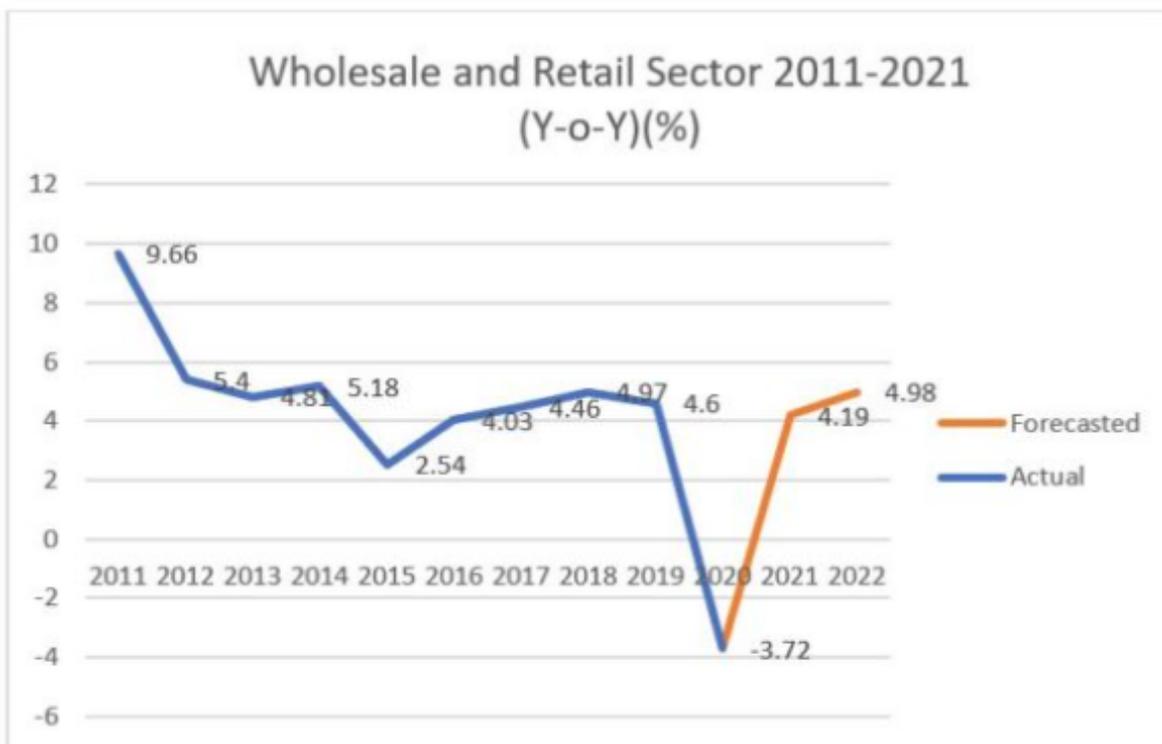


PT CRIF STUDY: INDONESIA, THE REVIVE OF WHOLESALE AND RETAIL SECTOR IN 2021 AND ITS PREDICTION IN 2022



Based on the Indonesian Central Bureau of Statistics (BPS) data, the wholesale and retail sectors experienced a very drastic decrease in 2020, reaching -8.32 points compared to the previous year. This was caused by the Covid-19 pandemic, resulting in the cessation of most operations at the distributor and retail level in almost all regions and sectors in Indonesia. The pandemic caused a decrease in people's purchasing power to the lowest point, so it had a huge impact on people's consumption. However, in line with improving economic conditions and business operations in Indonesia, people's purchasing power has increased again, and in 2021, the wholesale and retail sector is predicted to gradually recover and grow to 4.19% and will continue to grow in 2022 to 4.98%.



Data reprocesses by VISI

PT CRIF STUDY: INDONESIA, THE REVIVE OF WHOLESALE AND RETAIL SECTOR IN 2021 AND ITS PREDICTION IN 2022



CONSUMPTION PRICE INDEX IN 2021

Based on data from the Indonesian Central Bureau of Statistics (BPS), it was noted that there was a stagnant growth in the Consumer Price Index (CPI) in 2021 from the beginning to the end of the year, with an average growth of 0.15 points per month.

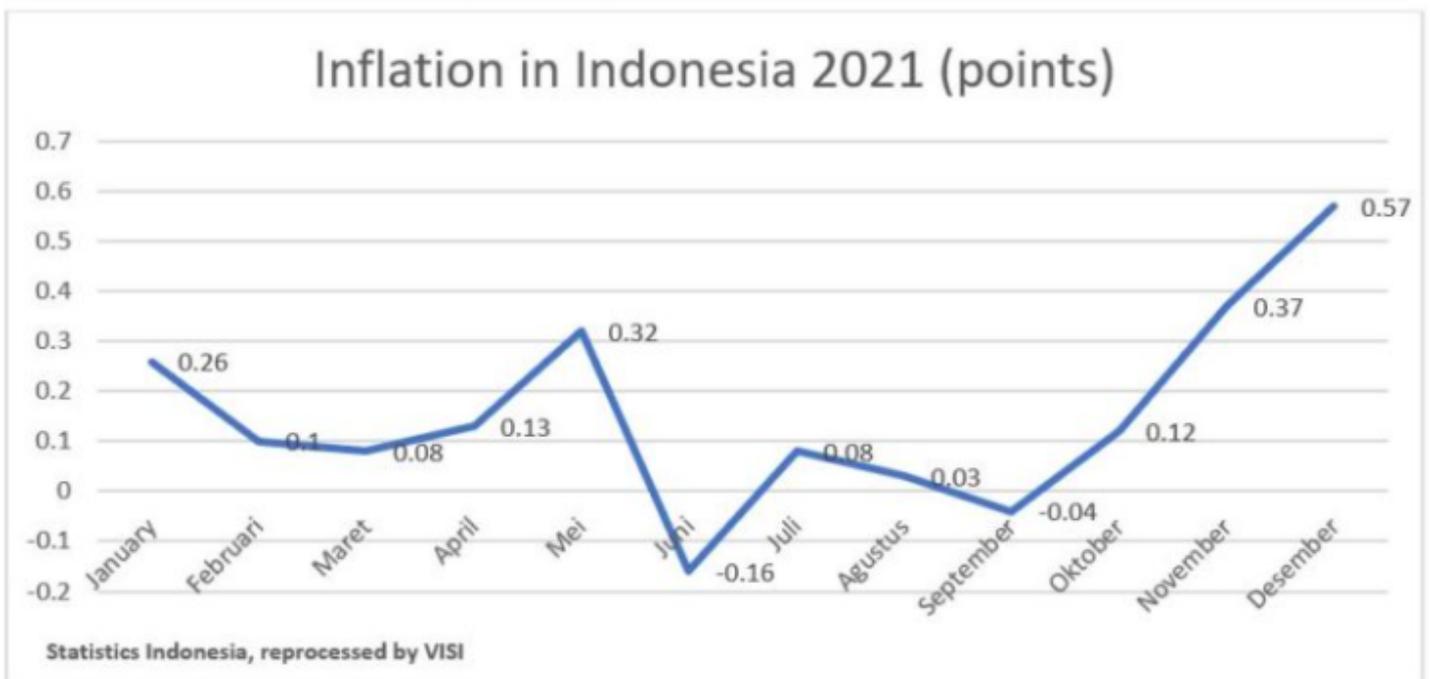


Based on the inflation rate, the Consumer Price Index (CPI) in November 2021 experienced inflation of 0.37% (mtm), an increase from inflation in the previous month which was recorded at 0.12% (mtm). This development was influenced by rising inflation in all groups, namely core, volatile foods and administered prices.

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On an annual basis, CPI inflation in November 2021 was recorded at 1.75% (yoy), higher than inflation in the previous month of 1.66% (yoy). Inflation is predicted to be below the lower limit of its target range of 3.0±1% in 2021 and maintained within the target range of 3.0±1% in 2022. Going forward, Bank Indonesia remains committed to maintaining price stability and strengthening policy coordination with the Government, both at central and regional levels, in order to keep inflation within the target range.



Core inflation in November 2021 was recorded at 0.17% (mtm), an increase from October 2021 inflation of 0.07% (mtm). By commodity, the rise in core inflation was mainly influenced by inflation in gold jewelry, house rentals and house contracts in line with global gold price movements and increased public mobility.

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On an annual basis, core inflation in November 2021 was recorded at 1.44% (yoy), an increase compared to inflation in the previous month of 1.33% (yoy). Core inflation remains low amid rising domestic demand, maintained exchange rate stability, and the consistency of Bank Indonesia policies in guiding inflation expectations.

The volatile food category experienced inflation of 1.19% (mtm) in November 2021, an increase compared to inflation in the previous month of 0.07% (mtm). This development was mainly influenced by the increase in cooking oil prices in line with the continued increase in global crude palm oil (CPO) prices. On an annual basis, inflation in the volatile foods category was recorded at 3.05% (yoy), lower than inflation in the previous month of 3.16% (yoy).

The administered prices group in November 2021 recorded inflation of 0.37% (mtm), an increase compared to inflation in the previous month of 0.33% (mtm). These developments were mainly influenced by inflation in air transportation and filtered kretek cigarettes due to improved air mobility in line with the easing of mobility restriction policies and the continuing impact of the increase in tobacco excise. On an annual basis, administered prices experienced inflation of 1.69% (yoy), higher than inflation in the previous month of 1.47% (yoy).

(Source: Bank Indonesia)