

# PHINTRACO SEKURITAS Member of Indonesia Stock Exchange

Administered Price

Inflation

# **Domestic Macro Flash**

# Indonesia Inflation | April 10th, 2025

Volatile Food Inflation

## Indonesia's Inflation Surged by Driven by Electricity and Volatile Food In March 2025

1.65% Mom 1.03% YoY 0.24% Mom 2.48% YoY 1.96% Mom 0.37% YoY 6.53% Mom -3.16% YoY

**Core Inflation** 

#### Previous Data (Headline Inflation)

Period	MoM	YoY
Feb 2025	-0.48%	-0.09%
Jan 2025	-0.76%	0.76%
Dec 2024	0.44%	1.57%

rce : Badan Pusat Statistik (BPS)

#### Wholesale Trade Price Inflation YoY

Period	Agri WTPI	Minerals WTPI	Industry WTPI
Mar 25	1.94%	-0.31%	0.88%
Feb 25	-0.24%	-0.44%	1.30%
Jan 25	1.97%	0.59%	2.78%

ource : Badan Pusat Statistik (BPS)

## Main Commodities Contributors to Inflation

Commodities	Price* (IDR/Kg)	MoM
Red Union	Rp 41,484	15.6%
Fresh Fish	Rp 40,897	10.7%
Cayenne Pepper	Rp 85,355	24.2%

rce : Bapanas | \*31 Mar 2025

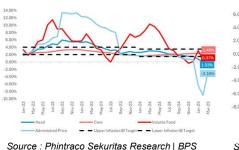
#### Comparison Inflation by Country

AEs	Inflation Rate	EMDEs	Inflation Rate		
Canada	2.60%	Brazil	5.06%		
Euro Area	2.20%	China	-0.70%		
Japan	3.70%	India	3.61%		
Singapore	0.90%	Malaysia	1.50%		
Switzerland	0.50%	Mexico	3.77%		
UK	2.80%	Russia	10.10%		
US	2.80%	Thailand	0.84%		
Source : Tradingeconomics with Last Updated (9/4/25)					

AEs-Advanced Economics | EMDEs-Emerging Market

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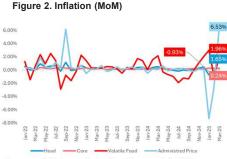


**Headline Inflation** 

Ref.

Mar-25

Figure 1. Inflation (YoY)



Source : Phintraco Sekuritas Research | BPS

Indonesia's Consumer Price Index (CPI) experienced inflation of 1.65% YoY in March 2025, following deflation of 0.09% YoY in February 2025. This realization was lower than the consensus forecast of 1.16%. Core inflation remained steady at 2.48% YoY in March 2025. Commodities contributing to core inflation included jewelry, cooking oil, ground coffee, and rice with side dishes. Meanwhile, the volatile food group experienced inflation of 0.37% YoY in March 2025, primarily supported by increases in bird's eve chilies, fresh fish, and shallots, contributing 0.32% to inflation in March 2025. The administered price group experienced deflation of 3.16% YoY, with significant contributions from electricity tariffs, air transportation fares, and non-subsidized fuel prices (Figure 1).

Indonesia's monthly inflation rose by 1.65% MoM in March 2025 from deflation of 0.48% MoM in February 2025. The most considerable inflation occurred in the administered price group at 6.53% MoM in March 2025 from deflation of 2.65% MoM in February 2025 (Figure 2). It was due to the end of the 50% electricity tariff discount policy for PLN customers, up to 2,200 VA. Core inflation components decreased to 0.24% MoM in March 2025. Additionally, the volatile food group experienced inflation of 1.96% MoM in March 2025, with significant contributions from shallots, bird's eye chilies, and broiler chicken, contributing 0.11%, 0.06%, and 0.03%, respectively, to inflation.

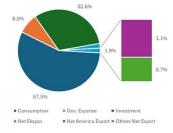
The volatile food group drove the rise in inflation, contributing 0.33% to total general inflation. This was due to price increases in chilies, both bird's eye and red chilies, and beef (Figure 3). However, this increase is considered normal during Ramadan, while annual inflation remains low due to lower rice prices this year. This is attributed to existing stock and harvest estimates that can contain rice price increases despite import restrictions.

Compared to other Southeast Asian countries, Indonesia's direct impact of US tariffs is unlikely to be very significant in terms of economic growth or inflation. One factor is that its export market to the US is relatively small (10% of total exports as of January 2025), while net exports to the US contributed only 1.1% to Indonesia's GDP in 2024 (Figure 4).

#### Figure 3. Volatility Food Commodities Chg. Price



Figure 4. Tarif impact to Indonesia GDP



Sumber : Phintraco Sekuritas Research | BPS

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