

## ABSTRACT

*This study aims to analyze the impact of non-cash payment transaction growth on the money supply in both short and long terms. This research was conducted due to existing differences with similar studies, as well as discrepancies between studies on the effect of non-cash transactions on cash transactions and other existing research.*

*This study utilizes secondary data. A sample of 60 data observations from broad money supply (M2), bank credit distribution, debit/ATM cards, credit cards, and e-money was selected over the period 2019-2023 in monthly form. The analytical method employed is the Error Correction Model (ECM).*

*The study results indicate that in the long term, the distribution of bank credit, debit/ATM card transactions, and e-money have a significant positive influence on the broad money supply (M2) in Indonesia. Conversely, credit card transactions have a significant negative impact. The percentage increase for each indicates an increase in M2: bank credit (0.51%), debit/ATM cards (0.31%), e-money (0.11%), and a decrease from credit cards (0.28%). In the short term, only debit/ATM cards have a significant positive influence on changes in M2, with an increase of 0.15% for every 1% increase.*

**Keywords :** *Money Supply (M2), Bank Credit, Debit/ATM Cards, Credit Cards, E-money, and Error Correction Model (ECM).*

