

Indonesia : Opportunities for Thai Businesses

Kobsak Pootrakool

1 July 2026

Recent Concerns



IDR Curncy (Indonesian Rupiah Spot) Daily 01JAN2023-01JUL2026

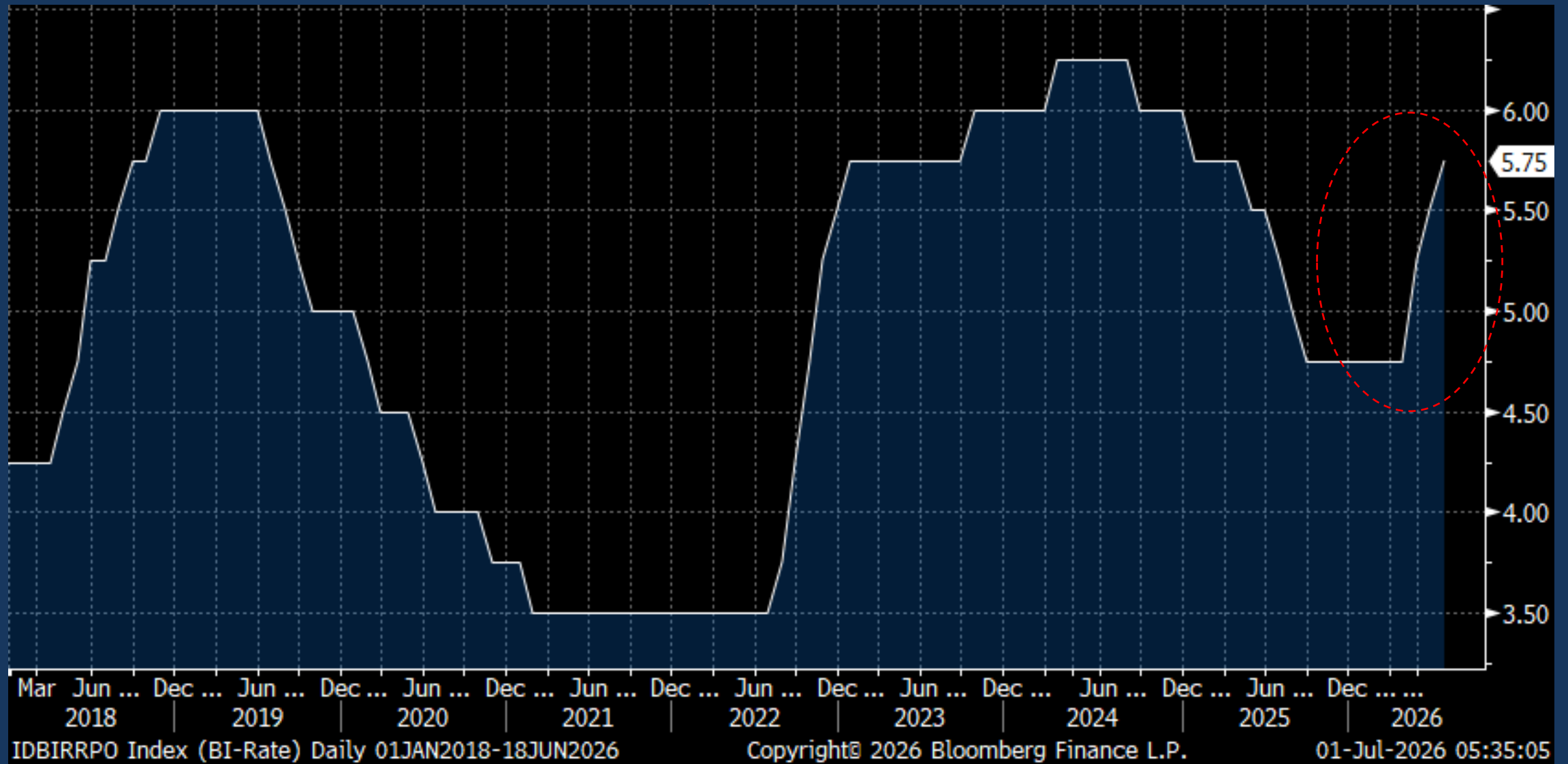
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Recent Concerns



Policy Rate



Actions by Rating Agencies – Policy Uncertainties

 My News  

Moody's cuts Indonesia outlook to negative on governance concerns

By Ankur Banerjee, Stefano Sulaiman and Gayatri Suroyo

February 5, 2026 9:04 PM GMT+7 · Updated February 5, 2026

 My News  

Fitch cuts Indonesia credit rating outlook to negative

By Gayatri Suroyo and Stefano Sulaiman

March 4, 2026 1:12 PM GMT+7 · Updated March 4, 2026

Decisions by MSCI



My News  

Indonesian stocks slide after MSCI culls six companies from its index

By Gayatri Suroyo and Rae Wee

May 13, 2026 11:12 AM GMT+7 · Updated May 13, 2026

 Bloomberg

Markets

MSCI Delays Indonesia's Market Status Review Until November

The index compiler said the country's moves regarding enhanced disclosures, more granular investor classification and a roadmap to raise the minimum free-float requirement to 15% are a step in the right direction. Still, what matters for global investors is the consistent implementation and sustained effect of such measures in the market, it said in a Tuesday [release](#).

“Should sufficient progress not be evident by the time of the November 2026 MSCI index review, MSCI will consider a range of options for the appropriate treatment for the Indonesia market, potentially including a consultation on the reclassification of Indonesia from emerging markets to frontier markets,” according to the statement.

Key Underlining Causes

- **Government Policies**
- **Specific Governance in the Stock Market**

MSCI Decisions => Capital Outflow from Jakarta Stock Market

| Equity | Bonds | Portfolio | | | | | |
|-------------|-----------|-----------|----------|-----------|-----------|-----------|------------|
| Country | Date | Daily | WTD | MTD | QTD | YTD | 12M |
| ▼ Asia (11) | | | | | | | |
| China | 31MAR2026 | | | -64,427.4 | +17,877.7 | +17,877.7 | +129,635.5 |
| India | 29JUN2026 | +224.2 | +224.2 | -2,856.3 | -12,986.5 | -28,777.0 | -38,653.6 |
| Indonesia | 30JUN2026 | -58.2 | -107.6 | -1,093.7 | -2,300.6 | -4,248.2 | -2,096.2 |
| Japan | 19JUN2026 | | +2,972.1 | -6,300.7 | +75,932.1 | +64,240.1 | +107,431.3 |
| Malaysia | 29JUN2026 | -44.8 | +13.6 | -547.2 | -1,332.7 | -654.8 | -3,016.1 |
| Philippines | 30JUN2026 | -5.6 | -0.5 | -21.7 | -383.5 | -244.9 | -531.1 |
| S. Korea | 30JUN2026 | -2,611.0 | -7,610.3 | -30,491.1 | -57,802.1 | -94,815.6 | -90,425.4 |
| Sri Lanka | 30JUN2026 | -1.4 | -1.4 | -4.7 | -44.2 | -108.1 | -196.8 |
| Taiwan | 30JUN2026 | +37.4 | +423.0 | -18,256.3 | -1,448.1 | -20,360.1 | -22,385.3 |
| Thailand | 30JUN2026 | +172.8 | +401.5 | +210.8 | +240.7 | +880.7 | +9.7 |
| Vietnam | 30JUN2026 | -39.4 | -69.5 | -565.9 | -1,830.7 | -2,939.0 | -6,127.5 |

However, Indonesian Bond Market still Attracts Capital Inflow

| Equity | Bonds | Portfolio | | | | | | |
|-------------|-----------|-----------|----------|-----------|-----------|-----------|------------|--|
| Country | Date | Daily | WTD | MTD | QTD | YTD | 12M | |
| ▼ Asia (8) | | | | | | | | |
| China | 31MAR2026 | | | -18,864.2 | -29,402.1 | -29,402.1 | -139,260.0 | |
| India | 29JUN2026 | +242.5 | +242.5 | +5,308.7 | +5,439.4 | +6,529.7 | +11,412.9 | |
| Indonesia | 26JUN2026 | +346.0 | +699.4 | +1,182.1 | +1,749.0 | +265.7 | -2,040.9 | |
| Japan | 19JUN2026 | | -6,578.5 | -16,382.4 | +11,269.8 | +48,161.1 | +70,514.8 | |
| Malaysia | 23JUN2026 | -110.2 | -119.9 | +1,356.7 | +1,224.9 | +2,453.5 | +3,833.5 | |
| Philippines | 30APR2026 | | | +779.8 | +779.8 | +3,911.7 | +6,358.0 | |
| S. Korea | 30JUN2026 | +143.5 | -92.2 | +9,165.9 | +22,320.0 | +39,361.8 | +87,351.2 | |
| Thailand | 30JUN2026 | +83.5 | +20.3 | +5.0 | +801.5 | +1,549.5 | +2,337.6 | |

Bank Loan Growth has not been Excessive



International Reserve is Adequate



Inflation is Moderate



Indonesia GDP Growth has been Strong

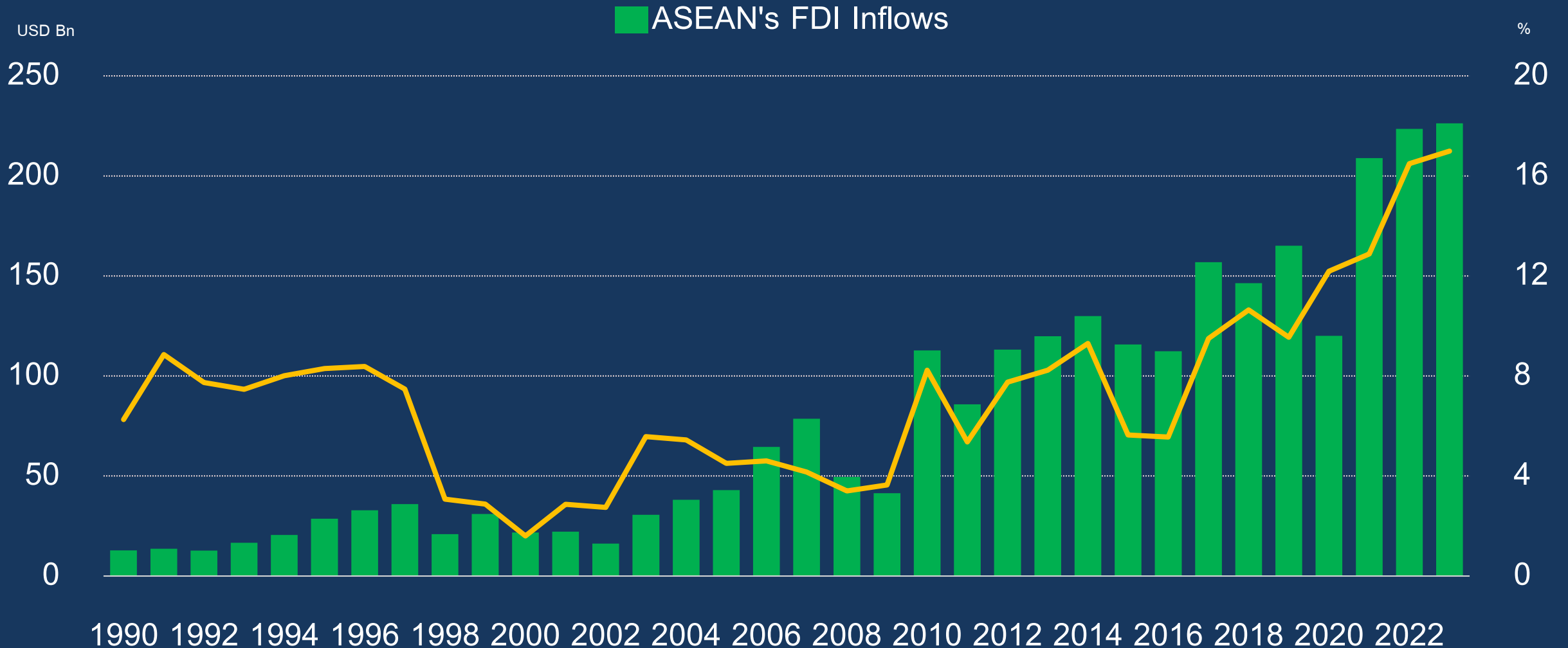


Thailand GDP Growth

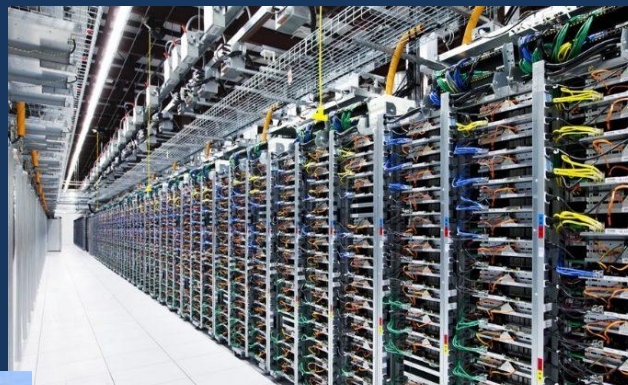


New Wave of Investment into ASEAN

ASEAN Member States: FDI Inflows, 1990 -2023

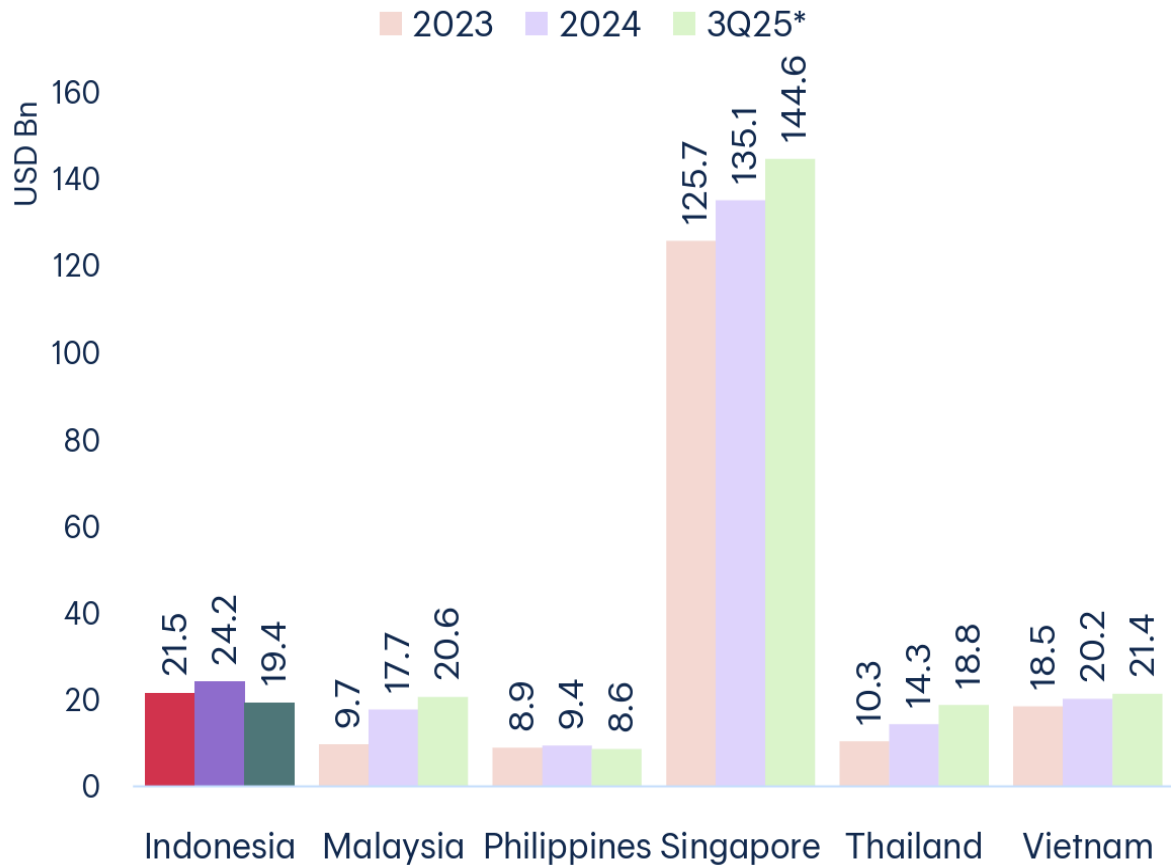


will transform the ASEAN economy to the next level

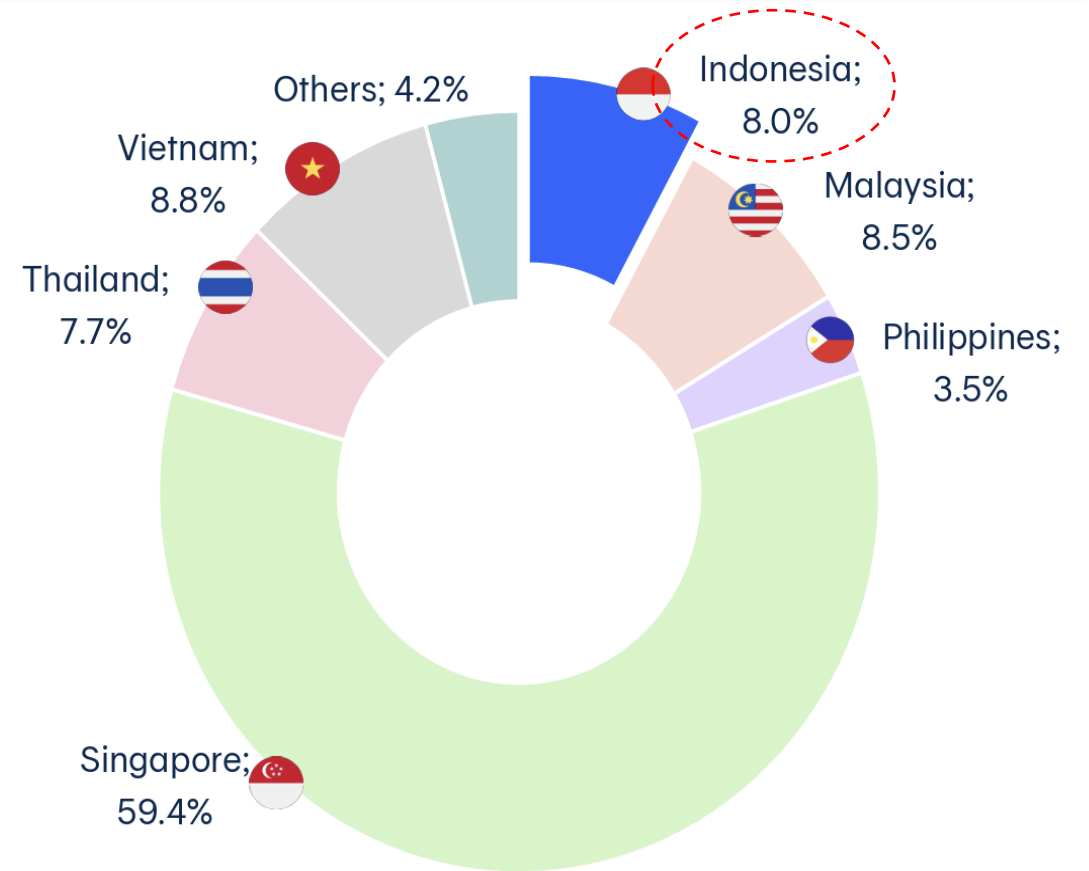


Share of FDI Inflow to ASEAN

FDI in the Last 3 Years



Share of FDI in 9M25



Source: CEIC

ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)

Member states

ASEAN Plus Three

ASEAN Plus Six



ASEAN Rising

Emerging Sectors in ASEAN

- **Digital Economy**
- **Semiconductors & Electronics**
- **AI & Data Centers**
- **EV**
- **Renewable Energy**
- **Healthcare and Wellness**
- **AgriTech and Food Security**
- **Logistics and Supply Chain**

ASEAN 2030: The World's Next Economic Powerhouse

ASEAN is on track to become the world's **fourth-largest economy** by 2030, a resilient global growth hub despite global trade shocks and instability.

REGIONAL GROWTH ENGINES (THE ASEAN-6)

US\$5.8 TRILLION
PROJECTED GDP

Represents a **40% expansion** from 2025 levels, outpacing many advanced economies.



Vietnam & Philippines Lead Momentum

Vietnam (manufacturing) and the Philippines (fintech) are projected to grow above 6% through 2023.



Indonesia's EV Leadership

Global player in the EV battery supply chain via nickel smelting.

COUNTRY PROFILES (2024 GDP & STRATEGIC ADVANTAGE)



SINGAPORE

\$530 BILLION



Regional safe haven and AI/financial treasury hub.



INDONESIA

\$1.4 TRILLION



Massive young consumer base and nickel-driven energy sector.



MALAYSIA

\$439 BILLION



Established global leader in semiconductor clusters and R&D.

STRATEGIC RESILIENCE & CAPITAL INFLOW

THE "CHINA PLUS ONE" ADVANTAGE



Firms are shifting high-value production to Vietnam and Malaysia to mitigate geopolitical risks.



US\$370 BILLION
ANNUAL FDI BY 2030

Foreign Direct Investment is projected to rise significantly from US\$225 billion in 2024.

RESILIENCE TO GLOBAL SHOCKS



Despite US tariffs and 2026 Iran-related energy volatility, ASEAN remains a "flight to quality."

The ASEAN region in numbers

ASEAN Now



Population =
637 million people

GDP =
US\$2.5 trillion



Over 1/3 people live in cities
**Contributing more than
2/3 of the region's GDP**

ASEAN 2030

World's 4th largest economy
**Projected GDP of
\$US6.7 trillion**



Middle class households =
**From 38 million (in 2015)
to 161 million**

90 million+ people will live in cities
**Adding US\$500 billion+
(~20%) to ASEAN's GDP**



ASEAN is one of the Main Beneficiaries of Geopolitics !

New Competitors in ASEAN

Success Stories of Chinese Companies in Thailand



HUAWEI



上汽集团
SAIC MOTOR
登上汽车 畅行天下



长城汽车
Great Wall Motors



NETA



Haier



Hisense



中粮
COFCO
自然之选 健康之源



中策橡胶

Hangzhou Zhongce Rubber Co., Ltd.



BGI 华大



富通集团

CIMC 中集



山东能源
SHANDONG ENERGY

SIASUN



运城制版集团
YUNCHENG PLATE MAKING GROUP



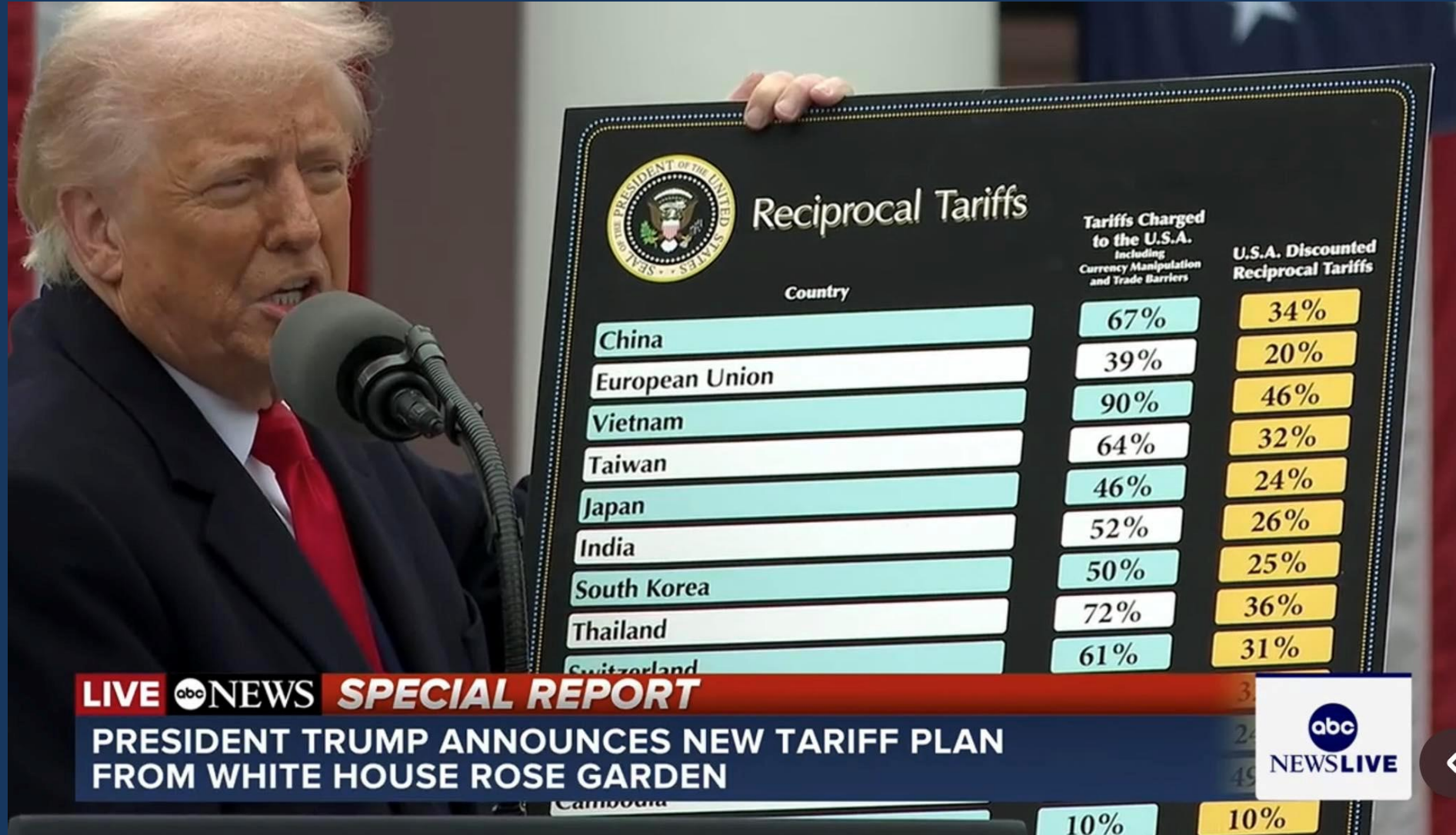
四方精創
FORMS SYNTRON



LAVA



US Never-ending Trade War



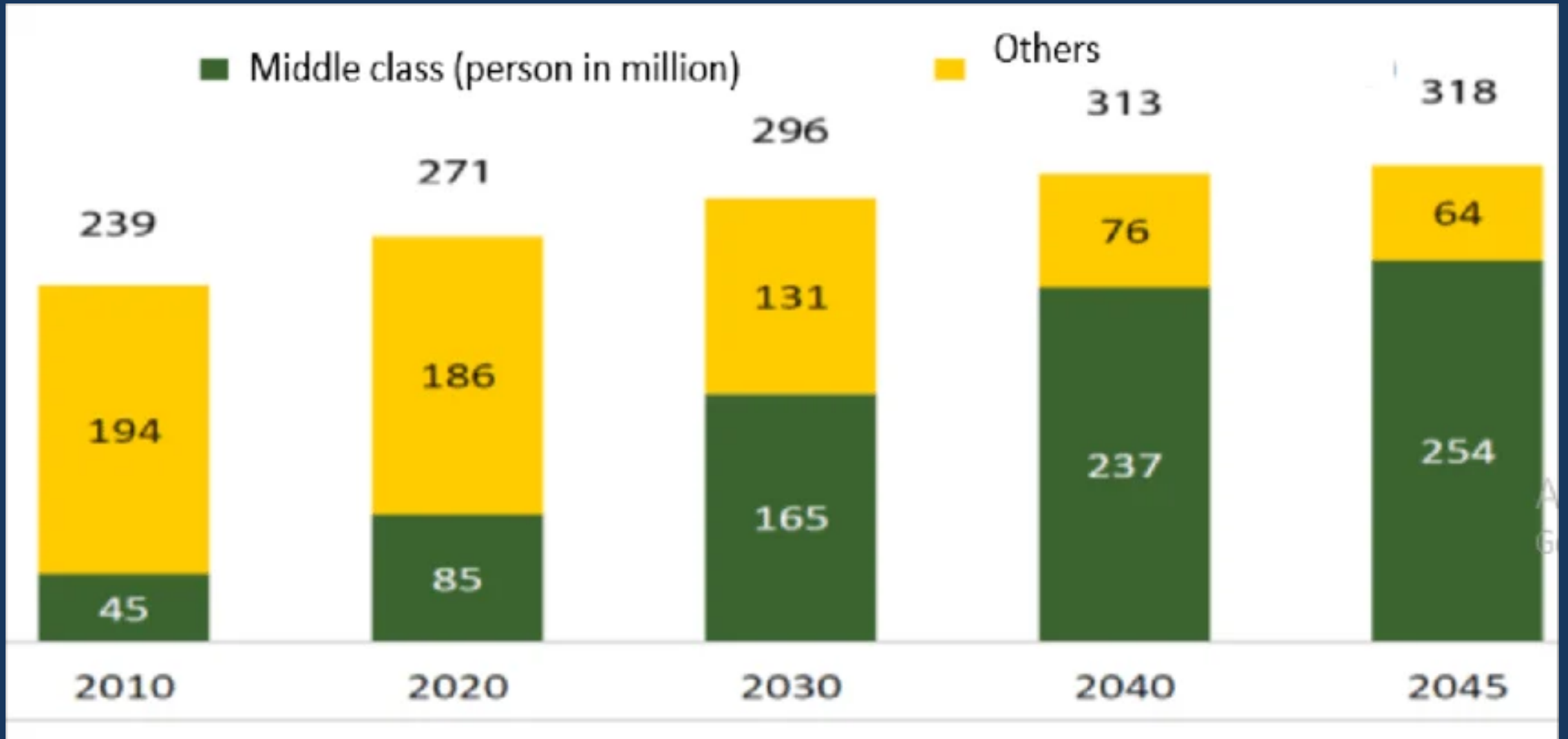
President Donald Trump is shown speaking at a podium, holding a large sign titled "Reciprocal Tariffs". The sign features the Presidential Seal and a table comparing tariffs charged to the U.S.A. with U.S.A. discounted reciprocal tariffs for various countries. The table lists countries such as China, European Union, Vietnam, Taiwan, Japan, India, South Korea, Thailand, Switzerland, and Cambodia, along with their respective tariff percentages.

| Country | Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers | U.S.A. Discounted Reciprocal Tariffs |
|----------------|--|--------------------------------------|
| China | 67% | 34% |
| European Union | 39% | 20% |
| Vietnam | 90% | 46% |
| Taiwan | 64% | 32% |
| Japan | 46% | 24% |
| India | 52% | 26% |
| South Korea | 50% | 25% |
| Thailand | 72% | 36% |
| Switzerland | 61% | 31% |
| Cambodia | 10% | 10% |

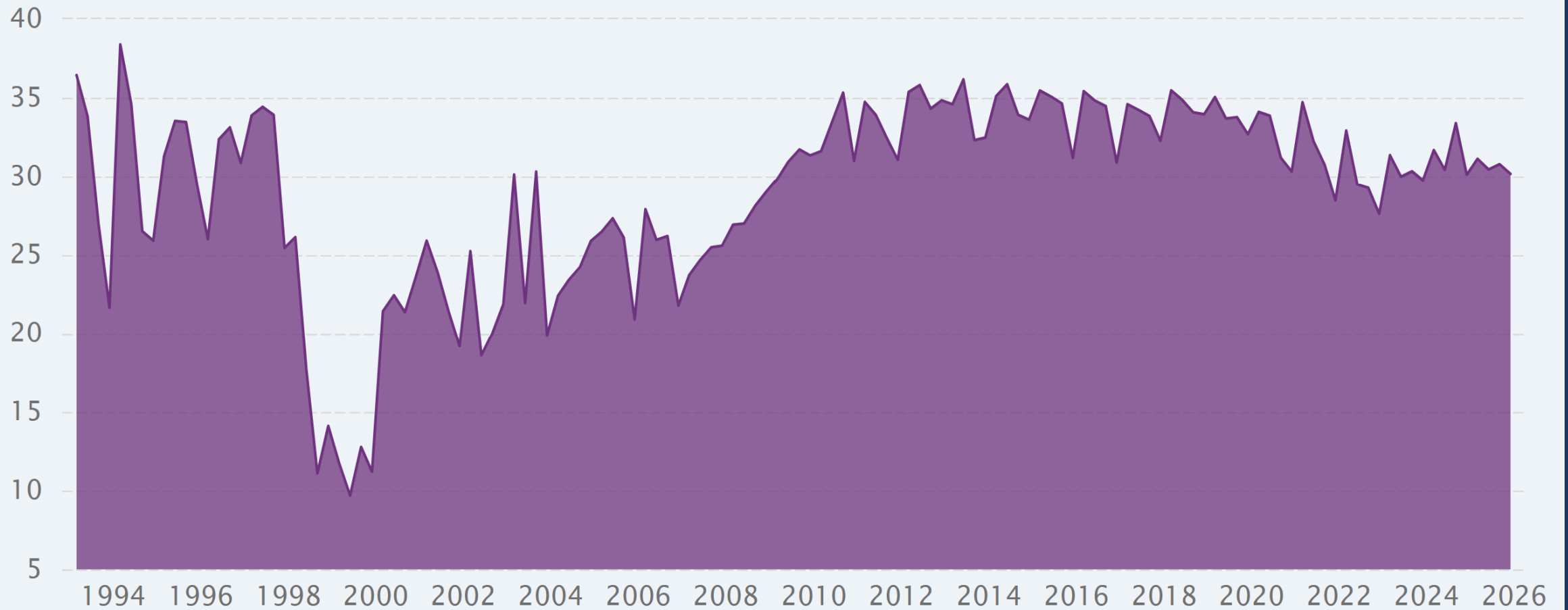
LIVE abc NEWS SPECIAL REPORT
PRESIDENT TRUMP ANNOUNCES NEW TARIFF PLAN FROM WHITE HOUSE ROSE GARDEN

abc NEWSLIVE

Indonesia Middle Class



Indonesia Investment to GDP



■ Investment: % of Nominal GDP: Quarterly: Indonesia

SOURCE: WWW.CEICDATA.COM | CEIC Data

Now is the Time !!!