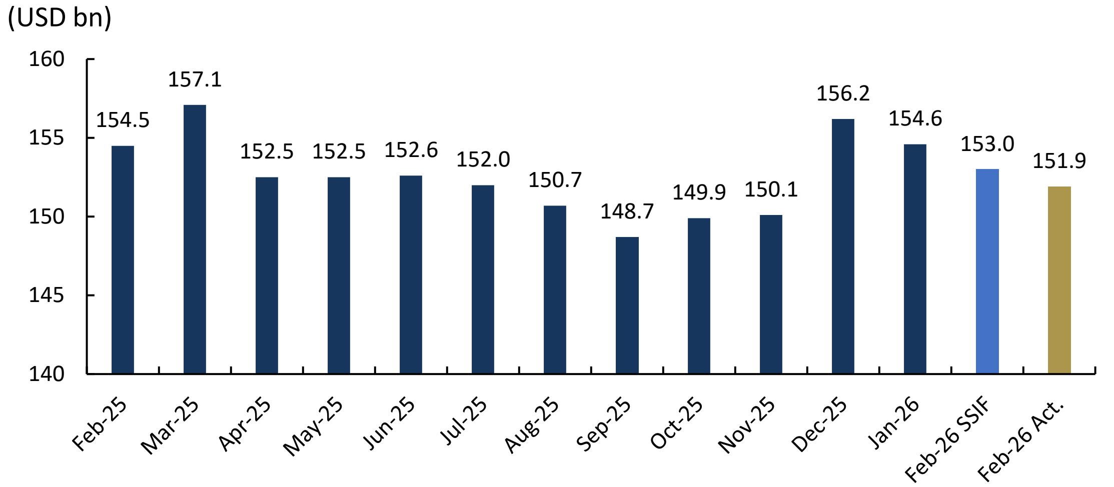
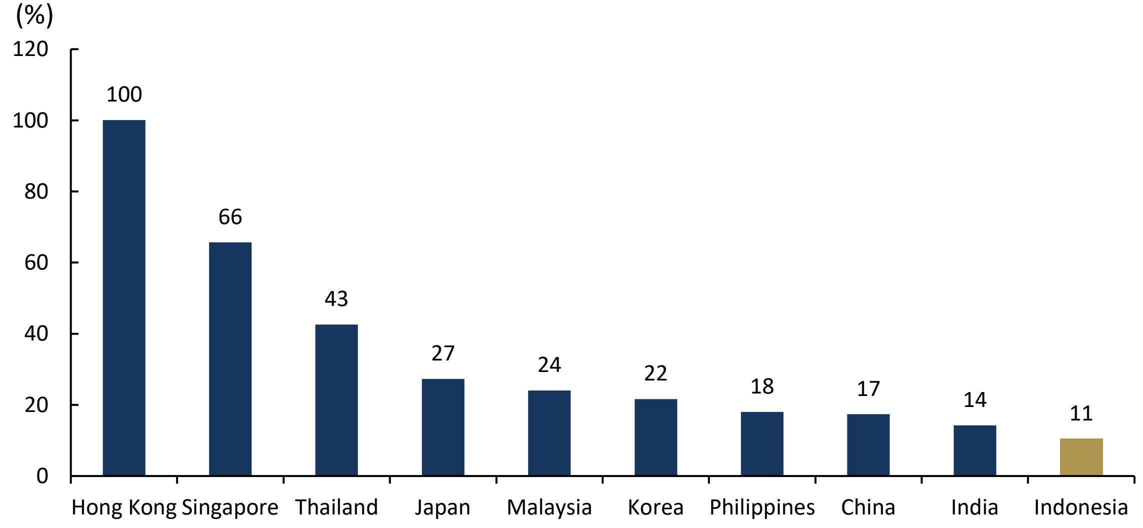
Indonesia Foreign Exchange Reserves: 6 March 2026

- Driven by government external debt repayments and BI's continued intervention to stabilize IDR amid global market uncertainties, Indonesia's Feb-26 FX reserves declined to USD 151.9bn from USD 154.6bn in Jan-26, marking the lowest level since Nov-25 and below SSI's forecast of USD 153bn.
- However, Indonesia's FX reserves still cover 6.1 months of imports, or 5.9 months when accounting for external debt servicing, reflecting some cushion in defending macroeconomic stability, required as the IDR remains exposed to external pressures and capital flows which are vulnerable to global repricing.
- From a market perspective, the dip in reserves may reinforce the view that BI is still operating in a defensive policy environment, where currency stability remains a central priority. The fall in reserves indicates that exchange-rate management continues to carry a cost, especially when global uncertainties persist and the dollar remains firm.
- Looking ahead, the outlook remains broadly stable, though not without pressure. Reserves could remain under downward pressure in the near term, particularly if global volatility persists, external debt repayments continue, or BI maintains an active presence in the FX market to contain IDR weakness. As policymakers continue navigating amid demanding global tensions, deeper reserve erosion may materialize on further deterioration of Indonesia's trade balance, continued capital outflows, and BI's unwillingness to raise interest rates in preference of providing economic growth support.

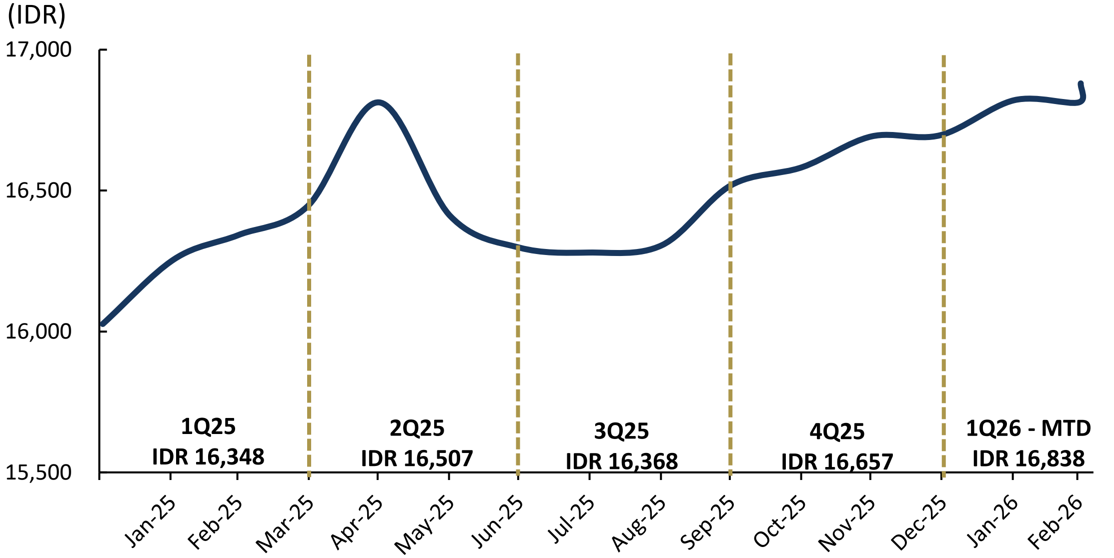
Indonesia Foreign Reserves, February 2025-26



Regional FX Reserves to GDP, YTD



Quarterly USD/IDR Rate, 1Q25 – 1Q26 MTD



Sources: Bloomberg, SSI Research

Macro Strategy Team