

FX Reserves:

Ends with a bang(?)

08 January 2026

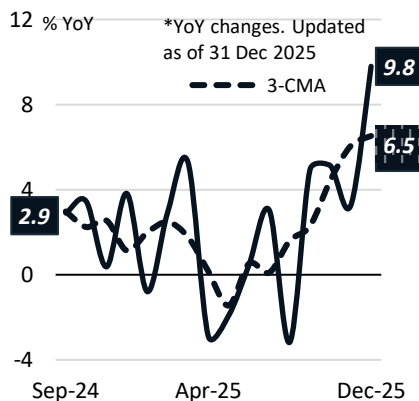
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BCA Consumer Spending Index*



BCA Business Transaction Index*



- Indonesia's FX reserves jumped to USD 156.5 Bn in Dec-25, from USD 150.1 Bn in Nov-25 (see **Chart 1**), primarily boosted by monthly net portfolio inflows and seasonal repatriation of overseas funds.

- The 'stabilizing hold' of BI December's meeting combined with The Fed cut seems **successful in maintaining Indonesia's investment attractiveness**. SRBI (+USD 1.64 Bn), equities (+USD 0.73 Bn), and domestic bonds (+USD 0.39 Bn) all recorded net inflows. However, it's important to note the inflow into SRBI are primarily concentrated in early December when BI briefly pushed net issuance back to positive territory.

- Another driving factor behind the rise are likely seasonal.** The year-end tax payments are likely pushing some exporters to repatriate their overseas funds, giving a boost to domestic FX liquidity. Unfortunately, all these inflows have meager results for the Rupiah, with the currency depreciating by 0.2% MoM against the greenback.

- Indeed, some of the weakness in Rupiah may stem from the Current Account side.** We have seen a general decline for exports in Oct-Nov, mainly fueled by the decline in "Big Three" commodities exports. Moreover, while nickel prices have soared in recent weeks, much of the rally are ignited by expectations of lower Indonesia output, potentially resulting in little change to overall exports value.

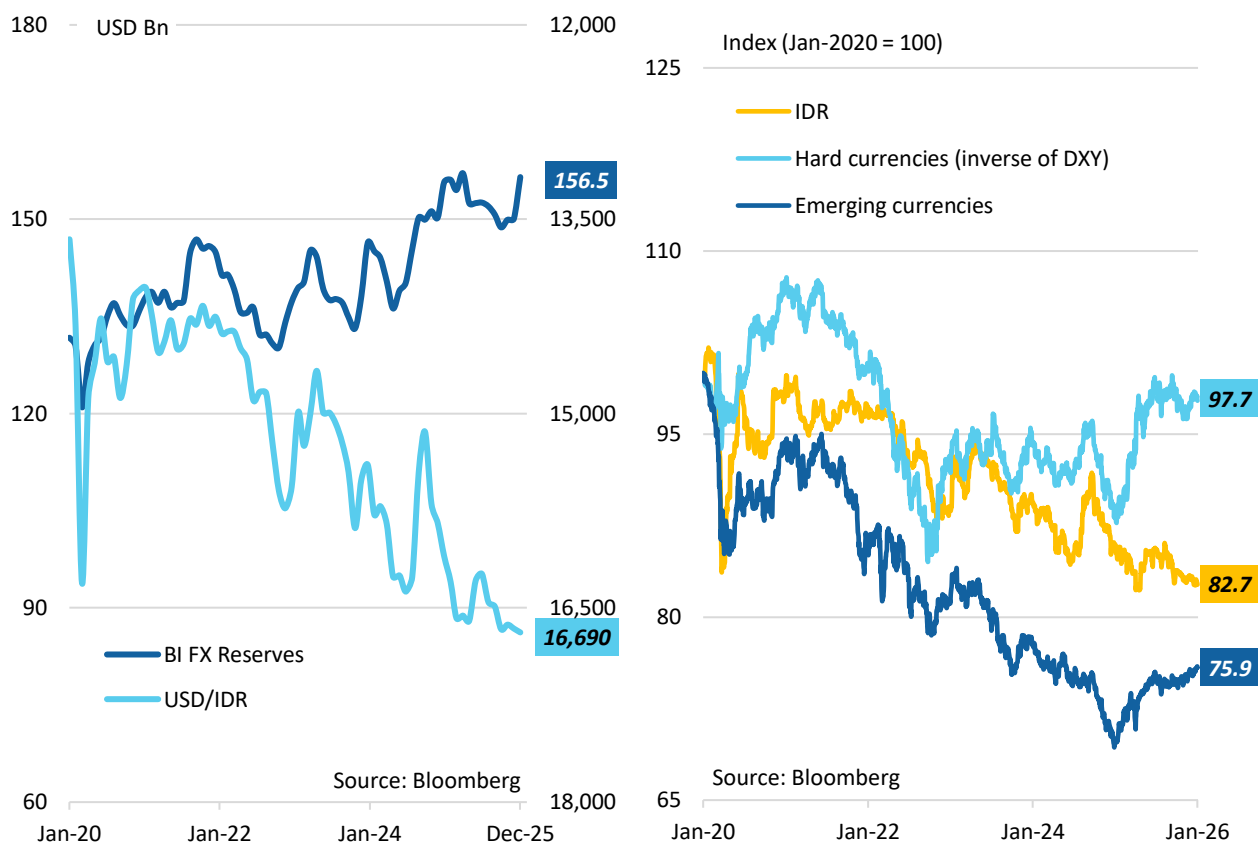
- Looking forward, there remains uncertainty regarding FX reserves level in 2026.** While the revised export proceeds rules have limited Rupiah conversion to 50%, it has also broadened the permitted usage of FX funds, increasing uncertainty over the

revision's impacts on overall usage patterns.

- Moreover, the stimulus BI has done so far coupled with the government's plans to accelerate spending may push up both inflations and imports, possibly causing BI to **shift some of its focus onto Rupiah stability**. This, coupled with the lingering uncertainty over The Fed's rate trajectory may nudge BI to adopt a wait-and-see attitude at its January meeting.

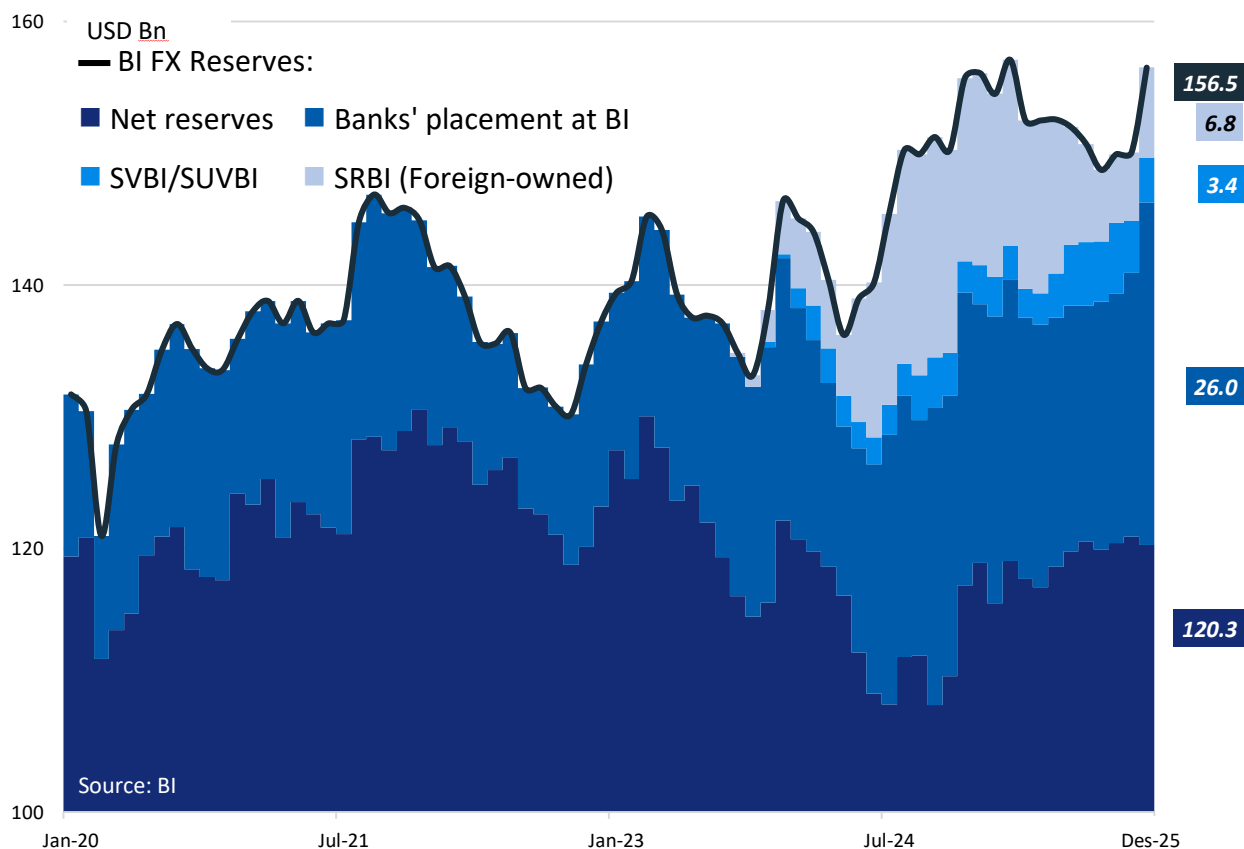
1

FX reserves rose in December, help blunting Rupiah's pace of depreciation



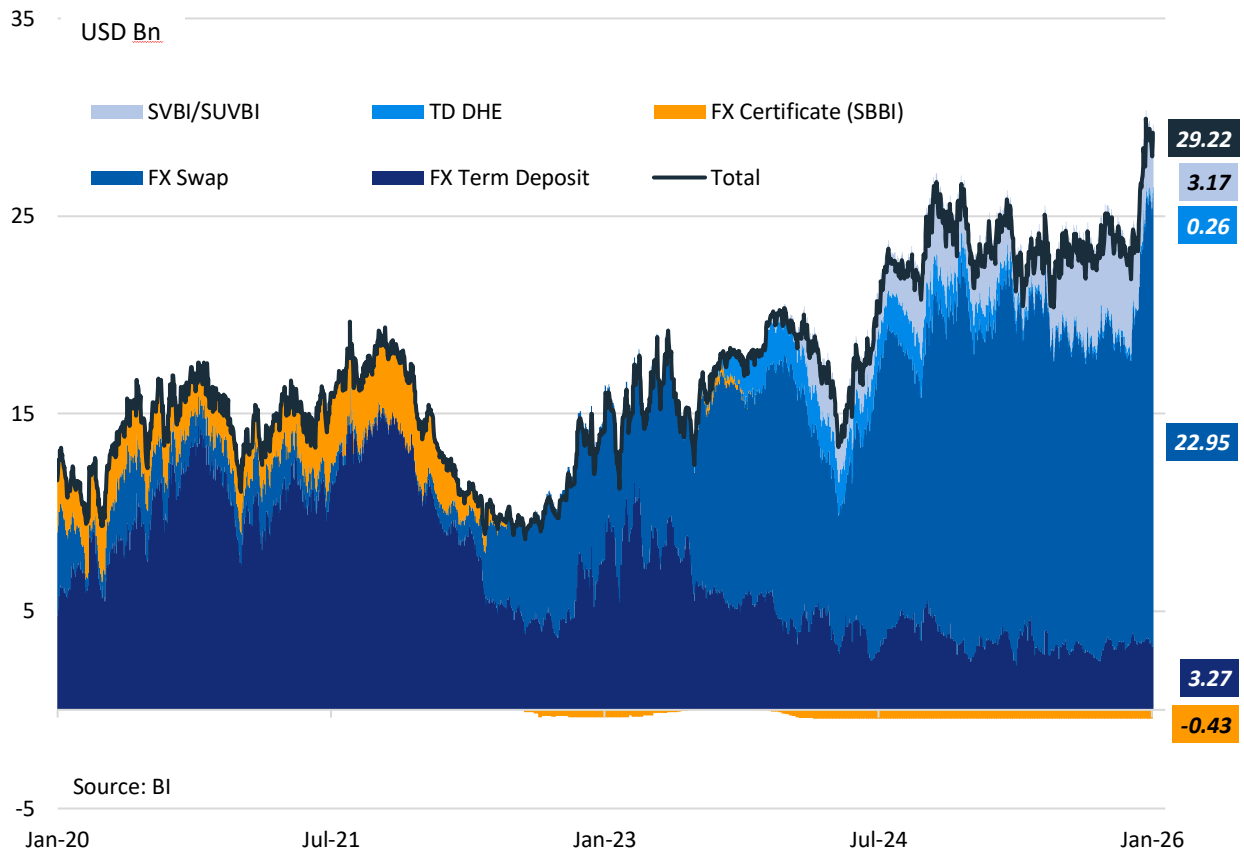
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FX reserves rise in December partially helped by foreign inflow to SRBI



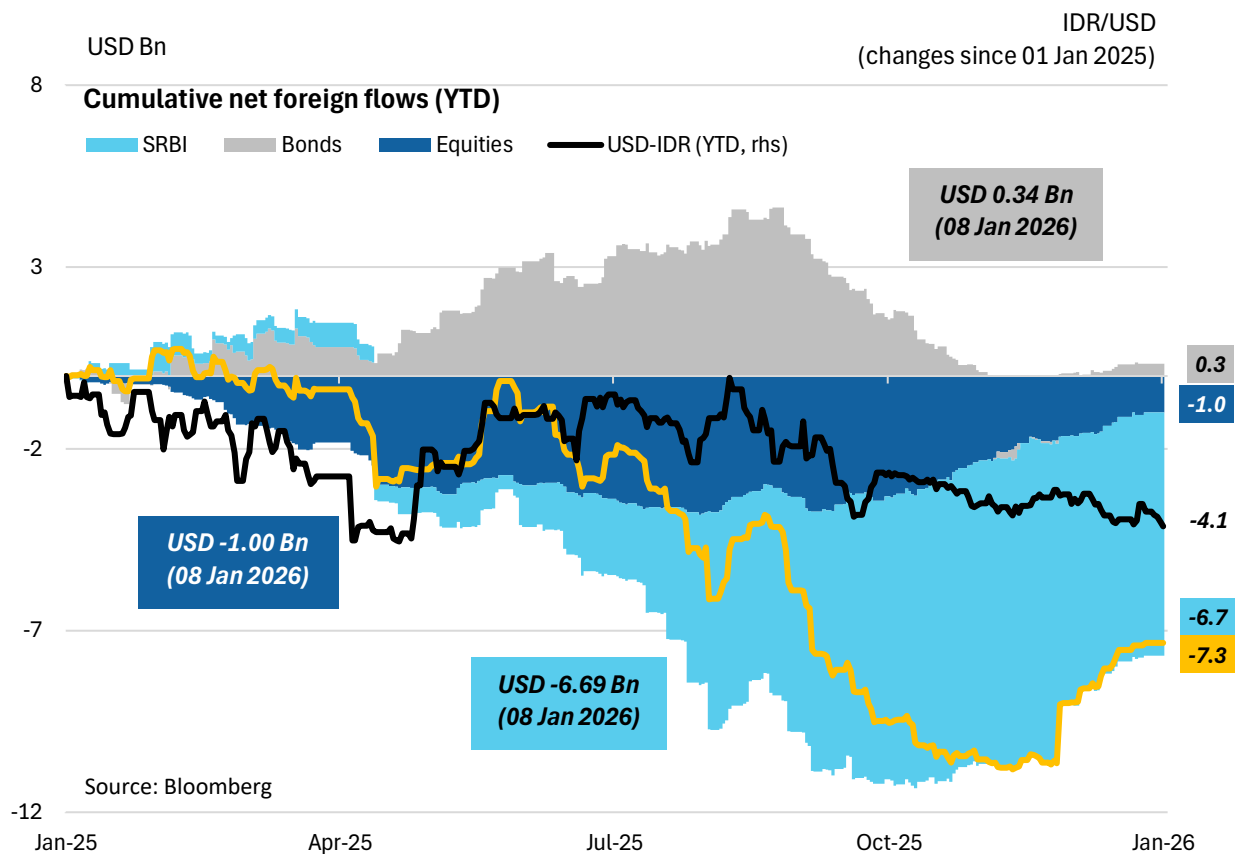
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Rising FX Swaps reflects an excess supply of foreign currency.



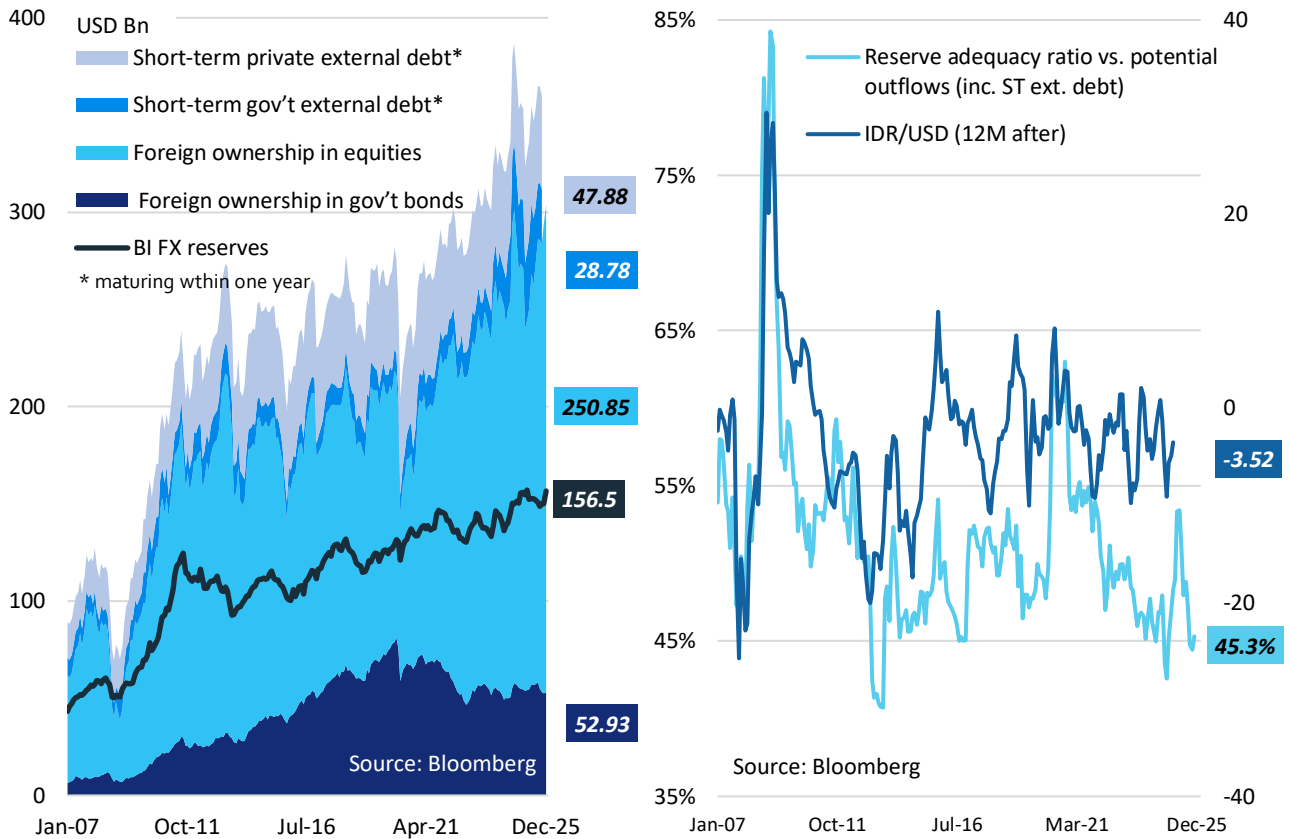
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BI's decision to hold while The Fed cuts helped net portfolio inflow into Indonesia



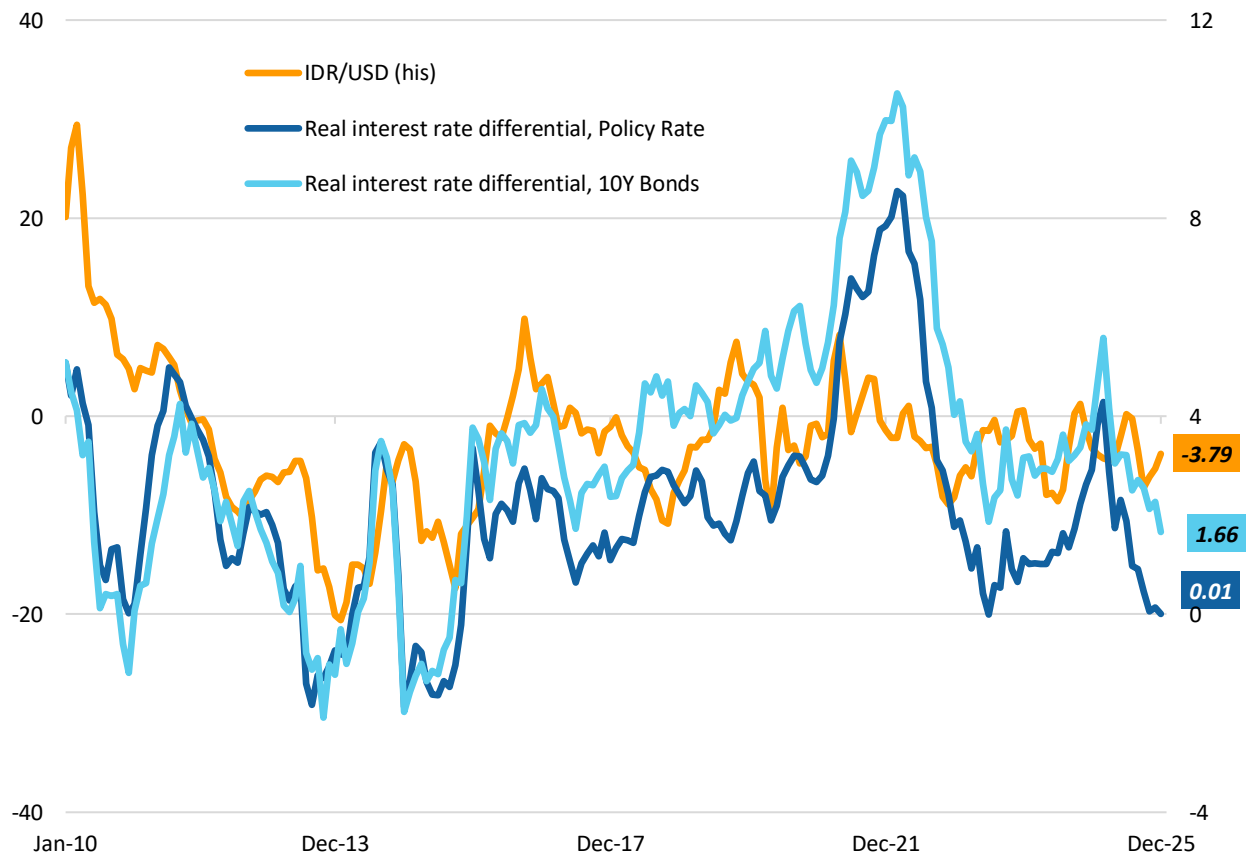
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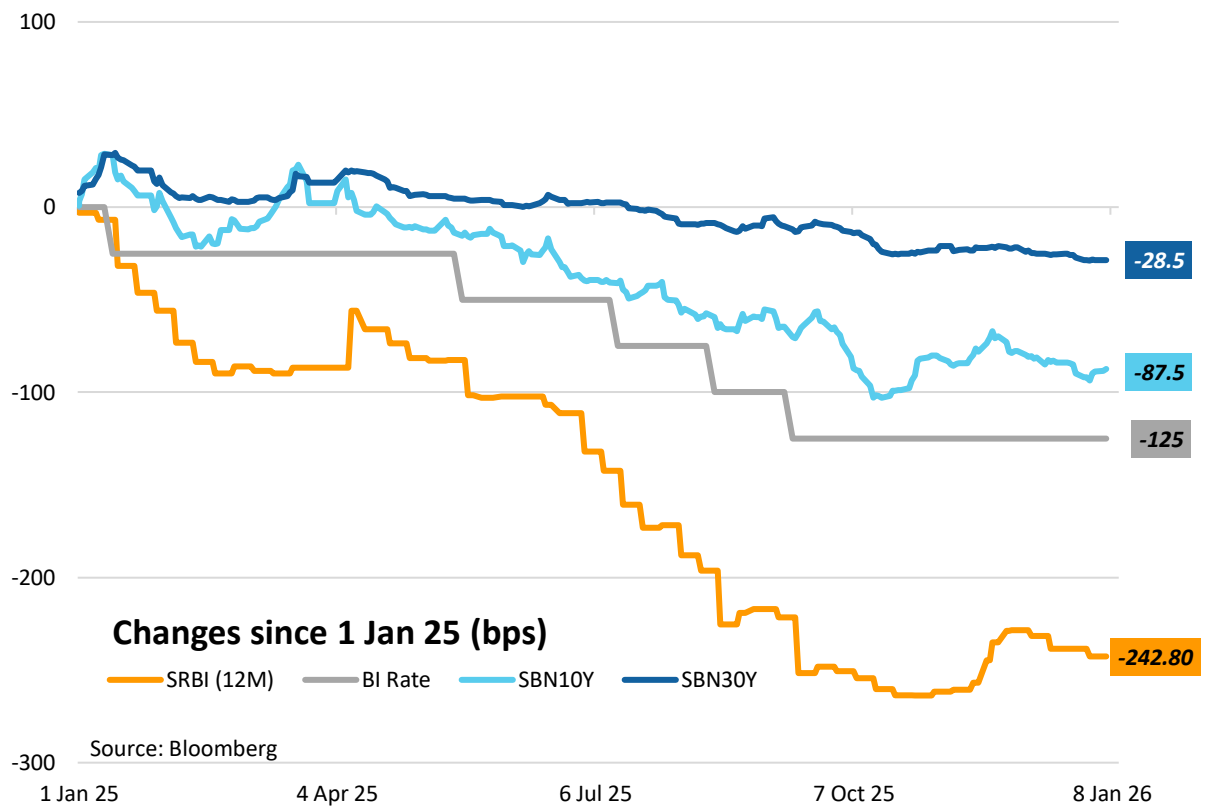
Rising foreign ownership in equities reflects sustained confidence in Indonesia's Economy



7

Decline in the real rate differential mainly due to higher inflation





Selected Macroeconomic Indicators

Key Policy Rates	Rate (%)	Last Change	Real Rate (%)	Trade & Commodities	07-Jan	-1 mth	Chg (%)
US	3.75	Dec-25	1.05	Baltic Dry Index	1,776.0	2,727.0	-34.9
UK	3.75	Aug-25	0.55	S&P GSCI Index	550.5	564.7	-2.5
EU	2.15	Jun-25	0.15	Oil (Brent, \$/bbl)	60.0	63.8	-5.9
Japan	0.75	Jan-25	-2.15	Coal (\$/MT)	106.9	109.3	-2.2
China (lending)	2.00	Sep-24	3.65	Gas (\$/MMBtu)	3.10	5.19	-40.3
Korea	2.50	May-25	0.20	Gold (\$/oz.)	4,456.5	4,197.8	6.2
India	5.25	Jun-25	4.54	Copper (\$/MT)	12,914.5	11,643.6	10.9
Indonesia	4.75	Sep-25	1.83	Nickel (\$/MT)	17,671.1	14,749.0	19.8
Money Mkt Rates	07-Jan	-1 mth	Chg (bps)	CPO (\$/MT)	970.3	997.9	-2.8
				Rubber (\$/kg)	1.88	1.74	8.0
SPN (1Y)	4.52	4.74	-21.9	External Sector	Nov	Oct	Chg (%)
SUN (10Y)	6.09	6.18	-9.5				
INDONIA (O/N, Rp)	3.82	4.16	-34.0	Export (\$ bn)	22.52	24.24	-7.08
JIBOR 1M (Rp)	5.03	5.03	-0.4	Import (\$ bn)	19.86	21.84	-9.08
Bank Rates (Rp)	Oct	Sep	Chg (bps)	Trade bal. (\$ bn)	2.66	2.39	11.23
				Central bank reserves (\$ bn)*	150.1	149.9	0.09
Lending (WC)	8.30	8.46	-16.00	Prompt Indicators	Oct	Sep	Aug
Deposit 1M	4.75	4.96	-21.00				
Savings	0.68	0.70	-2.00				
Currency/USD	07-Jan	-1 mth	Chg (%)	Consumer confidence index (CCI)	121.2	115.0	117.2
UK Pound	0.743	0.750	0.98	Car sales (%YoY)	-4.4	-15.1	-19.0
Euro	0.857	0.859	0.28				
Japanese Yen	156.8	155.3	-0.91	Motorcycle sales (%YoY)	8.4	7.3	0.7
Chinese RMB	6.992	7.071	1.14				
Indonesia Rupiah	16,775	16,644	-0.78	Manufacturing PMI	Dec	Nov	Chg (bps)
Capital Mkt	07-Jan	-1 mth	Chg (%)				
JCI	8,944.8	8,632.8	3.61	USA	51.8	52.2	-40
DJIA	48,996.1	47,955.0	2.17	Eurozone	48.8	49.6	-80
FTSE	10,048.2	9,667.0	3.94	Japan	50.0	48.7	130
Nikkei 225	51,962.0	50,491.9	2.91	China	50.1	49.9	20
Hang Seng	26,459.0	26,085.1	1.43	Korea	50.1	49.4	70
Foreign portfolio ownership (Rp Tn)	Dec	Nov	Chg (Rp Tn)	Indonesia	51.2	53.3	-210
Stock	4,186.7	4,017.6	169.11				
Govt. Bond	878.7	1,343.0	-464.38				
Corp. Bond	4.7	4.1	0.64				

Source: Bloomberg, BI, BPS

Notes:

*Data from earlier period

For changes in currency: **Black indicates appreciation against USD, **Red** otherwise

***For PMI, **>50** indicates economic expansion, **<50** otherwise



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Indonesia – Economic Indicators Projection

	2019	2020	2021	2022	2023	2024	2025E	2026E
Real GDP growth (% YoY)	5.0	-2.1	3.7	5.3	5.0	5.0	5.0	5.1
Nominal GDP growth (% YoY)	6.7	-2.5	9.9	15.4	6.7	6.0	7.2	7.9
GDP per capita (USD)	4175	3912	4350	4784	4920	4960	5014	5362
CPI inflation (% YoY)	2.7	1.7	1.9	5.5	2.6	1.6	2.8	2.5
BI Rate (%)	5.00	3.75	3.50	5.50	6.00	6.00	4.75*	4.00
SBN 10Y yield (%)	7.04	5.86	6.36	6.92	6.45	6.97	6.05*	6.50
USD/IDR exchange rate (average)	14,141	14,529	14,297	14,874	15,248	15,841	16,468*	16,784
USD/IDR exchange rate (end of year)	13,866	14,050	14,262	15,568	15,397	16,102	16,690*	16,842
Trade balance (USD Bn)	-3.2	21.7	35.3	54.5	37.0	31.0	40.0	33.8
Current account balance (% of GDP)	-2.7	-0.4	0.3	1.0	-0.1	-0.6	0.0	-0.4

Notes:

- USD/IDR exchange rate projections are for fundamental values; market values may diverge significantly at any moment in time
- Numbers marked with (*) for 2025 are final; other numbers for 2025 are our projection

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