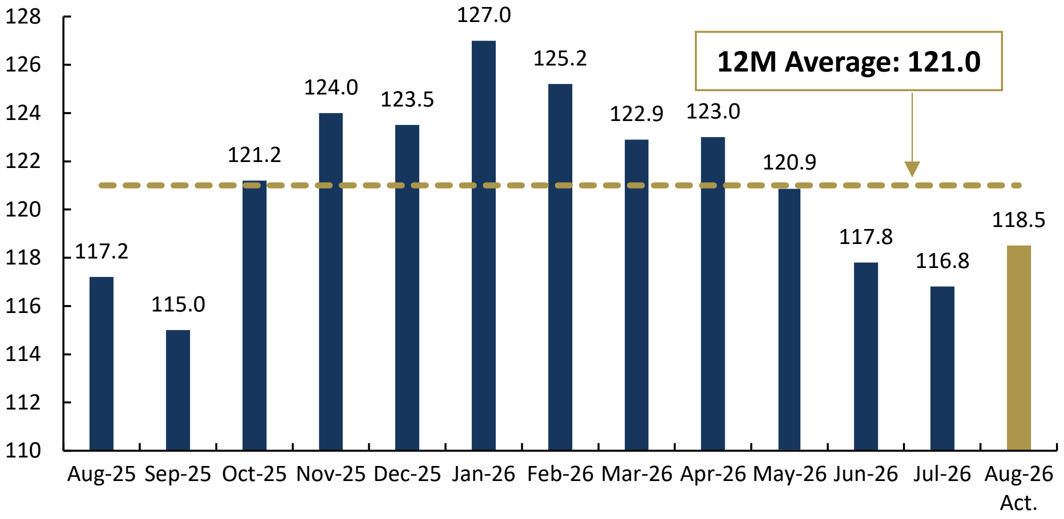
Indonesia Consumer Confidence Index: 9 September 2026

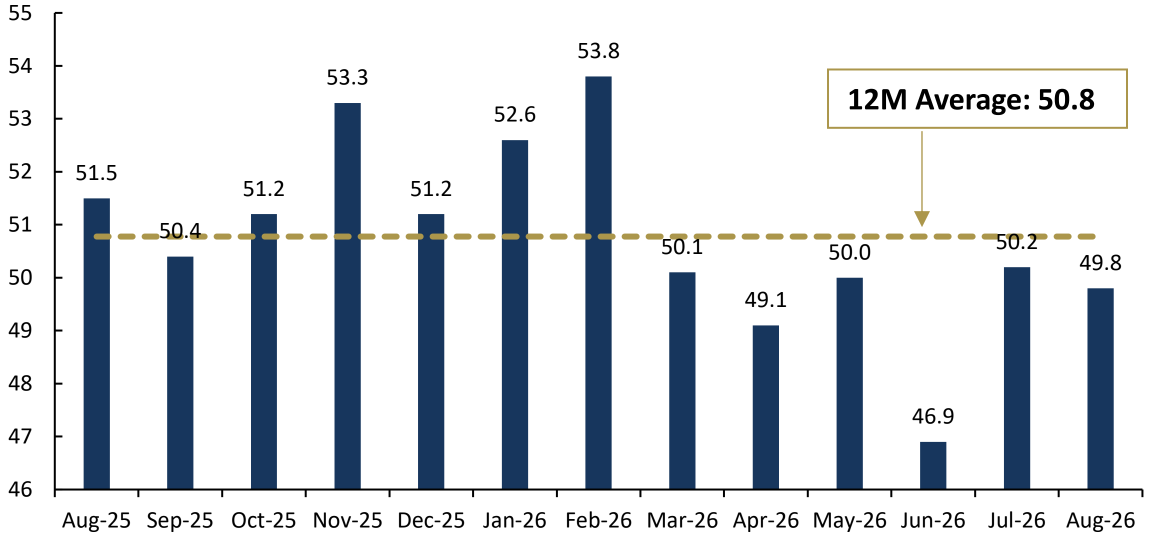
SAMUEL SEKURITAS INDONESIA
Your Lifelong Investment Partner

- Indonesia's Consumer Confidence Index (CCI) improved modestly rising from 116.8 in July to 118.5 in August, marking the first limited increase in four months, as confidence is still below recent peak suggesting that household sentiment has not fully recovered. BI reported improvements in both Current Economic Condition Index and Consumer Expectation Index, which rose respectively to 109.4 (from 107.9 in July) and 127.6 (125.7). Nevertheless, consumer behavior remains cautious amid lingering concerns over purchasing power, employment conditions, and the uneven pace of economic recovery. We see slight improvement in household willingness to spend with perceptions of current job availability higher at 104.1, while durable-goods purchasing index increased to 106.1.
- Income expectations for the next six months rose to 134.9, while expectations for job availability and business activities climbed respectively to 125.7 and 122.1 with the gap between expectations and current conditions suggesting households are optimistic about the future but have yet to experience meaningful improvements in their present financial situations.
- From a macro perspective, the improvement in confidence provides some support for household consumption in 3Q26, although the impact is likely to be gradual. Following private consumption growth of 5.06% YoY in Q2, the latest CCI data suggest near-term consumption momentum is unlikely to accelerate significantly. Risks remain from weak labor-market conditions, limited purchasing power recovery, and cautious household spending.
- Looking ahead, we expect consumer confidence to have limited upside, although remaining in optimistic territory. Sustained recovery will hinge on stronger employment growth, real income improvement, and manageable inflation, which are all difficult to achieve given higher prices of commodities. For monetary policy, stronger confidence level slightly reduces concerns over domestic demand weakness, although the central bank is likely to remain focused on IDR stability and inflation management with BI Rate maintained at 5.75% in August. Overall, the August CCI improvement is slightly positive, but still signaling weak recovery in household consumption.

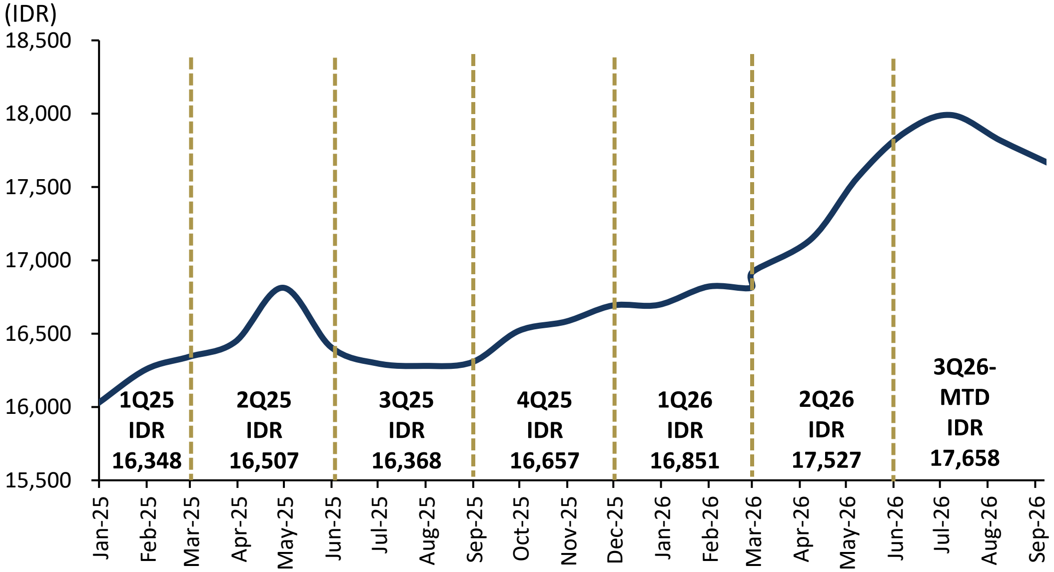
Indonesia Consumer Confidence Index



Indonesia Manufacturing PMI



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



Macro Strategy Team