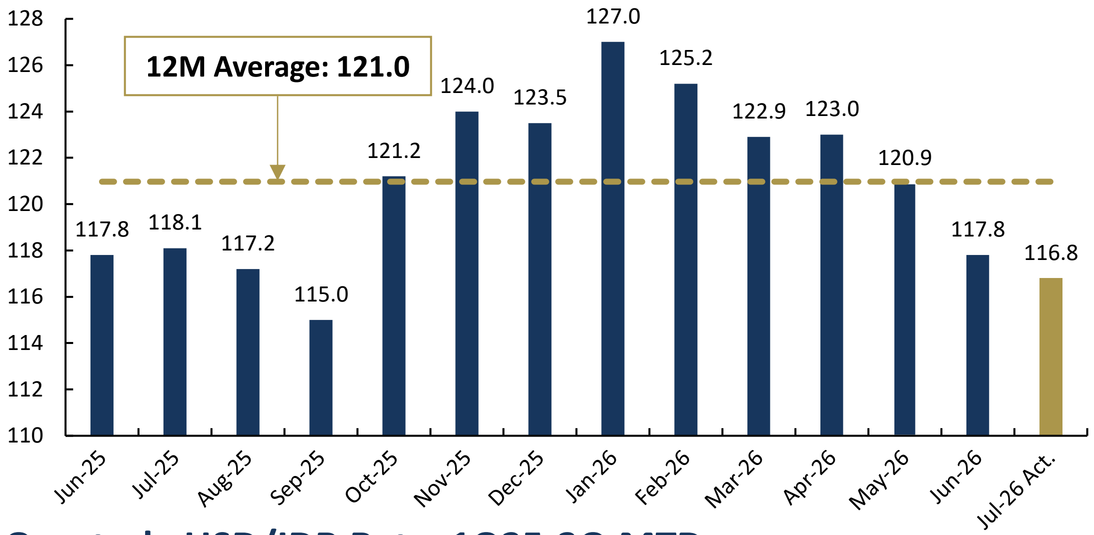
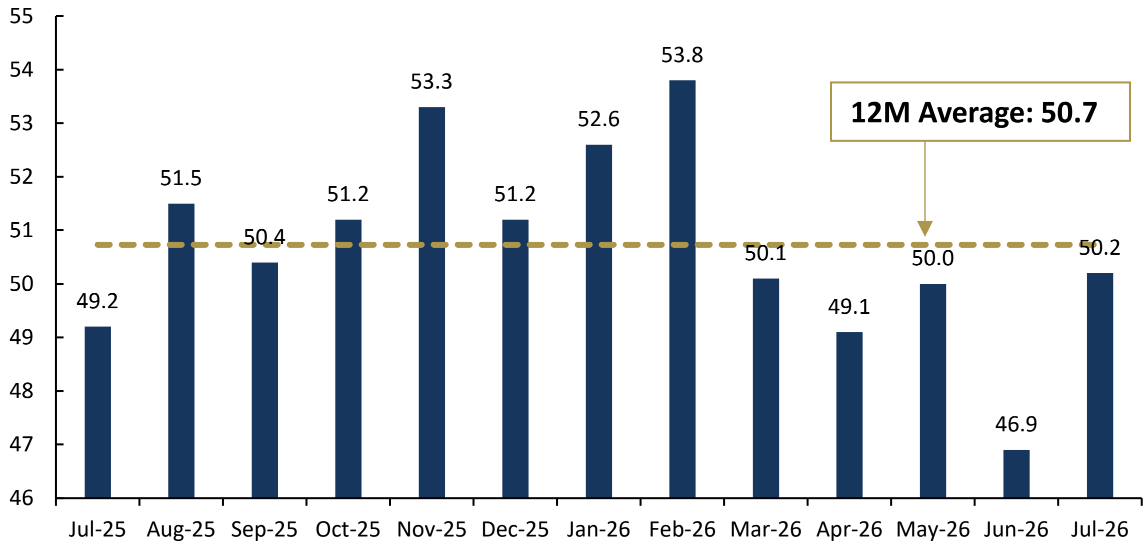
Indonesia Consumer Confidence Index: 10 August 2026

- Indonesia's Consumer Confidence Index fell further from 117.8 in June to 116.8 in Jul-26, its lowest level since Apr-25, raising some concerns over the sustainability of domestic consumption in 2H26. Mainly driven by deteriorating perceptions of current economic conditions, the continued decline suggests household sentiment is gradually losing momentum, although the index remains above 100.
- The Current Economic Conditions Index fell 1.3 points to 107.9, alongside softer durable goods purchases and weaker perceptions of job availability. The drop in discretionary spending appetite suggests households are becoming more cautious amid pressure on purchasing power, while continued weakness in employment sentiment will further restrain consumption, particularly given worsening labor-market conditions.
- From a growth perspective, the continued moderation in confidence presents some downside risk to household consumption, which remains Indonesia's key growth driver. Following private consumption growth of 5.06% YoY in 2Q26, weaker confidence and greater caution toward discretionary purchases could translate into softer consumption momentum in 2H26, particularly if purchasing power and employment conditions remain under pressure.
- Looking ahead, we expect consumer confidence to experience limited scope in terms of a meaningful rebound in the near term. Persistent concerns over employment, purchasing power, and broader economic uncertainties will keep household spending relatively cautious. For Bank Indonesia, the weakening confidence trend adds to domestic growth concerns, although policy flexibility may remain constrained by IDR stability and external risks.

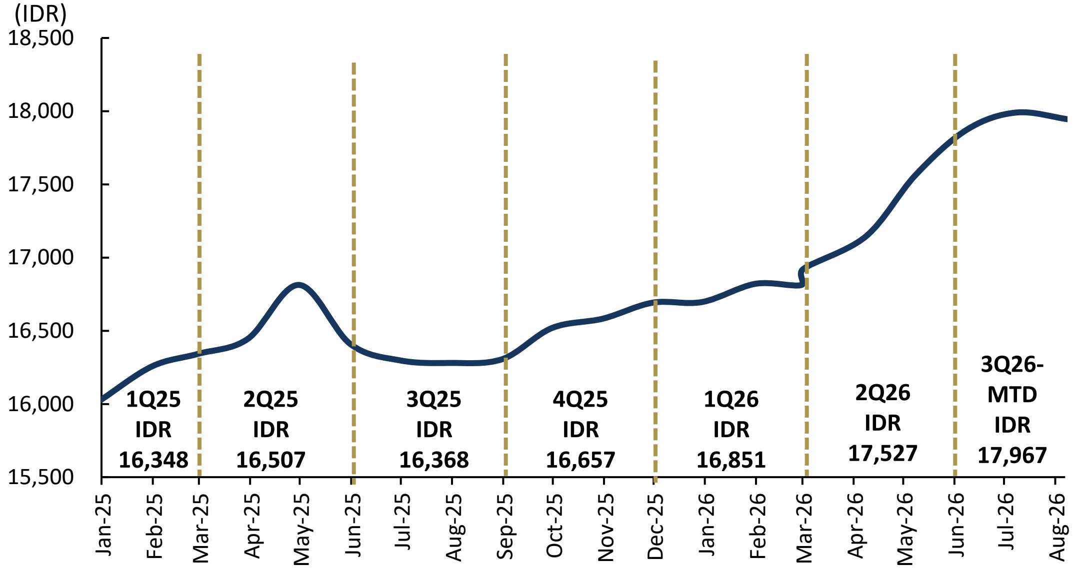
Indonesia Consumer Confidence Index



Indonesia Manufacturing PMI



Quarterly USD/IDR Rate, 1Q25-3Q MTD



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