BANK INDONESIA

Governor's Speech

SYNERGY, TRANSFORMATION, AND INNOVATION

TOWARD AN ADVANCED INDONESIA

BANK INDONESIA'S
ANNUAL MEETING 2019

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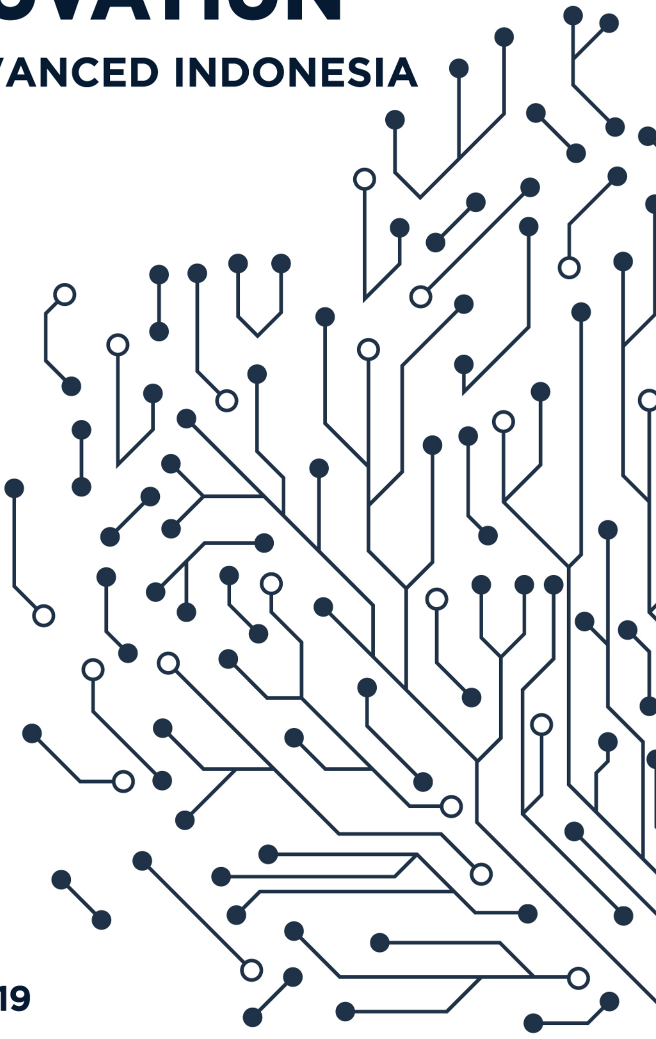

BANK INDONESIA'S ANNUAL MEETING 2019

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"SYNERGY, TRANSFORMATION, AND INNOVATION Toward an Advanced Indonesia"

Speech of the Governor of Bank Indonesia
BANK INDONESIA'S ANNUAL MEETING
Jakarta, 28th November 2019

His Excellency:

- President of the Republic of Indonesia, Mr. Joko Widodo;

Honourable guests:

- Leaders and Members of the House of Representatives and House of Regional Representatives of the Republic of Indonesia;
- Leaders of State Institutions;
- Ministers of Indonesia Maju Cabinet;
- Chairman and Members of the Board of the Financial Services Authority (OJK) and Deposit Insurance Corporation (LPS);
- Former Governors and Board members of Bank Indonesia;
- Provincial Governors from all across Indonesia;
- Leaders of the Banking Industry, Corporate Sector and National Media;
- Awardees of 2019 Bank Indonesia Award;
- Distinguished Ladies and Gentlemen.

Assalamu'alaikum Warahmatullahi Wabarakaatuh,
Salam Sejahtera for all of us,
Om Swastyastu, Namo Buddhaya,
Salam Kebajikan, Syalom

Let me begin by praising Allah SWT, God Almighty, for it is with His blessings that we can assemble here at the **2019 Bank Indonesia's Annual Meeting**. I also offer my sincerest appreciation to the President of the Republic of Indonesia for his esteemed presence this evening along with all the invited participants.

I would like to congratulate 39 awardees of 2019 Bank Indonesia Award. Banks, corporates and individuals in four areas and 14 categories ranging from monetary and financial system stability management, payment system and rupiah currency management, those supporting Bank Indonesia policy as well as individual contributions. The awards are organised annually, as part of the Bank Indonesia's Annual Meeting, as a form of appreciation and national recognition to our stakeholders who have been continously supporting Bank Indonesia.

I would also like to take this opportunity to deliver our assessment on Indonesia's economic performance in 2019 as well as the economic outlook and Bank Indonesia policy direction in 2020 that we have summarised under the theme "**Synergy, Transformation, and Innovation Toward an Advanced Indonesia**". We consider this a pertinent theme as a strategy to overcome global economic headwinds to strengthen external resilience and boost national economic growth momentum toward an advanced nation in 2045. This is also a representation of Bank Indonesia's accountability and transparency as mandated by the Bank Indonesia Act.

Global Economy: Diminishing Globalisation, Increasing Digitalisation

The global economy has become more unfavorable in 2019. The ongoing trade war between the United States and China and several other countries has continued to escalate, with anti-globalisation sentiment taking precedence along with inward-looking policies. The Brexit issue in the UK has reached an impasse, while other geopolitical risks continue to emerge. At the same time, economic and financial digitalisation is taking place rapidly - bringing with it all the benefits and risks - penetrating various economic segments with control increasingly in the hands of big tech. The current phenomenon of diminishing globalisation coupled with increasing digitalisation is expected to persist into 2020 and beyond. Consequently, we must consider such phenomena in terms of strengthening resilience and national economic growth toward a high-income advanced economy by 2045. There are no less than five key characteristics that demand vigilance as follows:

First, global economic growth declined sharply in 2019, and may not be recovered in 2020. The trade war has had a devastating impact on the economy, not only in the countries involved but also affecting all countries around the world. The International Monetary Fund (IMF) and several other international organisations have, from time to time, revised down growth projections, for some countries and also global economy. The nature of the slowdown also shifts from uneven global growth to a synchronised global slowdown. Bank Indonesia projects a global economic slowdown from 3.6% in 2018 to just 3.0% in 2019 and 3.1% in 2020 in the absence of prolonged trade conflict (Table 1). Economic growth in the United States, China as well as

Table 1. Global Economy: Economic Growth, Trade Volume, and Commodity Prices (%, yoy)

	2018	2019*	2020*
World Economic Growth	**3.6**	**3.0**	**3.1**
Advanced Economies	**2.2**	**1.7**	**1.5**
United States	2.9	2.3	2.0
Euro Area	1.8	1.0	1.0
Japan	0.8	0.6	0.5
Emerging Economies	**4.5**	**3.9**	**4.1**
China	6.6	6.2	6.0
India	7.4	5.9	6.6
Latin America	1.0	0.5	1.8
World Trade Volume	**3.4**	**-0.3**	**0.2**
Indonesia Export Commodity Price Index	**-2.8**	**-4.1**	**-0.9**

Source: World Economic Outlook (WEO) Database, October 2019, Bank Indonesia Projection

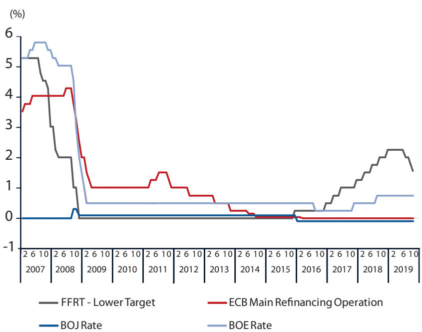
Notes: *Projected

many advanced and developing economies are moderating. In fact, the threat of recession looms large in several countries. In addition, global economic moderation has suppressed world trade volume and international commodity prices (Table 1). This reminds us to the warning given by President Joko Widodo at the IMF-World Bank Annual Meetings in Bali in October 2018, referring to the impact of the war in the Game of Thrones, has become a reality. The winter indeed has arrived and we must be prepared to face the cold.

Second, monetary policy by itself may not always be effective in addressing the adverse impacts of the trade dispute. The US Federal Reserve, raised its policy rate in 2018 as part of its monetary policy normalisation, and then subsequently backtracked and has reduced the Federal Funds Rate (FFR) three times since July 2019 by a total of 75bps in order to ease its monetary policy stance (Graph 1). With zero and even negative interest rates, the European Central Bank (ECB) has also continued its accomodative policy by expanding the balance sheet through liquidity injections (Graph 2). Furthermore, the Bank of Japan (BOJ) has also persisted with qualitative and quantitative easing since the global financial crisis in 2008. Unfortunately, the range of conventional and unconventional policy measures taken has not succeeded in supporting the global economy. Central banks cannot be "the only game in town" in dealing with trade war fallout. A synergy in the form of national economic policy mix is required, encompassing fiscal stimuli and economic reforms in the real sector, to underpin economic growth.

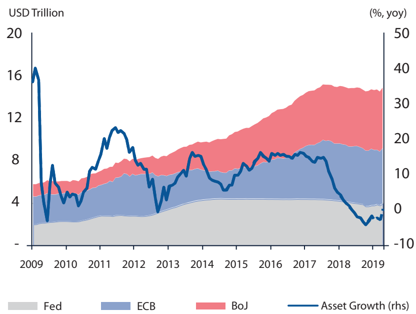
Third, volatility in foreign capital flows and exchange rates in global financial markets persists. Liquidity injections coupled with low interest rates in advanced economies have encouraged global investors to seek more attractive yields in emerging markets (EMs), including Indonesia, in the form of portfolio investments in stocks, bonds, and other securities. The volatility of such capital flows is relatively high, amplified by economic dynamics, the direction of monetary policy, and global financial market uncertainty (Graph 3). Volatile foreign capital flows have triggered exchange rate volatility in emerging markets, including rupiah. Furthermore, with

Graph 1. Central Bank Policy Rate Cuts



Source: Bloomberg, calculated

Graph 2. Central Bank Liquidity Injection

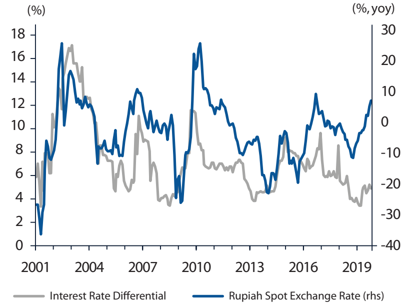


Source: FRED, calculated

US economy still outperforming others and a recent change in monetary policy direction, the US dollar remains strong and affects performance of other currency. Exchange rate volatility, including the rupiah, is not only driven by interest rate parity condition, but also investment risk premium (Graph 4). Maintaining an attractiveness yields is important, yet it is also crucial to strengthen positive sentiment on policy credibility and the national economic outlook. Consequently, various economic reform policies will be continued to improve the ease of doing business, and therefore encourage more foreign capital to Indonesia, in particular foreign direct investment (FDI).

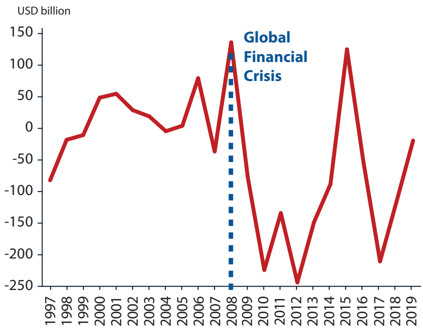
Fourth, economic and financial digitalisation is growing exponentially. The advancement of digital technology is extraordinary, from the internet of things to artificial intelligence (AI), block chains, distributed ledger technology (DLT), and robotics. Digital technology has fundamentally disrupted production processes in the industry 4.0 era, along with retail trade through e-commerce, as well as health, education, and various other segments in our everyday lives. In the financial world, digital technological innovation has led to the rapid development of fintech in the payment system and in various other financial services, such as crowdfunding, peer-to-peer lending, insurance, and wealth management (Graph 5). Such financial services, which used to be conducted by banks and other financial institutions, are further developed and taken over by fintech, prompting a risk from shadow banking. Moreover, sizeable investment in digital technology has precipitated the emergence of giant world-class corporation, or a big tech (Graph 6). Big tech is dominating business in digital economy and finance across the globe. Some have even issued private virtual or

Graph 4. Interest Rate Differential and Rupiah Exchange Rate Movements



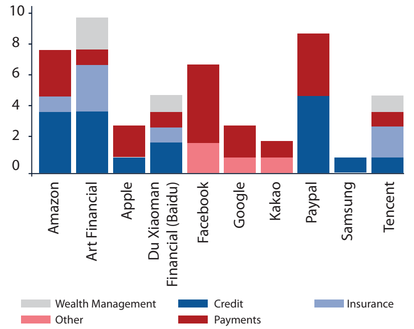
Source: CEIC, calculated

Graph 3. Increasing Portfolio Investment Volatility



Source: World Economic Outlook (WEO) Database, October 2019, calculated

Graph 5. Types of Big Tech Financial Services



Source: Big Tech in Finance: Market Developments and Potential Financial Stability Implications, Financial Stability Board (August 2019) crypto-currency, which is encroaching upon the mandate of the central bank. This raises the question of what policies are required to ensure the rapid development of the digital economy and finance remains aligned with the national interest as a new source of economic growth moving forward, thus accelerating financial and economic inclusion. Not only that, the risk of big tech dominating the business and controlling granular data also demands vigilance due to the potential threat to fair business competition and discourage innovation.

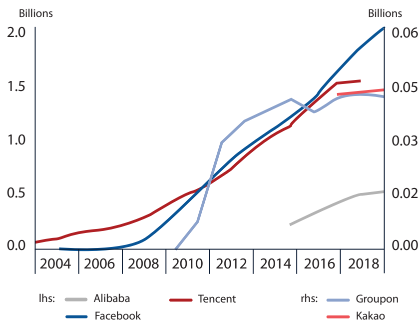
Fifth, digital technology is also changing human behaviour as consumers and employees. This is congruent with the demography of Indonesia, where millennials account for more than 50% of the working-age population according to 2018 data from the Ministry of Women's Empowerment and BPS-Statistics Indonesia. Technology adoption is much faster amongst millennials, including mobile phones and social media (Graph 7 and 8). As consumers, they demand affordable products and services in real-time, affordable and tailored to their specific tastes through online transactions, rather than visiting brick-and-mortar stores, restaurants, or banks. As employees, millennials tend to be smart, innovative and extroverted but with short attention spans and uninterested in being told what to do. Millennials have strong development potential in terms of start-ups as well as e-commerce and fintech. The changes that we are witnessing in this digital era require business models to evolve, while also upgrading the skills of the workforce.

Three Important Lessons: Synergy, Transformation, and Innovation

What do we need to do in the face of declining globalisation and increasing digitalisation with the five key characteristics mentioned previously? **Synergy, transformation, and innovation** are three keywords to strengthen resilience and economic growth toward an advanced Indonesia.

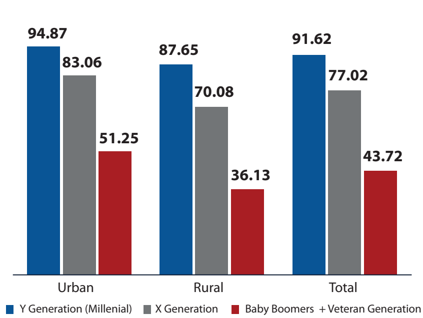
We have synergised macroeconomic and financial system policy mix among the Government, Bank Indonesia and

Graph 6. Active Users of Big Tech Companies



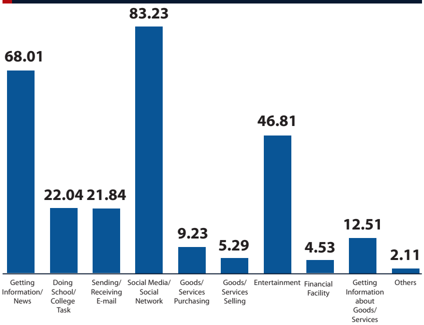
Source: BIS Annual Economic Report 2019

Graph 7. Mobile Phone Penetration in Indonesia (%)



Source: National Social Economic Survey 2017, BPS

Graph 8. Purpose of Internet Access Amongst Millenials (%)



Source: National Social Economic Survey 2017, BPS

Indonesian Financial Services Authority (OJK) in order to strengthen national economic resilience. The world is becoming an increasingly uncertain place, with global economic moderation together with volatile capital flows and exchange rates, which has exposed vulnerabilities and risks to crises. The national economic resilience we have worked hard to achieve must be maintained. We have achieved and maintained low inflation, stable exchange rates, a manageable current account deficit, a safe fiscal deficit, and stable financial system. In achieveing the resilience, Bank Indonesia cannot work alone with its monetary and macroprudential policy mix. Close synergy is therefore required with the fiscal policies of the government and microprudential supervision by OJK. The macroeconomic and financial system policy mix is prioritised and optimised for stability, while actively seeking the opportunity to boost economic growth momentum.

Strengthen economic transformation toward higher growth. As global economy is overshadowed by dwindling global demand, low commodity prices, and the ongoing trade war, we must continue to develop new domestic sources of growth. We will continue to stimulate consumption and investment. While economic transformation will focus on manufacturing, particularly automotive, clothing, electronics, and food, as well as development of 10 new travel destinations (New Bali) along with the maritime, agricultural and MSME sectors. The development of economic zones and clusters should focus on these priority sectors. The acceleration of connectivity infrastructure development must continue, mainly to support the development of the priority sectors, with more financing coming from domestic and foreign private investors. In doing so, further investment climate improvements could be achieved by streamlining investment licensing, particularly in the priority economic zones, thus boosting FDI in Indonesia. Similarly, various tax facilities that have been implemented will also be supported by upcoming new tax facilities. Meanwhile, we need to stimulate exports by accelerating downstream processing industries in order to increase value-added and the competitiveness of natural resources as well as through international trade, including bilateral and regional trade and unlocking new markets.

We are nurturing innovation in the digital economy and finance. The rapid wave of digitalisation has provided Indonesia the opportunity to create sustainable and inclusive economic growth. Digital innovation can strengthen linkages between economic agents, from the smallest to the largest, from individual consumers and MSMEs to large corporations. Furthermore, economic and financial digitalisation unlocks the potential of economic and financial inclusion, thus bridging the economic inequality gap. Therefore, innovation in the digital economy and finance is required through start-up development in various segments, including the payment system, financial services, the retail economy, and MSMEs. A business ecosystem in the digital economy and finance, encompassing various segments, such as the banking industry, fintech, and e-commerce, integrated with national unicorns, is also required to strengthen competitiveness in the national interest in the face of the current domination by global big tech. In addition, the availability of public data infrastructure is a key factor to ensure universal access to granular data and information, with adequate confidential and private data protection to ensure the sustainability of economic and financial innovation and inclusion.

Solid Economic Performance, Promising Economic Outlook

We are grateful that against a backdrop of global economic moderation, Indonesia has maintained solid economic performance with a promising economic outlook. Furthermore, national economic stability has been maintained along with growth momentum. What we have achieved as a country is in contrast to a number of other countries have experienced recessions or even slipped into crisis.

The solid economic growth achieved in 2019 is projected to accelerate in 2020. Annually, the first three quarters of 2019 recorded economic growth of 5.07%, 5.05%, and 5.02% respectively. Unfortunately, despite the various stimuli introduced, global economic moderation has restricted our ability to expand as expected. Nevertheless, household consumption remains stable, supported by low inflation and government's social assistance program (bansos) as well as growing upper middle income class. Building investment growth remains solid, buoyed by the development of national strategic infrastructure projects. Meanwhile, non-building investment remains sluggish despite the latest survey conducted by Bank Indonesia point to a rebound in the last quarter of 2019, supported by improvement in business confidence. The export performance has yet to improve due to dwindling global demand and sliding international commodity prices. Moving forward, the policy mix instituted by Bank Indonesia and the Government is expected to maintain national economic growth momentum, which Bank Indonesia predicts around 5.1% in 2019 before increasing toward 5.1-5.5% range in 2020 (Table 2).

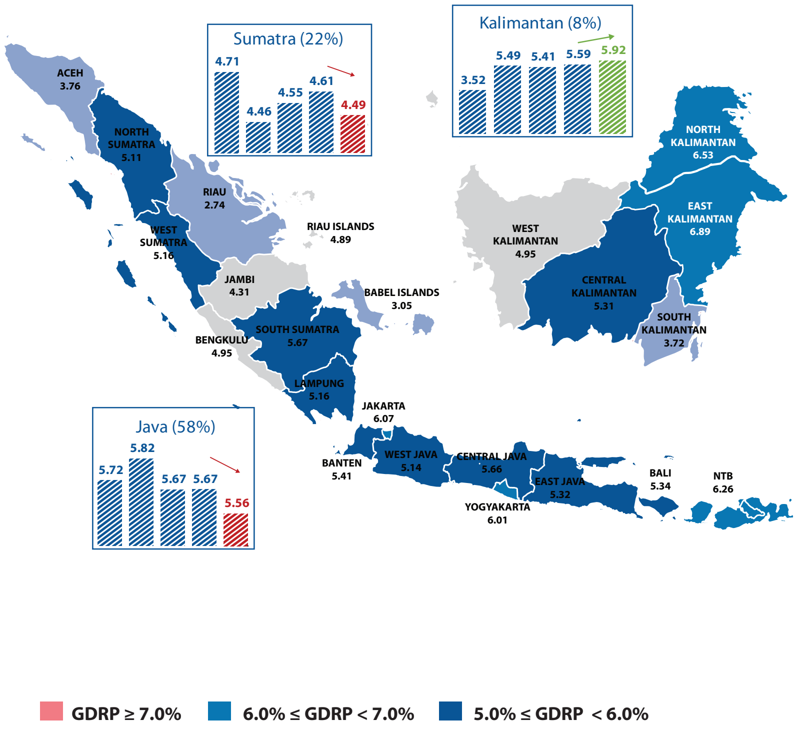
Table 2. National Economic Growth (%, yoy)

Component	2018					2019			2019*	2020*
	I	II	III	IV	Total	I	II	III		
GDP	**5.06**	**5.27**	**5.17**	**5.18**	**5.17**	**5.07**	**5.05**	**5.02**	**Around 5.1**	**5.1 - 5.5**
Household Consumption	4.94	5.16	5.00	5.08	5.05	5.02	5.17	5.01	5.0 - 5.4	4.9 - 5.3
Government Consumption	2.71	5.20	6.27	4.56	4.80	5.20	8.25	0.98	4.0 - 4.4	3.0 - 3.4
Investment	7.94	5.85	6.96	6.01	6.67	5.03	5.01	4.21	4.6 - 5.0	5.4 - 5.8
Exports	5.94	7.65	8.08	4.33	6.48	-1.87	-1.98	0.02	-1.0 - -0.6	2.3 - 2.7
Imports	12.64	15.17	14.02	7.10	12.04	-7.39	-6.78	-8.61	-6.8 - -6.4	0.9 - 1.3

Source: BPS-Statistics Indonesia and Bank Indonesia Projections

Notes: *Projected

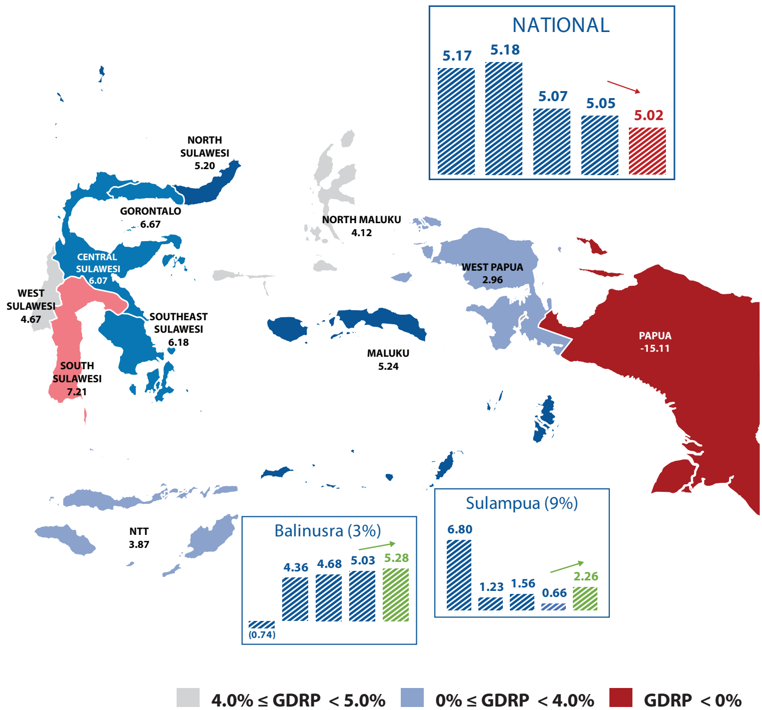
Graph 9. Regional Economic Growth in Q3-2019 (%, yoy)



Source: BPS-Statistics Indonesia, calculated

Notes: number (.) is share to national

Spatially, a number of regions have also recorded stronger growth (Graph 9). Economic growth on the island of Java is predicted to reach 5.6% in 2019 on the back of solid household and government consumption in line with the government's social assistance program (bansos) and village fund disbursements as well as spendings on general election (Pemilu). Such solid consumption is therefore able to contained economic growth from the slowing down in manufacturing industry amids sluggish global demand. Similarly, Sumatra's economy is expected to expand by 4.6% with the support of exports, palm oil in particular, partly as an impact of B20 policy expansion to domestic market. Economic growth in Kalimantan island is also predicted to accelerate by 5.2% buoyed by consumption, investment, and coal-related exports. Bali and Nusa Tenggara (Balinusra)



economy is projected to reach a 4.9% growth, driven by recovery in tourism sector as well as exports, copper in particular. Conversely, economic growth in Sulawesi, Maluku, and Papua (Sulampua) is moderated to 2.7% impacted by contraction in copper export in Sulawesi and slowing production activity in nickel-related manufacturing industry in Sulawesi. Nevertheless, spatial economic outlook in 2020 remains promising, except for Kalimantan. Region in Java, Sumatra, Balinusra, and Sulampua is expected to grow by 5.5-5.9%, 4.5-4.9%, 5.6-6.0%, 6.5-6.9% respectively. In contrast, economy of Kalimantan is projected to record a moderate growth of 4.0-4.4%, affected by increased capital goods and construction imports to support investment in mining industry as well as slowing coal export growth.

Table 3. Indonesia's Balance of Payments (BoP)

Component (USD billion)	2017	2018*					2019**		
		I	II	III	IV	Total	I	II	III
Current Account	**-16.2**	**-5.0**	**-7.8**	**-8.5**	**-9.2**	**-30.5**	**-6.7**	**-8.2**	**-7.7**
A. Goods	**18.8**	2.3	-7.8	-8.5	-9.2	**-30.5**	1.2	0.5	1.3
- Export, fob	**168.9**	44.4	43.7	47.7	44.9	**180.7**	41.2	40.2	43.6
- Import, fob	**-150.1**	-42.1	-43.5	-48.2	-47.5	**-181.2**	-40.0	-39.7	-42.4
a. Non Oil & Gas (Net)	**26.2**	4.7	3.1	3.1	0.3	**11.2**	3.4	3.5	3.4
b. Oil & Gas(Net)	**-7.3**	-2.4	-2.8	-3.6	-2.9	**-11.6**	-2.2	-3.0	-2.2
B. Services, Primary Income, & Secondary Income	**-35.0**	-7.3	-8.1	-8.0	-6.6	**-30.0**	-7.9	-8.6	-8.9
Capital and Financial Account	**28.7**	**2.2**	**3.1**	**4.0**	**15.6**	**24.8**	**10.1**	**6.5**	**7.6**
1. Direct Investment	**18.5**	4.8	2.4	4.5	1.6	**13.3**	5.8	5.4	4.8
2. Portfolio Investment	**21.1**	-1.1	0.1	-0.1	10.5	**9.3**	5.2	4.6	4.8
3. Other Investment	**-10.7**	-1.5	0.6	-0.5	3.6	**2.2**	-1.1	-3.5	-2.1
Overall Balance	**11.6**	**-3.9**	**-4.3**	**-4.4**	**5.4**	**-7.1**	**2.4**	**-2.0**	**0.0**
Memorandum:									
- Reserve Assets Positions	**130.2**	**126.0**	**119.8**	**114.8**	**120.7**	**120.7**	**124.5**	**123.8**	**124.3**
(in Month of Import and Official Debt Repayment)	**8.3**	7.6	6.9	6.3	6.4	**6.4**	6.7	6.8	6.9
- Current Account (% GDP)	**-1.60**	**-1.94**	**-2.96**	**-3.22**	**-3.58**	**-2.93**	**-2.51**	**-2.93**	**-2.66**

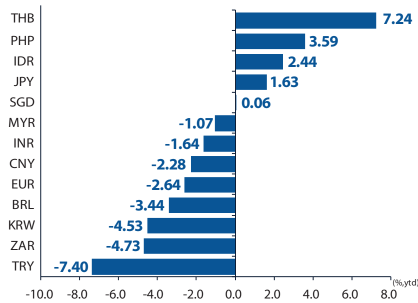
Source: Bank Indonesia

Notes: *Preliminary data, **Projected data

Indonesia's Balance of Payments (BOP) demonstrated maintained external sector resilience despite global economic moderation. The BOP in the third quarter of 2019 is roughly balance, improved significantly from the deficit of USD2.0 billion in the previous period (Table 3). The gains stemmed from a smaller current account deficit, which reduced to USD7.7 billion (2.7% of GDP) in the third quarter of 2019 from USD8.2 billion (2.9% of GDP) in the second quarter of 2019. Meanwhile, the capital and financial account surplus increased to USD7.6 billion in the third quarter of 2019 from USD6.5 billion in the previous period. The position of international reserve at the end of October 2019 stood at USD126.7 billion, up from USD120.7 billion at the end of 2018, equivalent to 7.4 months of imports or 7.1 months of imports and servicing government external debt, which is well above the international adequacy standard of three months. Moving forward, the current account deficit is expected to decline to around 2.7% of GDP in 2019 and then remain manageable in 2020 in the range of 2.5-3.0% of GDP, while the capital and financial account surplus remains large, thereby supporting external resilience. Bank Indonesia will continue to strengthen policy synergy with the Government and other relevant authorities in order to increase external resilience, including efforts to attract foreign direct investment (FDI).

The rupiah has appreciated in line with sound BOP performance. Since the beginning of the year, the rupiah had gained 2.44% (ytd) as of the end of October 2019 (Graph 10). The strong rupiah has been supported by maintained foreign capital inflows together with a well-functioning foreign exchange supply and demand mechanism from the business sector. In addition, less global financial market uncertainty translated into positive sentiment for the rupiah. Moving forward, Bank Indonesia expects rupiah exchange rate stability in line with the currency's fundamental value and maintained market mechanisms. This is supported by the prospect of maintained foreign capital inflows to Indonesia due to the sound domestic economic outlook coupled with attractive yields in portfolio investment and the positive impact of the accommodative

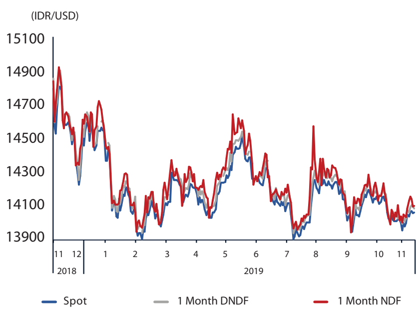
Graph 10. Exchange Rate: Appreciation (+) /Depreciation (-)



Source: Reuters, Bloomberg, data as 31st October 2019

monetary policy response in advanced countries. Seeking to reinforce exchange rate policy effectiveness and strengthen domestic financing, Bank Indonesia constantly strives to accelerate financial market deepening, targeting the money market and foreign exchange market. Foreign exchange market development has contributed to increased transaction volume on the forex market as well as convergence of foreign Non-Deliverable Forward (NDF) exchange rate, spot transaction exchange rate, and Domestic Non-Deliverable Forward (DNDF) exchange rate (Graph 11).

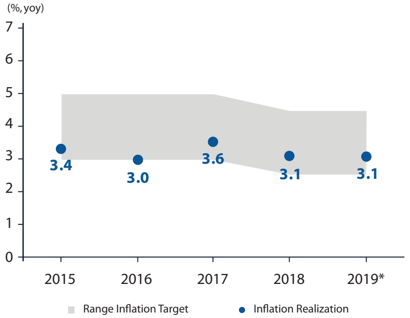
Graph 11. Rupiah Exchange Rate: Convergence of Spot, DNDF, and NDF



Source: Reuters

Low and stable inflation remains under control. Annually, headline inflation in October 2019 was recorded at 3.13% (yoy), unchanged from the level at the end of 2018. All components of headline inflation were low. Controlled core inflation was supported by anchored inflation expectations as a result of policy consistency by Bank Indonesia to maintain price stability, managed aggregate demand, stable exchange rate movement, and limited impact of global prices. In addition, volatile food experienced deflationary pressures in line with price corrections affecting various food commodities, while inflationary pressures on administered prices remained low, both of which contributed to control inflation (Graph 12). Moving forward, Bank Indonesia will consistently maintain price stability and strengthen policy coordination with the central and local governments to control inflation. For the year, Bank Indonesia projects inflation at around 3.1% in 2019, representing the fifth consecutive year that the inflation target has consistently been achieved, and in the 3.0±1% range in 2020 (Graph 13).

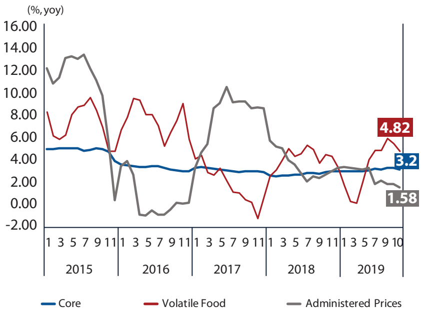
Graph 13. National Inflation Realization and Target



Source: BPS-Statistics Indonesia & Bank Indonesia
Notes: *Projected

Financial system stability has been maintained despite the bank intermediation function demand vigilance. A high Capital Adequacy Ratio (CAR) in the banking industry, recorded at 23.19% in September 2019, is indicative of maintained financial system stability along with the low level of non-performing loans (NPL), namely 2.66% (gross) or 1.18% (net) (Graph 14). Moreover, public listed corporations have maintained solid performance in line with sound repayment capacity, which has further supported financial system stability. Nevertheless,

Graph 12. Inflation: Core, Volatile Food, and Administered Prices



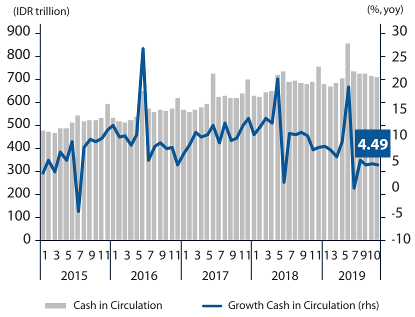
Source: BPS-Statistics Indonesia

Graph 14. Banking Industry Capital Adequacy Ratio and Non Performing Loan

Source: Financial Service Authority (OJK), calculated growth of outstanding loans disbursed by the banking industry moderated from 11.75% (yoy) in December 2018 to 7.89% (yoy) in September 2019, primarily weighed down by limited corporate demand for loans (Graph 15). Conversely, the banking deposit grew about 7.47% (yoy) in September 2019, slightly higher than the growth of 6.45% (yoy) in December 2018. Bank Indonesia believes the accommodative monetary and macroprudential policy mix together with improved economic prospects along with Goverment efforts to accelerate investment will effectively stimulate credit growth without disrupting financial system stability. Therefore, Bank Indonesia projects credit growth to reach around 8% in 2019 and 10-12% in 2020, with deposit growth expected to reach around 8% in 2019 and 8-10% in 2020.

The payment systems, both cash and non-cash, remain uninterrupted. The position of currency in circulation grew 4.49% (yoy) in October 2019 (Graph 16). While non-cash payment transactions using ATM/debit cards,

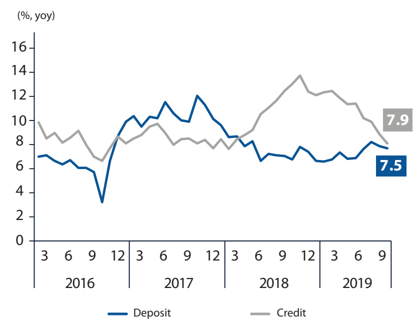
Graph 16. Currency in Circulation Growth



Source: Bank Indonesia

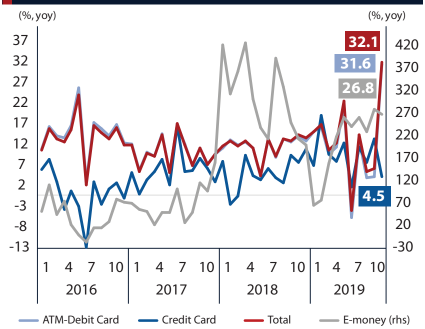
credit cards, and electronic money grew 32.1% (yoy) in October 2019, dominated by ATM/debit cards with a 94.5% share. Impressive growth of e-money transactions was maintained in October 2019 at 268.0% (yoy) in line with greater public uptake of digital currency and broader e-money integration into the nascent digital ecosystem (Graph 17). Moving forward, Bank Indonesia constantly strives to advocate expansion of the electronification program of Government's social assistance program, various public transportation, and local government transactions. In addition, Payment

Graph 15. Banking Credit and Deposit Growth



Source: Financial Service Authority (OJK), calculated

Graph 17. Electronic Money Growth



Source: Bank Indonesia

System Innovations will be accelerated in order to speed up digitalisation in financial sector as well as national integration of economic and finance digitalisation through various initiatives.

In the medium term, the domestic economy is expected to achieve an upward trajectory. This outlook is a fruit of structural reforms that are predicted to improve not only economic growth but also the quality of growth. Higher economic growth in medium term is supported by consistent implementation of structural reforms in four main target areas: i) infrastructure development that connects economic zones such as industry, tourism, and MSME with distribution networks; ii) deregulation and simplification of bureaucracy to encourage investment and employment; iii) economic transformation from natural resources to competitive manufacturing, and (iv) strengthening the quality of human resources in terms of core competency and advancement of science and technology. The series of structural reform policies mentioned above will mobilize higher level of production factors, both capital and labor, improve economic efficiency and productivity, thus enables Indonesian economy to grow at a higher level without sacrificing stability. With that backgroud, Indonesian economy is predicted to grow 5.2-5.6% in 2021 and increase to 5.5-6.1% in 2024 with current account deficit declining from 2.5-3.0% of GDP in 2021 to around 2.3-2.8% of GDP in 2024. Inflation will be maintained within the range of 2.0-4.0% until 2024. Under these conditions, we are optimistic that the ultimate goal of our beloved country, Indonesia, praised as a high-income country in 2045 will be realized.

Bank Indonesia Policy Mix: Maintaining Stability, Boosting Growth Momentum

Maintained national economic performance in Indonesia is the fruit of close policy synergy between the Government, Bank Indonesia, and Indonesian Financial Services Authority (OJK). Against the inauspicious backdrop of global economic moderation on one hand and high global market uncertainty on the other, a balance between stability and stimulating growth must be maintained, something that is easier said than done. In 2018, for example, when several emerging markets, including Indonesia, faced the growing risk of external crisis prompted by a significant sudden capital reversal and depreciatory pressures on exchange rates, the overarching policy priority was still to maintain stability. Moreover, at the time, Indonesia also faced the issue of a large current account deficit. Nevertheless, the priority policy approach has seen tremendous results in terms of restoring rupiah exchange rate stability and reinforcing solid external sector resilience in Indonesia. In 2019, the fruits of our hard work have unlocked adequate space for policies to prioritise catalysing growth momentum, while continue to maintain stability.

In 2018, Bank Indonesia prioritised monetary policy toward exchange rate stabilisation and, in conjunction with the Government, managing the current account deficit. To that end, Bank Indonesia instituted pre-emptive and ahead-the-curve monetary policy by hiking the policy rate six times by a total of 175bps to 6.0% during the period from May-November

2018. Bank Indonesia further stabilised the rupiah through intervention in the spot market, Domestic Non-Deliverable Forwards (DNDF), and by purchasing Government Bonds (SBN) in the secondary market. To avoid the adverse impact of such stabilisation measures on growth, Bank Indonesia loosened other policy instruments. A liquidity injection was provided by reducing the Rupiah Reserve Requirements and expanding monetary operations, while macroprudential policy was relaxed through an increase in the loan-to-value (LTV)/financing-to-value (FTV) ratio and by expanding the Macroprudential Intermediation Ratio (MIR). This various policy mix effectively reversed the economic conditions since the fourth quarter of 2018, namely that investor confidence was restored, foreign capital inflows returned, and rupiah exchange rates were stabilised. Furthermore, contrary to the increase of Bank Indonesia's policy rate, the lending rate was actually declined.

In 2019, with stability maintained, primarily in the form of low inflation and stable exchange rates, Bank Indonesia has pointed all policy instruments toward catalysing economic growth momentum. Bank Indonesia has lowered the policy rate, loosened liquidity, and stabilised rupiah exchange rates. Furthermore, Bank Indonesia continued to loosen macroprudential policy. The accommodative monetary and macroprudential policy mix has been directed toward increasing supply and demand for bank intermediation and other economic financing to stimulate growth. Likewise, accommodative policy stance was also implemented through other policies of payment system, financial markets deepening, and Islamic economy and finance development in order to build economic growth momentum. **Bank Indonesia will maintain a similar accommodative policy mix in 2020**.

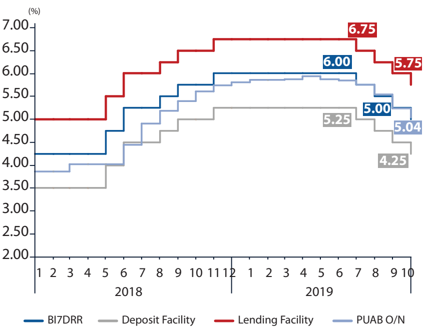
Bank Indonesia will Maintain an Accommodative Monetary Policy Stance in 2020

Bank Indonesia has relaxed monetary policy in 2019 through policy rate reductions and liquidity injections in the banking industry. Since July 2019, we have lowered the policy rate four times by a total of 100bps to 5.0%. In addition to increase bank lending capacity, lower interest rates are expected to stimulate investment and facilitate financing from the corporate sector. To ensure adequate liquidity in the banking industry for lending, Bank Indonesia lowered the Rupiah Reserve Requirement by a further 100bps to 5.5% in June and November 2019. Moreover, we have strengthened the monetary operations strategy to ensure adequate liquidity in the money market and accelerate the transmission of accommodative policy. Finally, Bank Indonesia has stabilised rupiah exchange rates in line with the its fundamental value, while maintaining market mechanisms.

Effective monetary policy transmission has been underpinned by adequate liquidity in the banking industry combined with a stable and efficient money market. The average daily transaction volume on the interbank money market remained high in October 2019 at Rp18.12 trillion. Adequate liquidity was also maintained in the banking industry, as reflected by a ratio of liquid assets to deposits of 18.44% in October 2019. Consequently, interbank rates faced declines on all tenors, including the overnight interbank rate, which was recorded at 5.04% in October 2019 (Graph 18). Furthermore, the banking industry has also started to reduce deposit rates, although remained limited. The weighted average deposit rate fell 38bps on the level recorded in June 2019 to 6.45% in October 2019. The banks have also begun to lower lending rates, led by investment loans and working capital loans, for which interest rates currently average 10.04% and 10.26% respectively (Graph 19). By maintaining an accommodative monetary policy stance, Bank Indonesia has given the banking industry no more reasons to postpone further reductions in lending and deposit rates moving forward.

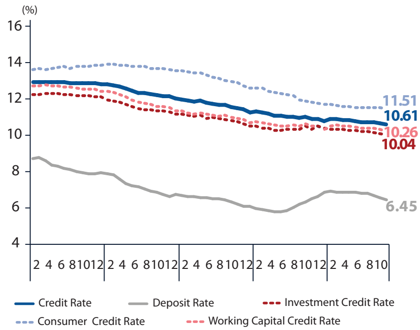
The accommodative monetary policy stance pursued in 2019 will be maintained to 2020. We will remain vigilant of domestic and global economic developments in using its room to implement accommodative monetary policy in terms of the instruments (interest rates and/or reserve requirements), the magnitude, as well as the timing. This is necessary to manage inflation remains within the 3.0±1% target corridor, to maintain external sector stability, and to catalyse economic growth momentum.

Graph 18. Policy Rate and Overnight Interbank Rate



Source: Bank Indonesia

Graph 19. Banking Industry Interest Rates



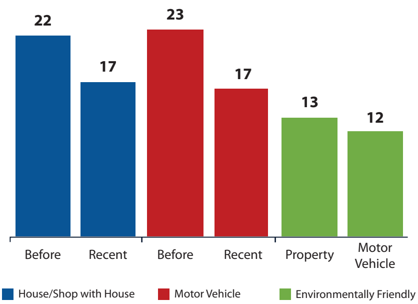
Source: Bank Indonesia

Accommodative Macroprudential Policy for Driving Economic Financing

Bank Indonesia will maintain an accommodative macroprudential policy stance to stimulate bank intermediation and drive economic financing. In 2019, we relaxed the loan-to-value (LTV)/financing-to-value (FTV) ratio by a further 5-10% in order to drive house and vehicle ownership, including green buildings and vehicles (Graph 20). We also increased the Macroprudential Intermediation Ratio to 84-94% and extended bank funding to include prudent foreign loans (Graph 21). Going forward, we will continue our accommodative macroprudential policy in 2020 with a focus on MSME and priority sector development, including exports and tourism.

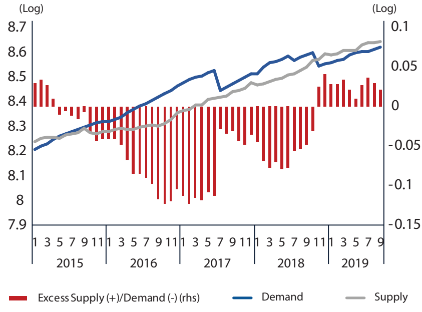
Lower corporate demand is currently the primary determinant of subdued bank lending (Graph 22). The banking industry has

Graph 20. Average LTV/FTV Ratio Down Payments on Property and Motor Vehicles Loans (%)



Source: Bank Indonesia

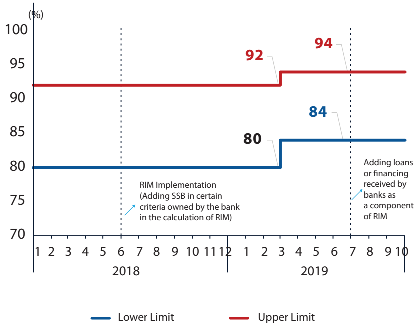
Graph 22. Estimated Lending Demand and Supply



Source: Bank Indonesia, staff calculation

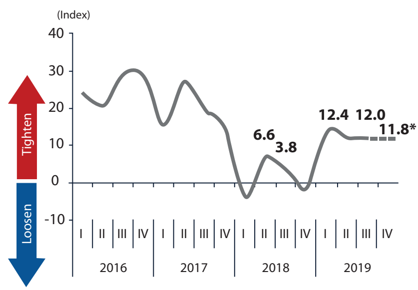
maintained adequate lending capacity in line with various Bank Indonesia policies, such as lower interest rates, liquidity injections, and an accommodative macroprudential policy. As I mentioned previously, liquidity in the banking system is more than adequate. Furthermore, the latest Banking Survey conducted by Bank Indonesia in the third quarter of 2019 also revealed comparatively relaxed lending standards (Graph 23). Meanwhile, restrained demand for loans from the corporate sector has also been confirmed by relatively low non-building investment growth. Sub-optimal production and investment activities have also been reflected by declining imports of raw materials and capital goods. Nevertheless, Bank Indonesia is confident that the recent slump will be overcome in 2020, with credit growth projected to pick up based on low interest rates, adequate liquidity, accommodative macroprudential policy, and the promising economic outlook. In addition, economic financing through the capital market in the form of stocks, bonds, and securities is also set to increase.

Grafik 21. Macroprudential Intermediation Ratio



Source: Bank Indonesia

Graph 23. Lending Standard Index



Source: Bank Indonesia Banking Survey, Q3/2019

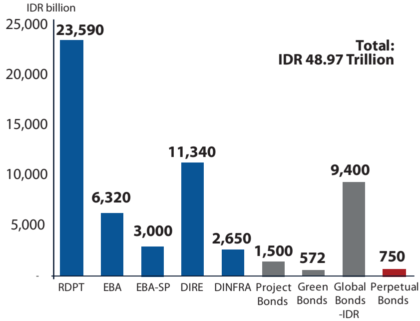
Notes: *Projection

Accelerating Financial Market Deepening

Accelerating financial market deepening has strengthened the effectiveness of accommodative monetary and macroprudential policies. Bank Indonesia will continue to increase transaction volume and foster the use of various money market and foreign exchange market instruments, including Domestic Non-Deliverable Forwards (DNDF), Interest Rate Swaps (IRS) and Overnight Index Swaps (OIS) as well as Commercial Papers (SBK). Likewise, the development of money market infrastructures such as Electronic Trading Platforms (ETP) and a Central Counterparty (CCP) for derivative transactions, will be complemented in order to strengthen other financial market infrastructures. In addition to enriching hedging alternatives, this policy will also deepen the short-term securities market.

Bank Indonesia will continue to promote instruments to finance infrastructure in conjunction with the Indonesian Government and Financial Services Authority (OJK). We continue to develop various innovations in terms of infrastructure financing, such as Infrastructure Investment Fund - Collective Investment Contracts (DINFRA), asset-backed securities, project bonds, and green bonds (Graph 24). In October 2018, during the IMF-World Bank Annual Meetings in Bali, private financing was secured for 21 infrastructure projects worth USD13.6 billion. In December 2019, we expect to sign private financing for 14 additional infrastructure projects to the tune of Rp53.3 trillion.

Graph 24. Innovative Financing for Infrastructure



Source: Indonesian Central Securities Depository (KSEI)

Notes: Data as of August 2019

Payment System Policy for Electronification and Economic Efficiency

Bank Indonesia will continue to direct payment system policy toward supporting electronic and economic efficiency. The non-cash payment system electronification programs, currently targeting on government social aid program disbursements, transportation modes, and the financial operations of various provincial governments, will be extended as measure to support public purchasing power and consumption (Table 4). Furthermore, the efficiency of retail transaction settlement through the Bank Indonesia National Clearing System (SKNBI) will be improved to accept larger transactions and settle those transactions faster and at a lower cost (Table 5). Interconnectivity and interoperability in the National Payment Gateway (NPG) will also be expanded. On the cash side, the efficiency and distribution of currency in circulation will be improved in various regions of the archipelago, including remote and frontier regions (Graph 25).

Moving forward, in addition to electronification programs mentioned previously, payment system policy will focus on supporting the integration of digital economy and finance, including the development of economic and financial inclusion. To that end, Bank Indonesia strengthens digital-based instruments and public infrastructure, particularly in the retail payment systems, strengthens financial market infrastructures (FMI) and the payment ecosystem as well as expands the use of non-cash instruments for economic and financial transactions. Furthermore, Bank Indonesia will also strive to foster synergy and collaboration between fintech/e-commerce and MSMEs through on-boarding programs in various regions.

Payment System Innovation: Integration of Digital Economy and Finance

We develop innovation in payment systems to support the digital economy and finance. Bank Indonesia is confident that digital innovation will strengthen linkages between economic agents, from the smallest to the largest, and from individual consumers to MSMEs and large corporations. To that end, Bank Indonesia has launched the **Indonesia Payment System (IPS) Blueprint 2025** in which the following five visions are outlined:

1. IPS 2025 reinforces the integration of national digital economy and finance to assure the proper functioning of central bank mandate in money creation and circulation, monetary policy, and financial system stablility as well as to support financial inclusion;
2. IPS 2025 fosters digital transformation within the banking industry to sustain the bank's role as a primary institution in the digital economy and finance through the implementation of Open Banking standard as well as the deployment of digital technology and data on their financial product and services;
3. IPS 2025 assures the interlinkage between fintech and banks to contain the escalation of shadow-banking risk through the regulation of the use of digital technology (e.g. Application Programming Interface-API), business relation, and business ownership;

Tabel 4. Electronification

2018	Non Cash Social Aid Program	2019
Nominal: IDR 17.52 T Receiver: 10 mil.	TARGET	Nominal: IDR 32.65 T Receiver: 10 mil. KPM
IDR 14.73 T	DISTRIBUTION PROGRESS until Q-III	IDR 26.94T
84.04 %	DISTRIBUTION TARGET (%) until Q-III	82.51 %
IDR 17.5 T (99.53%)	END OF PERIOD REALIZATION	
2018	**Transportation**	**2019**
547.92	Transaction Volume (million)	595.30
5,888	Transaction Nominal (billion IDR)	11,514

Source: Bank Indonesia

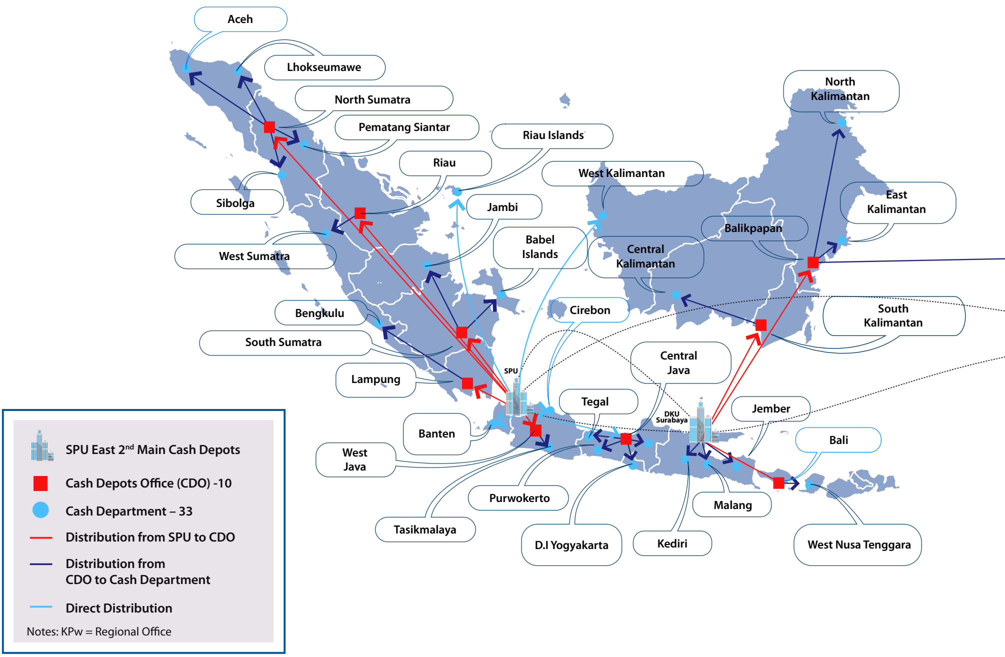
Table 5. Strengthening the National Clearing System (SKNBI)

	2018	2019*
TRANSFER COST (Bank to Society)	IDR 5,000	IDR 3,500
COST PER TRANSACTION (BI to Bank)	IDR 1,000	IDR 600
SETTLEMENT FUND	5x (every 2 hours)	9x (every 1 hour)
MAX. TRANSACTION	IDR 500 million	IDR 1 billion

*) as of September,1 2019

Source: Bank Indonesia

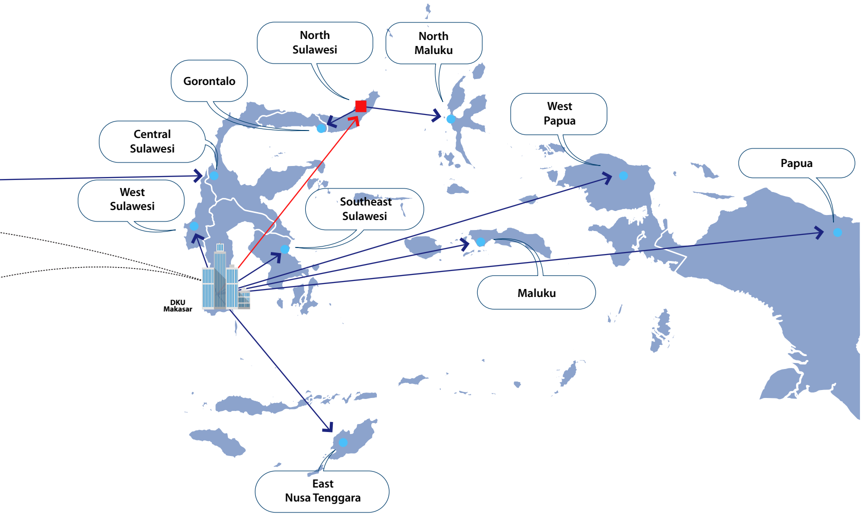
Graph 25. Distribution Network of Currency Circulation



Source: Bank Indonesia

4. IPS 2025 strikes the balance among innovation, consumer protection, integrity, and stability as well as fair competition through the implementation of digital Know Your Customer (KYC), Anti-Money Laundering and Combatting the Financing of Terrorism (AML-CFT), data/information/public business openness, and the deployment of Reg-tech and Sup-tech for reporting, regulation, and supervision;
5. IPS 2025 safeguards the national interest on cross-border use of digital economy and finance through the obligation of domestic processing for all onshore transactions and domestic partnership for all foreign players under the consideration of reciprocity principle.

Furthermore, the visions are implemented gradually through five salient initiatives (Graph 26). The goal is the integration of the digital economy and finance to guarantee effective money creation and circulation, monetary policy transmission, financial system stability as well as economic and financial inclusion (Graph 27). A full explanation of the blueprint and the five initiatives are presented in the publication of the Indonesia Payment System Blueprint 2025 entitled "Bank Indonesia: Navigating the

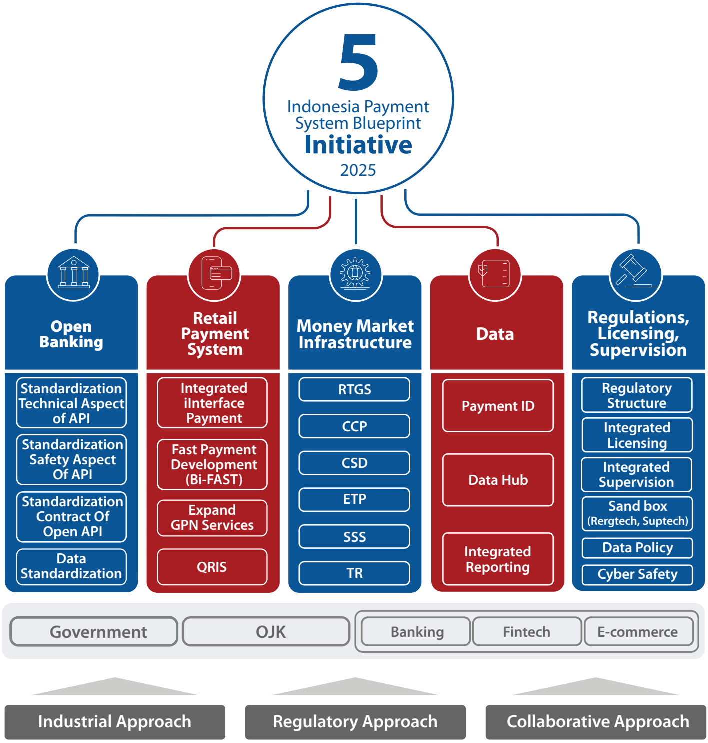


National Payment Systems in the Digital Era" that we will be disseminating here today.

First initiative: Developing Open Banking. Bank Indonesia will encourage the banking industry, as the fulcrum of the financial system, to undertake end-to-end digital transformation to expand the use of digital applications in providing various financial services to the public, including in the retail payment systems. At the same time, innovation in retail payments by fintech continues to be encouraged, including a development program for new start-ups. Moreover, Bank Indonesia will build and strengthen the interlinkage between fintech and banks. Collaboratively, in conjunction with the industry and other relevant authorities, Bank Indonesia will develop a standardised Open Application Programming Interface (API), incorporating data, technical, security, and governance standards. In addition to avoiding shadow banking, this initiative will accelerate the development of retail payment systems and open up MSME financing opportunities on a broader scale.

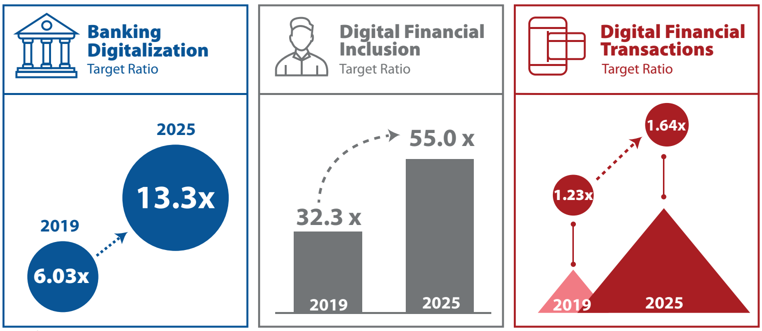
Second Initiative: Strengthening the Configuration of Retail Payment Systems. Bank Indonesia will develop BI-FAST, a real time and 24/7 retail payment system infrastructure,

Graph 26. Indonesia Payment System Blueprint Initiative 2025



Source: Bank Indonesia

Graph 27. Indonesia Payment System Blueprint Outcome 2025



*As of June 2019

Source: Bank Indonesia

in lieu of SKNBI that is now operating. This infrastructure will be developed into an integrated payment interface as a public infrastructure for the retail payment system and simultaneously as a solution to address public demand for fast, mobile, secure, and low-cost transactions. The initiative includes improving payment system interconnection and interoperability within the National Payment Gateway (NPG) and BI-FAST which will continue to be encouraged by Bank Indonesia and the industry. In addition, QRIS implementation will be strengthened in order to broaden uptake and guarantee digital transaction interoperability. Campaign for broader QRIS acceptance will be executed in collaboration with MSMEs in traditional markets, college campuses and millennial generation as well as bilateral cooperation with a number of countries.

Third Initiative: Strengthening Financial Market Infrastructures. Bank Indonesia is planning to modernise the Real Time Gross Settlement (BI-RTGS) system, Scripless Securities Settlement System (BI-SSSS) and Electronic Trading Platform (BI-ETP) to third generation systems in order to increase the reliability of their services, both domestic and cross-border, while in compliance with international standards and best practices, namely the Principles for Financial Market Infrastructures (PFMI). In addition, Bank Indonesia will accelerate the establishment of money market and foreign exchange market central counterparties, including trade repositories, in order to standardise over-the-counter derivative transactions in pursuance of Indonesia's G20 commitments. This initiative is undertaken as an implementation of Bank Indonesia Regulation (PBI) that has been enacted, including regulatory aspects for market operator, to strengthen the trading platform and market discipline.

Fourth Initiative: Developing Public Infrastructure for Data. Bank Indonesia realizes that data availability, access, and protection are important aspects to the development of digital economy and finance. Through this initiative, Bank Indonesia will develop a data hub as a public infrastructure to manage granular payment transaction data, which will include the development of a Payment ID. The data infrastructure will be strengthened through a payment transaction data protection mechanism, including adequate consumer consent architecture. Additionally, Bank Indonesia continues to develop integrated reporting application, which is focused on expanding payment data coverage, by utilizing the latest technology for a faster and more efficient reporting system.

Fifth Initiative: Strengthening the Regulatory, Licensing, and Supervisory Frameworks. This initiative will guarantee the availability of an integrated regulatory, licensing, and supervisory frameworks to mitigate the risks while simultaneously foster innovation for further financial inclusion. This initiative also covers integrated reporting and the utilisation of RegTech and SupTech for licensing and supervision, as well as strengthening Bank Indonesia's sandbox function.

Empowering the Islamic Economy and MSMEs

Bank Indonesia will also catalyse the development of the Islamic economy and finance as a new source of economic growth in Indonesia. Bank Indonesia strengthens the implementation of the halal value chain ecosystem through empowering Islamic boarding schools (pesantren) economy, Islamic MSMEs and corporates, manufacturing industry of food, fashion, cosmetics, tourism, and pharmacy, along with halal industry campaigns. In addition to support to sharia banks, we will continue to accelerate Islamic financial market deepening to strengthen liquidity management and islamic financing. Furthermore, Bank Indonesia will continue to optimise Islamic social finance in the zakat and waqf sectors to promote inclusive Islamic financing (Graph 28). Meanwhile, we will continue to encourage efforts to establish Indonesia as a reference centre for the global Islamic economy and finance. In doing so, an international level of The Indonesia Sharia Economic Festival (ISEF) that is preceded by three regional level events of The Sharia Economic Festival (FeSyar) successfully held up to this time, will be continued annually as an integrated platform to support Islamic economy and finance.

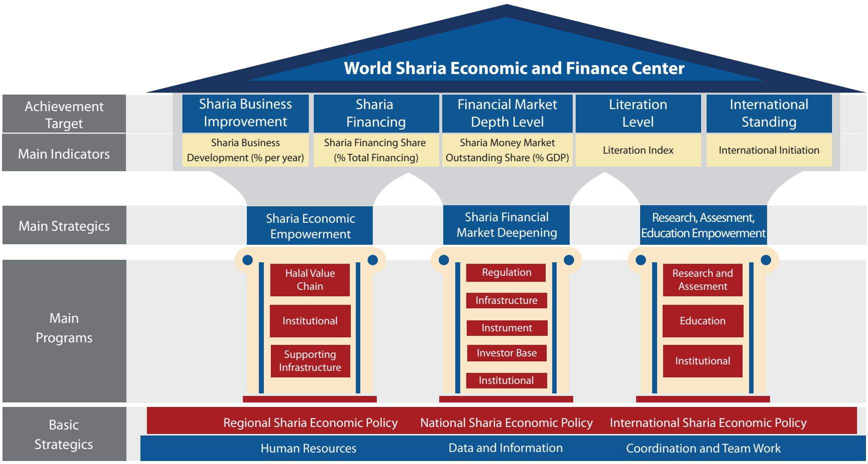
Bank Indonesia continues to expand the MSME cluster development program. MSME clusters in various regions for strategic food commodities, such as rice, red chilies, shallots, garlic, and beef, are playing a crucial role to control inflationary pressures. Furthermore, MSME clusters for handicrafts unique to the culture of each respective region will be oriented toward boosting exports and tourism. MSME clusters developed under Bank Indonesia program will continue to participate at national and international exhibitions. We will continue to organise the annual Indonesian Creative Works (KKI), in which this year event was opened by the President of the Republic of Indonesia and the First Lady, proving the success of our MSME partners, with many going export and going digital. In that vein, Bank Indonesia has curated a collection of fabrics from Indonesian Creative Works in a book called "*Kain Nusantara 2019*", which we will provide as a souvenir of today's Bank Indonesia Annual Meeting.

Strengthening International Policy and Institution

International policy will be strengthened to increase economic resilience and bolster growth momentum. Bilateral and multilateral swap arrangements in the Asian region will be optimised. We also plan to expand the existing local currency settlement for trade and investment to our major trading partners, including China, Japan, and India. Furthermore, we will continue to strengthen our Investor Relations Unit (IRU) linkages at head office as well as regional and international offices to promote investment, tourism, and trade. In addition, we are also exploring partnerships in retail payment systems in accordance with national interests, among others through the interconnection of QRIS.

Internally, we will continue to advance the ongoing institutional transformation of policy, organisation and business process as well as human resources (HR) and culture

Graph 28. Pillars of Sharia Economic and Financial Development



Source: Bank Indonesia

that we have kicked off since last year. This transformation is in line with Bank Indonesia's policy mix. Various Bank Indonesia policies have been translated into strategic programs in order to achieve the new vision, namely to provide a tangible contribution to the national economy and become the best central bank amongst the emerging markets. To that end, the organisation and business prosess reforms that have been implemented successfully at the first phase, will be continued to the next phases to include the advancement of information technology in organisation, finance, and HR. Likewise, the acceleration of HR development programs that have been conducted since 2018 through a better planned, programmed, and transparent HR management policy will be kept to progress. These programs play a critical role in creating leaders and personnel that are competent, professional, and with the highest integrity and strong leadership skills.

The transformation is further supported by the implementation of various culture programs, namely BI-Prestasi, BI-Inovasi, BI-Religi, and BI-Digital, as an integral part of overall institutional transformation to build a stronger and more credible central bank.

Strengthening Synergy for Resilience, Economic Transformation, and Digital Innovation

As we previously mentioned, synergy, transformation, and innovation are three keywords in confronting the impact of the diminishing of the globalization and the rising of the digitalisation. We have nurtured such a spirit at Bank Indonesia, both in executing of our own duties and in coordinating with the Government and OJK, the House of Representatives (DPR), the banking industry and business community, academia, media, and the whole society. I am confident that this spirit will strengthen national economic resilience and growth.

Synergy in terms of macroeconomic and financial system policy mix will be directed toward maintaining stability, while optimizing the available space to boost growth momentum. Policy synergy with the Government will be strengthened in terms of controlling inflation through the National Inflation Task Force (TPI) and the Regional Inflation Task Forces (TPID), fiscal and monetary policy, as well as the real sector to improve the current account deficit. Synergy in terms of maintaining financial system stability will be strengthened through the Financial System Stability Committee (KSSK). Furthermore, bilateral coordination between Bank Indonesia with the Indonesian Financial Services Authority (OJK) and Deposit Insurance Corporation (LPS) will be increased. In addition, Bank Indonesia will coordinate with the Ministry of Finance and OJK to accelerate the financial market deepening. In addition to strengthen policy transmission and financial system stability, financial market deepening will also be oriented toward stimulating innovative infrastructure financing through domestic and international private investors. Synergy with OJK and Government in anti-money laundering and counter terrorism financing (AML-CFT) will be further strengthen in particular facing the mutual evaluation process for Indonesia to become a member of Financial Action Task Force (FATF).

Synergy in terms of economic transformation will be directed toward catalysing stronger economic growth, while strengthening the structure of the economy. We support government policy to stimulate economic growth through investment, infrastructure, and competitive priority sectors with high value added, such as manufacture and tourism. Our support will be implemented through various national and regional economic studies, strategic programs to reduce the current account deficit and spur growth as well as the establishment of new units at head office and the 46 regional offices of Bank Indonesia. A quarterly coordination meeting with the central and regional governments (RAKORPUSDA) is held in order to quickly resolve the various issues plaguing the manufacturing industry, tourism, investment, and infrastructure. We also promote investment and trade together with the Government through the Investor Relations Unit (IRU) and five international Bank Indonesia offices abroad. Similarly, we fully support the Government's policy to develop the Islamic economy and finance as a new source of economic growth.

Synergy in digital innovation is undertaken to ensure that the recently launched Indonesia Payment System Blueprint 2025 supports the integration of the national digital economy and finance. We will continue to encourage the digitalisation of the banking industry, its interlinkages with fintech, development of regional and national start-ups as well as the evolution of fast, efficient, and reliable payment system infrastructures. In conjunction with the Government, OJK, industry, and associations, Bank Indonesia will cultivate an integrated ecosystem incorporating e-commerce, fintech, and open banking, to nurture the emergence of competitive national unicorns that can accelerate financial and economic inclusion to support Indonesia's economy for generations to come.

We will also constantly strengthen synergy with the House of Representatives (DPR), in particular Commission XI, along with the banking and financial industries, business community, academia, media, and various other parties.

Through such synergy, Indonesia has demonstrated solid resilience in the face of global economic dynamics. Through such synergy, we can improve the national economic outlook, backed by economic transformation and the development of innovation in the digital economy and finance, toward a prosperous and advanced economy.

Thank you.
Wassalamu'alaikum Warahmatullahi Wabarakaatuh,

Jakarta, 28th November 2019

Perry Warjiyo
Governor of Bank Indonesia