

Indonesia Investments



An Evolving Trade Landscape

- Indonesia's Opportunities & Challenges in an Evolving Global Trade Landscape
- Indonesia Secures 19% US Import Tariff after Negotiations, But at What Cost?
- Finally, Indonesia & the European Union Agree on CEPA, What Does This Entail?
- Latest Economic Indicators Still Point at Slowing Economic Growth in Q2-2025
- What Are the 3 Weaknesses in the Gov't Revenue & Spending Balance Structure?
- Inflation in July '25, Deflation in August?

JULY 2025

**Van Der Schaar Investments B.V.
CV Indonesia Investments**

Indonesia Investments

Monthly Report – July 2025

**‘An Evolving Trade Landscape –
Trade Tariffs, Negotiations and Deals’**



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Preface

The monthly report of Indonesia Investments is written and published by business consultancy CV Indonesia Investments, headquartered in Yogyakarta (in Indonesia), with the assistance of investment company Van Der Schaar Investments B.V. (based in Delft, the Netherlands). This report aims to inform the reader of the latest, most relevant, political, economic and social developments in Indonesia as well as those crucial international developments that (may) impact on the economy of Indonesia or on its politics.

Our reports are intended for a diverse audience, including individual and corporate investors, financial market participants, diplomats, policymakers, decision-makers, academics, journalists, and analysts.



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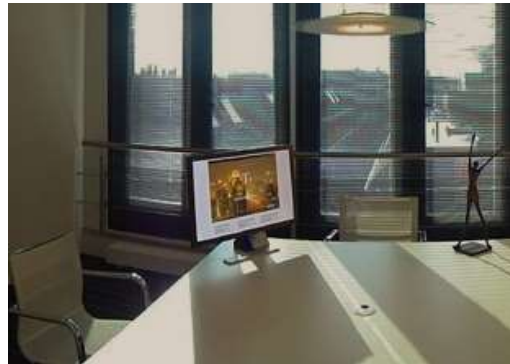


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Introduction – July 2025 Report

Our July 2025 report has a major focus on trade. This topic is obviously very relevant at the moment as US President Donald Trump is eagerly trying to rebalance global trade in favour of the United States by significantly reducing US trade deficits and promoting domestic manufacturing in the world's top economy. This forms a core part of Trump's 'America First' policy, and has led to a number of preliminary trade agreements, including one with Indonesia.

The rebalancing of trade is being pursued through an aggressive and multifaceted strategy centred on a new tariff regime, with the imposition of "reciprocal tariffs" on virtually all imports into the US being the central element. Trump views these tariffs as a way to force other nations to lower their own trade barriers, and engage in new trade agreements that are more favourable to the US. These tariffs then function as a powerful negotiating tool to get good deals.

[...]

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