

M E T A D A T A

0. CONTACT

0.1. Dissemination Agency	:	Statistics Departement, Bank Indonesia
0.2. Contact Address	:	Jl. M.H. Thamrin No.2, Jakarta
0.3. Contact Phone Number	:	Contact Center Bank Indonesia (BI BICARA (+6221 131))
0.4. Contact Fax	:	-
0.5. Contact Email Address	:	bicara@bi.go.id

1. BASIC INFORMATION

1.1. Data Name

Weighted Net Balance (WNB) of Business Activity

1.2. Status Update

2023

1.3. Legal/Regulatory Basis

- Bank Indonesia is the Central Bank in accordance with the mandate of Act No. 23 of 1999 concerning Bank Indonesia, as amended several times, most recently by Act No. 4 of 2023 concerning Financial Sector Development and Strengthening, Act No. 6 of 2009 concerning Government Regulation in Lieu of Law No. 2 of 2008, as the second amendment of Act No. 23 of 1999 concerning Bank Indonesia.
- Article 14, Paragraph (1) of the Bank Indonesia Act states that Bank Indonesia may conduct macro and micro surveys periodically or as necessary to support task implementation at Bank Indonesia in terms of regulating and implementing monetary policy to create and maintain rupiah stability.

1.4. Confidentiality

- Bank Indonesia must maintain the confidentiality of data sources and individual data (survey results) in accordance with the Bank Indonesia Act (No. 23) of 1999.
- Bank Indonesia presents aggregate and public data. As a public institution, Bank Indonesia is committed to managing and maintaining public information disclosure in accordance with the Information Disclosure Act (KIP) and prevailing regulations.

1.5. Quality Management

- Bank Indonesia conducts periodic reviews to identify the measures necessary to maintain statistical quality standards as required.
- Bank Indonesia issues an Advance Release Calendar (ARC) as a tool for management to control the timeliness of the statistics published.

2. STATISTICAL PRESENTATION

2.1. Data Description

The Weighted Net Balance (WNB) of Business Activity is a leading indicator based on the Bank Indonesia Business Survey (BIBS). The WNB of Business Activity indicates the condition of economic activity developments in the real sector on a quarterly basis, namely as a comparison between the current period and the previous period as well as predictions of business activity for the upcoming period.

2.2. Concept, Definition and Data Scope

The Business Survey (BIBS) has been conducted since the first quarter of 1993. The target respondents are priority business players, including medium and large enterprises, based on sales/turnover, assets, and/or total labour.

The outputs of the business survey are as follows:

- Business Activity, Labour Utilisation, Investment and Selling Prices in the form of a **Weighted Net Balance (WNB)**
- Financial Conditions (Liquidity, Profitability and Access to Credit) in the form of a **Net Balance (NB)**
- Production Capacity and Inflation Expectations in the form of **averages**

After an expansion of the sampling frame in 2007, the scope of data increased from a sample of 2,000 to 2,400 companies. In 2015, the sample increased again to ±3,000 respondents distributed in 34 provinces. The Bank Indonesia Business Survey (BIBS) is conducted by 44 Bank Indonesia Representative Offices.

Until the **fourth quarter of 2022**, the scope of the survey comprised 9 sectors according to the GDP Base Year of 2000 as follows:

1. Agriculture, Livestock, Forestry and Fisheries,
2. Mining and Quarrying,
3. Manufacturing Industry,
4. Utilities (electricity, gas and water),
5. Construction,
6. Trade, Hotels and Restaurants,
7. Transport and Communication,
8. Financial, Real Estate and Corporate Services,
9. Services.

In 2023, the classification was updated to **17 sectors** referring to the System of National Accounts (SNA) 2008 and update to the base year from 2000 to 2010 as follows:

1. Agriculture, Forestry and Fishing,
2. Mining and Quarrying,
3. Manufacturing,
4. Electricity and Gas Supply,
5. Water Supply; Sewerage, Waste Management and Remediation Activities,

6. Construction,
7. Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles,
8. Transportation and Storage,
9. Accommodation and Food Service Activities,
10. Information and Communication,
11. Financial and Insurance Services,
12. Real Estate Activities,
13. Business Services,
14. Public Administration, Defense and Compulsory Social Security,
15. Education,
16. Human Health and Social Work Activities,
17. Other Services Activities.

In more granular detail, each subsector of the surveyed sectors is as follows:

1. Agriculture, Forestry and Fishing
 - a. Agriculture, Livestock, Hunting and Agricultural Services subsector
 - (i) Food Crops,
 - (ii) Horticultural Crops,
 - (iii) Plantation Crops,
 - (iv) Livestock,
 - (v) Agricultural and Hunting Services.
 - b. Forestry and Logging
 - c. Fishing
2. Mining and Quarrying
 - a. Oil and Natural Gas Mining subsector,
 - b. Coal and Lignite Mining subsector,
 - c. Metalliferous Ore Mining subsector,
 - d. Other Mining and Quarrying subsector.
3. Manufacturing Industry
 - a. Coal and Oil/Gas Refining subsector,
 - b. Food and Beverage Manufacturing subsector,
 - c. Tobacco Processing subsector,
 - d. Textiles and Wearing Apparel subsector,
 - e. Leather, Leather Products and Footwear subsector,
 - f. Wood, Products of Wood and Cork and Woven Products from Bamboo, Rattan and Similar Materials subsector,
 - g. Paper and Paper Products, Printing and Reproduction of Recorded Media subsector, h) Chemicals, Pharmaceuticals and Traditional Medicaments subsector,
 - h. Rubber, Rubber Products and Plastics subsector,
 - i. Non-Metallic Mineral Products subsector,
 - j. Basic Metals subsector,
 - k. Fabricated Metal Products, Computers, Electronics, Optical Products and Electrical Equipment subsector,
 - l. Machinery and Equipment subsector,

- m. Transportation Equipment subsector,
- n. Furniture subsector,
- o. Other Manufacturing, Repair and Installation of Machinery and Equipment subsector.
- 4. Electricity Supply
 - a. Electrical Power Generation subsector,
 - b. Gas Supply and Ice Production subsector.
- 5. Water Supply; Sewerage, Waste Management and Remediation Activities
- 6. Construction
- 7. Wholesale and Retail Trade, and Repair of Motor Vehicles and Motorcycles
 - a. Sale of Motor Vehicles, Motorcycles and Repair subsector,
 - b. Wholesale and Retail Trade, except of Motor Vehicles and Motorcycles subsector.
- 8. Transportation and Storage
 - a. Rail Transport subsector,
 - b. Land Transport subsector,
 - c. Sea Transport subsector,
 - d. Inland Water Transport and Ferry Crossing subsector,
 - e. Air Transport subsector,
 - f. Warehousing and Support Activities for Transportation, Postal and Courier Activities subsector.
- 9. Accommodation and Food Service Activities
 - a. Accommodation subsector,
 - b. Food and Beverage Service Activities subsector.
- 10. Information and Communication
- 11. Financial Services
 - a. Financial Intermediation subsector,
 - b. Insurance and Pension Funding subsector,
 - c. Other Financial Service Activities subsector,
 - d. Supporting Financial Service Activities subsector.
- 12. Real Estate
- 13. Corporate Services
- 14. Public Administration, Defence and Compulsory Social Security
- 15. Education
- 16. Human Health and Social Work Activities
- 17. Other Service Activities

The approach used to measure business activity in each sector is production volume, sales value, contract value, building sales, corporate revenue and operational income.

The Bank Indonesia Business Survey (BIBS) is conducted via online survey, mail survey or face-to-face interviews with respondents. Respondents can submit their answers via the following methods:

1. Completing the integrated online survey.
2. Completing the hardcopy questionnaire and submitting to Bank Indonesia via post, email or facsimile.
3. Face-to-face interview with BI officer or third-party surveyor.
4. Completing the integrated online survey.

5. Completing the hardcopy questionnaire and submitting to Bank Indonesia via post, email or facsimile.
6. Face-to-face interview with BI officer or third-party surveyor.

Questionnaire Scope

In the second quarter of 2006, the BIBS questionnaire categories were streamlined from 20 to 9 questionnaire categories. This was achieved by combining questionnaire categories among sectors with the same characteristics. The 9 questionnaire categories are as follows:

- Category 1 : Agriculture, Forestry and Fishing
- Category 2 : Mining and Quarrying
- Category 3 : Manufacturing
- Category 4 : Electricity and Gas Supply, Water Supply; Sewerage, Waste Management and Remediation Activities
- Category 5 : Construction
- Category 6 : Wholesale and Retail Trade, and Repair of Motor Vehicles and Motorcycles
- Category 7 : Transportation and Storage, Accommodation and Food Service Activities, Information and Communication, Public Administration, Defense and Compulsory Social Security, Education, Human Health and Social Work Activities, Other Service Activities
- Category 8 : Real Estate Activities, Business Services
- Category 9 : Financial and Insurance Services

The primary questions in each questionnaire category are as follows:

1. General company information
2. Order volume (applicable to Categories 1-4)
3. Production capacity (applicable to Categories 1-4)
4. Financial conditions and access to credit
5. Business activity (production volume/sales value), actual and predicted
6. Selling prices, actual and predicted
7. Labour utilisation, actual and predicted
8. Investment, actual and predicted
9. Inventory
10. Inflation expectations
11. Halal certification

In addition to the primary questions that are asked routinely each quarter, several questions are also asked on a semesterly basis as follows:

Description	Wages	Investment
Period	Q1 and Q3 Surveys	Q2 and Q4 Surveys
Question	<ol style="list-style-type: none"> 1. Average wage 2. Estimated average wage of foreman/supervisor and non-foreman/supervisor 	<ol style="list-style-type: none"> 1. Realised investment 2. Purpose of realised investment 3. Form of realised investment 4. Planned investment

	3. Affecting factors of higher/lower wages 4. Estimated margin/profit 5. Estimated minimum profit margin for business sustainability	5. Purpose of planned investment 6. Sources of finance for planned investment 7. Impediments to planned investment
--	--	--

2.3. Measurement Units

Data is stated as a % weighted net balance (WNB), % net balance (NB) or % average Data/questionnaires must be submitted by the fourth week of the last month of the survey period.

2.4. Reference Period

Quarterly

3. SOURCE DATA

3.1 Data Provider/Source: Bank Indonesia Business Survey (BIBS)

3.2 Timeliness: Two weeks after survey period

4. STATISTICS MANAGEMENT

The respondents of the Business Survey (BIBS) currently total a sample of ±3,000 medium and large enterprises based on sales/turnover value, assets and/or total labour, distributed throughout 34 provinces surveyed by Bank Indonesia Representative Offices. BIBS respondents are selected using the purposive sampling method based on sectoral contribution to the regional and national economy. The panel of respondents is subject to periodic review based on various criteria. Respondents can be replaced by a similar enterprise in terms of criteria and business scale.

In the second quarter of 2024, business activity data was compiled using the weighted net balance (WNB) method with the share of GDP based on constant prices in 2000 in each subsector as a weight.

In the first quarter of 2023, the output weight was updated in line with the updated base year of Gross Domestic Product (GDP) from 2000 to 2010.

Qualitative Data Analysis

a. Net balance (NB) Method

The net balance method is calculated as the difference between the percentage of respondents predicting an 'increase' response and the percentage of respondents predicting a 'decrease' response or 'same' response.

$$\text{Net Balance} = \% \text{ Increase Response} - \% \text{ Decrease Response}$$

b. Weighted Net Balance (WNB) Method

The net balance for each sector is subsequently multiplied by the weight of the respective sector based on its share to GDP in 2010 in order to obtain the weighted net balance (WNB).

$$\text{Weighted Net Balance} = \text{Net Balance} \times \text{Weight}$$

The WNB of each sector is the sum of the weighted net balance for each subsector, while the overall sectoral WNB is the sum of the weighted net balance of each sector in the survey. The total WNB for all sectors is used as a proxy for business activity in the real sector.

The net balance (NB) and weighted net balance (WNB) of business activity can be interpreted as follows:

- X > 0: percentage of respondents predicting an 'increase' response exceeds percentage of respondents predicting a 'decrease' response, implying business activity will increase compared with the previous period.
- X = 0: percentage of respondents predicting an 'increase' response and percentage of respondents predicting a 'decrease' response are balanced, implying business activity will remain the same compared with the previous period.
- X < 0: percentage of respondents predicting a 'decrease' response exceeds percentage of respondents predicting an 'increase' response, implying business activity will decrease compared with the previous period.

Where:

X = Net Balance (NB) or Weighted Net Balance (WNB) of the sector.

Quantitative Data Analysis

1. Simple Average Method

Namely by calculating the number of quantitative responses from the corresponding variable divided by the number of respondents.

2. Pooling Method

Namely by collating the same data/information from respondents into specific groups and calculating the percentage of total data/information received from the respondents.

The approach used to measure business activity in each sector is as follows:

1. Categories 1-4 use production volume.
2. Category 5 uses contract value, corporate revenue and building sales.
3. Category 6 uses sales value.
4. Categories 7-9 use operational income and sales value.

5. DISSEMINATION

5.1. Dissemination Frequency

Quarterly

5.2. Timeliness

Two weeks after survey period

5.3. Dissemination Policy

Two weeks after survey period

5.4. Consistency

Validation and coordination with relevant parties is implemented periodically to obtain consistent survey data results.

5.5. Data Revision

Fundamental changes to the methodology will be informed upon first release of data using the updated methodology.

5.6. Dissemination Format

Data is presented in PDF format (report) and Excel data series on the official Bank Indonesia website.

5.7. Document Accessibility

Bank Indonesia website (<https://www.bi.go.id/>)