

Rupiah Defense: Bank Indonesia Plans to Further Tighten Grip on US Dollar Purchases



Indonesian media reports indicate that Bank Indonesia is preparing to further lower the threshold for US Dollar purchases (without underlying documents) against Rupiah. The planned adjustment would reduce the threshold from USD50,000 to USD25,000 per month per transaction participant.

The previous tightening of the threshold has resulted in a decline in the average proportion of US Dollar purchases from 10.8% to 6.5% in April 2026. Bank Indonesia expects that there would be a further decline of 3.5% once the threshold is further lowered to USD25,000.

Once implemented, US Dollar purchases above USD25,000 would need to be supported by underlying documents, such as documents relating to import activities, foreign debt payments or other business transactions. The requirement is intended to maintain the stability of the Rupiah currency, by ensuring that the purchase of US Dollars is supported by genuine economic needs and not made for speculative purposes.

The adjustment would still be in line with Regulation of a Member of the Board of Governors No. 7 of 2026 on the Amendments to Regulation of a Member of the Board of Governors No. 11 of 2024 on Foreign Exchange Market Transactions, which was recently issued to amongst others strengthen and stabilize the Rupiah exchange rate and refine the regulations governing foreign exchange market transactions.



Until then, the threshold for cash purchase transactions of foreign currency against Rupiah that have to be supported by underlying documents remains USD50,000 or its equivalent per month per transaction in the foreign exchange market.

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