

Inflation: Ahead Consensus Estimates

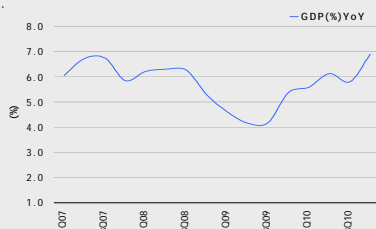
Indonesian Statistics Bureau (BPS) announced CPI at -0.31% MoM, lead to 6.16% YoY figures for Apr' 11. The figure was below the market consensus at -0.13% MoM and 6.40% YoY. April deflation caused by normalizing food price and seasonal factor.

Latest Economic Data

| | Current |
|-------------------|---------|
| BI Rate (%) | 6.75 |
| Inflation (%) YoY | 6.16 |
| Rp/US\$ | 8,543* |

*) as of May 3, 2011

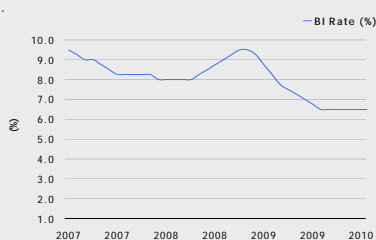
GDP Growth



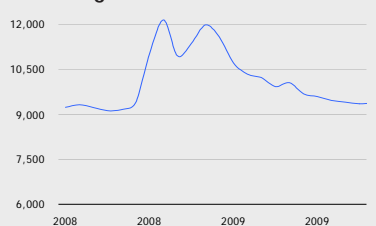
Core Inflation



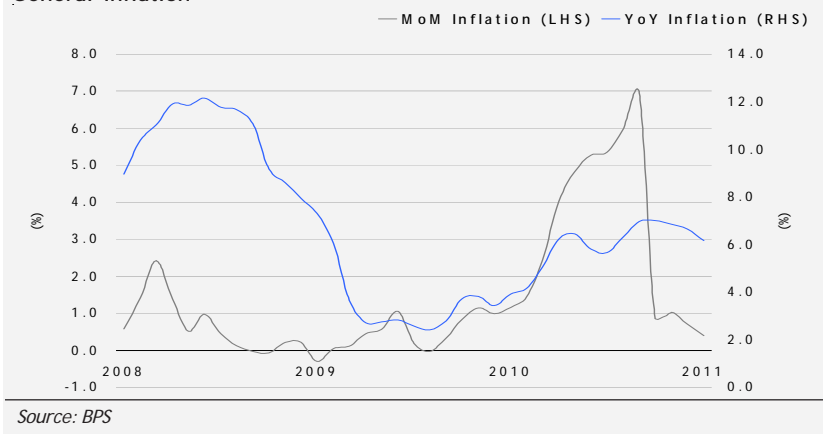
BI Rate



Exchange Rate



General Inflation



Source: BPS

Food driven deflation still continue with -1.9% MoM, contributes -0.48% to MoM headline inflation. While higher gold price led the clothing sector inflation of 0.75% MoM, contributes 0.06% to MoM headline inflation.

Sectoral Inflation

Apr' 11 Inflation (%) Sectoral Breakdown

| SECTOR | MoM | Yo Y | Contribution to MoM Inflation |
|---|--------|-------|-------------------------------|
| Food stuff | (1.90) | 11.08 | (0.48) |
| Prepared food, Beverage, Cigarette and Tobacco | 0.20 | 5.52 | 0.03 |
| Housing, Water, Electricity, Gas, Fuel | 0.21 | 4.72 | 0.05 |
| Clothing | 0.75 | 8.36 | 0.06 |
| Medical care | 0.38 | 3.39 | 0.01 |
| Education, Recreation, Sports | 0.08 | 3.91 | 0.01 |
| Transportation, Communication, Financial services | 0.07 | 2.93 | 0.01 |

Source: BPS

On Jan' - Apr' periods, inflation rate stood at 0.39%YTD vs. 1.15%YTD on 2010. Inflationary pressure might come from oil prices, 3mth average ICP of USD102/brl much higher compared to USD80/brl on budget assumptions. The next BI governors meeting will be held on 12th May, and we expect the central bank will maintain its rate at 6.75% considering our core inflation still at 4.62%, lower than 5.00% of central bank threshold despite its increasing trend, and continuing stronger IDR.

PT Trimegah Securities Tbk
18thFl, Artha Graha Building
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190, INDONESIA
Tel : (6221) 2924-9088 Fax : (6221) 2924-9163

DISCLAIMER

This report has been prepared by PT Trimegah Securities Tbk on behalf of itself and its affiliated companies and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy. This report has been produced independently and the forecasts, opinions and expectations contained herein are entirely those of Trimegah Securities.

While all reasonable care has been taken to ensure that information contained herein is not untrue or misleading at the time of publication, Trimegah Securities makes no representation as to its accuracy or completeness and it should not be relied upon as such. This report is provided solely for the information of clients of Trimegah Securities who are expected to make their own investment decisions without reliance on this report. Neither Trimegah Securities nor any officer or employee of Trimegah Securities accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. Trimegah Securities and/or persons connected with it may have acted upon or used the information herein contained, or the research or analysis on which it is based, before publication. Trimegah Securities may in future participate in an offering of the company's equity securities.
