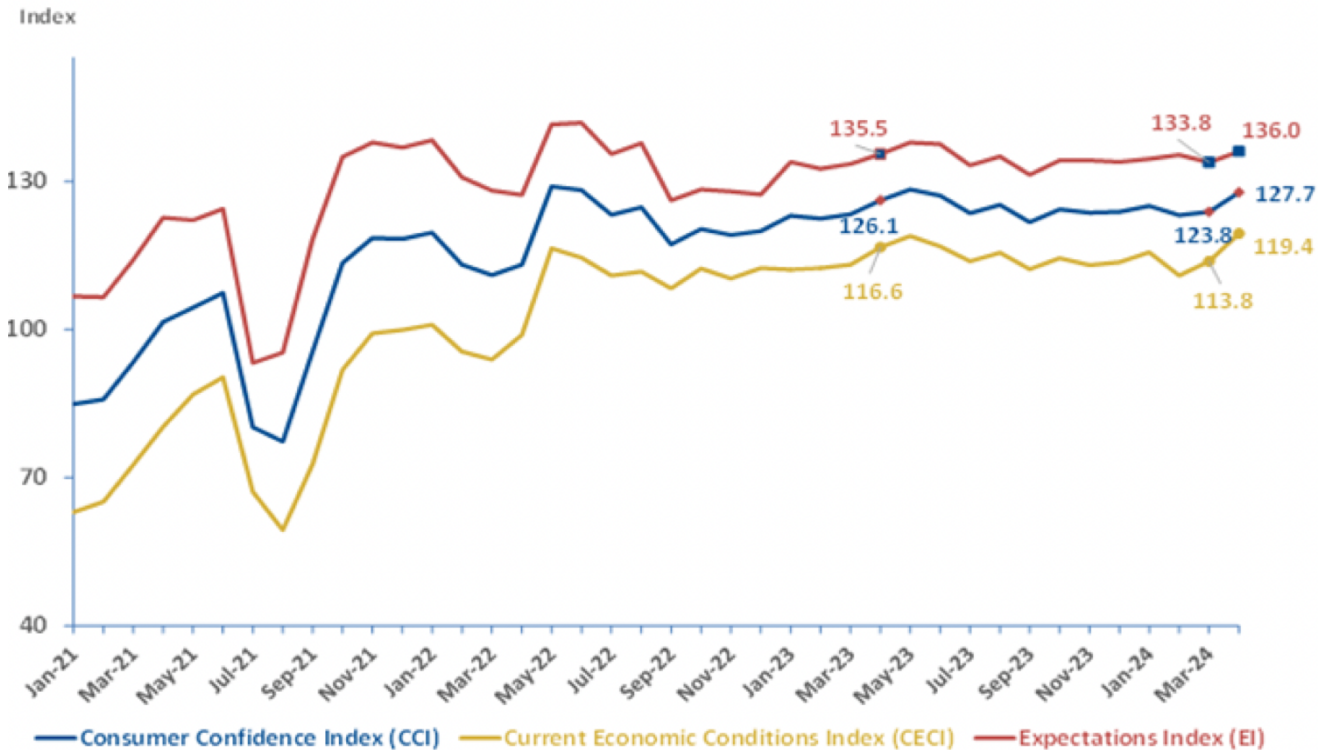


CONSUMER SENTIMENT

MARKET MOODS

CONSUMER CONFIDENCE INDICES

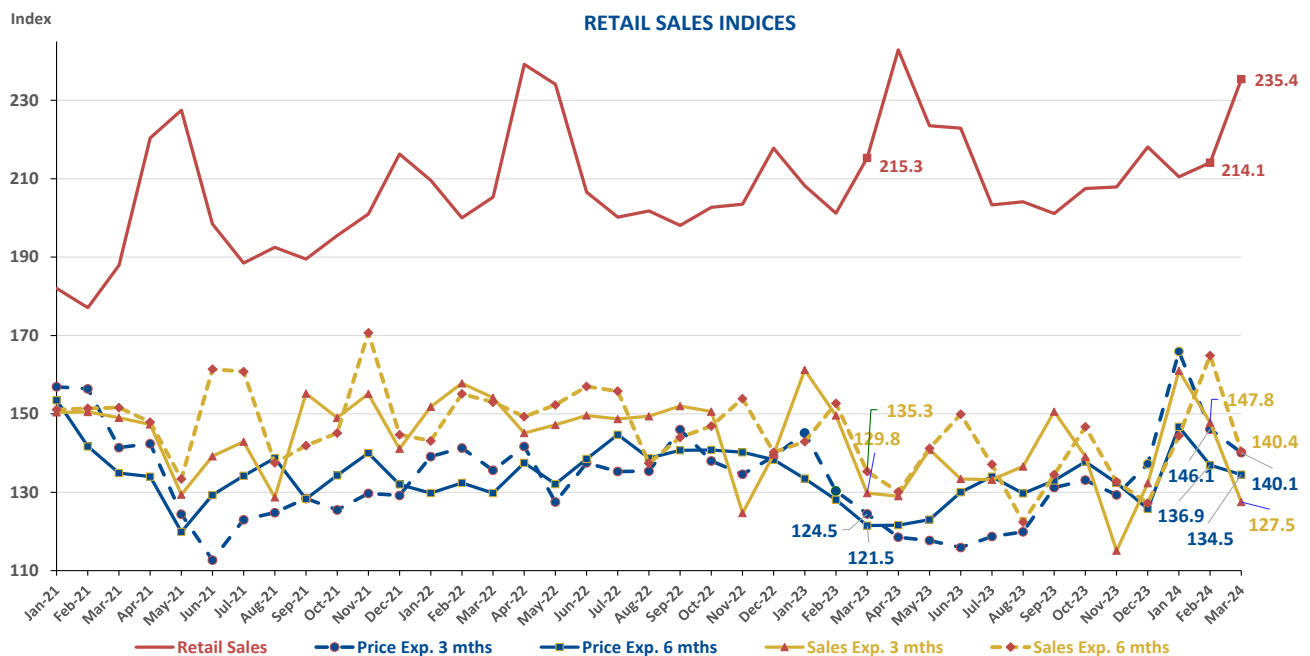


Source: Bank Indonesia's Consumer Survey

Note: BI's Consumer Survey is a monthly survey systematically conducted by the bank since January 2007 of approximately 4,600 household respondents in 18 cities: Jakarta, Bandung, Semarang, Surabaya, Medan, Makassar, Bandar Lampung, Palembang, Banjarmasin, Padang, Pontianak, Samarinda, Manado, Denpasar, Mataram, Pangkal Pinang, Ambon and Banten. An index above 100 indicates consumer optimism, and under 100, pessimism.

- **Bank Indonesia's (BI) Consumer Confidence Index (CCI)** rose 3.2% m/m and 1.3% y/y to 127.7 in April. This was driven by improved economic conditions and heightened expectations regarding future economic conditions.
- **BI's Current Economic Conditions Index (CECI)** saw a 2.4% m/m increase and a 4.9% y/y rise to 119.4. All components of the index showed upward movement on a monthly basis. The **Right Time to Buy Durable Goods Index** increased 4.5% m/m and 8.0% y/y to 116.4. The **Current Income index** rose 5.2% m/m and 0.2% y/y to 124.2%. The **Current Job Availability Index** rose 5.2% y/y despite a 0.4% m/m decline, totaling 117.6.
- **BI's Expectations Index of Economic Conditions (EI)**, reflecting households' outlook for the upcoming six months, rose 1.6% m/m and 0.4% y/y to 136.0 in April. The **Income Expectations Index** was up 0.9% m/m and 2.0% y/y to 140.6. The **Job Availability Expectations Index** rose 0.6% m/m but decreased 1.2% y/y to 134.8. The **Business Activity Expectation Index** saw a 3.5% m/m and a 0.4% y/y increase, reaching 132.6.

RETAIL TRENDS



Source: Bank Indonesia's Consumer Survey

Note: BI's Consumer Survey is a monthly survey systematically conducted by the bank since January 2007 of approximately 4,600 household respondents in 18 cities: Jakarta, Bandung, Semarang, Surabaya, Medan, Makassar, Bandar Lampung, Palembang, Banjarmasin, Padang, Pontianak, Samarinda, Manado, Denpasar, Mataram, Pangkal Pinang, Ambon and Banten. An index above 100 indicates consumer optimism, and under 100, pessimism.

- **Bank Indonesia's Retail Sales Index** for March showed a 9.9% m/m and 9.3% y/y increase, reaching 235.4. Among the eight monitored sales categories, only **Fuel** decreased 2.9% m/m but still maintained a 7.1% y/y increase, reaching 99.9. The other categories saw increases: **Other Goods excluding Clothes** and **Other Goods** increased 26.6% m/m to 105.3 and 21.1% m/m to 93.3. **Communication and Information Gadgets** were up 15.9% m/m but still decreased 5.9% y/y to 117.1. **Spare Parts and Accessories** saw a 10.8% m/m and 17.3% y/y increase, reaching 132.9. **Food, Beverages, and Tobacco** increased 9.7% m/m and 10.4% y/y to 328.2, while **Household Appliances** rose 7.4% m/m and 2.9% y/y to 96.7. **Cultural & Recreation Goods** increased 6.7% m/m but still decreased 5.4% y/y to 54.8.
- In March, the **Three-Month Retail Sales Expectations Index** was down 13.7% m/m and 1.8% y/y, settling at 127.5. The **Six-Month Retail Sales Expectation Index** also decreased 14.9% m/m but increased 3.8% y/y, reaching 140.4. This decrease in the **Three-Month Retail Sales Expectation Index** was attributed to consumer demand returning to normal after Idul Fitri.
- The **Three-Month Inflation Expectations Index** in March was down 4.1% m/m, yet remained up 12.5% y/y, settling at 140.1. Similarly, the **Six-Month Inflation Expectations Index** saw a 1.8% m/m decrease but maintained a 10.7% y/y rise, reaching 134.5. This is due to the school exams and the end of discount programs.

AUTOMOTIVE SALES TRENDS

AUTOS

- Car sales in April 2024 totaled 48,637 units, down significantly 34.9% m/m from 74,724 units in March. There was also a decline of 17.5% y/y from 58,981 units in April 2023.
- Total car sales for the first four months of this year were down 22.8% y/y to 263,706 units compared with 341,582 units in the same period in 2023.
- The leading car brands in April 2024 were Toyota (15,448 units), Daihatsu (9,481 units), Mitsubishi (5,993 units), Suzuki (4,986 units) and Honda (4,611 units).
- According to Gaikindo, sales of LCGC (Low-Cost Green Car) in April also significantly decreased 42.1% m/m to 9,743 units from 16,840 units in March and decreased 2.4% y/y from 9,987 units in April 2023.
- Astra dominated national car sales for the first four months with a 55.6% market share (146,570 units), down 20.7% m/m from the same period last year, which saw 184,723 units sold.
- General chairman of Gaikindo Yohanes Nangoi, acknowledged that car sales were far from Gaikindo's expectations. He attributed the situation to rising interest rates, a significant increase in the price of raw materials and the weakening of the Rupiah against the USD.
- The five bestselling models for March 2024 were Daihatsu Sigras (5,674), Honda Brio (5,061), Toyota Innova (4,638), Daihatsu Gran Max PU (4,551) and Toyota Avanza (3,615).
- According to Gaikindo's data, total exports for March were up 16.3% m/m to 40,456 units from 34,786 February 2024, but down 8.4% y/y from 44,148 units in the same month last year.
- Total car exports sales for the first quarter of 2024 were down 19.6% y/y to 108,251 units compared to 134,566 units in the same period last year.
- Toyota led the March 2024 export market with 12,096 units (29.9% of total exports), followed by Mitsubishi with 10,313 (25.5%) and Daihatsu with 8,914 (22.0%).

BRAND	Apr-24	Mar-24	Apr-23	Jan-Apr 2024	Jan-Apr 2023	Apr 24/Mar 24	Apr 24/Apr 23	Jan-Apr 2024/23
TOYOTA	15,448	21,495	21,818	81,786	107,846	-28.1%	-29.2%	-24.2%
DAIHATSU	9,481	16,552	10,778	55,484	65,119	-42.7%	-12.0%	-14.8%
MITSUBISHI	5,993	8,464	7,649	31,697	41,146	-29.2%	-21.6%	-23.0%
SUZUKI	4,986	6,670	4,668	22,787	27,104	-25.2%	6.8%	-15.9%
HONDA	4,611	10,572	4,955	32,677	51,982	-56.4%	-6.9%	-37.1%
OTHER	8,118	10,971	9,113	39,275	48,385	-26.0%	-10.9%	-18.8%
TOTAL	48,637	74,724	58,981	263,706	341,582	-34.9%	-17.5%	-22.8%

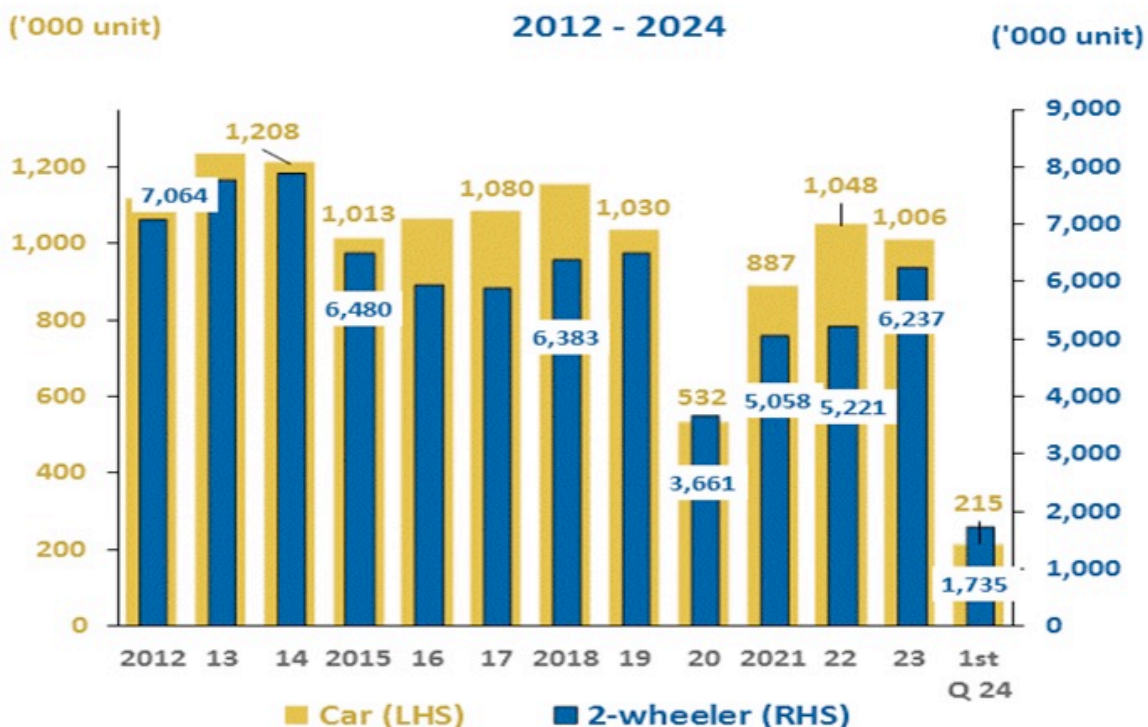
Sources: Gaikindo, Astra

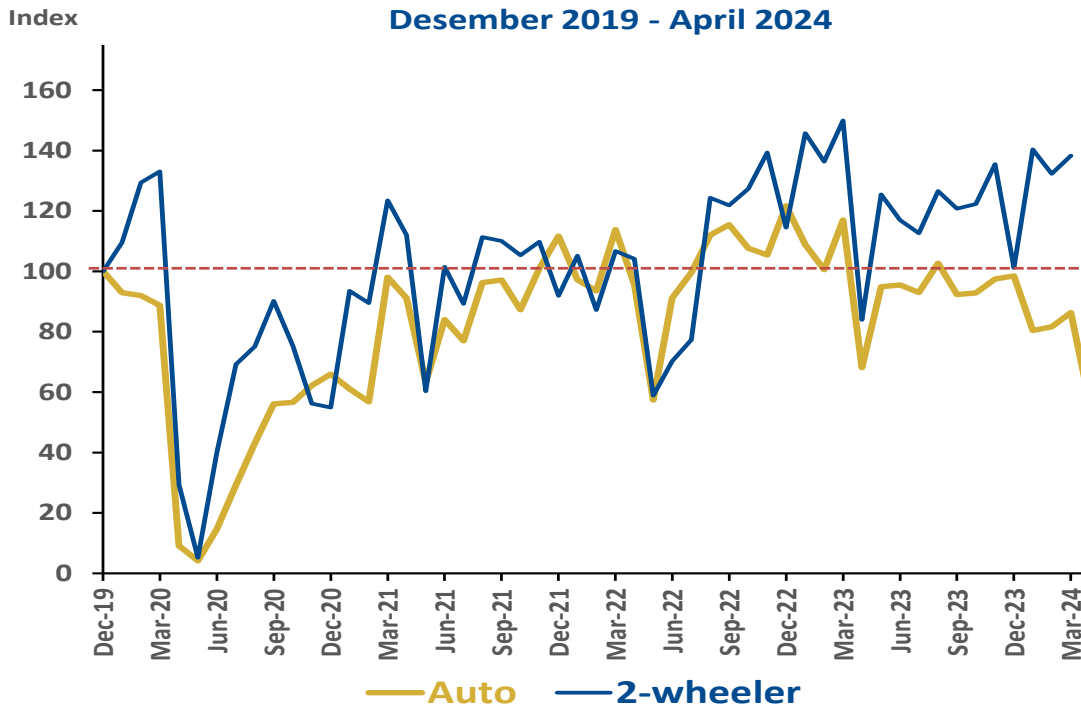


MOTORCYCLES

- ➔ Motorcycles sales in March 2024 increased 4.5% m/m to 583,747 units from 558,685 units in February. However, they were down 7.8% y/y from 633,155 units in March 2023.
- ➔ Total motorcycles sales for the first quarter this year decreased 4.9% y/y to 1,735,090 units compared to 1,824,073 units in the same period in 2023.
- ➔ Scooters dominated motorcycle sales for the first quarter with a 90.5% market share, followed by sports at 4.8% and underbone motorcycles at 4.7%.
- ➔ Hari Budianto, the General Secretary of AISI, said that AISI had targeted motorcycles sales for 2024 to reach between 6.2 million and 6.5 million units.
- ➔ Motorcycle exports in March increased 14.2% m/m, totaling 43,839 units compared to 38,375 units in February 2024. They also increased 18.6% y/y from 36,962 units in March 2023.
- ➔ Total motorcycles exports for the first quarter this year decreased 3.8% y/y to 117,205 units compared with 121,858 units in the same period in 2023.
- ➔ Scooters dominated motorcycle exports for the first quarter, comprising 49.0% of the total exports, followed by underbones at 26.2% and sports motorcycles at 24.8%.

Autos and Motorcycles Sales





HIGHLIGHTS

→ The Ministry of Investment is dedicated to facilitating investment in Indonesia by offering comprehensive facilities to attract investors, says Riyatno, Deputy for investment Cooperation at the Ministry. These include assistance in exploring investment plans, consultation services and licensing support. The implementation of the Job Creation Law has streamlined and expedited investment processes, he said. Foreign companies now undergo investment licensing through the Online Single Submission (OSS) system. This streamlined process aims to investment in key sectors like mining, oil and gas, agriculture and fisheries, requiring a significant investment of US\$618 billion until 2040. Indonesia offers various investors benefits, such as tax incentives and investment guarantees in free trade areas, with existing free trade agreements with 22 countries. The Ministry presents 81 investment projects worth approximately \$14.84 billion, accessible through the Indonesia Investment Opportunity Map. Additionally, the government has prepared tax relief policies, including tax holidays, to support large and strategic investments.

- (Antara)

- The Ministry of Trade has within two months revised import regulations three times, causing legal uncertainty and affecting the distribution of goods at ports. Over 26,000 containers are currently held at Tanjung Priok and Tanjung Perak ports, with congestion extending to Tanjung Emas and Belawan ports. These containers, containing commodities like iron, textiles, chemicals and electronics, are held due to unmet documentation requirements under Permendag No. 36/2024. To address this, the government issued Permendag No. 8/2024, relaxing the rules to only require a surveyor report (LS), eliminating the need for import approval (PI). This new regulation also eases the import of electronic goods, footwear and ready-made clothing by removing the need for technical considerations from the Ministry of Industry. Business players have expressed concerns: Eddy Widjanarko from the Indonesian Footwear Association (Aprisindo) warned that easing shoe import regulations could flood the market with imports, harming the domestic industry. He supports easier import of raw materials but stricter rules for finished goods. Conversely, Shinta Kamdani from the Indonesian Employers Association (Apindo) praised the new regulation for simplifying import procedures, preventing unfair competition from illegal imports, and supporting industrial needs for raw materials and capital goods, emphasizing the need to prevent misuse of the relaxed rules.
- *(Kompas)*