Daily Bond Market Update

August 6, 2026

Market Review

Government bond prices closed higher in trading on Wednesday (05/07). Indonesia Composite Bond Index increased by 0.18% to 431.14. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 9.3 bps and 5.1 bps to 7.23% and 7.26%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark declined 1.7 bps and 4.0 bps to 7.32% and 7.30%, respectively.

The latest ADP National Employment Report, indicated that US private-sector employers added only 44,000 jobs in July. The figure was substantially below the market consensus of approximately 75,000 and sharply lower than the revised 95,000 increase recorded in June. The figures reinforced evidence that the US labor market is entering a "slow-hiring, slow-firing" phase, as businesses remain cautious amid elevated operating costs, geopolitical uncertainty, and productivity gains associated with artificial intelligence. The weaker-than-anticipated employment reading initially encouraged buying in the US Treasury market, briefly pushing yields lower because investors interpreted the report as reducing the probability that the Federal Reserve would need to maintain an aggressively restrictive monetary-policy stance. By the end of the session, however, the reaction had become more restrained: the benchmark 10-year Treasury yield was around 4.62%, slightly below the previous level of approximately 4.63%, while the policy-sensitive two-year yield edged higher as investors also considered persistent wage pressures and cautious comments from Federal Reserve officials.

Central Bureau of Statistics (BPS) reported that Indonesia's economic growth in the second quarter of 2026 stood at 5.29% year-on-year (yoy). This figure exceeded the Bloomberg consensus projection, which estimated growth of 5.1% (yoy) for the quarter—a slowdown from the 5.61% recorded in the previous quarter. On a quarter-to-quarter (qtq) basis, the economy expanded by 3.73% in the second quarter of 2026, recovering from a 0.77% contraction in the first quarter. Cumulatively, Indonesia's economy grew by 5.45% in the first half of 2026. By business sector, all sectors recorded positive growth except for mining. Key sectors contributing significantly to Gross Domestic Product (GDP)—namely manufacturing, agriculture, trade, construction, and mining—collectively accounted for 63.73% of Indonesia's total GDP. High growth was observed in the electricity and gas supply sector (10.81%), driven by electricity sales across all consumer segments, particularly households, businesses, and industry. Additionally, the accommodation and food & beverage sector grew by 10.6%, spurred by rising hotel occupancy and catering service performance, alongside the expanding reach of the Free Nutritious Meal (MBG) program. The information and communication sector also grew, driven by the increasing use of telecommunications services across various sectors such as health, education, and trade. Previously, the Bloomberg consensus had forecast 5.1% year-on-year (yoy) growth—a deceleration from the 5.61% seen in the prior quarter. Meanwhile, on a quarter-on-quarter (qoq) basis, the economy was projected to rebound by 3.51% following the 0.77% contraction in the first quarter. Bloomberg Economics offered a more optimistic projection of 5.42% (yoy). However, this figure remains lower than the 5.61% growth recorded in the previous quarter. Essentially, this forecast points to two things. First, the domestic economic foundation remains robust enough to sustain growth above the psychological 5% threshold. Second, the engine of growth appears to be losing momentum, as the scope for acceleration seems increasingly limited.

Corporate News

PEFINDO has lowered the corporate rating of PT Wijaya Karya (Persero) Tbk (WIKA) to idSD from idB (CreditWatch with Negative Implication). These rating actions are related to the information disclosure dated July 31, 2026, in which the Company stated to defer the profit-sharing payment of Sukuk Mudharabah III after failing to obtain Sukuk holders' approval to extend the profit-sharing maturity date, resulting in a payment deferral due on August 3, 2026. The corporate rating reflects WIKA's weak financial and liquidity profile as well as risks from previous expansion. PEFINDO may review the ratings if WIKA is able to resolve the deferred profit-sharing payments of its Sukuk. Established in 1960, WIKA is one of the state-owned enterprises (SOES) in the construction sector. The Company covers investments, realty & property, infrastructure & building, energy & industrial plant, and industry segments.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.61	35	7.23%	94.77
FR0108	9.70	34	7.26%	94.78
FR0106	14.0	15	7.32%	98.33
FR0107	19.0	40	7.30%	98.26

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.79	6.82	-3.10
Turkey	32.1	32.2	-8.50
Singapore	2.27	2.34	-6.60
Thailand	2.04	2.06	-1.40
Malaysia	3.72	3.73	-0.70
Korea	4.34	4.34	0.00
China	1.71	1.70	0.20
Japan	2.81	2.84	-3.20
US	4.62	4.62	0.00

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,102.9	16.0%
Bank Indonesia	1,956.6	28.3%
Mutual Fund	246.5	3.57%
Insurance & Pension Fund	1,430.6	20.7%
Foreigners	**892.4**	**12.9%**
Individual	545.5	7.89%
Others	736.7	10.7%
Total	**6,911.2**	**100.0%**

Source: DJPPR (as of July 31, 2026)

Currency Movement

FX Rate	5-Aug	(-1 day)	Chg. (%)
USD/IDR	17930	18023	-0.52%
EUR/USD	1.155	1.153	0.19%
GBP/USD	1.347	1.345	0.12%
USD/JPY	157.8	157.8	0.00%
USD/SGD	1.281	1.282	-0.09%
USD/MYR	4.094	4.098	-0.09%

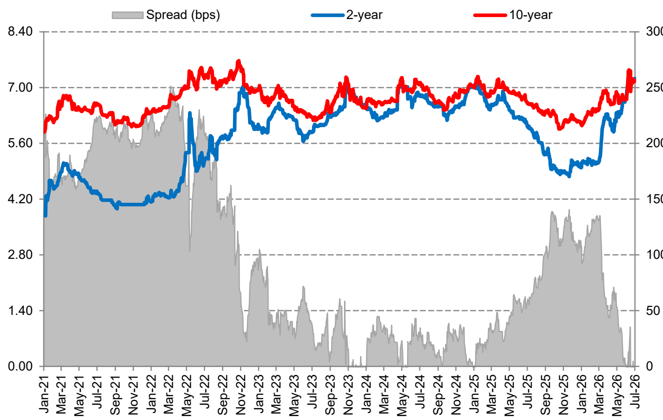
Source: Bloomberg

Money Market

	5-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	4.05	4.08	4.09	4.04
Lending	14.9	14.7	14.6	14.9

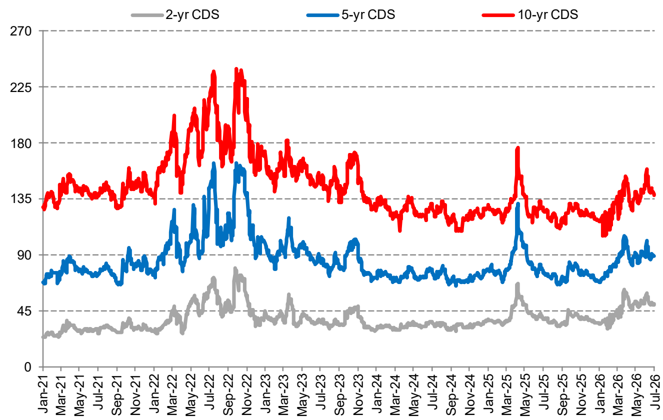
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
July 27, 2026	Durable Goods Orders
July 28, 2026	Advance Economic Indicator Report
July 29, 2026	US Interest Rate Decision
July 30, 2026	Initial Jobless Claims; PCE Price Index
July 31, 2026	Advance Estimate GDP
August 3, 2026	US Manufacturing PMI
August 4, 2026	Job Openings & Labor Turnover Survey
August 5, 2026	ADP National Employment Report
August 6, 2026	Initial Jobless Claims
August 7, 2026	Employment Report; Consumer Credit

Indonesia Economic Calendar

Date	Report
July 27, 2026	---
July 28, 2026	Sukuk Auction
July 29, 2026	---
July 30, 2026	---
July 31, 2026	---
August 3, 2026	Inflation Rate; Trade Balance
August 4, 2026	Conventional Auction; S&P Global Manufacturing PMI
August 5, 2026	GDP Growth Rate
August 6, 2026	---
August 7, 2026	Foreign Exchange Reserves

Auction Result: Conventional IGB (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
4-Aug-26	SPN01260905	01-mo	32,000	2,205	70,719	1,000	32,000	6.890%
	SPN12261105	03-mo		2,676		1,000		7.040%
	SPN12270805	12-mo		5,320		5,000		7.150%
	FR0109	05-yr		34,494		15,800		7.296%
	FR0108	10-yr		10,151		3,800		7.320%
	FR0106	14-yr		8,017		1,200		7.350%
	FR0107	19-yr		4,223		3,050		7.350%
	FR0102	29-yr		1,725		400		7.370%
	FR0105	39-yr		1,908		750		7.389%

Source: DJPPR

Auction Result: Sukuk (in Billion IDR)

Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
28-Jul-26	SPNS08092026	01-mo	10,000	1,310	24,881	1,200	10,000	6.800%
	SPNS03022027	06-mo		3,185		2,000		7.000%
	SPNS12042027	09-mo		6,407		4,000		7.122%
	PBS030	02-yr		4,747		1,700		7.199%
	PBS040	04-yr		4,193		600		7.300%
	PBS034	13-yr		3,483		200		7.308%
	PBS005	17-yr		676		100		7.336%
	PBS038	23-yr		880		200		7.316%

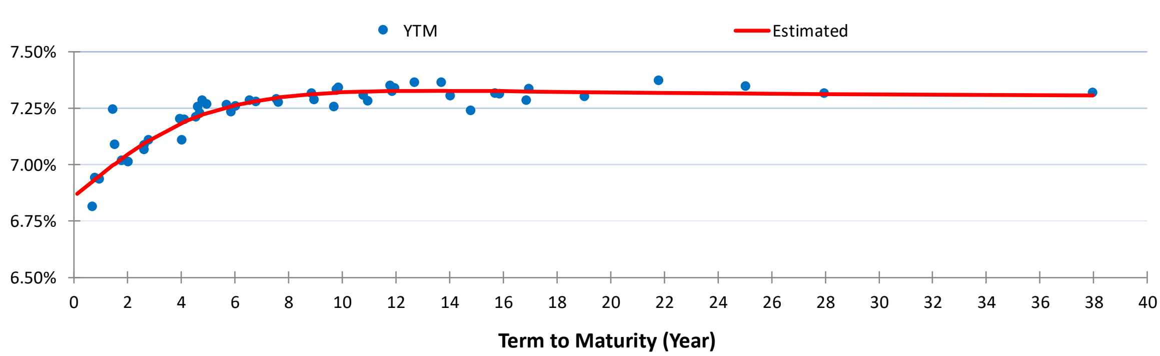
Source: DJPPR

Government Bonds Prices

Closing Data: 5-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.11	12.00%	100.56	6.374%	6.871%	100.53	-3	0.108	Fair
FR0056	15-Sep-26	0.11	8.375%	100.18	6.420%	6.871%	100.14	-4	0.108	Fair
FR0090	15-Apr-27	0.69	5.125%	98.87	6.813%	6.925%	98.79	-8	0.659	Fair
FR0059	15-May-27	0.78	7.000%	100.03	6.940%	6.933%	100.03	0	0.735	Fair
FR0042	15-Jul-27	0.94	10.25%	102.95	6.935%	6.949%	102.95	0	0.888	Fair
FR0094	15-Jan-28	1.45	5.600%	97.79	7.245%	6.996%	98.11	32	1.353	Cheap
FR0047	15-Feb-28	1.53	10.00%	104.13	7.089%	7.004%	104.27	14	1.346	Cheap
FR0064	15-May-28	1.78	6.125%	98.53	7.017%	7.026%	98.51	-2	1.632	Fair
FR0095	15-Aug-28	2.03	6.375%	98.82	7.012%	7.047%	98.75	-7	1.813	Fair
FR0071	15-Mar-29	2.61	9.000%	104.52	7.066%	7.094%	104.46	-6	2.236	Fair
FR0101	15-Mar-29	2.61	6.875%	99.48	7.086%	7.094%	99.48	0	2.291	Fair
FR0078	15-May-29	2.78	8.250%	102.81	7.108%	7.106%	102.82	1	2.414	Fair
FR0104	15-Jul-30	3.95	6.500%	97.63	7.201%	7.180%	97.70	7	3.400	Fair
FR0052	15-Aug-30	4.03	10.50%	111.69	7.107%	7.184%	111.42	-27	3.168	Dear
FR0082	15-Sep-30	4.12	7.000%	99.29	7.200%	7.189%	99.33	4	3.423	Fair
FR0087	15-Feb-31	4.53	6.500%	97.30	7.210%	7.209%	97.30	0	3.730	Fair
FR0109	**15-Mar-31**	**4.61**	**5.875%**	**94.67**	**7.255%**	**7.213%**	**94.82**	**16**	**3.855**	**Cheap**
FR0085	15-Apr-31	4.70	7.750%	102.03	7.227%	7.216%	102.08	4	3.805	Fair
FR0073	15-May-31	4.78	8.750%	105.80	7.285%	7.220%	106.07	28	3.821	Cheap
FR0054	15-Jul-31	4.95	9.500%	109.12	7.266%	7.227%	109.30	18	3.939	Cheap
FR0091	15-Apr-32	5.70	6.375%	95.91	7.263%	7.253%	95.95	4	4.582	Fair
FR0058	15-Jun-32	5.87	8.250%	104.77	7.233%	7.259%	104.65	-12	4.577	Dear
FR0074	15-Aug-32	6.03	7.500%	101.16	7.259%	7.263%	101.14	-2	4.630	Fair
FR0096	15-Feb-33	6.54	7.000%	98.54	7.285%	7.276%	98.58	4	4.985	Fair
FR0065	15-May-33	6.78	6.625%	96.54	7.279%	7.282%	96.52	-2	5.270	Fair
FR0100	15-Feb-34	7.54	6.625%	96.21	7.289%	7.296%	96.16	-4	5.619	Fair
FR0068	15-Mar-34	7.61	8.375%	106.32	7.276%	7.297%	106.20	-12	5.471	Dear
FR0080	15-Jun-35	8.87	7.500%	101.18	7.315%	7.312%	101.20	2	6.347	Fair
FR0103	15-Jul-35	8.95	6.750%	96.52	7.286%	7.312%	96.35	-17	6.549	Dear
FR0108	**15-Apr-36**	**9.70**	**6.500%**	**94.79**	**7.257%**	**7.318%**	**94.38**	**-41**	**6.871**	**Dear**
FR0072	15-May-36	9.78	8.250%	106.30	7.333%	7.318%	106.41	11	6.634	Cheap
FR0088	15-Jun-36	9.87	6.250%	92.43	7.341%	7.319%	92.57	14	7.071	Cheap
FR0045	15-May-37	10.78	9.750%	117.99	7.306%	7.323%	117.85	-13	6.853	Dear
FR0093	15-Jul-37	10.95	6.375%	93.25	7.280%	7.323%	92.94	-31	7.616	Dear
FR0075	15-May-38	11.78	7.500%	101.16	7.349%	7.325%	101.35	19	7.638	Cheap
FR0098	15-Jun-38	11.87	7.125%	98.42	7.325%	7.325%	98.42	0	7.803	Fair
FR0050	15-Jul-38	11.95	10.50%	124.86	7.337%	7.325%	124.97	12	7.298	Cheap
FR0079	15-Apr-39	12.70	8.375%	108.23	7.363%	7.326%	108.56	32	7.770	Cheap
FR0083	15-Apr-40	13.70	7.500%	101.17	7.362%	7.326%	101.47	31	8.319	Cheap
FR0106	**15-Aug-40**	**14.04**	**7.125%**	**98.44**	**7.305%**	**7.326%**	**98.25**	**-18**	**8.442**	**Dear**
FR0057	15-May-41	14.79	9.500%	120.30	7.238%	7.326%	119.41	-89	8.362	Dear
FR0062	15-Apr-42	15.70	6.375%	91.29	7.316%	7.325%	91.21	-7	9.316	Fair
FR0092	15-Jun-42	15.87	7.125%	98.25	7.311%	7.325%	98.13	-12	9.258	Dear
FR0097	15-Jun-43	16.87	7.125%	98.45	7.284%	7.323%	98.08	-37	9.570	Dear
FR0067	15-Jul-43	16.95	8.750%	113.83	7.334%	7.323%	113.71	-12	9.234	Dear
FR0107	**15-Aug-45**	**19.04**	**7.125%**	**98.20**	**7.301%**	**7.321%**	**98.00**	**-20**	**9.91**	**Dear**
FR0076	15-May-48	21.79	7.375%	100.01	7.372%	7.317%	100.61	59	10.59	Cheap
FR0089	15-Aug-51	25.04	6.875%	94.64	7.346%	7.314%	94.99	35	11.14	Cheap
FR0102	15-Jul-54	27.96	6.875%	94.78	7.315%	7.312%	94.82	4	11.92	Fair
FR0105	15-Jul-64	37.97	6.875%	94.34	7.318%	7.306%	94.48	14	12.82	Cheap

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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