

# Update 18: Indonesia - Inflation Rate Falls to 20-Year Low as Consumer Spending Weakens Amid COVID-19 Pandemic

- Indonesia recorded lowest annual inflation rate since June 2000
- The National Agency of Statistics stated the inflation steeply dropped by 1.96% in June on a yearly basis compared with 2.19% in May
- Core inflation, exempting administered prices and volatile prices, slipped 2.26% in June on a yearly basis from 2.65% in May
- On a monthly basis, the inflation increased 0.18% in June from 0.07% in May
- Low inflation was due to weaker purchasing power as the pandemic has affected consumer demand
- As of now, the country has reported 57,770 COVID-19 confirmed cases and 2,934 related deaths
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments
- Please consult Ministry of Health (<https://www.kemkes.go.id/index.php>) for the latest information on COVID-19 in Indonesia

## Source(s)

<https://www.thejakartapost.com/news/2020/07/01/indonesias-inflation-falls-to-20-year-low-as-consumer-spending-weakens.html>

<https://thefinancialexpress.com.bd/economy/indonesias-annual-inflation-falls-to-lowest-in-20-years-in-june-1593588350>

<https://www.worldometers.info/coronavirus/country/indonesia/>

## Targets Affected:

### Indonesia

## Guidance

### *Actions to consider:*

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

## Related Alerts

June 28, 2020

Medium

Update 17: Indonesia - Reports Highest Single-Day Increase of 1,385 COVID-19 Cases, Totaling 52,812

June 14, 2020

High

Update 16: West Java, Indonesia - Extends Restrictions Until June 26, 2020 Due to Concerns Over Second Wave of COVID-19 Pandemic; Resumes International Tourism for APAC and Australia

June 10, 2020

Medium

Update 15: Indonesia - Resumes Domestic Flight Operations Despite Highest Daily Increase in COVID-19 Cases

June 9, 2020

Medium

Update 14: Jakarta, Indonesia - Reopens Businesses Despite Increase in COVID-19 Cases

May 28, 2020

Immediate

Update 13: Indonesia - Deploys Military to Contain COVID-19 Pandemic as Businesses Resume Operations

May 20, 2020

Immediate

Update 12: Jakarta, Indonesia - Extends COVID-19 Restrictions Until June 4, 2020

May 16, 2020

Immediate

Update 11: Indonesia - 490 New COVID-19 Cases Reported, Totaling 16,496; Imposes Protocols to Prevent Imported COVID-19 Infections

May 11, 2020

Immediate

Update 10: Indonesia - Extends Lockdown in Three Cities Until May 25 Amid Increasing COVID-19 Cases

May 8, 2020

High

Update 9: Indonesia - Plans to Resume Businesses from June 1, 2020 Amid COVID-19 Pandemic

May 7, 2020

High

Update 8: Indonesia - Resumes Transport Services from May 7, 2020 Amid COVID-19 Pandemic

May 5, 2020

High

Update 7: Indonesia - Reports Weakest Economic Growth Since 2001 Amid COVID-19 Pandemic

May 3, 2020

Immediate

Update 6: Indonesia - Reports 292 COVID-19 Cases in 24 Hours, Totaling 10,843

April 24, 2020

Immediate

Update 5: Indonesia - Imposes Air and Sea Travel Restriction Until May 31, 2020

April 23, 2020

Immediate

Update 4: Jakarta, Indonesia - Extends Partial Lockdown Until May 22, 2020 to Curb Spread of COVID-19

April 18, 2020

Immediate

Update 3: Indonesia - Reports Highest COVID-19 Cases of 5,923 in Southeast Asia Amid Relief Measures to Support Economy

April 16, 2020

Immediate

Update 2: Indonesia - Extends Partial Lockdown to More Regions to Control COVID-19 Outbreak

April 13, 2020

Immediate

Update 1: West Java, Indonesia - Imposes Social Restrictions; Country Reports Highest COVID-19 Cases of 399 in Last 24 Hours

April 7, 2020

Immediate

Indonesia - Reports Highest Daily  
Increase of 218 in COVID-19 Cases

# Impact level Definitions

Impact Level	Definitions
Immediate	<b>Certain</b> - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	<b>Highly likely to occur in the near term (within 3 months)</b> - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	<b>Likely to occur in the mid-term (within 3 to 6 months)</b> - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	<b>Possible in the long-term (after 6 months)</b> - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.