

M E T A D A T A

0. CONTACT

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1. BASIC INFORMATION

1.1. Data Name

Broad Money and Its Affecting Factors

1.2. Status Update

August 2024

1.3. Regulatory/Legal Basis

- Bank Indonesia (BI) is the central bank in accordance with the mandate of the Bank Indonesia Act (No. 23) of 1999, which has been amended several times, most recently by Act No. 4 of 2023 concerning Financial Sector Development and Strengthening (P2SK).
- Bank Indonesia may process and disseminate data and/or information related to the implementation of Bank Indonesia's tasks through a digital information system and/or other mechanisms in accordance with the provisions of laws and regulations as stipulated in Act No. 4 of 2023 concerning Financial Sector Development and Strengthening (P2SK).
- In accordance with the Public Information Disclosure Act, all public information is open and accessible to all Public Information Users.
- In the context of managing and providing Public Information, Bank Indonesia as a Public Institution – Non-Ministerial Government Agency (LN-LPNK) provides statistics that are available to the public.

1.4. Data Confidentiality

- Any person who knows confidential information, whether due to their position, profession, as a supervised party, or any relationship with Bank Indonesia, is prohibited from using or disclosing such information to other parties, except in the context of carrying out their functions, tasks, and authorities based on Bank Indonesia's decision or required by law as regulated in Act Number 4 of 2023 concerning Financial Sector Development and Strengthening (P2SK).
- Bank Indonesia presents aggregate data and publicly available. As a public institution, Bank Indonesia is committed to managing and maintaining public information disclosure in accordance with the Public Information Disclosure Act and other prevailing regulations.

1.5. Quality Management

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

2. PRESENTATION OF STATISTICS

2.1. Data Description

Broad Money is monetary system liabilities (central bank, commercial and rural banks) to domestic private sector (excluded central government and non-resident). In July 2013, the data coverage was expanded by including the sharia rural bank which also part of monetary system. Since then, the monetary system covers central bank, commercial conventional and sharia bank, as well as conventional and sharia rural bank. This inclusion was applied since January 2012 data.

2.2. Concepts, Definitions, and Scope of the Data

Concepts and Definitions

Broad Money and Its Affecting Factors compiled based on balance sheet of the Monetary System as a consolidation of Analytical Balance Sheet of Monetary Authority (Base Money) and Analytical Balance Sheet of Commercial Banks dan Rural Banks based on

Money and Monetary and Financial Statistics Manual & Compilation Guide (MFSMCG) by International Monetary Fund (IMF), 2016 edition.

The **Components of Broad Money** consist of currency outside banks (COB), demand deposit including electronic money issued by banks, quasi-money held by the domestic private sector, as well as securities other than shares issued by the monetary system and held by the domestic private sector with remaining maturities of up to 1 (one) year.

The definition of Broad Money components as follows:

- **Broad Money (M2)** comprise of M1, quasi money, and securities other than shares issued by monetary system owned by domestic private sector, with remaining maturity up to 1 (one) year.
- **Narrow Money (M1)** comprise of currency holds by domestic private sectors, demand deposits including electronic money, and rupiah saving deposits that can be withdrawn at any time.
- **Currency** consists of notes and coins issued by Bank Indonesia as a legal tender.
- **Demand Deposits** are deposits of domestic private sector at Bank Indonesia and Commercial Bank (currently Rural Bank is not allowed to collect fund in the form of demand deposits) which may be withdrawn at any time and exchanged with currency at nominal value. Demand deposits consist of rupiah demand deposits held by residents, transfers, and remittances, as well as rupiah savings deposit that can be withdrawn at any time. Blocked demand deposits and saving deposits are excluded from this classification.
- **Quasi Money** is deposits of domestic private sector at Commercial and Rural Banks which possess several functions of money, whether as unit of account, store of value, or standard of deferred payment, but temporarily losing its function as a medium of exchange. By that means, quasi money comprises of time deposit and other saving deposit in rupiah, and other private sector deposits denominated in foreign currency (e.g. demand deposits denominated in foreign currency). Blocked time deposits and saving deposits are excluded from this classification.
- **Quasi-money** includes savings deposits held by the domestic private sector at Commercial Banks and Rural Banks that can fulfil the function of currency, namely

as a unit of account, store of wealth or a standard of deferred payment, yet temporarily loses its function as a medium of exchange. Quasi-money includes rupiah time deposits and other rupiah savings deposits, as well as accounts held by the domestic private sector in a foreign currency (including demand deposits and time deposits denominated in a foreign currency). This excludes blocked foreign currency demand deposits, other savings deposits and time deposits..

- **Net Foreign Asset** is the difference of claims and liabilities of monetary system to non-residents.
- **Non-resident** is individual, legal entities or other entities domicile outside Indonesia, domicile or planning to domicile in Indonesia less than 1 (one) year, including embassy and diplomatic staff in Indonesia, or which have a centre of economic interest in Indonesia.
- **Net Claims on Central Government (NCG)** is the difference of claims and liabilities of monetary system to Central Government. Central government covers all institutions financed by Central Government using State Budget (APBN), for instance Ministries, including its representatives and units at regional level which also financed by State Budget.
- **Claims on Other Sectors** are claims of monetary system in the form of Loans and Other Claims (such as advance payment and other loans) to Other Financial Institutions, Regional Government, Public Non Financial Corporations, and Other Private Sectors.
- **Deposits and Securities Other Than Shares excluded from Broad Money** are deposits and securities owned by third party at the monetary system which excluded from Broad Money, comprise of blocked demand deposit account (used as escrow account and deposit guarantee), blocked savings deposit account, blocked time deposit account, certificate of deposits and securities other than shares issued by monetary system and owned by domestic private sector with remaining maturity more than 1 (one) year.
- **Shares and Other Equities** are funds raised by monetary system denominated in rupiah and foreign currency, e.g. paid in capital, loan capital (included agio and

disagio), contributed capital, general reserves, specific reserves, and profit/loss (current and previous years).

- **Net Other Assets** are the difference of claims and liabilities of monetary system.

Scope of the Data

Data concerning Broad Money and its Affecting Factors are presented based on the components of Broad Money and the Factors that Affect Broad Money.

Components of Broad Money consist of:

- Narrow Money (M1)
- Quasi Money
- Securities other than shares issued by monetary system and owned by domestic private sector with remaining maturity less than 1 (one) year.

M1 consists of:

- Currency outside banks
- Demand deposits (denominated in rupiah), including electronic money issued by Bank.
- Rupiah saving deposits that can be withdrawn at anytime

Quasi Money consist of:

- Time deposits (denominated in rupiah and foreign currency)
- Other savings deposits (denominated in rupiah and foreign currency)
- Demand deposits (denominated in foreign currency).

Affecting Factors of Broad Money:

- Net Foreign Assets / NFA
- Net Domestic Assets / NDA

Net Foreign Assets / NFA comprise of:

- Claims on Non-Resident
- Liabilities to Non-Resident

Net Domestic Assets (NDA) consist of:

- Net Claims on Central Government (NCG), consist of Claims on and Liabilities to Central Government
- Claims on Other Sectors, comprise of:
 - Claims on Other Financial Corporations
 - Claims on Regional Government
 - Claims on Non-Financial Corporations (NFC)
 - Claims on Private Sector, including Disbursed Loans and Other Claims
- Deposits and Securities Other than Shares excluded from the components of broad money
- Other Liabilities to Financial Institutions
- Shares and Other Equity
- Net Other Items (NOI)

2.3. Units of Measurement

Unit: All data presented in billions

Currency: Rupiah

2.4. Reference Period

Monthly

3. SOURCE OF THE DATA

- Bank Indonesia: BI Balance Sheet
- Commercial Banks: Integrated Commercial Bank Report (LBUT)
- Rural Banks: Rural Bank Monthly Report (LBBPR) and Sharia Rural Bank Monthly Report (LBBPRS).

4. METHODOLOGY

4.1. Data Compilation and Calculation Methods

- Collection and calculation methods of Analytical Balance Sheet of Monetary Authority (Base Money)

Analytical Balance Sheet of Monetary Authority compiled from balance sheet of Bank Indonesia by classifying account based on instruments and counterparties to obtain sectoral balance sheet central bank (SBS-CB). Furthermore, SBS-CB are processed to produce the Analytical Balance Sheet of Monetary Authority / Central Bank Survey (CBS).

- Compilation and calculation of Commercial Bank and Rural Bank Analytical Balance Sheet

The Commercial Bank and Rural Bank Analytical Balance Sheet is compiled from the Integrated Commercial Bank Report (LBUT), Rural Bank Monthly Report (LBBPR) and Sharia Rural Bank Monthly Report (LBBPRS). The data received by Bank Indonesia is subsequently processed into the Sectoral Balance Sheet for Other Depository Corporations (SBS-ODC), which is processed to create the Commercial Bank and Rural Bank Analytical Balance Sheet/Other Depository Corporations Survey (ODCS).

- Compilation of Broad Money and its Affecting Factors

The Monetary System Balance Sheet is compiled by consolidating the monetary authority and commercial banks analytical balance sheets. Through consolidation, the intra-monetary system items are removed, for example cash and commercial bank demand deposit held at Bank Indonesia. Meanwhile, similar items are consolidated into one monetary system asset/liability.

4.2. Recording Method

- The accounting method refers to Bank Indonesia Accounting Principles (PAKBI) and Indonesia Banking Accounting Principles (PAPI) which is consistent with International Accounting Standard (IAS). Incomes and expenses transaction recorded using accrual basis method. The transaction denominated in foreign currency converted by using the JISDOR rate.
- Broad Money Component and Its Affecting Factors figures presented based on acquisition cost or amortised acquisition cost or fair value.
- Acquisition cost is cash or equivalent paid (received) in obtaining asset (issuing liabilities) during acquisition time.

- Amortised acquisition cost is the value of financial assets or liabilities at initial recognition deducted with principal payment, added, or deducted with the accumulation of amortization using effective interest rate, calculated by subtracting the value of financial assets or liabilities recognised at the initial transaction with the value recognised at the maturity time. Depreciation recorded by the formation of allowance for impairment losses.
- Fair value is the value at which an asset can be exchanged or a liability can be settled among related party which intended to perform an arm's length transaction.

5. DISSEMINATION

5.1. Dissemination Frequency

Monthly

5.2. Timeliness

- Five weeks after the end of reporting period (web publication)
- Nine weeks after of the end of period (print media)

5.3. Dissemination Policy

The Advance Release Calendar (ARC) is published each December before the upcoming year.

5.4. Consistency

Validation and coordination with relevant parties are conducted periodically to achieve data consistency.

5.5. Data Revision

The data are temporary (*) when first publication and final following month. Changes to the methodology are announced when new methodology data are published for the first time.

5.6. Dissemination Format

The data are presented in Excel and PDF formats.

5.7. Documentation Accessibility

Data is accessible via the official Bank Indonesia website (<https://www.bi.go.id>).