Daily Bond Market Update

August 11, 2026

Market Review

Government bond prices closed higher in trading on Monday (10/07). Indonesia Composite Bond Index increased by 0.33% to 433.06. Yield of 5-year (FR0109) and 10-year (FR0108) IGB benchmark dropped 13.1 bps and 9.7 bps to 7.13% and 7.17%. Meanwhile, yield of 15-year (FR0106) and 20-year (FR0107) IGB benchmark declined 4.5 bps and 5.6 bps to 7.23% and 7.22%, respectively.

US Treasury yields soared on Monday, as investors prepared for important inflation reports scheduled for release this week. The 10-year Treasury yield increased 3.6 basis points to 4.694% in late morning trading, while the 2-year Treasury yield, which reflects market expectations for Federal Reserve interest rate decisions, climbed 3.3 basis points to 4.237%. The decline reversed some of Friday's gains, which occurred after US nonfarm payrolls data came in weaker than expected. Oil prices advanced on Monday, with US crude futures hitting $80 per barrel, as uncertainty among investors grew that the US and Iran would reach a deal to reopen the Strait of Hormuz. This comes after President Donald Trump told Axios over the weekend that the US is only semi-negotiating with Iran. West Texas Intermediate futures gained about 5.1% to close at $82.13 per barrel, and oil stockpiles in the country's Strategic Petroleum Reserve have fallen below 300 million barrels—the lowest since January 1983. Brent crude, the global benchmark, was higher by 5% at $87.72. Moreover, the consumer price index is expected to rise 0.1% in July from a 0.4% decline in June. The year-over-year figure is forecast at 3.4%, down from 3.5% the previous month. Core CPI is expected to rise 0.1%, while the year-over-year number is projected at 2.5%. The headline producer price index is forecast to increase 0.2% in July after declining 0.3% previously. The year-over-year PPI is expected to rise 4.9% after advancing 5.5% in June.

Bank Indonesia (BI) reported that consumer confidence regarding economic conditions remains stable. This is reflected in the Consumer Confidence Index (CCI) for July 2026, which stood at an optimistic level of 116.8, albeit lower than the previous month's figure of 117.8. According to Bank Indonesia's July 2026 Consumer Survey, this consumer optimism is underpinned by consistently strong perceptions of current economic conditions and expectations regarding future economic conditions—specifically, the Current Economic Condition Index (CECI) and the Consumer Expectation Index (CEI). In greater detail, consumer perception of current economic conditions remains strong, as reflected by the July 2026 CECI of 107.9—remaining in optimistic territory—despite being lower than the previous month's 109.2. The continued optimism in the CECI is supported by the Current Income Index (CII), the Job Availability Index (JAI), and the Durable Goods Purchase Index (DGPI), which recorded levels of 118.5, 101.1, and 104.1, respectively; these figures were lower than the previous month's readings of 119.8, 101.8, and 105.9. Meanwhile, consumer expectations regarding economic conditions over the next six months are projected to remain strong. This is reflected in the July 2026 CEI of 125.7, although this is lower than the previous month's index of 126.4. The sustained strength of the CEI stems from optimism regarding income expectations, job availability expectations, and business activity expectations, which recorded levels of 133.6, 123.1, and 120.4, respectively. In July 2026, the average propensity to consume stood at 72.7%, remaining relatively stable compared to the 73.0% recorded in the previous month. Meanwhile, the debt installment-to-income ratio was 10.5%, slightly higher than the 10.0% observed the month before. Furthermore, the saving-to-income ratio was 16.8%, remaining relatively stable compared to the 17.0% recorded in the previous month.

Corporate News

PT Lontar Papyrus Pulp & Paper Industry (LPPI) rated idA with stable outlook. The corporate rating reflects LPPI's strong business position in the pulp and tissue industry, vertically well-integrated operations, as well as strong operating management. The rating is constrained by moderate financial profile as well as exposure to price volatility of products and raw materials. The rating may be raised following LPPI's deleveraging leading to strengthening its capital structure and cash flow protection figures on a sustained basis. This may be reflected in its ability to maintain its debt-to-EBITDA ratio at below 3.0x and a debt-to-equity ratio at below 0.8x on a sustained basis, and funds from operation (FFO) to debt and interest coverage ratios above 20% and 3.0x, respectively.

IGB Benchmark Bonds

Series	TTM (Year)	Price (bps)	Yield	Price
FR0109	4.60	50	7.13%	95.15
FR0108	9.69	65	7.17%	95.38
FR0106	14.0	39	7.23%	99.12
FR0107	19.0	57	7.22%	99.07

Source: PHEI

10-year Government Bond Yield

Country	Yield (%)	(-1 day)	Chg. (bps)
India	6.77	6.78	-1.50
Turkey	32.2	32.2	3.00
Singapore	2.29	2.29	0.00
Thailand	2.02	2.04	-1.80
Malaysia	3.72	3.73	-0.50
Korea	4.21	4.21	0.00
China	1.70	1.70	-0.30
Japan	2.81	2.79	2.20
US	4.71	4.65	6.20

Source: Bloomberg

Government Bond Ownership

Institution	In Trillion IDR	In Percentage (%)
Bank	1,079.6	15.5%
Bank Indonesia	1,995.2	28.6%
Mutual Fund	250.5	3.59%
Insurance & Pension Fund	1,433.6	20.5%
Foreigners	**896.0**	**12.8%**
Individual	587.3	8.41%
Others	740.9	10.6%
Total	**6,983.2**	**100.0%**

Source: DJPPR (as of August 07, 2026)

Currency Movement

FX Rate	10-Aug	(-1 day)	Chg. (%)
USD/IDR	17762	17890	-0.72%
EUR/USD	1.154	1.156	-0.14%
GBP/USD	1.351	1.349	0.12%
USD/JPY	159.3	157.8	0.97%
USD/SGD	1.280	1.278	0.16%
USD/MYR	4.091	4.091	0.00%

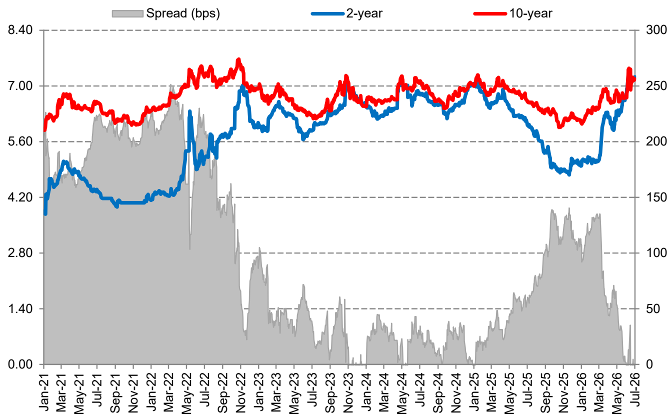
Source: Bloomberg

Money Market

	10-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	4.08	4.10	4.13	4.03
Lending	14.8	14.7	14.4	14.7

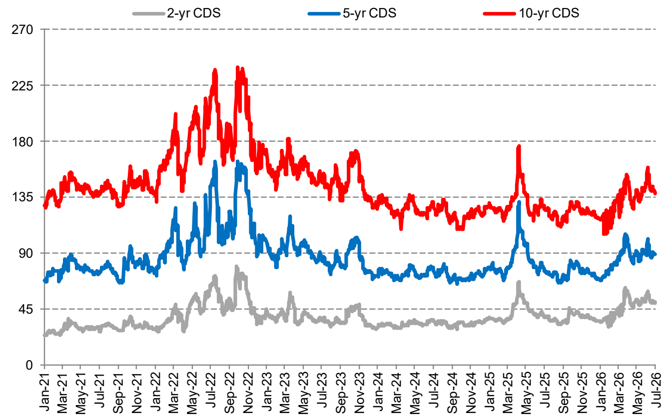
Source: Bloomberg

Yield Spread Between 2- and 10-year Bond



Source: Bloomberg

Credit Default Swap



Source: Bloomberg

US Economic Calendar

Date	Report
August 10, 2026	**---**
August 11, 2026	**NFIB Index of Small Business Optimism**
August 12, 2026	**Consumer Price Index**
August 13, 2026	**Initial Jobless Claims; Producer Price Index**
August 14, 2026	**Retail Sales**
August 17, 2026	**NY Empire State Manufacturing Index**
August 18, 2026	**Industrial Production**
August 19, 2026	**---**
August 20, 2026	**Initial Jobless Claims; FOMC Minutes**
August 21, 2026	**S&P Global Manufacturing PMI Flash**

Indonesia Economic Calendar

Date	Report
August 10, 2026	**Consumer Confidence**
August 11, 2026	**Sukuk Auction; Retail Sales**
August 12, 2026	**---**
August 13, 2026	**---**
August 14, 2026	**---**
August 17, 2026	**---**
August 18, 2026	**Conventional Auction; External Debt**
August 19, 2026	**Interest Rate Decision**
August 20, 2026	**---**
August 21, 2026	**Balance of Payment; M2 Money Supply**

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%
	FR0110	06-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)

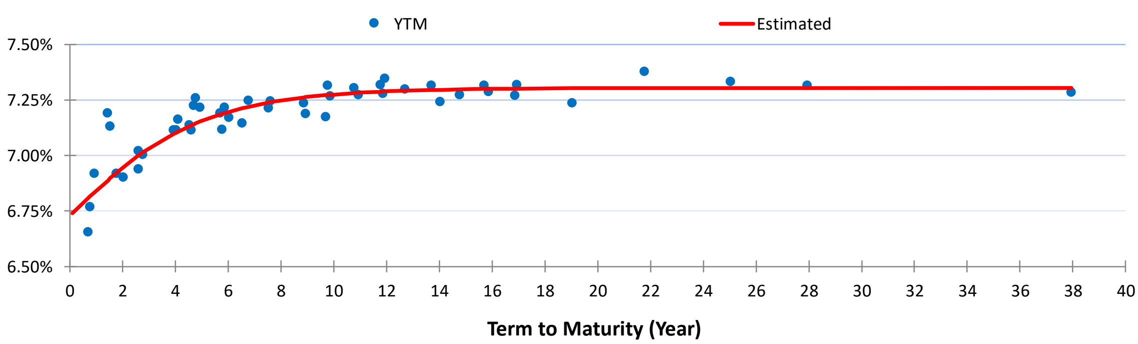
Date	Series	TTM	Target Issuance	Incoming Bids	Total Incoming Bids	Nominal Awarded	Total Awarded	Awarded Yield
28-Jul-26	SPNS08092026	01-mo	**10,000**	1,310	**24,881**	1,200	**10,000**	6.800%
	SPNS03022027	06-mo		3,185		2,000		7.000%
	SPNS12042027	09-mo		6,407		4,000		7.122%
	PBS030	02-yr		4,747		1,700		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: 10-Aug-2026

Series	Maturity	TTM	Coupon	Price	YTM	Estimated Yield	Fair Price	Spread (bps)	Modified Duration	Recommendation
FR0037	15-Sep-26	0.10	12.00%	100.49	6.408%	6.741%	100.48	-1	0.095	Fair
FR0056	15-Sep-26	0.10	8.375%	100.19	6.125%	6.741%	100.14	-5	0.095	Fair
FR0090	15-Apr-27	0.68	5.125%	99.00	6.654%	6.806%	98.89	-11	0.646	Dear
FR0059	15-May-27	0.76	7.000%	100.15	6.769%	6.815%	100.12	-3	0.722	Fair
FR0042	15-Jul-27	0.93	10.25%	102.92	6.919%	6.833%	103.02	10	0.875	Fair
FR0094	15-Jan-28	1.43	5.600%	97.88	7.191%	6.888%	98.27	39	1.340	Cheap
FR0047	15-Feb-28	1.52	10.00%	104.04	7.130%	6.896%	104.39	35	1.332	Cheap
FR0064	15-May-28	1.76	6.125%	98.70	6.918%	6.921%	98.69	-1	1.619	Fair
FR0095	15-Aug-28	2.02	6.375%	99.03	6.902%	6.946%	98.94	-8	1.801	Fair
FR0071	15-Mar-29	2.60	9.000%	104.61	7.019%	6.999%	104.67	6	2.224	Fair
FR0101	15-Mar-29	2.60	6.875%	99.84	6.937%	6.999%	99.70	-14	2.280	Dear
FR0078	15-May-29	2.76	8.250%	103.06	7.004%	7.013%	103.04	-2	2.403	Fair
FR0104	15-Jul-30	3.93	6.500%	97.92	7.113%	7.097%	97.98	5	3.390	Fair
FR0052	15-Aug-30	4.02	10.50%	111.63	7.114%	7.102%	111.69	6	3.155	Fair
FR0082	15-Sep-30	4.10	7.000%	99.43	7.162%	7.107%	99.61	19	3.411	Cheap
FR0087	15-Feb-31	4.52	6.500%	97.58	7.138%	7.131%	97.60	2	3.719	Fair
FR0109	**15-Mar-31**	**4.60**	**5.875%**	**95.21**	**7.114%**	**7.135%**	**95.13**	**-9**	**3.846**	**Fair**
FR0085	15-Apr-31	4.68	7.750%	102.04	7.224%	7.139%	102.38	34	3.792	Cheap
FR0073	15-May-31	4.76	8.750%	105.89	7.258%	7.144%	106.37	48	3.809	Cheap
FR0054	15-Jul-31	4.93	9.500%	109.31	7.216%	7.152%	109.60	29	3.928	Cheap
FR0091	15-Apr-32	5.68	6.375%	96.24	7.190%	7.184%	96.27	3	4.572	Fair
FR0110	15-May-32	5.77	7.250%	100.60	7.117%	7.187%	100.28	-33	4.575	Dear
FR0058	15-Jun-32	5.85	8.250%	104.85	7.215%	7.190%	104.97	12	4.565	Cheap
FR0074	15-Aug-32	6.02	7.500%	101.58	7.171%	7.196%	101.46	-12	4.622	Dear
FR0096	15-Feb-33	6.52	7.000%	99.26	7.144%	7.212%	98.91	-35	4.981	Dear
FR0065	15-May-33	6.77	6.625%	96.71	7.246%	7.219%	96.85	13	5.260	Cheap
FR0100	15-Feb-34	7.52	6.625%	96.64	7.213%	7.238%	96.49	-14	5.612	Dear
FR0068	15-Mar-34	7.60	8.375%	106.50	7.245%	7.240%	106.54	4	5.461	Fair
FR0080	15-Jun-35	8.85	7.500%	101.69	7.237%	7.261%	101.52	-16	6.342	Dear
FR0103	15-Jul-35	8.93	6.750%	97.14	7.188%	7.262%	96.67	-47	6.547	Dear
FR0108	**15-Apr-36**	**9.69**	**6.500%**	**95.35**	**7.174%**	**7.272%**	**94.69**	**-65**	**6.869**	**Dear**
FR0072	15-May-36	9.77	8.250%	106.43	7.314%	7.272%	106.73	30	6.624	Cheap
FR0088	15-Jun-36	9.85	6.250%	92.93	7.266%	7.273%	92.88	-5	7.068	Fair
FR0045	15-May-37	10.77	9.750%	118.00	7.303%	7.281%	118.18	19	6.840	Cheap
FR0093	15-Jul-37	10.94	6.375%	93.31	7.273%	7.282%	93.23	-7	7.604	Fair
FR0075	15-May-38	11.77	7.500%	101.40	7.318%	7.288%	101.64	24	7.631	Cheap
FR0098	15-Jun-38	11.85	7.125%	98.78	7.279%	7.288%	98.71	-7	7.798	Fair
FR0050	15-Jul-38	11.94	10.50%	124.76	7.346%	7.288%	125.29	54	7.283	Cheap
FR0079	15-Apr-39	12.69	8.375%	108.79	7.298%	7.292%	108.85	5	7.772	Fair
FR0083	15-Apr-40	13.69	7.500%	101.56	7.316%	7.295%	101.74	18	8.318	Cheap
FR0106	**15-Aug-40**	**14.02**	**7.125%**	**98.98**	**7.242%**	**7.296%**	**98.51**	**-46**	**8.447**	**Dear**
FR0057	15-May-41	14.77	9.500%	119.93	7.273%	7.298%	119.68	-25	8.338	Dear
FR0062	15-Apr-42	15.69	6.375%	91.30	7.316%	7.299%	91.44	14	9.303	Cheap
FR0092	15-Jun-42	15.86	7.125%	98.47	7.288%	7.299%	98.36	-11	9.253	Dear
FR0097	15-Jun-43	16.86	7.125%	98.59	7.270%	7.300%	98.30	-29	9.562	Dear
FR0067	15-Jul-43	16.94	8.750%	114.00	7.318%	7.301%	113.95	-6	9.227	Fair
FR0107	**15-Aug-45**	**19.03**	**7.125%**	**98.87**	**7.236%**	**7.302%**	**98.19**	**-67**	**9.93**	**Dear**
FR0076	15-May-48	21.78	7.375%	99.95	7.378%	7.303%	100.76	81	10.57	Cheap
FR0089	15-Aug-51	25.03	6.875%	94.81	7.331%	7.304%	95.10	29	11.13	Cheap
FR0102	15-Jul-54	27.95	6.875%	94.79	7.315%	7.304%	94.91	12	11.90	Cheap
FR0105	15-Jul-64	37.96	6.875%	94.75	7.284%	7.305%	94.49	-25	12.85	Dear

Source: Bloomberg, Shinhan Sekuritas Indonesia & NSS Model Calculation



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