



MINISTRY OF FINANCE
REPUBLIC OF INDONESIA

RECENT MACROECONOMIC AND FISCAL UPDATE

MINISTRY OF FINANCE
November 2022



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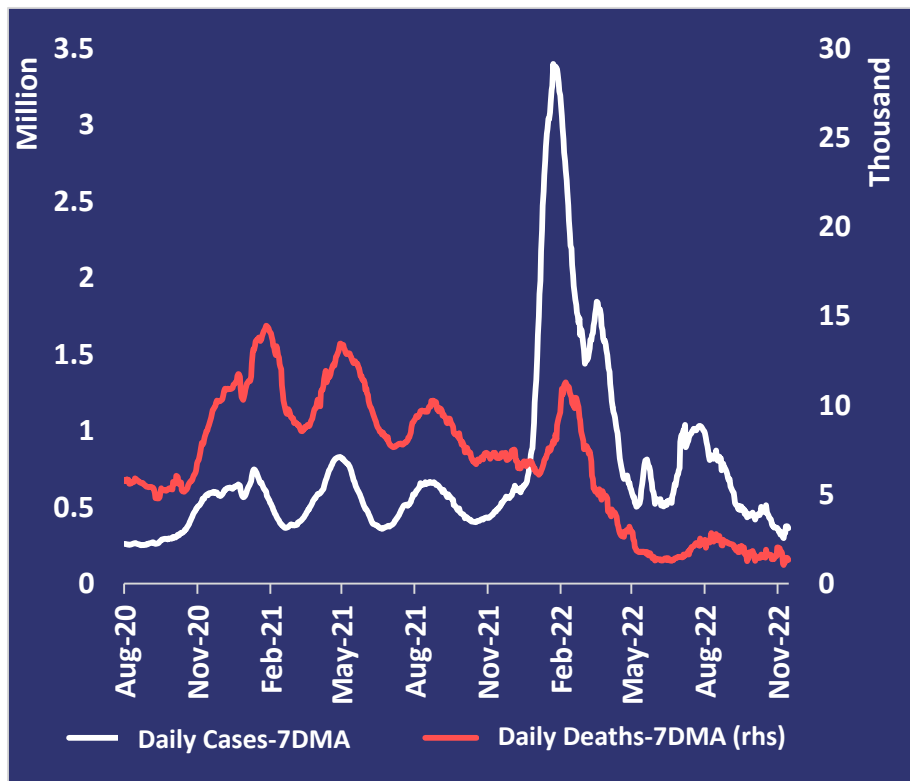
GLOBAL UPDATE & RISKS



ALBEIT GLOBAL COVID-19 CASES ARE TRENDING DOWN, VIGILANCE MUST REMAIN INTACT TO ANTICIPATE A NEW VARIANT AND THE WINTER

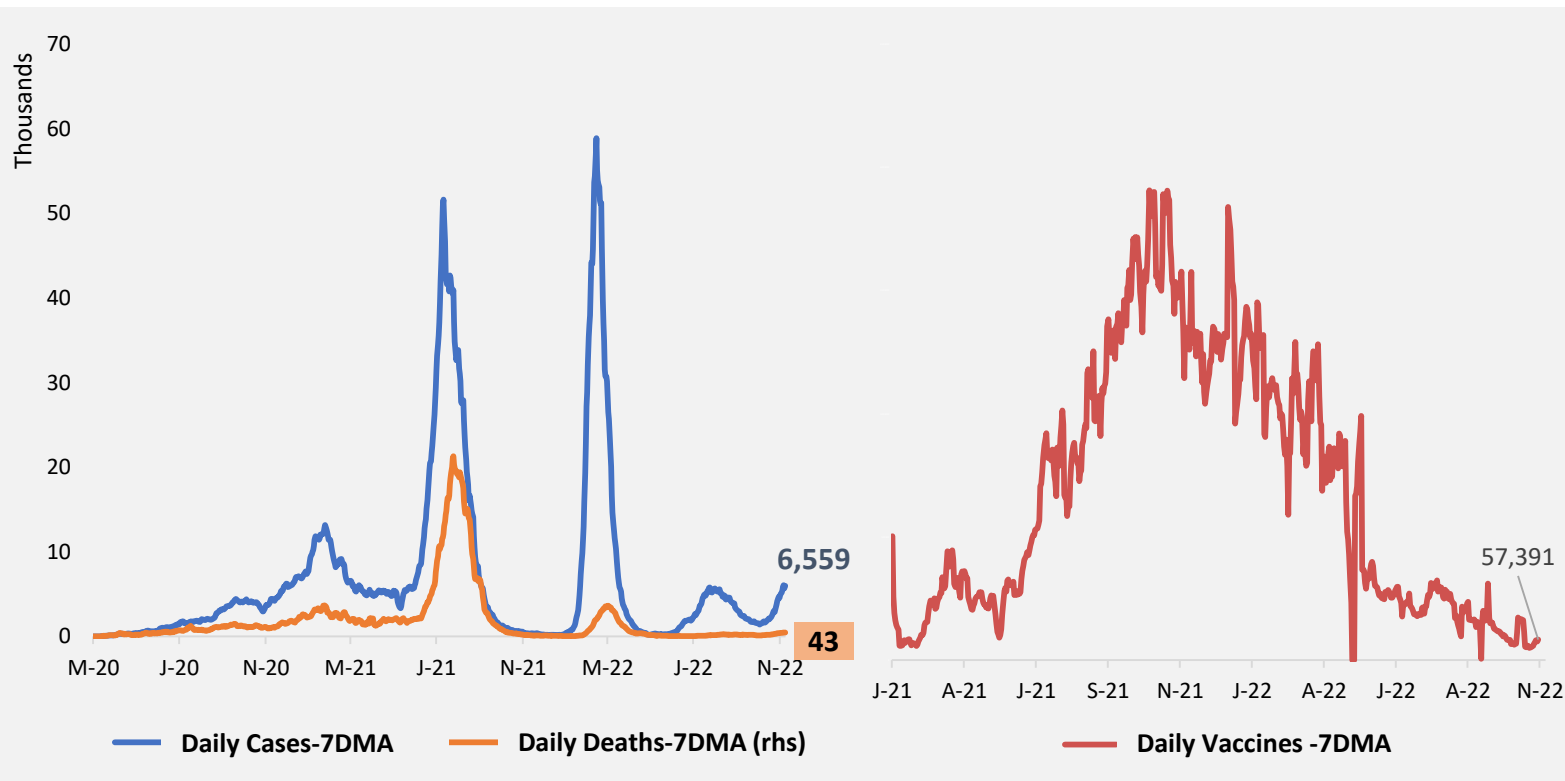
Meanwhile, domestic Covid-19 cases are on the rise, vaccinations should be accelerated

COVID-19 GLOBAL (16 November)



Cumulative Cases 640.6 Mn (230 countries)	Cumulative Deaths 6.62 Mn (1.1%)	Active Cases 13.9 Mn (2.2%)
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COVID-19 & Vaccine Rollout in INDONESIA (17 November)



Cumulative Cases 6,57 Mn	Cumulative Deaths 159,291 (2.5%)	Active Cases 60,471 (0.7%)	Vax 1 205.3 Mn (75.6% pop.)	Vax 2 172.2 Mn (63.7% pop.)	Boosters 65.8 Mn (24.3% pop.)
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THE RISKS HAVE SHIFTED FROM PANDEMIC TO VARIOUS GLOBAL SHOCKS



Persistent
High Global
Inflation

Liquidity
Tightening &
Interest Rates
Hike



Increasing
Risks of Food,
Energy, and
Financial Crisis



Increasing Risk
of Stagflation



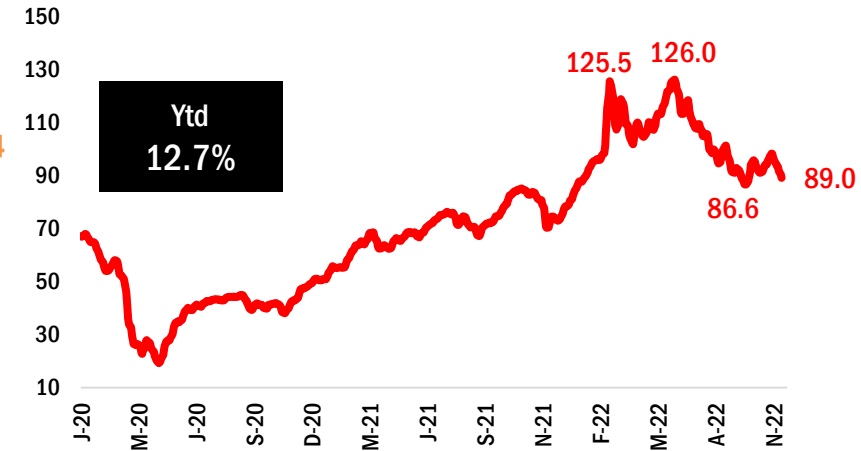
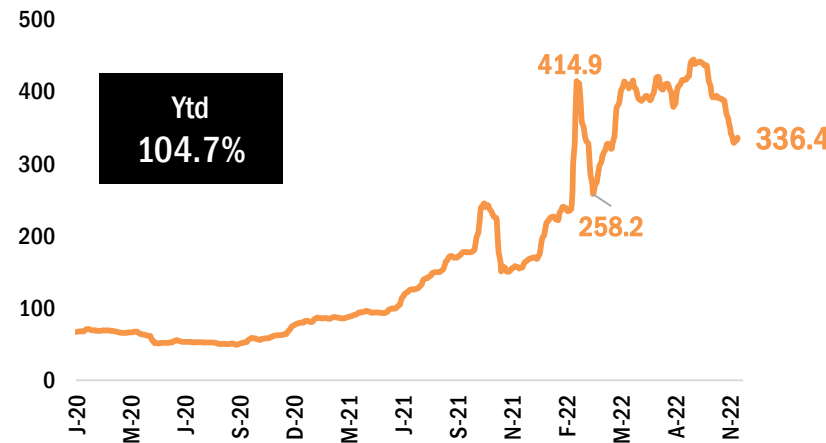
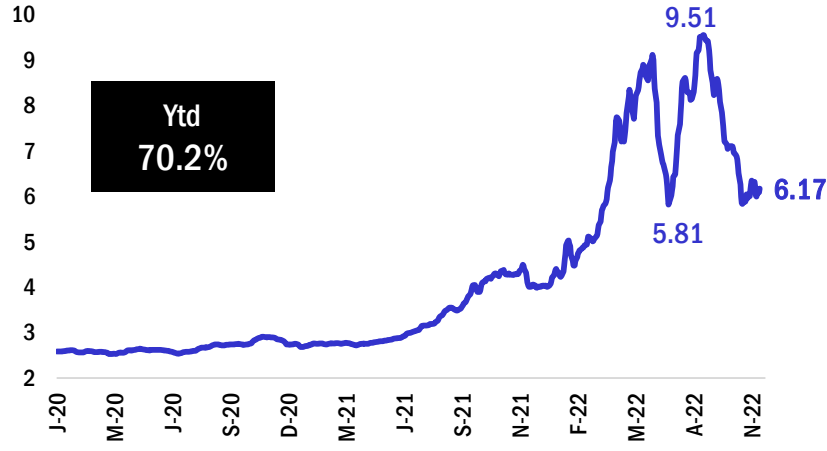
Heightening
Geopolitical
Fragmentation





COMMODITY PRICES HAVE BEEN VOLATILE, WITH SOME REMAINED RELATIVELY HIGH

Natural gas prices are in a slowing trend as demand begins to weaken; uptick in oil is now declining; while coal is still relatively high.

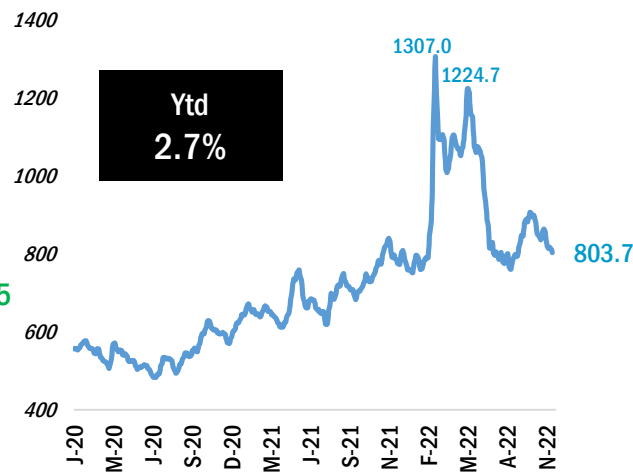


Bad weather and war put soybean and corn price (still) way beyond pre-pandemic level; CPO price's is upticking, while wheat price and corn are slightly dropping.

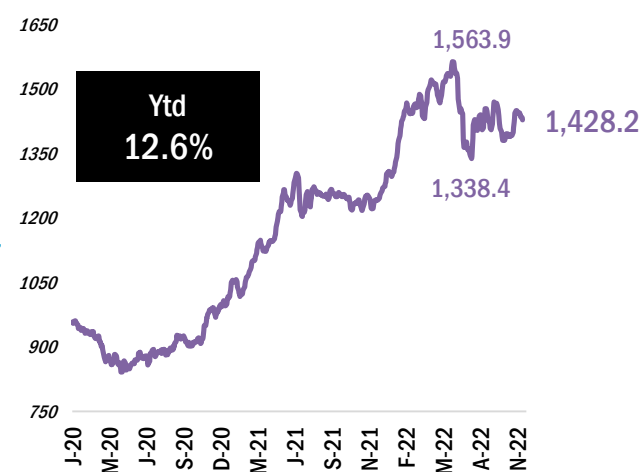
CPO 5dma (US\$/Ton)



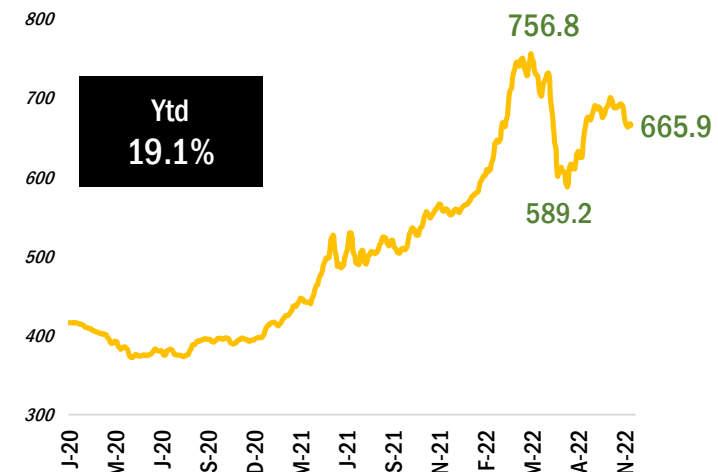
Wheat 5dma (US\$/Bushels)



Soybean 5dma (US\$/bu.)



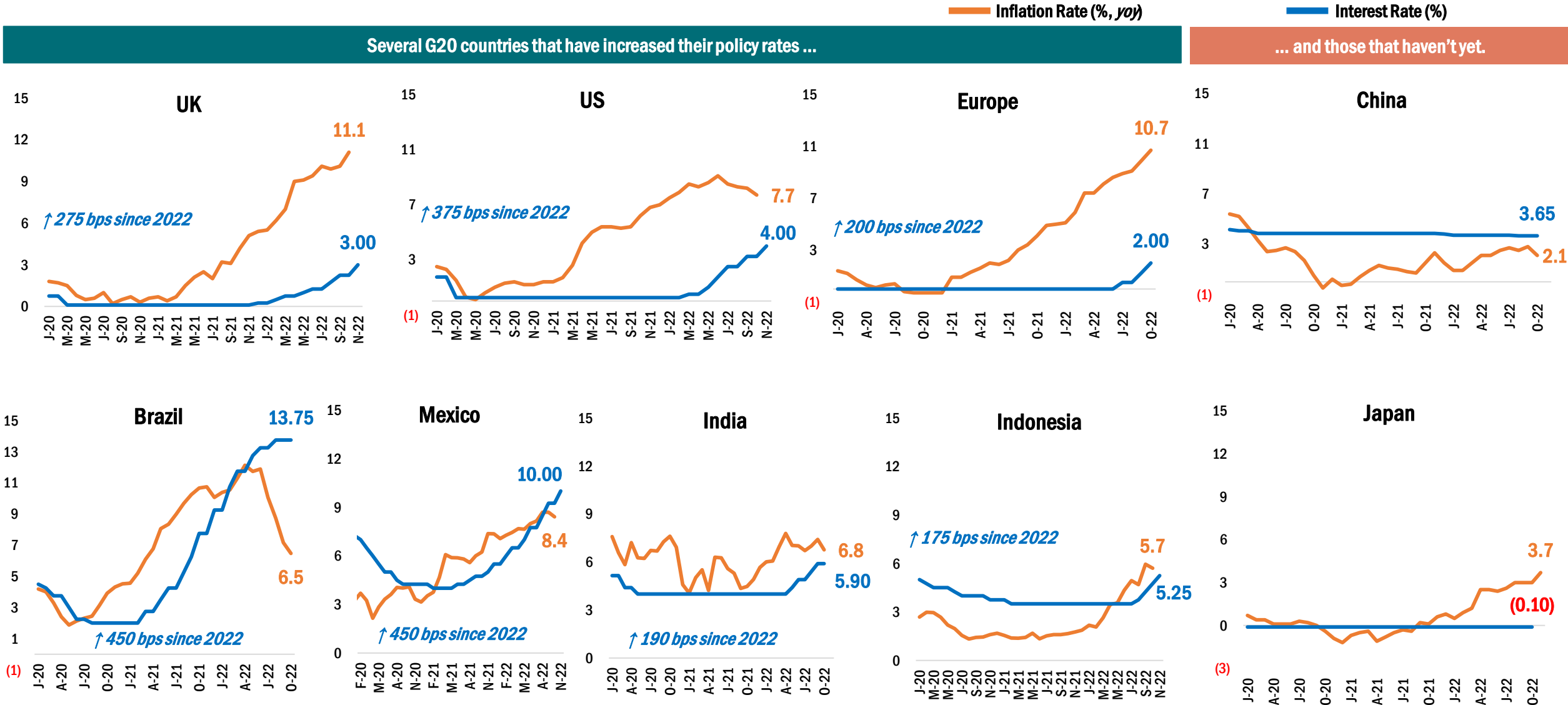
Corn 5dma (US\$/Bushels)





HIGH INFLATIONARY PRESSURES HAVE PROMPTED SHARP POLICY RATE HIKES IN MANY COUNTRIES

As a consequence, cost of fund is rising in tandem with tighter global liquidity condition



Source: Bloomberg, data as of 22 November 2022, processed

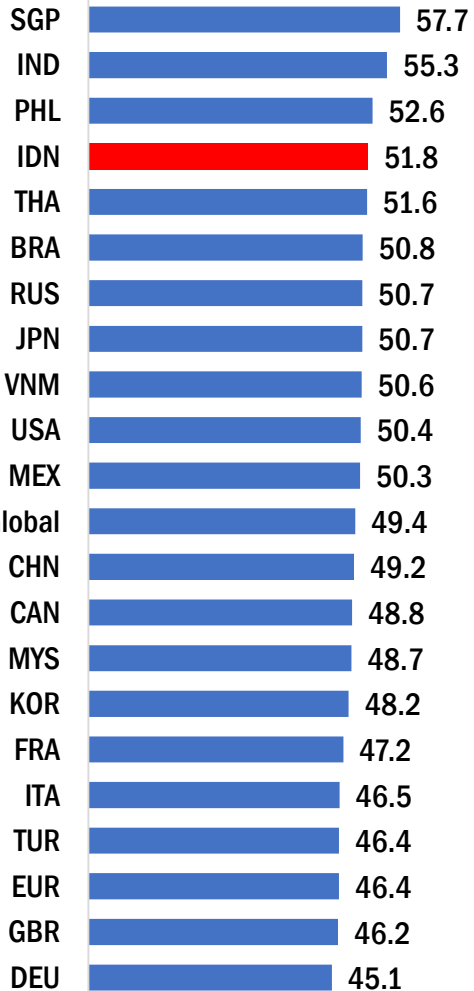


GLOBAL MANUFACTURING PMI SLIPS FURTHER INTO CONTRACTION TERRITORY

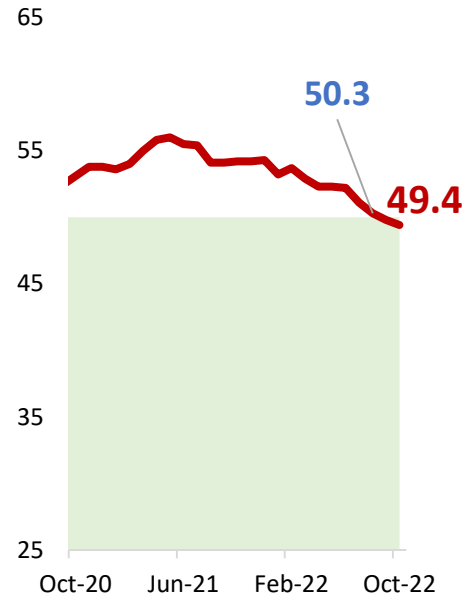
Manufacturing PMI in Indonesia remains accelerating amid contraction trend in major countries such as European countries, China, and South Korea.

PMI MANUFAKTUR AS OF OCTOBER 2022

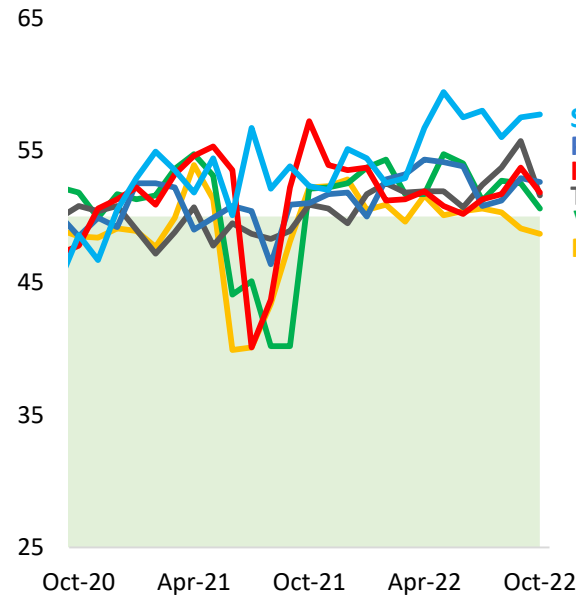
G20 Countries



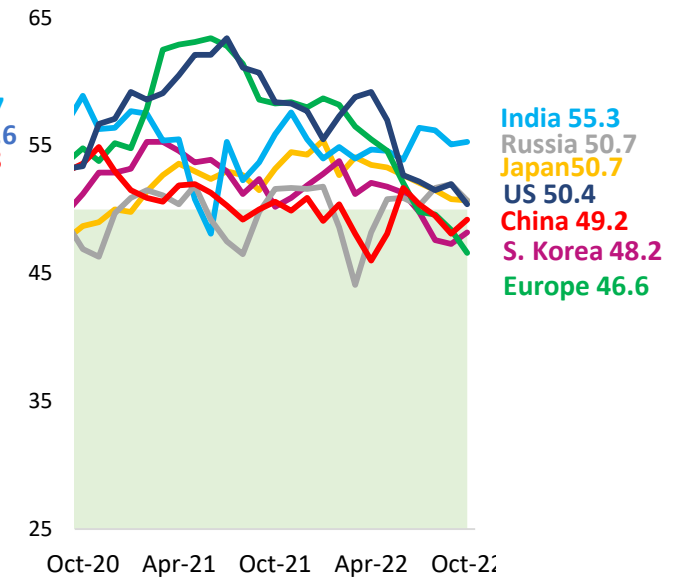
Global



ASEAN-5



Major Countries



PMI Manufacture Performance for G20 and ASEAN-6 in October 2022 (exclude ARG, ZAF)

Expansive – Acceleration

(PMI above 50 or at expansionary level & higher than previous month)

17.4%

India, Mexico, Saudi Arabia, Singapore

Expansive - Slow down

(PMI above 50 or at expansionary level but lower than the previous month)

39.1%

US, Australia, Brazil, Japan, Russia, Indonesia, Thailand, Vietnam, Philippines

Contracted

(in contraction zone)

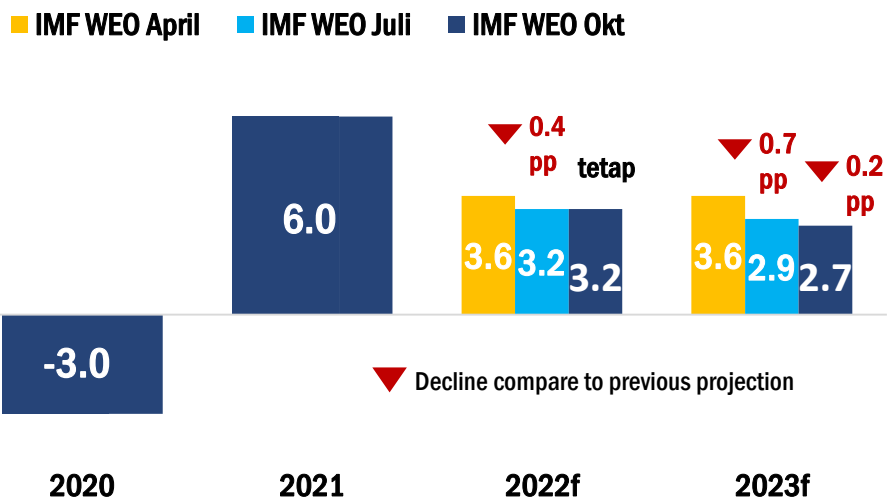
43.5%

Euro Zone, UK, Germany, Italy, Canada, South Korea, France, China, Turkey, Malaysia



GLOBAL ECONOMIC PROSPECT HAS WEAKENED WITH HIGH UNCERTAINTY

Global Economic Growth Projection IMF, % *yoj*



- Lower global economic growth projection was due to persistent high inflationary pressures, aggressive monetary policy tightening, war in Ukraine, and Covid-19 impact in China.
- The risk of recession increases, the IMF predicts that 43% of countries in the world (contributing more than 1/3 of the world's GDP) will experience a technical recession in the period 2022-2023.
- Downside risks significantly soared: under/over-tightening policies, strengthening US dollar, longer-lasting inflationary pressures, debt pressures in vulnerable developing countries, European energy crisis, worsening of China's property sector crisis, global economic fragmentation, weakening international cooperation

Various Countries Growth Projection by IMF, % *yoj*

Countries	2019	2020	2021	WEO IMF (October)			
				2022f	2023f		
World	2.8	-3.0	6.0	3.2	Unchanged compared July forecast	2.7	↓ 0.2 pp
Advance Economies	1.7	-4.4	5.2	2.4	↓ 0.1	1.1	↓ 0.3
United States	2.3	-3.4	5.7	1.6	↓ 0.7	1.0	Unchanged
Europe Zone	1.6	-6.1	5.2	3.1	↑ 0.5	0.5	↓ 0.7
Emerging Market	3.6	-1.9	6.6	3.7	↑ 0.1	3.7	↓ 0.2
China	6.0	2.2	8.1	3.2	↓ 0.1	4.4	↓ 0.2
Indonesia	5.0	-2.1	3.7	5.3	Unchanged	5.0	↓ 0.2
India	3.7	-6.6	8.7	6.8	↓ 0.6	6.1	Unchanged

Global Inflation Projection	2022	2023
	8.8% (↑ 0.5 pp)	6.5% (↑ 0.8 pp)

Source: WEO IMF July and October 2022, processed



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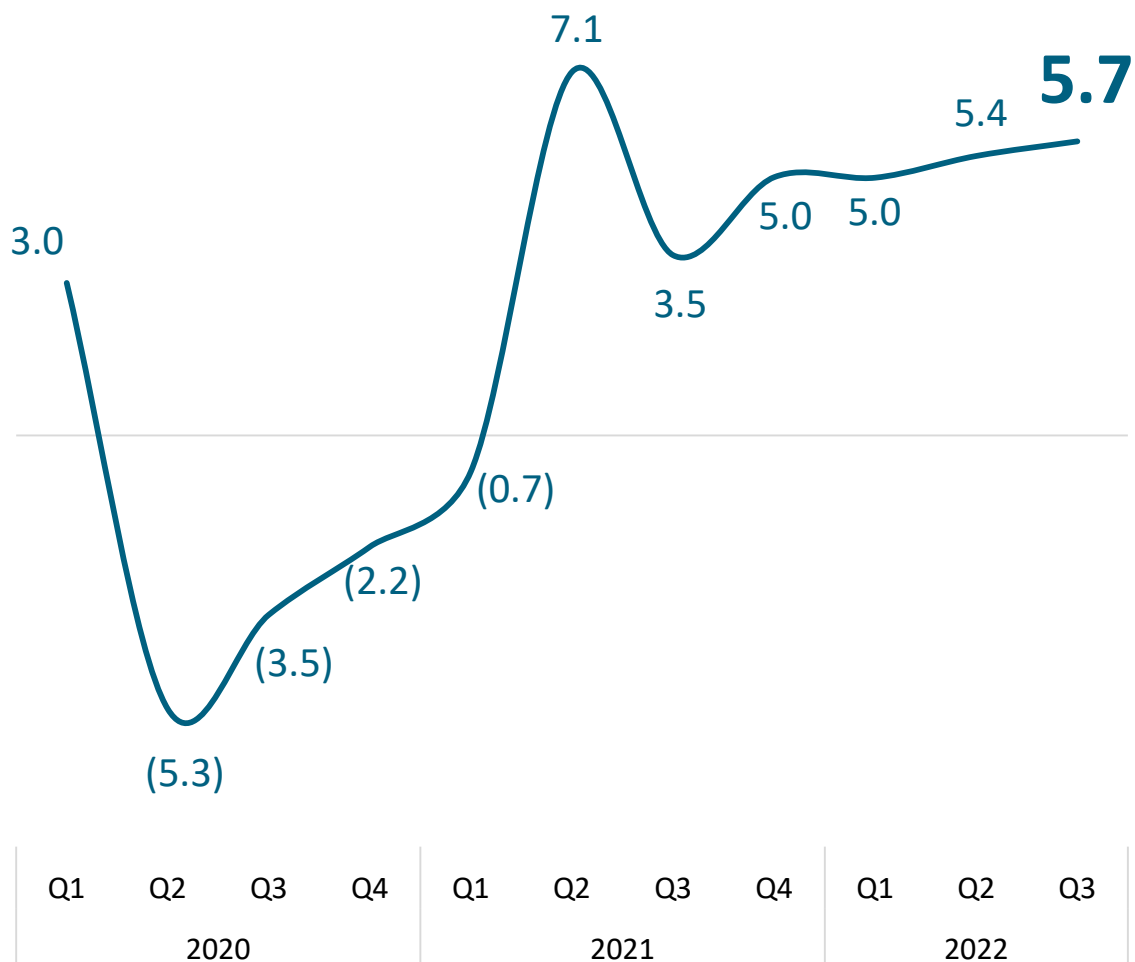


DOMESTIC ECONOMIC UPDATE



NATIONAL ECONOMIC RECOVERY CONTINUES IN QUARTER III 2022

Indonesia's economic expansion accelerates amidst increasing global economic uncertainty



- **Household consumption** grew relatively high in line with the strong purchasing power of the people, supported by the government's social protection program and maintained inflation rates.
- **Government consumption** in the third quarter normalized due to decreasing COVID-19 related spending needs.
- **Investment** grew stronger leads to the economic transformation towards a higher value-added economy, as evidenced by the high growth in investment in machinery and commercial vehicles.
- **Exports** continued hit double-digit growth amidst global turmoil, supported by strong both non-oil & gas and oil & gas exports, such as palm oil, coal and natural gas.
- From the **production side**, economic growth underpinned by the performance of almost all sectors that recorded grew positively in Q3-2022, except the Health Services sector.

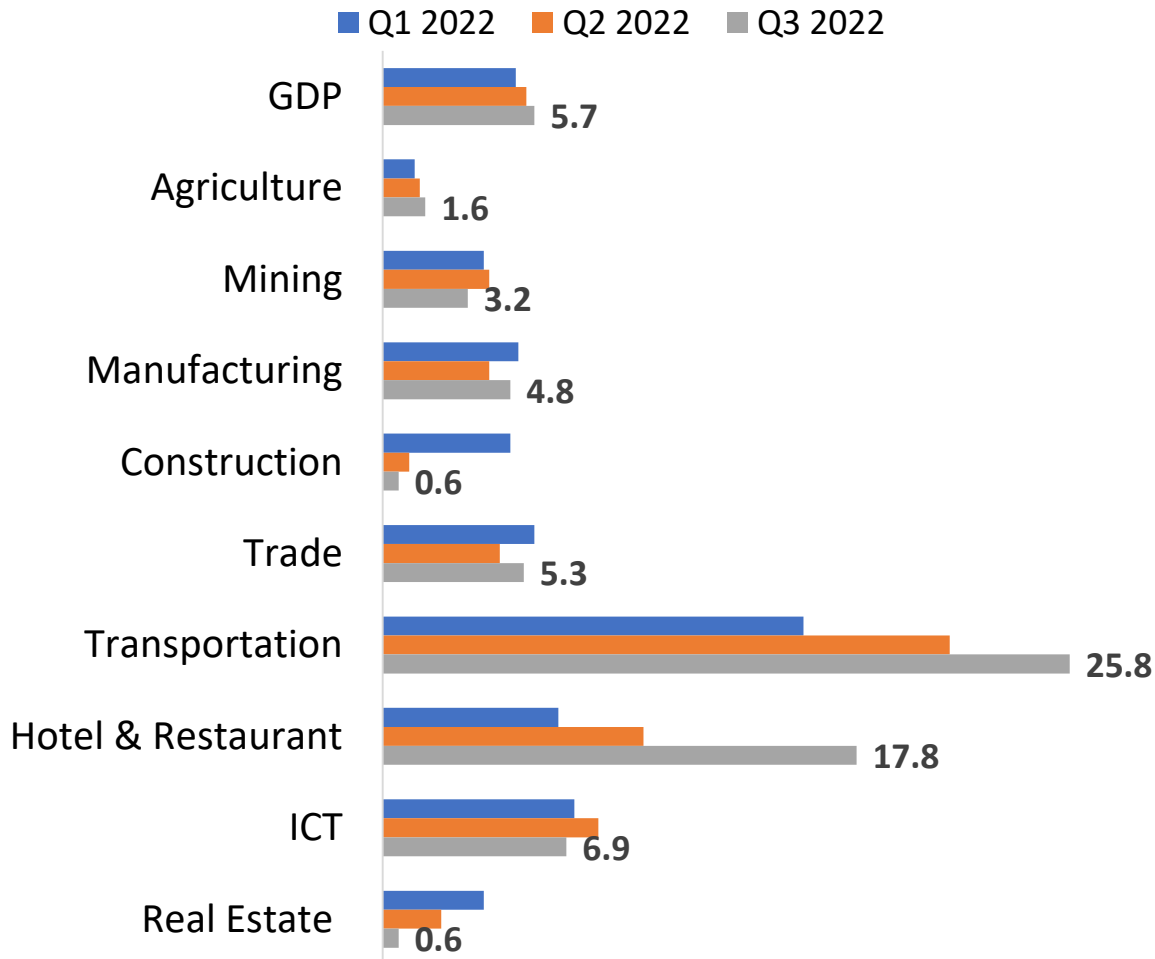
Share (% GDP)	Expenditure	2020					2021					2022		
		Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
50.4	HH Cons.	2.8	-5.5	-4.0	-3.6	-2.6	-2.2	6.0	1.0	3.6	2.0	4.3	5.5	5.4
7.6	Gov. Cons.	3.8	-6.9	9.8	1.8	2.0	2.5	8.1	0.6	5.2	4.2	-6.9	-4.9	-2.9
28.6	Investment	1.7	-8.6	-6.5	-6.2	-5.0	-0.2	7.5	3.8	4.5	3.8	4.1	3.1	5.0
26.2	Export	0.2	-12.4	-13.0	-6.9	-8.1	6.9	31.5	29.2	29.8	24.0	16.7	20.0	21.6
(21.7)	Import	-5.4	-20.7	-24.5	-15.8	-16.7	4.4	31.8	29.9	29.6	23.3	15.9	12.4	23.0
	GDP	3.0	-5.3	-3.5	-2.2	-2.1	-0.7	7.1	3.5	5.0	3.7	5.0	5.4	5.72



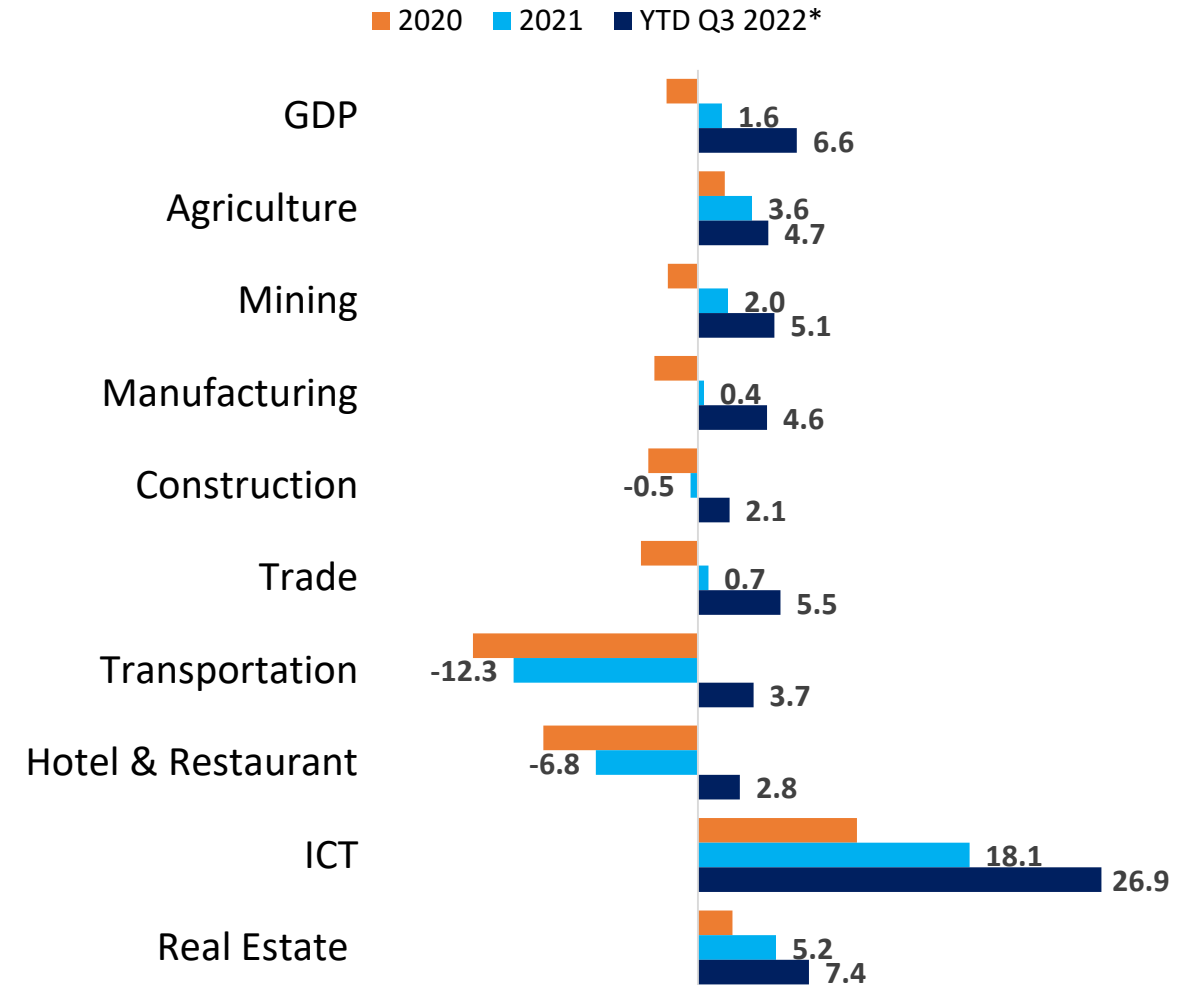
SECTORAL WISE, THE RECOVERY HAS BEEN RELATIVELY BROAD-BASED

Leading sectors are already growing above pre-pandemic levels; the accommodation and restaurant, and transportation sectors experienced double-digit growth

RECOVERY TREND: THE PRODUCTION SIDE (%, YOY)



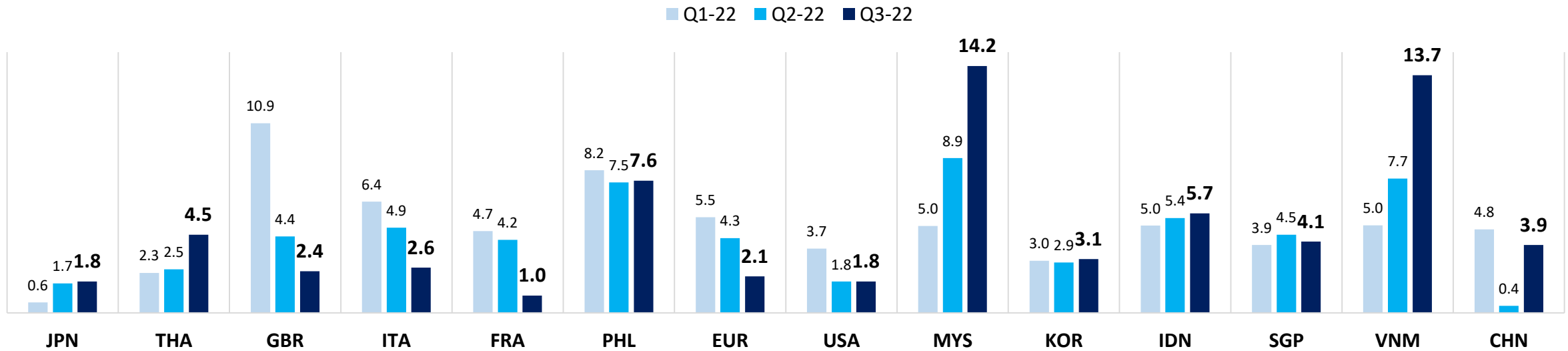
REAL GDP LEVELS COMPARING TO 2019 REAL GDP LEVELS 2020 and 2021 (Annually) , 2022 Q1-Q3 (cumulatively)



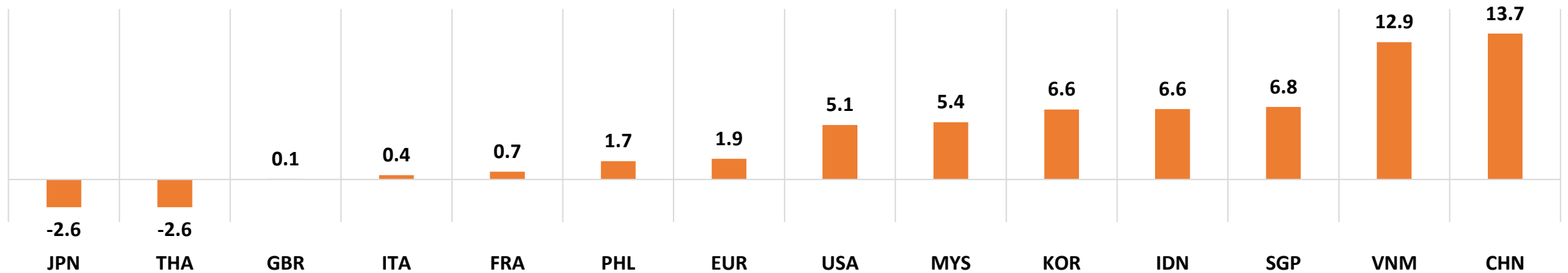


Indonesia's Economic Recovery is One of the Strongest among the G-20 and ASEAN-6

Economic Growth Q1-Q3 2022



Real GDP Level in Cumulative Q1- Q3 2022 Relative to 2019 Pre-Pandemic



Source: Bloomberg, CEIC, dan Trading Economics processed

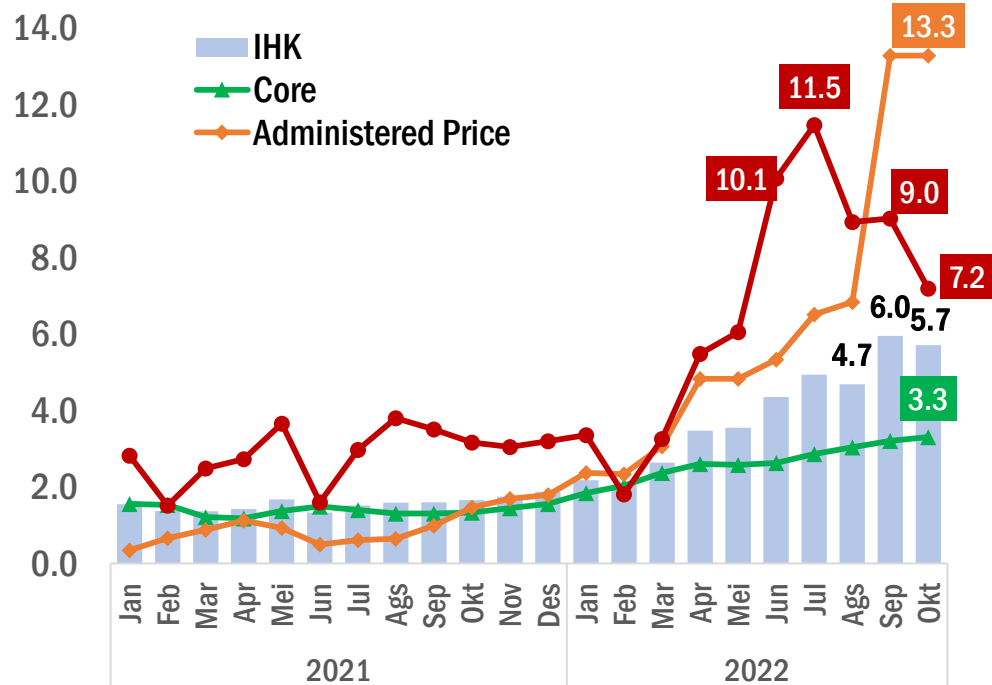


DOMESTIC INFLATION PRESSURE DECREASED BACK IN OCTOBER, DRIVEN BY DECREASING VOLATILE FOOD

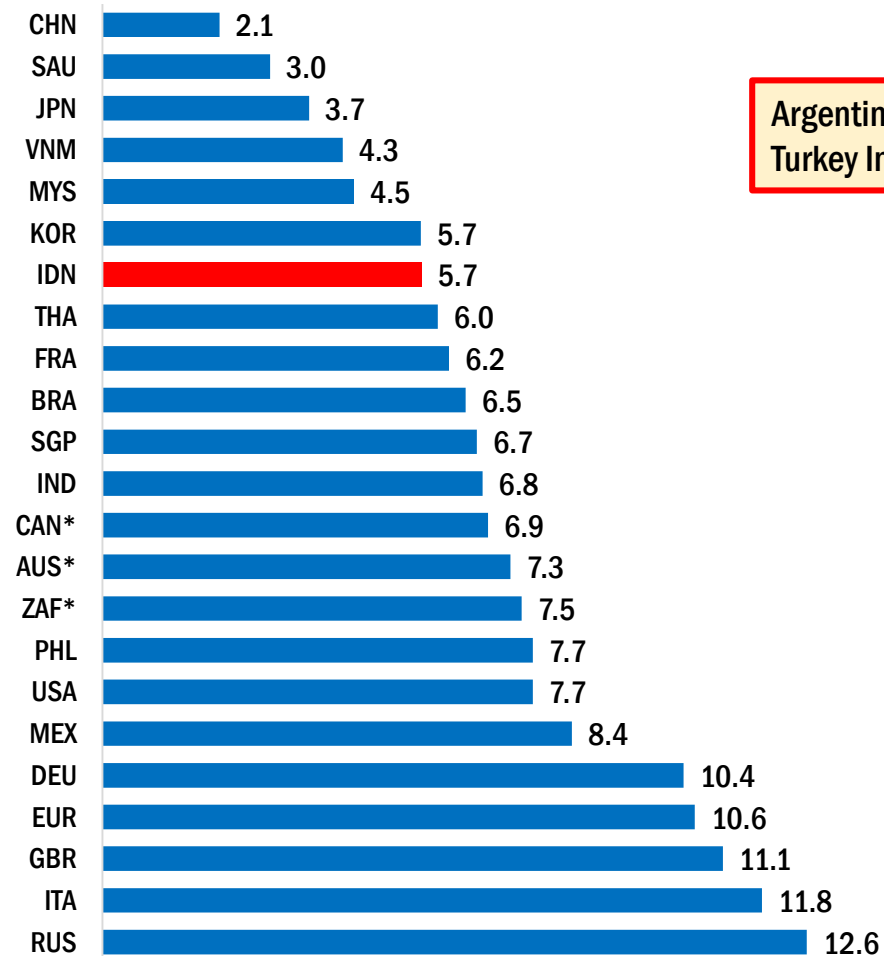
Domestic fuel price adjustment has not induced inflation to surge sharply

INFLATION DYNAMIC BY COMPONENTS

percentage, yoy



INFLATION BY COUNTRIES (OCTOBER, % YOY)



Argentina Inflation: 88.0%
Turkey Inflation: 85.5%

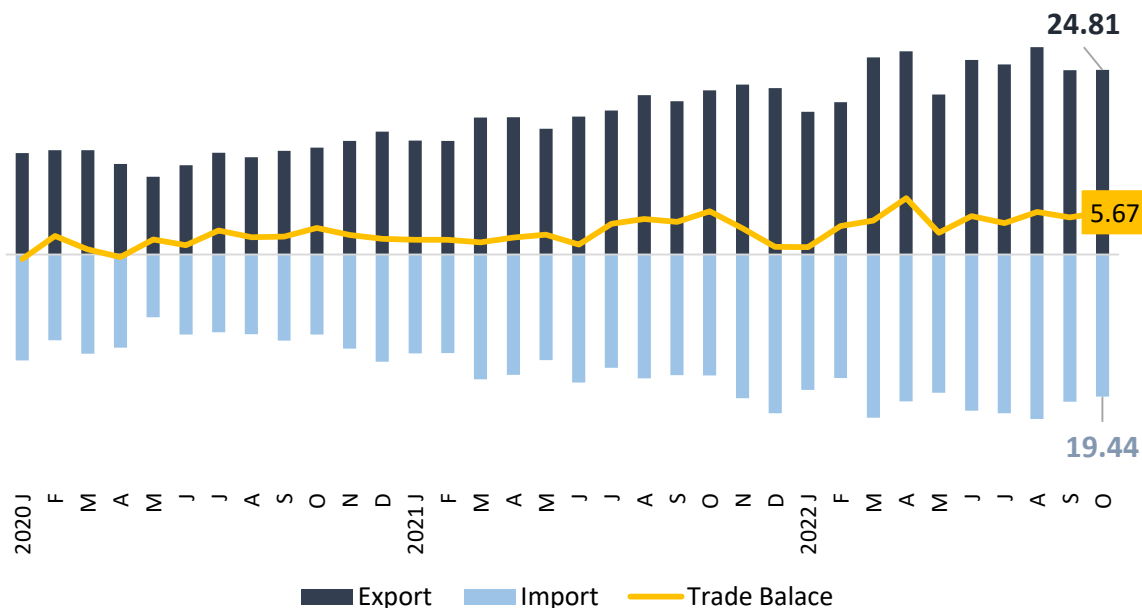
*) September Inflation



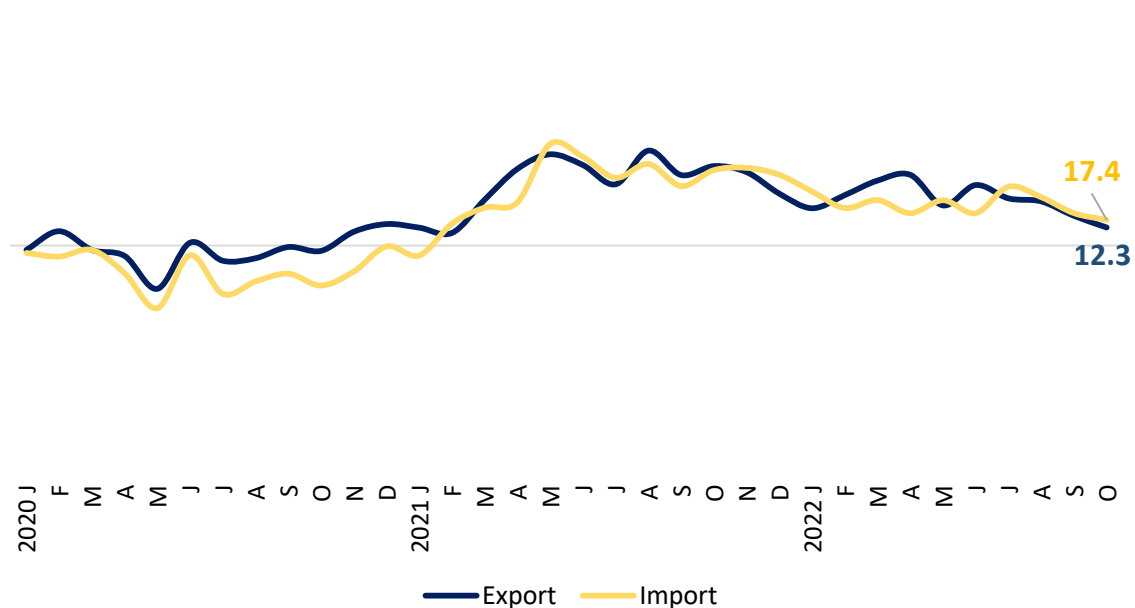
EXTERNAL POSITION CONTINUED TO STRENGTHEN

Export continued to grow strongly amid global economic pressures, while trade surplus has recorded surplus in 30 months in a row

Trade Balance (Billion USD)



Growth of Export & Import (%yoy)



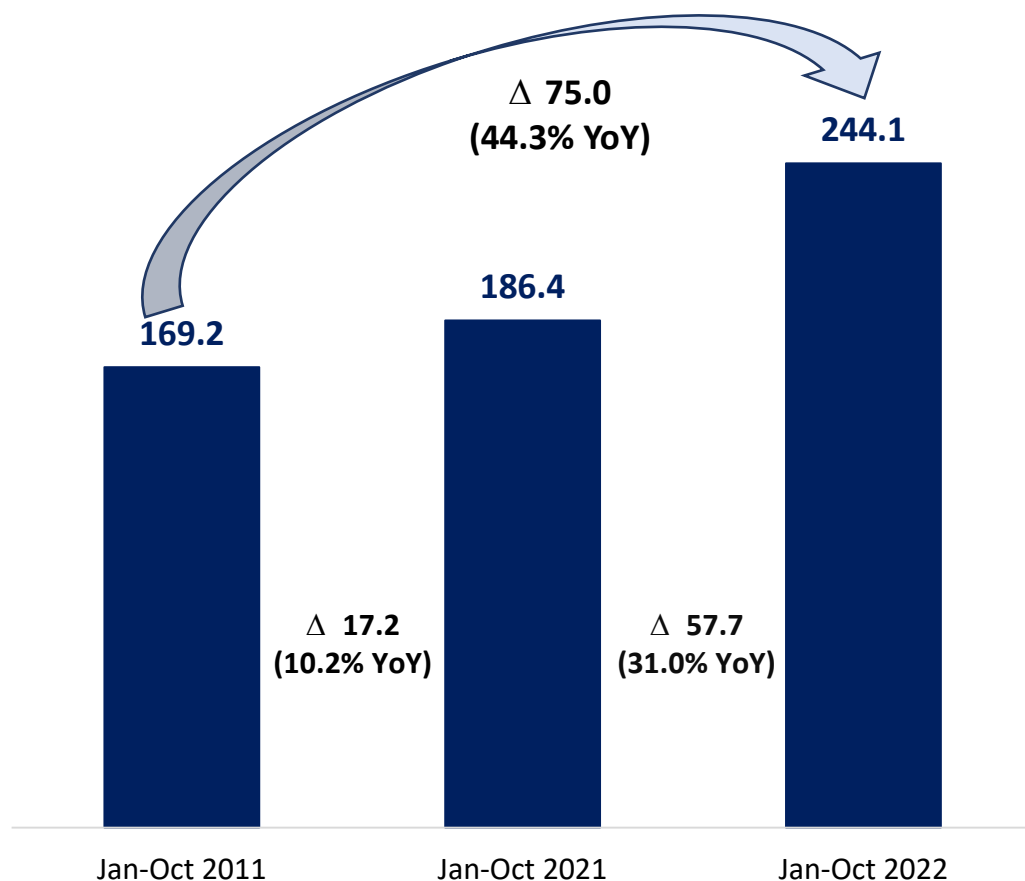
- In October 2022, exports reached USD24.8 billion and imports reached USD19.4 billion.
- Exports still recorded a solid performance, increased by 12.3%
- Meanwhile, imports rise by 17.4% (yoy), reflecting the economic recovery and manufacturing activities, The increase in imports was supported by sustained improvement on Indonesia's Manufacturing PMI.
- The trade balance in October 2022 recorded a surplus of USD5.67 billion, continued the surplus trend for 30 consecutive months.



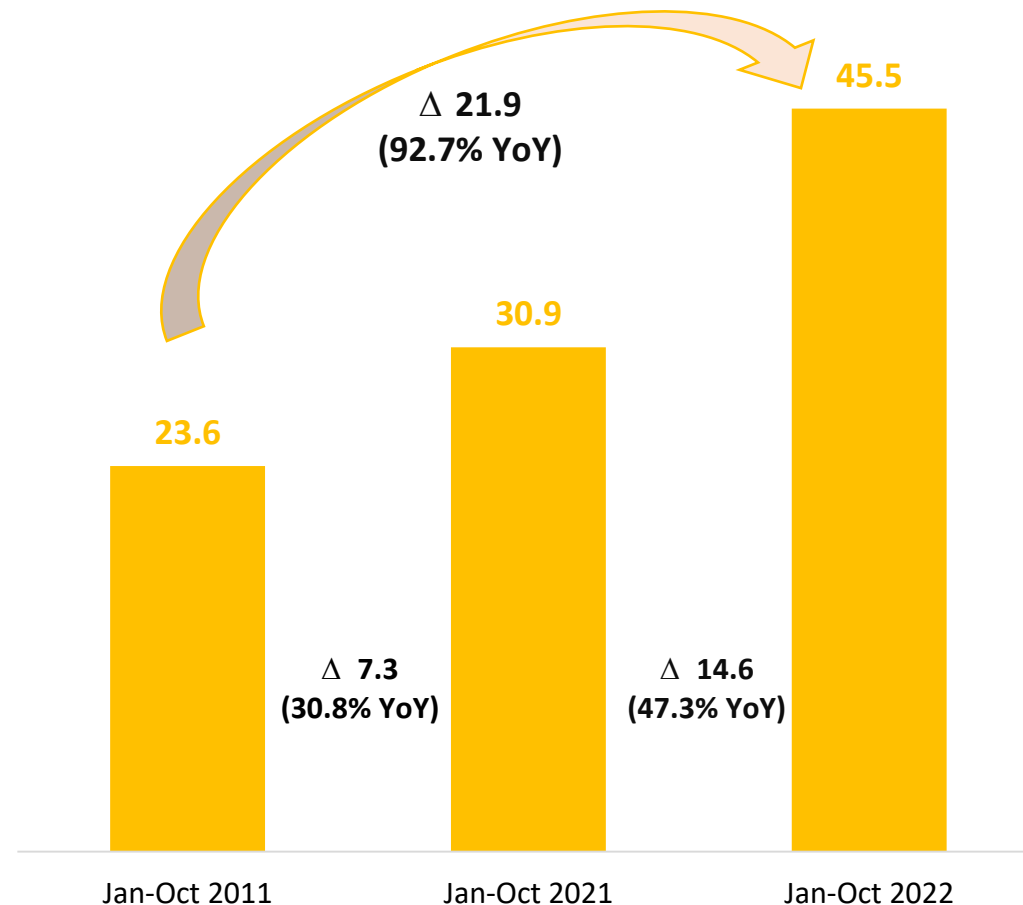
EXPORT AND TRADE BALANCE POSTED A RECORD HIGH IN HISTORY

High commodity prices and down streaming strategy have boosted export performance

Export in Two Different Boom Episodes (USD bn)



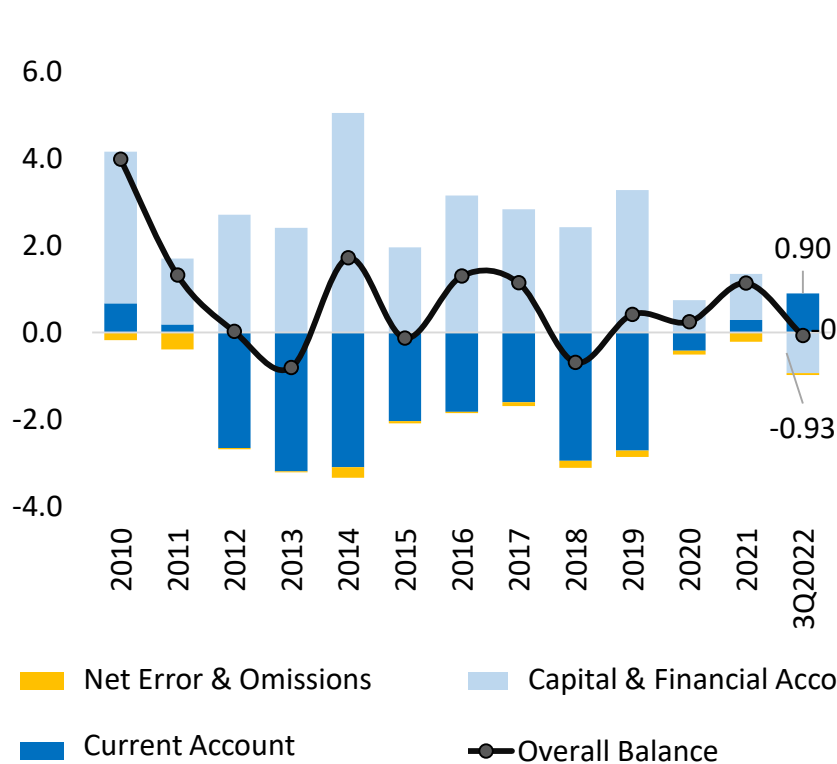
Trade Balance in Two Different Boom Episodes (USD bn)



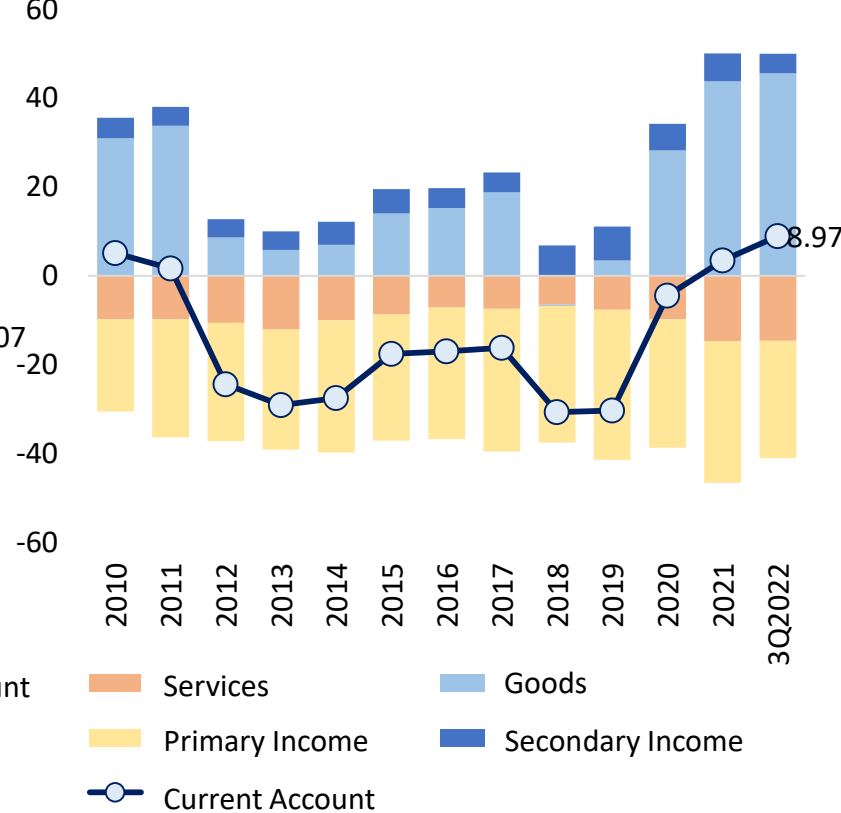


THE CURRENT ACCOUNT SURPLUS IN THE Q3-2022 INCREASED, EXTERNAL RESILIENCE MAINTAINED

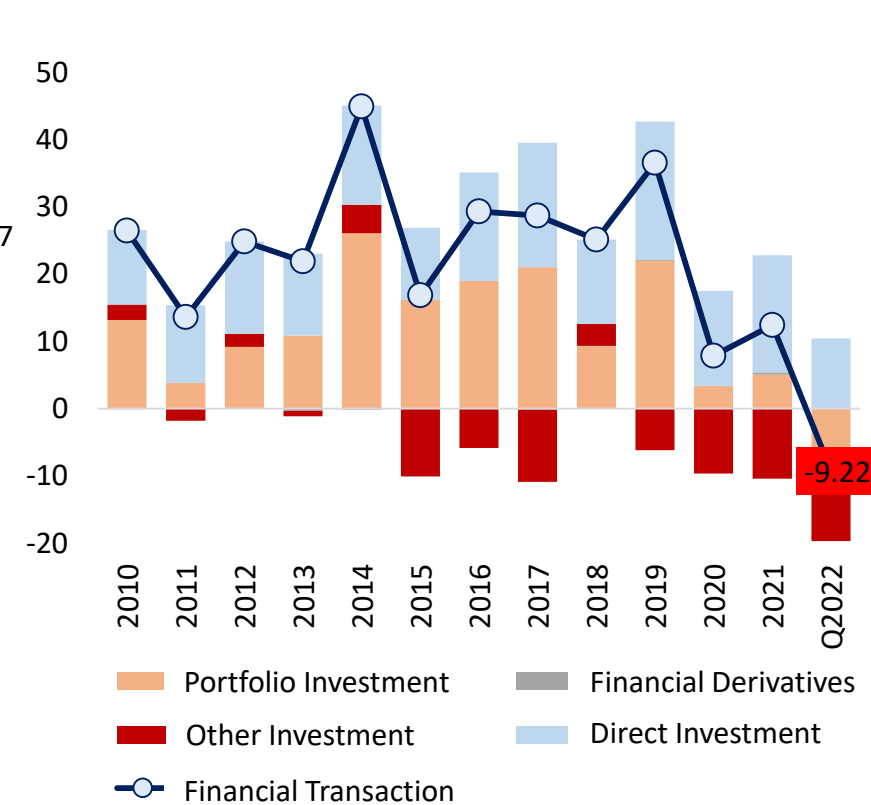
Balance of Payment (% of GDP)



Current Account Balance (Billion USD)



Financial Account Balance (Billion USD)



Balance of Payments (BOP) in the Q3-2022 remained solid, thereby reinforcing external resilience

Current account performance was solid in the Q3-2022, with the surplus continuing an upward trend on the back of stronger non-oil & gas export performance

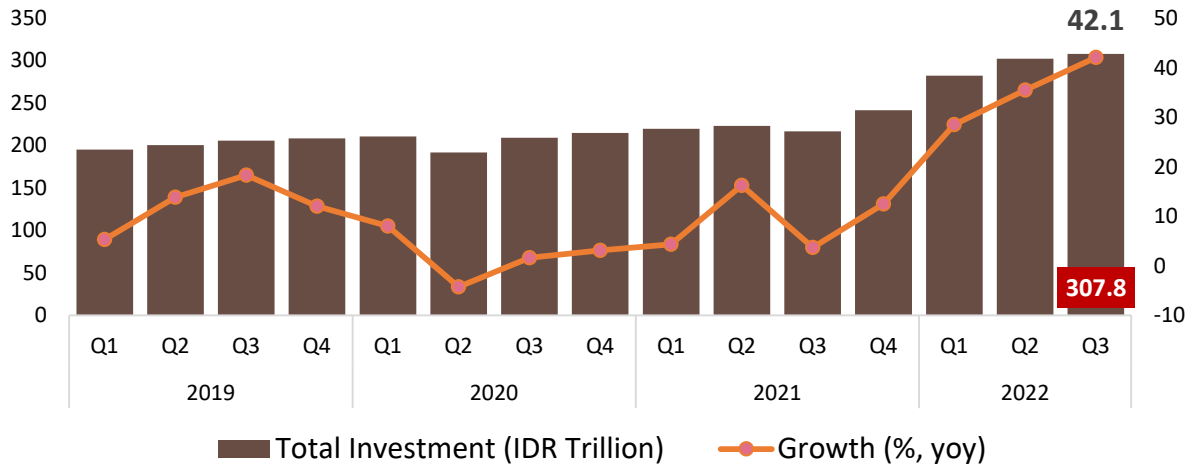
Despite increasing global financial market uncertainty, **capital & financial account** performance in the Q3-2022 was bolstered by direct investment



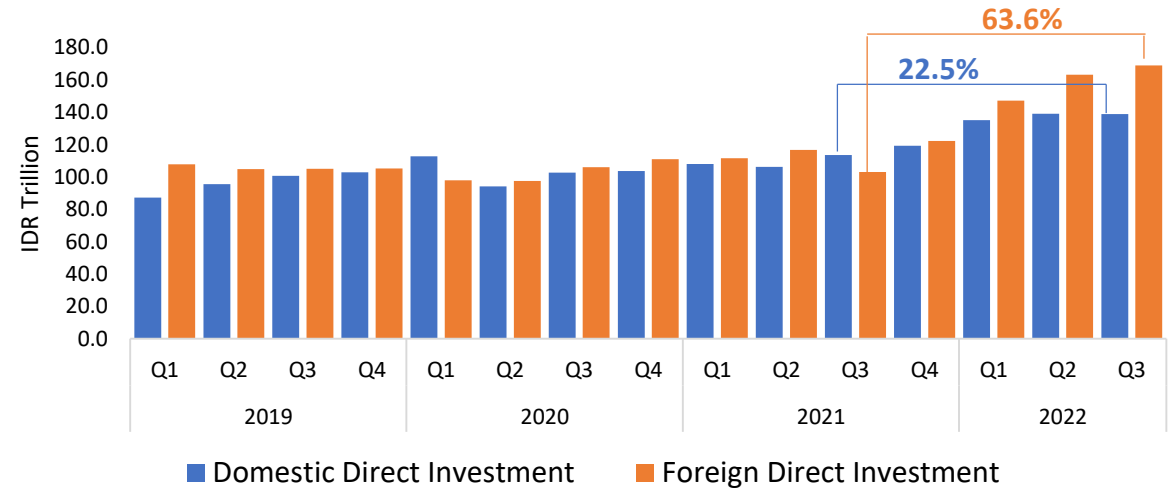
DIRECT INVESTMENT CONTINUED TO STRENGTHEN, GROWING AT 42.1% IN Q3 2022 (YOY)

Relatively solid macroeconomic performance and credible and consistent government policies in improving friendlier investment climate have boosted investors' confidence to continue investing in Indonesia

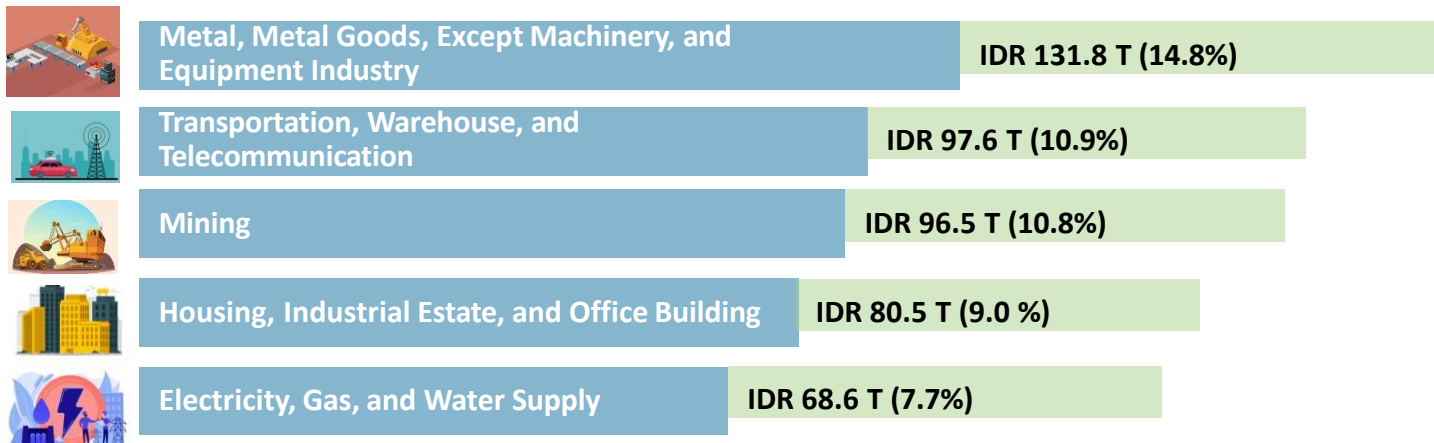
Direct Investment Realization



Domestic & Foreign Direct Investment Realization



Domestic Direct Investment (DDI) and Foreign Direct Investment (FDI) by Sector (Jan-Sept 2022)



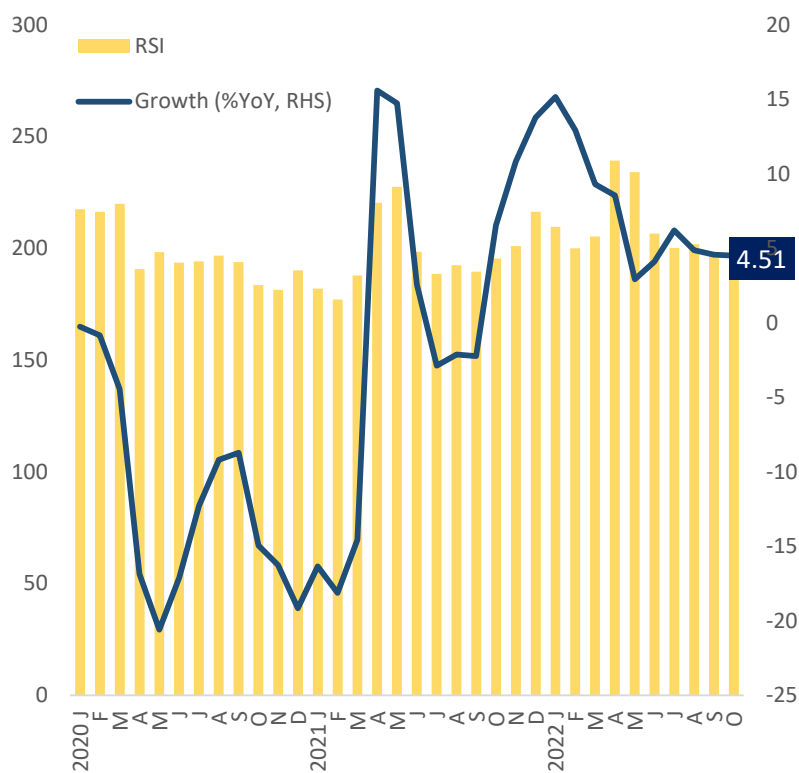
- The investment realization in January – September 2022 reached IDR 892.4 trillion, increased by 35.3% (yoy).
- Investment realization in Q3 2022 **absorbed 325,575 workers, while the whole three quarters have absorbed 965,122 workers.**
- Since the third quarter of 2021, FDI investment in the metal mineral downstream sector has remained in the first rank of the largest investment by sector.



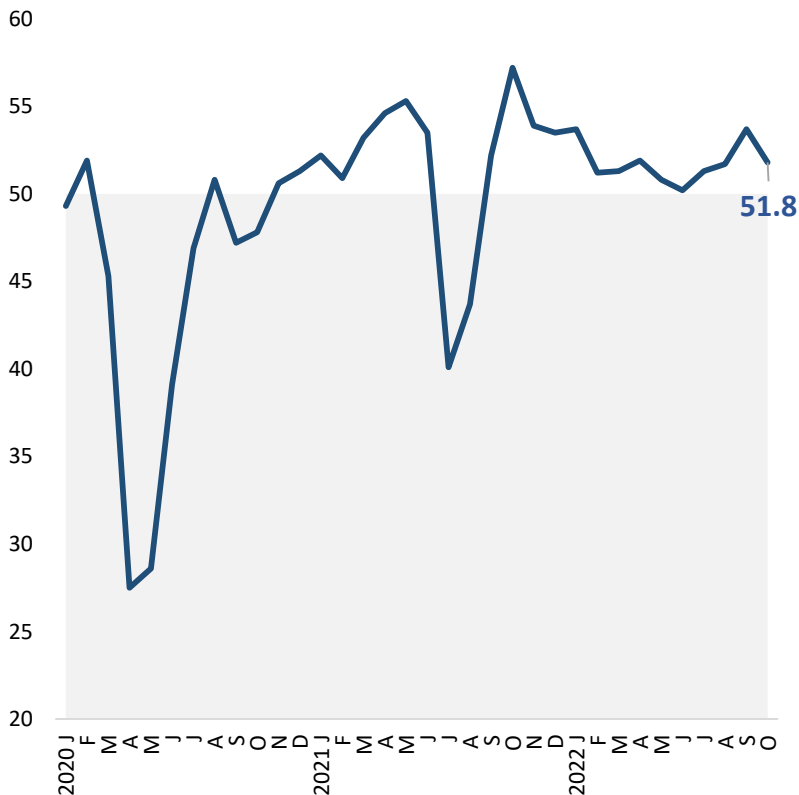
THE NEAR-TERM GROWTH PROSPECT REMAINS RELATIVELY STRONG

Several leading indicators, both consumption and production side support the growth projection

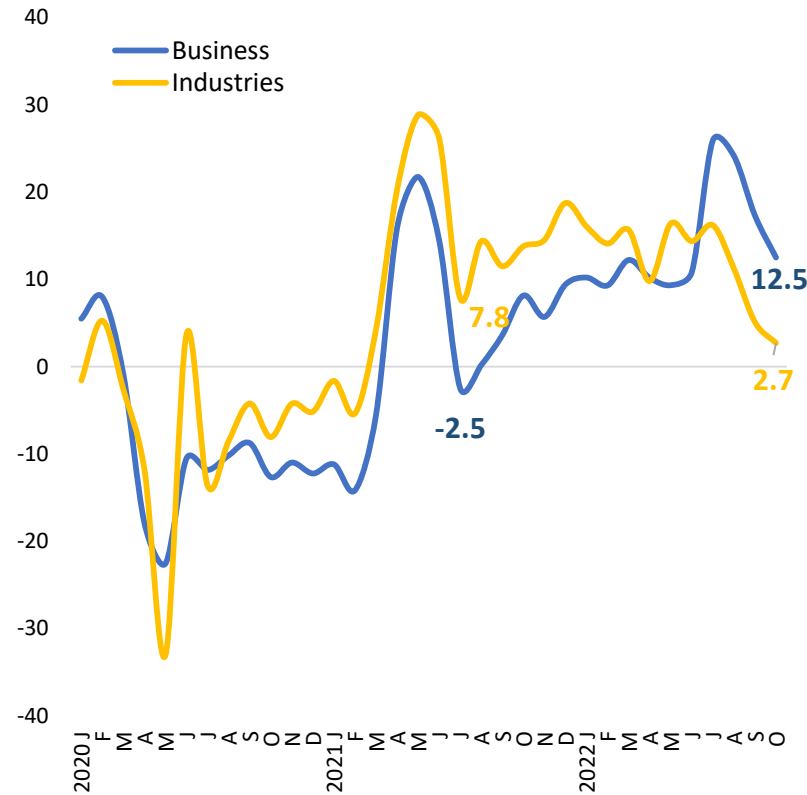
Retail Sales Index keep growing, in line with the improvement of domestic demand



Indonesia's manufacturing PMI is at an expansionary level for 14 consecutive months



Electricity consumption by business and industry are still growing



Source: Statistics Indonesia, Bank Indonesia, HIS Markit, PLN

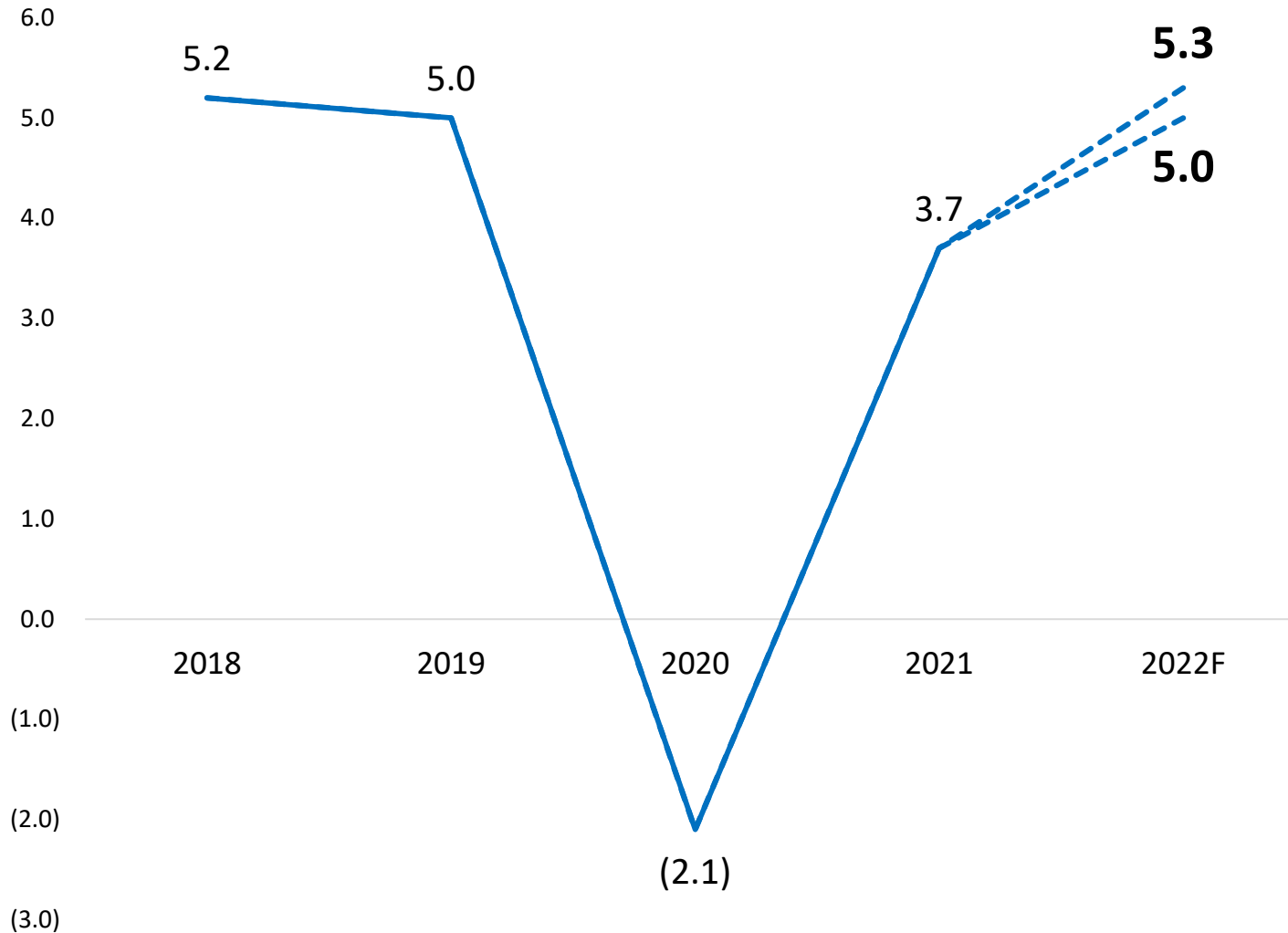


2022 ECONOMIC GROWTH OUTLOOK WILL REMAIN STRONG

Household consumption and export play a significant role in boosting the economy

Indonesia's GDP Growth Forecast (% , yoy)

Source: Indonesia statistic, MoF's estimation



Indonesia's Growth Forecast by Various Institution

	2022	2023
IMF (WEO Oct)	5,3	5,0
World Bank (EAP Oct)	5,1	5,1
ADB (ADO Update Sept)	5,4	5,0
Bloomberg Consensus (Oct)	5,2	5,0

- Learning from the experience of 2011-12 commodity boom, **economic trajectory will capitalize on the commodity supercycle plus ongoing reform agenda**
- Consumption growth will continue its recovery trend, supporting the economic growth
- Strong export performance will also bolster economic growth
- The leading indicators until October still show the consistency of economic recovery, however, downside risks remain.



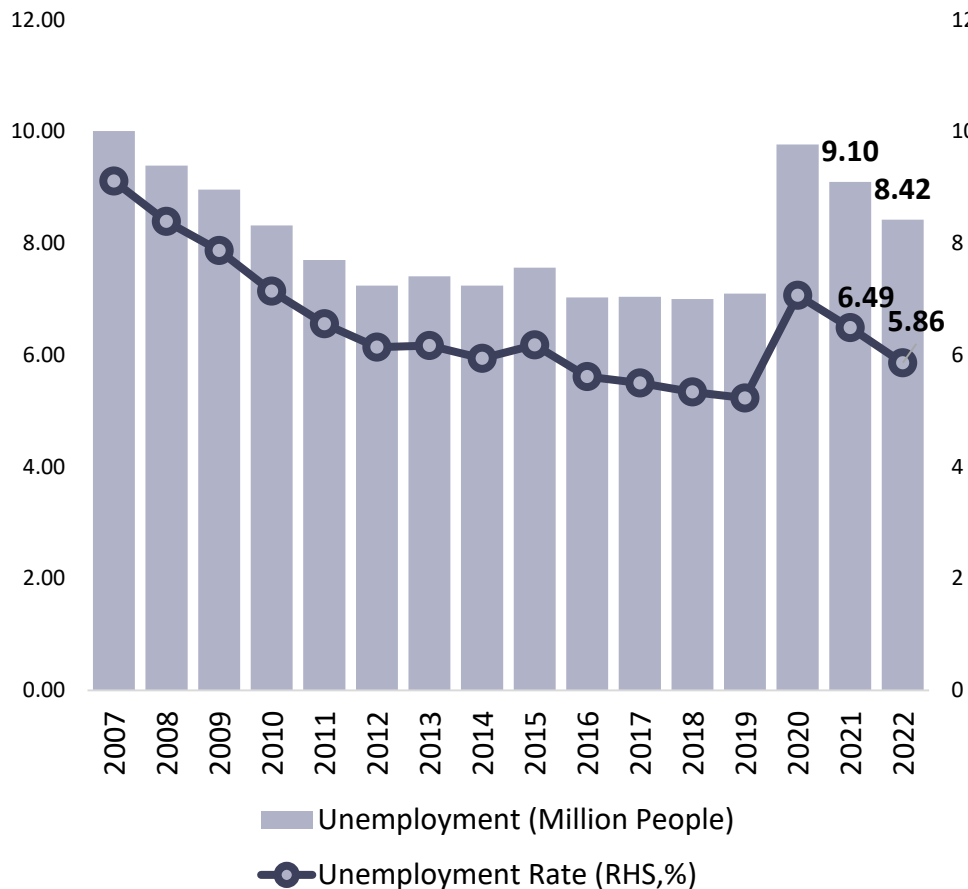
UNEMPLOYMENT AND POVERTY RATE DECLINED WITH ROBUST ECONOMIC RECOVERY

Social Safety Net and other recovery programme during pandemic have effectively reduced poverty and employment rates

The labor market is gradually recovering driven by a quality economic recovery

Labor Market

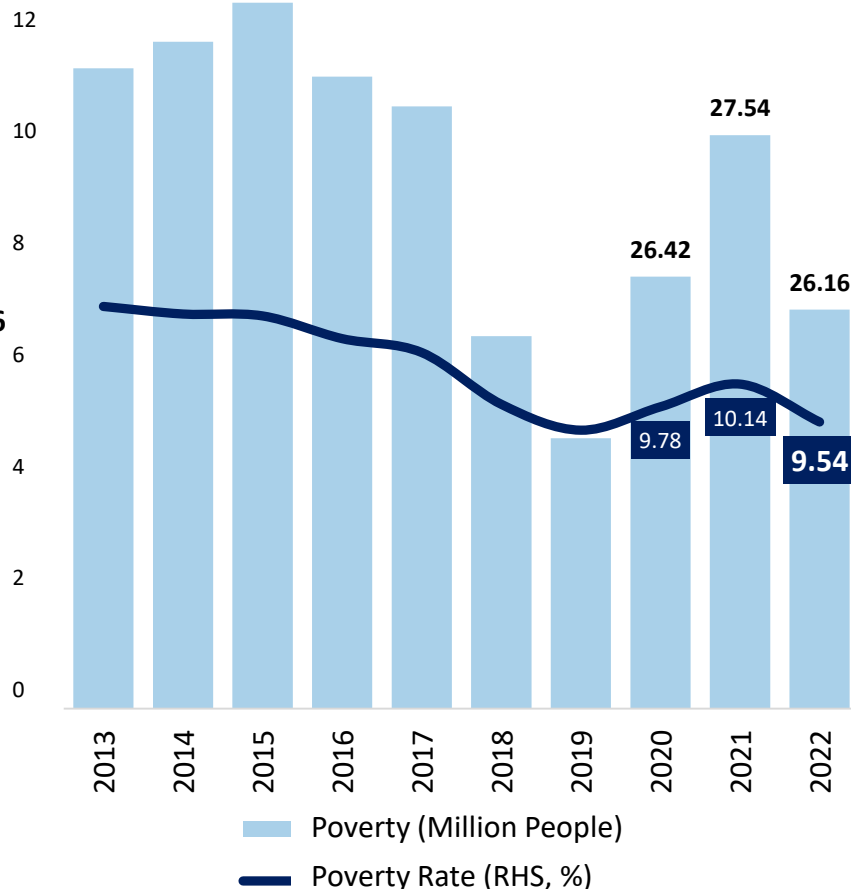
Source: Statistic Indonesia



Poverty rate continues a downward trend to single digits

Poverty

Source: Statistic Indonesia



Protection towards the improvement of public welfare is always maintained through various social protection programs

Social Security Budget

2021 IDR468,2 Trillion

2022 IDR502,6 Trillion

2023 IDR479,1 Trillion

Micro Credit Program (Kredit Usaha Rakyat - KUR)

2021 IDR285 Trillion

2022 IDR316 Trillion

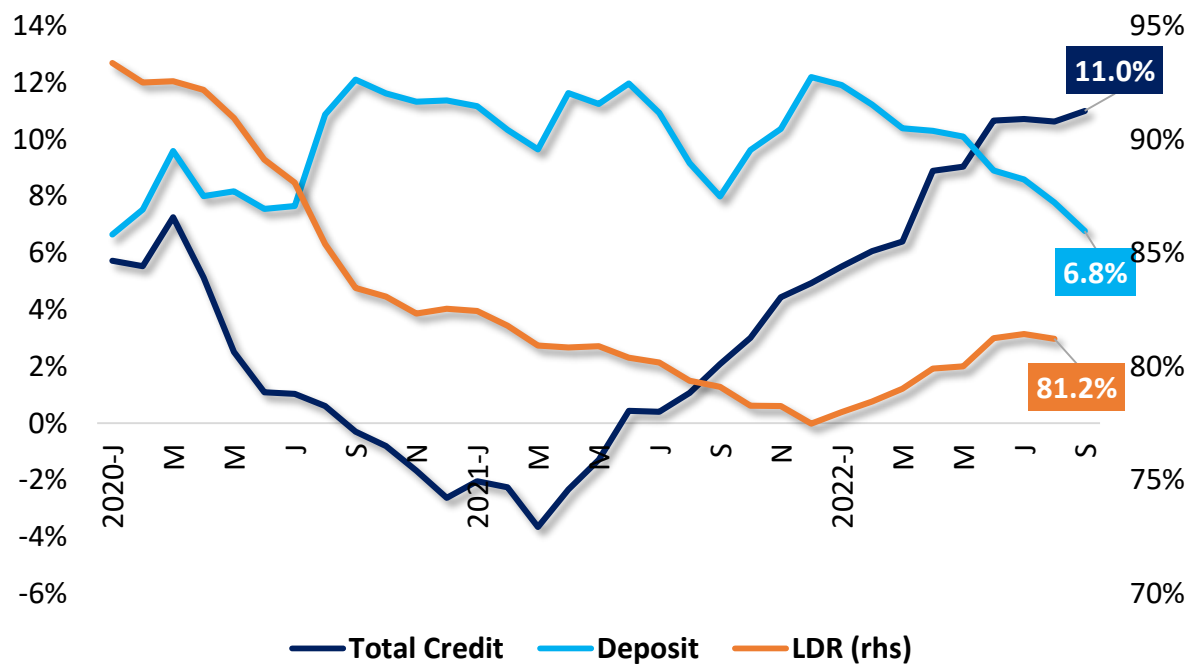
2023 IDR450 Trillion



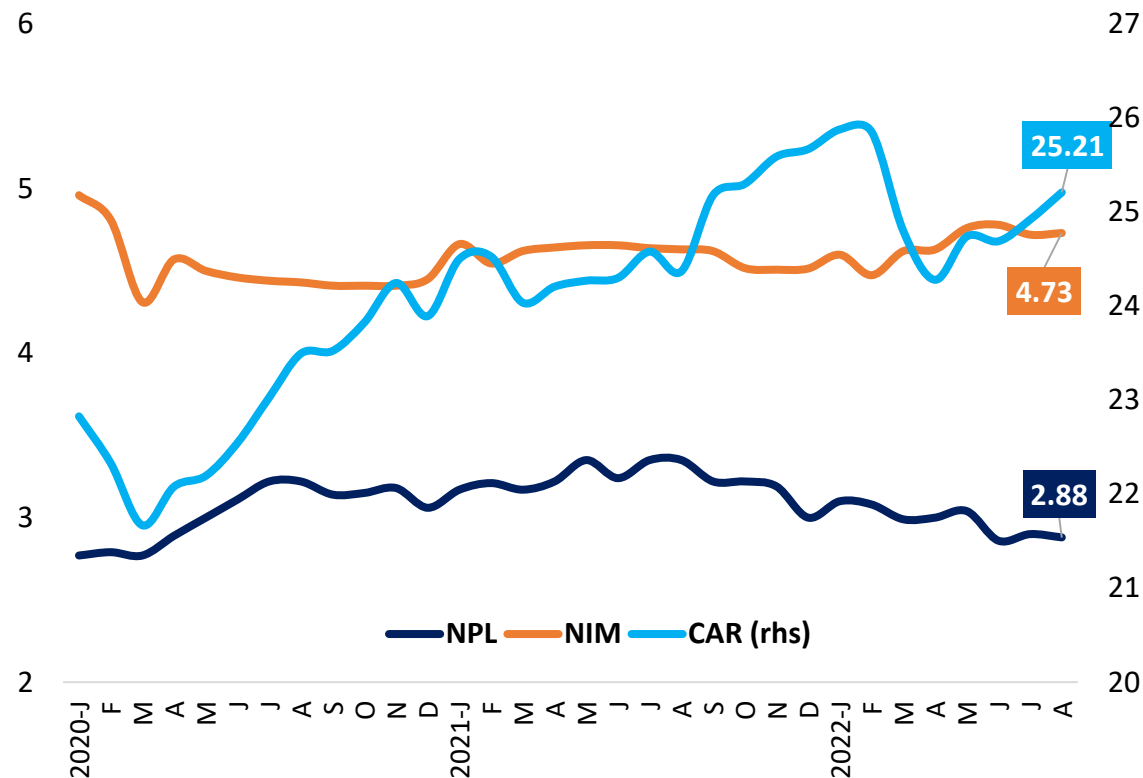
BANKING SECTOR REMAINS RELATIVELY SOLID & WELL - BUFFERED

Credit has continued to grow with stronger economic activities, while credit risk remained relatively low. Capital adequacy ratio in the banking strong is among the highest in the region at around 25%.

Credit, Deposit Growth & LDR



Banking Performance Indicator (%)





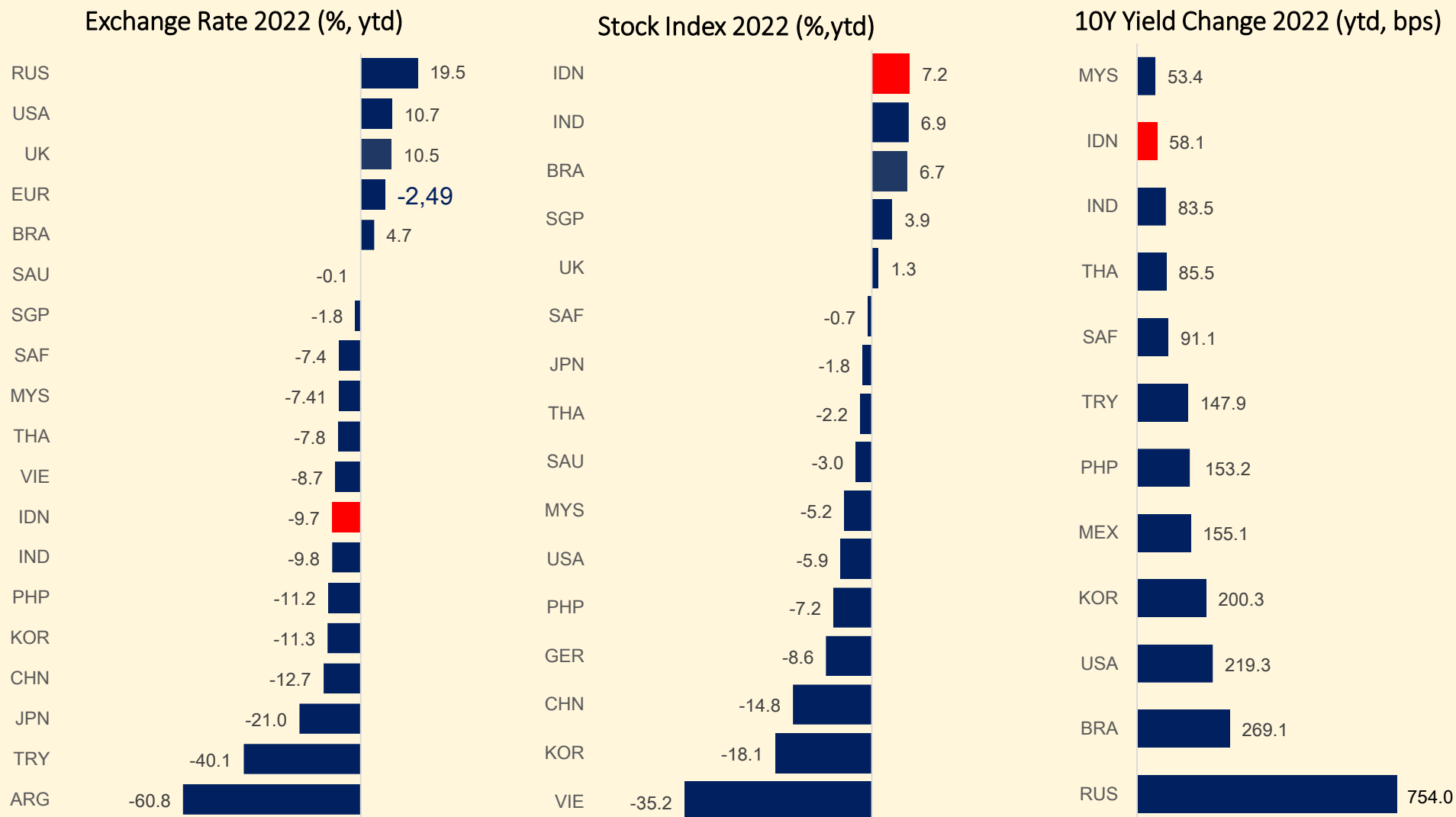
PRESSURE IN INDONESIA'S FINANCIAL SECTOR IS RELATIVELY MODERATE COMPARED TO MANY COUNTRIES

Indonesia's sound macroeconomic fundamentals have contributed in limiting financial market pressures

Rupiah depreciation and increase of Indonesia's bonds yield are among the lowest, while stock index outperforms many peers.

Source: Bloomberg, 25 November 2022

Comparison of G-20 and ASEAN-6 Indicators

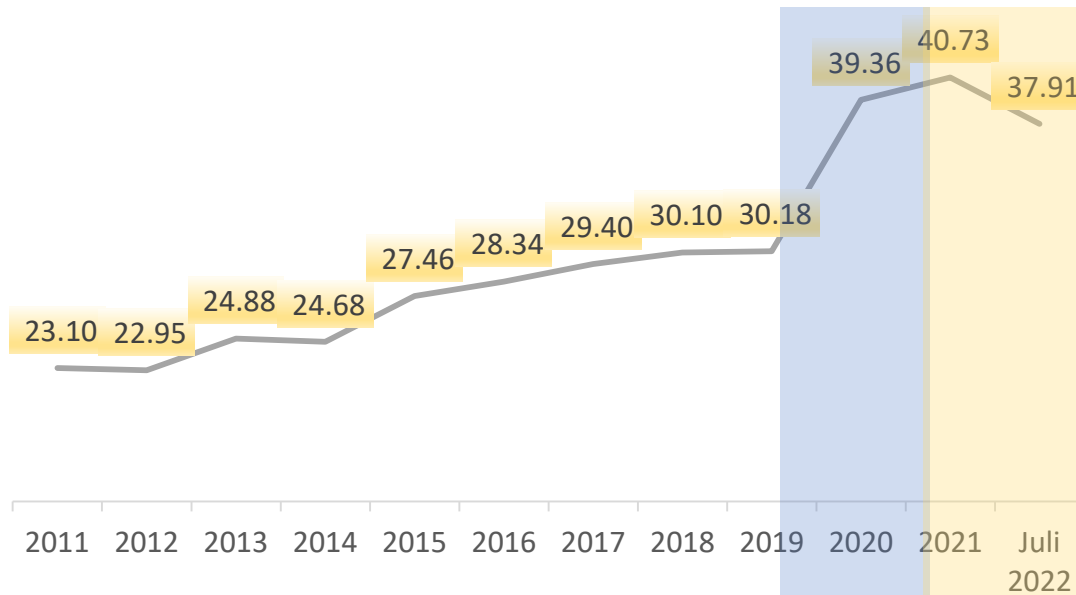




STRONG BUDGET PERFORMANCE IS LIKELY TO LOWER GOV'T DEBT RATIO

Indonesia's economic prospects have received appreciations from International Institutions

Debt-to-GDP ratio on a Downward Trend

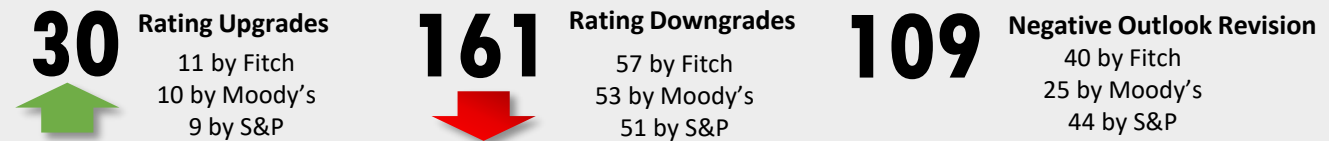


- The Covid-19 pandemic handling increased the Indonesia's debt ratio position in 2020-2021
- The Debt-to-GDP ratio at the end of July 2022 decreased to 37.91%, driven by lower financing needs on account of stronger government budget performance

S&P upgraded Indonesia's outlook from negative to STABLE in line with rating affirmations by Moody's, Fitch, R&I and JCRA: confirming stronger economic fundamentals and positive prospects

- Effective approach in containing the pandemic
- Effective policies in re-jumpstarting the economy
- Significant progress in transiting to fiscal consolidation

Rating Action during the 2020-2021 Pandemic



- During the pandemic, major rating agencies are rampantly taking action ratings with fiscal condition being the major concerns
- More action ratings in 2020 than the 2008 GFC crisis
- In 2022, the three rating agencies have carried out **14 Rating Action Upgrades, 48 Rating Action Downgrades and 12 Negative Outlook Revisions**

Indonesia Rating Position

Rating Agency	Sovereign Credit Rating	Outlook	Assessment Date
R&I	BBB+	Stable	27 May 2022
S&P	BBB	Stable	27 April 2022
JCR Agency	BBB+	Stable	27 July 2022
Moody's	Baa2	Stable	10 January 2022
Fitch	BBB	Stable	13 June 2022

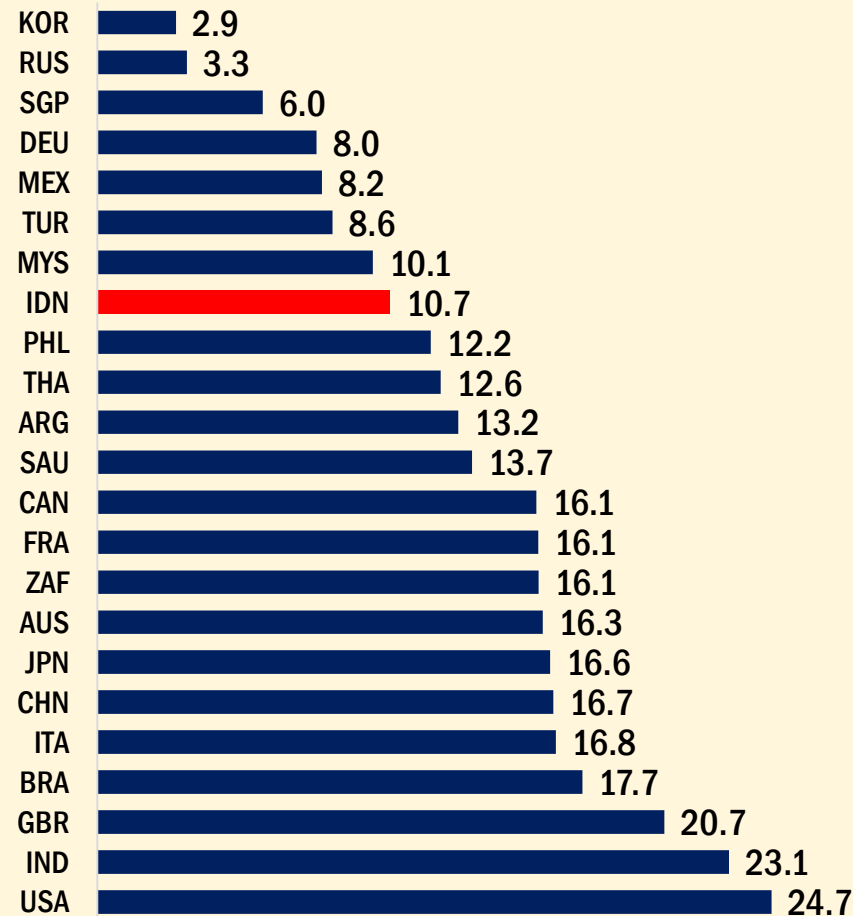


INDONESIA'S FISCAL POLICY MANAGEMENT IS DISCIPLINE & PRUDENT

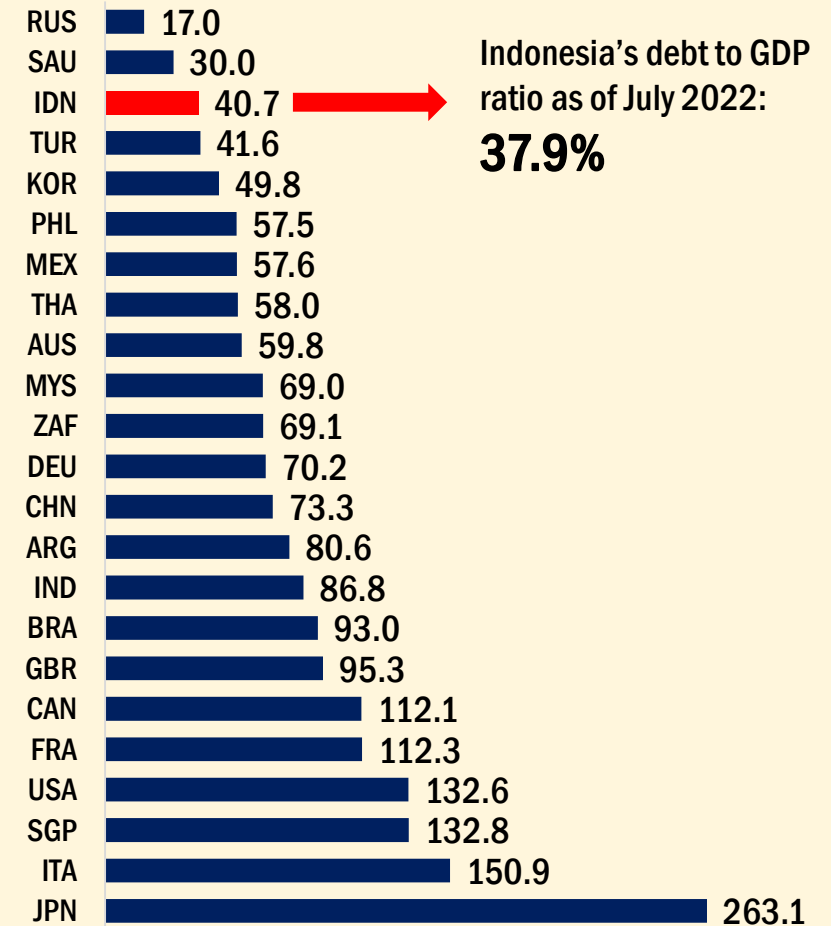
Prudent and sustainable
fiscal management is
reflected from moderate
deficit and low debt level

Comparison of G-20 and ASEAN-6 Indicators

Accumulated Fiscal Deficit 2020-2021 (% of GDP)



Debt Ratio 2021 (% of GDP)



Indonesia's debt to GDP
ratio as of July 2022:
37.9%



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04



2022 BUDGET UPDATES



STRONG BUDGET PERFORMANCE CONTINUES IN 2022

Revenue stream is very strong, mainly supported by the economic recovery and global commodity prices

Account (IDRtn)	2021			2022			
	Audited Budget	% of Budget	Growth (%)	Revised Budget (Perpres 98/2022)	YTD 31 Oct 2022	% of Perpres 98/2022	Growth (%)
A. Revenue	2,011.3	115.4	22.1	2,266.2	2,181.6	96.3	44.5
I. Tax Revenue	1,547.8	107.2	20.4	1,784.0	1,704.5	95.5	47.0
1. Tax	1,278.6	104.0	19.3	1,485.0	1,448.2	97.5	51.8
2. Custom & Excise	269.2	125.2	26.4	299.0	256.3	85.7	24.6
II. Non-Tax Revenue	458.5	153.8	33.4	481.6	476.5	98.9	36.4
B. Expenditure	2,786.4	101.3	7.4	3,106.4	2,351.1	75.7	14.2
I. Central Government	2,000.7	102.4	9.1	2,301.6	1,671.9	72.6	18.0
II. Regional Transfer & Village Funds	785.7	98.8	3.0	804.8	679.2	84.4	5.7
C. Primary Balance	(431.6)	68.2	(31.9)	(434.4)	146.4	(33.7)	(154.9)
D. Surplus (Deficit)	(775.1)	77.0	(18.2)	(840.2)	(169.5)	20.2	(69.1)
<i>% to GDP</i>	(4.57)	80.2	(5.6)	(4.50)	(0.91)		
E. Financing	872	86.6	(27.0)	840.2	439.9	52.4	(27.7)
F. Financing Surplus	96.67				270.4		

The Government revenues grew significantly, supported by increased economic activity, the impact of the implementation of the Law on Intergovernmental Transfer, and rising commodity prices.

The government expenditures are directed towards the distribution of various social assistance & subsidies, funding for national strategic projects, as well as economic recovery programs, including Transfers to Regions.

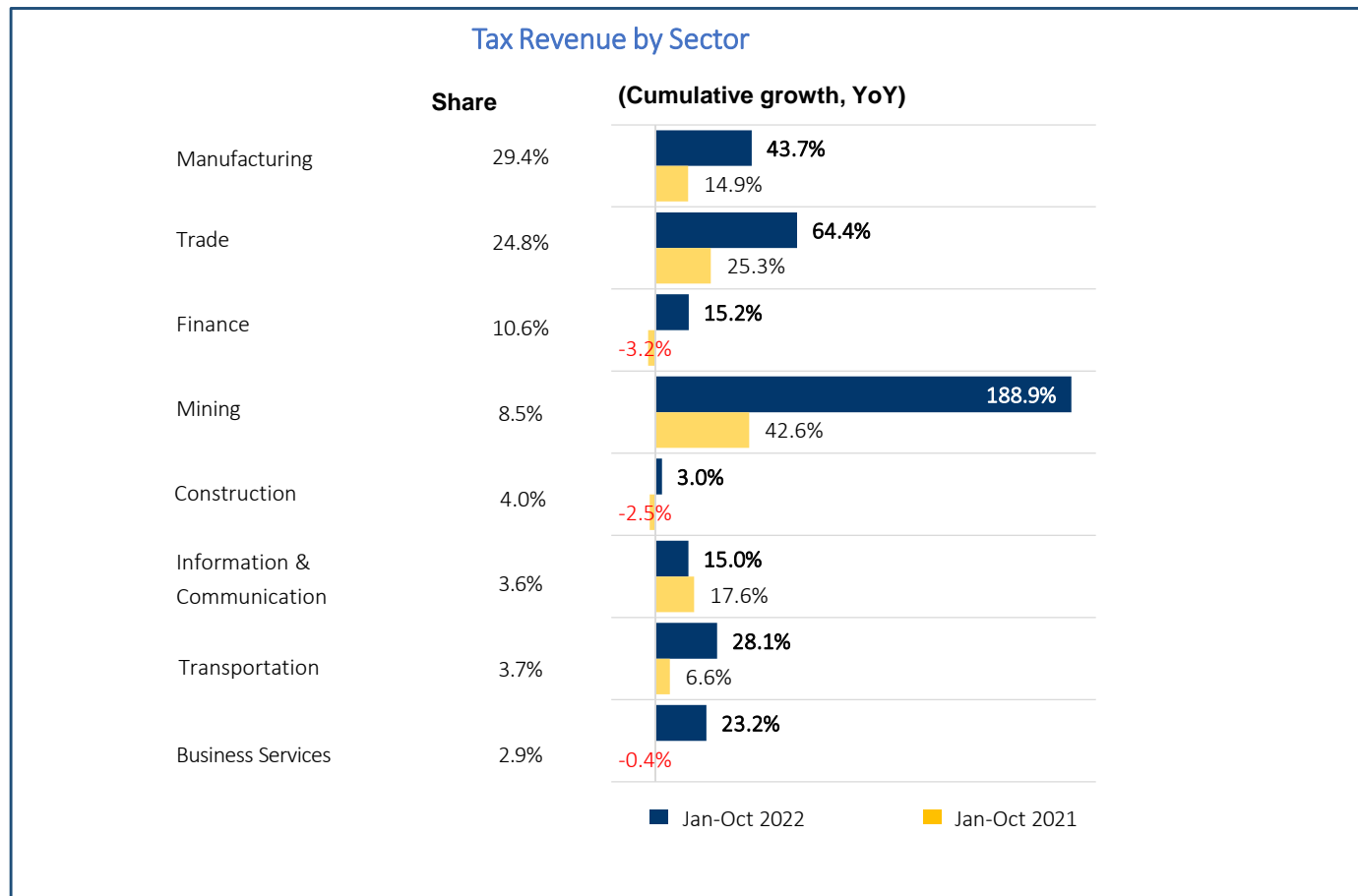
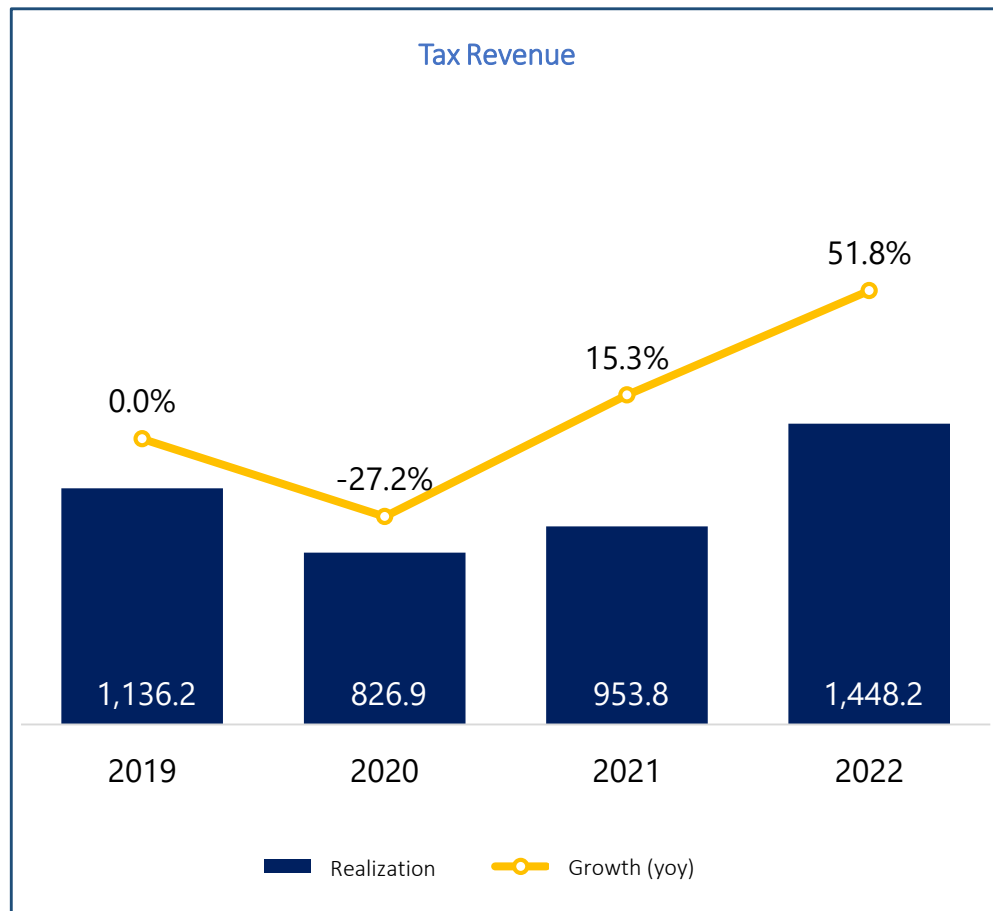
The Budget Deficit and Primary Balance are still within the responsive corridor to face market pressures and the dynamics of the budget

Budget Financing is managed efficiently and carefully amidst global economic uncertainty.



REVENUE COLLECTION CONTINUES TO STRENGTHEN

Supported by commodity boom, stronger confidence in doing economic activities, and tax reforms



Penarikan penerimaan pajak yang belum dilunasi pada Januari-Oktober 2022 didorong oleh:

- Kenaikan harga komoditas;
- Pertumbuhan ekonomi yang ekspansif;
- Basis rendah pada tahun 2021 karena insentif fiskal;
- Dampak implementasi UU HPP.

- **The best performing sectors in the economy** (i.e. manufacturing, trade, and mining) **are also translated into the tax revenue** and recorded the highest growth among sectors.
- **Much improved economic recovery** and activities **are also reflected in all sectors** of tax receipts, which significantly grew higher compared to the same period last year.



TAX REFORM WILL RAISE TAX RATIO AND MAINTAIN FISCAL SUSTAINABILITY

Tax reform will improve tax collection; anticipate social, economic, and demographic dynamics and implement best practices



Tax Reform Details

GENERAL PROVISIONS AND PROCEDURES

- Integration of the ID Number with the Taxpayer Number,
- Appointment of third parties as withholding, collecting, depositing and/ or reporting tax (including e-commerce)

INCOME TAX

- New bracket for income >IDR5 billion at 35% tax rate,
- Corporate Income Tax in 2022 remains at 22%,
- Income Tax rate at 0.5% for MSME (threshold IDR500 million),
- Employee fringe benefits become tax object.

VALUE ADDED TAX

- VAT rate hike from 10% to 11% from 1 April 2022, and to 12% by 2025,
- Reducing the VAT exemptions and facilities.

CARBON TAX

- Introduction of the carbon tax in 2022 in steps according to a roadmap taking into account the development of a carbon market, achievement of NDC targets, sector readiness, and economic conditions.

EXCISE

- Strengthening the mechanism for determining excisable goods; and applying criminal sanctions as a last resort in excise crime.

VOLUNTARY DISCLOSURE PROGRAM

- Improve taxpayers' compliance through voluntary disclosure program for unreported tax obligations at a final income tax rate.

Progress Update on Tax Reform

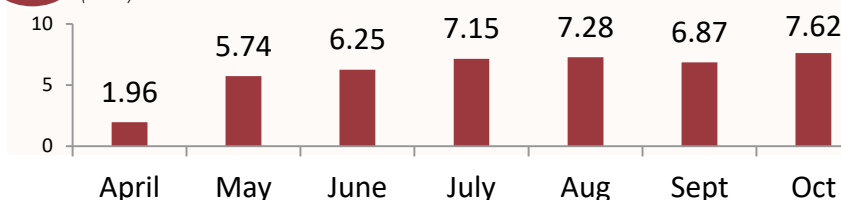
1 Voluntary Disclosure Program (Jan-June 2022)

	247,918	IDR61.01tn	IDR594.82tn	
	Taxpayers	Tax Collected	Total Net Assets	
308,059	IDR512.57tn	IDR59.91tn	IDR22.34tn	
Report	Domestic Declaration and Repatriation	Declaration from overseas	Investment	

2 Tax on digital economy

VAT on Ecommerce	IDR9.17tn		
Tax on Fintech – P2P Lending Starting May 2022	IDR101.39bn	IDR47.21bn	
	Domestic Taxpayer	Foreign Taxpayer	
Tax on Crypto Starting May 2022	IDR91.40bn	IDR99.71bn	
	Income Tax	VAT	

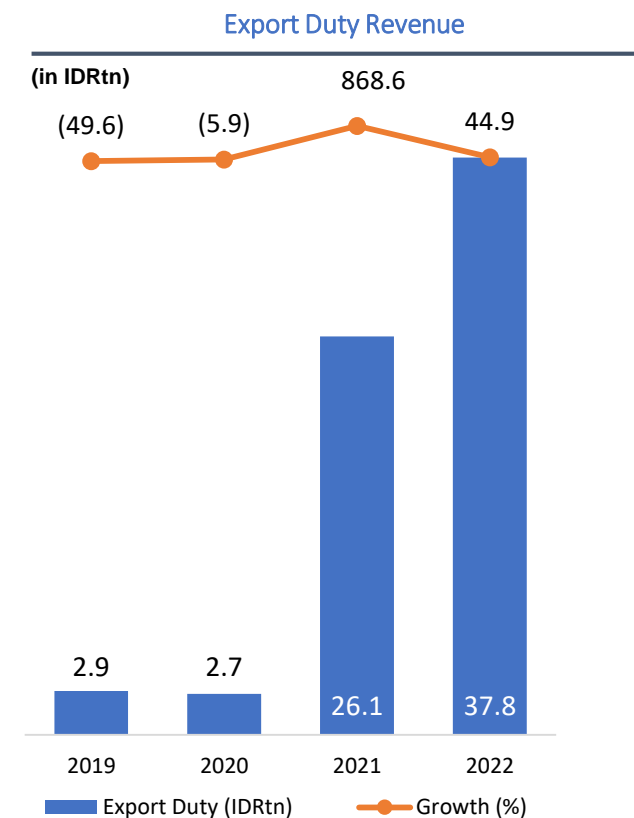
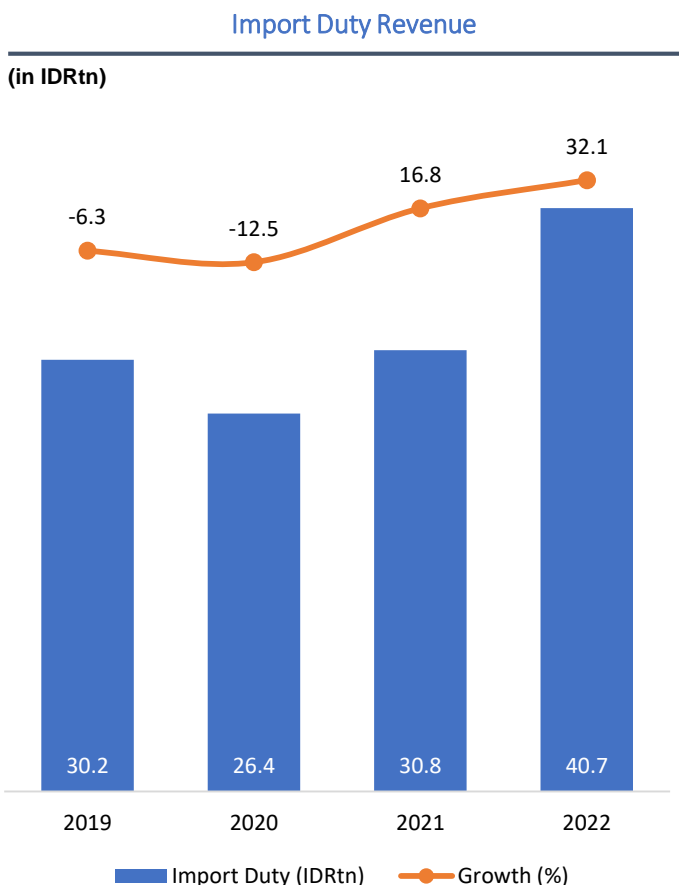
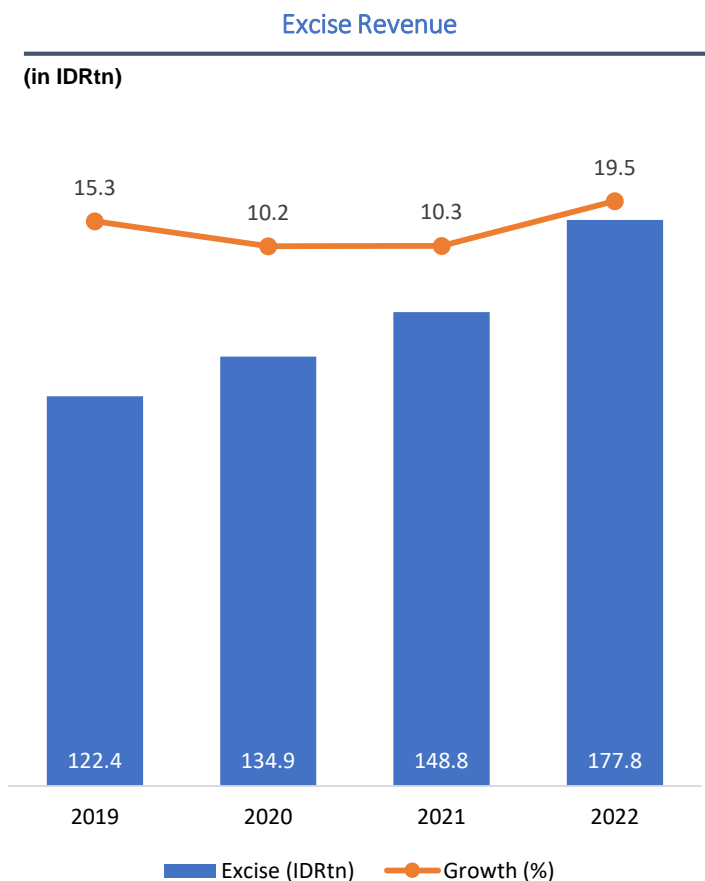
3 VAT Rate Hike (Starting April 2022)





AS OF SEPTEMBER 2022, CUSTOM & EXCISE REVENUE REALIZATION SIGNIFICANTLY GREW

Driven by the trend of improving national import performance, high commodity prices, increasing export volume, and the effectiveness of tariff policies



Influenced by the effectiveness of the tariff policy, the surge in production in March (the effect of the increase in VAT rates) and the effectiveness of supervision.

Affected by the improved import performance and underpinned by trade and manufacturing sectors.

Driven by high commodity prices, the increase in export duty tariffs for palm oil products, and the Flush Out policy.

- Source: Ministry of Finance
- Note: Realization period of year-to-date October each year.

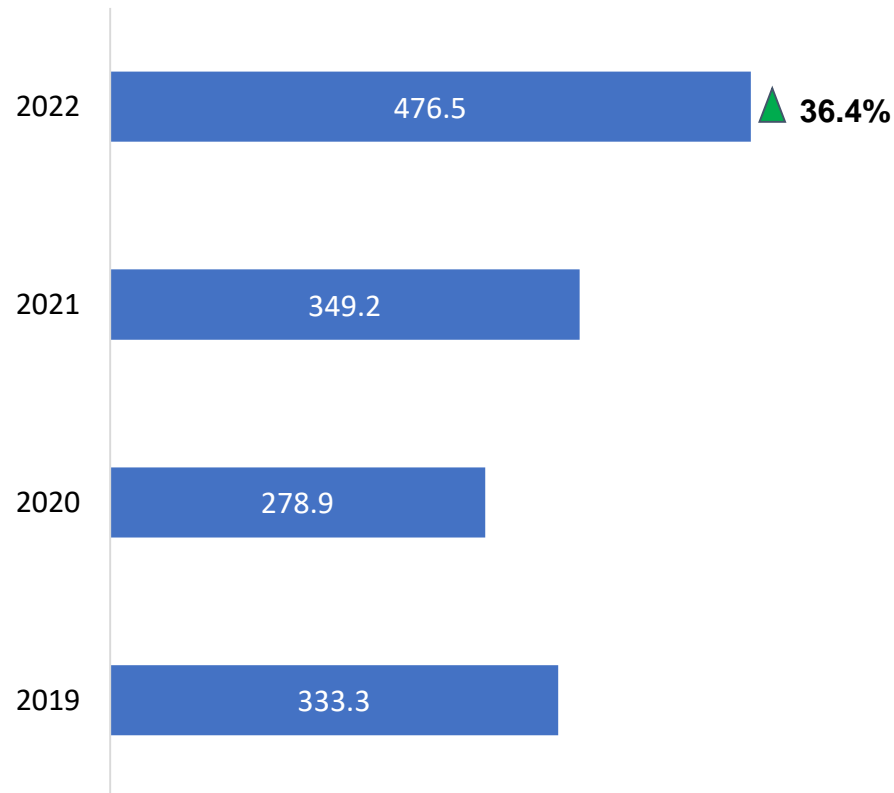


AS OF SEPTEMBER 2022, NON-TAX REVENUE GREW STRONGLY SUPPORTED BY AN INCREASE ALMOST IN ALL COMPONENTS

Driven by the increase in commodity prices, good performance SOEs, and improvement of public services

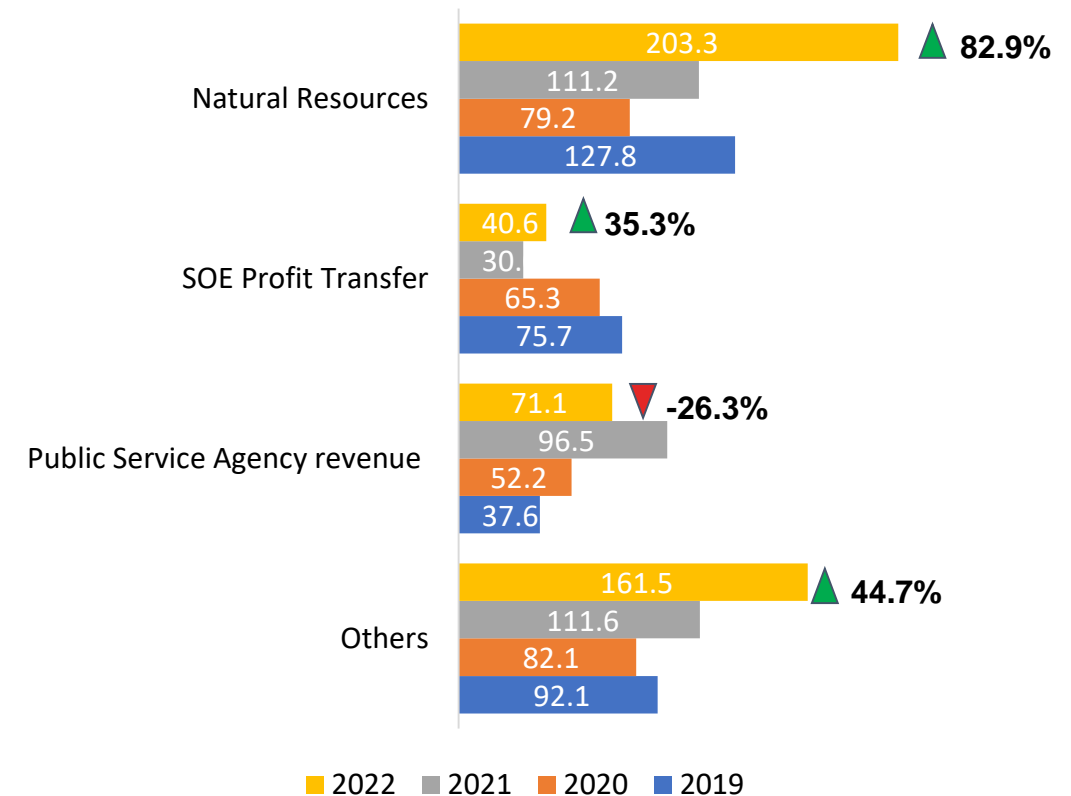
Non-Tax Revenue

(in IDRtn)



Non-Tax Revenue by Component

(in IDRtn)

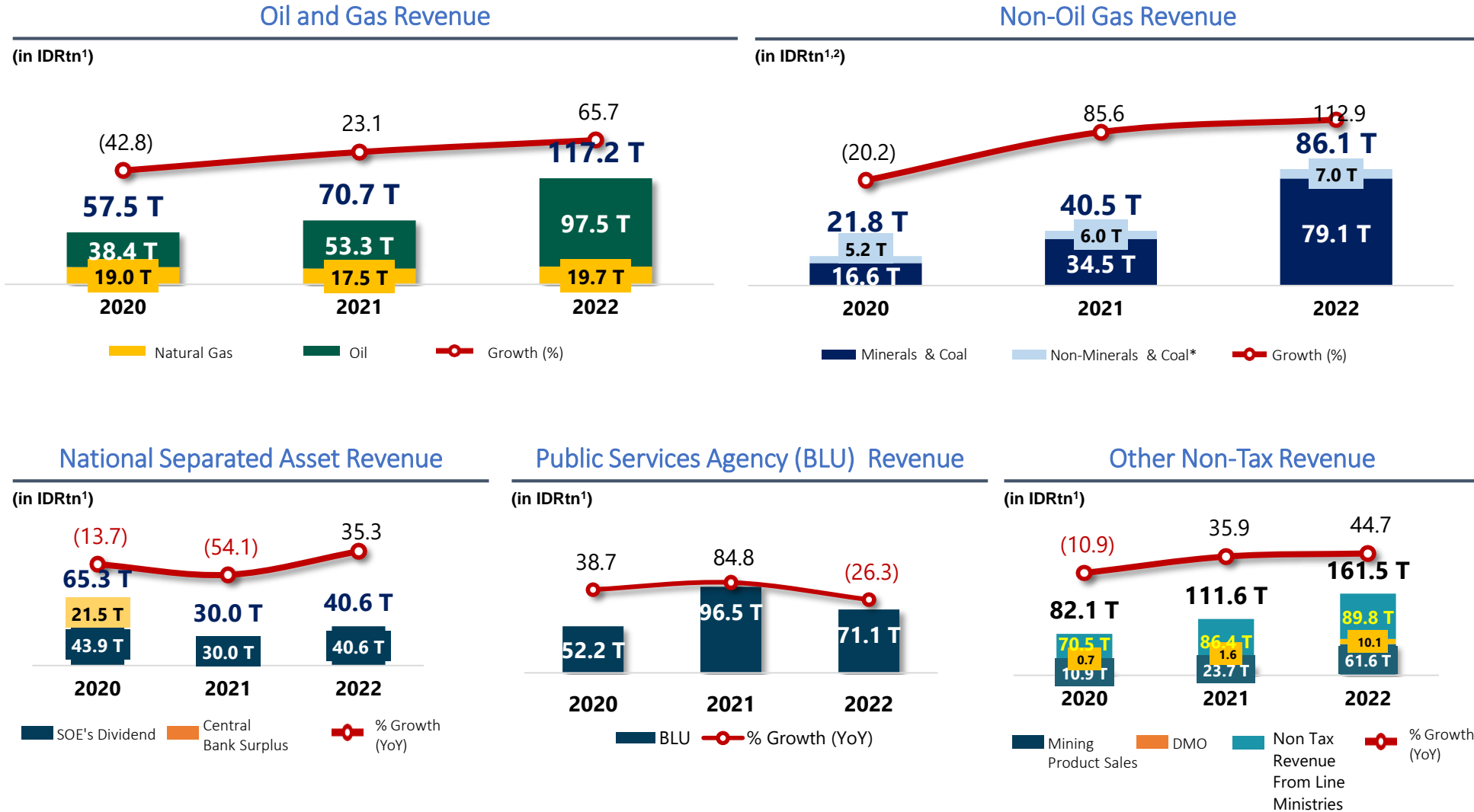


Source: Ministry of Finance
Note: Realization period of year-to-date October each year.



NON-TAX REVENUE GREW STRONGLY SUPPORTED BY AN INCREASE IN ALMOST ALL COMPONENTS

Driven by the increase in commodity prices and the good performance of state-owned banks

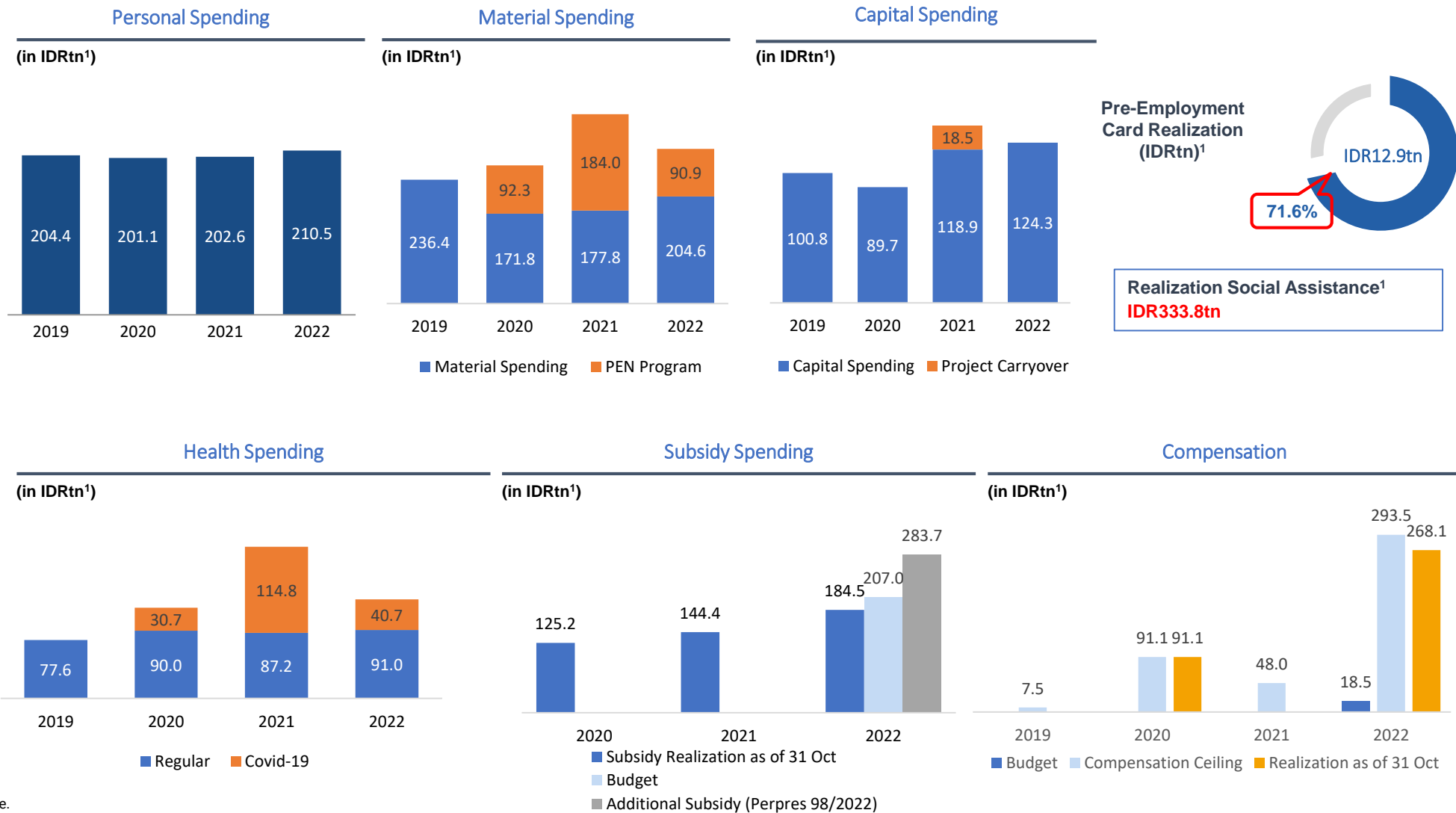


Source: Ministry of Finance.
Notes: 1. Realization up to YTD October. 2. Including: Forestry, Fisheries, and Geothermal.



MAINTAINED ACCELERATION OF GOVERNMENT SPENDING

The success of controlling Covid-19 has reduced overall costs and increases capacity for other government spending



• Source: Ministry of Finance.
• Note: 1. Realization up to YTD October.



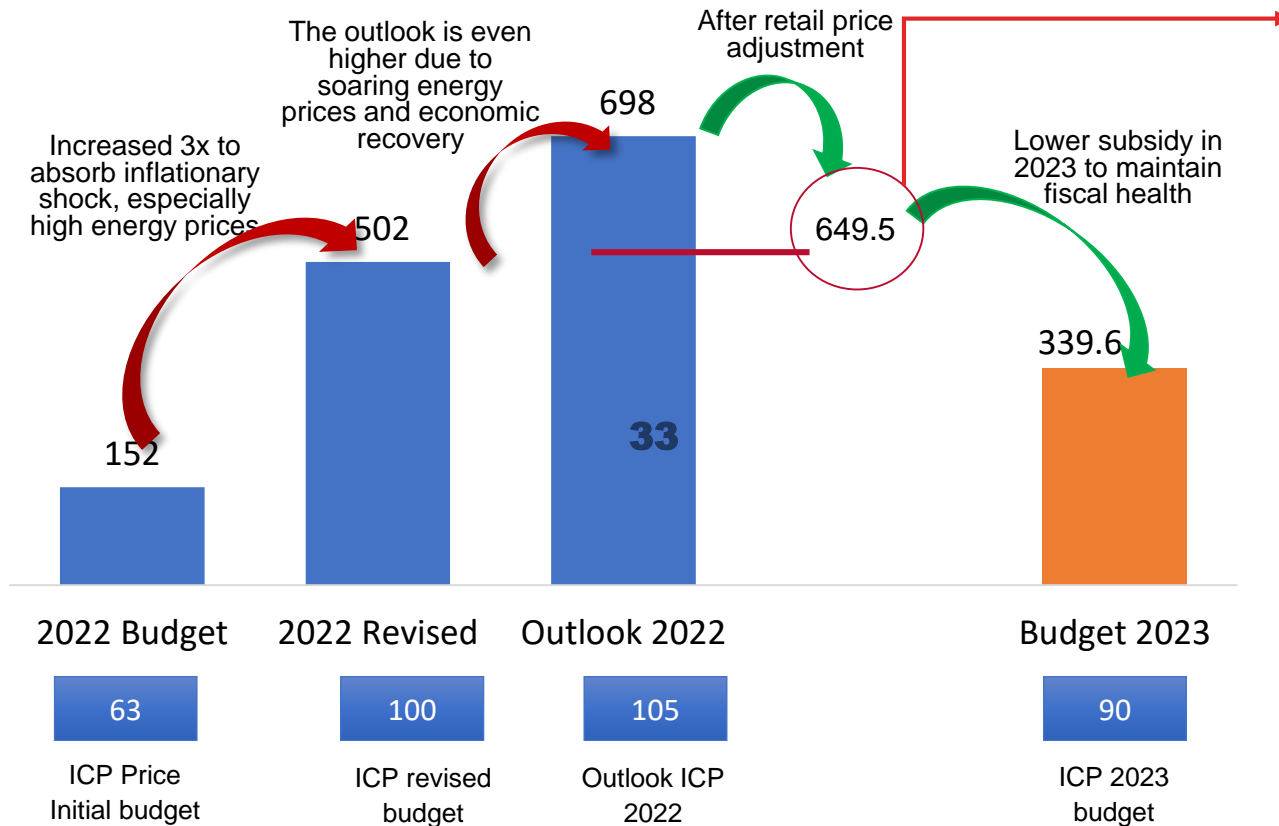
ENERGY SUBSIDY HAS BEEN ADJUSTED TO ABSORB THE GLOBAL INFLATIONARY SHOCKS

The Government budget has been optimized to absorb the inflationary shock

- The energy subsidy has been raised to absorb the inflationary shocks in order to safeguard recovery momentum. Revenue windfall on the back of high commodity prices provides space to absorb the inflationary shocks.
- However, continue raising energy subsidy will jeopardize fiscal sustainability. The Government decided to raise domestic retail fuel prices which could ease budget pressures, especially in 2023, as the Budget is transitioning toward consolidation. The fuel rate hike is also aimed at improving equality.
- Further, the government will gradually and very carefully at transforming subsidy from commodities based into targeted people or social assistance program for the poor and vulnerable household

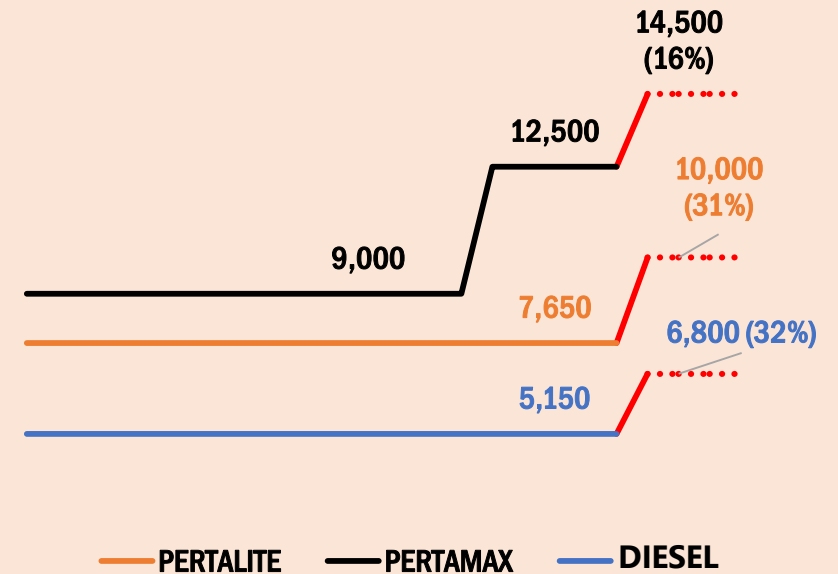
Energy Subsidy Allocation 2022 – 2023

(IDR Trillion)



Retail Fuel Price Adjustment

(Rp/litre)



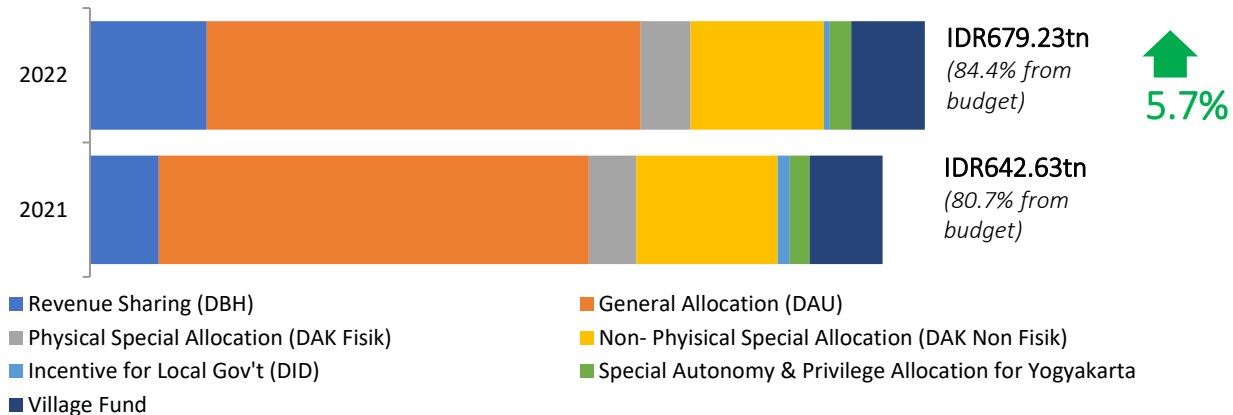


TRANSFER TO REGION PERFORMANCE WAS IMPROVED

Local government budget performance needs to be optimized, as the local gov't saving remains higher

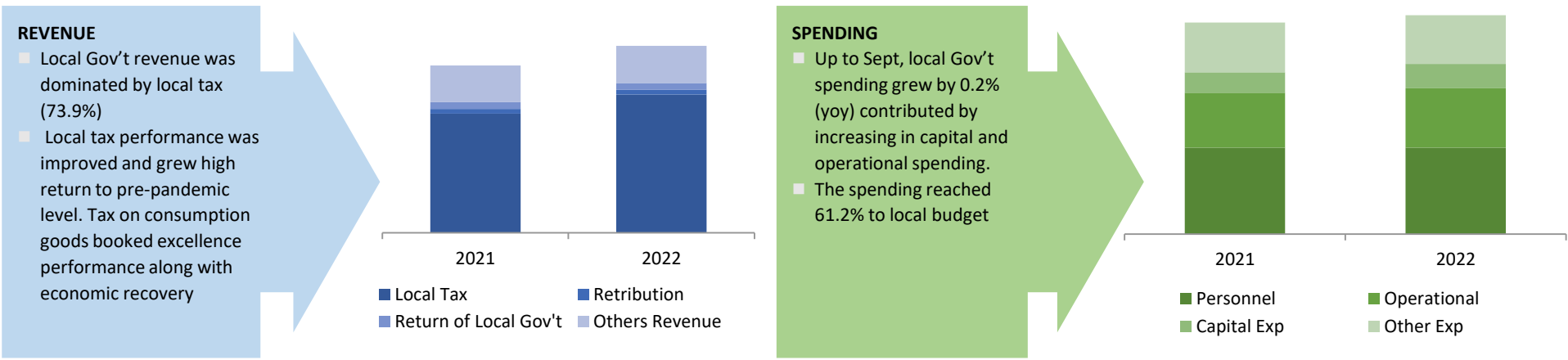
Transfer to Region Fund

(January – October)



- Local government compliance on meeting administrative requirements have improved, driving higher realization on various items of transfer
- Several items of transfer realization, such as DID was lower compared to previous year, mainly due to lower budget allocation

Local Government Performance¹



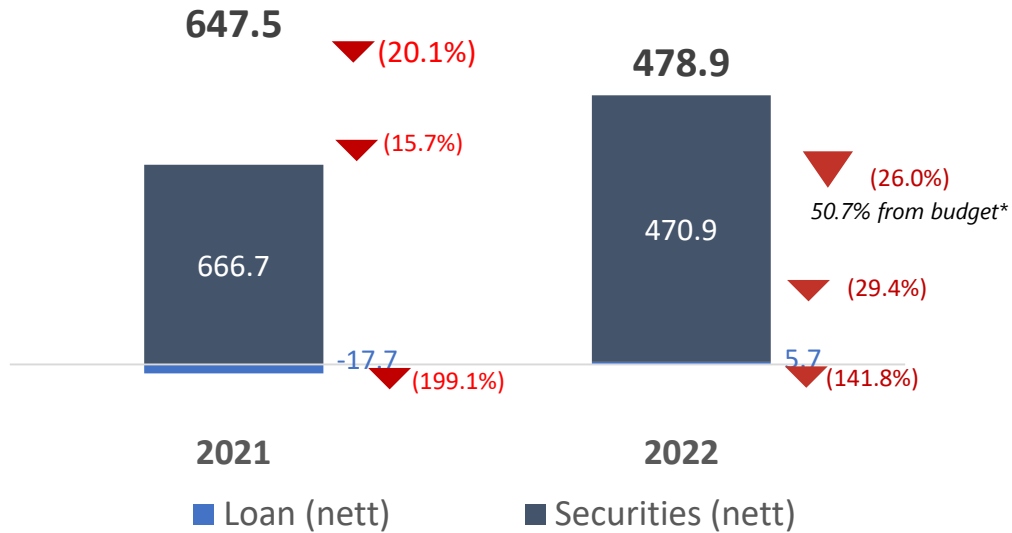
Source: Ministry of Finance.
Note: 1. Realization up to YTD October



BUDGET FINANCING APPLY PRUDENT, FLEXIBLE, AND OPPORTUNISTIC PRINCIPLE

Financing anticipating the ongoing volatility

Financing Realization Up to 31 Oct



Government Securities (Net)

IDR 500.3 T

Loan (Net)

IDR 5.7 T

Domestic Loan (Nett)

IDR 3.1T

- Domestic Loan Withdrawal (Gross) **IDR 4.5**
- Domestic loan principal installment financing **IDR (1.4)**

Foreign Loan (Nett)

IDR 2.6 T

- Foreign Loan Withdrawal (Gross) **IDR 67.0**
- Foreign loan principal installment financing **IDR (64.3)**

INVESTMENT FINANCING REALIZATION:

IDR 77.9T*

*up to 31 Oct 2022



State Asset Management Agency (LMAN) IDR 28.8T



International Development Fund Cooperation Agency (FLPP) IDR 1T



Housing Finance Liquidity Facility (FLPP) IDR 16.1T



Education Fund Management Agency (LPDP) IDR 20T



Sarana Multigriya Finansial IDR 2T

Governance is improved with the **Key Performance Indicator (KPI)** of Investment Financing

Disbursement of Investment Financing allocation is based on **performance and priority analysis**



MINISTRY OF FINANCE
REPUBLIC OF INDONESIA

THANK YOU

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