



BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA

MONETARY POLICY REPORT

QUARTER I 2026







FOREWORD

Bank Indonesia has a mandate, namely to achieve Rupiah stability, maintain payment system stability, and to include maintaining financial system stability in order to support sustainable economic growth. Nevertheless, rupiah stability encompasses two aspects, namely price stability of goods and services, as reflected in stable inflation, as well as rupiah exchange rate stability to currencies in other countries. The inflation target was set by the Government, in coordination with Bank Indonesia, at $2.5 \pm 1\%$ in 2026. To that end, Bank Indonesia implements sustainable, consistent, and transparent monetary policy through efforts to achieve low and stable inflation, a stable exchange rate, and an adequate level of foreign exchange reserves. In pursuance of its mandate, Bank Indonesia institutes an optimal mix of monetary,

macroprudential, and payment system policies.

Bank Indonesia regularly publishes the Monetary Policy Report after the Board of Governors Meeting has been convened in January, April, July, and October. The Review has two primary functions, namely: (i) to provide economic data, analysis and projections to help form and anchor rational expectations as part of the anticipative monetary policymaking framework; and (ii) as a medium for the Board of Governors to publicly explain and clarify the various considerations underlying monetary policy decision-making at Bank Indonesia.



The Board of Governors

PERRY WARJIYO
Governor

DESTRY DAMAYANTI
Senior Deputy Governor

AIDA S. BUDIMAN
Deputy Governor

FILIANINGSIH HENDARTA
Deputy Governor

RICKY PERDANA GOZALI
Deputy Governor

THOMAS A.M. DJIWANDONO
Deputy Governor



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Executive Summary

The conflict in the Middle East has further worsened global economic conditions and outlook. Global oil and commodity prices have increased sharply, and global supply chain disruptions have deepened. US Treasury yields continue to rise, driven by expectations of a larger fiscal deficit in the United States. Global capital flows continue to shift towards safe haven assets, particularly US money market instruments, in line with growing investor preference for safe assets (flight to safety). The US dollar index against major currencies (DXY) continues to strengthen, while emerging market currencies face increasing pressure. The deterioration in global economic and financial conditions necessitates a stronger fiscal and monetary policy response, accompanied by synergy to maintain external resilience, strengthen stability, and support domestic economic growth.

At home, Indonesia's economic growth needs to be maintained amid weakening global conditions. Recent indicators show that economic growth in the first quarter of 2026 improved, supported by domestic demand. Household consumption increased supported by greater economic confidence and maintained income, coupled with higher demand during the Eid-ul-Fitr 1447 H national religious holiday. Government spending also increased in line with disbursements of the mandatory religious holiday allowance, higher social spending and various other incentives, including transfer fund allocations to regional government.

Investment, particularly building investment, remained solid, primarily driven by the acceleration of government priority programs. The performance of Indonesia's Balance of Payments (BoP) needs to be strengthened to mitigate the impact of the prolonged Middle East conflict. Rupiah exchange rate stabilisation policy continues to be strengthened amid heightened global financial market uncertainty. Consumer Price Index (CPI) inflation remains under control. Bank Indonesia's monetary policy continues to be strengthened to maintain Rupiah exchange rate stability and support economic growth. Bank Indonesia continuously optimizes its Macroprudential Liquidity Incentive Policy (KLM) to promote stronger bank lending/financing to priority sectors, thereby supporting higher economic growth. The transmission of monetary policy easing to lower bank interest rates continues. Money supply growth remains well maintained in line with Bank Indonesia's liquidity expansion policy. Bank credit growth continues to be strengthened to support economic growth. Banking sector resilience remains solid, thereby mitigating the risks from the war in the Middle East. The growth of digital economic and financial transactions in the first quarter of 2026 remained high, supported by secure, seamless and reliable payment systems. Payment system stability remained well maintained in the first quarter of 2026, supported by stable infrastructure and a sound industry structure.



The prospect of the global economy is weaker than previously projected, with rising global inflationary pressures. Global economic growth in 2026 is projected to slow further to 3.0%, from the previous forecast of 3.1%. Global inflation is also projected to increase to 4.2% from previously 4.1%, thereby narrowing further the space for monetary policy easing globally.

The prospect of domestic economy remains sound, supported by Bank Indonesia's policy mix through monetary, macroprudential, and payment system policies in close synergy with government policies to maintain stability, while strengthening economic growth. Bank Indonesia projects national economic growth in 2026 within the 4.9-5.7% range. From external sector, Bank Indonesia projects the current account deficit in 2026 to range between 1.3% and 0.5% of GDP. Bank Indonesia is confident that the Rupiah to remain stable and trend towards appreciation, supported by Bank Indonesia's firm commitment, attractive yields, and Indonesia's promising economic outlook. Inflation in 2026 and 2027 will remain within the 2.5±1% target range, supported by consistent monetary policy in maintaining inflation as well as various Government measures to control prices. Money supply growth will continue to be managed to remain consistent with maintaining stability while supporting economic growth through policy synergy between Bank Indonesia and the Government. With the development of credit to March 2026, Bank Indonesia projects credit growth in 2026 to remain within the range of 8–12%.

The Board of Governors of Bank Indonesia, held on 21–22 April 2026, decided to hold the BI-Rate at 4.75%, Deposit Facility (DF) rate at 3.75% and the Lending Facility (LF) rate at 5.50%. The decision remains consistent with efforts to increase the effectiveness of the adjustment to the interest rate structure of monetary operation instruments in order to strengthen Rupiah exchange rate stabilisation amid worsening global economic conditions due to the conflict in the Middle East. Going forward, Bank Indonesia stands ready to undertake further monetary policy measures as necessary to preserve Rupiah exchange rate stability and maintain inflation in 2026 and 2027 remains within the target corridor of 2.5±1%. Meanwhile, macroprudential policy continues to be strengthened to promote economic growth through increased lending/financing to the real sector, while maintaining financial system stability. Payment system policy remains directed at supporting economic activity through expanding digital payment acceptance, strengthening the payment system industry structure, and enhancing the reliability and resilience of payment system infrastructure.

CHAPTER 1

Global and Domestic Economic Developments

The conflict in the Middle East has further worsened global economic conditions and outlook. Global oil and commodity prices have increased sharply, and global supply chain disruptions have deepened. US Treasury yields continue to rise, driven by expectations of a larger fiscal deficit in the United States. Global capital flows continue to shift towards safe haven assets, particularly US money market instruments, in line with growing investor preference for safe assets (flight to safety). The US dollar index against major currencies (DXY) continues to strengthen, while emerging market currencies face increasing pressure. The deterioration in global economic and financial conditions necessitates a stronger fiscal and monetary policy response, accompanied by synergy to maintain external resilience, strengthen stability, and support domestic economic growth.

Indonesia's economic growth needs to be maintained amid weakening global conditions. Recent indicators show that economic growth in the first quarter of 2026 improved, supported by domestic demand. Household consumption increased supported by greater economic confidence and maintained income, coupled with higher demand during the Eid-ul-Fitr 1447 H national religious holiday. Government spending also increased in line with disbursements of the mandatory religious holiday allowance, higher social spending and various other incentives, including transfer fund allocations to regional government. Investment, particularly building investment, remained solid, primarily driven by the acceleration of government priority programs.



The performance of Indonesia's Balance of Payments (BoP) needs to be strengthened to mitigate the impact of the prolonged Middle East conflict. The trade balance in January-February 2026 recorded a USD2.2 billion surplus, primarily contributed by a non-oil and gas trade surplus and a narrower oil trade deficit. In terms of capital and financial account, foreign portfolio investment recorded net outflows of USD1.7 billion in January-March 2026, mainly influenced by global financial market uncertainty triggered by the conflict in the Middle East. At the beginning of the second quarter of 2026 (as of 20th April 2026), portfolio flows returned recording net inflows of USD1.9 billion, primarily supported by foreign capital inflows to Bank Indonesia Rupiah Securities (SRBI) and government securities (SBN) driven by higher yields on both instruments. Indonesia's foreign reserve assets at the end of March 2026 stood at USD148.2 billion, equivalent to 6.0 months of imports or 5.8 months of imports and servicing government external debt, which is well above the international adequacy standard of around 3 months of imports.

Rupiah exchange rate stabilisation policy continues to be strengthened amid heightened global financial market uncertainty. Bank Indonesia continues to intensify foreign exchange interventions to maintain Rupiah exchange rate stability, through interventions in offshore NDF markets and through spot and DNDF transactions in the domestic market. The interest rate structure of monetary instruments is also strengthened to attract foreign portfolio inflows. Bank Indonesia has also strengthened foreign exchange market policy through adjustments to the cash threshold for purchasing foreign currency against the Rupiah, alongside higher thresholds for DNDF/Forward selling transactions, and higher thresholds for swap buying and selling transactions, effective from April 2026. Through these measures, the Rupiah has remained relatively stable, recorded at Rp17,140 per US dollar on 21 April 2026, depreciating by 0.87% (ptp) compared with the level at end-March 2026.

Consumer Price Index (CPI) inflation remains under control. CPI inflation in March 2026 was recorded at 3.48% (yoy), lower than 4.76% (yoy) in the previous month. Core inflation declined to 2.52% (yoy), reflecting well-anchored inflation expectations supported by consistent monetary policy. Volatile food inflation also declined to 4.24% (yoy), supported by adequate supply amid increased demand during the Eid-ul-Fitr 1447 H festive period. Administered prices (AP) inflation declined to 6.08% (yoy) from 12.66% (yoy) in the previous month, reflecting the limited number of government-administered price adjustments as well as the end of the temporary base effect from the Government's policy of providing discount on household electricity tariffs in January and February 2025.

Bank Indonesia's monetary policy continues to be strengthened to maintain Rupiah exchange rate stability and support economic growth. The BI Rate in March 2026 was held at 4.75% to support efforts to maintain Rupiah exchange rate stability amid heightened global uncertainty. Rupiah exchange rate stabilization policy also continues to be reinforced through interventions in offshore markets via Non-Deliverable Forward (NDF) transactions and in the domestic market through spot and Domestic Non-Deliverable Forward (DNDF) transactions, as well as purchases of Government Securities (SBN) in the secondary market, supported by strengthened foreign exchange market transaction policies. Bank Indonesia also continues optimizing various pro market monetary instruments to attract foreign capital inflows, thereby supporting Rupiah stability. The outstanding position of Bank Indonesia Rupiah Securities (SRBI) stood at Rp885.41 trillion as of 21 April 2026, supported in part by non-resident holdings amounting to Rp165.98 trillion (18.75% of total outstanding), thereby contributing to maintain Rupiah exchange rate stability. Bank Indonesia has also purchased SBN as a part of the close synergy between monetary and fiscal policies, and to maintain adequate liquidity in the money market and banking industry, amounting to Rp111.54 trillion in 2026 (as of 21st April 2026), including secondary market purchases totaling Rp56.53 trillion. Secondary-market SBN purchases are conducted in accordance with market mechanisms, in a measured and transparent manner, and consistent with the monetary program to maintain economic stability, thereby preserving monetary policy credibility.

Bank Indonesia continuously optimizes its Macroprudential Liquidity Incentive Policy (KLM) to promote stronger bank lending/financing to priority sectors, thereby supporting higher economic growth. The strengthened implementation of KLM since 16 December 2025 has been directed at providing higher incentives for banks that expand lending/financing to specific sectors designated by Bank Indonesia (lending channel), as well as for banks that are more responsive in lowering interest rates on new loans (interest rate channel). As of the first week of April 2026, Bank Indonesia disbursed KLM incentives totaling Rp427.9 trillion, with Rp358.0 trillion allocated via the lending channel and Rp69.9 trillion via the interest rate channel. By bank group, the KLM incentives received by banks totaled Rp224.0 trillion to state-owned banks, Rp166.6 trillion to national private commercial banks, Rp29.6 trillion to regional government banks and Rp7.8 trillion to foreign bank branches. By sector, the incentives were primarily disbursed into priority sectors, namely agriculture, manufacturing, and downstream sectors; services, including the creative economy,

construction, real estate and housing; as well as the MSME, cooperatives, inclusive, and green sectors.

The transmission of monetary policy easing to lower bank interest rates continues. Various bank interest rates remain on a downward trend, supported by loose liquidity conditions. The one-month deposit rate declined by 62 basis points from 4.81% at the beginning of January 2025 to 4.19% in March 2026. Meanwhile, lending rates decreased by 44 basis points from 9.20% at the beginning of January 2025 to 8.76% in March 2026. Going forward, efforts to reduce deposit and lending rates need to be further strengthened to support credit growth and sustainable economic growth. These efforts include coordination to reduce the provision of special rates for large depositors, which currently account for 26.30% of total third party funds (TPF).

Money supply growth remains well maintained in line with Bank Indonesia's liquidity expansion policy. Base money (M0) growth in March 2026 remained high at 11.8% (yoy). By component, M0 growth in March 2026 was primarily driven by demand deposits of commercial banks at Bank Indonesia, which grew by 38.3%, and currency in circulation, which grew by 8.6%. In terms of contributing factors, M0 growth in March 2026 was driven by fiscal expansion and monetary operations strategy. In line with this, broad money (M2) grew by 8.7% (yoy) in February 2026, following growth of 10.0% (yoy) in January 2026. In terms of contributing factors, M2 growth was primarily influenced by net claims on the central government and credit disbursement.

Bank credit growth continues to be strengthened to support economic growth. Bank credit grew by 9.49% (yoy) in March 2026, higher than the growth of 9.37% (yoy) in February 2026. By loan type, the latest developments were supported by investment loans, working capital loans and consumer loans, which grew in March 2026 by 20.85% (yoy), 4.38% (yoy) and 5.88% (yoy), respectively. Bank Indonesia projects credit growth in 2026 to remain within the range of 8–12%, influenced by both demand and supply factors. On the demand side, the utilization of bank financing can be increased, particularly by optimizing still sizeable undisbursed loan facilities, which amounted to Rp2,527.46 trillion or 22.59% of available credit lines. On the supply side, bank financing capacity remains adequate, supported by a Liquid Assets to Third-Party Funds (LA/TPF) ratio of 27.85% and robust TPF growth of 13.55% (yoy) in March 2026. In addition, banks' lending appetite

remains solid, as reflected in generally accommodative lending requirements, except in the consumer and MSME segments due to still-elevated credit risks in those segments.

Banking sector resilience remains solid, thereby mitigating the risks from the war in the Middle East. This is indicated by ample banking liquidity, persistently high capital capacity and low credit risk. The Capital Adequacy Ratio (CAR) of the banking industry in February 2026 remained high at 25.83%, indicating strong capacity to absorb risks and support credit growth. Non Performing Loan (NPL) ratios in the banking industry remained low at 2.17% (gross) and 0.83% (net) in February 2026. The results of Bank Indonesia's stress tests indicate that banking resilience remains strong in the face of various risks, including the impact of global spillovers from the conflict in the Middle East, supported by stable corporate repayment capacity and profitability.

The growth of digital economic and financial transactions in the first quarter of 2026 remained high, supported by secure, seamless and reliable payment systems. The volume of digital payment transaction¹ reached 14.82 billion transactions, growing by 37.69% (yoy) in the first quarter of 2026, supported by expanded digital payment acceptance. Transaction volumes through mobile and internet applications grew by 11.82% (yoy) and 17.13% (yoy), respectively, including QRIS transactions, which continued to expand robustly by 116.43% (yoy). The positive performance was supported by an increase in the number of users and merchants. On the infrastructure side, retail transaction volumes processed through BI FAST reached 1.4 billion transactions, growing 30.82% (yoy), with transaction value of Rp3,519 trillion in the first quarter of 2026. Meanwhile, large value transaction volumes processed through BI RTGS totaled 2.46 million transactions, contracting slightly by 0.20% (yoy), while the transaction value grew 11.26% (yoy) to reach Rp51,490 trillion in the first quarter of 2026. In terms of Rupiah currency management, Currency in Circulation grew by 8.59% (yoy) to Rp1,347 trillion in the first quarter of 2026.

Payment system stability remained well maintained in the first quarter of 2026, supported by stable infrastructure and a sound industry structure. Stable infrastructure is reflected in the smooth and reliable operation of the Bank Indonesia Payment System (SPBI) and industry payment systems, as well

¹ Digital payments include transactions through mobile applications and the internet.

as the adequacy of currency supply in sufficient quantity and quality. A sound industry structure is reflected in the strengthening interconnections among participants in the payment system, accompanied by the expansion of the Digital Economy and Finance (EKD) ecosystem. Moving forward, Bank Indonesia will continue strengthening the payment system industry structure, particularly risk management and the reliability of industry participants' technology infrastructure, in line with the implementation of Bank Indonesia Regulation No.

10 of 2025 on Payment System Industry Regulation (PBI PISP). Going forward, Bank Indonesia will continue to ensure the security and reliability of SPBI infrastructure, both retail and wholesale, as well as industry payment system infrastructure. Bank Indonesia also continues to ensure the availability of Rupiah currency in sufficient quantities and fit-for-circulation quality throughout the territory of the Republic of Indonesia, including frontier, outermost and remote (3T) areas.

CHAPTER 2

Economic Prospects

The prospect of the global economy is weaker than previously projected due to the impact of the conflict in the Middle East. Global economic growth in 2026 is projected to slow further to 3.0%, from the previous forecast of 3.1%. Global inflation is projected to increase to 4.2% from previously 4.1%, thereby narrowing further the space for monetary policy easing globally. The Federal Funds Rate (FFR) cut is expected to be delayed or remain unchanged until the end of 2026.

The domestic economic outlook remains positive, supported by various Government and Bank Indonesia policies that continue to be strengthened. Policy synergy between the Government and Bank Indonesia will continue to be strengthened to mitigate the impact of the global economic slowdown and support domestic sources of growth. To that end, government priority programs aimed at job creation, increasing domestic demand and maintaining fiscal resilience will be continued. Bank Indonesia will continue strengthening the monetary, macroprudential and payment system policy mix in close synergy with government policies to maintain stability, while strengthening economic growth. Bank Indonesia projects national economic growth in 2026 within the 4.9-5.7% range.

The performance of Indonesia's Balance of Payments (BoP) needs to be strengthened to mitigate the impact of the prolonged Middle East conflict. Policy synergy to strengthen BOP performance must be enhanced to maintain external resilience amid heightened global uncertainty due to the war in the Middle East. Bank Indonesia projects the current account deficit in 2026 to range between 1.3% and 0.5% of GDP.

Bank Indonesia will continue to strengthen various policies to maintain the stability of the Rupiah exchange rate. Bank Indonesia is confident that the Rupiah to remain stable and trend towards appreciation, supported by Bank Indonesia's firm commitment, attractive yields, and Indonesia's promising economic outlook.

CPI inflation in 2026–2027 is projected to remain within the 2.5±1% target range, supported by consistent monetary policy in maintaining inflation as well as various Government measures to control prices. Bank Indonesia will continue to strengthen coordination with the Government through the Central and Regional Inflation Control Teams (TPIP/TPID) by reinforcing the implementation of the National Movement for Inflation Control and Food Security (GPIPS) to keep inflation within its target range.



Bank Indonesia projects credit growth in 2026 to remain in the 8–12% range. Seeking to boost bank loan disbursements, Bank Indonesia will continue strengthening funding capacity, including the development of non-traditional funding (non-TPF) instruments. Coordination with the Government and the Financial System Stability Committee (KSSK) will continue to be strengthened to improve interest rate

structures and promote bank credit/financing growth. Bank Indonesia continues to strengthen macroprudential policy and policy synergy with the Financial System Stability Committee (KSSK) to help maintain financial system stability.

CHAPTER 3

Bank Indonesia Policy Response

The Board of Governors of Bank Indonesia, held on 21–22 April 2026, decided to hold the BI-Rate at 4.75%, Deposit Facility (DF) rate at 3.75% and the Lending Facility (LF) rate at 5.50%. The decision remains consistent with efforts to increase the effectiveness of the adjustment to the interest rate structure of monetary operation instruments in order to strengthen Rupiah exchange rate stabilisation amid worsening global economic conditions due to the conflict in the Middle East. Going forward, Bank Indonesia stands ready to undertake further monetary policy measures as necessary to preserve Rupiah exchange rate stability and maintain inflation in 2026 and 2027 remains within the target corridor of $2.5 \pm 1\%$. Meanwhile, macroprudential policy continues to be strengthened to promote economic growth through increased lending/financing to the real sector, while maintaining financial system stability.

Payment system policy remains directed at supporting economic activity through expanding digital payment acceptance, strengthening the payment system industry structure, and enhancing the reliability and resilience of payment system infrastructure.

The direction of the monetary, macroprudential, and payment system policy mix to maintain stability, while supporting sustainable economic growth, is also supported by the following policy measures:



1. Strengthening the effectiveness of monetary policy implementation to maintain Rupiah exchange rate stability and maintain inflation in 2026 and 2027 within the 2.5±1% target range, by:
 - i. strengthening Rupiah exchange rate stabilisation through intervention in offshore Non-Deliverable Forward (NDF) transactions as well as spot and Domestic Non-Deliverable Forward (DNDF) transactions in the domestic market;
 - ii. strengthening the interest rate structure of pro-market monetary instruments to continue attracting foreign portfolio investment inflows into domestic financial assets to support Rupiah stability; and
 - iii. maintaining the base money growth above 10% in line with monetary expansion to ensure adequate liquidity in the money market and banking system, including through measured transactions in Government Securities (SBN) in the secondary market.
2. Strengthening the effectiveness of accommodative macroprudential policy implementation to promote lending/financing growth while maintaining financial system stability, by:
 - i. maintaining: (i) the Countercyclical Capital Buffer (CCyB) at 0%; (ii) the Macroprudential Intermediation Ratio (RIM) within the range of 84–94%; (iii) the Foreign Funding Ratio (RPLN) at a maximum of 35% of bank capital; (iv) the Macroprudential Liquidity Buffer (PLM) at 4% with repo flexibility of 4%; and (v) the Sharia PLM at 2.5% with repo flexibility of 2.5%;
 - ii. publishing the assessment of prime lending rate (PLR) transparency, with a focus on interest rates based on priority sectors in accordance with the scope of KLM policy as well as strengthening synergy with the Government and other stakeholders to accelerate lending/financing through the Indonesian Intermediation Acceleration Program (PINISI);
3. Strengthening the implementation of payment system digitalization measures in accordance with the Indonesia Payment System Blueprint (BSPI) 2030 to support the acceleration of national digital economy and finance, through:
 - i. launching the Indonesia Digital Innovation Center (PIDI): Hackathon and Digdaya and QRIS Cross-Border between Indonesia and China on 30th April 2026;
 - ii. synergy between the Capacity Building and Literacy Synergy Program (KATALIS) of Regional Digitalisation Acceleration and Expansion Programme (P2DD) and PIDI–Hackathon–Digdaya to expand payment system innovation and enhance the efficiency of regional government transactions.
4. Strengthening measures to deepen the money and foreign exchange markets in accordance with the Money Market and Foreign Exchange Market Development Blueprint (BPPU) 2030 to support stability as well as national economic financing, through:
 - i. exemptions from restrictions on NDF selling transactions against the Rupiah in offshore markets for selected Primary Dealers that meet Bank Indonesia's requirements;
 - ii. expansion foreign exchange monetary operations instruments through spot and swap transactions in offshore Chinese Renminbi (CNH) against Rupiah to support exchange rate stabilisation and Local Currency Transactions (LCT).

Bank Indonesia continues to strengthen policy coordination with the Government, including close synergy between monetary and fiscal policies to mitigate the impact of global uncertainty stemming from the Middle East conflict on the domestic economy, thereby maintaining stability and supporting economic growth. Policy synergy with the Financial System Stability Committee (KSSK) is also strengthened to maintain financial system stability and promote financing for the Government's Asta Cita programs. In addition, Bank Indonesia continues to strengthen and expand international cooperation in central banking areas, including payment system connectivity and local currency transactions, as well as facilitating investment and trade promotion in priority sectors in cooperation with relevant institutions.

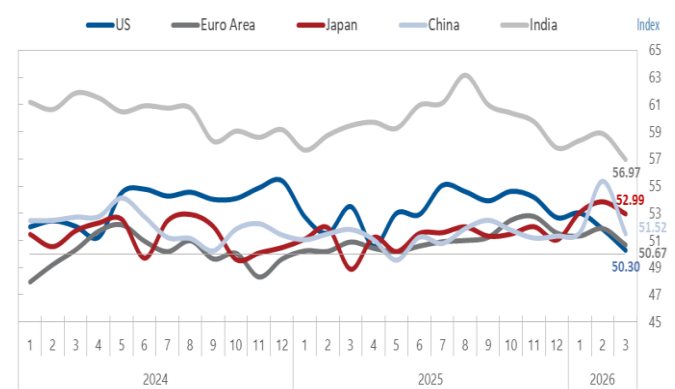
The conflict in the Middle East has further worsened global economic conditions and outlook.

Global GDP Growth

Country	2022	2023	2024	2025	2026*
World	3.5	3.3	3.3	3.4	3.0
Advanced economies	2.6	1.7	1.8	1.9	1.8
United States	1.9	2.9	2.8	2.1	2.3
Euro Area	3.4	0.4	0.9	1.4	1.1
Japan	1.0	1.5	0.1	1.2	0.8
Emerging economies	4.1	4.4	4.3	4.4	3.9
China	3.0	5.2	5.0	5.0	4.4
India	6.8	7.7	6.5	7.6	6.6
ASEAN-5	5.5	4.0	4.6	4.5	4.0
Latin America	4.2	2.4	2.4	2.4	2.4
Emerging Euro	1.2	3.3	3.4	2.0	2.1
Middle East & Central Asia	5.4	2.0	2.4	3.6	2.8

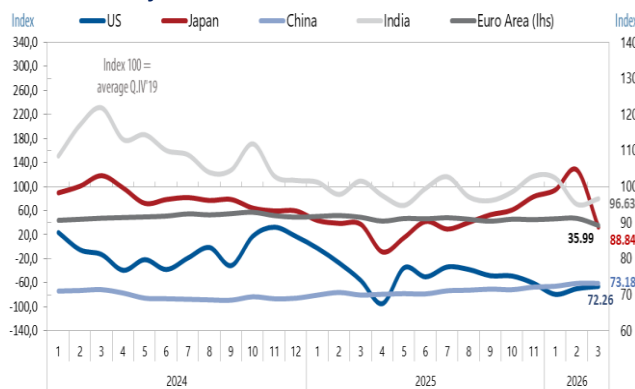
Source: IMF WEO. *Bank Indonesia Projection

Global PMI



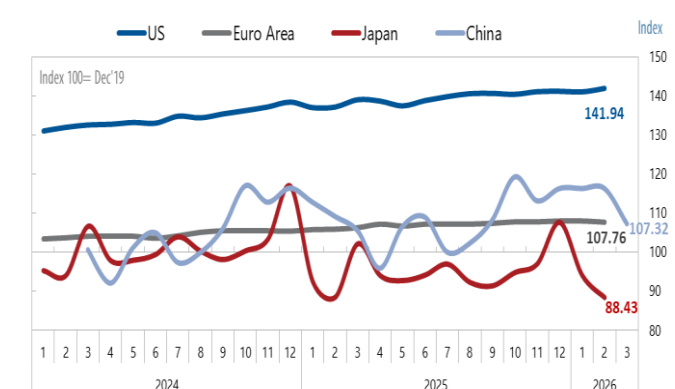
Source: IHS Markit, Bloomberg (China)

Consumer Confidence Index



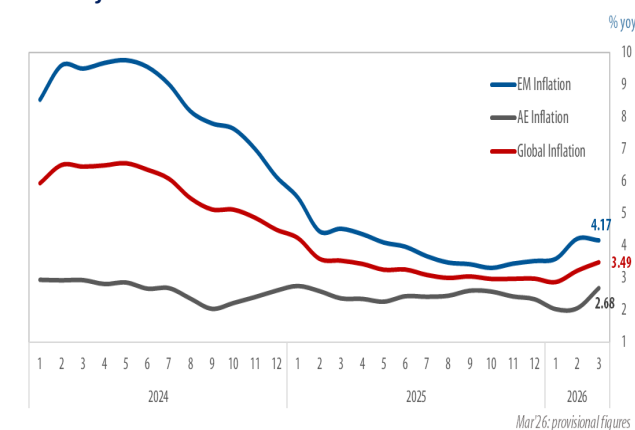
Source: Bloomberg, calculated

Retail Sales



Source: CEIC, calculated

Global Inflation



Source: Bloomberg and IMF, calculated

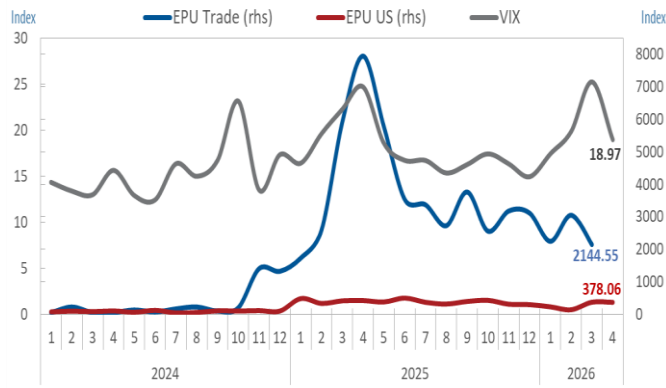
Indonesia's Export Commodity Prices

Commodity	2023				2024				2025				2026					
	Q1	Q2	Q3	Q4	2023	Q1	Q2	Q3	Q4	2024	Q1	Q2	Q3	Q4	2025	Q1	Q2*	YTD*
Copper	-10.2	-11.0	8.6	3.1	-3.3	-4.7	16.8	11.2	12.8	8.8	10.3	-4.3	5.6	19.2	7.5	38.7	36.5	29.3
Coal	-2.9	-27.7	-35.7	-35.8	-25.9	-27.7	-16.3	0.2	-11.3	-15.3	-14.4	-16.8	-20.2	-11.5	-15.7	5.2	32.1	15.9
CPO	-35.6	-42.0	-3.2	-5.9	-25.9	0.5	6.2	5.2	31.3	10.5	17.1	0.3	6.9	-14.0	1.7	-10.7	11.2	-0.8
Rubber	-21.1	-27.3	-8.0	11.5	-13.5	17.9	44.3	40.6	40.0	35.3	9.3	-9.2	-7.6	-14.6	-6.0	-0.3	32.0	12.5
Nickel	-6.7	-22.6	-7.0	-31.8	-17.3	-35.7	-16.9	-19.9	-7.2	-21.3	-6.2	-17.7	-7.8	-7.1	-10.0	11.1	15.1	14.3
Tin	-38.6	-29.4	13.8	14.6	-16.8	0.2	25.3	18.5	23.4	16.7	21.0	0.5	7.0	24.8	12.8	52.2	50.1	42.7
Aluminium	-24.9	-21.3	-6.6	-5.5	-15.7	-8.2	12.3	10.0	16.9	7.4	17.1	-3.9	8.1	9.3	7.4	21.8	43.6	23.4
Coffee	-26.4	-19.3	-28.6	-2.1	-20.1	7.1	19.9	55.9	65.7	36.4	100.7	63.9	36.9	31.0	54.1	-16.7	-18.5	-16.1
Others	-1.5	-1.7	-2.2	-3.1	-2.1	-1.0	-0.2	0.3	0.1	-0.2	-0.2	1.1	1.7	0.4	0.7	0.3	0.7	0.5
Indonesian Export Commodity Prices	-12.7	-21.7	-12.2	-12.0	-16.0	-8.2	1.7	6.1	8.7	1.5	2.9	-5.0	-3.5	-4.9	-2.9	3.4	18.6	9.0
Oil (Brent)**	81	78	87	84	83	83	85	80	75	81	76	68	69	64	69	81	123	88

Source: Bloomberg. *Data as of April 20, 2026

**Oil in USD/Barrel, other commodities (% yoy)

Global Uncertainty Index



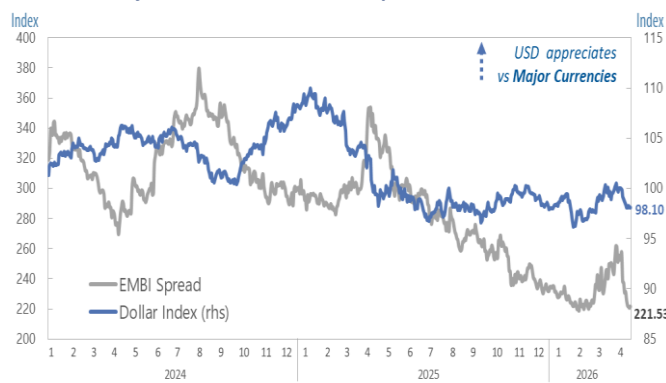
Source: Bloomberg. Data as of April 20, 2026

10 Yr UST & JGB Yield and DJIA Index



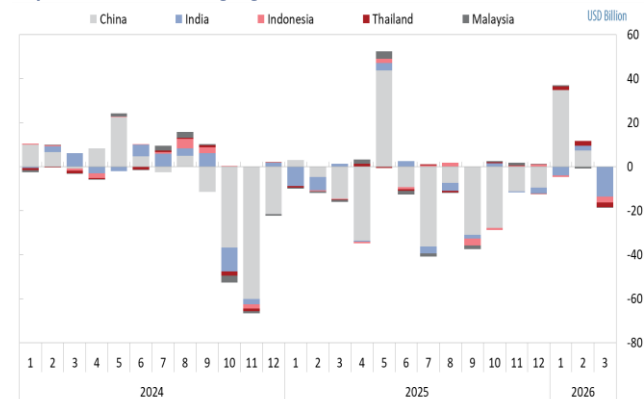
Source: Bloomberg. Data as of April 20, 2026

US Dollar Performance and Risk Perception Indicators on EM



Source: Bloomberg. Data as of April 20, 2026

Capital Flow to Emerging Market



Source: IIF

Indonesia's economic growth needs to be maintained amid weakening global conditions.

Economic Growth – Expenditure Side

Components	2022				2023				2024				2025				2026			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Household Consumption	4.94	4.53	5.22	5.05	4.47	4.82	4.92	4.94	4.92	4.99	4.94	4.95	4.97	4.89	5.11	4.98				
Non-Profit Institution Serving Household (NPISH) Consumption	5.66	6.29	8.78	6.40	18.37	10.03	24.13	9.79	11.46	6.06	12.48	3.07	7.82	3.76	5.90	5.13				
Government Consumption	-4.42	3.33	10.52	-3.86	2.94	3.02	20.45	2.04	4.63	4.61	6.76	-1.22	-0.32	5.66	4.55	2.50				
Investment (GFCF)	3.87	1.53	4.05	5.08	4.32	3.76	3.78	4.42	5.16	5.03	4.61	2.12	6.99	5.04	6.12	5.09				
Building Investment	0.91	0.08	3.32	6.31	6.42	4.04	5.46	5.31	6.02	5.26	5.51	1.35	4.89	3.02	3.74	3.25				
NonBuilding Investment	12.53	5.70	6.10	2.05	-0.78	3.03	-0.78	1.97	2.96	4.40	2.23	4.32	12.93	10.34	12.39	10.12				
Exports	16.23	11.72	-2.84	-3.91	1.66	1.34	2.01	8.89	9.73	8.36	7.25	5.91	10.14	9.14	3.25	7.03				
Imports	15.00	4.12	-3.25	-6.82	0.14	-1.60	1.92	8.12	12.60	11.26	8.54	3.57	11.15	0.86	3.96	4.77				
GDP	5.31	5.04	5.17	4.94	5.04	5.05	5.11	5.05	4.95	5.02	5.03	4.87	5.12	5.04	5.39	5.11				

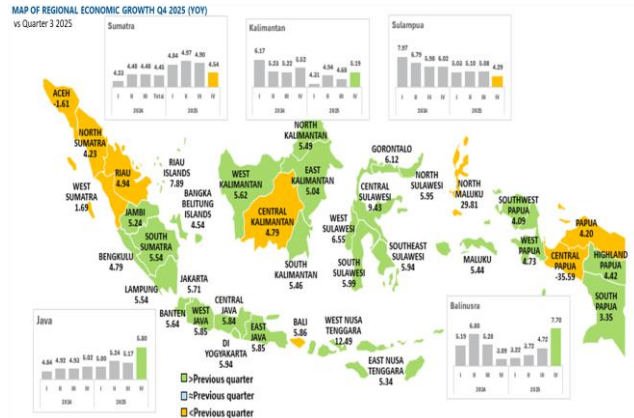
Source: BPS

Economic Growth – Economic Sectors Side

Components	2022				2023				2024				2025				2026			
	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Agriculture, Forestry, and Fisheries	2.25	0.44	2.03	1.49	1.13	1.31	-3.54	3.25	1.70	0.72	0.68	10.53	1.66	4.93	5.14	5.33				
Mining and excavation	4.38	4.92	5.01	6.95	7.46	6.12	9.31	3.17	3.46	3.95	4.90	-1.23	2.03	-1.98	-1.31	-0.66				
Manufacture	4.89	4.43	4.88	5.19	4.07	4.64	4.13	3.95	4.72	4.89	4.43	4.55	5.68	5.54	5.40	5.30				
Electricity and Gas Procurement	6.61	2.67	3.15	5.06	8.68	4.91	5.35	5.39	5.02	3.42	4.77	5.11	0.90	2.86	3.55	3.10				
Water Supply	3.23	5.70	4.78	4.49	4.86	4.90	4.44	0.85	0.04	1.06	1.57	0.18	0.82	3.32	-0.51	0.94				
Construction	2.01	0.32	5.23	6.39	7.88	4.91	7.59	7.29	7.48	5.81	7.02	2.18	4.98	4.21	3.89	3.81				
Wholesale Retail, Car and Motorcycle Repairs	5.53	4.94	5.30	5.10	4.09	4.85	4.58	4.87	4.84	5.23	4.89	5.04	5.38	5.46	6.07	5.49				
Transportation and Warehousing	19.87	15.93	15.28	14.74	10.33	13.96	8.66	9.56	8.64	7.92	8.69	9.01	8.52	8.62	8.98	8.78				
Provision of Accommodation, Food and Beverages	11.94	11.54	9.91	10.93	7.88	10.00	9.34	10.00	8.21	6.47	8.46	5.75	8.18	8.50	7.15	7.41				
Information and Communication	7.73	7.11	8.03	8.51	6.74	7.59	8.41	7.66	6.82	7.45	7.57	7.72	7.92	9.65	8.09	8.35				
Financial Services and Insurance	1.93	4.45	2.86	5.24	6.56	4.77	3.93	7.90	5.49	1.74	4.74	3.98	3.20	0.77	7.92	3.96				
Real Estate	1.72	0.37	0.96	2.21	2.18	1.43	2.54	2.16	2.32	2.97	2.50	2.94	3.71	3.95	3.71	3.58				
Corporate Services	8.77	6.37	9.59	9.37	7.62	8.24	9.63	7.96	7.93	8.08	8.38	9.27	9.31	9.94	7.90	9.10				
Government Administration, Defence and Compulsory Social Security	2.52	2.13	8.18	-6.24	1.63	1.51	18.89	2.90	3.96	1.16	6.43	4.79	4.70	4.33	1.63	3.86				
Education Services	0.55	1.02	5.42	-2.09	2.63	1.77	7.43	2.46	2.58	2.95	3.76	5.04	1.40	10.59	3.43	4.99				
Health Services and Other Social Activities	2.75	4.77	8.27	2.92	3.09	4.67	11.65	8.59	7.67	5.20	8.13	5.78	3.80	6.83	5.95	5.59				
Other Services	9.47	8.90	11.89	11.14	10.15	10.52	8.92	8.85	9.95	11.36	9.80	9.84	11.31	9.92	8.71	9.93				
GDP	5.31	5.04	5.17	4.94	5.04	5.05	5.11	5.05	4.95	5.02	5.03	4.87	5.12	5.04	5.39	5.11				

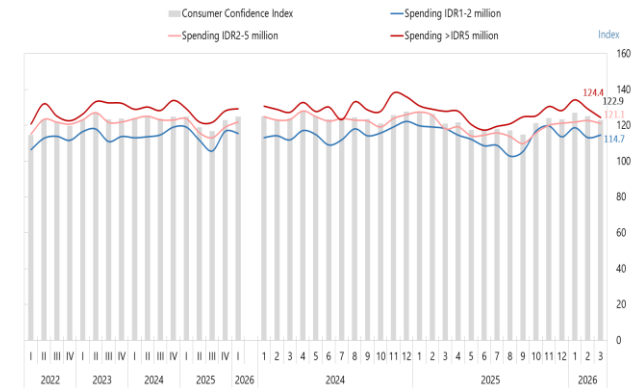
Source: BPS

Growth of Regional Economic (GRDP) of the Fourth Quarter of 2025



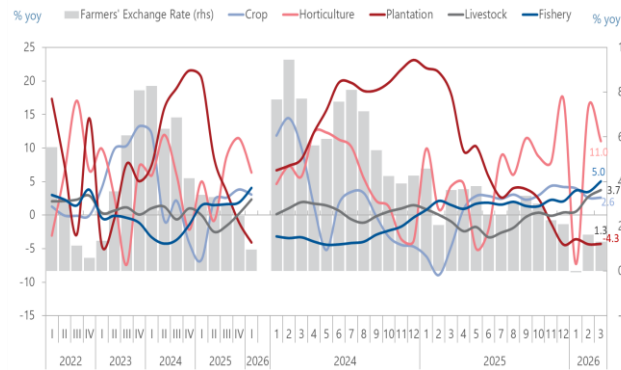
Source: BPS, calculated

Consumer Confidence Index



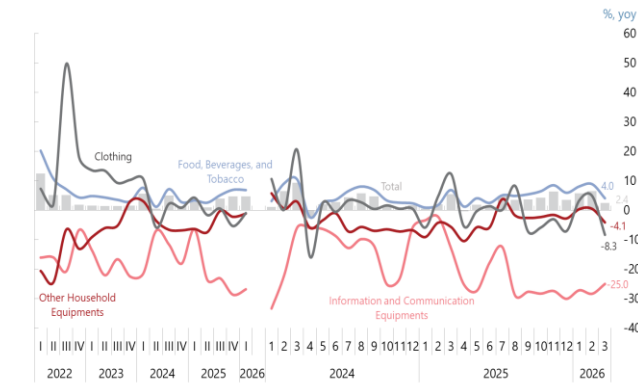
Source: Bank Indonesia

Farmers' Exchange Rate



Source: BPS, calculated

Retail Sales



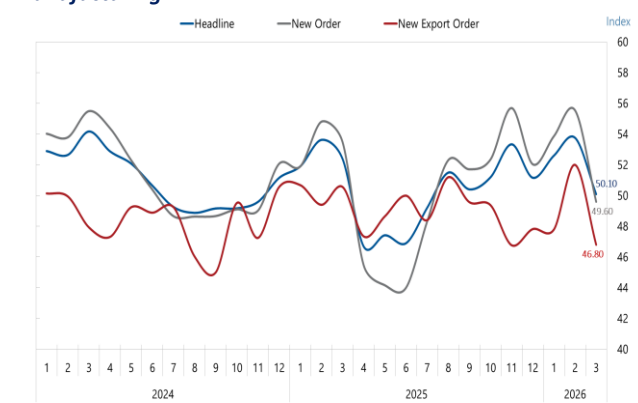
Source: Bank Indonesia

Realization of State Budget (APBN)

ITEMS	2022		2023		2024		2025		2026		
	Budget (IDR trillion)	Realization as of December 2022 (IDR trillion)	Budget (IDR trillion)	Realization as of December 2023 (IDR trillion)	Budget (IDR trillion)	Realization as of December 2024 (IDR trillion)	Budget (IDR trillion)	Realization as of December 2025 (IDR trillion)	Budget (IDR trillion)	Realization as of February 2026 (IDR trillion)	
A. State Income and Grants	1,846.1	2,266.2	2,635.4	2,463.0	2,774.3	2,463.0	2,842.5	3,005.1	2,756.3	3,153.6	358.0
I. Domestic Income	1,846.6	2,265.6	2,629.7	2,462.6	2,761.3	2,462.6	2,812.2	3,004.5	2,752.0	3,152.9	358.0
1. Tax Income	1,510.0	1,784.0	2,024.6	2,023.2	2,155.4	2,023.2	2,232.6	2,490.9	2,217.9	2,693.7	290.0
2. NonTax Income	336.6	481.6	595.2	441.4	605.9	441.4	579.5	513.6	534.1	459.2	68.0
II. Grant	0.6	0.6	5.6	0.4	13.0	0.4	30.3	0.6	4.3	0.7	0.0
B. State Expenditures	2,714.2	3,106.4	3,085.5	3,061.2	3,121.9	3,061.2	3,350.3	3,623.3	3,451.4	3,842.7	493.8
I. Central Government Expenditures	1,944.5	2,301.6	2,279.2	2,246.5	2,240.6	2,246.5	2,486.8	2,701.4	2,602.3	3,149.7	346.1
1. Employee Spending	426.5	426.5	402.4	442.6	412.3	442.6	464.5	521.5	501.1	580.7	84.1
2. Spending for Goods	339.7	339.7	426.0	387.0	429.8	387.0	493.3	486.9	546.9	714.1	67.6
3. Capital Expenditures	199.2	199.2	240.4	199.1	307.3	199.1	328.1	234.1	427.5	279.1	15.3
4. Payment of Debt Obligations	405.9	405.9	386.3	441.4	439.9	441.4	488.4	552.9	514.4	599.4	99.9
5. Subsidies	207.0	283.7	252.8	298.5	269.6	298.5	291.9	307.9	281.6	318.9	7.4
6. Grant Expenditure	4.8	4.8	5.8	0.0	0.2	0.0	0.1	0.2	0.31	0.4	0.0
7. Social Assistance	147.4	147.4	161.5	148.6	157.6	148.6	153.1	140.1	186.6	167.4	27.0
8. Other Expenditures	214.0	494.4	403.9	329.3	224.6	329.3	267.3	458.0	143.9	489.8	44.7
II. Transfer to Regions and Village Funds	769.6	804.8	816.2	814.7	881.3	814.7	865.5	919.9	849.0	693.0	147.7
1. Transfer to Regions	701.6	736.3	748.3	744.7	811.4	744.7	792.5	848.9	589.9	632.4	147.1
2. Village Funds	68.0	68.0	67.9	70.0	69.9	70.0	70.9	71.0	55.0	60.6	0.6
C. Primary Balance	(462.2)	(434.4)	(46.4)	(156.8)	92.2	(156.8)	(19.4)	(63.3)	(180.7)	(69.7)	(35.9)
D. Budget Surplus/Deficit	(868.0)	(840.2)	(460.1)	(598.2)	(347.6)	(598.2)	(507.8)	(616.2)	(695.1)	(689.1)	(135.7)
Surplus/Deficit (%GDP)	(4.9)	(4.5)	(2.3)	(2.8)	(1.6)	(2.8)	(2.2)	(2.5)	(2.9)	(2.7)	(0.5)

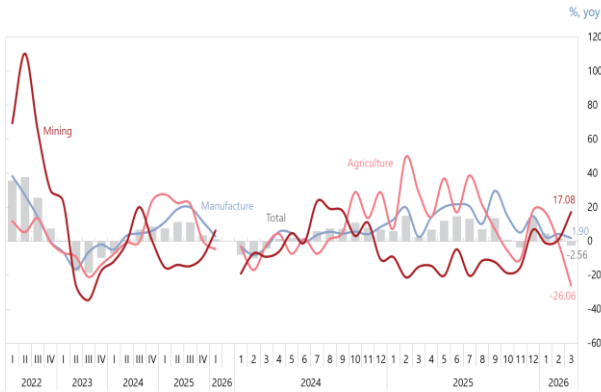
Source: Ministry of Finance

Manufacturing PMI



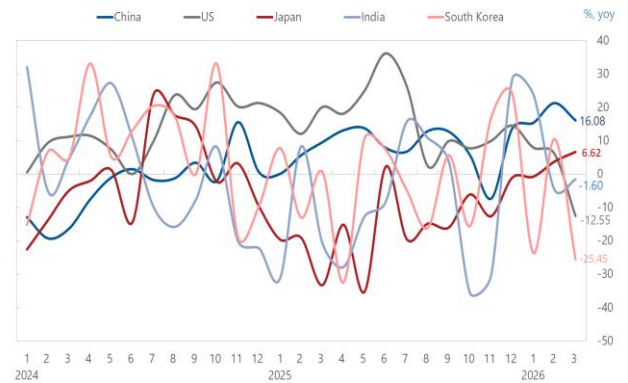
Source: Markit Economics

Non-oil and Gas Exports



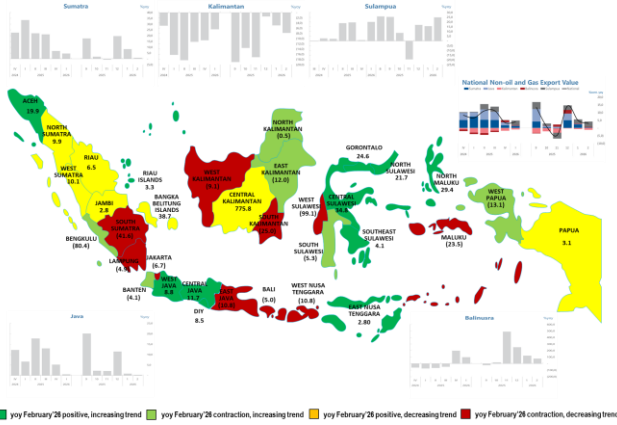
Source: Ministry of Finance, calculated by Bank Indonesia

Non-Oil and Gas Exports to Main Destination Countries



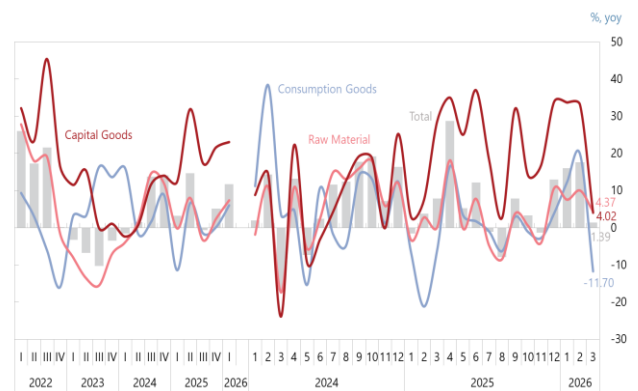
Source: Ministry of Finance, calculated by Bank Indonesia

Spatial Non-oil and Gas Exports



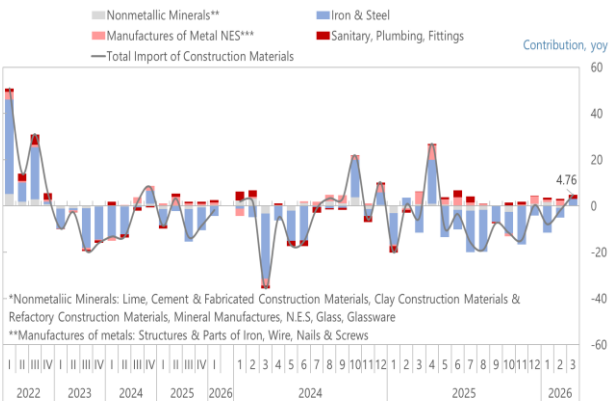
Source: Ministry of Finance, calculated by Bank Indonesia

Non-oil and Gas Imports



Source: Ministry of Finance, calculated by Bank Indonesia

Import of Construction Goods



**Nonmetallic Minerals: Lime, Cement & Fabricated Construction Materials, Clay Construction Materials & Refractory Construction Materials, Mineral Manufactures, N.E.S, Glass, Glassware
 ***Manufactures of metals: Structures & Parts of Iron, Wire, Nails & Screws

Source: Ministry of Finance, calculated by Bank Indonesia

The performance of Indonesia's Balance of Payments (BoP) needs to be strengthened to mitigate the impact of the prolonged Middle East conflict. Rupiah exchange rate stabilisation policy continues to be strengthened amid heightened global financial market uncertainty.

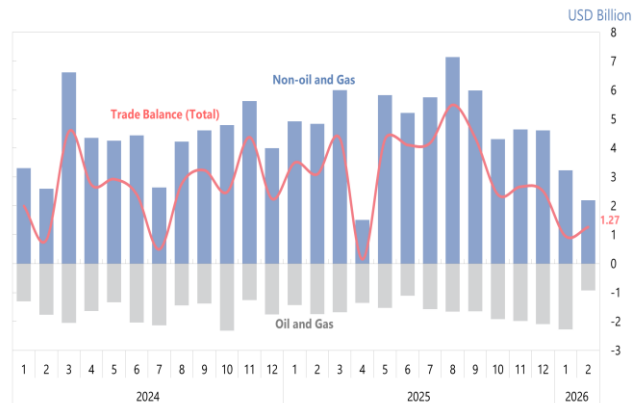
Indonesia's Balance of Payments

Items (Billion USD)	2022				2023				2024				2025							
	I	II	III	IV	Total	I	II	III	IV	Total	I	II	III	IV	Total	I*	II*	III**	IV**	Total**
Current Account	0.7	4.3	4.7	3.5	13.2	2.9	-2.3	-1.3	-1.4	-2.0	-2.4	-3.0	-2.0	-1.1	-8.6	-0.2	-2.8	4.0	-2.5	-1.5
A. Goods	11.3	16.8	17.6	17.0	62.7	14.8	10.0	10.2	11.4	46.3	9.3	10.0	9.2	11.3	39.8	13.0	10.6	16.1	10.2	49.8
- Exports, fob	66.8	75.2	77.8	72.8	292.5	66.8	61.6	63.5	65.9	257.7	61.9	62.3	67.5	71.3	263.1	65.9	68.0	73.9	72.6	280.4
- Imports, fob	-55.5	-58.4	-60.2	-55.8	-229.9	-52.1	-51.6	-53.3	-54.5	-211.4	-52.6	-52.3	-58.3	-60.0	-223.3	-57.4	-57.8	-62.4	-62.6	-230.6
a. Non-Oil and Gas	17.2	24.4	25.2	23.0	89.8	19.0	15.2	16.0	17.7	67.8	15.1	15.2	14.7	17.8	62.8	18.8	15.7	20.9	16.4	71.8
b. Oil and Gas	-5.7	-7.2	-6.5	-5.4	-24.8	-3.9	-4.7	-5.4	-5.9	-19.9	-5.5	-4.6	-4.4	-5.1	-18.6	-4.7	-4.2	-4.9	-5.7	-19.5
B. Services	-4.3	-5.0	-5.3	-5.4	-20.0	-4.5	-4.5	-3.9	-4.8	-17.7	-4.2	-5.0	-4.2	-5.1	-18.6	-5.4	-5.2	-4.4	-4.9	-19.8
C. Primary Income	-7.7	-9.0	-8.9	-9.6	-35.3	-8.8	-9.2	-8.8	-9.3	-36.0	-8.8	-9.5	-8.6	-9.0	-36.8	-9.4	-9.8	-9.4	-9.6	-38.2
D. Secondary Income	1.5	1.5	1.3	1.6	5.8	1.4	1.4	1.3	1.3	5.4	1.3	1.4	1.5	1.5	5.9	1.6	1.7	1.7	1.8	6.7
Capital and Financial Account	-2.0	-1.7	-5.6	0.6	-8.7	4.0	-4.4	-0.5	10.8	9.9	-2.4	2.6	8.1	9.6	18.0	-0.4	-4.2	4.0	8.3	-4.2
1. Direct Investment	4.6	6.6	3.4	3.4	18.1	4.4	3.9	2.7	3.4	14.4	4.8	2.4	5.1	3.6	15.9	2.8	3.9	4.6	2.8	14.1
2. Portfolio Investment	-3.2	-3.6	-3.1	-1.7	-11.6	3.0	-2.6	-3.0	4.9	2.2	-2.1	3.1	9.8	-2.5	8.2	1.0	-8.1	-7.1	4.6	-9.4
3. Other Investment	-3.5	-4.7	-5.9	-1.5	-15.6	-3.4	-5.7	-0.2	2.4	-6.8	-5.1	-2.9	-6.9	8.4	-6.4	-4.2	-0.1	-5.6	-7.2	-9.2
Overall Balance	-1.8	2.4	-1.3	4.7	4.0	6.5	-7.4	-1.5	8.6	6.3	-0.0	-0.6	5.9	7.9	7.2	-0.8	-6.7	-6.4	6.1	-7.8

Memorandum:
 - Reserve Assets Position: 138.1 136.4 130.8 137.2 137.2 145.2 137.5 134.9 146.4 146.4 140.4 140.2 149.9 155.7 157.1 152.6 148.7 156.5 156.5
 In Months of Imports & Official Debt Repayment: 7.0 6.4 5.7 5.9 5.9 6.2 6.0 6.0 6.5 6.5 6.2 6.1 6.4 6.5 6.5 6.5 6.2 6.0 6.2 6.2
 - Current Account (% GDP): 0.2 1.3 1.4 1.1 1.0 0.9 -0.7 -0.4 -0.4 -0.2 -0.7 -0.9 -0.6 -0.3 -0.6 -0.1 -0.8 1.1 -0.7 -0.1

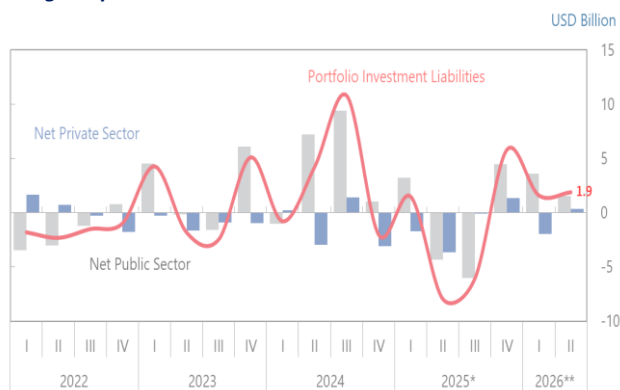
Source: Bank Indonesia. *Provisional Figures; ** Very Provisional Figures

Trade Balance



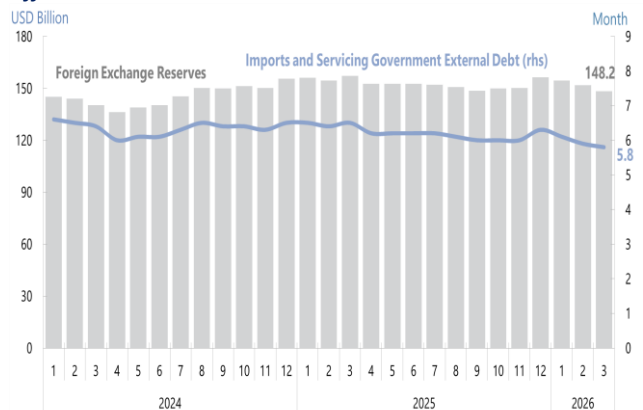
Source: BPS

Foreign Capital Flows



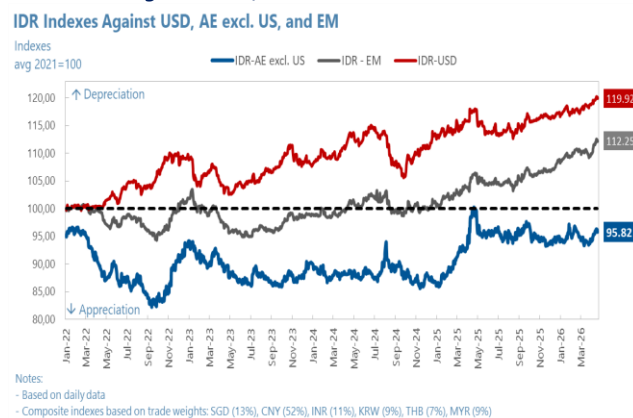
Source: Bank Indonesia. Data as of April 20, 2026.
 *Provisional Figures **Very Provisional Figures

Official Reserve Asset



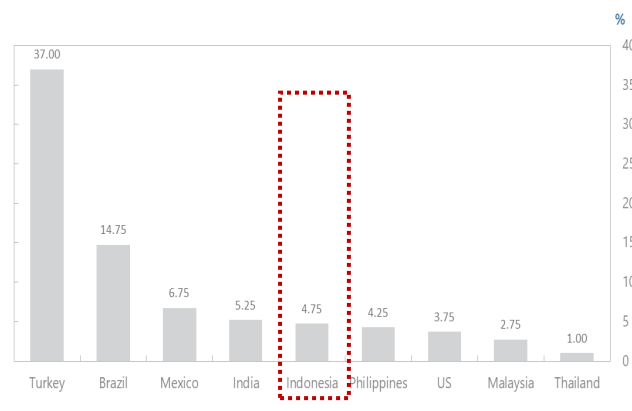
Source: Bank Indonesia

IDR Indexes Against USD, AE Excl. US and EM Currencies



Source: Bloomberg. Data as of April 21, 2026

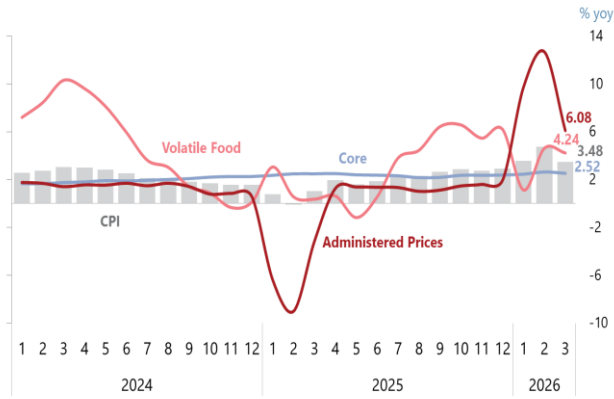
Peer Countries' Interest Rate Policies



Source: Bloomberg. Data as of April 22, 2026

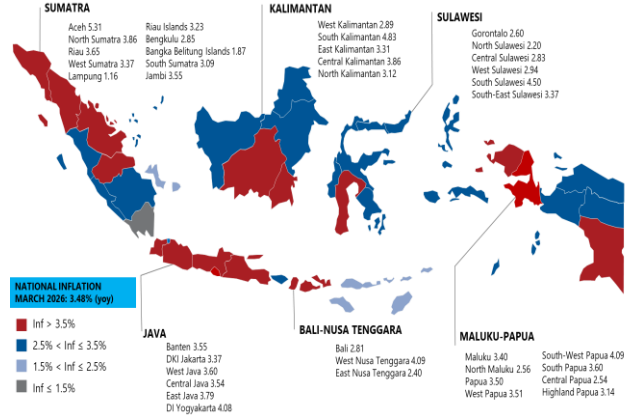
Consumer Price Index (CPI) inflation remains under control.

CPI Inflation and Component



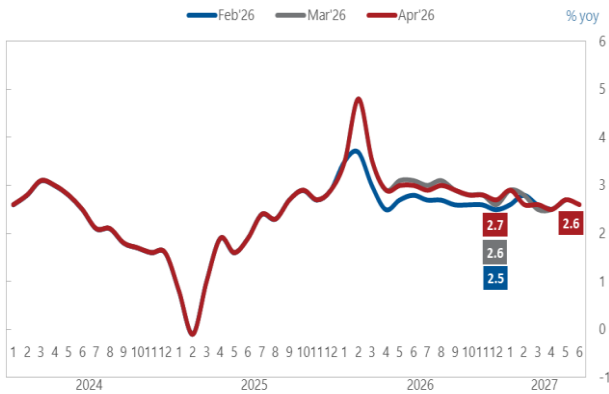
Source: BPS

Inflation Rate across Provinces



Source: BPS

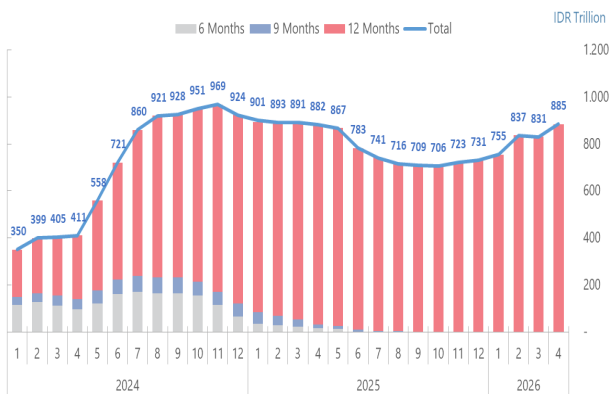
Inflation Expectation



Source: Consensus Economics

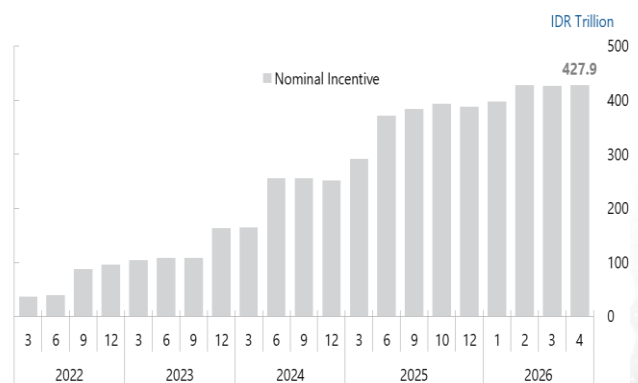
Bank Indonesia's monetary policy continues to be strengthened to maintain Rupiah exchange rate stability and support economic growth. Bank Indonesia continuously optimizes its Macroprudential Liquidity Incentive Policy (KLM) to promote stronger bank lending/financing to priority sectors, thereby supporting higher economic growth.

SRBI Outstanding Position



Source: Bank Indonesia. Data as of April 20, 2026

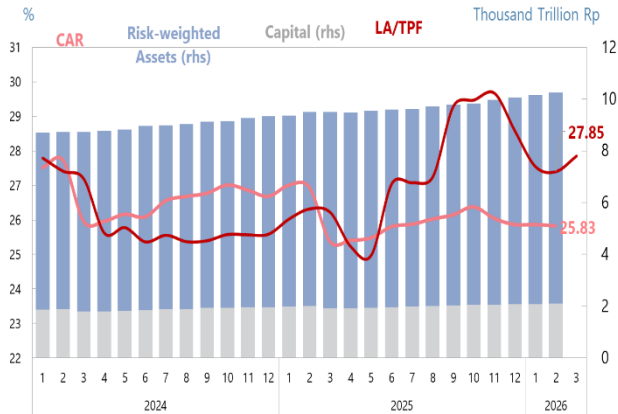
KLM Incentives Disbursement



Source: Bank Indonesia

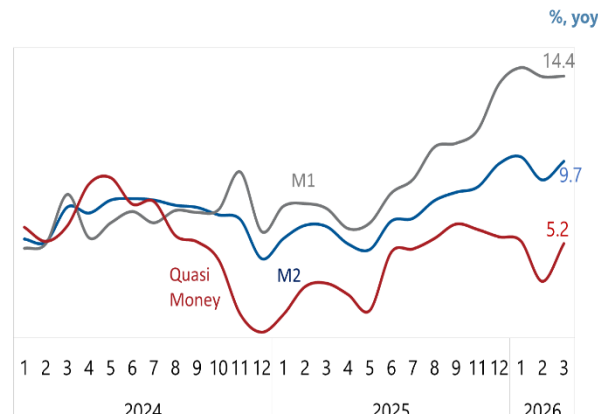
The transmission of monetary policy easing to lower bank interest rates continues. Money supply growth remains well maintained in line with Bank Indonesia's liquidity expansion policy. Bank credit growth continues to be strengthened to support economic growth. Banking sector resilience remains solid, thereby mitigating the risks from the war in the Middle East.

The Ratio of Liquid Assets to Deposits and Capital Banking



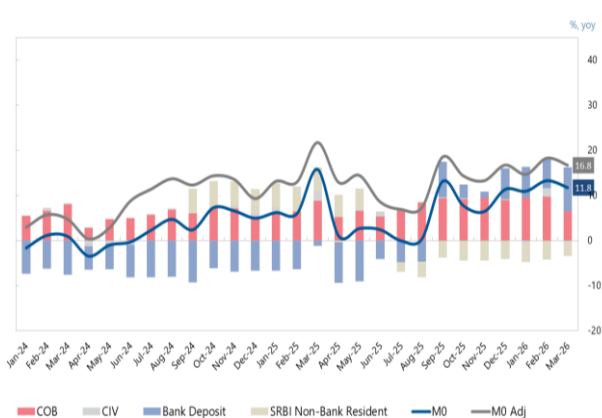
Source: Bank Indonesia

Money Supply



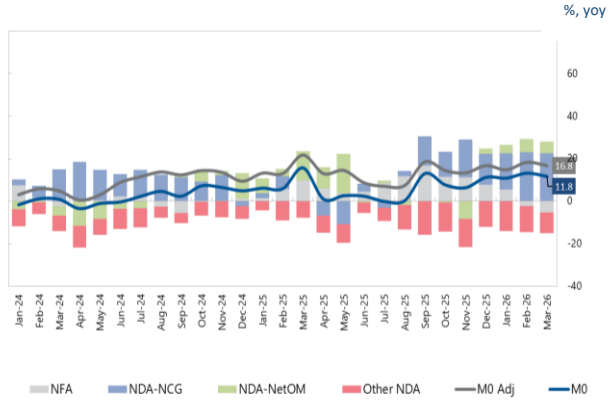
Source: Bank Indonesia

M0, M0 Adjusted, and the Component



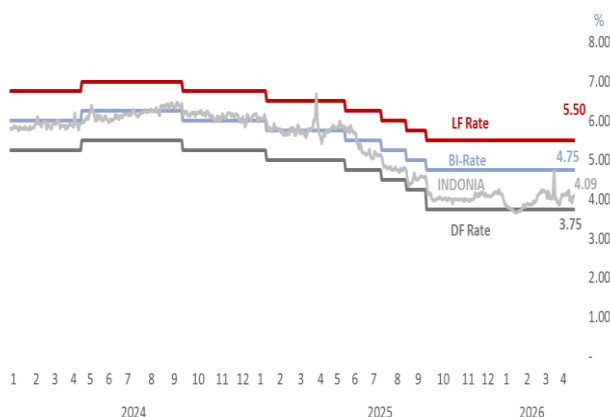
Source: Bank Indonesia

Factor Influencing M0 and M0 Adjusted



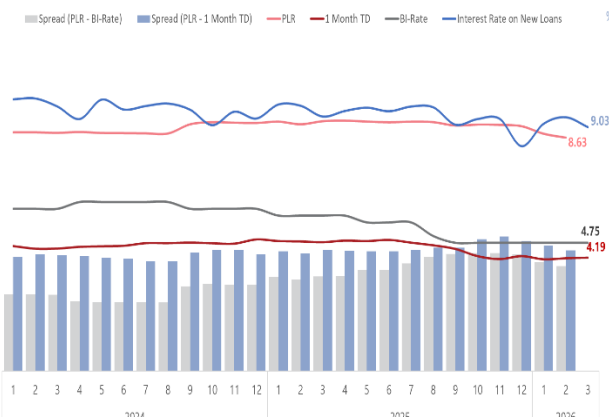
Source: Bank Indonesia

Policy Rate (BI-Rate) and Overnight Interbank Rate



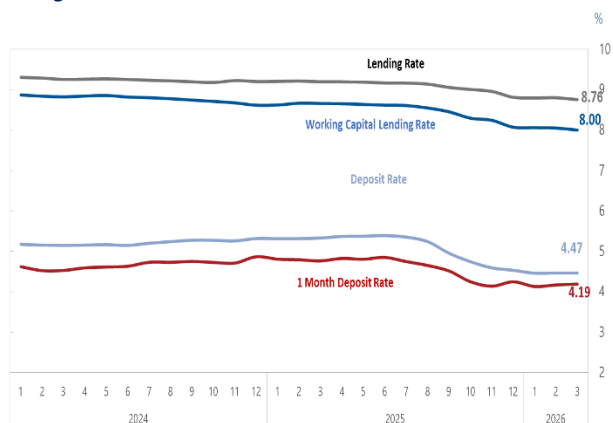
Source: Bank Indonesia

BI-Rate Transmission to PLR



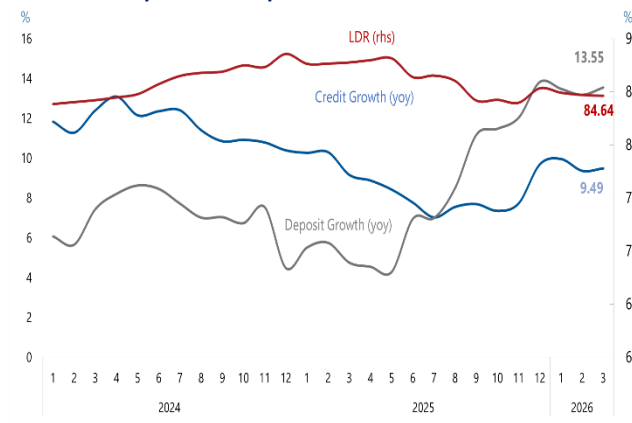
Source: OJK, Bank Indonesia, calculated

Banking Interest Rates



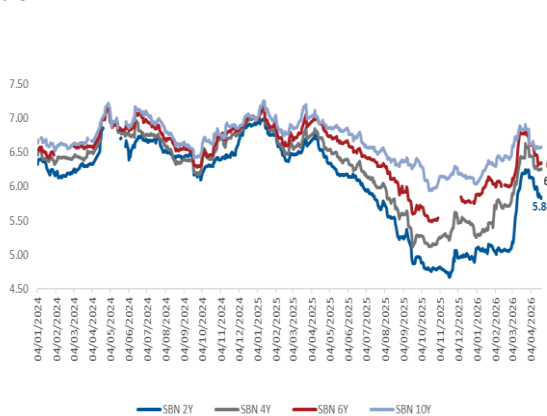
Source: Bank Indonesia

Credit and Deposit Developments



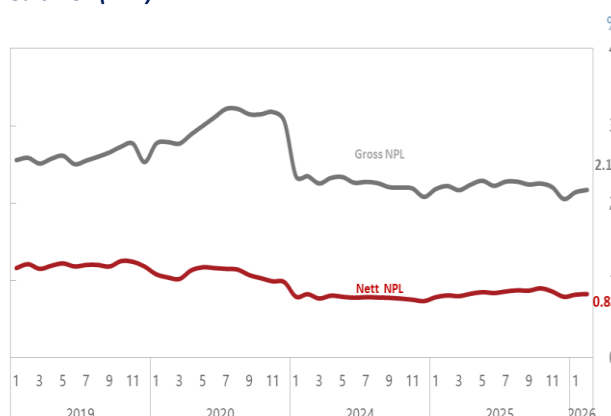
Source: Bank Indonesia

Yield SBN



Source: Bank Indonesia

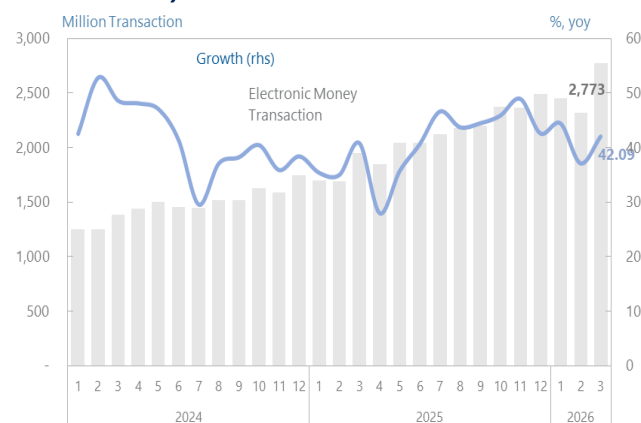
Credit Risk (NPL)



Source: Bank Indonesia, OJK

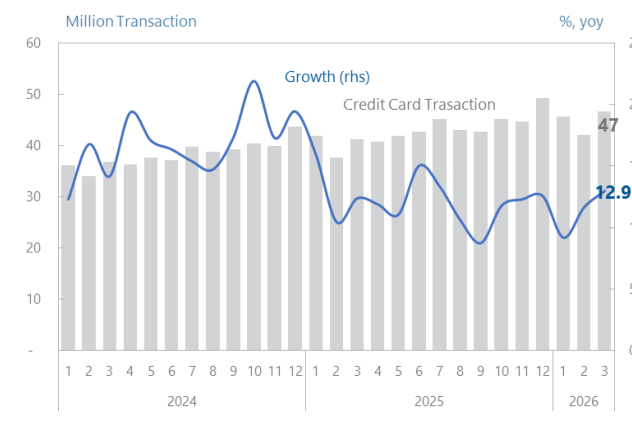
The growth of digital economic and financial transactions in the first quarter of 2026 remained high, supported by secure, seamless and reliable payment systems. Payment system stability remained well maintained in the first quarter of 2026, supported by stable infrastructure and a sound industry structure.

Electronic Money Transactions Volume



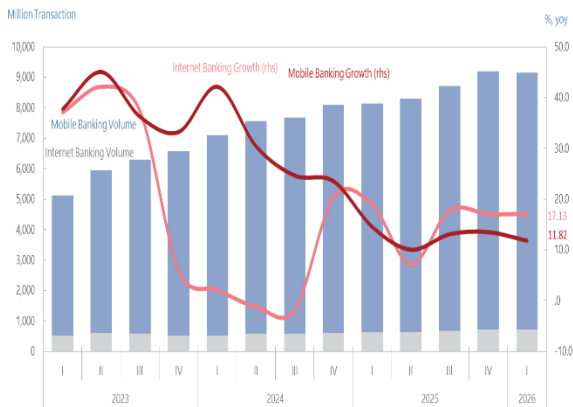
Source: Bank Indonesia

Credit Card Transactions Volume



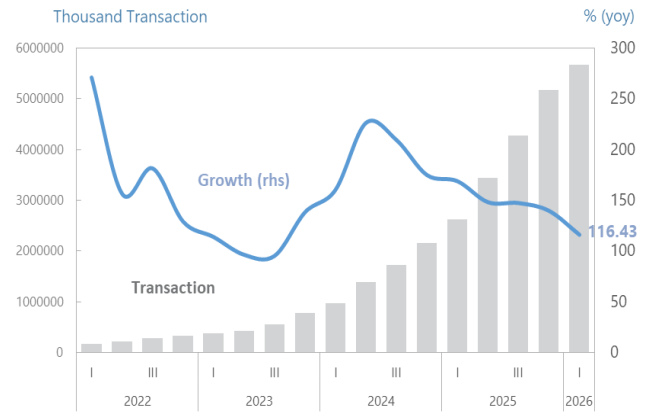
Source: Bank Indonesia

Digital Banking Transactions Volume



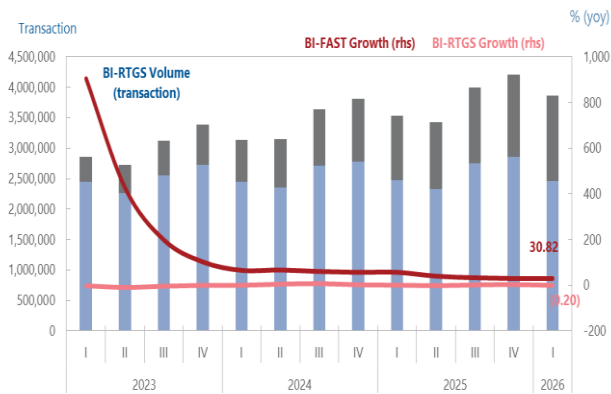
Source: Bank Indonesia

QRIS Transactions Volume



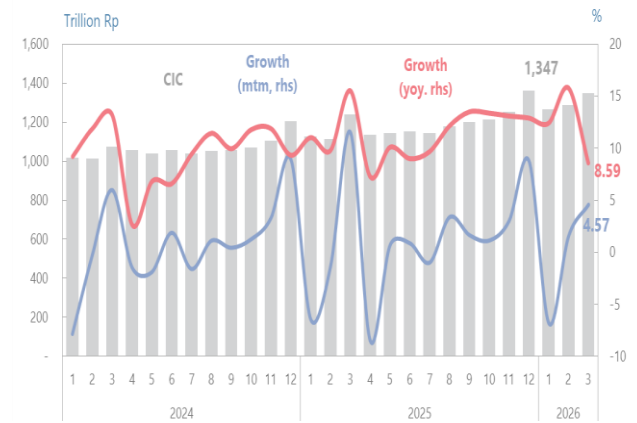
Source: Bank Indonesia

BI-FAST and BI-RTGS Transactions Volume



Source: Bank Indonesia

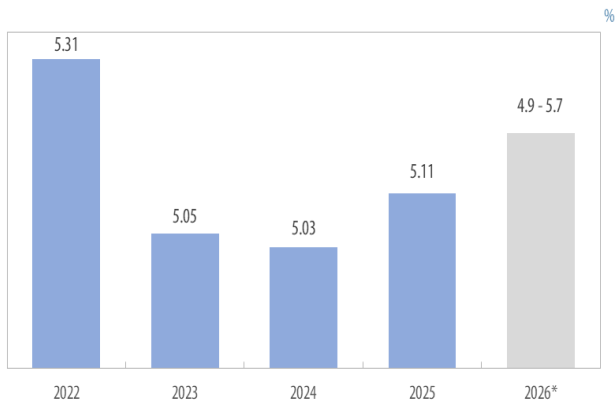
Currency in Circulation



Source: Bank Indonesia

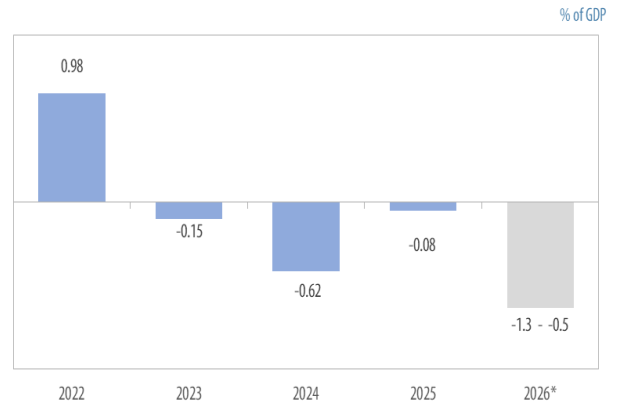
Economic growth in 2026 is projected to be in the range of 4.9–5.7%.

Indonesia's GDP Projection



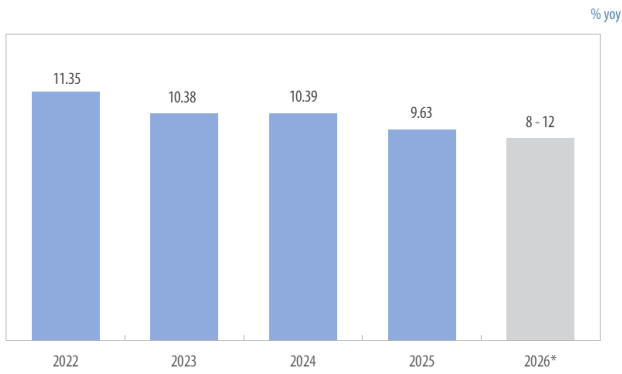
Source: Bank Indonesia. *Bank Indonesia's Projection

Current Account Deficit Projection

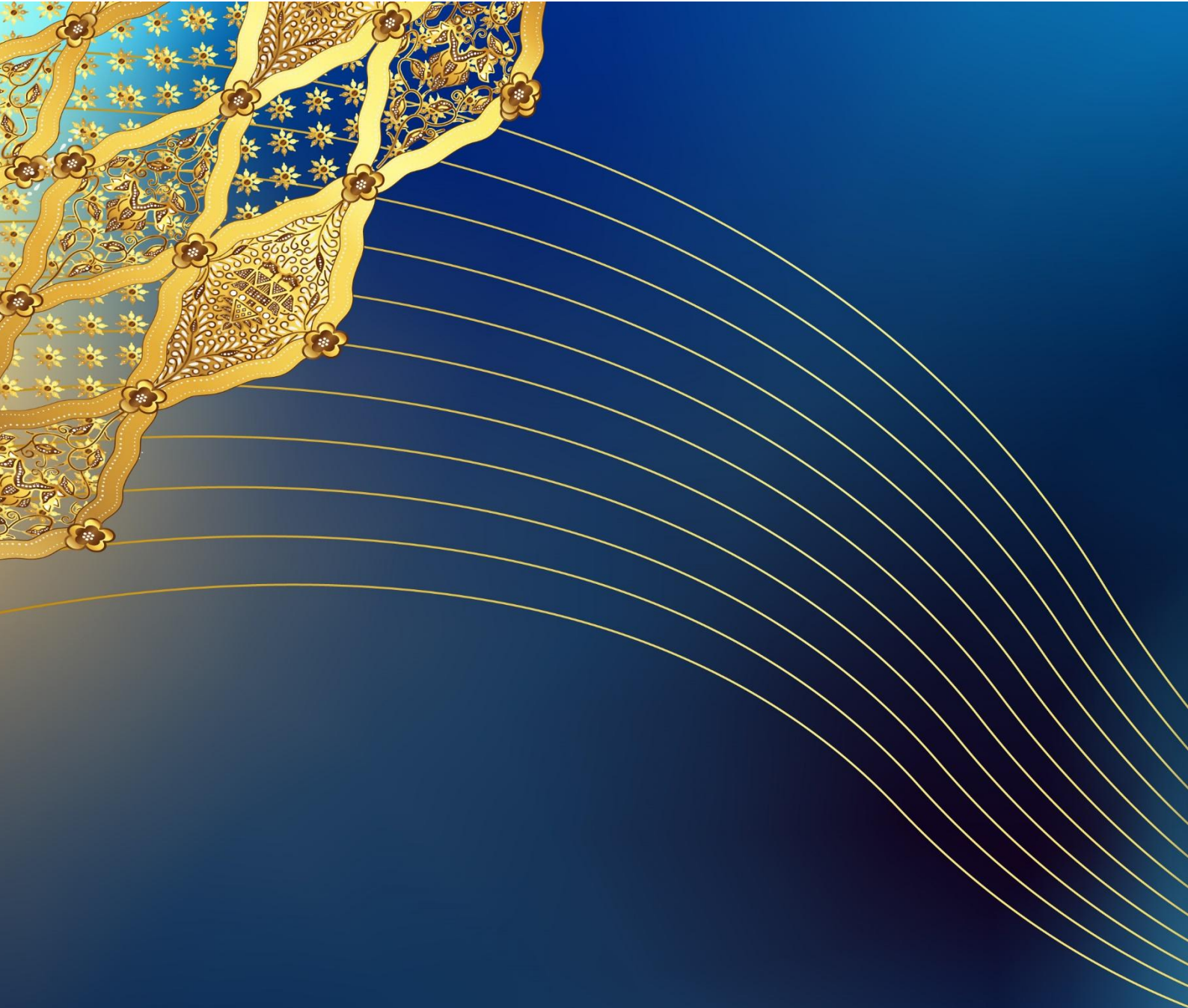


Source: Bank Indonesia. *Bank Indonesia's Projection

Credit Projection



Source: Bank Indonesia. *Bank Indonesia's Projection



For further information:

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