

INDONESIA ECONOMIC TENDENCY SURVEY

Business Tendency Index
Consumer Tendency Index



BUSINESS TENDENCY SURVEY

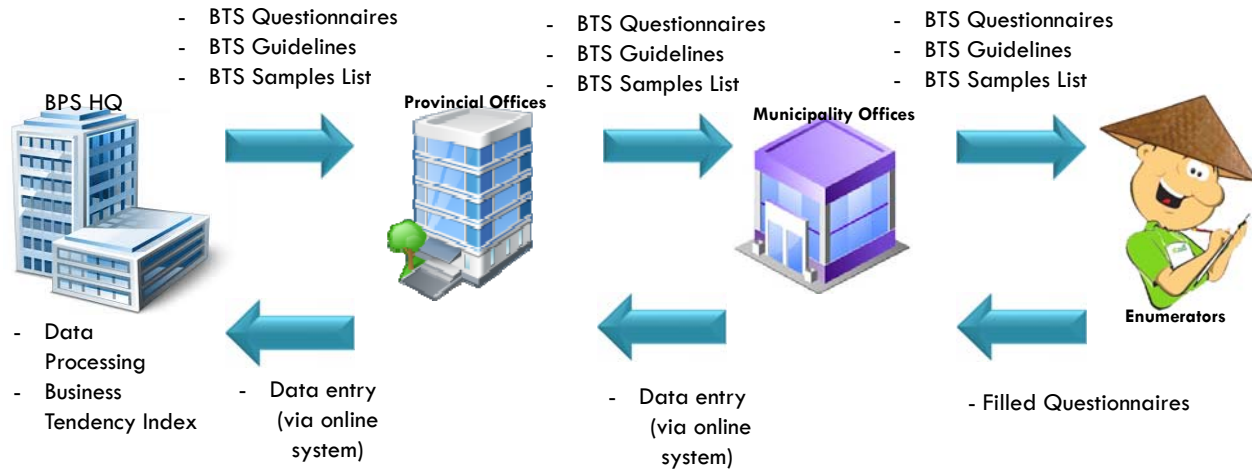
INTRODUCTION

- Early information on the development of economic conditions is a very important requirement for all parties
- BPS-Statistics Indonesia has developed an economic early indicator that includes the calculation of the Business Tendency Index (BTI) and the Consumer Tendency Index (CTI).
- Business Tendency Index is calculated from the results of the Business Tendency Survey (BTS) conducted since 1995.
- BTS is conducted to obtain information related to business condition, such as: business revenue, production capacity utilization, employment, average working hours, domestic and overseas demand

METHODOLOGY

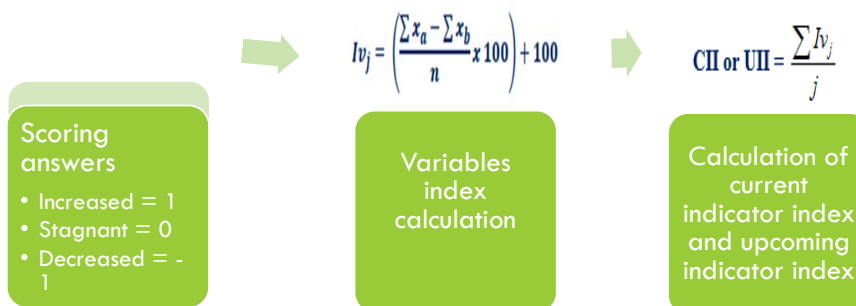
- The Business Tendency Survey 2017-2019 is implemented in 34 provinces: 34 provincial capitals city and 268 municipalities of selected commodity potential.
- Survey is conducted quarterly in March, June, September, and December
- The sample frame is formed for the company / business sampling unit. The formation of sample frames comes from a variety of sources, from:
 - 2016 Economics Census
 - 2013 Agriculture Census
- The total sample is 2500 companies. The sample allocation is done by considering the contribution of GRDP to the total of 34 provinces GRDP.

CURRENT PRACTICE



BUSINESS TENDENCY INDEX

- The Business Tendency Index (BTI) is calculated based on data from the Business Tendency Survey (BTS)
- BTI is a composite index which is the average of several indexes of its component variables.



CHALLENGES

- The replacement of sample frames with the 2016 Economic Census directory resulted in some problems.
- Response rate for supporting indicator, such as : revenue/sales (in rupiah), production volume (in units); still low response
- Consistency between Tendency Business Index and GDP
- Special treatment for special situation (due to perception as an approach to business tendency index)



CONSUMER TENDENCY SURVEY

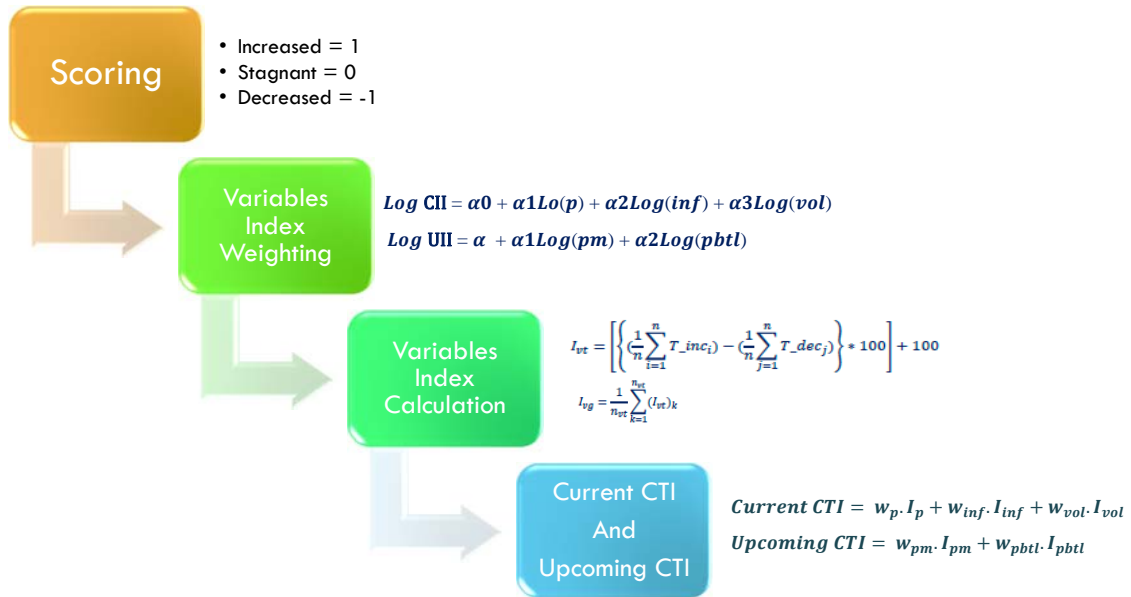
INTRODUCTION

- This survey provides an overview of the business and economic situation in general according to consumer income, based on consumer perceptions about business and economic situation
- Consumer Tendency Index is calculated from the results of the Consumer Tendency Survey (CTS) conducted since 1995
- The Consumer Tendency Survey aims to provide early information about economic developments from the consumer side (consumer economy) in the current quarter condition and provide an estimate of consumer condition in the next quarter
- Main variables: volume of food and non food consumption, inflation effect on food and non food consumption, revenue of all family members

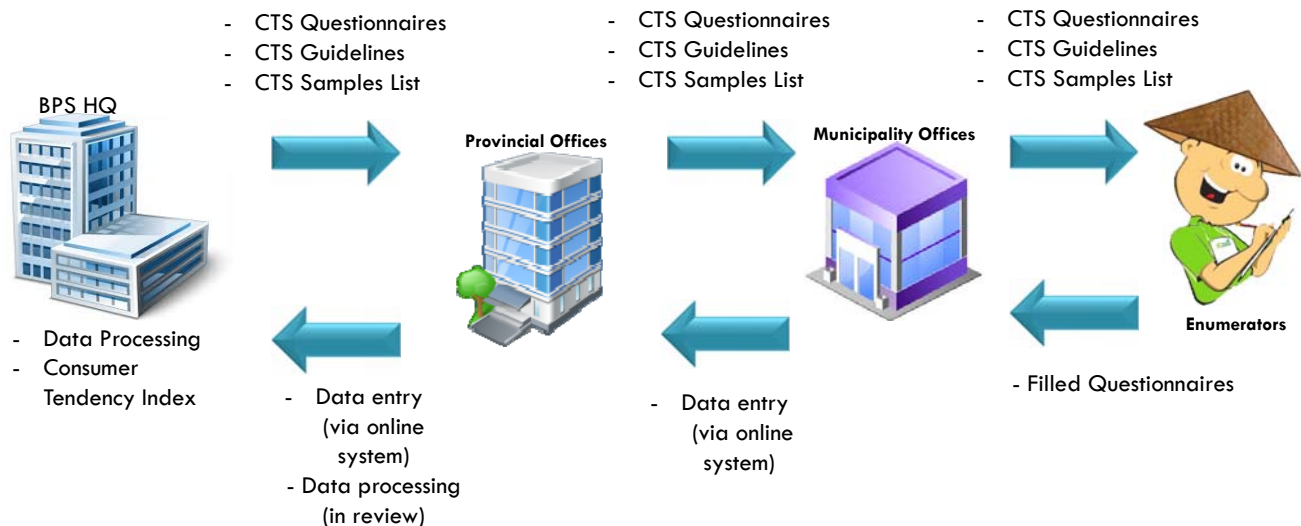
METHODOLOGY

- The scope of the CTS survey is in selected districts / cities that have been identified as urban areas
- Total samples is about 14600 households in 1460 census blocks
- The target population of The Consumer Tendency Survey is the middle and upper class households
- The CTS household sample is systematically drawn based on the implicit stratification of the household's head education level. Eligible respondent is the Head of Household with minimum education of SMA or their partner
- Census blocks and selected households of CTS activities in March 2017 will be treated as panel blocks and household panels in Q2 (June), 3rd Quarter (September) and 4th Quarter (December).

CONSUMER TENDENCY INDEX



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CHALLENGES

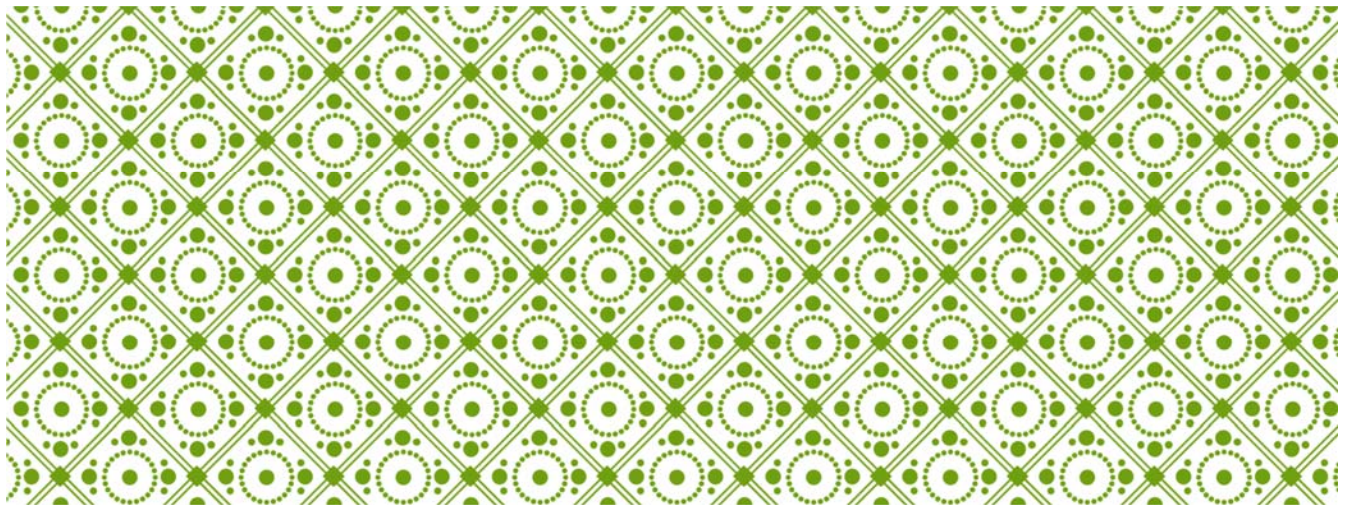
- The quality control of Consumer Tendency Survey

When something strange happens to the data, the information will be submitted to the province and will be subsequently checked into the field. This resulted in a slower adjustment process.

- Perception Approach of Consumer Tendency Survey

One of the disadvantages of the perceptual approach is that the results may very differ when done at different times, even if it is only one day apart.

- Consistency between Consumer Tendency Index and GDP



THANK YOU