

FX Reserves:

One floodgate closed, another one remains

08 May 2026

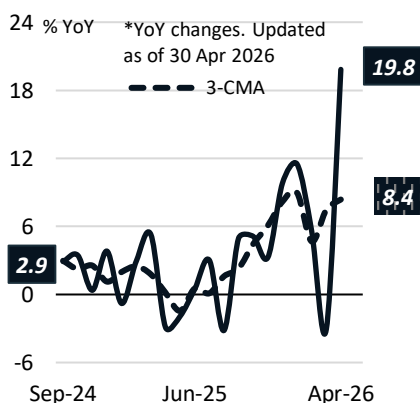
Lazuardin Thariq Hamzah

lazuardin_hamzah@bca.co.id

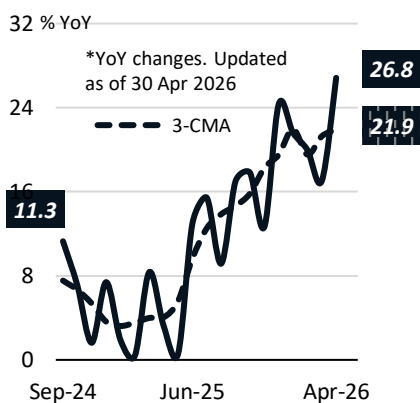
Victor George Petrus Matindas

victor_matindas@bca.co.id

BCA Consumer Spending Index*



BCA Business Transaction Index*



▪ **Indonesia's FX reserves stood at USD 146.2 Bn in April 2026, falling by USD 2.0 Bn from the previous month.** Foreign debt payments, lower gold prices, and seasonal outflows (Hajj pilgrimage, dividend repatriation) play a part, but Bank Indonesia's continued interventions in the currency market remain the biggest driver behind the dwindling FX reserves.

▪ BI did not have much of an alternative other than pushing through with its open market interventions. **BI continues to set a high target for liquidity creation (adjusted M0 grew by 14.3% YoY in April 2026), limiting exchange rate stabilisation efforts to market interventions.** At the same time, Indonesia's worsening external balance appears to undermine the currency's fundamentals, leaving the Rupiah under pressure despite the sidelining DXY index (*see Chart 1*).

▪ **Meanwhile, the 5.61% YoY GDP growth in Q1-2026 shows that the growth outlook should not be the primary concern,** allowing BI to direct its focus on currency stabilisation. Indeed, SRBI issuance has been aggressive lately (net issuance reached IDR 71.96 Tn since April 2026), attracting foreign inflows needed to avoid further weakness in the economy's external balance (*see Chart 2 & 4*). The government is also looking to issue FX bonds to encourage inflows, with USD 1.1 Bn Samurai bonds issuance in late April is expected to be followed by Panda (CNY-denominated) bonds issuance.

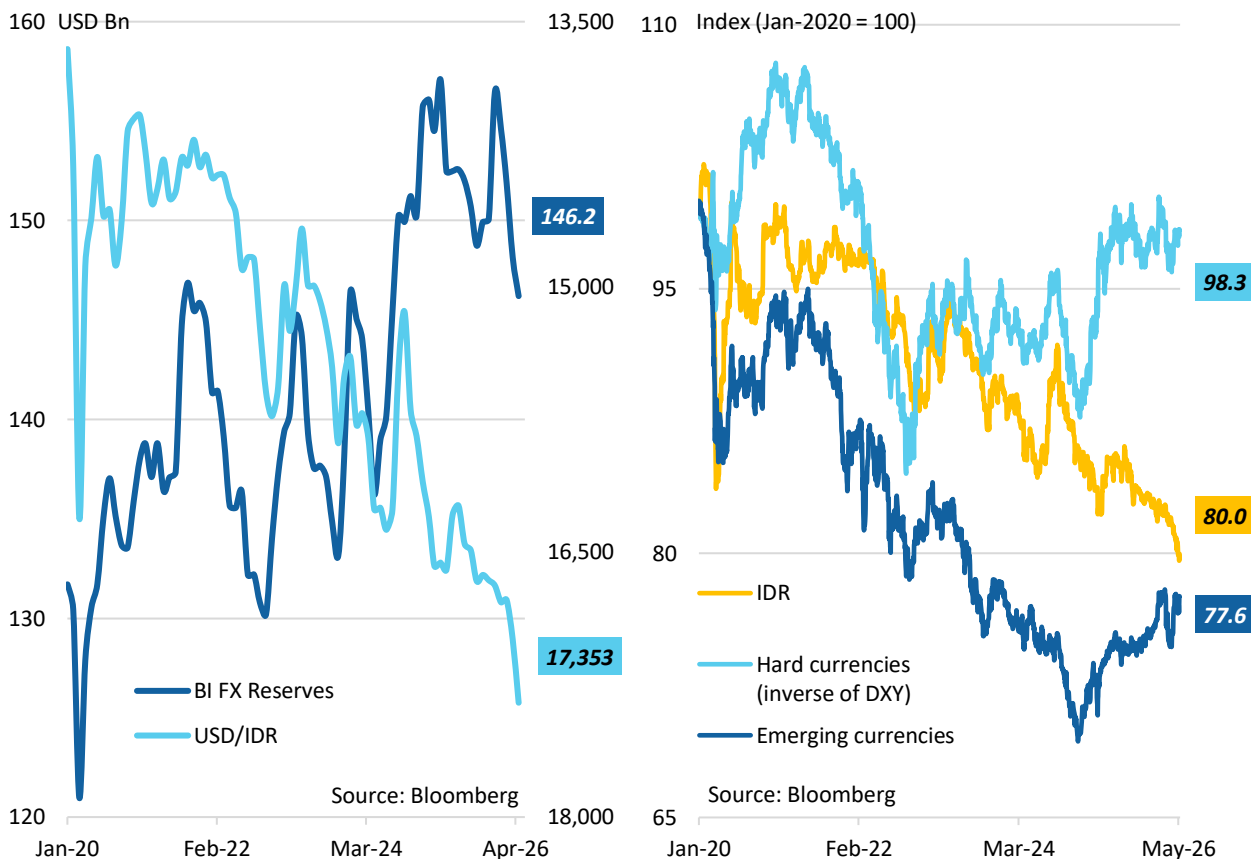
▪ **BI and the MoF have also taken alternative approaches to stem further capital outflows.** BI has halved the limit of FX conversion without any underlying assets to USD 25k/month. Meanwhile, the MoF would implement its long-awaited revision to FX repatriation rules on June 1st, restricting account openings to SoE

banks and limiting Rupiah conversion to 50% (*see Chart 3*).

▪ **Alas, the job is still far from over.** Still-elevated oil prices (and the resulting fiscal expansion) will continue to gnaw on Indonesia's current account, even though tighter FX conversion and higher SRBI yields (average auction yield for 12M SRBI + 89.9 bps since 1 April 2026) may rein in portfolio outflows. BI's 7-pronged defensive strategy may help to stabilise the Rupiah for now, but BI should not be afraid to bring the bigger gun (policy rate hike) should a bigger shock to real interest rates, such as subsidised fuel price adjustments, happen (*see Chart 6*).

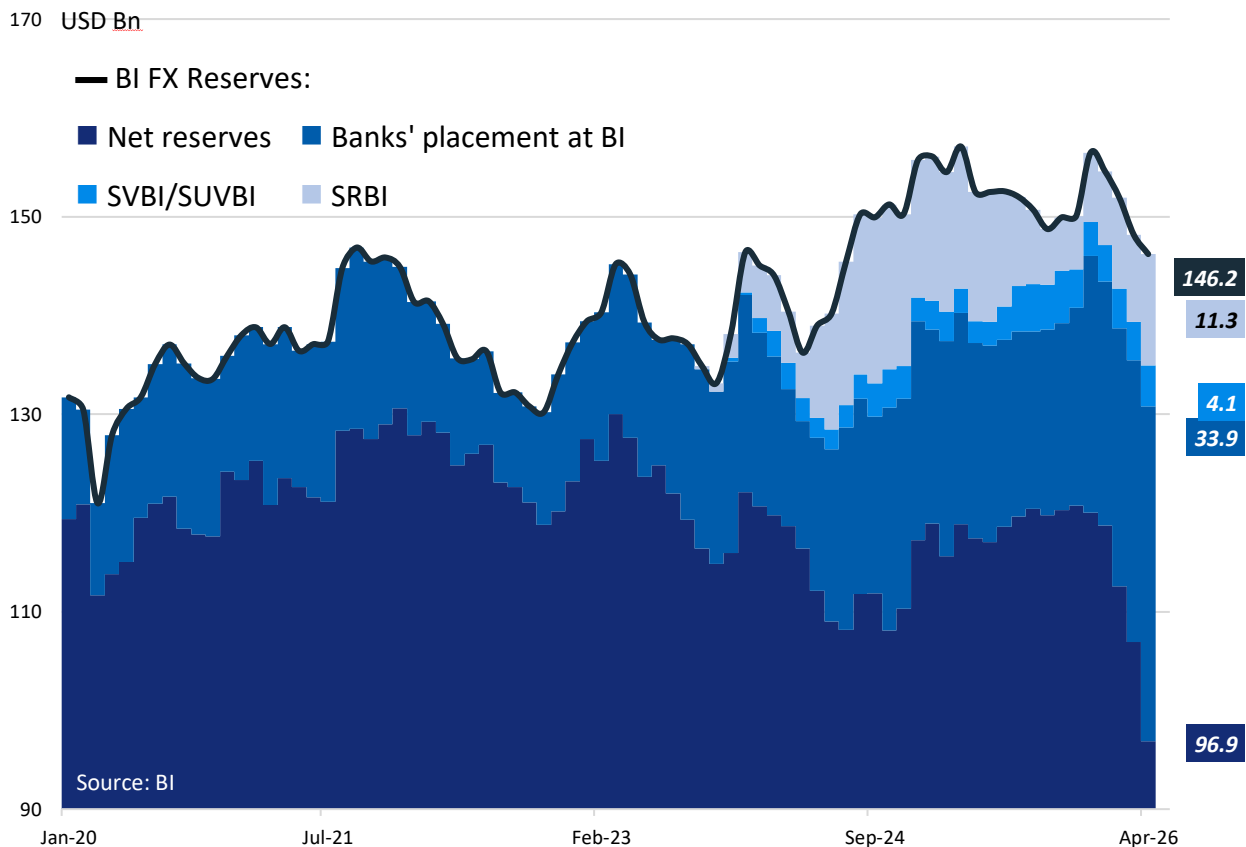
1

The Rupiah continue to decline despite the sidelining DXY index



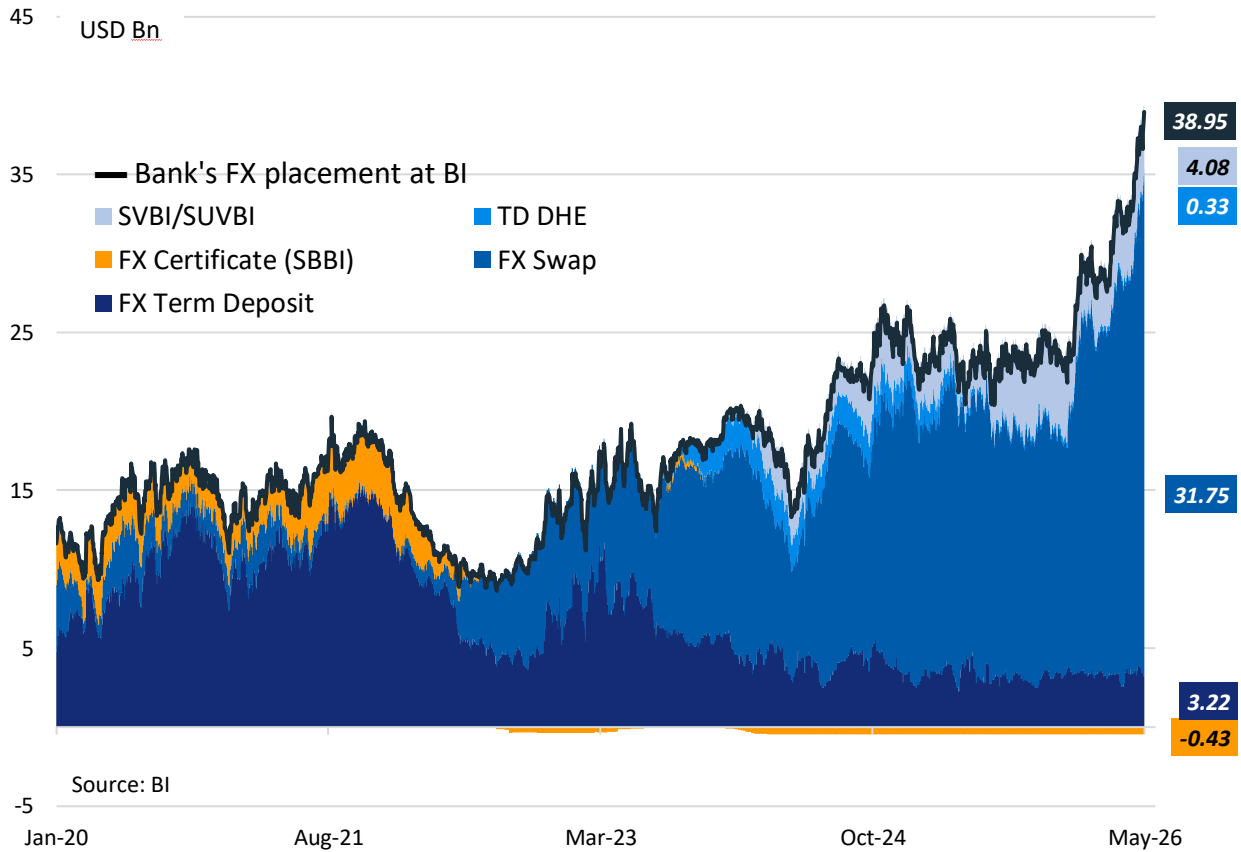
2

SRBI has been attracting inflows, yet aggressive interventions cause the FX reserves to decline



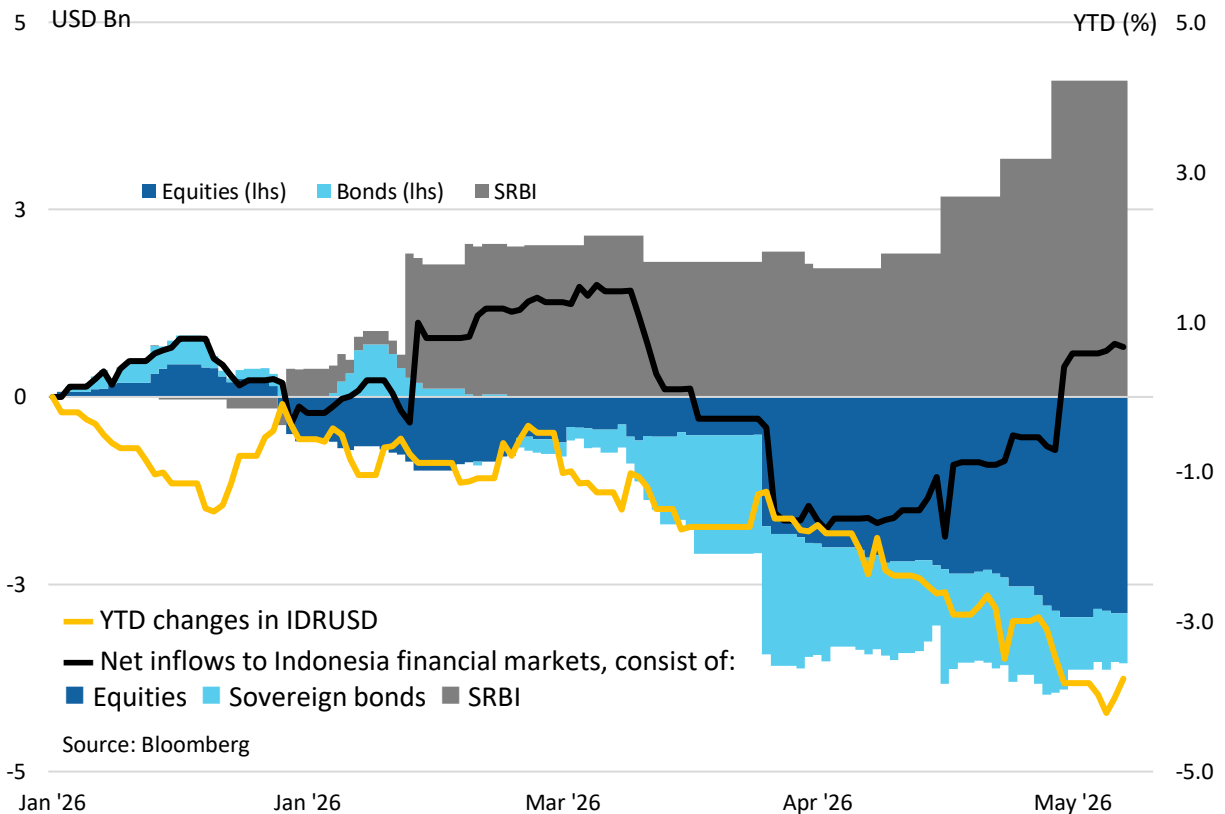
3

Stagnant FX liquidity and declining SVBI signal BI's direct intervention in the FX market



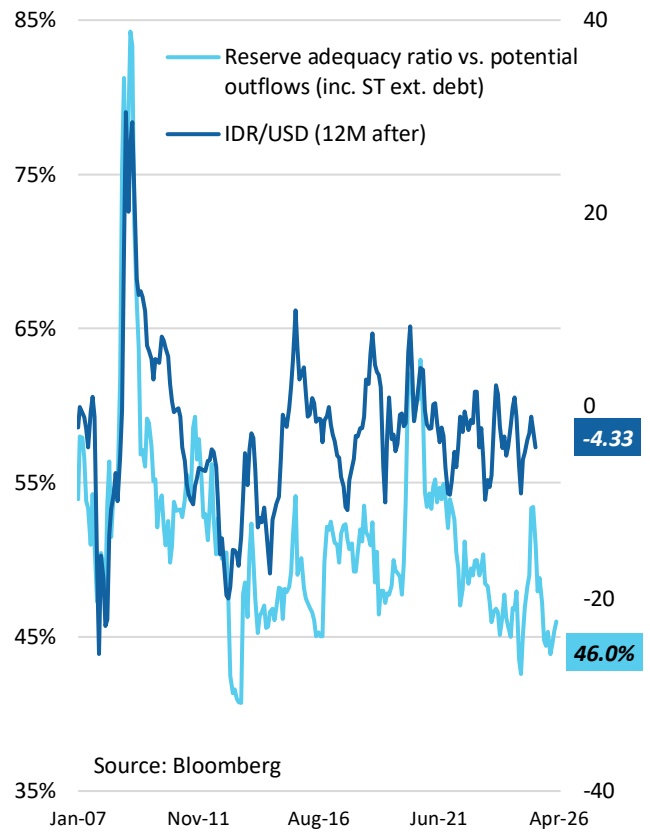
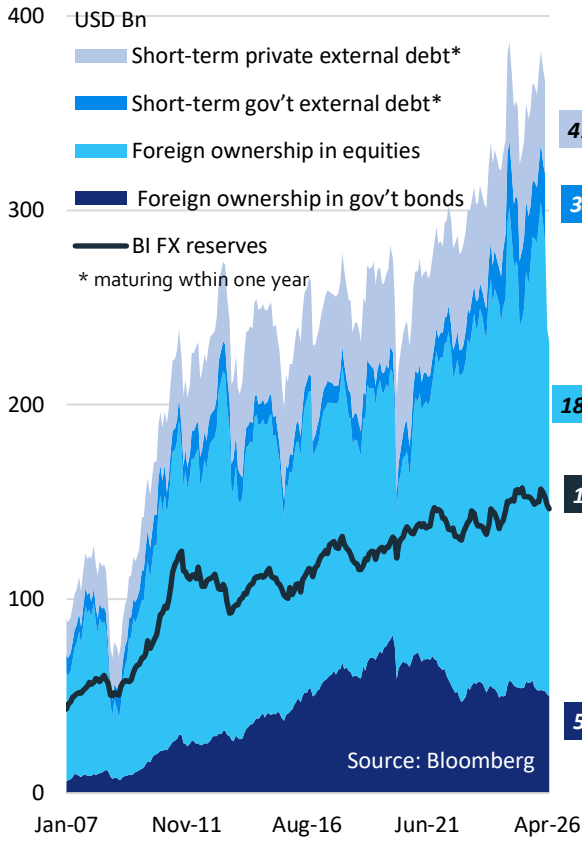
4

BI doubles down on SRBI issuance to offset outflows from equities and sovereign bonds



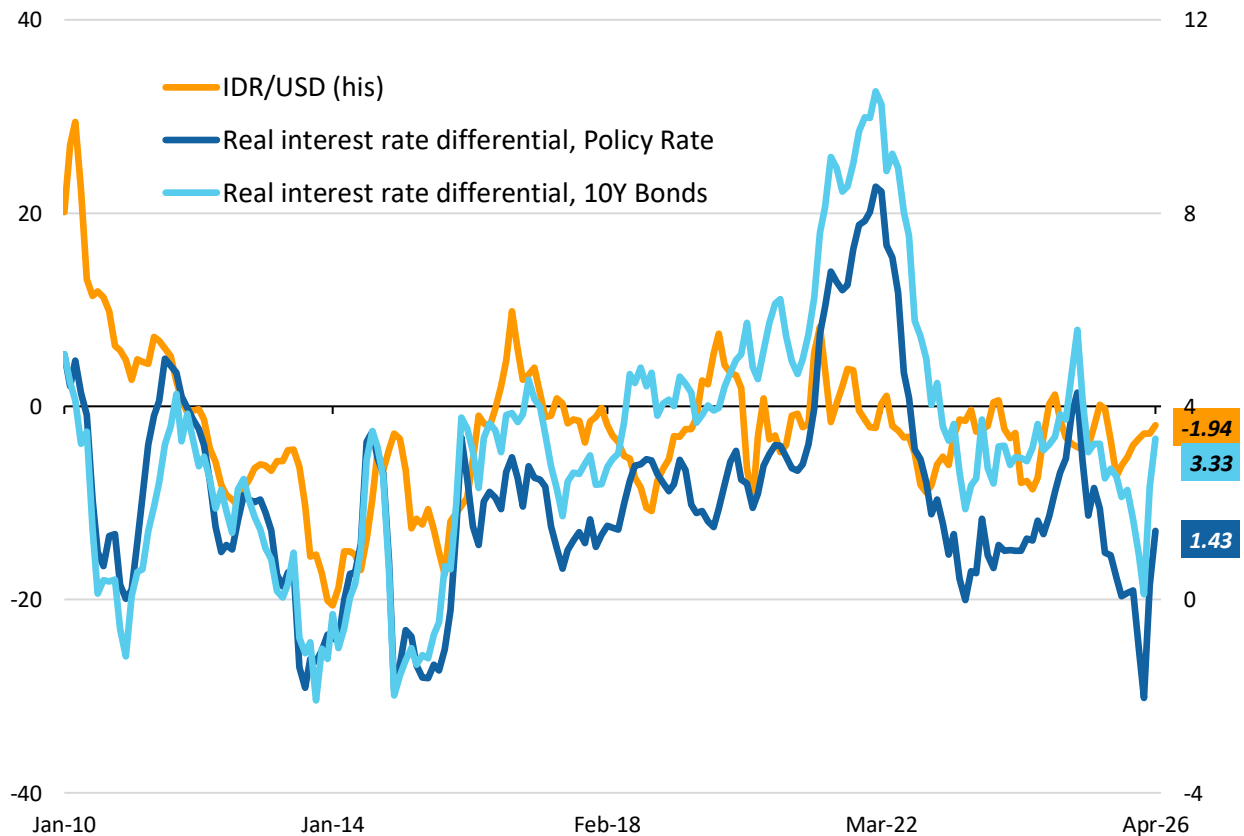
5

Low FX reserves coverage ratio highlight one of the Rupiah's weakness



6

Inflationary shocks may depress the real interest rate again, exacerbating outflows



Selected Macroeconomic Indicators

Key Policy Rates	Rate (%)	Last Change	Real Rate (%)	Trade & Commodities	07-May	-1 mth	Chg (%)
US	3.75	Dec-25	0.45	Baltic Dry Index	3,034.0	2,066.0	46.9
UK	3.75	Dec-25	0.45	S&P GSCI Index	727.7	776.6	-6.3
EU	2.15	Jun-25	-0.85	Oil (Brent, \$/brl)	100.1	109.8	-8.8
Japan	0.75	Dec-25	-0.75	Coal (\$/MT)	135.2	140.4	-3.7
China (lending)	2.00	Sep-24	3.35	Gas (\$/MMBtu)	2.70	3.04	-11.2
Korea	2.50	May-25	-0.10	Gold (\$/oz.)	4,685.8	4,649.9	0.8
India	5.25	Dec-25	1.85	Copper (\$/MT)	13,331.3	12,287.9	8.5
Indonesia	4.75	Sep-25	2.33	Nickel (\$/MT)	18,943.6	16,898.1	12.1
Money Mkt Rates	07-May	-1 mth	Chg (bps)	CPO (\$/MT)	1,152.1	1,181.3	-2.5
				Rubber (\$/kg)	2.25	2.06	9.2
Bank Rates (Rp)	Feb	Jan	Chg (bps)	External Sector	Mar	Feb	Chg (%)
SPN (1Y)	5.83	5.22	60.9	Export (\$ bn)	22.53	22.17	1.62
SUN (10Y)	6.58	6.63	-4.6	Import (\$ bn)	19.21	20.89	-8.08
INDONIA (O/N, Rp)	4.12	4.12	-0.3	Trade bal. (\$ bn)	3.32	1.27	160.82
JIBOR 1M (Rp)	5.03	5.03	0.0	Central bank reserves (\$ bn)*	148.2	151.9	-2.47
Lending (WC)	8.05	8.06	-1.00	Prompt Indicators	Mar	Feb	Jan
Deposit 1M	4.47	4.46	1.00	Consumer confidence index (CCI)	122.9	125.2	127.0
Savings	0.68	0.69	-1.00	UK Pound	0.738	0.756	2.42
Currency/USD	07-May	-1 mth	Chg (%)	Euro	0.853	0.866	1.60
				Japanese Yen	156.9	159.7	1.75
				Chinese RMB	6.804	6.882	1.14
				Indonesia Rupiah	17,342	17,038	-1.75
Capital Mkt	07-May	-1 mth	Chg (%)	Manufacturing PMI	Apr	Mar	Chg (bps)
JCI	7,174.3	6,989.4	2.65	USA	54.5	52.3	220
DJIA	49,597.0	46,669.9	6.27	Eurozone	52.2	51.6	60
FTSE	10,277.0	10,436.3	-1.53	Japan	55.1	51.6	350
Nikkei 225	62,833.8	53,413.7	17.64	China	52.2	50.8	140
Hang Seng	26,626.3	25,116.5	6.01	Korea	53.6	52.6	100
Foreign portfolio ownership (Rp Tn)	Apr	Mar	Chg (Rp Tn)	Indonesia	49.1	50.1	-100
Stock	3,158.9	3,208.6	-49.72				
Govt. Bond	862.4	853.6	8.80				
Corp. Bond	5.8	6.2	-0.41				

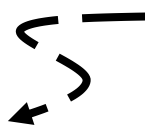
Source: Bloomberg, BI, BPS

Notes:

*Data from earlier period

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

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



Scan for the link to our report depository or click:

https://s.id/BCA_REI

Indonesia – Economic Indicators Projection

	2020	2021	2022	2023	2024	2025	2026E
Real GDP growth (% YoY)	-2.1	3.7	5.3	5.0	5.0	5.1	5.1
Nominal GDP growth (% YoY)	-2.5	9.9	15.4	6.7	6.0	7.6	8.0
GDP per capita (USD)	3912	4350	4784	4920	4960	5083	5457
CPI inflation (% YoY)	1.7	1.9	5.5	2.6	1.6	2.9	3.3
BI Rate (%)	3.75	3.50	5.50	6.00	6.00	4.75	4.75
SBN 10Y yield (%)	5.86	6.36	6.92	6.45	6.97	6.05	6.76
USD/IDR exchange rate (average)	14,529	14,297	14,874	15,248	15,841	16,468	17,216
USD/IDR exchange rate (end of year)	14,050	14,262	15,568	15,397	16,102	16,690	17,430
Trade balance (USD Bn)	21.7	35.3	54.5	37.0	31.0	41.1	33.8
Current account balance (% of GDP)	-0.4	0.3	1.0	-0.1	-0.6	-0.1	-0.4

Notes:

- USD/IDR exchange rate projections are for fundamental values; market values may diverge significantly at any moment in time

BCA Economic & Industry Research

David E. Sumual

Chief Economist

david_sumual@bca.co.id

+6221 2358 8000 Ext: 1051352

Gabriella Yolivia

Industry Analyst

gabriella_yolivia@bca.co.id

+6221 2358 8000 Ext: 1063933

Thierris Nora Kusuma

Economist / Analyst

thierris_kusuma@bca.co.id

+6221 2358 8000 Ext: 1071930

Jennifer Calysta Farrell

Economist / Analyst

jennifer_farrell@bca.co.id

+6221 2358 8000 Ext: 1082423

Agus Salim Hardjodinto

Head of Industry and Regional Research

agus_lim@bca.co.id

+6221 2358 8000 Ext: 1005314

Lazuardin Thariq Hamzah

Economist / Analyst

lazuardin_hamzah@bca.co.id

+6221 2358 8000 Ext: 1071724

Nicholas Husni

Economist / Analyst

nicholas_husni@bca.co.id

+6221 2358 8000 Ext: 1079839

Arif Agung Wibowo

Economist / Analyst

arif_agung@bca.co.id

+6221 2358 8000 Ext: -

Victor George Petrus Matindas

Head of Banking Research and Analytics

victor_matindas@bca.co.id

+6221 2358 8000 Ext: 1058408

Elbert Timothy Lasiman

Economist / Analyst

Elbert_lasiman@bca.co.id

+6221 2358 8000 Ext: 1007431

Samuel Theophilus Artha

Economist / Analyst

samuel_artha@bca.co.id

+6221 2358 8000 Ext: 1080373

PT Bank Central Asia Tbk

BCA Economic & Industry Research

20th Grand Indonesia, Menara BCA

Jl. M.H Thamrin No. 1, Jakarta 10310, Indonesia

Ph : (62-21) 2358-8000 Fax : (62-21) 2358-8343

DISCLAIMER

This report is for information only, and is not intended as an offer or solicitation with respect to the purchase or sale of a security. We deem that the information contained in this report has been taken from sources which we deem reliable. However, we do not guarantee their accuracy, and any such information may be incomplete or condensed. None of PT. Bank Central Asia Tbk, and/or its affiliated companies and/or their respective employees and/or agents makes any representation or warranty (express or implied) or accepts any responsibility or liability as to, or in relation to, the accuracy or completeness of the information and opinions contained in this report or as to any information contained in this report or any other such information or opinions remaining unchanged after the issue thereof. The Company, or any of its related companies or any individuals connected with the group accepts no liability for any direct, special, indirect, consequential, incidental damages or any other loss or damages of any kind arising from any use of the information herein (including any error, omission or misstatement herein, negligent or otherwise) or further communication thereof, even if the Company or any other person has been advised of the possibility thereof. Opinion expressed is the analysts' current personal views as of the date appearing on this material only, and subject to change without notice. It is intended for the use by recipient only and may not be reproduced or copied/photocopied or duplicated or made available in any form, by any means, or redistributed to others without written permission of PT Bank Central Asia Tbk.

All opinions and estimates included in this report are based on certain assumptions. Actual results may differ materially. In considering any investments you should make your own independent assessment and seek your own professional financial and legal advice. For further information please contact: (62-21) 2358 8000, Ext: 1020451 or fax to: (62-21) 2358 8343 or email: eri.tristanto@bca.co.id