

BI 7-Day Reverse Repo Rate Held at 6.00%

SYNERGY MAINTAINING STABILITY AND REVIVING GROWTH

The BI Board of Governors Meeting agreed on 22nd-23rd November 2023 to hold:

BI 7-Day Reverse Repo Rate (BI7DRR) at **6.00%**

Deposit Facility (DF) rate at **5.25%**

Lending Facility (LF) rate at **6.75%**

The decision remains consistent with rupiah stabilisation policy against the impact of increasing global uncertainty, and as a pre-emptive and forward-looking measure to mitigate the impact of imported inflation, thereby ensuring inflation remains under control and within the target corridor of 3.0%±1% in 2023 and 2.5%±1% in 2024.

2023 OUTLOOK

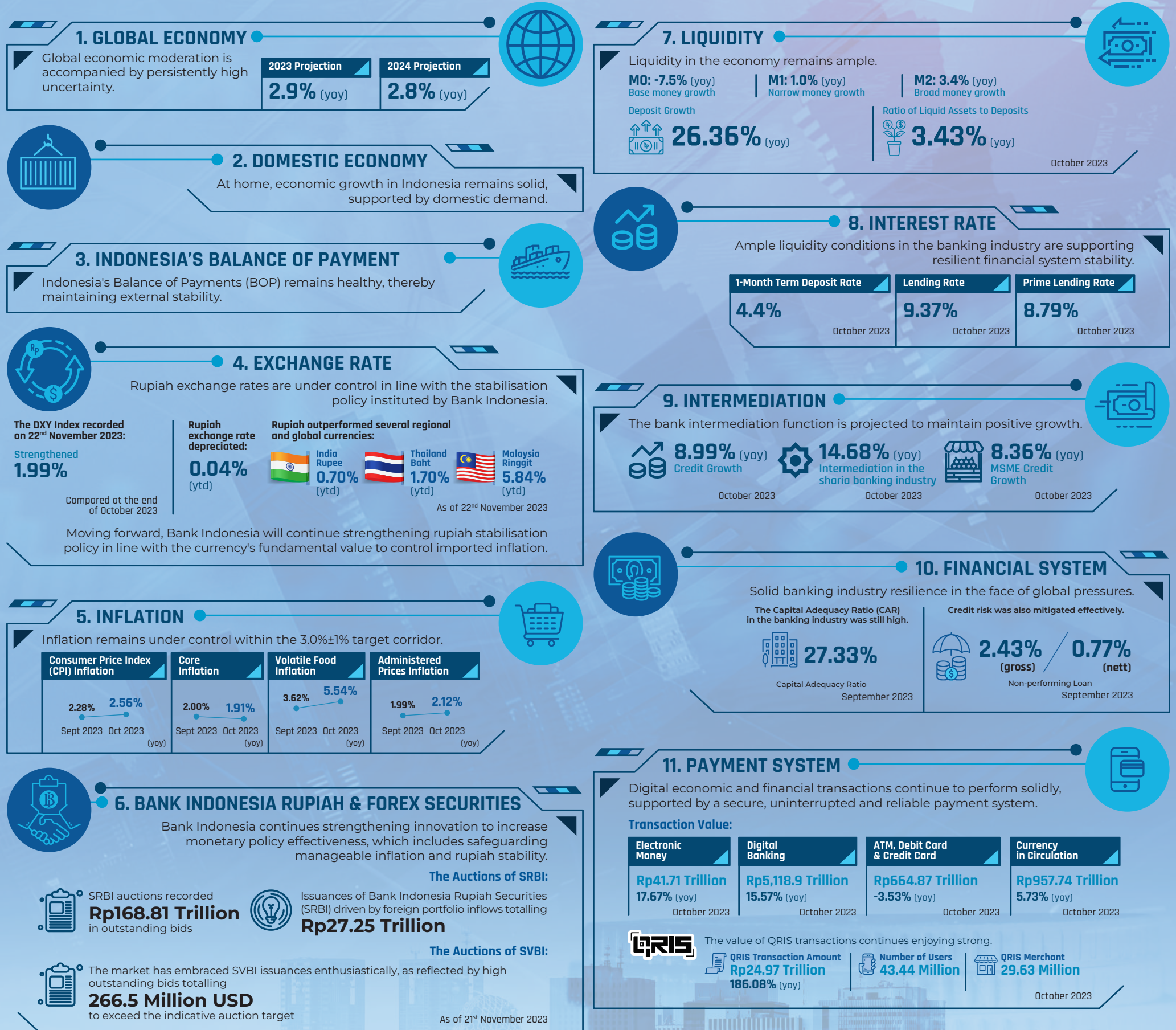
ECONOMIC GROWTH
In the 4.5%-5.3% range

CURRENT ACCOUNT
In the range of a 0.4% surplus to a 0.4% deficit of GDP

INFLATION
3.0% ± 1%

CREDIT GROWTH
In the range of 9% - 11%

ASSESSMENT



POLICY MIX

- Strengthening the pro-market monetary operations (MO) strategy for effective monetary policy, which includes optimising Bank Indonesia Rupiah Securities (SRBI) and Bank Indonesia Forex Securities (SVBI), as well as issuing Bank Indonesia Forex Sukuk (SUVBI).
- Enhancing the effectiveness of Macroprudential Liquidity Policy Incentives (KLM) by strengthening socialisation, communication and coordination with the Government, financial authorities, government ministries/agencies, the banking industry and business community.
- Deepening prime lending rate (PLR) transparency policy with a focus on interest rates by economic sector.
- Accelerating payment system digitalisation towards greater transaction efficiency and expanding the digital economy and finance (EKD) ecosystem as follows:
 - Increasing the implementation effectiveness of QRIS policy, including QRIS Withdrawal, Transfer and Deposit (TUNTAS) and the merchant discount rate (MDR) for micro merchants, as well as expanding cross-border QRIS payment linkages.
 - Extending the period of credit card policy and National Clearing System (SKNBI) pricing policy until 30th June 2024, namely:
 - Minimum payment policy for credit cardholders of 5% of the outstanding balance, and late payment penalties of 1% of the outstanding balance up to a maximum of Rp100,000.
 - SKNBI fees of Rp1 from BI to the banks and up to Rp2,900 from bank to the customers.
 - Strengthening literacy concerning the Indonesia Credit Card (KKI) for the government segment to increase the effectiveness.

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