76	22.12
b. Services	36.7	13.2	2.6	1.1	-1.1	6.5	9.5	11.48	9.28	8.43	2.82	-3.39	-2.48	-0.68
GROSS DOMESTIC PRODUCTS	**5.0**	**5.2**	**4.9**	**5.0**	**5.1**	**5.05**	**4.95**	**5.02**	**4.87**	**5.12**	**5.04**	**5.39**	**5.61**	**5.29**

Source: Indonesia Statistics

Broad-Based Growth Across Industries in 2Q26

Key sectors continued driving economic expansion

Growth and Distribution by Industry (%)



Most sectors recorded positive growth in 2Q26, reflecting broad-based economic expansion. The five largest contributors to GDP remained **manufacturing, agriculture, trade, construction, and mining**.

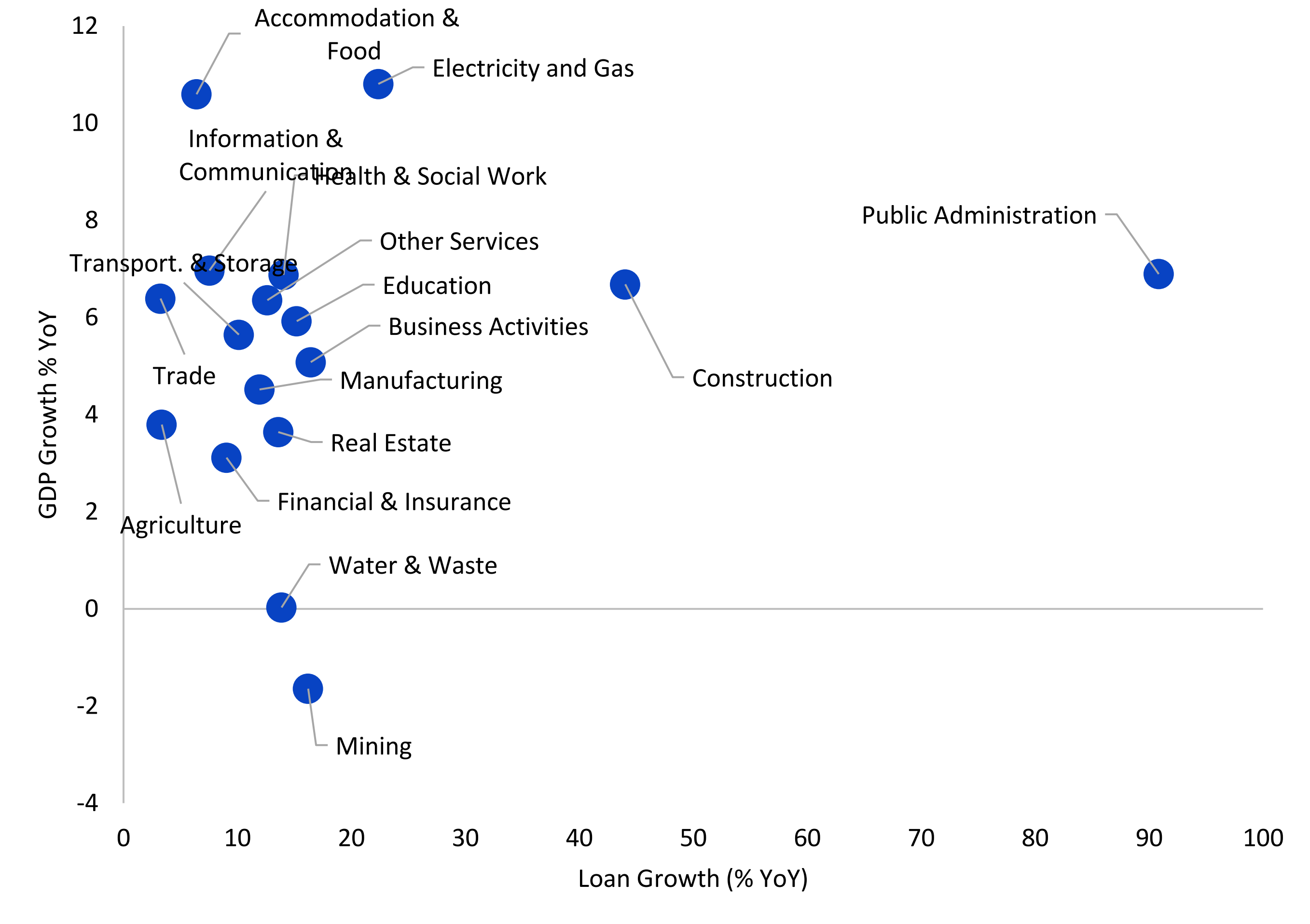
- ✓ **Electricity & gas recorded the strongest growth,** supported by higher electricity demand across households, businesses, and industries.
- ✓ **Accommodation & food services expanded strongly,** driven by higher hotel occupancy and stronger food service activity, partly supported by the continued rollout of the Free Nutritious Meals (MBG) program.
- ✓ **Information & communication remained resilient**, supported by rising demand for telecommunications services across healthcare, education, trade, and other sectors.

Source: Statistics Indonesia

Sectoral GDP Growth and Loan Growth

Consumer services and government-related activities remained key drivers

Sectoral GDP Growth vs Loan Growth (YoY, 2Q26)



	2Q26		
Sector	Share to GDP (%)	GDP Growth (YoY)	Loan Growth (YoY)
Manufacturing	19.78	4.52	11.94
Trade	13.13	6.39	3.25
Agriculture	11.91	3.80	3.36
Construction	9.45	6.68	44.03
Information & Communication	6.99	6.97	7.54
Mining	6.43	(1.64)	16.21
Transport. & Storage	4.87	5.65	10.12
Financial & Insurance	3.93	3.11	9.04
Accommodation & Food	3.47	10.60	6.41
Public Administration	3.32	6.89	90.85
Education	2.83	5.92	15.20
Real Estate	2.63	3.64	13.58
Other Services	2.19	6.36	12.62
Business Activities	2.03	5.08	16.43
Health & Social Work	1.41	6.88	14.04
Electricity and Gas	1.04	10.81	22.36
Water & Waste	0.08	0.03	13.87

- Fiscal-driven sectors, particularly Public Administration, remained among the strongest growth contributors.
- Consumer-oriented sectors (Accommodation & Food, ICT) continued to outperform despite only moderate loan growth.
- Manufacturing and Trade benefited from steady credit expansion, supporting broad-based economic activity.
- Mining remained the weakest-performing sector, reflecting continued headwinds in commodity-related activity.

Source: Indonesia Statistics, Bank Indonesia

Services Continued Supporting Household Consumption

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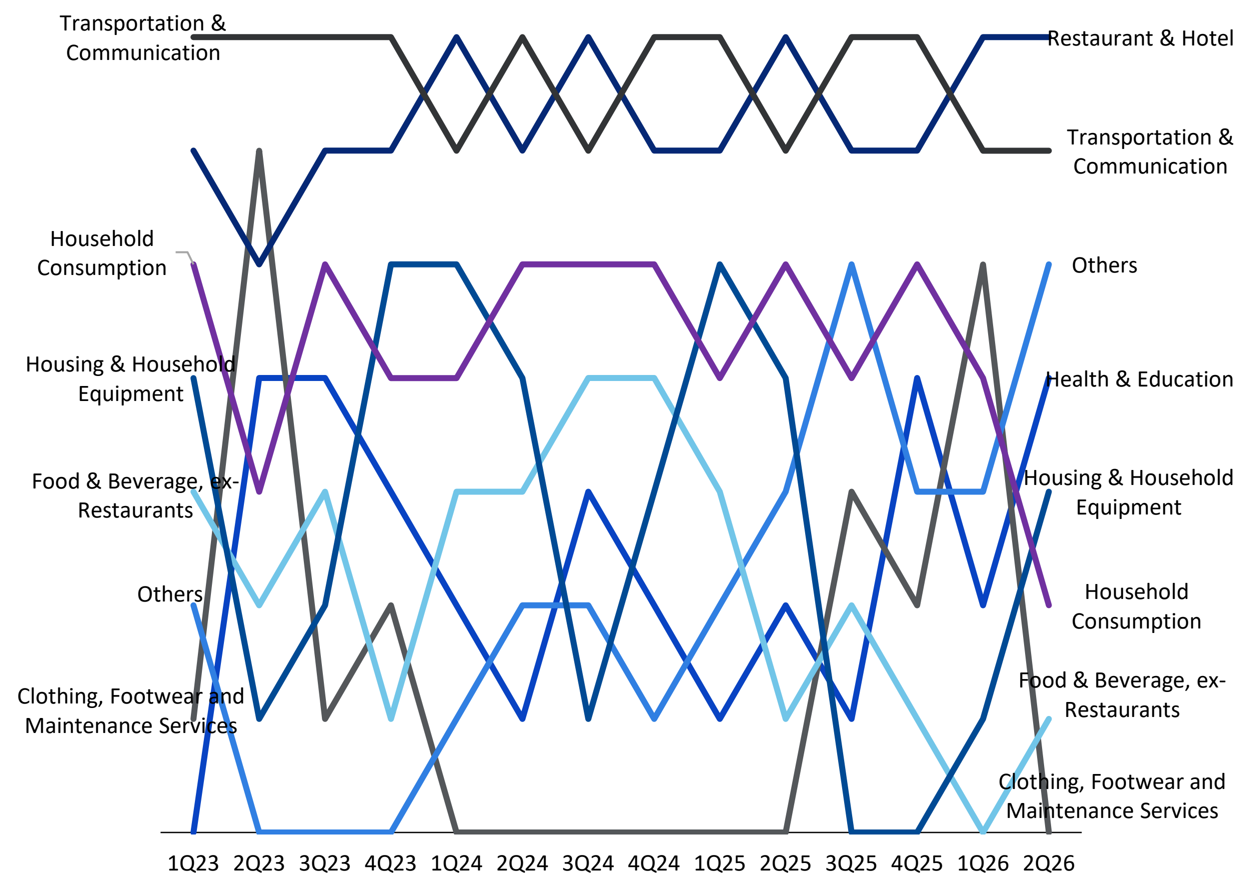
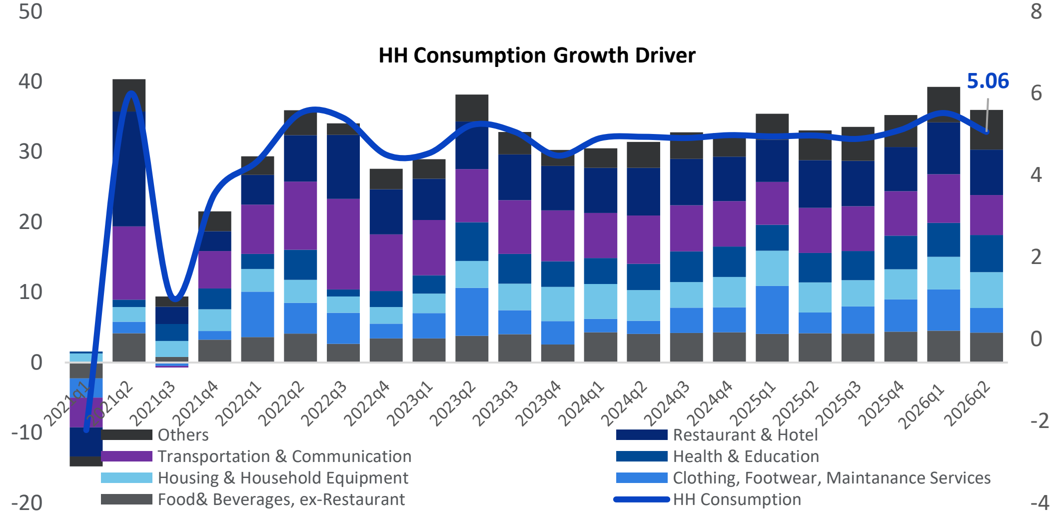
Mobility and lifestyle-related spending continued to underpin consumption growth

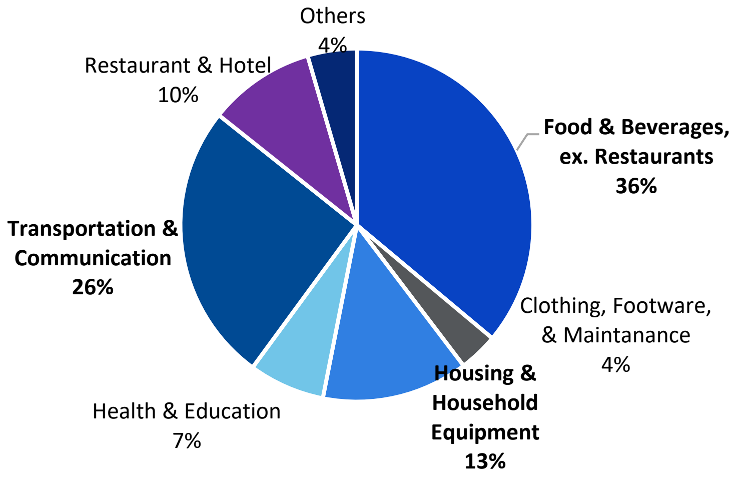
Household Consumption Ranking



Transportation and hospitality lead household consumption growth



Household Consumption Breakdown



Consumer and Retail Activity Snapshot

Selected Indicators Suggest a Gradual Softening in Domestic Demand

Consumer Leading Indicators

	% YoY, unless otherwise stated	2025												2026					
		Q1			Q2			Q3			Q4			Q1			Q2		
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Retail	**Retail Sales, Index**	0.5	2.0	5.5	-0.3	1.9	1.3	4.7	3.5	3.7	4.3	6.3	3.5	5.7	6.5	3.4	-3.7	-3.9	
	SSSG (ACES), YTD YoY	3.4	-6.6	8.6	-14.1	-4.6	-4.8	-2.7	-4.1	-8.2	-5.9	-5.2	-4.2	1	3.8	4.3	2.4	2.1	
Consumer Index	Consumer Confidence, Index	127.2	126.4	121.1	121.7	117.5	117.8	118.1	117.2	115.0	121.2	124.0	123.5	127.0	125.2	122.9	123.0	120.9	117.8
	Current Economic Condition, Index	113.5	114.2	110.6	113.7	106.0	106.7	106.6	105.1	102.7	109.1	111.5	111.4	115.1	115.9	115.4	116.5	112.2	109.2
	Consumer Expectation, Index	140.8	138.7	131.7	129.8	129.0	128.9	129.6	129.2	127.2	133.4	136.6	135.6	138.8	134.4	130.4	129.6	129.7	126.4
Liquidity & Consumption	M2 Growth	5.5	6.2	6.1	5.2	4.9	6.4	6.6	7.6	8.0	7.7	8.3	9.6	10.0	8.7	9.7	9.2	10.8	
	Loan Growth	9.0	9.7	8.7	8.5	8.1	7.6	6.7	7.0	7.2	7.0	7.9	9.3	10.2	8.9	8.9	9.4	10.8	
	Consumption Loan Growth	9.5	10.2	9.2	8.8	8.7	8.5	8.0	7.7	7.3	6.9	7.2	6.4	7.2	6.3	5.8	6.1	5.8	
	Consumption Import Growth	-7.2	-21.2	-5.8	18.5	5.4	1.3	-2.4	-5.0	4.1	-1.9	-1.5	4.7	11.8	19.8	-10.8	42.9	22.0	
Auto Sales	4W (Retail), YTD YoY	-18.3	-10.0	-8.8	-7.2	-8.7	-9.2	-10.3	-10.7	-10.9	-9.7	-8.4	-6.3	4.6	8.4	0.5	6.9	8.8	10.5
	2W (Retail), YTD YoY	-5.5	-0.8	-3.0	-3.0	-2.4	-2.1	-2.1	-1.7	-0.7	0.2	0.4	1.3	3.1	2.1	-4.1	2.2	0.7	0.8
Durable Demand	Cement Sales, YTD YoY	-5.1	-0.4	-7.8	-1.3	-2.1	-3.1	-3.2	-3.3	-3.1	-3.2	-2.9	-2.2	11.0	8.2	5.0	11.9	9.8	10.4
	Heavy Equipment (UNTR Komatsu) Sales, YTD YoY	3.5	17.7	23.0	34.7	33.7	27.1	23.2	15.5	10.0	6.2	3.3	2.6	13.8	-10.5	-20.1	-25.1	-28.1	
Mobility	Train (Pax.)	5.2	9.2	4.6	8.0	6.2	8.1	8.4	4.1	4.6	6.7	10.0	9.9	10.0	2.2	17.7	5.6	3.8	
	Airport Departure (Pax.)	6.1	0.2	-5.5	-3.3	-9.2	-4.1	-3.6	-3.9	-8.3	0.7	2.1	-4.2	-1.3	-6.2	23.9	-9.3	-7.6	
	Port (Pax.)	-7.7	-0.9	36.1	57.5	-1.6	19.9	-2.3	-18.5	-6.7	-4.7	-8.8	37.3	-3.1	19.7	33.8	16.9	-22.9	
	Port (Shipping)	2.5	4.7	-2.3	7.0	4.0	3.8	2.5	0.5	3.5	0.8	9.3	5.3	42.4	35.2	24.7	51.4	4.2	
Tourism	Hotel Occupancy, Rate	48	47	34	47	48	50	53	51	50	53	54	56	48	45	43	49	51	
	Jakarta	54	59	38	47	51	52	56	54	53	58	62	60	53	52	44	55	54	
	Bali	60	52	47	57	58	65	68	70	68	65	58	61	57	55	53	58	61	
	Foreign Tourist Arrivals, YTD YoY	24.6	9.5	4.4	5.6	7.4	9.5	10.1	10.4	10.2	10.5	10.4	10.8	2.8	7.8	8.6	8.2	7.7	

Source: Statistics Indonesia, AISI, Gaikindo, Company Report