Daily Bond Market Update

September 1, 2026

Market Review

Government bond prices closed mixed in trading on Monday (31/07). Indonesia Composite Bond Index increased by 0.02% to 440.04. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark advanced 0.4 bps and 3.3 bps to 6.83% and 6.98%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark increased 2.6 bps and 2.7 bps to 7.07% and 7.08%, respectively.

US Treasury yields rose on Monday as investors monitored developments in the Middle East as well as a gathering of finance leaders from the Group of 20. The yield on the benchmark 10-year Treasury note was more than 2 basis points higher at 4.75%, while the 2-year Treasury note yield fell more than 1 basis point to 4.339%. The Iran war was in focus after the US launched strikes on Iranian targets for the first time in weeks overnight. Tehran said it had attacked US bases in Jordan in retaliation. Brent crude oil futures jumped 2.71% on Monday after the flare-up in hostilities, with prices settling at $90.49 a barrel. US West Texas Intermediate oil futures also moved higher, adding 2.83% to settle at $85.76 per barrel. Investors are also eyeing a meeting of G20 finance ministers, central bank governors and others in Asheville, North Carolina. They will also look to a swathe of economic data releases for further clues on the trajectory of US monetary policy, including the ISM Manufacturing PMI and JOLTS data due Tuesday, and non-farm payrolls figures set for release on Friday. On Friday, the 2-year Treasury yield—which is the most sensitive to policy expectations—jumped more than 12 basis points to settle at around 4.354%, after Fed Chair Kevin Warsh struck a hawkish tone at Jackson Hole. Markets are now pricing in a higher chance of an interest rate hike at the Fed's next Federal Open Market Committee meeting in September. According to the CME's FedWatch tool, fed funds futures traders now see a 66% chance the central bank will raise rates next month. In a Monday morning note, strategists at Barclays said their economists were now anticipating two 25-basis-point hikes this year, one in September and another in December.

The government is set to release several domestic economic data points today, including August inflation figures and the trade balance for July 2026. Indonesia's inflation in August 2026 is projected to rise to 3.31% year-on-year (yoy), up from the 2.88% yoy recorded in July 2026. On a month-to-month (mtm) basis, inflation is forecast to increase to 0.33% from the previous month's 0.14%, driven by the prices of gold and chicken meat. Core inflation also has the potential to rise to 2.98% (yoy) from 2.80% the previous month, with the monthly core component inflation estimated at 0.27%. This increase is driven by rising prices across various products, particularly gold, which has strengthened again. The dry season is also emerging as a risk factor for inflation, although its impact is not yet expected to be fully reflected in the August figures. According to the Meteorology, Climatology, and Geophysics Agency (BMKG), 79.9% of seasonal zones have entered the dry season. Furthermore, approximately 90.29% of regions are experiencing low rainfall, with 88.61% recording below-normal levels. Externally, pressures from imported inflation and administered prices are also expected to be more contained compared to the previous period. The strengthening of the rupiah exchange rate in August helped temper the rise in prices for imported goods and raw materials. Meanwhile, the direct impact of the Pertamax price hike has begun to subside, although it remains reflected in administered price inflation, which reached 3.58% (yoy) in July.

Corporate News

PT Mandiri Tunas Finance (MTF) has prepared funds to settle the principal and interest for the Mandiri Tunas Finance Shelf-Registered Bonds VI Phase II Year 2023 Series A, which are due on September 27, 2026. According to the Company's information disclosure submitted to the Indonesia Stock Exchange (IDX), the principal value of the maturing bonds amounts to IDR804.18 billion. In addition to the principal repayment funds, the Company has also prepared the 12th interest payment, totaling IDR13.07 billion. Consequently, the total funds prepared for principal and interest payments amount to approximately IDR817.24 billion. A Director of Mandiri Tunas Finance stated that the funds for the principal repayment of the Mandiri Tunas Finance Shelf-Registered Bonds VI Phase II Year 2023 Series A, along with the 12th interest payment, will be remitted to PT Kustodian Sentral Efek Indonesia (KSEI) no later than the maturity date.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.54	-1	6.83%	96.31
FR0108	9.63	-22	6.98%	96.67
FR0106	14.0	-23	7.07%	100.45
FR0107	19.0	-28	7.08%	100.42

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.95	6.91	3.80
Turkey	31.8	31.8	0.50
Singapore	2.34	2.32	1.80
Thailand	2.13	2.11	2.20
Malaysia	3.86	3.86	0.00
Korea	4.31	4.28	3.20
China	1.69	1.69	-0.20
Japan	2.94	2.92	1.30
US	4.75	4.72	3.10

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,181.4	16.9%
Bank Indonesia	1,894.5	27.0%
Mutual Fund	250.3	3.57%
Insurance & Pension Fund	1,439.1	20.5%
Foreigners	**909.0**	**13.0%**
Individual	589.3	8.41%
Others	747.2	10.7%
Total	**7,010.7**	**100.0%**

Source: DJPPR (as of August 20, 2026)

Currency Movement

FX Rate	31-Aug	(-1 day)	Chg. (%)
USD/IDR	17720	17692	0.16%
EUR/USD	1.162	1.159	0.28%
GBP/USD	1.355	1.354	0.08%
USD/JPY	159.7	160.1	-0.22%
USD/SGD	1.271	1.274	-0.25%
USD/MYR	4.025	4.025	0.00%

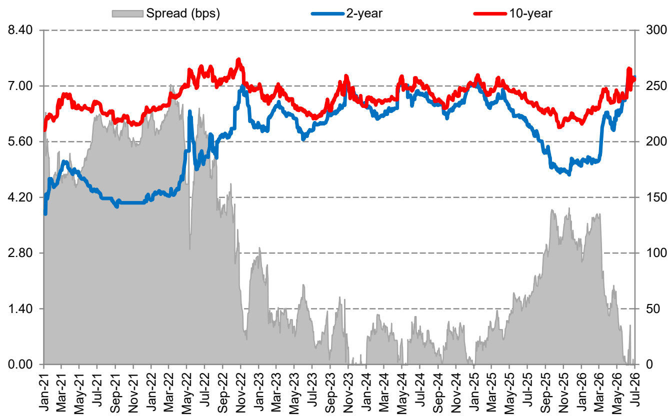
Source: Bloomberg

Money Market

	31-Aug	(-1 day)	(-1 week)	(-1 month)
JIBOR				
O/N	5.90	5.90	5.90	5.90
1M	5.03	5.03	5.03	5.03
3M	5.46	5.46	5.46	5.46
LIBOR				
1M	4.96	4.96	4.96	4.96
3M	4.85	4.85	4.85	4.85
6M	4.68	4.68	4.68	4.68
Indonesia Interest Rates				
Deposit 1M	4.19	4.10	4.08	4.13
Lending	14.7	14.8	14.8	14.4

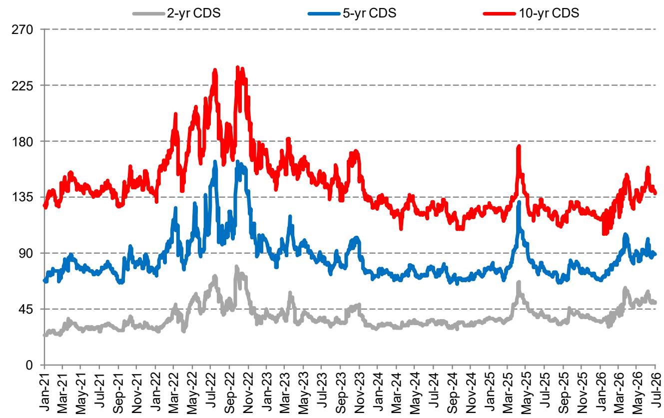
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
August 24, 2026	---
August 25, 2026	**New Home Sales**
August 26, 2026	**Durable Goods; Personal Consumption Expenditure (PCE)**
August 27, 2026	**Initial Jobless Claims; Trade Balance**
August 28, 2026	**University of Michigan Consumer Survey (Final)**
August 31, 2026	---
September 1, 2026	**S&P Global Manufacturing PMI (Final); JOLTs Job Openings**
September 2, 2026	**Factory Orders**
September 3, 2026	**Initial Jobless Claims**
September 4, 2026	**Employment Report**

Indonesia Economic Calendar

Date	Report
August 24, 2026	**M2 Money Supply**
August 25, 2026	---
August 26, 2026	**Sukuk Auction**
August 27, 2026	---
August 28, 2026	---
August 31, 2026	---
September 1, 2026	**Conventional Auction; Inflation Rate**
September 2, 2026	**Trade Balance**
September 3, 2026	**S&P Global Manufacturing PMI**
September 4, 2026	---

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
18-Aug-26	SPN01260919	01-mo	**32,000**	670	**84,757**	-	**34,000**	-
	SPN03261118	03-mo		2,425		-		-
	SPN12270805	12-mo		8,632		-		-
	FR0110	06-yr		37,650		12,800		7.008%
	FR0108	10-yr		16,187		10,300		7.110%
	FR0106	14-yr		7,868		4,750		7.240%
	FR0107	19-yr		6,996		4,850		7.250%
	FR0102	29-yr		2,403		850		7.300%
	FR0105	39-yr		1,926		450		7.297%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

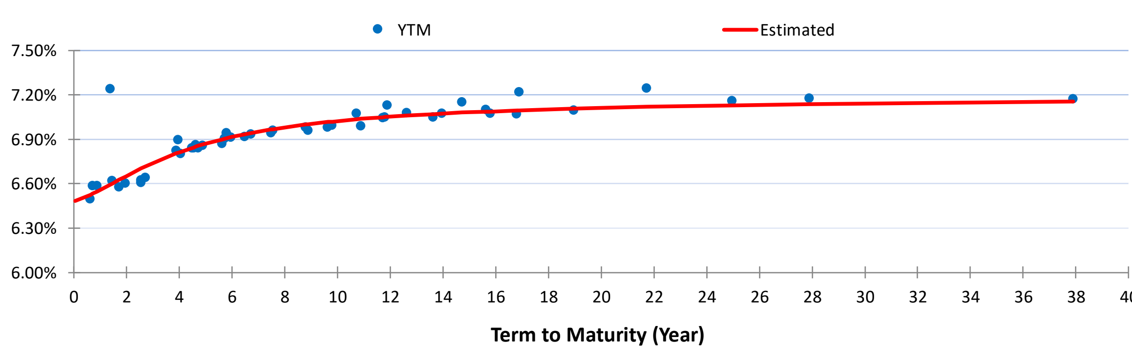
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
26-Aug-26	SPNS12102026	01-mo	**10,000**	1,771	**23,543**	1,000	**10,000**	6.552%
	SPNS01032027	06-mo		2,775		-		-
	SPNS25052027	09-mo		4,323		-		-
	PBS030	02-yr		3,602		1,150		6.639%
	PBS040	04-yr		4,128		3,700		6.813%
	PBS034	13-yr		2,608		1,650		7.099%
	PBS005	17-yr		1,779		1,300		7.109%
	PBS038	23-yr		2,557		1,200		7.162%

Source: DJPPR

Government Bonds Prices
Closing Data: 31-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.04	12.00%	100.27	4.085%	6.484%	100.21	-6	0.040	Fair
FR0056	15-Sep-26	0.04	8.375%	100.08	5.974%	6.484%	100.07	-1	0.040	Fair
FR0090	15-Apr-27	0.62	5.125%	99.18	6.497%	6.525%	99.15	-2	0.591	Fair
FR0059	15-May-27	0.70	7.000%	100.27	6.583%	6.532%	100.30	4	0.668	Fair
FR0042	15-Jul-27	0.87	10.25%	103.03	6.583%	6.547%	103.07	5	0.821	Fair
FR0094	15-Jan-28	1.38	5.600%	97.89	7.239%	6.594%	98.71	81	1.285	Cheap
FR0047	15-Feb-28	1.46	10.00%	104.60	6.621%	6.602%	104.64	4	1.343	Fair
FR0064	15-May-28	1.71	6.125%	99.27	6.577%	6.626%	99.19	-8	1.567	Fair
FR0095	15-Aug-28	1.96	6.375%	99.59	6.603%	6.650%	99.50	-9	1.806	Fair
FR0071	15-Mar-29	2.54	9.000%	105.45	6.625%	6.702%	105.28	-17	2.174	Dear
FR0101	15-Mar-29	2.54	6.875%	100.62	6.607%	6.702%	100.39	-23	2.230	Dear
FR0078	15-May-29	2.71	8.250%	103.90	6.641%	6.716%	103.72	-18	2.353	Dear
FR0104	15-Jul-30	3.87	6.500%	98.91	6.822%	6.804%	98.97	6	3.342	Fair
FR0052	15-Aug-30	3.96	10.50%	112.27	6.897%	6.809%	112.61	34	3.253	Cheap
FR0082	15-Sep-30	4.04	7.000%	100.69	6.802%	6.815%	100.64	-5	3.366	Fair
FR0087	15-Feb-31	4.46	6.500%	98.71	6.839%	6.841%	98.71	-1	3.796	Fair
FR0109	**15-Mar-31**	**4.54**	**5.875%**	**96.29**	**6.839%**	**6.845%**	**96.26**	**-3**	**3.800**	**Fair**
FR0085	15-Apr-31	4.62	7.750%	103.46	6.860%	6.850%	103.50	4	3.749	Fair
FR0073	15-May-31	4.71	8.750%	107.54	6.842%	6.854%	107.50	-4	3.769	Fair
FR0054	15-Jul-31	4.87	9.500%	110.76	6.858%	6.863%	110.75	-1	3.886	Fair
FR0091	15-Apr-32	5.63	6.375%	97.72	6.868%	6.900%	97.58	-15	4.533	Dear
FR0110	15-May-32	5.71	7.250%	101.59	6.904%	6.904%	101.60	0	4.530	Fair
FR0058	15-Jun-32	5.79	8.250%	106.12	6.944%	6.907%	106.30	18	4.524	Cheap
FR0074	15-Aug-32	5.96	7.500%	102.83	6.912%	6.914%	102.82	-1	4.750	Fair
FR0096	15-Feb-33	6.47	7.000%	100.42	6.918%	6.934%	100.34	-8	5.114	Fair
FR0065	15-May-33	6.71	6.625%	98.36	6.933%	6.942%	98.31	-5	5.225	Fair
FR0100	15-Feb-34	7.47	6.625%	98.16	6.944%	6.966%	98.04	-13	5.770	Dear
FR0068	15-Mar-34	7.54	8.375%	108.19	6.960%	6.968%	108.14	-5	5.431	Fair
FR0080	15-Jun-35	8.79	7.500%	103.35	6.980%	7.000%	103.23	-13	6.316	Dear
FR0103	15-Jul-35	8.88	6.750%	98.61	6.961%	7.002%	98.35	-26	6.517	Dear
FR0108	**15-Apr-36**	**9.63**	**6.500%**	**96.66**	**6.981%**	**7.017%**	**96.42**	**-24**	**6.840**	**Dear**
FR0072	15-May-36	9.71	8.250%	108.74	6.992%	7.018%	108.55	-19	6.613	Dear
FR0088	15-Jun-36	9.80	6.250%	94.78	6.994%	7.020%	94.60	-18	7.049	Dear
FR0045	15-May-37	10.71	9.750%	119.83	7.074%	7.035%	120.17	34	6.823	Cheap
FR0093	15-Jul-37	10.88	6.375%	95.37	6.989%	7.037%	95.01	-35	7.596	Dear
FR0075	15-May-38	11.71	7.500%	103.57	7.045%	7.049%	103.54	-3	7.630	Fair
FR0098	15-Jun-38	11.80	7.125%	100.59	7.048%	7.050%	100.58	-1	7.789	Fair
FR0050	15-Jul-38	11.88	10.50%	126.69	7.128%	7.051%	127.41	73	7.271	Cheap
FR0079	15-Apr-39	12.63	8.375%	110.69	7.078%	7.060%	110.86	17	7.767	Cheap
FR0083	15-Apr-40	13.63	7.500%	103.89	7.050%	7.070%	103.71	-18	8.333	Dear
FR0106	**15-Aug-40**	**13.97**	**7.125%**	**100.43**	**7.076%**	**7.073%**	**100.45**	**3**	**8.739**	**Fair**
FR0057	15-May-41	14.72	9.500%	121.12	7.152%	7.079%	121.88	76	8.319	Cheap
FR0062	15-Apr-42	15.63	6.375%	93.22	7.099%	7.086%	93.33	11	9.323	Cheap
FR0092	15-Jun-42	15.80	7.125%	100.48	7.072%	7.088%	100.34	-15	9.272	Dear
FR0097	15-Jun-43	16.80	7.125%	100.52	7.070%	7.094%	100.28	-23	9.584	Dear
FR0067	15-Jul-43	16.88	8.750%	115.06	7.218%	7.095%	116.12	106	9.210	Cheap
FR0107	**15-Aug-45**	**18.97**	**7.125%**	**100.31**	**7.095%**	**7.106%**	**100.19**	**-12**	**10.30**	**Dear**
FR0076	15-May-48	21.72	7.375%	101.42	7.243%	7.118%	102.80	139	10.60	Cheap
FR0089	15-Aug-51	24.97	6.875%	96.69	7.161%	7.129%	97.06	37	11.61	Cheap
FR0102	15-Jul-54	27.89	6.875%	96.37	7.177%	7.136%	96.85	48	11.97	Cheap
FR0105	15-Jul-64	37.90	6.875%	96.16	7.170%	7.153%	96.38	21	12.93	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



SHINHAN SEKURITAS INDONESIA

Research Team		
Helmi Therik, FRM	Head of Research	helmi@shinhan.com
Billy Ibrahim Djaya	Research Analyst	billy.ibrahim@shinhan.com
Muhammad Adra Wijasena	Fixed Income Analyst	adra.wijasena@shinhan.com

Office

PT. Shinhan Sekuritas Indonesia
Member of Indonesia Stock Exchange

Head Office :
Equity Tower Floor. 50
Sudirman Central Business District Lot 9
Jl. Jend. Sudirman Kav. 52-53
Senayan
Jakarta 12920 Indonesia
Telp.: (+62-21) 80869900
Fax : (+62-21) 22057925