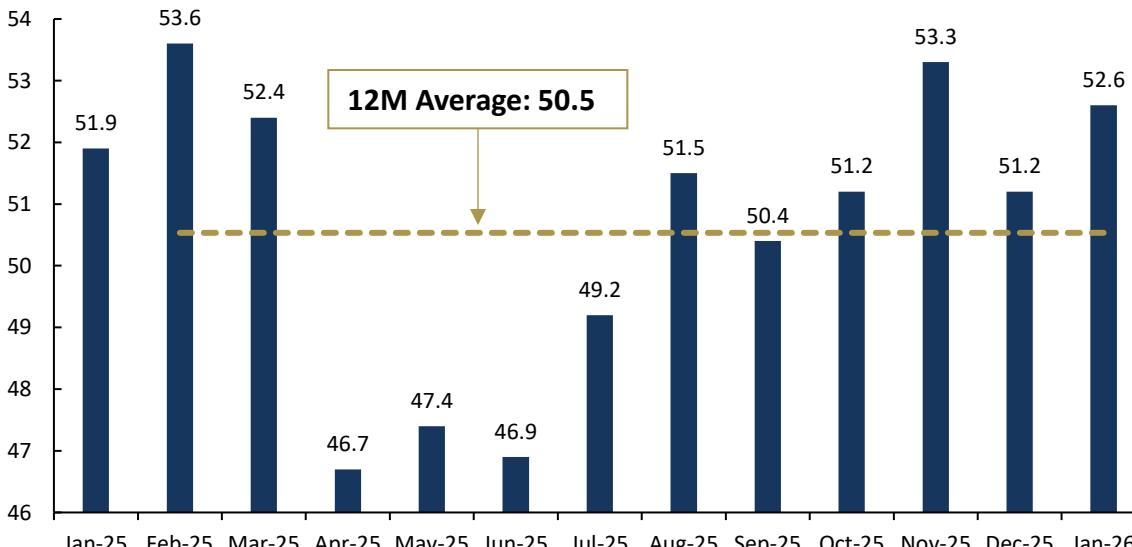


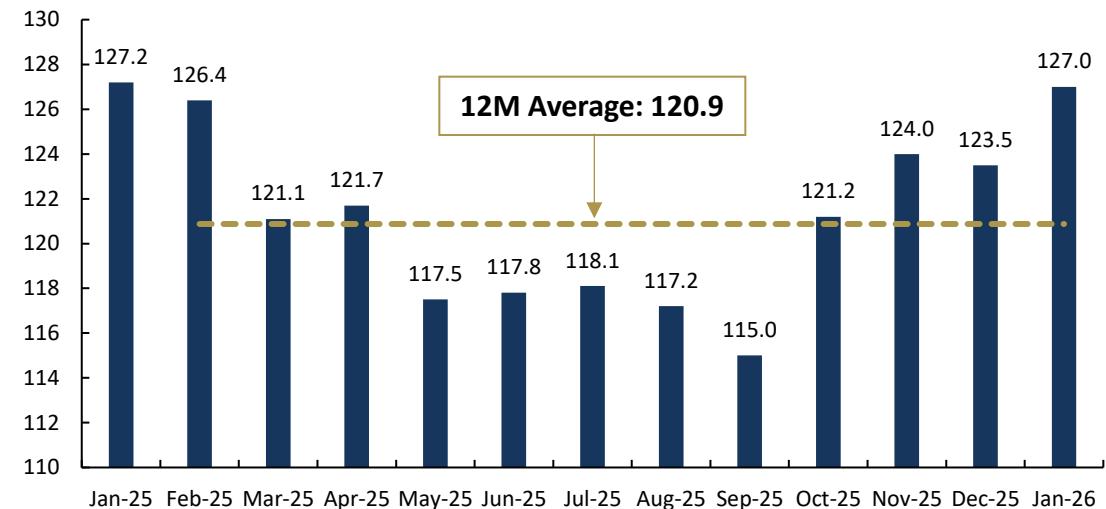
Indonesia Consumer Confidence Index: 10 February 2026

- Indonesia's consumer confidence strengthened further in Jan-26 with the headline index rising from 123.5 in Dec-25 to 127.0, marking the highest level since Jan-25 and pointing to improved household sentiment, helped by continued social assistance programs like the free meals program (MBG) and banks' attempts to loosen credits.
- Views on current income rose to 123.7 and assessments of current economic conditions increased to 115.1, pointing to better household financial comfort, particularly at the low end. In parallel, willingness to purchase durable goods climbed to 111.8 versus six months earlier, signalling greater loan approvals, increased promotions for motorbikes and higher home financing, resulting in rising confidence to commit to higher value spending.
- Forward-looking components also strengthened, reinforcing the positive signal from current conditions. The economic outlook index rose to 138.8, while income expectations for the next six months increased to 146.0. On more negative note, expectations for job availability over the next six months were unchanged at 135.1, indicating a pause in perceived improvement in labor-market dynamics.
- Stronger household sentiment can help offset tighter global financial conditions by sustaining domestic demand, while also improving revenue visibility for consumption-linked sectors. At the same time, rising confidence in durable purchases may translate into firmer credit demand, underscoring the importance of maintaining supportive liquidity conditions and financial stability. The unchanged job-expectations component suggests that policymakers will remain attentive to labor-market absorption and productivity gains to ensure that optimism is backed by real income and employment creation ahead.
- Going forward, while elevated confidence should continue to support consumption as a key economic growth driver, the risk is continued squeeze within Indonesia's middle class (which do not benefit from MBG) coupled with potential FX driven inflation in the lead up to CNY, Ramadhan and Lebaran festivities. However, if income expectations stay strong and price pressures remain contained, spending momentum is likely to hold up.

Indonesia Manufacturing PMI



Indonesia Consumer Confidence Index



Indonesia Inflation Y-o-Y

