

IMF lifts Indonesia to 5.1%, still short of government's 6%; oil is the risk.

WORLD GDP (IMF)	INDONESIA GDP (IMF)	GAP TO GOVERNMENT	OIL PRICE (IMF)
2026F: 3.1%	2026F: 5.1%	APBN 2027: 6.0%	2026F: USD95.7
2027F: 3.4%	2027F: 5.1%	IMF gap: -0.9pp	2027F: USD87.4
2027F revised up 0.2pp vs April	2026F up 0.1pp vs April	2026: IMF 5.1% vs APBN 5.4% (-0.3pp)	+41.3% yoy in 2026 · APBN ICP USD75

KEY TAKEAWAYS

- The global growth headline is steady, but the mix underneath is not. The IMF holds 2026 world growth at **3.1%** and lifts 2027 by 0.2pp to 3.4%, yet **advanced economies were revised up 0.3pp for 2026 while emerging and developing economies were cut 0.2pp**, and only 32 economies now account for 95% of global growth against 54 in April. India (7.0%, +0.5pp) and technology exports lift emerging Asia, while China slows to 4.5%.
- Indonesia is upgraded, but not toward the government's number. The IMF now sees **5.1% in both 2026 and 2027**, up 0.1pp from April for 2026, against an APBN target of 5.4% for 2026 and **6.0% for 2027, a 0.9pp gap**. The World Bank (5.0% for 2026) and the ADB (5.2%) also sit below the target. The government's case rests on domestic demand, with first-half growth at 5.45% though the second quarter slowed to 5.29%. On our arithmetic, **5.1% for the year implies roughly 4.8% in the second half**.
- Energy is the transmission channel. **Global inflation is projected at 4.7% in 2026, a cumulative 0.7pp above April**, on an **oil assumption of USD95.74 per barrel (+41.3% yoy) that eases to USD87.39 in 2027**. Futures only return to USD79 by end-2027, and Gulf crude exports are back to 88% of pre-war levels. Indonesia's inflation is projected at 3.3% in 2026 and 2.8% in 2027, within Bank Indonesia's target band, while the **current account slips to -1.6% of GDP**. Since March gold has fallen 9.1% as rates rose, while wheat and cocoa jumped 22.7% and 83.6%.
- For investors we rank oil first, rates second and growth third. The IMF assumes the US 10-year yield averages 4.6% in 2027, and its adverse scenario, with oil at USD130, cuts world growth by 0.5pp and adds 1.1pp to inflation. **The APBN 2027 assumes an ICP of USD75 against the IMF's USD87.39, a USD12.4 gap**. Lower growth alone is a modest fiscal risk, roughly IDR19 trillion of revenue on our illustrative estimate, but combined with higher oil it becomes a financing and Rupiah question. **Key watch: whether third-quarter GDP, due from BPS in early November, holds at or above the 5.3% second-quarter pace needed to reach the APBN's 5.4% for 2026, or slips toward the 4.8% the IMF's 5.1% implies for the second half**.

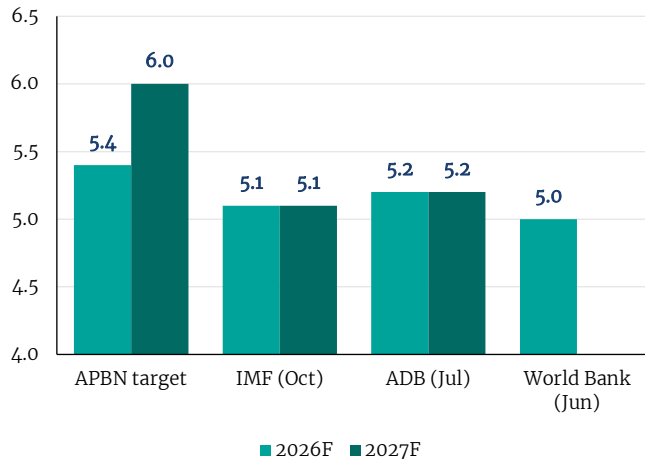
IMF WEO Growth Scorecard · October 2026 (% yoy)

Item	2025	2026F	2027F	Δ vs Apr 2026F	Δ vs Apr 2027F	Note
World	3.5	3.1	3.4	+0.0	+0.2	unchanged for 2026
Advanced Economies	2.0	2.1	1.8	+0.3	+0.1	upgraded
United States	2.3	2.3	2.3	+0.0	+0.2	AI investment
Euro Area	1.2	1.1	1.2	+0.0	+0.0	energy drag
Japan	1.2	0.7	0.7	+0.0	+0.1	fiscal support
EMDE	4.5	3.7	4.4	-0.2	+0.2	war-exposed cut
EM & Developing Asia	5.6	5.1	4.9	+0.2	+0.1	tech cycle
China	5.0	4.5	4.0	+0.1	+0.0	slows to 4.0% in 2027F
India*	7.8	7.0	7.0	+0.5	+0.5	fiscal-year basis
ASEAN-5	4.5	4.4	4.3	+0.3	-0.1	incl. Indonesia
Indonesia**	5.1	5.1	5.1	+0.1	+0.0	APBN 2027: 6.0%

*India on a fiscal-year basis (calendar year: 7.4% in 2026F). **April 2026 WEO figures for Indonesia (5.0% for 2026F, 5.1% for 2027F) are from press reports; the October WEO does not publish a revision column for Indonesia. Source: IMF, World Economic Outlook, October 2026 (Table 1.1, Annex Table 1.1.2); Aldiracita Research.

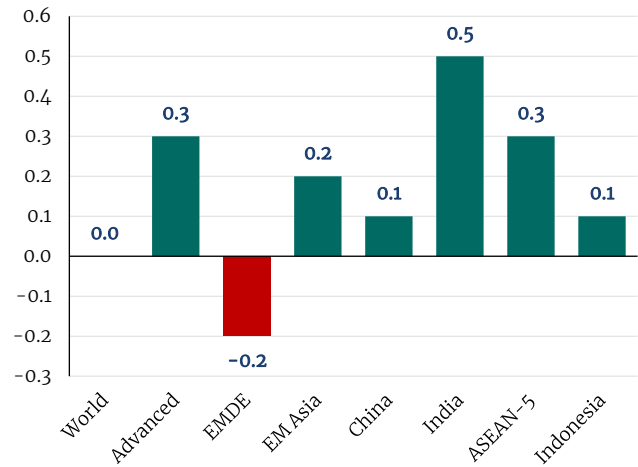
Charts · IMF WEO October 2026

Indonesia GDP Growth · IMF vs Government vs Others (% yoy)



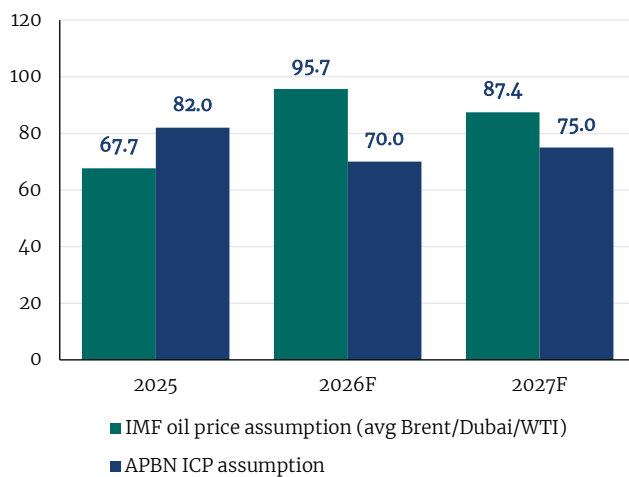
IMF 5.1% sits 0.3pp below the 2026 target and 0.9pp below the 2027 target.

Revision to 2026F Growth vs April WEO (pp)



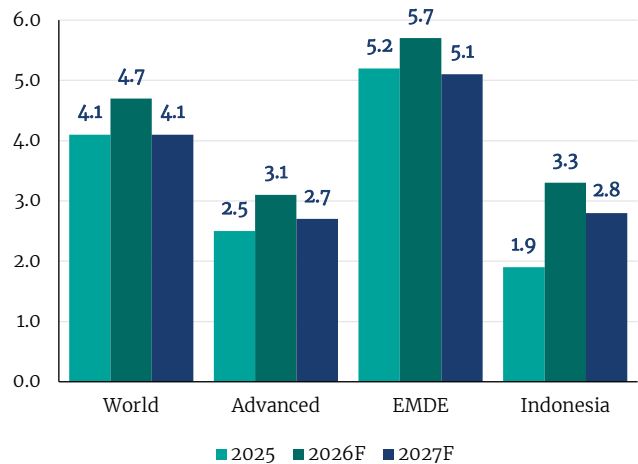
Upgrades for advanced economies & Asia offset 0.2pp cut for emerging and developing economies.

Oil Price · IMF Assumption vs APBN ICP (USD/bbl)



IMF 2027F is USD12.4 above the APBN ICP of USD75; baskets differ (IMF: Brent, Dubai, WTI).

Consumer Price Inflation · IMF (% annual average)



World inflation peaks at 4.7% in 2026, 0.7pp above April cumulatively; Indonesia stays near 3%.

Source: IMF, World Economic Outlook, October 2026; ADB; World Bank; Kementerian Keuangan RI; Aldiracita Research calculations; Various Source.

Indonesia GDP Growth · IMF vs Government vs Others (% yoy)

Source	Date	2026F	2027F	Gap vs APBN 2026	Gap vs APBN 2027	Note
APBN target	Enacted	5.4	6.0	—	—	APBN 2027 enacted 29 Sep
Government outlook	Jul 2026	5.2-5.8	n.a.	—	—	midpoint 5.4%
President's remark	14 Aug	6.0	n.a.	+0.6pp	—	MPR speech, not a target
Bank Indonesia	Jul 2026	4.9-5.7	n.a.	—	—	projection range
IMF (Oct WEO)	Oct 2026	5.1	5.1	-0.3pp	-0.9pp	+0.1pp vs April
IMF (Jul update)	Jul 2026	5.0	5.1	-0.4pp	-0.9pp	unchanged from April
ADB	Jul 2026	5.2	5.2	-0.2pp	-0.8pp	unchanged from April
World Bank	Jun 2026	5.0	n.a.	-0.4pp	n.a.	IEP June 2026
Realized H1 2026 (BPS)	Aug 2026	5.45	n.a.	+0.05pp	—	Q1 5.61%, Q2 5.29%

Gap = source minus APBN target (5.4% for 2026, 6.0% for 2027). n.a. = not available; — = not applicable. Government outlook, Bank Indonesia and realized figures per press reports (CNN Indonesia, 14 July 2026; Bisnis.com, 14 August 2026). Source: IMF; ADB; World Bank; Kementerian Keuangan RI; BPS; Various Source; Aldiracita Research.

Fixed Income & Macro Market Implications

Dimension	Assessment	Analysis
Rates / SBN	Watch	The IMF assumes the US 10-year yield averages 4.5% in 2026 and 4.6% in 2027, with the three-month rate rising from 3.8% to 4.3%, and notes that borrowing costs have risen sharply in major economies. Its adverse scenario adds 90bp to emerging market long-term yields in 2027. Against a 6.9% APBN 2027 SBN yield assumption, higher-for-longer global rates leave little room for SBN yields to fall.
Rupiah / FX	Negative	Indonesia is a net energy importer in the IMF projections: the current account moves from -0.1% of GDP in 2025 to -1.6% in 2026 and -1.0% in 2027. With the oil assumption at USD95.74 and USD87.39 in 2026-27, the external balance is the channel through which the energy shock reaches the Rupiah, against the 17,500/USD in APBN 2027.
Growth & Earnings	Positive	The 0.1pp upgrade to 5.1% for 2026 and a steady 5.1% for 2027 support a stable earnings backdrop, and Indonesia keeps a margin over the ASEAN-5 average of 4.4%. The IMF attributes Asia's resilience partly to the technology cycle; commodity exporters benefit from terms of trade, while gold has fallen 9.1% since March as rates rose.
APBN 2027 Bridge	Watch	The enacted APBN 2027 assumes growth of 6.0%, inflation of 2.5% and ICP of USD75/bbl. The IMF sees 5.1%, 2.8% and USD87.39: a 0.9pp growth gap, 0.3pp more inflation and a USD12.4 oil gap. On our illustrative estimate the growth gap alone costs about IDR19 trillion of revenue, a modest figure, so the oil assumption is the larger risk to the 2.40% deficit.

Source: Aldiracita Research, based on IMF, World Economic Outlook, October 2026 and Kementerian Keuangan RI data. For informational purposes only.

Inflation, Commodities & Yields · IMF Assumptions (October 2026)

Item	2025	2026F	2027F	Δ vs Apr 2026F	Δ vs Apr 2027F	Note
CPI · World (%)	4.1	4.7	4.1	+0.3	+0.4	energy and food
CPI · Advanced (%)	2.5	3.1	2.7	+0.3	+0.5	core 2% by 2028
CPI · EMDE (%)	5.2	5.7	5.1	+0.2	+0.5	
CPI · Indonesia (%)	1.9	3.3	2.8	n.a.	n.a.	inside BI band
Oil price (USD/bbl)	67.7	95.7	87.4	n.a.	n.a.	futures-based
Oil price (% yoy)	-14.4	41.3	-8.7	+19.9	-1.1	Δ in pp of yoy
Non-fuel commodities (% yoy)	9.9	17.3	2.6	-4.4	+0.7	Δ in pp of yoy
US 10-year yield (% avg)	n.a.	4.5	4.6	n.a.	n.a.	IMF assumption
US 3-month yield (% avg)	n.a.	3.8	4.3	n.a.	n.a.	IMF assumption
Indonesia current account (% GDP)	-0.1	-1.6	-1.0	n.a.	n.a.	energy import bill

Red marks a rise in inflation, oil or deficit pressure. Δ for oil and non-fuel commodities is the difference in the yoy rate (pp). Oil is the simple average of Brent, Dubai and WTI. n.a. = not available. Source: IMF, World Economic Outlook, October 2026 (Table 1.1, Annex Table 1.1.2, assumptions); Aldiracita Research.



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