

ASEAN

July 24, 2025

Global Macro Research

Indonesia: The US Trade Deal

Thematic Note

Indonesia Bought Its Way From 32% to 19%: Own the Exporters, Not the Index

What Indonesia paid. The 22 July joint statement swaps a 19% US tariff for a package no other ASEAN deal has matched. Indonesia gives zero tariffs on about 99% of US goods and exempts US firms from local-content rules. It accepts US car and drug standards, waives import licensing for US food, and agrees to free data transfers to the US. It also "takes note of" \$22.7bn of purchases. The Philippines got the same 19% on 22 July with far fewer published commitments. Vietnam paid zero tariffs for 20%.

What markets paid for it: almost nothing. Indonesia sells about 2% of GDP to the US, against 29% for Vietnam, so the tariff was never the main driver of its stocks. The MSCI Indonesia ETF fell in line with emerging markets after 2 April. Around the 15 July announcement it lagged them (-0.8pp), while Japan's deal bought +3.8pp and the Philippines' +1.8pp. The Jakarta Composite is up 5.2% since 14 July, but we estimate about 70% of that came from one data-centre stock, DCII. Excluding it, the index rose about 1.6%, against 3.3% for emerging markets.

Key Points

The pledges are half a deal

The \$22.7bn is 2.2x what the US sold Indonesia in 2024, with no timeframe. The \$15bn of energy is 6x 2024 purchases and 41% of Indonesia's whole oil and gas import bill. Fifty jets for \$3.2bn is \$64M each, consistent with 737s, not the "777s" announced. Applying China's Phase One delivery rates by category gives \$11.2bn, about half.

The winners are real but small on the exchange

At 19%, Indonesia is at or below every major apparel and footwear competitor with a rate: Vietnam 20%, Bangladesh 35%, Cambodia and Thailand 36%. The US takes 55% of Indonesia's apparel, 59% of its furniture and 57% of its prepared seafood. Listed exposure is thin and the market has not paid for it. Our liquid exporter basket rose 2.6% after the deal, broadly in line with the market outside DCII.

Trade ideas

Own the US-exposed exporters selectively; do not buy the index, the rupiah or Garuda on the deal, and do not buy US exporters on the pledges. The options worth holding are the commodity carve-outs the US says it may grant for goods it cannot produce: palm oil, rubber, cocoa and coffee.

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The deal at a glance

US tariff, 2 Apr / 7 Jul letter	32% / 32%
US tariff under the deal	19%
Indonesian tariffs on US goods	~99% to zero
Energy purchases	\$15.0bn
Farm purchases	\$4.5bn
Boeing jets (50)	\$3.2bn
Timeframe for purchases	None given
Date 19% takes effect	Not set

Source: White House joint statement and fact sheet (22 Jul 2025), 7 Jul letter. Until the 19% takes effect, the 10% baseline applies.

Markets	Since 2 Apr	YTD
EIDO (USD)	12.0%	(1.0%)
MSCI EM (USD)	14.8%	20.5%
JCI (IDR)	14.7%	5.5%
Rupiah vs USD	2.9%	(1.0%)

Source: Yahoo Finance; prices at 23-Jul-25 close. Rupiah: positive means stronger.

Trade idea	Verdict
Buy the JCI as a deal trade	Avoid
Own US-exposed exporters	Use selectively
Buy US exporters on the pledges	Avoid
Long rupiah as a tariff trade	Avoid
Buy Garuda on the Boeing order	Avoid
Pre-position for commodity carve-outs	Use selectively

No ratings or price targets. See Exhibit 14.

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From 32% to 19% in 104 days

On 2 April the US set Indonesia's "reciprocal" rate at 32%, saying Indonesia's tariffs and barriers were equivalent to 64%. Jakarta was shut for Eid. When it reopened on 8 April the Jakarta Composite (JCI) fell 9.2% intraday, triggering a halt, and closed 7.9% lower at 5,996. The rupiah hit a record low of Rp16,970 onshore the next day, and Rp17,261 in offshore forwards. Indonesia did not retaliate. It offered \$18-19bn of extra US purchases, mostly crude and LPG shifted from other suppliers, plus easier local-content rules. The 7 July letter kept 32% from 1 August. Washington MoUs worth about \$34bn (Pertamina, wheat, soybeans, corn) followed. On 15 July the US President announced 19%, and the 22 July joint statement set out the terms.

The 32% was never priced, so the 19% could not be

Indonesia's exports to the US equal about 2.0% of GDP, against 29% for Vietnam and 12% for Thailand and Malaysia. Yet between the 2 April close and 8 April, the MSCI Indonesia ETF (EIDO) fell 12.1%, matching emerging markets (-12.3%). Across ASEAN, falls tracked US export exposure (correlation -0.83). On the peers' line, Indonesia's exposure implied a fall of about 5%; the excess 7pp was the rupiah and domestic fragility, not trade (Exhibit 7). The recovery shows the same thing: EIDO's moves around the 15 and 22 July announcements were within a point of emerging markets either way (Exhibits 2 and 5). Japan and the Philippines gained 1.8-3.8pp on their deal days.

What is driving Indonesian assets instead

Domestic policy. The 2025 deficit outlook was raised to 2.78% of GDP against a 3% legal cap, with first-half revenue down 9%. 1Q25 growth slowed to 4.87%. Bank Indonesia cut to 5.25% on 16 July, the same day markets reacted to the 19%, and foreign investors had sold a net Rp58trn of Indonesian equities by 17 July. EIDO is 1.0% down this year in dollars against a 21% gain for emerging markets. The JCI's record 11-day winning streak hid that. Between 14 and 23 July, DCII rose 127% and added about Rp463trn of market value. We estimate that was 70% of the whole market's gain (Exhibit 8). The JCI's five largest blue chips rose 2.1% on average.

Who is paying

Mostly Indonesia's own producers and state companies, not the budget. Zero tariffs on US goods cost an estimated Rp2.7-7.6trn a year (\$0.17-0.48bn), against Rp53trn of import duties. The bigger costs are elsewhere:

- Pertamina buying US crude and LPG on 40-day voyages.
- Garuda, with negative equity, buying Boeings.
- Local assemblers, poultry and dairy producers losing protection from local-content rules, import licensing and the commodity-balance quota system.

Exhibit 1 - Indonesia Lagged All Year

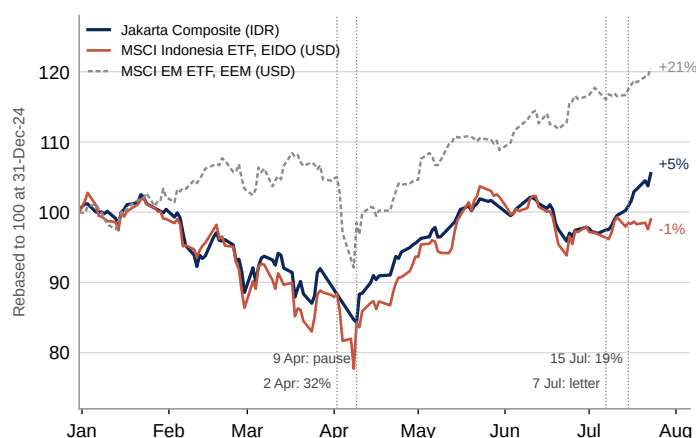


Exhibit 2 - Indonesian Equities on Tariff News

Date (first reaction)	JCI	EIDO	EEM	EIDO vs EEM
2 Apr: 32% announced	(7.9%)*	(7.6%)	(7.6%)	0.0pp
9 Apr: 90-day pause	4.8%	8.4%	6.9%	+1.4pp
7 Jul: letter keeps 32%	0.1%	(0.7%)	(1.4%)	+0.7pp
15 Jul: deal at 19% posted	0.7%**	0.5%	0.7%	-0.2pp
22 Jul: joint statement	1.7%	1.4%	1.0%	+0.4pp

*Jakarta closed 28 Mar to 7 Apr: JCI from the 27 Mar close; EIDO and EEM 3-4 Apr (two sessions). **16 Jul was also Bank Indonesia's rate cut.

Source: Yahoo Finance, IDX, K2 Capital. US-listed ETFs react the same US session to news released during US hours.

Exhibit 3 - The 22 July Joint Statement, Line by Line

Area	Indonesia commits to	The US commits to
Tariffs	Eliminates ~99% of tariff barriers on US goods (pork and alcohol excluded, per officials)	Cuts reciprocal rate to 19%; may cut further for goods not produced in the US
Local content	Exempts US companies and goods from local-content (TKDN) rules	-
Standards	Accepts US vehicle safety and emissions standards; FDA approvals for drugs and devices	-
Agriculture	Exempts US food and farm goods from import licensing and the commodity-balance system; recognises US meat, poultry and dairy plants	-
Critical minerals	Removes export restrictions to the US on industrial commodities incl. critical minerals (officials: processed only; ore bans stay)	-
Digital	Recognises US as adequate for personal data transfers; backs permanent e-commerce duty moratorium	-
Labour	Bans forced-labour imports; amends labour law on association and bargaining	-
Origin	"Facilitative" rules of origin; cooperation on duty evasion (the 40% transshipment rate is in the 15 Jul post, not the statement)	Same
Purchases	"Takes note of" deals: aircraft \$3.2bn, farm goods ~\$4.5bn, energy ~\$15bn; no timeframe	-
Open items	Effective date; stacking on MFN and sectoral tariffs; carve-outs sought for palm oil, cocoa, rubber, coffee, nickel	Signature "in the coming weeks"

Source: White House joint statement and fact sheet (22 Jul 2025); Indonesian officials as reported by Antara, Bisnis, CNN Indonesia and the Jakarta Post (18-23 Jul 2025); K2 Capital.

Exhibit 4 - Who Paid What: US Tariff Deals and Letters to 23 July

Country	2 Apr	July letter	Deal	Deal date	What it gave
Indonesia	32%	32%	19%	15/22 Jul	Zero tariffs ~99%, NTB package, \$22.7bn of purchases, data, minerals
Philippines	17%	20%	19%	22 Jul	Zero tariffs on US goods; few other terms published
Vietnam	46%	-	20%	2 Jul	Zero tariffs on US goods; 40% on transshipment
Japan	24%	25%	15%	22 Jul	\$550bn investment vehicle; market access for US rice and cars
Malaysia	24%	25%	-	-	Letter only
Thailand	36%	36%	-	-	Letter only
Cambodia	49%	36%	-	-	Letter only
Bangladesh	37%	35%	-	-	Letter only
India	26%	-	-	-	Talks; interim deal before 1 Aug "looks difficult"
China	34%	-	30%*	12 May	90-day truce to 12 Aug

*China: 10% reciprocal plus 20% fentanyl-related, on top of earlier Section 301 tariffs. Rates are in addition to normal US duties.

Source: White House Annex I (2 Apr 2025) and 7 Jul fact sheet; Al Jazeera, Reuters and CBS as dated; K2 Capital.

Indonesia paid more than its peers for the same rate. The Philippines moved up from 17% to 19%, and Vietnam's 20% came with zero tariffs and a transshipment penalty but no purchase list we could find. Indonesia's package has seven non-tariff chapters and the largest purchase list in ASEAN. Two of them reach into politically sensitive areas: data transfers, which critics say may conflict with Indonesia's personal data protection law, and critical minerals. On minerals, officials said on 23 July that only processed minerals are covered and that the nickel ore, copper concentrate and bauxite export bans stay. That is a narrower reading than the US President's "Indonesia will supply the US with their precious critical minerals."

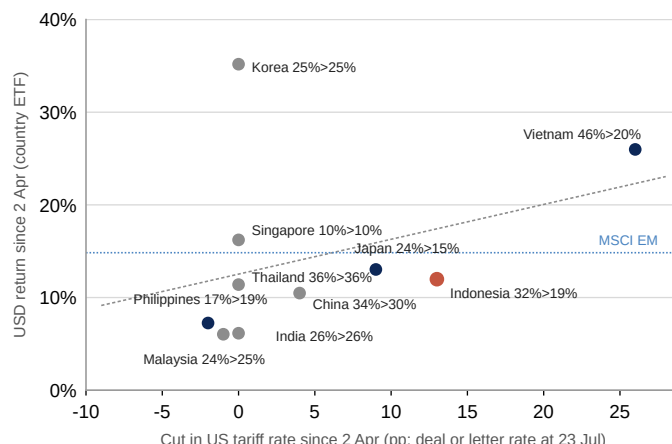
Exhibit 5 - Deal Days: Indonesia Got the Least

Deal announcement	ETF	Return	vs EEM
Japan: 15% deal (22 Jul)	EWJ	4.8%	+3.8pp
Philippines: 19% deal (22 Jul)	EPHE	2.8%	+1.8pp
Vietnam: 20% deal (2 Jul)	VNM	1.7%	+0.9pp
Indonesia: 19% post (15 Jul)	EIDO	0.4%	-0.8pp
Indonesia: joint statement (22 Jul)	EIDO	1.4%	+0.4pp

Window from the close before the announcement to the close of the first full local reaction session. Japan's and the Philippines' deals were announced on 22 Jul.

Source: Yahoo Finance, K2 Capital.

Exhibit 6 - Tariff Relief Explains Little



Navy: deal agreed; grey: letter, talks or baseline. Rank correlation of cut with return 0.54; of final rate with return -0.37; n = 10.

Exhibit 7 - Exposure vs the April Shock

Country (ETF)	Exports to US / GDP	2 Apr rate	2-8 Apr	vs EEM	Rate now	Since 2 Apr	YTD
Vietnam (VNM)	28.7%	46%	(20.2%)	-8.0pp	20%	26.0%	39.4%
Malaysia (EWM)	12.4%	24%	(9.1%)	+3.2pp	25%	6.0%	0.8%
Thailand (THD)	12.0%	36%	(13.4%)	-1.2pp	36%	11.4%	(3.4%)
Philippines (EPHE)	3.1%	17%	(5.6%)	+6.7pp	19%	7.2%	9.5%
Indonesia (EIDO)	2.0%	32%	(12.1%)	+0.2pp	19%	12.0%	(1.0%)
MSCI EM (EEM)	-	-	(12.3%)	-	-	14.8%	20.5%

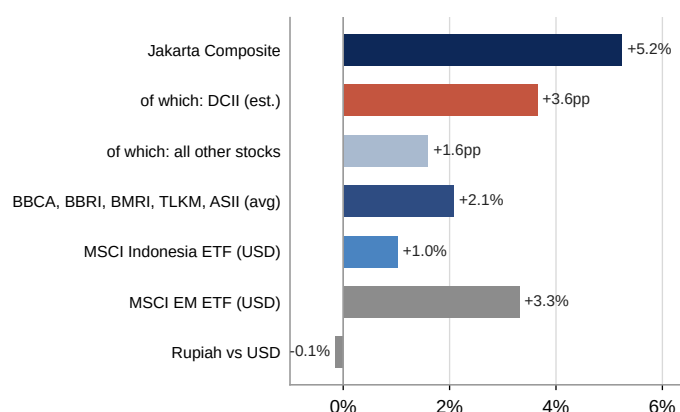
2024 exports to the US (US data) over GDP. 2-8 Apr: 2 Apr close to 8 Apr close, before the pause. A regression on the four peers implies -5.3% for Indonesia. Rate now: deal or letter rate at 23 Jul.

Source: US Census, national statistics as reported, Yahoo Finance, K2 Capital.

Relative value by tariff rate does not work, yet. Since 2 April, the ten Asian markets we track show only a loose link between the size of their tariff cut and their dollar return (rank correlation 0.54). There is none with the final rate. Korea, with no cut at all, did best on domestic reform. Vietnam, with the biggest cut, was second. Indonesia, with the third-biggest cut, lagged emerging markets by 2.9pp.

The rupiah is not a tariff trade either. It is 2.9% stronger since 2 April but 1.0% weaker this year, while the dollar index fell 10%. Over the same year the ringgit gained 5.2% and the baht 5.7%. Bank Indonesia is cutting, the deficit is near its cap, and foreign investors are selling SRBI, Bank Indonesia's rupiah securities. A lower tariff removes a tail risk; it does not change those drivers.

Exhibit 8 - What Drove the JCI, 14 to 23 July



DCII: market value up Rp463trn (shares implied by its Rp688.8trn value on 21 Jul) against an estimated Rp666trn rise in total market value (Rp13,079trn on 18 Jul, scaled by the index). K2 estimate.

Source: Yahoo Finance, Bisnis (21 Jul 2025), Infobank (20 Jul 2025), K2 Capital.

Purchase pledges: credible on farm goods, not on energy or jets

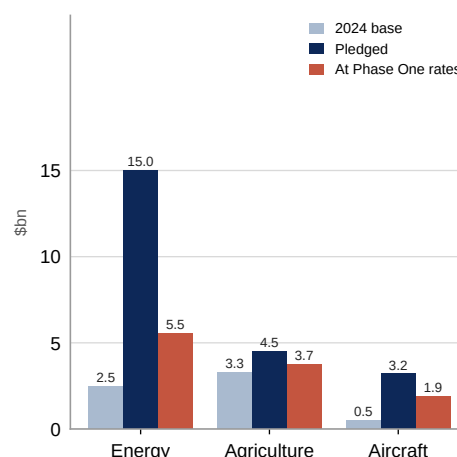
Energy (\$15bn). Indonesia bought about \$2.5bn of US energy in 2024, mostly LPG, of which the US already supplies over half. Officials' own targets, moving LPG to 80-85% US and crude to 40%, get to about \$7.4bn. Adding 10% of refined fuels gives \$9.5bn. Reaching \$15bn would need the US to supply nearly all of Indonesia's crude and LPG, or a large share of the fuels it buys from Singapore. Pertamina's chief executive called distance and the roughly 40-day voyage the "biggest risks". One economist warned that pricier cargoes would raise fuel subsidies, which flow through the state budget. The energy minister made the purchases conditional on the lower tariff and on "the most efficient pricing possible".

Agriculture (\$4.5bn). This is the credible part. US farm exports to Indonesia were \$3.3bn in 2024, so \$4.5bn is a 36% increase. The US already supplies 89% of Indonesia's soybeans. The millers' MoU commits to 0.8 Mt of US wheat this year and 1 Mt a year to 2030, against about 0.5 Mt a year recently. Cotton and corn add little. Phase One delivered 83% of its farm targets.

Aircraft (\$3.2bn, 50 jets). At \$64M a jet the value fits discounted 737 MAX, not the "many of them 777s" in the 15 July post. Garuda, the presumed buyer, had negative equity of \$1.35bn at end-2024, lost \$75.9M in 1Q25 and flies about 100 aircraft. In 2019 it cancelled 49 of 50 737 MAX on order. On 21 July officials said the deal was still a business-to-business negotiation.

Our read. Applying China's Phase One delivery rates by category (energy 37%, farm 83%, manufactured 59%) gives \$11.2bn, 49% of the headline. That is still more than double 2024 US energy sales. Because the joint statement only "takes note of" the deals and sets no timeframe, a shortfall would not obviously breach it. The risk is a US decision that Indonesia has not delivered.

Exhibit 9 - Pledges vs 2024



Source: US Census, USDA, BPS via press, PIIE, K2 Capital.

Exhibit 10 - Purchase Pledges Against the 2024 Base and the Phase One Record

Pledge (\$bn)	Pledged	2024 base	Multiple	Phase One rate	Expected
Energy (LPG, crude, gasoline)	15.0	2.48	6.0x	37%	5.5
Agriculture (soybeans, soymeal, wheat, cotton)	4.5	3.30	1.4x	83%	3.7
Aircraft (50 Boeing jets)	3.2	0.52	6.2x	59%	1.9
Total	22.7	10.2*	2.2x	49%	11.2

Base: energy = Indonesia's 2024 LPG (\$2.03bn), crude (\$0.43bn) and fuel imports from the US; agriculture = USDA US farm exports to Indonesia; aircraft = US exports of aircraft and parts (HS 88). *Total US goods exports to Indonesia. Phase One rates: PIIE (2022) delivery by category.

Exhibit 11 - What It Takes to Buy \$15bn of US Energy

Indonesia oil and gas imports, 2024 (\$bn)	Total	US now	Officials' US target	At target
LPG (6.9 Mt)	3.79	54-57%	80-85%	3.22
Crude (Nigeria, Saudi Arabia, Angola lead)	10.35	~4%	40%	4.14
Refined fuels (53% from Singapore)	21.56	0.1%	10% (K2 assumption)	2.16
Total oil and gas imports	36.28	~7%		9.52
Energy pledge	\$15.0bn = 41% of all oil and gas imports; all LPG plus all crude = \$14.1bn			

Source: BPS via Kontan and Katadata, UN Comtrade/WITS, Jakarta Post (21 Apr 2025), Antara (17 Jul 2025), K2 Capital.

Exhibit 12 - What Indonesia Sells the US, and Who Wins at 19%

US imports from Indonesia, 2024 (HS)	\$bn	US share of Indonesia's exports	At 19%
Electrical machinery (85)	4.83	28%	Mixed: electronics face separate US sector probes
Footwear (64)	2.64	34%	Winner vs Vietnam 20%, Cambodia 36%
Knit apparel (61)	2.30	61%	Winner vs Bangladesh 35%, Cambodia 36%
Palm and other oils (15)	2.19	7%	Carve-out candidate: not grown in the US
Woven apparel (62)	2.14	50%	Winner vs Bangladesh 35%, India 26%
Rubber (40)	1.96	31%	Carve-out candidate; tyres compete with Thailand 36%
Furniture (94)	1.64	59%	Winner vs Vietnam 20%, Malaysia 25%
Fish and shrimp (03, 16)	1.99	28-57%	Winner vs Vietnam 20%, India 26%
Total US imports from Indonesia	28.08	9.9%	US deficit \$17.9bn

Source: US Census (FT-900, Feb 2025), UN Comtrade (BPS-reported export shares), White House letters and deals to 23 Jul 2025, K2 Capital.

Winners and losers

Winners: labour-intensive exporters. Apparel, footwear, furniture and seafood are Indonesia's most US-dependent industries and employ close to 5M people across textiles, garments and footwear. They have also been shrinking: Sritex closed in March with nearly 11,000 jobs lost. At 19% Indonesia now undercuts Bangladesh and Cambodia by 16-17pp and Vietnam by 1pp. Note that the 19% is added to normal US duties, so the footwear association puts its total tariff at roughly 29%. Listed exposure: Integra (WOOD) sells about 90% to the US, Selamat Sempurna (SMSM) 16%; Trisula (TRIS) and Gajah Tunggal (GJTL) also export. The shrimp and garment names (PMMP, PBRX) are too illiquid to trade. In April these stocks fell less than the market (+1.6pp), and since 14 July they rose 2.6%, broadly in line with the market outside DCII. Neither the damage nor the relief was priced.

Losers: protected domestic producers. The exemptions from local-content rules, import licensing and the commodity-balance system remove protection that local assemblers, dairy and poultry producers relied on. The car industry association warned in April that relaxing local-content rules could make the industry "collapse". Recognising US poultry and dairy plants opens a market Indonesia has defended in WTO disputes. Wheat millers and feed makers face a mild cost risk if commitments force them toward pricier US cargoes; the soybean supply is already 89% US. Garuda (GIAA) takes on a Boeing order it cannot fund without the state.

Optional: commodity carve-outs. The US "may identify certain commodities that are not naturally available or domestically produced in the United States for a further reduction". Indonesia has asked for palm oil, cocoa, rubber, coffee and nickel. Palm oil alone is \$2.2bn of US imports, 85% of US supply. It is an option, not a base case.

Exhibit 13 - Indonesian Sector Baskets Around the Shock and the Deal

Basket vs JCI	Stocks	27 Mar-8 Apr	14-23 Jul	YTD (abs)
US exporters (labour-intensive)	WOOD, TRIS, SMSM, GJTL	+1.6pp	-2.6pp	10.9%
Palm oil	AALI, LSIP, SMAR, TAPG	+0.4pp	+0.2pp	32.5%
Nickel and metals	ANTM, INCO, NCKL, MBMA, MDKA	-6.7pp	+2.3pp	35.3%
Coal and energy	ADRO, PTBA, ITMG, MEDC	+1.6pp	-2.1pp	0.5%
Importers of US inputs	ICBP, INDF, CPIN, JPFA	+3.3pp	-3.0pp	0.9%
Fuel and gas distribution	AKRA, PGAS	-1.3pp	-2.4pp	14.6%
Autos and consumer (TKDN exposure)	ASII, ERAA, IMAS	-3.0pp	+2.6pp	20.8%
Banks	BBCA, BBRI, BMRI	-1.7pp	-5.5pp	(7.1%)
Airline (Boeing buyer)	GIAA	-1.9pp	-0.8pp	27.3%
JCI (absolute)		(7.9%)	5.2%	5.5%

Equal-weighted baskets, relative to the JCI. Illiquid names (more than 40% zero-return days since May) excluded: PMMP, PBRX. 14-23 Jul spans the 15 Jul announcement, the 16 Jul rate cut and the 22 Jul joint statement.

Source: Yahoo Finance, company disclosures as reported by CNBC Indonesia (16 Jul 2025), K2 Capital.

Exhibit 14 - Trade Ideas and Verdicts

Trade idea	Evidence	Verdict
Buy the JCI as a deal trade	EIDO's deal-day moves were within 0.8pp of EM either way; about 70% of the JCI's gain since 14 Jul is DCII; foreign investors sold Rp10.5trn in the week to 17 Jul	Avoid
Own US-exposed exporters (WOOD, SMSM, TRIS, GJTL)	19% undercuts every large apparel and footwear rival with a rate; US takes 55-59% of apparel and furniture exports; basket +2.6% since 14 Jul, in line with the market outside DCII; thin liquidity	Use selectively
Buy US exporters on Indonesia's pledges	About 49% deliverable on Phase One rates; jets priced as 737s; no timeframe; Boeing and LNG moves on 15 and 23 Jul were small and shared with Japan's deal	Avoid
Long rupiah as a tariff trade	-1.0% YTD while the dollar index fell 10%; Bank Indonesia cutting; deficit near the 3% cap; foreigners selling SRBI	Avoid
Buy Garuda on the Boeing order	Negative equity of \$1.35bn; 1Q25 loss of \$75.9M; the order adds liabilities and depends on state funding	Avoid
Pre-position for commodity carve-outs	US may cut rates on goods it cannot produce; palm oil \$2.2bn (85% of US supply), rubber \$2.0bn; list not yet published	Use selectively

Verdicts: Implement (we expect the idea to add value after costs), Use selectively (in defined circumstances only), Avoid. No ratings or price targets. Small samples throughout.

What Would Make Us Wrong?

We would revisit these views if any of the following occur:

- 1. The market starts paying for the deal.** If EIDO beats MSCI EM by more than 5pp in the month after the agreement is signed, the tariff advantage matters more to Indonesian equities than we think.
- 2. The pledges are delivered.** If Indonesia's imports from the US average more than \$1.8bn a month in 4Q25 (2024: about \$1.0bn), the purchases are real, and our view on US exporters is wrong.
- 3. The exporter edge does not show up.** If Indonesia's apparel and footwear exports to the US fall year on year in 4Q25 despite the lower rate, the advantage is not real and the exporter idea fails.
- 4. Rivals close the gap.** If two of Bangladesh, Cambodia and Thailand settle at 19% or lower, Indonesia's advantage disappears.
- 5. Ore exports reopen.** If Indonesia allows raw nickel ore or copper concentrate exports to the US, the downstreaming policy behind its nickel smelters is weaker than officials said on 23 July.

Signposts

1 August: letter rates take effect for countries without deals; Indonesia stays at the 10% baseline until its 19% is set. Early August: Indonesia's June trade data and 2Q25 GDP. Coming weeks: signature of the agreement, the US list of products for further cuts, and how 19% stacks on sectoral tariffs. 12 August: the US-China truce expires. Mid-August: the 2026 budget speech, with the fuel-subsidy bill. August: Bank Indonesia's next meeting. Any time: Garuda's Boeing contract and Pertamina's US cargo contracts.

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Rating History

Date	Security	Rating	Price	Price Target
24-Jul-25	None (thematic report)	Not rated	-	-

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Sources and Methodology

Market data are as of the close on 23 July 2025 and are from Yahoo Finance: the Jakarta Composite (JCI), Indonesian equities listed on the IDX, the iShares MSCI country ETFs (EIDO, VNM, EPHE, THD, EWM, EWJ, EWY, INDA, MCHI, EWS, EEM), US equities and spot exchange rates. Onshore rupiah levels are from Bisnis and CNBC Indonesia as reported. Deal terms are from the White House joint statement and fact sheet of 22 July 2025, the 2 April Annex 1 and the 7 July letters and fact sheet. Indonesian officials' statements are from Antara, Bisnis, CNN Indonesia, Kompas, Kontan, the Jakarta Post, the Jakarta Globe and the Cabinet Secretariat (April to 23 July 2025). Trade data are from US Census (FT-900, February 2025), USDA as reported by S&P Global, BPS as reported by Kontan, Katadata and Xinhua, and UN Comtrade/WITS. Tariff averages are from the WTO World Tariff Profiles 2024. Bank Indonesia's 16 July 2025 decision and BPS data releases are as published. The Phase One delivery record is from the Peterson Institute for International Economics (2022). Garuda Indonesia's results are as reported. Event windows run from the close before the news to the close of the first session able to react; abnormal returns are against the iShares MSCI Emerging Markets ETF (EEM). The DCII contribution estimate uses shares implied by its reported market value and IDX total market value as reported. Estimates are K2 Capital's and are subject to change without notice.

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