BANK INDONESIA
BANK SENTRAL REPUBLIK INDONESIA

MONETARY POLICY REVIEW

AUGUST 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 against other currencies. The inflation target was set by the Government, in coordination with Bank Indonesia, at 2.5±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 Review after the Board of Governors Meeting has been convened in February, March, May, June, August, September, November, and December. 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

DESTRY DAMAYANTI
Acting Governor

AIDA S. BUDIMAN
Deputy Governor

FILIANINGSIH HENDARTA
Deputy Governor

RICKY PERDANA GOZALI
Deputy Governor

THOMAS A.M. DJIWANDONO
Deputy Governor

Table of Contents

Foreword iii

The Board of Governors iii

Table of Contents iv

Executive Summary 1

1. Global and Domestic Economic Developments 3

2. Economic Prospects 6

3. Bank Indonesia Policy Response 8

Executive Summary

The global economic outlook remains subdued amid persistently high financial market uncertainty. Such conditions are influenced by the continued intensity of the conflict in the Middle East, which has renewed upward pressures on oil and other international commodity prices. These developments have continued to weigh on global economic growth. Meanwhile, global inflationary pressures remained elevated, prompting tighter global monetary policy, including the US monetary policy rate, the Federal Funds Rate (FFR). US Treasury yields have also increased. The uncertainty in global financial markets has endured, undermining global investor preference for portfolio investment in emerging markets and sustaining the strong US dollar against advanced economy currencies (DXY) and emerging market currencies (ADXY).

At home, economic growth remains resilient and needs to be further supported to strengthen growth momentum. Indonesia's economy grew 5.29% (yoy) in the second quarter of 2026, following 5.61% (yoy) growth in the previous period. Growth was largely supported by fiscal stimulus, which contributed to higher government consumption and investment. Government consumption continued to grow strongly, driven by higher personnel expenditure, including the disbursement of the 13th month salary, as well as goods and services spending related to the Free Nutritious Meals (MBG) Program. Meanwhile, household consumption remained solid, although further improvements are required to capitalise on strong fiscal stimulus momentum. Export performance must also be strengthened further to reinforce the structure of economic growth.

The performance of Indonesia's Balance of Payments (BOP) must continue to be strengthened to support external resilience. The Rupiah exchange rate strengthened, underpinned by Bank Indonesia's stabilisation policy response. Consumer Price Index (CPI) inflation remains within the target range. Bank Indonesia continues strengthening policies to maintain adequate liquidity in the money market, banking industry and economy, consistent with achieving the inflation target. Banking intermediation continues to improve, supported by maintained banking system resilience. Digital economic and financial transactions continued to grow in July 2026, supported by secure, seamless and reliable payment systems as well as stable infrastructure and a sound industry structure.

Global economic growth in 2026 remains subdued and is projected at around 3.0%, meanwhile, the build-up of global inflationary pressures persists at around 4.5% in 2026. The US monetary policy rate, the Federal Funds Rate (FFR) is expected to increase in the fourth quarter of 2026. US Treasury yields have also increased and are projected to remain high in line with stronger expectations of an FFR hike and the persistently large US fiscal deficit.

Indonesia's economic growth outlook remain sound. Bank Indonesia projects Indonesia's economic growth to remain within the 4.9-5.7% range in 2026. External resilience is also projected to remain solid, supported by policy synergy between the Government and Bank Indonesia in responding to global shocks. The Rupiah exchange rate is projected to remain stable, underpinned by Bank Indonesia's strengthened stabilisation policy response. Inflation is projected to remain within the 2.5±1% target range in 2026 and 2027, while Bank Indonesia will continue to strengthen its monetary policy mix response, including Rupiah stabilization measures, to mitigate global spillovers through imported inflation. Various measures to maintain adequate liquidity in the money market, banking industry and economy will be strengthened thereby preserving stability and supporting economic growth.

The Bank Indonesia Board of Governors Meeting on 18–19 August 2026 decided to hold the BI-Rate at 5.75%, the Deposit Facility rate at 4.75%, and the Lending Facility rate at 6.50%. This decision remains consistent with efforts to strengthen Rupiah exchange rate stability against the impact of heightened global volatility stemming from the conflict in the Middle East, maintain inflation within the 2.5±1% target range in 2026 and 2027, and support sustainable economic growth. Bank Indonesia also continues to expand its incentive policies and other policy measures to attract foreign capital inflows and strengthen Rupiah exchange rate stability, increase liquidity and reduce liquidity segmentation in the money market and banking industry, as well as accelerate money and foreign exchange market deepening. Meanwhile, macroprudential and payment system policies remain geared towards supporting economic growth. Bank Indonesia continues strengthening accommodative macroprudential policy to support economic growth by increasing lending/financing to the real sector, while maintaining financial system stability. Payment system policy also remains oriented towards supporting economic activity through broader acceptance of digital payments, strengthening the payment system industry structure, as well as enhancing the reliability and resilience of payment system infrastructure.

CHAPTER 1

Global and Domestic Economic Developments

The global economic outlook remains subdued amid persistently high financial market uncertainty. Such conditions are influenced by the continued intensity of the conflict in the Middle East, which has renewed upward pressures on oil and other international commodity prices. These developments have continued to weigh on global economic growth. Meanwhile, global inflationary pressures remained elevated, prompting tighter global monetary policy, including the US monetary policy rate, the Federal Funds Rate (FFR). US Treasury yields have also increased. The uncertainty in global financial markets has endured, undermining global investor preference for portfolio investment in emerging markets and sustaining the strong US dollar against advanced economy currencies (DXY) and emerging market currencies (ADXY).

Indonesia's economic growth remains resilient and needs to be further supported to strengthen growth momentum. Indonesia's economy grew 5.29% (yoy) in the second quarter of 2026, following 5.61% (yoy) growth in the previous period. Growth was largely supported by fiscal stimulus, which boosted government consumption and investment. Government consumption continued to grow strongly, driven by higher personnel expenditure, including the disbursement of the 13^{th} month salary, as well as goods and services spending related to the Free Nutritious Meals (MBG) Program. Meanwhile, household consumption remained solid, although further improvements are required to capitalise on strong fiscal stimulus momentum. Export performance must also be strengthened further to reinforce the structure of economic growth.

The performance of Indonesia's Balance of Payments (BOP) must continue to be strengthened to support external resilience. Indonesia's trade balance recorded a cumulative surplus of USD3.58 billion from January to June 2026, despite posting a USD0.45 billion deficit in June 2026. In terms of the capital and financial account, foreign portfolio investment in the third quarter of 2026 (as of 14th August 2026) recorded net inflows of USD1.8 billion, supported by government issuances of global bonds as well as inflows to Government Securities (SBN) and Bank Indonesia Rupiah Securities (SRBI). The position of Indonesia's international reserves remained high at USD145.3 billion at the end of July 2026, equivalent to 5.5 months of imports or 5.3 months of imports and servicing government external debt, which is well above the international adequacy standard of approximately 3 months of imports.

The Rupiah exchange rate strengthened, underpinned by Bank Indonesia's stabilisation policy response. The Rupiah appreciated to Rp17,855 per US dollar on 18th August 2026, regaining 0.78% (ptp) compared with the level at the end of July 2026. Such developments were supported by Bank Indonesia's comprehensive strategy to optimise the full range of monetary instruments and expand policy incentives to attract foreign portfolio inflows and strengthen Rupiah exchange rate stability, while accelerating money market and foreign exchange market deepening. Bank Indonesia increased the incentive for Swap Sell Hedging to 12.5%, while a 15% incentive is also provided for DNDF Hedging Sell transactions. Bank Indonesia also announced incentives to increase Local Currency Transactions (LCT) with partner countries through a 10% premium for Swap Buy Hedging and a 10% premium reduction for DNDF Hedging Sell transactions. Bank Indonesia will continue pursuing various strategies to maintain Rupiah exchange rate stability.

Consumer Price Index (CPI) inflation remains within the target range. CPI inflation in July 2026 was recorded at 2.88% (yoy), down from 3.34% (yoy) in the previous period. Such developments were supported by contained core inflation of 2.76% (yoy) in response to policy consistency at Bank Indonesia. Administered prices (AP) inflation was recorded at 3.58% (yoy) following adjustments to non-subsidised Pertamax fuel prices. Meanwhile, volatile food (VF) inflation moderated to 2.52% (yoy), supported by harvests of various chilli varieties and shallots. Bank Indonesia also continues strengthening synergy with the Government through the Central and Regional Inflation Control Teams (TPIP/TPID) in implementing the Inflation Control and Food Prosperity Movement (GPIPS) to control food inflation, including measures to anticipate the weather-related risks associated with El Niño to food prices.

Bank Indonesia continues strengthening policies to maintain adequate liquidity in the money market, banking industry and economy, consistent with achieving the inflation target. Base money (M0) growth remained at a high rate of 18.3% (yoy) in July 2026, supported by various measures taken by Bank Indonesia to maintain adequate liquidity. By component, M0 growth in July 2026 was primarily influenced by commercial bank demand deposits at Bank Indonesia, which grew by 22.4% (yoy), and currency in circulation, which grew by 15.1% (yoy). Based on the affecting factors, M0 growth in July 2026 was influenced by Bank Indonesia monetary operations and fiscal expansion by the Government. Accordingly, broad money (M2) grew by 8.7% (yoy) in June 2026. In terms of the affecting factors, M2 growth was primarily driven by disbursed loans and Net Claims on Central Government (NCG).

Banking intermediation continues to increase, supported by maintained banking system resilience. Bank lending grew by 13.58% (yoy) in July 2026, up from 12.67% (yoy) in June 2026. Such positive developments were supported by the accommodative macroprudential policy stance maintained through optimisation of the Macroprudential Liquidity Incentive Policy (KLM) to boost bank lending/financing to priority sectors. As of the first week of August 2026, KLM incentives received by banks amounted to Rp446.5 trillion, comprising Rp368.4 trillion allocated through the financing channel, Rp73.2 trillion through the interest rate channel and Rp4.9 trillion through the financing-to-funding channel. Banking resilience also remained solid and supported credit growth, with the Capital Adequacy Ratio (CAR) of the banking industry recorded high at 23.70% in June 2026. As an aggregate, Non-Performing Loan (NPL) ratios in the banking industry remained low at 2.09% (gross) and 0.82% (net) in June 2026. Meanwhile, the Liquid Assets to Third-Party Funds (LA/TPF) ratio remained stable at 23.10% in July 2026.

Digital economic and financial transactions continued to grow in July 2026, supported by secure, seamless and reliable payment systems as well as stable infrastructure and a sound industry structure. Digital payment[1] transaction volume reached 5.50 billion transactions in July 2026, growing by 28.69% (yoy), supported by broader acceptance of digital payments. Transaction volumes through internet and mobile

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

applications grew by 9.39% (yoy) and 24.25% (yoy), respectively, including QRIS transactions, which continued to enjoy robust growth of 82.42% (yoy), supported by increasing numbers of users and merchants. On the infrastructure side, retail transaction volumes processed through BI-FAST reached 546 million transactions, growing by 31.62% (yoy), with a transaction value of Rp1,355 trillion. Meanwhile, the volume of large-value (wholesale) transactions processed through BI-RTGS was recorded at 0.99 million transactions, growing 3.12% (yoy), with BI-RTGS transaction value growing by 1.54% (yoy) to Rp20,097 trillion. In terms of Rupiah currency management, Currency in Circulation (CiC) grew by 15.10% (yoy) to Rp1,314 trillion. Bank Indonesia also continues maintaining the availability of Rupiah currency in sufficient quantities and fit for circulation throughout the territory of the Republic of Indonesia, including frontier, outermost and remote (3T) areas.

CHAPTER 2

Economic Prospects

The prospect of global economic growth in 2026 remains subdued and is projected at around 3.0%, meanwhile, the global inflationary pressures persist at around 4.5% in 2026. The US monetary policy rate, the Federal Funds Rate (FFR) is expected to increase in the fourth quarter of 2026. US Treasury yields have also increased and are projected to remain high in line with stronger expectations of an FFR hike and the persistently wide US fiscal deficit.

At home, economic growth in 2026 is projected within the 4.9–5.7% range. Economic growth is projected to remain solid, supported by implementation of various government stimulus programs and well-maintained confidence among economic agents. Bank Indonesia continues strengthening its policy mix through monetary, macroprudential and payment system policies, working in close synergy with government policies to maintain stability in pursuit of economic growth.

The performance of Indonesia's Balance of Payments (BOP) must continue to be strengthened to support external resilience. Bank Indonesia projects external resilience to remain solid, supported by policy synergy between the Government and Bank Indonesia in response to global shocks. The Rupiah exchange rate is projected to remain stable, supported by a strengthened Bank Indonesia stabilisation policy response.

Bank Indonesia will continue to strengthen various policy responses to maintain the stability of the Rupiah exchange rate. Bank Indonesia remains confident that the Rupiah will remain stable and trend towards appreciation, supported by Bank Indonesia's strong commitment, attractive yields and Indonesia's favourable economic growth prospects.

CPI inflation prospects is projected to remain within the target. Moving forward, Bank Indonesia will continue strengthening its monetary policy mix response to maintain inflation within the 2.5±1% target range in 2026 and 2027, including Rupiah exchange rate stabilisation efforts to mitigate the impact of global spillovers on imported inflation. Bank Indonesia also continues strengthening synergy with the Government through the Central and Regional Inflation Control Teams (TPIP/TPID) in implementing the Inflation Control and Food Prosperity Movement (GPIPS) to control food inflation, including measures to anticipate the weather-related risks associated with El Niño to food prices.

Bank Indonesia continues strengthening policies to maintain adequate liquidity in the money market, banking industry and economy, consistent with achieving the inflation target. Moving forward, Bank Indonesia will continue strengthening various measures to maintain adequate liquidity in the money market, banking industry and economy, thereby preserving stability and supporting economic growth.

CHAPTER 3

Bank Indonesia Policy Response

The Bank Indonesia Board of Governors Meeting on 18–19 August 2026 decided to hold the BI-Rate at 5.75%, the Deposit Facility rate at 4.75%, and the Lending Facility rate at 6.50%. This decision remains consistent with efforts to strengthen Rupiah exchange rate stability against the impact of heightened global volatility stemming from the conflict in the Middle East, maintain inflation within the 2.5±1% target range in 2026 and 2027, and support sustainable economic growth. Bank Indonesia also continues to expand its incentive policies and other policy measures to attract foreign capital inflows and strengthen Rupiah exchange rate stability, increase liquidity and reduce liquidity segmentation in the money market and banking industry, as well as accelerate money and foreign exchange market deepening.

Meanwhile, macroprudential and payment system policies remain geared towards supporting economic growth. Bank Indonesia continues strengthening accommodative macroprudential policy to support economic growth by increasing lending/financing to the real sector, while maintaining financial system stability. Payment system policy also remains oriented towards supporting economic activity through broader acceptance of digital payments, strengthening the payment system industry structure, as well as enhancing the reliability and resilience of payment system infrastructure.

The direction of the monetary, macroprudential and payment system policy mix to strengthen stability, while supporting sustainable economic growth, is further bolstered through the following policy measures:

1. Strengthening the effectiveness of monetary policy implementation to stabilise the Rupiah exchange rate and maintain inflation within the 2.5±1% target range in 2026 and 2027, through:
   i. optimising the foreign exchange intervention strategy to strengthen Rupiah exchange rate stability through Non-Deliverable Forward (NDF) transactions in offshore markets, as well as spot and Domestic Non-Deliverable Forward (DNDF) transactions in the domestic market;
   ii. managing the interest rate structure in the money market in line with the BI-Rate and rates of pro-market monetary operations instruments, accompanied by the strengthened pro-market monetary operations strategy;
   iii. maintaining adequate liquidity in the money market and banking system by ensuring double-digit growth in base money, in line with monetary expansion;

2. Strengthening the effectiveness of Rupiah exchange rate stabilisation and maintaining adequate Rupiah liquidity by expanding the scope of underlying transactions of foreign funding eligible for a 12.5%[2], premium reduction incentive on sell hedging swaps (buy hedging swaps with Bank Indonesia), from previously covering only portfolio inflow transactions to also include banks' external borrowings and foreign direct investment (FDI). Such hedging swap transactions have a maximum tenor of 12 (twelve) months, with a maximum contract period of 3 (three) years, and may be rolled over in accordance with the remaining tenor of the hedging contract. The expanded scope of eligible underlying transactions for hedging swaps will take effect in the second week of September 2026 for external borrowings and foreign direct investment (FDI) funds received from 1st July 2026 onwards;

3. Strengthening preparations for the implementation of the following Macroprudential Policies:
   i. the Macroprudential Liquidity Incentive Policy for money market deepening to maintain adequate liquidity and promote liquidity redistribution, while continuing to support credit and financing to priority sectors, which will take effect on 1 September 2026;
   ii. the Macroprudential Inclusive Financing Ratio (RPIM) policy to promote bank lending and financing to inclusive and sustainable sectors, which will take effect on 1 October 2026;

4. Strengthening the implementation of payment system digitalisation measures in line with the Indonesia Payment System Blueprint (BSPI) 2030 to support economic growth, expand digital economic activity, and advance financial inclusion, through:
   i. promoting the implementation of the Indonesia Credit Card (KKI), launched on 17th August 2026, and strengthening industry readiness for the expansion of the 0% QRIS Merchant Discount Rate (MDR) policy to transactions of up to Rp100,000, effective from 1st October 2026;
   ii. organising the 2026 Indonesia Digital Economy and Finance Festival in collaboration with the Indonesia Fintech Summit & Expo (FEKDI x IFSE) on 24–26th September 2026, in synergy with the Coordinating Ministry for Economic Affairs, the Financial Services Authority (OJK), and the financial industry;

5. Strengthening policy coordination with the Government, Financial System Stability Committee (KSSK) and other stakeholders to maintain stability while supporting sustainable economic growth.

[2] Initially, applicable to USD and RMB (CNY and CNH).

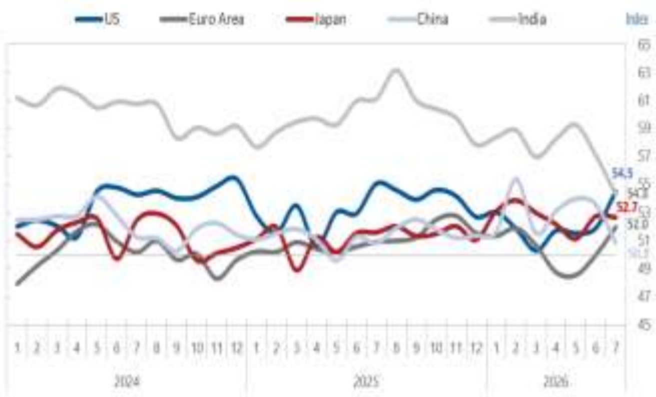
The global economic outlook remains subdued amid persistently high financial market uncertainty.

Global GDP Growth

Country	2022	2023	2024	2025	2026*
World	**3.8**	**3.3**	**3.5**	**3.5**	**3.0**
Advanced economies	**3.1**	**1.7**	**1.9**	**1.9**	**1.7**
United States	2.5	2.9	2.8	2.1	2.3
Euro Area	3.6	0.4	1.0	1.4	0.7
Japan	1.3	0.7	-0.2	1.1	0.7
Emerging economies	**4.1**	**4.4**	**4.5**	**4.5**	**3.9**
China	3.1	5.4	5.0	5.0	4.6
India	6.8	7.7	6.5	7.6	6.7
ASEAN-5	5.5	4.1	4.8	4.5	4.1
Latin America	4.3	2.3	2.4	2.4	2.4
Emerging Euro	0.5	3.6	3.8	2.0	2.1
Middle East & Central Asia	6.4	2.6	3.1	3.7	2.2

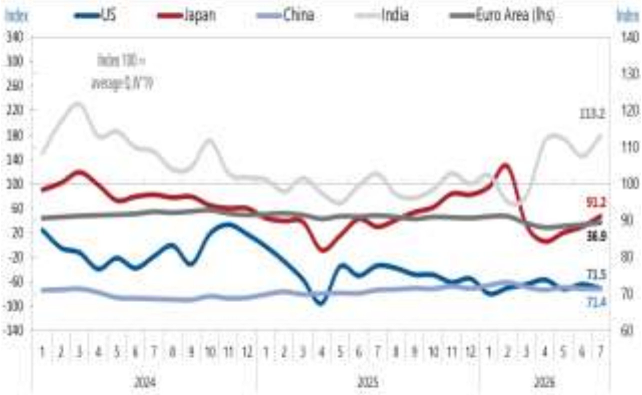
Source: IMF WEO. *Bank Indonesia Projection

PMI Global



Source: IHS Markit, Bloomberg (China)

Consumer Confidence Index

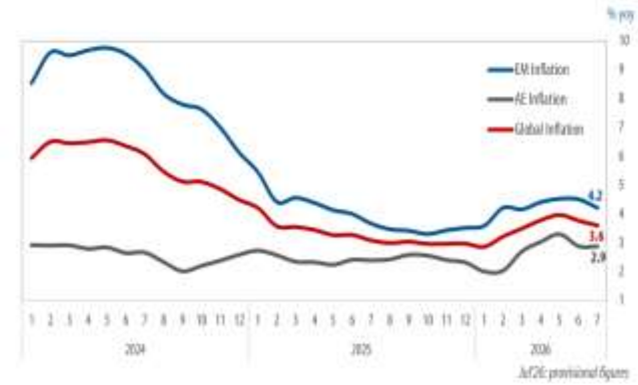


Source: Bloomberg

Retail Sales

Source: CEIC

Global Inflation



Source: Bloomberg and IMF

Commodity Prices

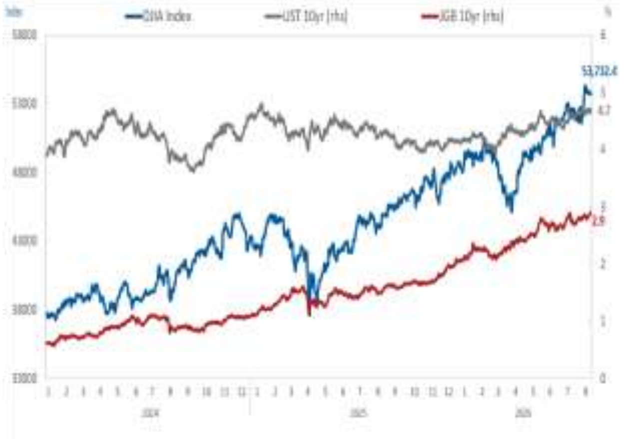
Commodity	2024					2025					2026			
	Q1	Q2	Q3	Q4	2024	Q1	Q2	Q3	Q4	2025	Q1	Q2	Q3*	YTD*
Copper	-4.7	18.8	11.2	12.8	8.8	10.3	-4.3	5.6	19.2	7.5	36.7	41.6	39.3	33.2
Coal	-27.7	-16.3	0.2	-11.3	-15.3	-14.4	-16.8	-20.2	-11.5	-15.7	5.2	38.1	49.8	27.8
CPO	0.5	6.2	5.2	31.3	10.5	17.1	0.3	6.9	-14.0	1.7	-10.7	11.2	6.2	2.3
Rubber	17.9	44.3	40.6	40.0	35.3	9.3	-9.2	-7.6	-14.6	-6.0	-0.3	32.9	28.3	21.0
Nickel	-35.7	-16.9	-19.9	-7.2	-21.3	-8.2	-17.7	-7.8	-7.1	-10.0	11.1	19.1	10.8	15.1
Tin	0.2	25.3	18.5	23.4	16.7	21.0	0.5	7.0	24.8	12.8	52.2	60.6	59.4	50.1
Aluminium	-8.2	12.3	10.0	16.9	7.4	17.1	-3.9	8.1	9.3	7.4	21.8	42.8	21.9	25.8
Coffee	7.1	19.9	55.9	65.7	36.4	100.7	63.9	36.9	31.0	54.1	-16.7	-24.5	-7.7	-22.2
Others	-1.0	-0.2	0.3	0.1	-0.2	-0.2	1.1	1.7	0.4	0.7	0.3	0.7	0.8	0.5
Indonesian Export Commodity Prices	**-8.2**	**1.7**	**6.1**	**8.7**	**1.5**	**2.9**	**-5.0**	**-3.5**	**-4.9**	**-2.9**	**3.4**	**20.9**	**22.3**	**14.1**
Oil (Brent)**	83	85	80	75	81	76	68	69	64	69	81	104	86	91

**Oil in USD/ Barrel, other commodities (%, yoy)
Source: Bloomberg. *Data as of August 14, 2026

Global Uncertainty Index

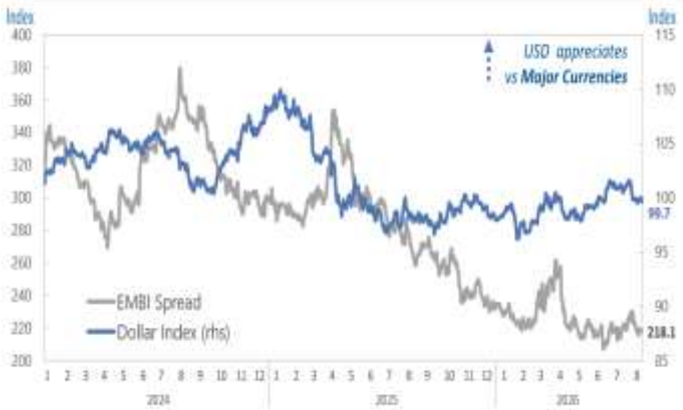
Source: Bloomberg. Data as of August 14, 2026

10 Yr UST & JGB Yield and DJIA Index



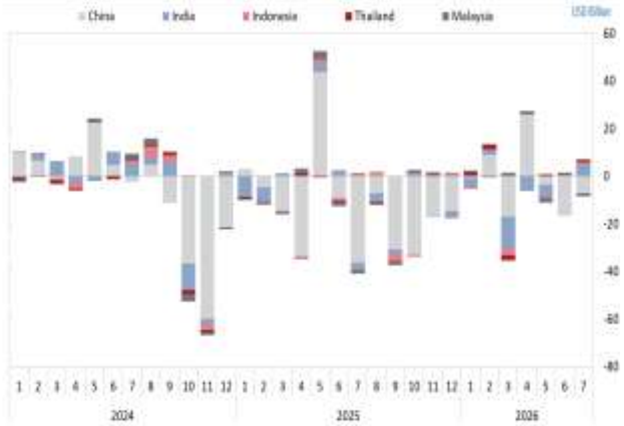
Source: Bloomberg. Data as of August 14, 2026

US Dollar Performance and Risk Perception Indicators on EM



Source: Bloomberg. Data as of August 14, 2026

Capital Flow to Emerging Market



Source: IIF

Indonesia's economic growth remains resilient and needs to be further supported to strengthen growth momentum.

Economic Growth – Expenditure Side

Components	2024				2024	2025				2025	2026	
	I	II	III	IV		I	II	III	IV		I	II
Household Consumption	4.92	4.94	4.92	4.99	4.94	4.95	4.97	4.89	5.11	4.98	5.52	5.06
Non-Profit Institution Serving Household (NPISH) Consumption	24.13	9.79	11.46	6.06	12.48	3.07	7.82	3.76	5.90	5.13	6.28	6.93
Government Consumption	20.45	2.04	4.63	4.61	6.76	-1.22	-0.32	5.66	4.55	2.50	21.81	15.97
Investment (GFCF)	3.78	4.42	5.16	5.03	4.61	2.12	6.99	5.04	6.12	5.09	5.96	6.87
Building Investment	5.46	5.31	6.02	5.26	5.51	1.35	4.89	3.02	3.74	3.25	5.29	6.61
NonBuilding Investment	-0.78	1.97	2.96	4.40	2.23	4.32	12.93	10.34	12.39	10.12	7.85	7.57
Exports	2.01	8.89	9.73	8.36	7.25	5.91	10.14	9.14	3.25	7.03	0.90	4.13
Imports	1.92	8.12	12.60	11.26	8.54	3.57	11.15	0.86	3.96	4.77	7.18	8.82
GDP	5.1	5.0	4.9	5.0	5.0	4.9	5.1	5.0	5.4	5.1	5.6	5.3

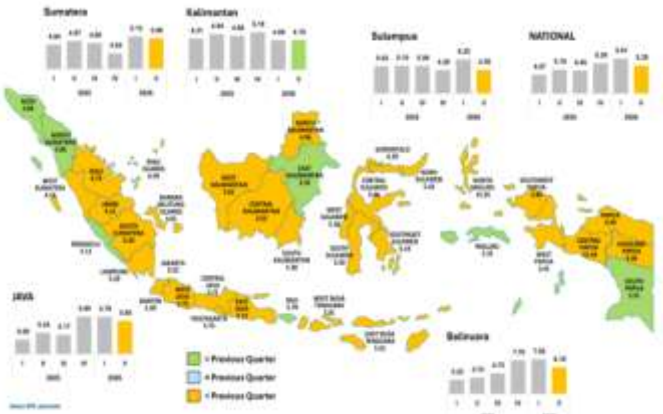
Source: BPS

Economic Growth – Economic Sectors Side

Components	2024				2024	2025				2025	2026	
	I	II	III	IV		I	II	III	IV		I	II
Agriculture, Forestry, and Fisheries	-3.5	3.2	1.7	0.7	0.7	10.5	1.7	4.9	5.1	5.3	5.0	3.8
Mining and excavation	9.3	3.2	3.5	4.0	4.9	-1.2	2.0	-2.0	-1.3	-0.7	-2.1	-1.8
Manufacture	4.1	3.9	4.7	4.9	4.4	4.5	5.7	5.5	5.4	5.3	5.0	4.5
Electricity and Gas Procurement	5.3	5.4	5.0	3.4	4.8	5.1	0.9	2.9	3.8	3.1	-1.0	10.8
Water Supply	4.4	0.8	0.0	1.1	1.6	0.2	0.8	3.3	-0.5	0.9	0.4	0.0
Construction	7.6	7.3	7.5	5.6	7.0	2.2	5.0	4.2	3.8	3.8	5.5	6.7
Wholesale Retail, Car and Motorcycle Repairs	4.6	4.9	4.8	5.2	4.9	5.0	5.4	5.5	6.1	5.5	6.3	6.4
Transportation and Warehousing	8.7	8.6	8.6	7.9	8.7	8.0	6.5	8.6	8.8	8.8	8.0	5.6
Provision of Accomodation, Food and Beverages	9.3	10.0	8.2	6.5	8.5	5.7	8.2	8.5	7.1	7.4	13.1	10.6
Information and Communication	8.4	7.7	6.8	7.5	7.6	7.7	7.9	9.6	8.1	8.3	7.1	7.0
Financial Services and Insurance	3.9	7.9	5.5	1.7	4.7	4.0	3.2	0.8	7.8	4.0	4.7	3.1
Real Estate	2.5	2.2	2.3	3.0	2.5	2.9	3.7	4.0	3.7	3.6	3.5	3.6
Corporate Services	9.8	9.0	7.9	8.1	8.4	9.3	9.3	5.9	7.9	9.1	4.9	5.1
Government Administration, Defense and Compulsory Social Security	18.9	2.9	4.0	1.2	6.4	4.6	4.7	4.3	1.6	3.9	6.5	6.9
Education Services	7.4	2.5	2.6	2.9	3.8	5.0	1.4	10.6	3.4	5.0	5.2	5.9
Health Services and Other Social Activities	11.7	8.6	7.7	5.2	8.1	5.6	3.8	6.8	5.9	5.6	7.6	6.8
Other Services	8.9	8.9	9.9	11.4	9.8	9.6	11.3	8.9	6.7	9.9	9.9	6.4
GDP	5.1	5.0	4.9	5.0	5.0	4.9	5.1	5.0	5.4	5.1	5.6	5.3

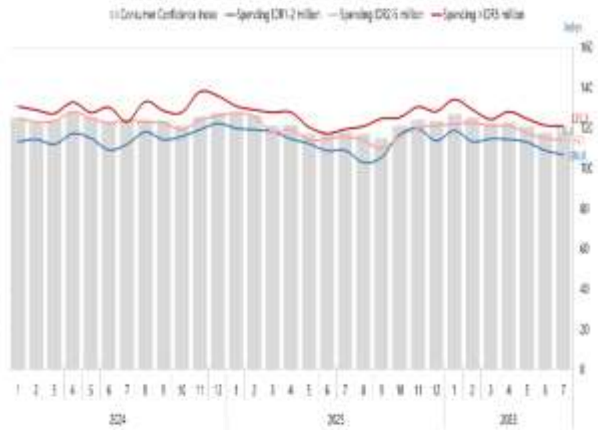
Source: BPS

Growth of Regional Economic (GRDP) of the Second Quarter of 2026



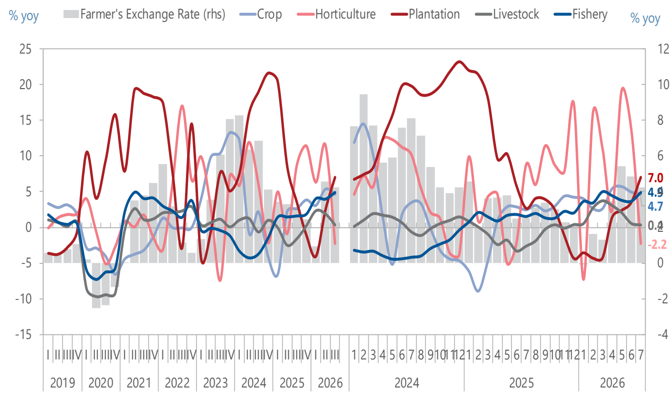
Source: BPS, calculated

Consumer Confidence Index



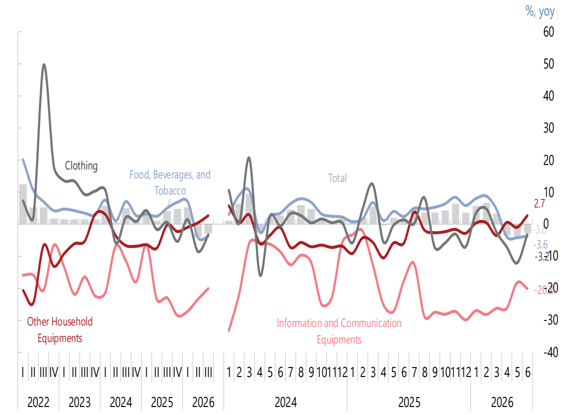
Source: Bank Indonesia. *Data as of July 2026

Farmers' Exchange Rate



Source: BPS, calculated. *Data as of July 2026

Retail Sales



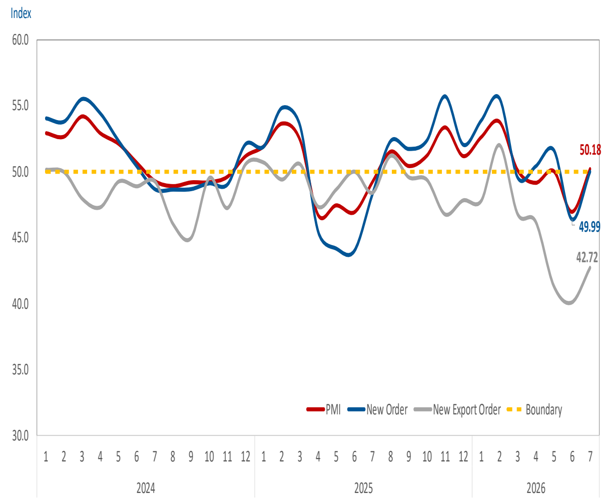
Source: Bank Indonesia. *Data as of June 2026

Realization of State Budget (APBN)

ITEMS	2024 Budget (IDR Trillion)	2024 Realization as of December 2024 (IDR Trillion)	2025 Budget (IDR Trillion)	2025 Realization as of December 2025 (IDR Trillion)	2026 Budget (IDR Trillion)	2026 Realization as of June 2026 (IDR Trillion)
A. State Income and Grants	2,463.0	2,842.5	3,005.1	2,756.3	3,153.6	1,459.4
I. Domestic Income	2,462.6	2,812.2	3,004.5	2,752.0	3,152.9	1,458.7
1. Tax Income	2,021.2	2,232.6	2,490.9	2,217.9	2,693.7	1,187.8
2. NonTax Income	441.4	579.5	513.6	534.1	459.2	271.0
II. Grant	0.4	30.3	0.6	4.3	0.7	0.7
B. State Expenditures	3,061.2	3,350.3	3,621.3	3,451.4	3,842.7	1,656.0
I. Central Government Expenditures	2,246.5	2,486.8	2,701.4	2,602.3	3,149.7	1,298.6
1. Employee Spending	442.6	464.5	521.5	501.1	580.7	321.2
2. Spending for Goods	387.0	493.3	486.9	546.9	714.1	267.9
3. Capital Expenditures	199.1	328.1	234.1	427.5	279.1	106.4
4. Payment of Debt Obligations	441.4	488.4	552.9	514.4	599.4	281.6
5. Subsidies	298.5	291.9	307.9	281.6	318.9	116.0
6. Grant Expenditure	0.0	0.1	0.2	0.3	0.4	(0.0)
7. Social Assistance	148.6	153.1	140.1	186.6	167.4	78.3
8. Other Expenditures	329.3	267.3	458.0	143.9	489.8	124.2
II. Transfer to Regions and Village Funds	814.7	863.5	919.9	849.0	693.0	357.4
1. Transfer to Regions	744.7	792.6	848.9	589.9	632.4	341.3
2. Village Funds	70.0	70.9	71.0	55.0	60.6	16.1
C. Primary Balance	(156.8)	(19.4)	(63.3)	(180.7)	(89.7)	85.1
D. Budget Surplus/Deficit	(598.2)	(507.8)	(616.2)	(695.1)	(689.1)	(196.5)
Surplus/Deficit (%GDP)	(2.8)	(2.3)	(2.5)	(2.9)	(2.7)	(0.8)

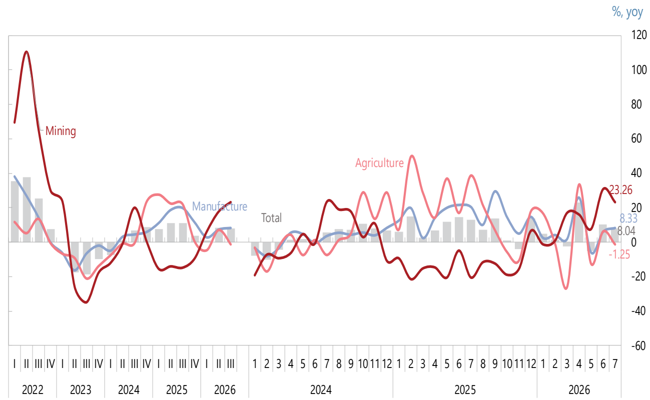
Source: Ministry of Finance

Manufacturing PMI



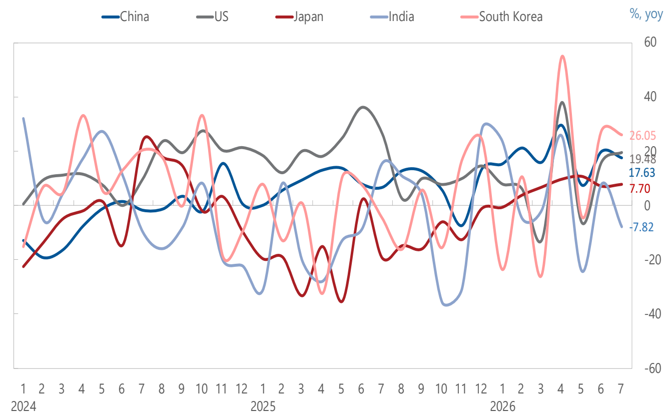
Source: Markit Economics

Non-oil and Gas Exports



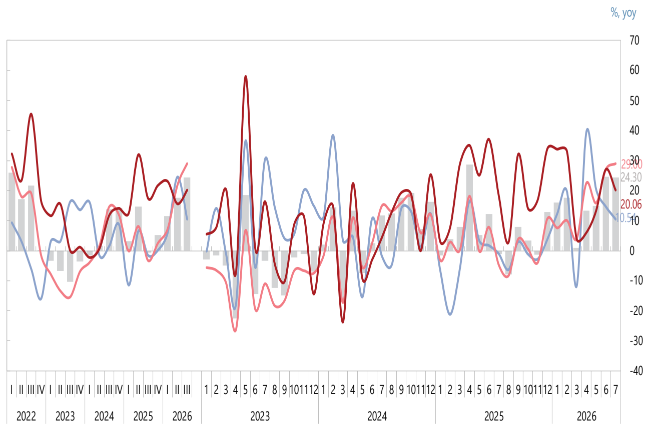
Source: Ministry of Finance, calculated by Bank Indonesia.
*Data as of July 2026

Non-Oil and Gas Exports to Main Destination Countries



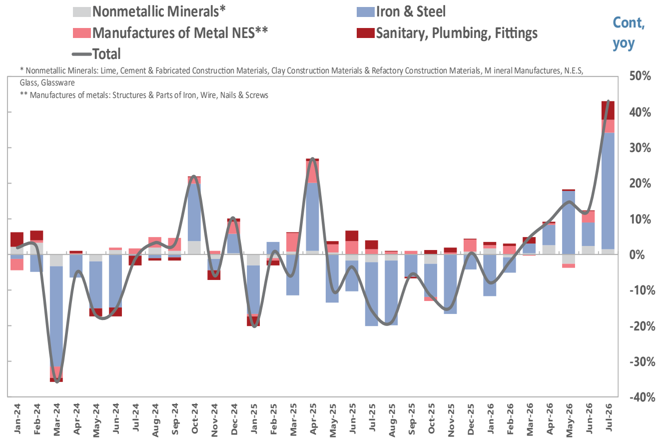
Source: Ministry of Finance, calculated by Bank Indonesia

Non-oil and Gas Imports



Source: Ministry of Finance, calculated by Bank Indonesia.
*Data as of July 2026

Import of Construction Goods



Source: Ministry of Finance, calculated by Bank Indonesia.
*Data as of July 2026

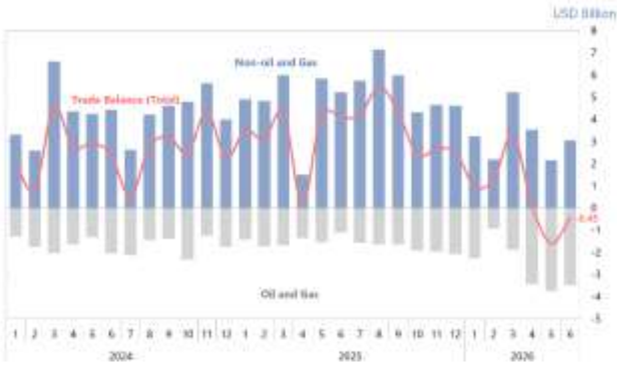
Indonesia's Balance of Payments (BOP) performance must continue to be strengthened to support external resilience. The Rupiah exchange rate strengthened, underpinned by Bank Indonesia's stabilisation policy response.

Indonesia's Balance of Payments

Items (Billion USD)	2023 I	II	III	IV	Total	2024 I	II	III	IV	Total	2025* I*	II*	III*	IV**	Total	2026** I**	II**
Current Account	2.9	-2.3	-1.3	-1.4	-2.6	-2.4	-3.0	-2.8	-1.1	-8.6	4.1	-2.9	4.1	-2.4	-1.3	-3.6	-12.5
A. Goods	14.8	10.3	10.2	11.4	46.3	9.3	16.0	9.2	11.5	39.8	13.1	16.5	16.8	10.2	49.9	8.2	1.3
- Exports, fob	66.8	61.6	62.5	65.9	257.7	61.9	62.5	67.5	71.3	263.1	65.9	58.0	73.9	72.6	280.4	66.4	73.4
- Imports, fob	-52.1	-51.6	-53.3	-54.5	-211.4	-52.6	-52.5	-58.3	-60.0	-223.3	-52.9	-57.5	-57.5	-62.4	-230.5	-58.2	-72.1
a. Non-Oil and Gas	19.0	15.2	16.0	17.7	67.8	15.1	15.2	14.7	17.6	62.8	18.8	15.7	20.8	16.5	71.8	15.3	12.1
b. Oil and Gas	-3.9	-4.7	-3.4	-5.9	-19.9	-5.5	-4.6	-4.4	-6.1	-19.6	-4.7	-4.2	-4.9	-8.7	-19.5	-8.1	-10.2
B. Services	-4.5	-4.6	-3.9	-4.8	-17.7	-4.2	-5.0	-4.2	-6.1	-18.5	-6.4	-6.3	-4.3	-6.2	-20.2	-4.4	-6.9
C. Primary Income	-8.8	-9.2	-8.8	-9.3	-36.0	-8.8	-8.5	-8.6	-9.0	-35.8	-8.3	-8.8	-9.4	-9.1	-37.6	-8.1	-8.7
D. Secondary Income	1.4	1.4	1.3	1.3	5.4	1.3	1.4	1.5	1.6	5.9	1.6	1.7	1.7	1.8	6.7	1.8	1.8
Capital and Financial Account	4.0	-4.4	-4.5	10.8	5.9	-2.4	3.6	8.1	9.6	18.9	4.3	-4.3	-8.6	9.2	-4.1	-4.8	12.0
1. Direct Investment	4.4	3.9	2.7	3.4	14.4	4.8	3.4	5.1	3.6	15.9	2.8	4.0	4.5	3.4	14.5	2.3	2.8
2. Portfolio Investment	3.0	-2.5	-3.0	4.5	2.3	-2.1	3.1	5.8	-2.5	8.2	1.0	-8.0	-6.8	4.7	-9.2	0.2	10.0
3. Other Investment	-3.4	-5.7	-8.2	2.4	-4.8	-5.1	-2.9	-6.9	8.4	-6.4	4.2	-8.3	-6.2	0.9	-9.8	-7.3	8.8
Overall Balance	6.5	-7.4	-1.5	8.6	6.3	-6.0	-0.6	5.5	7.9	7.2	-0.8	-6.7	-6.4	6.1	-7.8	-8.1	-0.5
Memorandum																	
- Reserve Assets Position	145.2	137.5	134.9	146.4	146.4	140.4	140.2	149.9	155.7	155.7	157.1	152.6	148.7	156.5	156.5	148.2	145.6
In Months of Imports & Official Debt Repayment	6.2	5.9	6.0	6.5	6.5	6.2	6.1	6.4	6.5	6.5	6.5	6.1	5.8	6.2	6.2	5.8	5.4
- Current Account (% GDP)	0.9	-0.7	-0.4	-0.4	-0.2	-0.7	-0.9	-0.6	-0.3	-0.6	0.0	-0.8	1.1	-0.6	-0.1	-1.0	-3.3

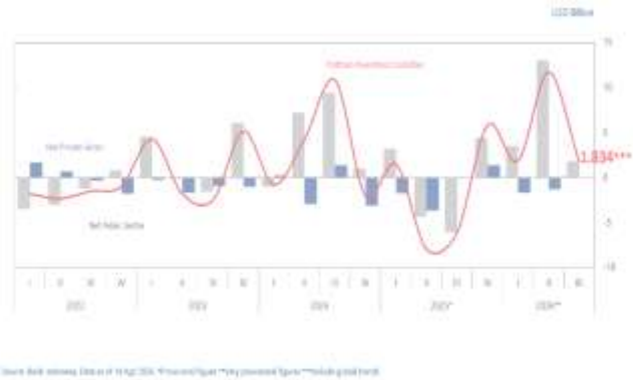
Source: Bank Indonesia. *Provisional Figures;
**Very Provisional Figures

Trade Balance



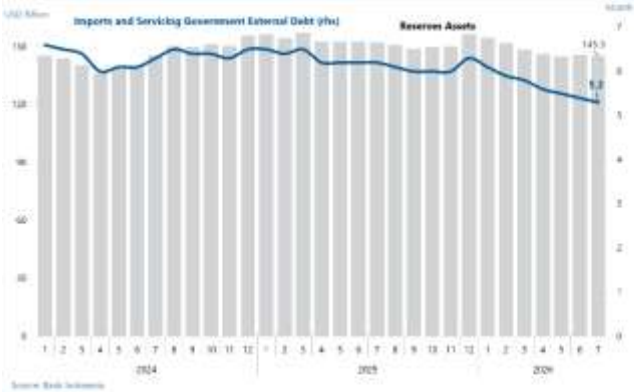
Source: BPS

Foreign Capital Flows



Source: Bank Indonesia. Data as of 14th Aug 2026 *Provisional Figures **Very Provisional Figures ***incl. Global Bonds Issuance amounting to USD 1.012 million

Official Reserve Assets



Source: Bank Indonesia

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

Source: Bloomberg. Data as of 18th Aug 2026

Peer Countries' Interest Rate Policies

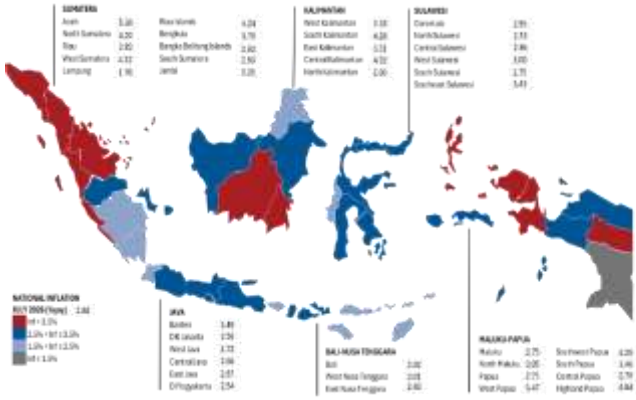
Source: Bloomberg. Data as of 14th Aug 2026

Consumer Price Index (CPI) inflation remains within the target range.

CPI Inflation and Component

Source: BPS

Inflation Rate across Provinces



Source: BPS

Inflation Expectation

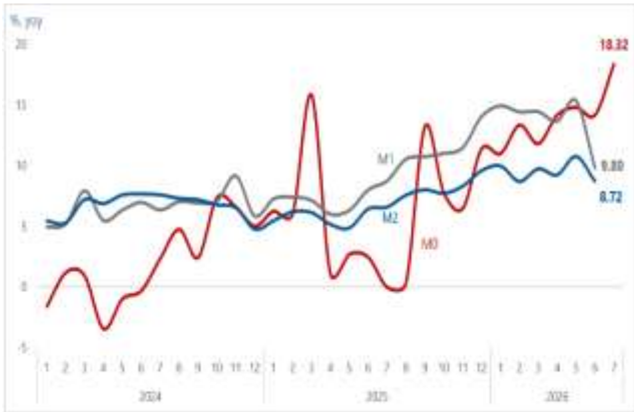
Source: Consensus Economics

Bank Indonesia continues strengthening policies to maintain adequate liquidity in the money market, banking industry and economy, consistent with achieving the inflation target.

SRBI Outstanding Position

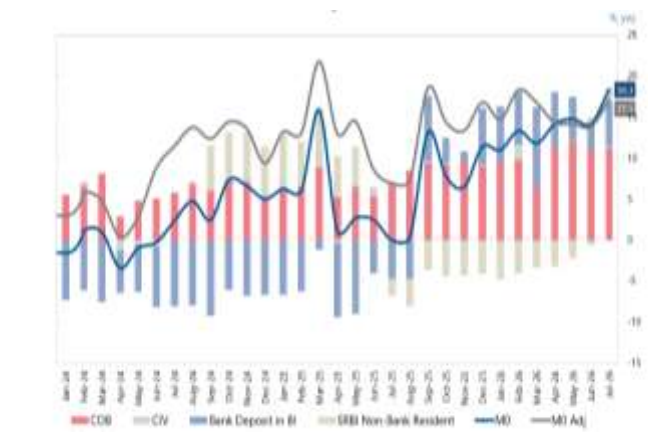
Source: Bank Indonesia. Data as of August 18, 2026

Money Supply



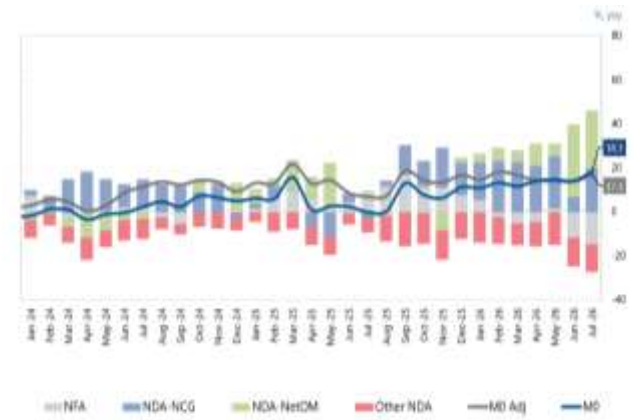
Source: Bank Indonesia

M0, M0 Adjusted, and the Component



Source: Bank Indonesia

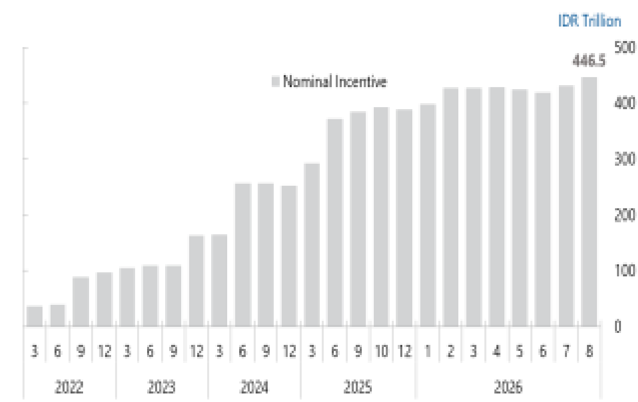
Factor Influencing M0 and M0 Adjusted



Source: Bank Indonesia

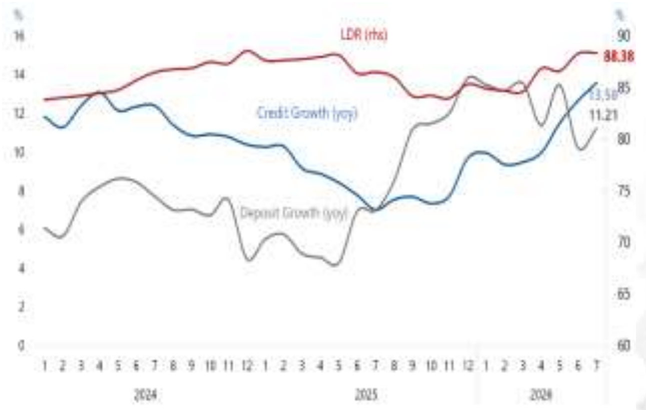
Banking intermediation continues to increase, supported by maintained banking system resilience.

KLM Incentives Disbursement



Source: Bank Indonesia

Credit and Deposit Developments

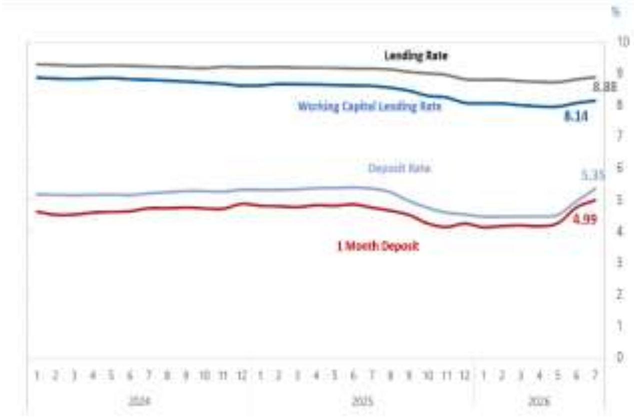


Source: Bank Indonesia

BI-Rate Transmission to PLR

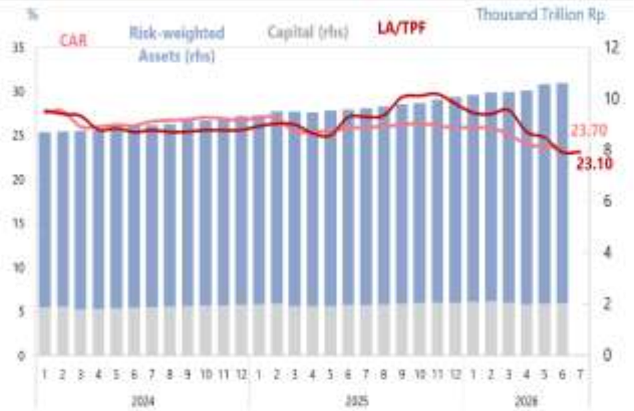
Source: Bank Indonesia, calculated

Banking Interest Rates



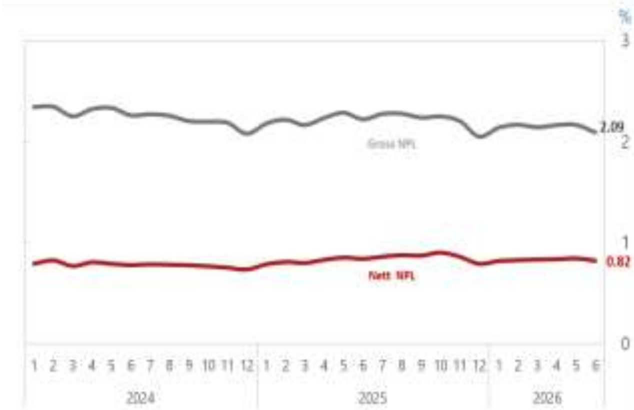
Source: Bank Indonesia

The Ratio of Liquid Assets to Deposits and Capital Banking



Source: Bank Indonesia

Credit Risk (NPL)



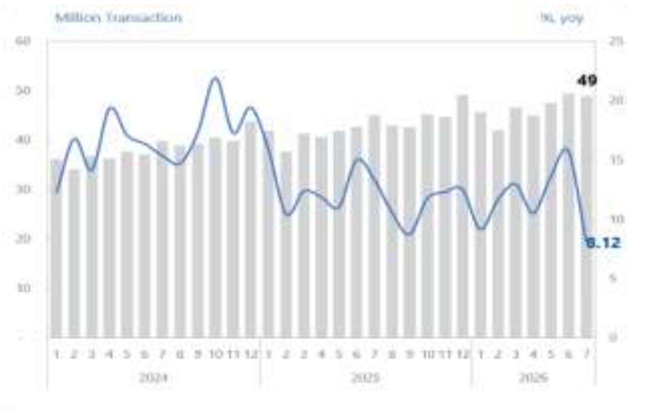
Source: Bank Indonesia, OJK

Digital economic and financial transactions continued to grow in July 2026, supported by secure, seamless and reliable payment systems as well as stable infrastructure and a sound industry structure.

Electronic Money Transactions Volume

Source: Bank Indonesia

Credit Card Transactions Volume

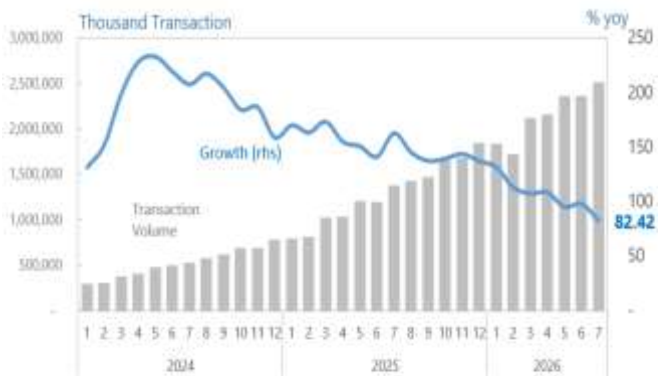


Source: Bank Indonesia

Digital Banking Transactions Volume

Source: Bank Indonesia

QRIS Transactions Volume

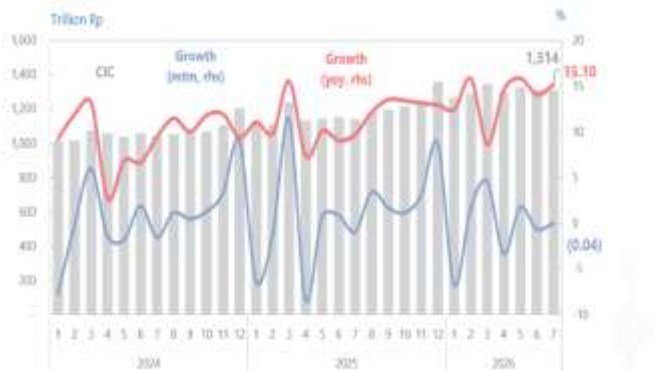


Source: Bank Indonesia

BI-FAST and BI-RTGS Transactions Volume

Source: Bank Indonesia

Currency in Circulation



Source: Bank Indonesia

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