

INDONESIA FINANCIAL SECTOR DEVELOPMENT

Q3 2024 REPORT



Otoritas Jasa Keuangan

International Affairs and AML/CTF Department



ABOUT THIS REPORT

The Quarterly Report on Indonesia Financial Sector Development is published by the Investor Relations Unit of the Indonesia Financial Services Authority (OJK-IRU) to provide general updates on the development of the global and Indonesian economy as well as the financial services sector.

This report consists of four main sections, namely:

1. Recent Economic and Financial Sector Updates;
2. Policy Updates;
3. Special Topics; and
4. OJK's Participation in the International Fora



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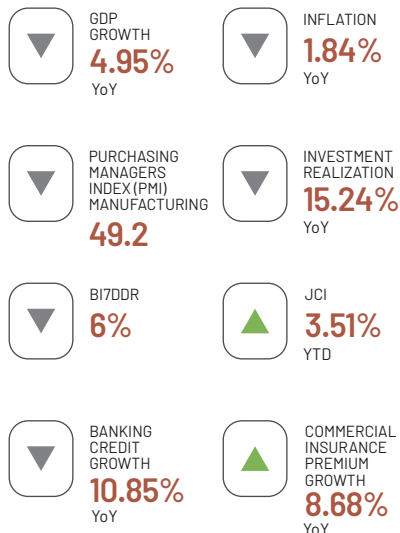
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IN THIS EDITION

INDONESIA'S STEADY ECONOMIC GROWTH AMIDST WEAKENED CONSUMER DEMAND

In the third quarter of 2024, Indonesia's economic growth showed resilience despite a slight moderation, driven by weakened consumer demand and manufacturing contraction. The wholesale and retail trade sector remain a key contributor to growth, while stable inflation particularly in food prices and a rising trade surplus underscored domestic stability. To support liquidity and strengthen financing capacity, Bank Indonesia implemented a policy rate cut, reflecting proactive measures to sustain economic momentum amid global challenges.



*compared to previous quarter

ECONOMIC UPDATES

In the third quarter of 2024, Indonesia's economic growth continued resilient despite a slight moderation due to weakened consumer demand and manufacturing contraction. The wholesale and retail trade sector remain a key contributor to growth, while stable inflation, particularly in food prices and a rising trade surplus, underscored domestic stability. Bank Indonesia implemented a policy rate cut to support liquidity and strengthen financing capacity, reflecting proactive measures to sustain economic momentum amid global challenges.

FINANCIAL SECTOR UPDATES

The financial sector's stability remain maintained, driven by solid banking performance, dynamic capital markets, steady insurance and pension funds, and microfinance growth. Financing institutions remain stable, while the fintech peer-to-peer (P2P) lending industry experienced significant expansion, underscoring the sector's adaptability and critical role in fostering economic progress.

SPECIAL TOPICS

This quarterly report highlights two special topics:

1. Legal entity identifier (LEI): a global standard in a fragmented world
2. Sistem Layanan Informasi Keuangan (SLIK) transformation to enhance services and support for the financial services industry

CHAPTER

01

RECENT ECONOMIC AND FINANCIAL SECTOR UPDATES

Entering the third quarter of 2024, the global economy experiences a synchronized slowdown, with many countries facing easing inflation and contractions in manufacturing activity. This has prompted global central banks to lower their policy rates following the Federal Reserve's move to reduce its Federal Funds Rate (FFR). Commodity prices have generally slowed except for gold, which has grown at a higher rate as a safe-haven asset amid heightened geopolitical risks.

On the domestic front, economic growth moderated due to weakening consumer demand and manufacturing contraction, though the government effectively managed global risks. Strong performance in the wholesale and retail trade sector, a significant trade surplus, and robust investment growth driven by foreign investment bolstered the economy. Inflation remain low and within target, supported by stable food prices, while the manufacturing sector faced supply chain issues and rising costs. Fiscal management remain prudent, with low government debt levels and a budget surplus reflecting sound economic governance.

The financial sector showcased continued resilience, with strong banking performance, robust capital markets, and steady growth across insurance, pension funds, and microfinance. Financing institutions remain stable while the fintech P2P lending industry continuing to expand. OJK supported financial literacy and inclusion through various initiatives and strengthened consumer protection by addressing illegal financial platforms, ensuring the sector's stability and role in economic growth.

GLOBAL ECONOMIC UPDATES

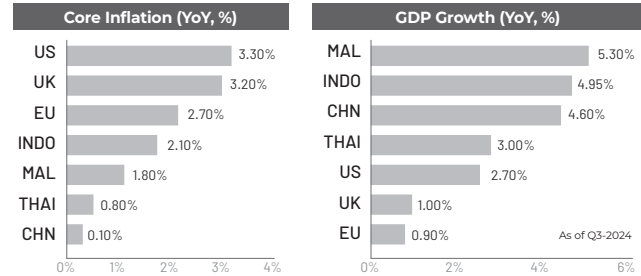
In Q3 2024 the global economy experienced a synchronized slowdown, with many countries facing easing inflation and contractions in manufacturing activities. These have prompted global central banks to lower their policy rates following the Federal Reserve's move to reduce its Federal Funds Rate (FFR) by 50 bps. Commodity prices have generally slowed except for gold, which has grown at a higher rate as a safe-haven asset amid heightened geopolitical risks.

Moderated Economic Projection with Easing Inflationary Pressures

	Global Economic Projection*		Δ from prev.**	
	2024F	2025F	2024F	2025F
GDP, % yoy				
IMF	3.2	3.2	0	-0.1
World Bank	2.6	2.7	0.2	0
OECD	3.2	3.2	0.1	0.1
Inflation, % yoy				
IMF	5.8	4.3	0	-0.1

* Recent updates: IMF (Oct-24), World Bank (Jun-24), OECD (Sep-24)
 ** For IMF, World Bank, and OECD the differences were from Jul-24, Jan-24, and May-24 projection, respectively.

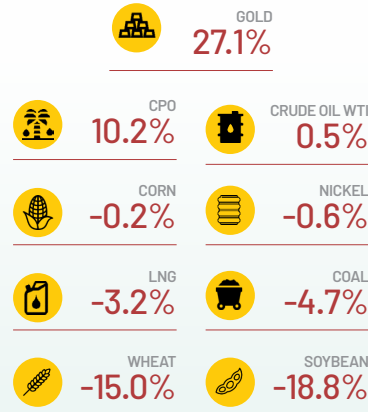
Inflation pressures have started to ease in most countries...



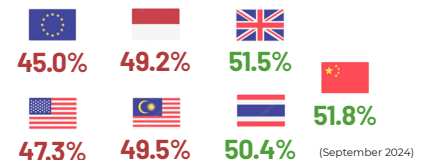
Lower Policy Rates

	Policy Rate (%)		Total Change (bps)		Recent Date of Change
	Dec-23	Sep-24	Dec-23 to Sep-24		
	5.50	5.00	▼ 50		Sep-24
	5.25	5.00	▼ 25		Aug-24
	4.50	3.50	▼ 100		Oct-24
	6.00	6.00	◀▶ 0		Sep-24
	2.50	2.25	▼ 25		Oct-24
	3.00	3.00	◀▶ 0		May-23
	3.45	3.10	▼ 35		Oct-24

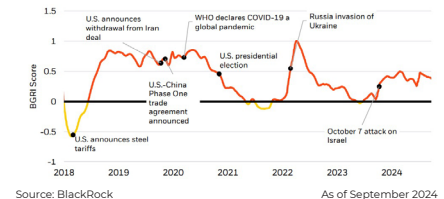
Commodity Prices Fell, Except Gold



Weakening Global Manufacturing PMI



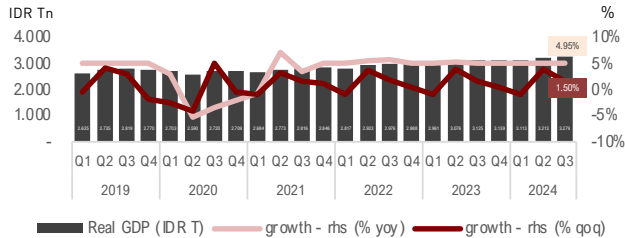
Geopolitical Risk Heightened



DOMESTIC ECONOMIC UPDATES

In the third quarter of 2024 Indonesia's economic growth slightly moderated to 4.95%, due to weakening consumer demand and contraction in manufacturing activities. Nonetheless, the government was able to maintain a positive growth trajectory despite a potential slowdown in global economic growth.

The Indonesian economy continued to improve and surpassed its pre-pandemic level



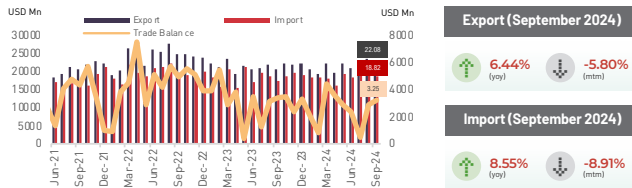
Indonesia's GDP growth in Q3 2024 recorded a growth of 4.95% (yoy). On the production side, the wholesale and retail trade sector exhibited the most substantial growth at 4.82%.

Contributors of Indonesia's Economic Growth based on Sectors

Sector	Q3 2024		Q2 2024	
	share	%yoy	share	%yoy
Manufacturing industry	▲ 19.02%	4.72	18.52%	3.95
Wholesale and retail trade	13.71%	4.82	13.78%	4.86
Agriculture, forestry, and fishery	13.09%	1.69	12.99%	3.25
Mining	▲ 9.06%	3.46	8.78%	3.17
Construction	▲ 10.06%	7.48	9.63%	7.29
Warehouse and transportation	6.17%	8.64	6.24%	9.56
Information and communication	4.28%	6.86	4.33%	7.66
Financial services and insurance	4.09%	5.49	4.24%	7.90

▲ : % share increase compared to previous quarter

Solid economic growth continued with a positive trade surplus trend and investment realization



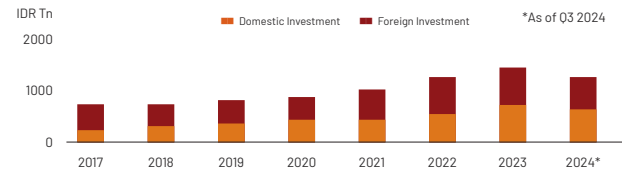
Trade Balance (September 2024)

Non Oil & Gas + 4.62 USD Billion | Oil & Gas - 1.36 USD Billion | Surplus 3.26 USD Billion

Indonesia's trade balance in September 2024 recorded a surplus of USD3.26 Billion

Source: Bank Indonesia, BPS, Ministry of Investment (BKPM)

Total Investment Realization



Investment in Q3 2024 reached IDR431.4 trillion, increasing by 15.24% yoy with Foreign Investment accounting for 53.92%.

Top 5 Countries of Origin of Foreign Investment in Q3 2024



5.5 USD Billion



2.24 USD Billion



1.86 USD Billion



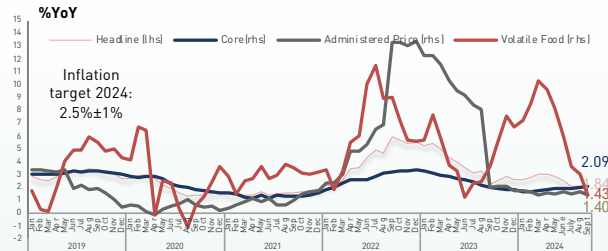
0.99 USD Billion



0.84 USD Billion

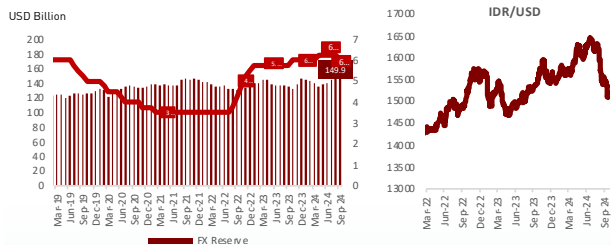
DOMESTIC ECONOMIC UPDATES

Inflation

INFLATION
Sep-24
(Headline)-0.12%
(mtrm)1.84%
(yoy)0.74%
(ytd)

Inflation eased to 1.84% (yoy) and thus maintained within the target range of 2.5%±1%, mainly driven by slower volatile food prices.

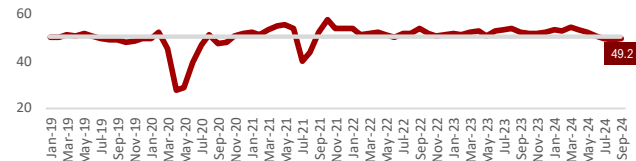
Monetary Indicators



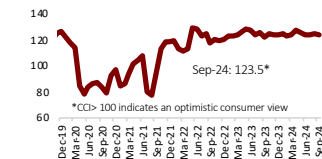
The central bank lowered BI7DRR by 25 bps to 6.00% on 19 September 2024, following a low and stable inflation within the target range. Additionally, FX reserves remain at USD149.9 billion or equivalent to 6.6 months of import. Following that, the exchange rate experienced slight depreciation.

Manufacturing and Business activities

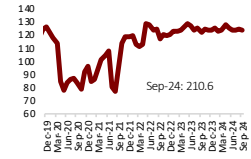
Manufacturing PMI



Consumer Confidence Index (CCI)



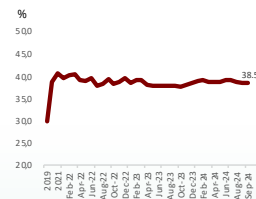
Retail Sales Index (RSI)



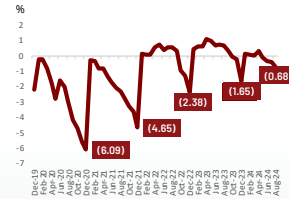
On the production side, the manufacturing sector indicated a contraction with Manufacturing PMI moderating to 49.2 highlighting ongoing domestic demand challenges, supply chain issues, and rising input costs.

Fiscal Soundness

Government Debt to GDP (%)



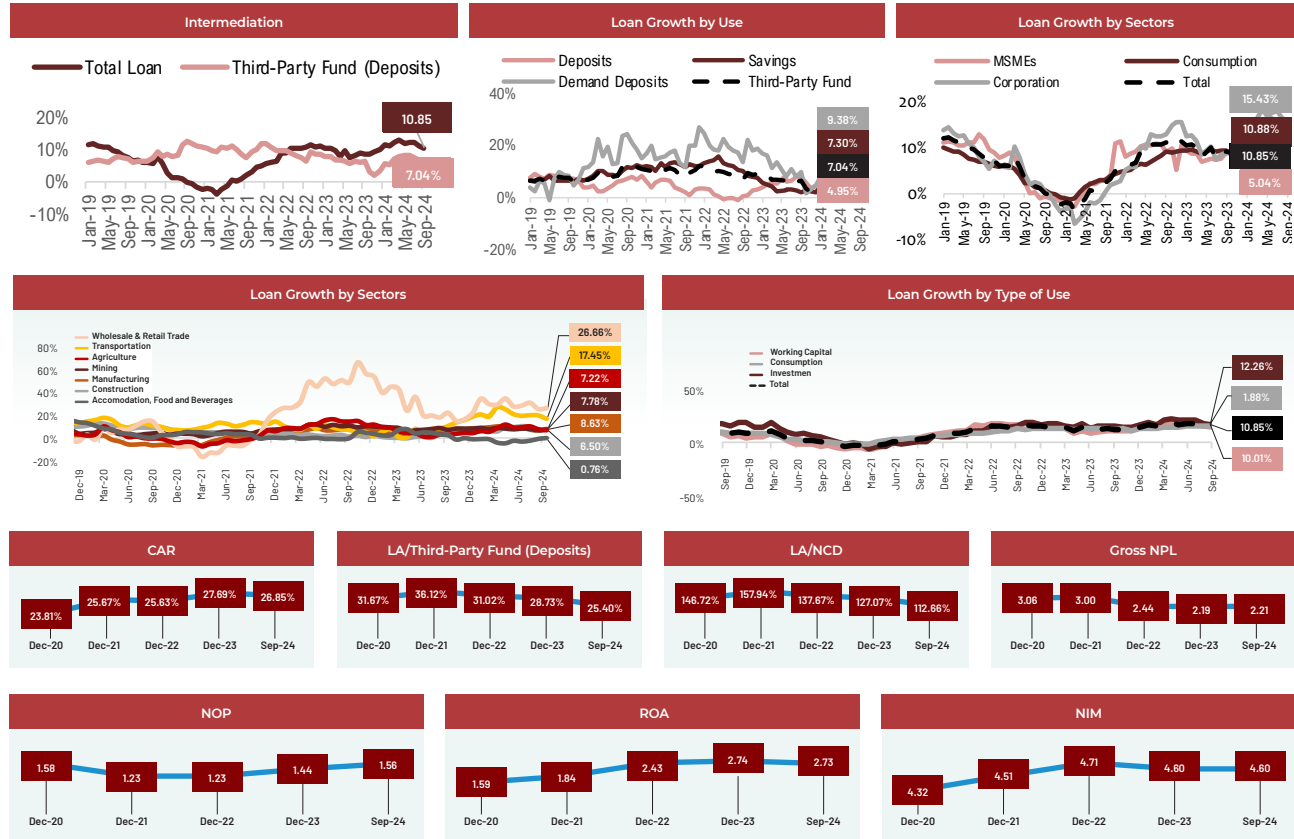
Fiscal Budget Realization (%GDP)



Fiscal front remain sound as the government debt to GDP ratio was consistently well-maintained (below the maximum limit of 60% as mandated by law) with the budget realization recording a deficit of 0.68% in August 2024.

BANKING SECTOR UPDATE

The banking sector's Q3 2024 performance reflected continued strength, marked by sustained loan growth, improving asset quality, and solid capital buffers. This resilience highlights the industry's role in supporting economic activities while maintaining prudent risk management.

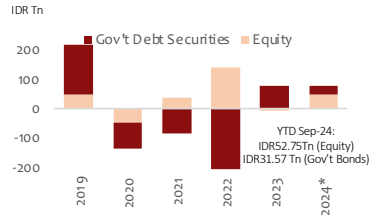


CAPITAL MARKET, DERIVATIVE FINANCE, AND CARBON EXCHANGE UPDATE

Capital Market

The capital market's Q3 2024 performance showcased resilience, despite challenges indicated by an increasing number of public offering and investors. As of 30 September 2024, JCI strengthened to 7,527.92 (3.51% ytd).

Capital Netflow



Stock and Bond Index



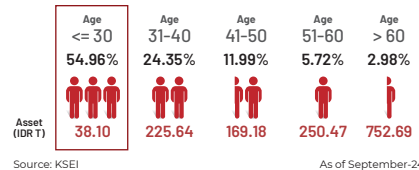
Total Investors (in million)



Public Offering

TYPE	As of Sep-24	
	No. of Issuers	Nom (IDR T)
IPO	27	3.79
Rights Issue	11	36.30
Corp Bonds / Sukuk	100	96.97
TOTAL	138	137.05

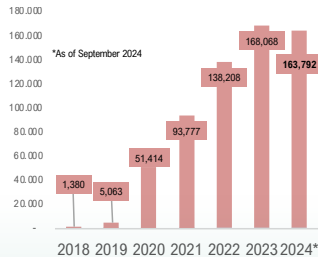
Retail Investors' Demographic



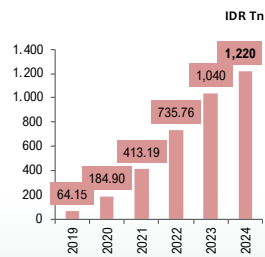
Securities Crowdfunding (SCF)

As of 30 September 2024, the number of investors and issuers in Securities Crowdfunding (SCF) grew to 163,792 and 625, respectively. This positive trend was further reflected in total SCF fundraising, which reached IDR1.22 trillion.

SCF Issuers and Investors



SCF Fundraising



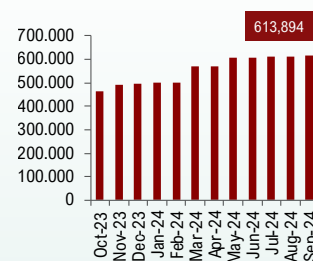
Carbon Exchange

Since its launch in September 2023, the Carbon Exchange has reached an accumulated value of IDR37.06 billion by September 2024, with a total traded volume of 613,894 CO2 tons.

Carbon Exchange Value



Carbon Exchange Volume

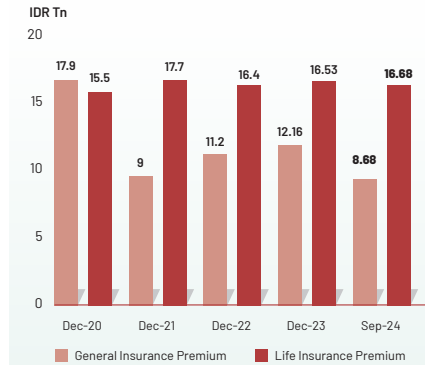


INSURANCE, GUARANTEE, PENSION FUND INDUSTRY UPDATE

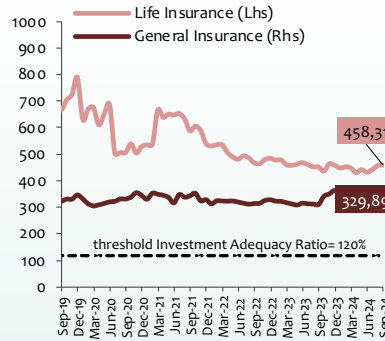
Insurance

Both general and life insurance sectors experienced steady growth, with the RBC remaining well above thresholds. This consistent performance highlights the sectors' robust financial health and its ability to manage risks effectively, ensuring stability and continued positive development.

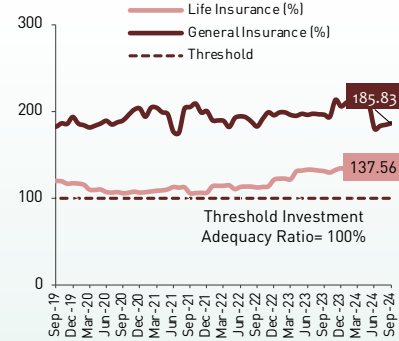
Added Insurance Premium



Risk Based Capital (%)



Investment Adequacy Ratio (%)



Pension Fund

Throughout Q3 2024, the pension fund sector showed steady growth, with total assets increasing consistently each month.

Total Pension Fund Assets	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR Tn)	1,055.49	1,144.78	1,269.29	1,405.45	1,485.43	1,500.06
Growth YoY	10.43%	8.46%	10.88%	10.73%	9.07%	10.10%
Number of Participants (Mn)	4.88	26.23	27.27	22.90	28.57	28.69

Guarantee Institutions

The guarantee institution sector exhibited steady growth in Q3 2024, with assets rising consistently, highlighting ongoing sector strength.

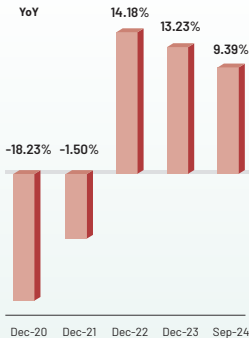
	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR Tn)	36.90	39.12	46.41	47.90	47.58
Growth YoY	46.66%	6.00%	18.64%	7.26%	3.65%
Guarantee Service Return Value (IDR Tn)	5.60	6.99	7.92	5.82	6.55
Growth YoY	69.50%	24.84%	13.44%	12.66%	11.35%

FINANCING INSTITUTIONS, VENTURE CAPITAL, FINTECH P2P LENDING AND MICROFINANCE INDUSTRY UPDATE

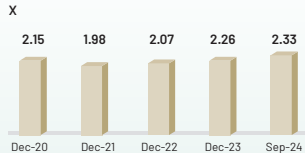
Financing Institutions

During Q3 2024, financing institutions experienced stable condition, with manageable risk indicators such as non-performing financing ratios and gearing ratio which remain solid.

Intermediation Growth



Gearing Ratio



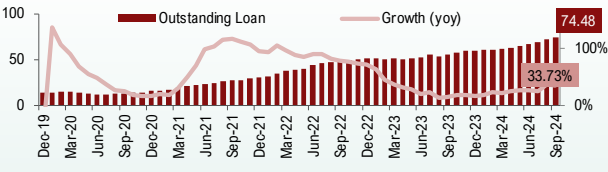
NPF



Fintech Peer to Peer Lending (P2PL)

The fintech P2P lending industry saw ongoing expansion in Q3 2024, with a rise in outstanding financing and a steady credit risk profile.

Peer to Peer Lending (P2PL) Outstanding Loan



P2PL NPL



Venture Capital

In Q3 2024, the financing and assets of venture capital companies remain steady, with a modest upward trend

	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Venture Capital Financing (IDR Tn)	13.45	16.08	18.02	17.34	16.19	16.25
Asset Value (IDR Tn)	19.48	21.27	25.94	27.25	26.05	26.16

Microfinance

The microfinance sector remain stable through August 2024, reflecting consistent performance and steady conditions

	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24
Loan Disbursement (IDR Tn)	0.75	0.84	0.95	1.01	1.03
Asset Value (IDR Tn)	1.23	1.38	1.52	1.58	1.64

FINANCIAL LITERACY AND CONSUMER PROTECTION ACTIVITIES UPDATE

Financial Literacy

OJK is committed to enhancing financial literacy and inclusion in Indonesia through various initiatives by collaborating with ministries, financial service providers, and other stakeholders, specifically through the Team for Acceleration of Regional Financial Access (TPAKD) where OJK works to expand regional financial access. OJK also offers educational resources through Sikapi Uangmu, a digital platform for financial education, and the Learning Management System for Financial Literacy (LMSKU), which provides structured learning modules to improve financial literacy nationwide.

Financial Education	3,141 Activities	Sikapi Uangmu	308 Contents
	4,355,176 Participants		1,118,631 Viewers
TPAKD	540 TPAKDs 494 District/Municipalities	LMSKU OJK	91,911 Access
	97.83% District/Municipalities		73,707 Certificates

Consumer Protection

As part of its consumer protection efforts, OJK has launched the Consumer Protection Portal Application (APPK), which allows financial service users to report issues and concerns. Moreover, OJK has been actively working to eliminate illegal platforms that threaten consumer safety. From January to September 2024 OJK has closed down a total of 2,741 illegal financial entities.

Number of Service Requests	288,233	Closure of Illegal Financial Entities by OJK	
Number of Service Requests on APPK	22,907		
Banking	8,004	Number of Illegal Investments	241
Fintech	8,626		
Financing Institutions	4,968	Number of Illegal Online Lending	2,500
Insurance	1,002		
Capital Market and other NBFIs	307	Total Number of Illegal Financial Entities	2,741
Service Requests Resolution	87.29%		

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CHAPTER

02

POLICY UPDATE

OJK plays a crucial role in supporting and maintaining economic recovery and stability through effective policy transmission, adequate supervision, and a supportive regulatory framework.

During the third quarter of 2024, OJK issued four Regulations and six Circular Letters.

This section spotlights OJK's key initiatives to uphold financial stability and strengthen the sector's resilience. A notable example is the OJK Regulation concerning Transparency and Publication of Prime Lending Rates for Conventional Commercial Banks, which promotes greater transparency and accountability in the banking industry, fostering trust and informed decision-making among stakeholders.



POLICY DIRECTIONS

OJK has set policies to maintain the financial services sector and enhance its role in national economic growth.



Strengthening Financial Services Sector and Market Infrastructure

Maintaining Financial System Stability



While there are positive sentiments due to interest rate-lowering policies, signals of a weakening global economic performance, persistent high geopolitical tensions, and corrections in commodity prices result in high future uncertainty risks. The financial services sector must closely monitor such risks and take necessary anticipatory measures.

Developing and Strengthening the Sharia Financial Services Sector



- Monitoring the readiness of the insurance industry to carry out the spin-off of Sharia units no later than the end of 2026
- Organizing the Indonesia Sharia Financial Olympiad (ISFO)
- Conducting a Sharia economic education event during the celebration of the Prophet Muhammad's birth at the Istiqlal Mosque in Jakarta.

Strengthening Cooperation, Policies and Regulations

- OJK and Bank Negara Malaysia have agreed to include financial technology as an area of cooperation.
- OJK and Bank Indonesia launched a central counterparty (CCP) on 30 September 2024.
- OJK launched the 2024-2028 Roadmap for the Development and Strengthening of Credit Information Management Agencies.
- The National Working Group on Benchmark Reform (NWGBR), which consists of the Ministry of Finance, Bank Indonesia, OJK, and the Indonesian Money Market and Foreign Exchange Market Association (APUVINDO), issued a Guideline for the Transition of the Jakarta Interbank Offered Rate (JIBOR) Termination.
- OJK consistently supports and promotes the preparation of the insurance industry in implementing Indonesian Financial Accounting Standards/IFAS (Pernyataan Standar Akuntansi Keuangan/PSAK) 117 effectively by 2025.
- OJK delegated the supervisory and licensing authority for the pension fund and guarantee industries.

Strengthening OJK's Governance



- Carrying out strategic steps by periodically evaluating and anticipating future potential risks faced by OJK and the financial services industry.
- Enhancing collaboration with all stakeholders in the financial services sector, including: Asian Confederation of Institute of Internal Auditors (IIA) Regional Conference, the financial services industry, law enforcement, government agencies, Inspector General of the Securities and Exchange Commission (SEC), Internal Auditor of the World Bank, and representatives from the Institute of Internal Auditors (IIA).
- Participating in the Integrity Assessment Survey to evaluate the effectiveness of corruption prevention and integrity enforcement efforts

POLICY DIRECTIONS

OJK has set policies to maintain the financial services sector and enhance its role in national economic growth.

OJK Regulations and Circular Letters in Q3 2024

OJK Regulations in the Drafting Phase

- Supporting Professions in the Financial Services Sector as mandated by the Financial Sector Development and Strengthening Law (UU P2SK).
- Governance Implementation for Rural Bank (BPR) as an amendment to SE0JK Number 24/ SE0JK.03/2020.
- The Implementation of Risk Management and Soundness Level Assessment for Investment Managers
- The Assessment of Mutual Fund and Investment Managers
- Business Licensing and Institutional Framework for Guarantee Institutions
- Financing Institutions is being developed to enhance and strengthen Financing Companies, Venture Capital Corporations, and Infrastructure Financing Companies
- Fintech Peer to Peer (P2P) Lending
- Pawnshops
- Alternative Credit Rating (PKA)
- Financial Services Aggregator Providers (PAJK)
- Trading of Digital Financial Assets and Crypto Assets

Circular Letters in the Drafting Phase

- APOLO Financial Condition Transparency (TKK) of Rural Bank and Sharia Rural Bank (BPR and BPRS)
- Supervision and Reporting Mechanisms for the Trading of Digital Financial Assets, including Crypto Asset
- Preparation and Submission of Financial Literacy and Inclusion Plan Reports

OJK Regulations in the Finalizing Phase

The Sharia Securities List

OJK Regulation Issued

Association of Financial Sector Technology Innovation Providers (ITSK Providers).

OJK REGULATION NUMBER 13/2024 CONCERNING TRANSPARENCY AND PUBLICATION OF PRIME LENDING RATES FOR COMMERCIAL BANKS (POJK SBDK BUK)

This OJK regulation follows up on the Development and Strengthening of the Financial Sector (UU P2SK/FSOL) and requires commercial banks to ensure transparency of prime lending rates to promote efficiency in determining bank lending interest rates, thereby supporting economic financing.

MAIN PROVISIONS

Definition of The Prime Lending Rate Prime Lending Rates for Commercial Banks



- The Prime Lending Rates (Suku Bunga Dasar Kredit/SBDK) indicates the lowest effective lending interest rate and is used as a reference in determining the credit lending interest rate to be charged to customers.
- The SBDK applies exclusively to Commercial Banks (excluding Sharia Banks), including foreign branch offices of national bank.

OJK Mandate



OJK has the mandate to regulate SBDK based on certain considerations, including economic conditions, consumer protection, and in coordination with other relevant authorities.

Consideration of Reference Interest Rates



In determining the SBDK, banks are required to consider reference interest rates such as the BI 7-day repo rate (BI7DRR) and the deposit insurance rate set by the Indonesia Deposit Insurance Corporation (LPS).

Scope of the Publication Report and Detailed Report on SBDK for Commercial Banks (BUK):



Cost of Fund

The cost of funds for loans derived from fund-raising activities.



Overhead Cost:

Operational expenses incurred by the bank for fund-raising and loan distribution activities, including tax expenses.



Profit Margin

The margin set by the bank in its loan



SBDK

Publication of SBDK Reports for Commercial Banks



The requirement to publish SBDK reports through digital channels and/or other electronic media only applies to Conventional Commercial Banks that operate such digital and/or other electronic media platforms.



The announcement of SBDK publication report and the submission of the detailed SBDK report were first conducted based on data as of October 2024.

1. Legal Entity Identifier (LEI): A Global Standard in a Fragmented World

LEI is a 20-digit alphanumeric code that enhances global financial transparency by uniquely identifying legal entities in financial transactions. As part of its financial reform agenda, Indonesia is progressing towards implementing LEI through the accreditation of KSEI as a local LOU. This effort aligns with global standards and supports risk management, regulatory compliance, and the financial ecosystem, demonstrating Indonesia's commitment to the global financial ecosystem.

2. Sistem Layanan Informasi Keuangan (SLIK), also known as OJK Checking, Transformation to Enhance Services and Support for the Financial Services Industry

The Financial Information Service System (SLIK), managed by OJK, is a critical infrastructure supporting over 2,000 financial institutions in Indonesia. Recent enhancements under OJK Regulation No. 11 of 2024 expand SLIK's scope to include insurance companies, guarantees, and fintech peer-to-peer lenders, improving debtor data, risk assessment, and overall reporting efficiency in Indonesia's financial sector.

LEGAL ENTITY IDENTIFIER (LEI): A GLOBAL STANDARD IN A FRAGMENTED WORLD

The aftermath of the Global Financial Crisis' of 2008 has led the G20 and the Financial Stability Board (FSB) to initiate a universal Legal Entity Identifier (LEI) to improve the tracking of financial transactions and assess systemic risks. Later, in 2014, the FSB founded the Global Legal Entity Identifier Foundation (GLEIF) to support LEI implementation, and global adoption has begun.

What is LEI?

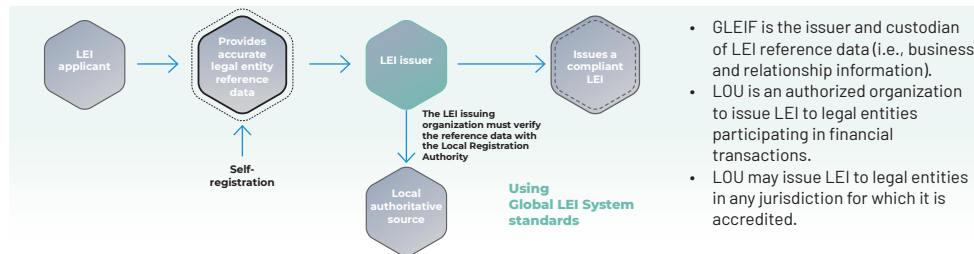
LEI is a 20-digit alphanumeric code that uniquely identifies legal entities in financial transactions across borders. It provides ownership structure details, answers "who is who" and "who owns whom," and serves as a global directory to enhance transparency.



LEI Key Benefits

- Enhancing global transparency and trust between legal entities.
- Simplifying counterparty due diligence and Know Your Customer (KYC) processes.
- Streamlining client onboarding and lifecycle management.
- Centralizing and supplementing national business registry data, enabling efficient consumption and provision of related services.
- Exposing entity relationships (e.g., beneficial owners, parent-child structures), aiding regulatory oversight in Anti-Money Laundering, Counter-Terrorism Financing (AML/CFT)
- Facilitating compliance with existing and future regulations.

LEI Issuers and Local Operating Unit (LOU)



Recommendation from the Standard Setting Bodies (SSBs) on the Implementation of LEI

Global Organization	Rule	Recommendation	Effective Date
Financial Action Task Force (FATF)	<ul style="list-style-type: none"> • Guidance for a risk-based approach Virtual Assets and Virtual Assets Service Providers • Recommendation 16 on wire transfers 	<ul style="list-style-type: none"> • Recommended at national/regional level • Currently reviewing 	<ul style="list-style-type: none"> • 2021 • In progress
Financial Stability Board (FSB)	<ul style="list-style-type: none"> • Cross-border payments (alignment and interoperability across data framework) • Supervisory and regulatory approaches to climate-related risks (standardized regulatory reporting requirements) 	<ul style="list-style-type: none"> • Recommended at national/regional level • Recommended at national/regional level 	<ul style="list-style-type: none"> • 2024 • 2022
Organization for Economic Cooperation and Development (OECD)	<ul style="list-style-type: none"> • Crypto-Asset Service Provider 	<ul style="list-style-type: none"> • Recommended at national/regional level 	<ul style="list-style-type: none"> • 2022
Basel Committee on Banking Supervision (BCBS)	<ul style="list-style-type: none"> • Guideline on sound management of risks related to money laundering and financing of terrorism 	<ul style="list-style-type: none"> • Requested 	<ul style="list-style-type: none"> • 2020

Source: GLEIF

LEGAL ENTITY IDENTIFIER (LEI): A GLOBAL STANDARD IN A FRAGMENTED WORLD



LEI Future Adoption in Indonesia

The future adoption of LEI is a key initiative under Indonesia's broader financial reform efforts aimed at increasing market transparency, mitigating systemic risks, and aligning with international standards. The implementation of LEI will strengthen Indonesia's financial ecosystem by improving entity identification and transparency. It enhances risk management in cross-border transactions, streamlines regulatory compliance for market participants, and increases confidence among international investors.

Indonesia Central Securities Depository (KSEI) is in the second phase of LOU accreditation with GLEIF (Candidate LOU)

In Indonesia, the implementation of LEI is not yet mandatory (voluntary)

Currently, there are six accredited foreign LOUs serving Indonesian entities

Key Challenges:

Limited awareness among stakeholders

Dependency on foreign LOUs for LEI issuance

LEI Adoption in ASEAN-5

	Subjects/Activities Requiring LEI	Accredited Foreign LOUs
Thailand	All investors investing in Thailand debt securities	9 LOUs
Malaysia	<ul style="list-style-type: none"> Buying and selling FX by non-residents All investors (excluding Individual investors) investing in Malaysian debt securities including segregated securities accounts 	9 LOUs
Singapore	Capital Market Services Licenses Holders	12 LOUs
Indonesia	Voluntary	6 LOUs
Philippines	Voluntary	8 LOUs

THE FINANCIAL INFORMATION SERVICE SYSTEM (SLIK) TRANSFORMATION TO ENHANCE SERVICES AND SUPPORT FOR THE FINANCIAL SERVICES INDUSTRY



Background

- SLIK, or also known as OJK Checking, is an integrated financial information system managed by OJK. It replaces the previous system managed by Bank Indonesia (BI Checking).
- Since its implementation on 1 January 2018, SLIK has been the primary financial service system for over 2,000 Financial Services Institutions (FSIs), including banks, financing institutions, and securities companies.
- Strengthening SLIK's infrastructure is OJK's strategy to improve services for FSIs and the broader public.

SLIK Enhancements in 2024

Infrastructure Adjustments:

Expanding the scope of reporters to include insurance, guarantees, and fintech peer-to-peer lending.

Comprehensive Debtor Data:

Providing more complete debtor information to support risk management for credit, insurance, and guarantees.

Changes in SLIK Regulation (OJK Regulation No. 11 of 2024)

1. Expanding the scope of SLIK reporters: The following entities are now required to report:
 - Insurance companies offering credit insurance and/or suretyship products;
 - Sharia insurance companies offering sharia financing insurance and/or sharia suretyship products;
 - Guarantee companies;
 - Sharia guarantee companies;
 - Providers of Information Technology-Based Financing Services (LPBBT/Fintech Peer-to-Peer Lending).
2. Transition Period: New reporters have one year from the regulation's enactment (31 July 2024) to comply with reporting obligations.

Benefits of Expanding the Scope of Reporting



More Comprehensive Debtor Information: Enabling a holistic view of debtor profiles.

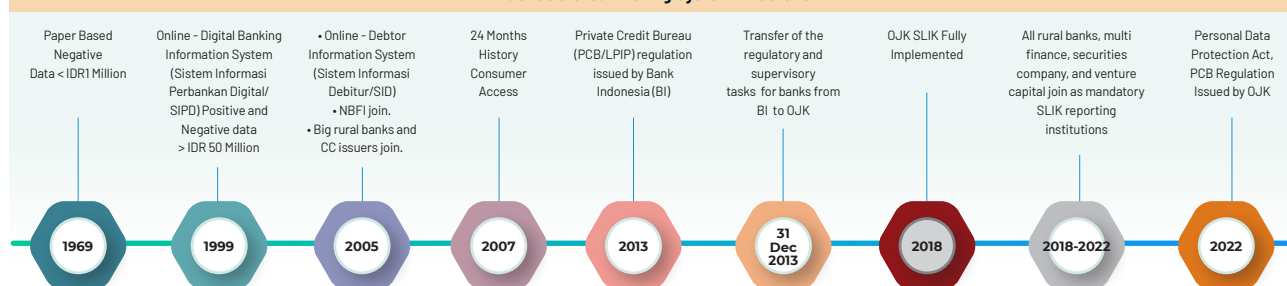


Enhanced Risk Analysis: Supporting risk assessment across financial sectors, including credit, financing, and insurance.



Improved Reporting Effectiveness: Strengthening risk management and reporting efficiency in the financial services sector.

Indonesia Credit Rating System Milestone



SLIK TRANSFORMATION TO ENHANCE SERVICES AND SUPPORT FOR THE FINANCIAL SERVICES INDUSTRY

Comparative Analysis of SLIK (Indonesia), Central Credit Reference Information System (CCRIS/Malaysia), and Credit Bureau Singapore (CBS).

Aspects	SLIK	CCRIS	CBS
Managing Authority	Financial Services Authority (OJK).	Bank Negara Malaysia (Central Bank).	Credit Bureau Singapore Pte Ltd, owned by Singapore's financial institutions and supported by the Monetary Authority of Singapore (MAS).
Data Sources	Banks, non-bank financial institutions, and legal institutions.	Financial institutions and government-linked entities.	Banks, financial institutions, and other data contributors such as telecommunication companies.
Accessibility	Accessible by financial institutions and individuals through online and offline processes.	Free for individuals checking their own reports once annually.	Accessible to financial institutions. Individuals and businesses can request their own reports online or via authorized CBS channels.
Cost	Free for individuals checking their own records.	Free for individuals checking their own reports once annually.	Paid service for individuals and businesses to obtain reports.
Unique Features	Integrates a broader spectrum of reporting entities, including microfinance and peer-to-peer lenders.	Links with government agencies for additional data (e.g., housing and vehicle loans).	Provides credit scores as part of reports and additional services like fraud alerts and detailed credit analytics

Write-off policy impact on SLIK

The government, under Regulation (PP) Number 47 of 2024, grants state-owned banks the authority to write-off and resolve bad debts for MSMEs that fulfill specific criteria. This initiative ensures that the credit records of qualifying MSMEs in OJK's Financial Information Services System (SLIK) are cleared, enabling them to regain access to financing. The program seeks to enhance financial inclusion and solidify the role of MSMEs as pivotal contributors to Indonesia's economy. It aligns with President Prabowo's priority agenda, highlighting MSMEs as the backbone of the national economy, boosting their competitiveness, and fostering inclusive economic growth

Creditworthiness Reassessment



Borrowers benefiting from the policy may see their credit standing improve, enabling them to re-enter the formal credit market. OJK must ensure that SLIK continues to provide reliable risk assessments to financial institutions, balancing inclusion with systemic risk management

Reclassification of Loan Records



Debts written off under this policy will likely be removed or reclassified in SLIK's records. This could improve the credit scores of affected individuals, making them eligible for new loans, a central goal of the initiative



Financial System Integrity

For SLIK to remain a robust tool for assessing credit risk, OJK must ensure transparency in the implementation of the write-offs and mitigate risks of moral hazard, where borrowers might perceive less accountability is necessary for future debts.

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CHAPTER

04

OJK'S PARTICIPATION IN THE INTERNATIONAL FORA IN Q3 2024

OJK is actively engaged in a range of bilateral discussions and international forums on global financial sector reforms, cooperations, and negotiations in Free Trade Agreements (FTAs) and Comprehensive Economic Partnership Agreements (CEPAs).

OJK consistently disseminates information to keep international stakeholders informed about developments in the economy and financial services sector. Additionally, OJK engages proactively with various international organizations concerning Technical Assistance programs.

Furthermore, OJK has played a significant role in coordinating with other ministries, agencies, and stakeholders for the 2023/2024 Financial Sector Assessment Program (FSAP).

The 13th Executive Meeting of East Asia Pacific (EMEAP) Governors' and Heads of Supervisory Authorities (GHOS), Penang, Malaysia, 15- 16 July 2024

The meeting was attended by OJK Chairman, Mahendra Siregar and opened by the Governor of Bank Negara Malaysia (BNM). The agenda focused on the regulation of financial innovation in the digital era, emphasizing the expansion of financial services and the enhancement of digital tools for risk management. Additionally, discussions addressed the global regulatory implications stemming from the banking turmoil of 2023.

OJK reaffirmed Indonesia's ongoing efforts to implement the Basel Framework, enhance banking resilience, publish the Digital Bank Transformation Blueprint, and promote sustainable finance through the Indonesia Taxonomy and Climate Risk Management tools.

OJK Engagements with Global Investors, Singapore, 11-13 August 2024

As part of OJK's proactive efforts to connect with global investors and stakeholders, OJK Vice Chairman, Mirza Adityaswara convened a meeting with global investors attended by Deputy Minister of Finance Suhasil Nazara.

During the meeting, Mirza engaged with stakeholders and investors from equity and fixed-income sectors, as well as economists from banks and securities firms. The discussions focused on the development of Islamic finance, the sustainability of State-Owned Enterprise (SOE) transformation, consumer protection, online gambling, OJK's policy direction, and fiscal policy and stability to support economic growth.

The Islamic Financial Services Board (IFSB)



IFSB Council Meeting ke-44 (1-2 Juli 2024, Djibouti)

OJK, represented by the Deputy Commissioner of Government and Sharia Bank Supervision and the Sharia Banking Department (DPBS), addressed key Islamic banking issues such as high interest rates, the withdrawal of COVID-19 stimulus, rising financing costs, MSME credit risks, and declining margins. The representative from OJK introduced regulations to enhance governance, strengthen Sharia Supervisory Boards, and expand their focus on risk management.

Workshops for Regulatory and Supervisory Authorities, 11 September and 24 September 2024

OJK participated as a speaker in discussing liquidity deepening and the Sharia Governance Framework with regulators and practitioners.

Working Committee- 16th ASEAN Banking Integration Framework (WC-ABIF) Kuala Lumpur, Malaysia, 11 September 2024

The meeting, co-chaired by Bank Negara Malaysia (BNM) and the National Bank of Cambodia (NBC) for WC-ABIF 2024-2026, included the Department of Banking Regulation and Development (DPNP). Participants discussed various topics, including updates on the ASEAN Economic Community (AEC), survey results on Crisis Management, Resolution, and Recovery (CMRR), a review of ABIF guidelines, regional regulatory coherence, capacity-building activities, and the post-2025 learning roadmap, prepare a report for the ASEAN Finance and Central Bank Deputies Meeting Working Group (AFCDM-WG) and SLC.

OJK urged the WC-ABIF to reconsider limiting banking integration to Commercial Presence, citing digital advancements and the role of banks in Local Currency Transactions (LCT) and cross-border QR payments. OJK also called for an evaluation of the impact on WC-ABIF KPIs.

40th ASEAN+3 Bond Market Forum (ABMF), Kumamoto, Japan, 8-12 July 2024

OJK representative from Capital Market, Financial Derivatives, and Carbon Exchange sectors attended the forum. Key topics included expanding sustainable finance in Asia, digital transformation in ASEAN+3, updates from the ASEAN+3 Bond Market Forum, and discussions on the Cross-Border Settlement Infrastructure Forum (CSiF) regarding digital assets and Central Bank Digital Currency. The agenda also featured a sustainable finance seminar by APFF and the XBRL Asia Roundtable (Parts 1 and 2).

ASEAN Capital Markets Forum (ACMF) Deputies Meeting:

5 September 2024, Luang Prabang, Lao PDR

OJK's Capital Market sector participated alongside ten ACMF members, the ASEAN Secretariat, and ADB. The meeting focused on updates to the WG-A composition, survey results on regulatory frameworks in ACMF member countries, and ISSB priority agendas. OJK requested the exclusion of the Katingan Mentaya Project and Rimba Raya Biodiversity Reserve Project from the High-Quality Projects in the Voluntary Carbon Market (VCM) Study due to ongoing legal issues.

25 September 2024, Virtual Meeting

OJK's Capital Market sector and ACMF members convened to discuss ACMF initiatives, including the ASEAN Transition Finance Guidance Version 2 and the ACMF Action Plan 2026-2030. The meeting resulted in the approval of the consultant's revisions and an agreement to finalize the ASEAN Transition Finance Guidance V2 draft for endorsement at the ACMF Chairs Meeting.

3rd Roundtable of the ADBI-ADB Asian Climate Finance Dialogue, 17-18 September 2024



OJK representatives from Capital Market, Financial Derivatives, and Carbon Exchange sectors attended the meeting. Discussions focused on the financial transition framework and the development of national taxonomies in Asia, particularly regarding transition funding for decarbonizing high-emission sectors, as well as frameworks and taxonomies adopted by Asian countries to enhance credibility and transparency for investors.



The Financial Stability Board (FSB)

**Virtual Meeting FSB Non-Bank Monitoring Experts Group (NMEG),
10 September 2024**

International Affairs and AML/CTF Department of OJK participated in the meeting, which focused on data regarding non-bank financial institutions (NBFIs) across all FSB member countries. The discussions aimed to enhance understanding and monitoring of the role of NBFIs in global financial stability.

**FSB Standing Committee on Supervisory and Regulatory Cooperation (SRC)
Meeting, London, England 17-18 September 2024**

OJK Chief Executive of Technology Information, Digital Assets, and Crypto Asset Supervision, Hasan Fawzi, led the agenda, which included a status report on the G20 crypto roadmap and the 2025 work priorities of the SRC.

Integrated Financial Supervisors Conference (IFSC), Budapest, Hungary, 23-24 September 2024

OJK Deputy Commissioner for International Affairs, AML-CFT, and Regional participated in the meeting, which covered topics such as global financial authorities, innovations in supervisory methodologies, challenges in crypto market supervision, and consumer protection in the digital realm. OJK also presented the latest developments in sustainable finance in Indonesia.

The 16th China ASEAN Financial Cooperation and Development Conference, in Nanning, Beijing, 25 September 2024

OJK Chief Executive of Capital Market, Financial Derivatives, and Carbon Exchange Supervision, Inarno Djajadi delivered a keynote address on the development of green finance and green bonds in Indonesia. Discussions included key topics such as innovative practices and future trends in green finance under the Belt and Road Initiative, with an emphasis on creating a new ecosystem.

2023/2024 Financial Sector Assessment Program (FSAP)

As a G20 and Financial Stability Board (FSB) member, Indonesia has completed its Financial Sector Assessment Program (FSAP), with the 2023/2024 assessment highlighting a resilient economy and financial sector.

Key findings are detailed in the IMF's Financial System Stability Assessment (FSSA) report, published on 8 August 2024, alongside an upcoming World Bank Financial Sector Assessment (FSA) report. Additionally, 17 individual reports are being finalized to provide insights and recommendations for enhancing Indonesia's financial resilience.

The KSSK Secretary will present the outcomes to the FSAP Steering Forum at the KSSK IV Regular Meeting in October 2024.

International Cooperations

International Affairs and AML/CTF Department has several cooperation with overseas bodies abroad:

- OJK signed the following agreements:
 1. MoU (amendment) with Banco Central de Timor-Leste (BCTL)
 2. MoU with the Hong Kong Monetary Authority (HKMA)
- In the process of amending the MoU with Bank Negara Malaysia (BNM).

International Trade Agreements

Bilateral Trade Agreements

OJK participated in bilateral meetings on financial services in electronic trade negotiations, covering market access in the Financial Services Sector (FSS), digital trade, labor mobility, investment, and investor protection. OJK negotiated agreement texts on services trade, investment, and e-commerce, and led discussions on regulatory frameworks, the Islamic economy, and labor mobility.

These topics were addressed in:

1. 5th round of the Indonesia-Eurasian Economic Union (EAEU) Free Trade Agreement (I-EAEU FTA)
2. 19th round of the Indonesia-European Union Comprehensive Economic Partnership Agreement (IEU CEPA)
3. 3rd round of the Indonesia-Kazakhstan Bilateral Investment Treaty (BIT ID-KZ)
4. 9th round and Intersessional Negotiations of the Indonesia-Canada Comprehensive Economic Partnership Agreement (ICACEPA)
5. 1st round of the Indonesia-Gulf Cooperation Council (GCC) Free Trade Agreement.

Regional Trade Agreements:

OJK negotiated in regional agreements on financial services, e-commerce, trade in services, and investment, with a focus on the digital economy and fintech development cooperation.

These topics were addressed in:

1. 10th and 11th Plenary Sessions and 12th ASEAN Caucus for ASEAN-China FTA Review/Upgrade
2. 5th and 6th rounds of ASEAN Digital Economic Framework Agreement (ASEAN DEFA)
3. 8th and 9th rounds of ASEAN-Canada FTA (ACaFTA)

OJK participates in strategic international financial surveys



OJK submitted key surveys from FSB, i.e., regulatory and supervisory of climate-related risks, FSB Resolution Report 2024: Key Attributes and FSB Non-Bank Monitoring Experts Group (NMEG).

CHAPTER

05

APPENDIX



LIST OF NEW OJK REGULATIONS IN Q3 2024

No	Regulations	Concerning	Effective Date
1	OJK Regulation Number 09/2024	Implementation of Governance for Rural Banks and Sharia Rural Banks (BPR/BPRS)	1 July 2024
2	OJK Regulation Number 10/2024	Issuance and Reporting of Regional Bonds and Regional Sukuk	9 July 2024
3	OJK Regulation Number 11/2024	The Second Amendment to the Financial Services Authority Regulation Number 18/POJK.03/2017 on Reporting and Requests for Debtor Information through the Financial Information Service System (Sistem Layanan Informasi Keuangan /S LIK)	31 July 2024
4	OJK Regulation Number 13/2024	Transparency and Publication of Basic Lending Rates for Conventional Commercial Banks (POJK SBDK BUK)	12 August 2024

LIST OF NEW CIRCULAR LETTERS IN Q3 2024

No	Circular Letters	Concerning	Effective Date
1	OJK Circular Letter Number 1/SEOJK.05/2024	Procedures and Mechanisms for Submitting Transaction Data and Reporting of Peer-to-Peer Lending Service Providers Based on Information Technology	1 July 2024
2	OJK Circular Letter Number 4/SEOJK.05/2024	Investment Valuation Basis for Pension Funds	1 July 2024
3	OJK Circular Letter Number 7/SEOJK.07/2024	Reporting of Financial Sector Technology Innovation Providers Registered with the Financial Services Authority	8 August 2024
4	OJK Circular Letter Number 8/SEOJK.07/2024	Association of Financial Sector Technology Innovation Providers	11 September 2024
5	OJK Circular Letter Number 9/SEOJK.05/2024	Association of Financial Sector Technology Innovation Providers	27 September 2024
6	OJK Circular Letter Number 10/SEOJK.05/2024	Mechanism and Procedures for the Separation of Sharia Units in Insurance and Reinsurance Companies	27 September 2024

HIGHLIGHTS OF THE CAPITAL MARKET SECTOR

JCI

(27 SEP'24)

7,696.92 ▲ 5.83% (YTD)

(29 DEC '23)

7,272.80 ▲ 6.16% (YTD)

ICBI

(27 SEP'24)

396.13 ▲ 5.74% (YTD)

(29 DEC '23)

374.61 ▲ 8.65% (YTD)

CAPITAL INFLOW/OUTFLOW

	2019	2020	2021	2022	2023	Aug-24	Sep-24
Equity (IDR T)	49.20	-47.81	37.97	60.58	-6.19	27.73	52.75
Government Bond (IDR T)	168.61	-87.95	-82.57	-128.98	79.87	10.25	31.07

LOCAL INVESTOR DEVELOPMENT

	2019	2020	2021	2022	2023	Aug-24	Sep-24
No. of Capital Market Investor (Mn)	2.48	3.90	7.50	10.31	12.17	13.66	13.90
Growth YoY	53.00%	56.21%	92.99%	37.68%	18.01%	17.95%	18.50%
Local % of Equity Ownership	46.88	50.79	54.15	54.40	52.91	51.50	51.12

PUBLIC OFFERING

TYPE	2019	2020	2021		2022		2023		Sep-24	
	Nom (IDR T)	Nom (IDR T)	No. of Issuers	Nom (IDR T)	No. of Issuers	Nom (IDR T)	No. of Issuers	Nom (IDR T)	No. of Issuers	Nom (IDR T)
IPO	14.70	6.10	52	61.66	65	33.03	78	54.33	27	3.79
Right Issue	29.17	20.30	44	197.27	45	78.37	25	56.18	11	36.30
Corporate Bonds /Sukuk	122.98	92.30	96	104.40	123	156.33	120	144.89	100	96.97
TOTAL	166.85	118.70	192	363.29	233	267.73	223	255.40	138	137.05

HIGHLIGHTS OF INSURANCE AND PENSION FUND SECTOR

INSURANCE

Commercial Insurance	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR T)	797.35	860.96	877.93	891.95	912.78	922.48
Growth YoY	1.66	7.98%	1.97%	1.60%	2.42	3.81
Commercial Insurance Premium Income (IDR T)	297.48	312.47	316.25	320.88	218.55	245.42
Growth YoY	-3.68%	5.04%	1.21%	1.46%	5.82	5.77%
Life Insurance Premium	186.68	204.97	192.80	177.41	118.96	135.64
Growth YoY	-6.26%	9.74%	-5.94%	-7.99%	0.56%	2.73%
RBC Life Insurance (%)	528.59	325.52	324.52	363.10	457.02	458.31
General Insurance Premium	109.59	107.49	123.45	143.47	99.59	109.78
Growth YoY		-2.90%	14.84%	16.22%	12.89%	9.78%
RBC General Insurance (%)	345.35	535.03	480.43	457.98	323.74	329.89

Non Commercial Insurance	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR T)	109.74	172.43	212.89	219.36	219.71	220.02
Growth YoY	31.53	57.13%	23.47%	3.04%	-3.02%	-2.80%
Non Commercial Insurance Premium Income (IDR T)	146.17	155.59	158.02	167.14	120.32	135.41
Growth YoY	25.18%	6.45%	1.56%	5.77%	6.68	6.59%
Total Insurance Assets						
Asset Value (IDR T)	867.79	1,033.39	1,090.82	1,111.30	1,132.49	1,142.50
Growth YoY	14.70%	13.92%	5.56%	1.88%	1.32%	2.46%

PENSION FUND

Voluntary Retirement Program	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR T)	316.67	329.55	344.88	368.70	378.45	380.80
Growth YoY	7.12%	4.07%	4.65%	6.91%	4.83%	5.60%

Mandatory Retirement Program	Dec-20	Dec-21	Dec-22	Dec-23	Aug-24	Sep-24
Asset Value (IDR T)	738.82	815.24	924.40	1,036.75	1,106.97	1,119.26
Growth YoY	11.91%	10.34%	13.39%	12.15%	10.60%	11.72%

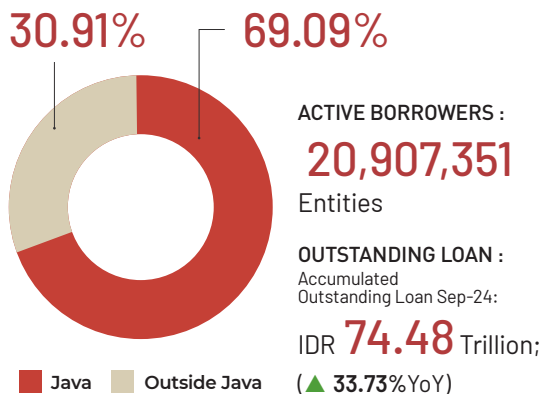
DEVELOPMENT OF FINTECH P2P LENDING

[As of September 2024]

REGISTERED/ LICENSED COMPANIES

TOTAL:	CONVENTIONAL:	SHARIA:
98	91	7

ACTIVE BORROWERS



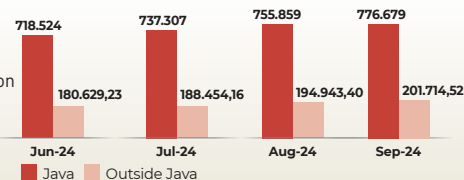
Success rate for ≤ 90 days loan payment (TKB90):

Sep-24	Dec-23
(97.62%);	(97.07%);

LOAN ACCUMULATION

TOTAL LOAN
ACCUMULATION:

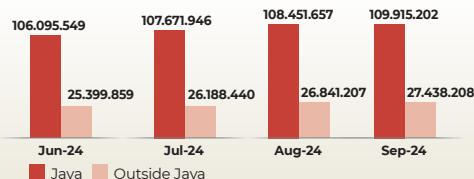
IDR **978.39** Trillion
(Sep-24)
(▲ 40.40% YoY,
▲ 5.69% YTD)



BORROWER ACCOUNT

TOTAL BORROWER
ACCOUNT:

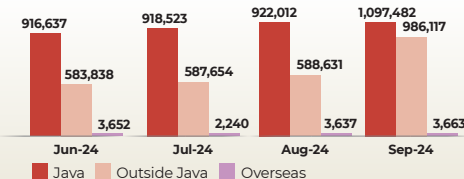
137,353,410
entities (Sep-24)
(▲ 12.63% YoY,
▲ 2.61% YTD)



LENDING DISTRIBUTION

TOTAL LENDER
ACCOUNT:

2,087,262
entities (Sep-24)
(▲ 90.02% YoY,
▲ 38.37% YTD)



GDP GROWTH BY SECTORS

	2019	2020	2021	2022	2023	Q3-2023 (yoy)	Q4-2023 (yoy)	01-2024 (yoy)	Q2-2024 (yoy)	Q3-2024 (yoy)	Share to 2024 GDP
Agriculture, Forestry, and Fishery	4.26	1.77	1.87	2.25	1.30	1.46	1.12	-3.54	3.25	1.69	13.71
Mining and Quarrying	0.94	-1.95	4.00	4.38	6.12	6.95	7.46	9.31	3.17	3.46	9.06
Manufacturing	3.66	-2.93	3.39	4.89	4.64	5.20	4.07	4.13	3.95	4.72	19.02
Electricity and Gas Supply	6.01	-2.34	5.55	6.61	4.91	5.06	8.68	5.35	5.39	5.02	1.03
Construction	5.79	-3.26	2.81	2.01	4.91	4.49	7.68	7.59	7.29	7.48	10.06
Wholesale and Retail Trades	4.24	-3.79	4.63	5.52	4.85	6.39	4.09	4.58	4.86	4.82	13.09
Transportation and Warehouse	7.55	-15.05	3.24	19.87	13.96	5.08	10.33	8.65	9.12	8.64	6.17
Accommodation and Food Service Activities	6.41	-10.26	3.89	11.97	13.96	14.74	7.89	9.39	10.17	8.33	2.62
Information and Communication	9.71	10.61	6.82	7.74	7.59	10.90	6.74	8.39	7.66	6.86	4.28
Financial and Insurance Services	8.49	3.25	1.56	1.93	4.77	8.52	6.56	3.91	7.90	5.49	4.09
Real Estate Activities	5.85	2.32	2.78	1.72	1.43	5.24	2.18	2.54	2.16	2.32	2.32
Business Services	10.49	-5.44	0.73	8.77	8.24	2.21	7.62	9.63	7.96	7.93	1.89
Public Administration and Defense, Compulsory Social Security	2.06	-0.03	-0.33	2.52	1.50	9.37	1.61	4.19	2.79	3.94	2.61
Education	5.46	2.61	0.11	0.59	1.78	-6.23	2.63	-10.34	2.38	2.51	2.62
Human Health and Social Work Activities	7.82	11.56	10.45	2.74	4.66	-2.07	3.09	11.64	8.56	7.64	1.24
Others											6.19
Gross Domestic Product	3.66	-2.07	3.70	5.31	5.05	4.94	5.04	5.51	5.24	5.04	100.00

OTHER MACROECONOMIC INDICATORS

	Dec-19	Dec-20	Dec-21	Dec-22	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
FX Reserves (Bn USD)	129.18	135.9	144.9	137.2	133.1	138.1	146.4	145.1	144.0	140.4	136.2	139.0	140.4	145.4	150.3	149.9
BI7DDR* (%)	5.00	3.75	3.5	5.5	6.00	6.00	6.00	6.00	6.00	6.00	6.25	6.25	6.25	6.25	6.25	6.00
Exchange Rate (USD/IDR)	13,901	14,105	14,278	15,592	15,885	15,510	15,397	15,874	15,715	15,855	16,276	16,251	16,394	16,294	15,473	15,144
Trade Balance (Bn USD)	-0.08	2.10	1.01	3.96	3.47	2.41	3.31	1.99	0.83	4.47	3.55	2.92	2.39	0.47	2.90	3.29
Oil and Gas (Bn USD)	-1.00	-0.46	-2.31	-1.72	-1.84	-2.21	-1.89	-1.30	-1.76	-2.04	-1.63	-1.32	-2.03	-2.13	-1.44	-1.35
Non Oil and Gas (Bn USD)	0.92	2.56	3.32	5.61	5.31	4.62	5.20	3.30	2.59	6.51	4.35	4.25	4.42	2.63	4.21	4.61
Consumer Confidence Index (%)	126.37	96.5	118.3	119.9	124.3	123.6	123.8	125.0	123.1	123.8	127.7	125.2	123.3	123.4	123.4	123.5
Retail Sales Index (%)	235.1	190.06	216.3	217.8	206.3	209.4	217.9	216.0	208.5	222.8	236.3	233.9	232.8	212.0	215.9	210.5
Inflation (% YoY)																
Headline	2.72	1.68	1.87	5.51	2.56	2.86	2.61	0.04	0.37	0.52	3.00	2.84	2.51	2.13	2.12	1.84
Core	3.02	1.6	1.56	3.36	1.91	1.87	1.80	0.20	0.14	0.23	1.82	1.93	1.90	1.95	2.02	2.09
Administered Price	0.51	0.25	1.79	13.34	2.12	2.07	1.72	-0.48	0.15	0.08	1.54	1.52	1.68	1.47	1.68	1.40
Volatile Food	4.3	3.62	3.2	5.61	5.54	7.59	6.73	0.01	1.53	2.16	9.63	8.14	5.96	3.63	3.04	1.43
	Feb-19	Aug-19	Feb-20	Aug-20	Feb-21	Aug-21	Feb-22	Aug-22	Feb-23	Aug-23	Feb-24	Aug-24				
Unemployment Rate (%) (BPS)	4.98	5.23	4.94	7.07	6.26	6.49	5.83	5.86	5.45	5.32	4.82	4.91				

HISTORY OF INDONESIA SOVEREIGN CREDIT RATINGS

STANDARD & POOR'S		MOODY'S		FITCH		RATING AND INVESTMENT		JAPAN CREDIT RATING AGENCY	
7 July 1992	BBB-	14 March 1994	Baa3	1 June 1997	BBB-	14 May 1998	B	25 October 2002	B
18 April 1995	BBB	21 December 1997	Ba1	23 December 1997	BB+	28 September 1999	B-	26 May 2004	B+
10 October 1997	BBB-	9 January 1998	B2	8 January 1998	BB-	28 June 2004	B	21 September 2006	BB-
31 December 1997	BB+	20 March 1998	B3	21 January 1998	B+	22 July 2005	BB-	7 September 2007	BB
9 January 1998	BB	30 September 2003	B2	16 March 1998	B-	12 October 2006	BB-	25 September 2008	BB*
27 January 1998	B	19 May 2006	B1	1 August 2002	B	31 October 2007	BB+	5 February 2009	BB**
11 March 1998	B-	22 October 2007	Ba3	20 November 2003	B+	January 2009	BB+*	7 July 2009	BB+
15 May 1998	CCC+	23 December 2008	Ba3*	27 January 2005	BB-	7 October 2009	BB+*	13 July 2010	BBB-
29 March 1999	SD	11 June 2009	Ba3***	14 February 2008	BB	14 October 2010	BB+***	24 August 2011	BBB-*
30 March 1999	CCC+	16 September 2009	Ba2	21 January 2009	BB*	14 November 2011	BB+*	13 November 2012	BBB-*
12 September 1999	CCC+	21 June 2010	Ba2***	25 January 2010	BB+	18 October 2012	BBB-	22 July 2013	BBB-*
2 October 2000	B-	17 January 2011	Ba1	24 February 2011	BB+***	11 October 2013	BBB-*	22 October 2014	BBB-*
21 May 2001	CCC+	18 January 2012	Baa3	15 December 2011	BBB-	18 March 2015	BBB-*	1 February 2016	BBB-*
2 November 2001	CCC	28 January 2016	Baa3*	22 November 2012	BBB-*	4 April 2016	BBB-*	7 March 2017	BBB-***
23 April 2002	SD	8 February 2017	Baa3***	15 November 2013	BBB-*	5 April 2017	BBB-***	8 February 2018	BBB
5 September 2002	CCC+	13 April 2018	Baa2	13 November 2014	BBB-*	7 March 2018	BBB	26 April 2019	BBB***
12 May 2003	B-	10 February 2020	Baa2*	6 November 2015	BBB-*	26 April 2019	BBB*	31 January 2020	BBB+
8 October 2003	B	10 February 2022	Baa2*	23 May 2016	BBB-*	17 March 2020	BBB+	22 December 2020	BBB+*
22 December 2004	B+	1 March 2023	Baa2*	21 December 2016	BBB-***	22 April 2021	BBB+*	27 July 2022	BBB+*
26 July 2006	BB-	16 April 2024	Baa2*	19 July 2017	BBB-*	4 July 2022	BBB+*	25 March 2024	BBB+*
7 November 2008	BB-*			20 December 2017	BBB	25 July 2023	BBB+***		
23 October 2009	BB-***			2 September 2018	BBB*	30 September 2024	BBB+***		
12 March 2010	BB			14 March 2019	BBB*				
8 April 2011	BB+			24 January 2020	BBB*				
23 April 2012	BB+*			22 March 2021	BBB*				
2 May 2013	BB+**			23 November 2021	BBB*				
28 April 2014	BB+*			28 June 2022	BBB*				
21 May 2015	BB+***			14 December 2022	BBB*				
1 June 2016	BB+*			1 September 2023	BBB*				
19 May 2017	BBB-			15 March 2024	BBB*				
31 May 2018	BBB-*								
31 May 2019	BBB								
17 April 2020	BBB****								
22 April 2021	BBB*								
27 April 2022	BBB*****								
10 July 2023	BBB*								
30 July 2024	BBB*								

* rating affirmation

** outlook revised from positive to stable

*** outlook revised from stable to positive

**** outlook revised from stable to negative

***** outlook revised from negative to stable

Note: Foreign Currency Long Term Debt

Source: BI

GLOSSARY

ABIF	ASEAN Banking Integration Framework
ABD	Asian Development Bank
ACaFTA	ASEAN-Canada Free Trade Area
ACFM	ASEAN Capital Market Forum
AFCDM - WG	ASEAN Finance and Central Bank Deputies Meeting Working Group
AEC	ASEAN Economic Community
AML/CTF/CFP	Anti-Money Laundering/ Counter-Terrorism Financing/ Countering Financial Proliferation
APUVINDO	Indonesian Money Market and Foreign Exchange Market Association
BCBS	Basel Committee on Banking Supervision
BCTL	Banco Central de Timor-Leste
BNM	Bank Negara Malaysia
BPS	Basis Points
CAR	Capital Adequacy Ratio
CCP	Central Counterparty
CCI	Consumer Confidence Index
CEPA	Comprehensive Economic Partnership Agreement
CPMI	Capital Payment Market Infrastructure
CPO	Crude Palm Oil
CSIF	Cross-Border Settlement Infrastructure Forum
DEFA	Digital Economic Framework Agreement
DPBS	Sharia Banking Department
EU	European Union
FATF	Financial Action Task Force
Fintech	Financial Technology
FSAP	Financial Sector Assessment Program
FSB	Financial Stability Board
FSAR	Financial Sector Assessment Report
FSIs	Financial Services Institutions
GDP	Gross Domestic Product
GCC	Gulf Cooperation Council

GLEIF	Global Legal Entity Identifier Foundation
HKMA	Hong Kong Monetary Authority
ICACEPA	Indonesia-Canada Comprehensive Economic Partnership Agreement
ICBI	Indonesia Composite Bond Index
IFAS	Indonesian Financial Accounting Standards
IIA	Institute of Internal Auditors
IMF	International Monetary Fund
IOE	International Organization of Employers
IPO	Initial Public Offering
ISFO	Indonesia Sharia Financial Olympiad (ISFO)
JCI	Jakarta Stock Exchange Composite Index
JIBOR	Jakarta Interbank Offered Rate
KSEI	Indonesia Central Securities Depository
KSSK	Financial System Stability Committee
I EAEU I-FTA	Indonesia-Eurasian Economic Union (EAEU) Free Trade Agreement
LA	Liquid Assets
LA/NCD	Liquid Assets to Non-Core Deposits
LEI	Legal Entity Identifier
LMSKU	Learning Management System for Financial Literacy
LNG	Liquefied natural gas
LOU	Local Operating Unit
LPS	Indonesia Deposit Insurance Corporation
LPBBTI	Providers of Information Technology-Based Financing Services
MF	Multi Finance
MSMEs	Micro, Small and Medium Enterprises
NBC	National Bank of Cambodia
NBFI	non-bank financial institutions
NPL	Non-performing Loans
NWGBR	National Working Group on Benchmark Reform

OECD	Organization for Economic Cooperation and Development
P2PL	Peer-to-peer Lending
PAJK	Financial Services Aggregator Providers
PKA	Alternative Credit Rating
PMI	Purchasing Managers Index
RBC	Risk-Based Capital
RSI	Retail Sales Index
SC	Securities Company
SCF	Security Crowdfunding (SCF)
SEC	Securities and Exchange Commission
SIPD	Sistem Informasi Penyedia Dana
SLC	Senior Level Committee
SLIK	OJK's Financial Information Services System
SOE	State Owned Enterprises
SRC	Supervisory and Regulatory Cooperation
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TPAKD	Regional Financial Access Acceleration Team
WTI	West Texas Intermediate
XBRL	Extensible Business Reporting Language
YoY	Year on Year
Ytd	Year to date